

## Savosolar Plc's half-year report for January–June 2022

### Key figures and significant events in January–June 2022

- Savosolar's revenue in January–June amounted to EUR 2.1 million (January–June 2021: EUR 1.6 million).
- Operating result (EBIT) amounted to EUR -2.4 (-2.2) million.
- Net result for the period stood at EUR -2.5 (-2.3) million.
- Earnings per share, undiluted, were EUR -0.014 (-0.033).
- Order backlog as at 30 June 2022 was EUR 1.5 (1.1) million.
- Contract with Newheat SAS on the delivery of an EUR 3.0 million solar thermal field to Verdun, France.
- Contract with Jorgensen Thermal Solutions ApS on the delivery of an EUR 0.2 million solar thermal field to Sonora, Mexico.

### Key figures in April–June

- Savosolar's revenue in April–June stood at EUR 0.7 million (April–June 2021: EUR 0.9 million).
- Operating result (EBIT) amounted to EUR -1.2 (-1.1) million.

### Savosolar's CEO Jari Varjotie:

“Our revenue for the first half of 2022 increased as the market recovered from the previous year's downturn. Our revenue for January–June was EUR 2.1 million, which is about 31 percent higher than in the corresponding period of the previous year. EUR 1.4 million of the turnover was accumulated in the first quarter and EUR 0.7 million in the second quarter.

The net result of the first half of the year was weakened by the increase in material costs in particular, which we were unable to transfer to the previously agreed-upon fixed customer prices. In new tenders, we have taken the changes in material costs into account more strongly than before. Our operating result for January–June was EUR -2.4 million, compared to EUR -2.2 million a year ago.

Russia's invasion of Ukraine has caused global turbulence in the energy sector. Europe's dependence on the energy imported from Russia demands quick solutions from energy industry operators for the coming winter. At the same time, it has awakened both cities and companies as well as EU decision-makers to think about sustainable and flexible energy solutions further into the future. Interest towards solar heat has grown when energy availability and self-sufficiency issues have risen alongside the climate targets. As a result of the recent market development, the relative price competitiveness of solar heat has continued to improve, despite the fact that the material costs of solar heating systems have also increased.



Solar heat is typically used locally, which reduces expensive power transmission line and battery investments. In addition, the large-scale use of solar heat accelerates the transition to clean energy production when emission-free electricity of limited availability can be utilised elsewhere than in heat production.

The increased uncertainty about the availability and costs of energy and materials complicates the timing of the customers' investment decisions. Energy investments are currently more expensive than before, but the pressure towards renewable energy investments is constantly increasing.

During the reporting period, we signed a contract with Newheat SAS on the delivery of a solar thermal field worth around EUR 3 million to Verdun, France. This is already our fourth system delivery to Newheat who, as the owner and operator of the solar thermal system, sells heat with long-term contracts to its customers, in this case to Lactalis Group's whey powder factory. We are pleased with Newheat's choice to continue cooperation with us.

Towards the end of the reporting period, we had the pleasure of announcing a long-prepared pilot project for the mining industry in Latin America. The delivery worth around 0.2 million euros is significantly more important than its monetary value, as it is Savosolar's first customer in the mining industry and the first customer in Latin America, where even the world's leading mining companies are currently actively looking for low-emission energy sources.

We have continued to develop our products and offerings by, among other things, strengthening our ability to integrate clean sources of heat and our competence to support the customers' project development.

The future of solar heat looks bright. Our customers who have switched to the utilisation of solar heat have been very satisfied with their investment decisions, especially in the current situation. Even though the exceptionally high cost level may hold back all energy investment decisions in the short term, I see that the rise in energy prices and the availability risks will keep interest towards solar heat high and speed up decisions to switch to low-cost and truly clean renewable solar heat."

## **SAVOSOLAR AS A COMPANY**

Savosolar Plc is a Finnish public limited liability company listed in Nasdaq First North Growth Market Sweden and Nasdaq First North Growth Market Finland that designs and supplies large solar thermal systems for district heat producers and industry. The systems are based on Savosolar's highly efficient solar heat collectors, at the heart of which are Savosolar's proprietary optically coated direct flow absorbers. With this leading and patented technology, Savosolar helps its customers to produce renewable and competitive clean energy on a global scale. According to the information available to the company's executive management, Savosolar's collectors are the most efficient large solar heat collectors in the world.

Savosolar helps organisations and companies to reduce their carbon emissions with clean thermal energy.

Savosolar's registered office and production plant are located in Mikkeli, Finland, in addition to which the company also has an office in Vantaa, Finland, and subsidiaries in Denmark and Germany, as well as offices in France and China. In its sales activities, Savosolar also utilises partners who are familiar with the local markets. The company has such partners in Europe, China, Latin America and Australia.

## **ACCOUNTING PRINCIPLES FOR THE HALF-YEAR REPORT**

This half-year report is unaudited. The release has been prepared in accordance with the Finnish Accounting Standards (FAS) using the same principles as in the 2021 financial statements. The comparison figures refer to the corresponding period in 2021, unless otherwise indicated.

## **DEVELOPMENT OF BUSINESS IN JANUARY–JUNE 2022**

### **Revenue**

Savosolar's revenue for January–June grew by 31 per cent and amounted to EUR 2.1 (1.6) million, returning to the level preceding the previous year's market downfall. Revenue for April–June was EUR 0.7 (0.9) million.

It is typical of project-based operations that the revenue of individual quarters and half-years may vary depending on the degree of completion of the project deliveries.

### **Significant orders and new contracts for the reporting period**

In March, Savosolar signed a contract with Newheat SAS on the delivery of a solar thermal field worth around EUR 3 million to Verdun, France. Once completed, the system will produce heat for Lactalis Group's whey powder factory, being the largest solar heating system in France for industrial process heat. The system is due to be commissioned at the end of this year, and the field will be handed over to the customer in the spring of 2023.

In June, Savosolar signed an agreement with Jorgensen Thermal Solutions ApS on the delivery of a solar thermal field in Sonora, Mexico. Jorgensen will act as the main contractor in the project that, when completed, will supply process heat for a mining facility of Mexicana De Cobre S.A. The solar field delivered by Savosolar is about 900 square metres in size, and its value for Savosolar is about EUR 0.2 million. Works for delivery will begin in 2022, and the commissioning of the plant will take place in 2023.

The solar thermal heating system we delivered last year to Guangzhou Power Supply Bureau, Guangdong Power Grid Co. in China was commissioned in June.

Savosolar's order backlog at the end of the period year stood at around EUR 1.5 (1.1) million. At the end of the reporting period, the value of the identified active sales targets for the upcoming few years amounted to about EUR 130 (145) million, of which projects in the planning and tendering stage accounted for EUR 34.6 million. (31.12.2021: about EUR 15 million). The value of projects in the planning and tendering stage increased especially by tenders submitted for the mining industry process heating.

### **Costs and earnings**

Savosolar's costs related to materials and services during January–June 2022 totalled EUR 2.1 (1.4) million. Material costs were increased by the rising price of materials and components.

Personnel costs amounted to EUR 1.3 (1.2) million. Other operating expenses remained unchanged, totalling EUR 1.0 (1.0) million.

The operating result (EBIT) for January–June 2021 declined and amounted to EUR -2.4 (-2.2) million. The operating result for April–June was EUR -1.2 (-1.1) million. The operating result for the second quarter was also weakened by material costs in particular.

Net financial income and expenses for January–June amounted to EUR -0.1 (-0.1) million.

Net result for the period stood at EUR -2.5 (-2.3) million. Undiluted earnings per share were EUR -0.014 (-0.033) and diluted EUR -0.009 (-0.025).

#### COMPARISON BY REPORTING PERIOD

(EUR 1,000)	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Change, Jan-Jun, %	Jan-Dec 2021
Revenue	685	885	2,132	1,627	31.0	2,497
Operating profit/loss (EBIT)	-1,247	-1,111	-2,423	-2,201	-10.1	-4,554
Profit/loss for the period	-1,352	-1,103	- 2,549	-2,333	-9.3	-5,772
Earnings per share, €						
undiluted	-0.007	-0.014	-0.014	-0.033	57.6	-0.066
diluted	-0.005	-0.012	-0.009	-0.025	64.0	-0.021

#### Financing

Total assets of the company as at 30 June 2022 totalled EUR 8.5 (5.3) million. Inventories stood at EUR 3.1 (1.5) million. Inventories were increased due to the company's decision to maintain delivery capacity in a challenging material price and availability situation. Inventories are expected to decrease in the second half of the year. Cash and cash equivalents at the end of the reporting period totalled EUR 2.5 (1.0) million. The share subscriptions carried out with warrants 1-2021 in March 2022 yielded about EUR 1.0 million after the transaction costs. Current receivables totalled EUR 1.5 (1.1) million.

Equity as at 30 June 2022 stood at EUR 5.0 (3.7) million. The company's equity ratio at the end of the reporting period was 59.1 (71.1).

Liabilities amounted to EUR 3.3 (1.3) million, of which EUR 0.2 (0.2) were non-current and EUR 3.1 (1.1) million current liabilities. Of the non-current liabilities, loans from credit institutions accounted for EUR 0.2 (0.2) million. Of the current liabilities, trade payables accounted for EUR 1.1 (0.5) million and accruals and deferred income EUR 1.8 (0.5) million. Accruals and deferred income as at 30 June 2022 included undelivered collectors worth about EUR 1.3 (0.1) that had already been recognised as income.

Cash flow from operations during the first half of the year was EUR -2.4 (-2.5) million, and cash flow from investments EUR -0.1 (0.0) million. The company has carried out the procurement of materials and components proactively to ensure their availability for ongoing and future projects. The effect of these procurements on the cash flow from operations during the reporting period was EUR -1.6 (0.0) million.

Cash flow from financing during the first half of the year was EUR 1.0 (1.1) million. Of the cash flow, the subscription of new shares based on warrants accounted for EUR 1.0 (1.4) million before transaction costs.

Savosolar's cash and cash equivalents as at 30 June 2022 totalled EUR 2.5 (1.0) million.

### **Investments and product development**

Investments during the reporting period totalled EUR 0.1 (0.0) million. The company has no need for significant investments during the next few years because the plant's production capacity has been increased to a level that allows a revenue of EUR 25–30 million.

### **Personnel and management**

At the end of the reporting period, Savosolar had 37 (36) employees. The average number of personnel was 37 (36).

Savosolar's management team as at 30 June 2022 consisted of the following individuals: Jari Varjotie, CEO; Torben Frederiksen, CTO; Raul Ikonen, Country Manager, China; Martti Jalava, Director, Supply Chain Development, Production and Quality; Pekka Karjalainen, Production Manager; Antti Lilleberg, Vice President, Sales and Marketing, Project Execution; Kaj Pischow, Senior Advisor; and Heikki Timonen, CFO.

### **Business development**

During the reporting period, Savosolar continued to develop its products and offerings by, among other things, strengthening its ability to integrate various clean sources of heat and its competence to support the customers' project development.

## **RESOLUTIONS OF THE ANNUAL GENERAL MEETING AND THE INAUGURAL MEETING OF THE BOARD OF DIRECTORS**

The Annual General Meeting of Savosolar Plc was held on 26 April 2022 in Helsinki. The Annual General Meeting adopted the financial statements for 2021 and resolved that the loss for the financial year of EUR - 5,772,019.07 be carried over to the retained earnings/losses account and that no dividend be paid. The Annual General Meeting resolved to grant discharge from liability for the members of the Board of Directors and the CEO for the period of 1 January 2021 to 31 December 2021 and concerning the preparation of financial statements.

The Annual General Meeting resolved that the members of the Board of Directors be paid the following remuneration for the term: EUR 21,600 for the Chairman of the Board and EUR 10,800 for each of the other members of the Board.

Approximately 40% of the remuneration will be paid to the members of the Board of Directors by giving to the Board members new shares in the company based on the authorisation granted to the Board of Directors, and approximately 60% in cash. The number of remuneration shares will be determined on the basis of the value of the company's share in First North Growth Market Finland, with the volume-weighted average price of the Savosolar Plc's share within two weeks following the publication of the half-year report for the period of 1 January – 30 June 2022 used as the value of share.

The Annual General Meeting re-elected Feodor Aminoff, Eero Auranne, Mikael Lemström and Ari Virtanen as members and Eljas Repo as a new member of the Board of Directors. At its inaugural meeting, the Board of Directors elected Eero Auranne as the Chairman of the Board of Directors.

The Board of Directors resolved that remuneration will be paid to the auditor as per the reasonable invoice accepted by the company. Auditing firm Tilintarkastus Inkeröinen & Himanen Oy was elected as the company's auditor, which has informed that it will appoint Juho Himanen, Authorised Public Accountant, as the auditor-in-charge.

## **RELATED-PARTY TRANSACTIONS**

The company had no significant related-party transactions during the reporting period.

## SHARE

Savosolar has one class of shares. The number of shares on 30 June 2022 was 199,179,456 (77,440,623). The company does not hold any treasury shares. Each share carries one vote at the general meeting of shareholders. The average number of outstanding shares by month during the reporting period, adjusted by share issue, was 180,962,845 (69,892,449). The number of shares increased during the reporting period by 33,991,820 new shares as a result of the share subscriptions carried out on the basis of series 1-2021 warrants. The share subscription period for 1-2021 warrants started on 21 March and ended on 1 April 2022. Approximately 87.8 per cent of the warrants were exercised to subscribe for shares. The new shares were registered with the Finnish Trade Register on 8 April 2022.

During the period, the share price in First North Growth Market Sweden fluctuated between SEK 0.300 and 0.565 (SEK 1.00 and 1.59). The closing price was SEK 0.385 (SEK 1.070). In First North Growth Market Finland, the share price fluctuated between EUR 0.030 and 0.052 (EUR 0.10 and 0.16). The closing price was EUR 0.034 (0.11). Savosolar's combined trading volume in January–June 2022 was 65,212,947 (39,777,438) shares in First North Growth Market Sweden and 112,413,227 (38,167,153) shares in First North Growth Market Finland.

Savosolar's shares are listed on the First North Growth Market Sweden marketplace maintained by Nasdaq Stockholm AB as of 2 April 2015 with the ticker SAVOS. Secondary listing of the shares on the First North Growth Market Finland marketplace maintained by Nasdaq Helsinki Oy started on 24 April 2015 with the ticker SAVOH.

### Biggest shareholders on 30 June 2022

Shareholder	Holding, number of	Percentage of all
FÖRSÄKRINGSAKTIEBOLAGET, AVANZA PENSION	4,665,424	2.34
JOKINEN, JUKKA	4,100,000	2.06
GEUST, NIKLAS	4,063,112	2.04
HELLÉN, STEFAN ANDREAS	3,117,500	1.57
LILJA, ANSA ANITTA	2,837,264	1.42
MANGOLD FONDKOMMISSION AB	2,394,973	1.20
PYYKÖNEN, RIKU TAPANI	2,142,500	1.08
SKANDINAVISKA ENSKILDA BANKEN AB (PUBL)	2,139,878	1.07
NORDNET PENSIONS FÖRSÄKRING AB	1,934,669	0.97
CLEARSTREAM BANKING S.A.	1,701,525	0.85
OTHERS	170,082,611	85.39
<b>TOTAL</b>	<b>199,179,456</b>	<b>100</b>

### **Stock option programmes**

In the rights issue carried out in autumn 2021, Savosolar gave, without consideration, each subscriber of the offer shares one newly issued series TO8 warrant, one newly issued series TO9 warrant and one newly issued series TO10 warrant for each two shares subscribed for in the offering. In the warrant plan 2021, each warrant entitles its holder to subscribe for one new share during 21 March – 1 April 2022 (for TO8), 12–23 September 2022 (for TO9), and 20–31 March 2021 (for TO10).

The subscription price for the shares that can be subscribed for based on the warrants is determined based on the volume weighted average price of the company's share on First North Growth Market Finland less 25 per cent during 7 March 2022 – 17 March 2022 (TO8), 29 August 2022 – 8 September 2022 (TO9), and 6 March 2023 – 16 March 2023 (TO10). However, the subscription price may not exceed EUR 0.09 (TO8), EUR 0.11 (TO9), and EUR 0.13 (TO10) per share. The Swedish krona-denominated subscription price will be determined using the Swedish Riksbank's EURSEK rate one business day prior to the start date of the subscription period. Each of the three warrant programs includes a total of 38,719,767 subscription rights.

### **Existing authorisations of the Board of Directors**

The Extraordinary General Meeting of Shareholders of 1 October 2021 authorised the Board of Directors to decide, in one or more transactions, on the issuance of shares and the issuance of option rights and other special rights entitling to shares referred to in chapter 10, section 1 of the Limited Liability Companies to the effect that the number of shares to be issued based on the authorisation may in total amount to a maximum of 275,000,000 shares. The authorisation is valid until 30 September 2026. Of the authorisation 81,183,075 shares were remaining on 30 June 2022.

### **GENERAL RISKS AND UNCERTAINTY FACTORS CONCERNING OPERATIONS**

The most significant risks involved in Savosolar's business are the ability to win new projects to achieve growth in line with the strategy, the sufficiency of the necessary working capital, and the ability to increase the efficiency of operations so as to turn the operations profitable.

The war in Ukraine has increased uncertainty concerning the availability and prices of materials and components. No Russian or Ukrainian components are directly used in Savosolar's products. However, the war situation can maintain exceptionally high prices material and component prices and prolonged delivery times. If continued for a long time, these may slow down the growth of Savosolar's business and the improvement of profitability. On the other hand, the rise in energy prices and the reduction of the use of Russian fossil fuels are estimated to have a positive effect on the demand for renewable energy, which also facilitates the development of Savosolar's business.

The company's Board of Directors monitors the development of the company's profitability and cash flow actively and, together with the company's management, seeks the best solutions to develop the company towards profitable long-term business. The Board of Directors continuously considers the sufficiency of financing as an important part of the company's growth strategy. Considering the recent favourable development for the company and the industry, the Board is confident that the company will be able to raise the necessary financing in the form on equity and debt capital to achieve the growth and profitability in line with its strategy.

However, it cannot be guaranteed that the volume and profitability of the company's business will grow sufficiently and that the company can gain enough supplementary finance just on time and with terms and conditions that are favourable enough for the present shareholders. In case the company does not succeed in generating growth and improving its profitability and/or raising additional financing to meet the needs of



business, the company may be forced to postpone, cut back or terminate operations.

## **STRATEGY AND LONG-TERM GOALS**

Savosolar's intention is to help organisations and companies to reduce their carbon emissions with clean renewable thermal energy.

The company's vision is to be the first-choice supplier of large solar installations on a global scale.

The company's strategic objective is to grow substantially and be the leading supplier of large solar thermal installations where quality and efficiency matter the most. This means large-scale systems such as solar district heating (SDH) and solar heat for industrial processes (SHIP). In industry, the principal segments are the mining, paper and food industry and greenhouses.

In implementing its strategy, the key factors for the company are its proprietary solar collector technology and knowledge of system design as well as its strong local and global partners. The geographical focus of operations continues to remain in Europe, but the company is actively seeking partners and marketing its products and services outside Europe as well. Savosolar delivers energy systems on a turnkey basis in line with its strategy in collaboration with its partners. The partners in different countries also serve as a sales channel for Savosolar's products.

## **MARKET ENVIRONMENT**

Until now, underlying clean renewable energy production has, above all, been the fight against global warming. The European Commission's proposal for a directive on renewable energy sources of July 2021 (Fit for 55) aims at reducing greenhouse gas emissions by at least 55% from the 1990 level by 2030. The EU's target is to be carbon neutral by 2050. The European Union has also allocated 30 per cent of its EUR 1,800 billion support instrument for recovery from the corona pandemic for 2021–2023 to climate actions, i.e., for strengthening the EU Green Deal programme. Emission reduction and carbon neutrality targets have been widely set in other parts of the world as well.

In the emission reduction targets, the public discussion has largely focused on electrification with solar and wind power. In Europe, for example, heating accounts for about 50% of total energy use, traffic about 30% and direct electricity use only about 20%, and more than half of Europe's carbon emissions are caused by heating.

Russia's invasion of Ukraine has caused global turbulence in the energy sector, the effects of which are particularly visible in Europe. The need to reduce Europe's dependence on Russian energy has quickly emerged alongside the climate targets. Concern about the price and availability of energy, especially in heat production, has given rise to measures to secure energy supply in preparation for the coming winter, but at the same time, it has increased interest towards renewable energy.

Even though the utilisation of emission-free solar heat in district heating and industrial processes has increased in recent years, according to the International Energy Agency (IEA), only around 11 percent of heating is produced with renewable energy worldwide. In electricity production, renewable energy sources account for about 29 percent, according to IEA. Electrification is a strong trend, but it is clear that the electricity produced solely by means of renewable forms of energy is not nearly enough to replace all fossil energy, nor to meet the needs of the green hydrogen economy of the future. By increasing the utilisation of solar heat in heating, renewable electricity can be utilised more and faster in, for example, electrified traffic.





In May 2022, the EU Commission published an extensive package, the RePowerEU plan, which seeks solutions on how to transition away from Russian fossil energy to clean energy as soon as possible. Among other things, the Commission proposes to increase the renewable energy target of the Energy Efficiency Directive from 40% to 45%. As one concrete measure, the Commission proposes speeding up the permit processes for renewable energy projects.

In the same context with the RePower communication, the Commission announced a solar energy strategy that aims to ensure the utilisation of the full potential of solar energy in order to reach the climate and energy targets of the European Green Deal Programme. The Member States should speed up the deployment of solar electricity and the utilisation of large heat pumps, geothermal energy, and solar heat. The strategy highlights increasing the use of solar heat especially in district heating.

According to a report prepared on the production of district heat in Narbonne, France, solar heat has the lowest life-cycle emissions among the clean sources of energy (source: Inuk ST Plant CO2 footprint study 2021 / Ademe). No rare earth metals are used in Savosolar's solar collectors, and the collector materials are completely recyclable. The strengths of solar heat also include the Europe-based manufacturing of solar thermal technology and the smaller need for land compared to, for example, photovoltaic panels.

In its roadmap announced in June, Solar Heat Europe has calculated that solar heat capacity will triple from 2021 to 2030. This would mean that at the end of the current decade, emission-free solar heat would have replaced around 12 billion cubic meters of Russian gas. At the same time, more than 250,000 green transition jobs would be created in Europe. According to the roadmap, the greatest potential is in industrial process heating, especially in food production, of which around 10 percent could already be covered by solar heat in 2030.

The goal of increasing energy self-sufficiency and reducing emissions further reinforces the need for the joint use of different forms of energy and heat production. The flexibility of energy systems, the optimisation of the use of different energy sources and the possibilities for energy storage will grow in significance. Solar heat is well-suited for various kinds of heat co-generation systems, and it can be cost-effectively stored by means of water reservoirs.

The market for large solar thermal systems with a temperature of less than one hundred degrees has a limited number of skilled turnkey suppliers that operate globally. Savosolar is the technology and quality leader in this segment.

### **Savosolar Plc's financial reporting in 2022**

Savosolar's business review for January–September will be published on 26 October 2022.

The financial reports will be published in Finnish and English.

SAVOSOLAR PLC  
Board of Directors

#### **More information:**

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## ANNEXES

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### **Savosolar in brief**

Savosolar with its highly efficient collectors and large-scale solar thermal systems has taken solar thermal technology to the next level. The company's collectors are equipped with the patented nano-coated direct flow absorbers, and with this leading technology, Savosolar helps its customers to produce competitive clean energy. Savosolar's vision is to be the first-choice supplier to high performance solar installations on a global scale. Focus is on large-scale applications like district heating, industrial process heating and real estate systems – market segments with a big potential for rapid growth. The company primarily delivers complete systems from design to installation, using the best local partners. Savosolar is known as the most innovative company in the business and aims to stay as such. Savosolar's shares are listed on Nasdaq First North Growth Market Sweden with the ticker SAVOS and on Nasdaq First North Growth Market Finland with the ticker SAVOH.  
*[www.savosolar.com](http://www.savosolar.com)*

The company's Certified Adviser is Augment Partners AB, [info@augment.se](mailto:info@augment.se), tel. +46 8 604 22 55.

**ANNEX 1**
**COMPARISON BY REPORTING PERIOD (FAS, unaudited)**

(EUR 1,000)	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021
Revenue	685	885	2,132	1,627
Operating profit/loss (EBIT)	-1,247	-1,111	-2,423	-2,201
Profit/loss for the period	-1,352	-1,103	-2,549	-2,333
Earnings per share, €				
undiluted	-0.007	-0.014	-0.014	-0.033
diluted	-0.005	-0.012	-0.009	-0.025

**ANNEX 2**
**INCOME STATEMENT (FAS, unaudited)**

(EUR 1,000)	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Revenue	2,132	1,627	2,497
Other operating income	2	26	34
Materials and services	- 2,120	-1,386	-2,421
Personnel costs	-1,265	-1,235	-2,221
Depreciations and write-downs	-151	-200	-380
Other operating expenses	-1,020	-1,034	-2,062
Operating profit/loss	-2,423	-2,201	-4,554
Financial income	1	35	37
Financial expenses	-127	-167	-1,255
<b>Profit/loss before appropriations and taxes</b>	<b>-2,549</b>	<b>-2,333</b>	<b>-5,772</b>
<b>Net profit/loss for the reporting period/financial year</b>	<b>-2,549</b>	<b>-2,333</b>	<b>-5,772</b>

Earnings per share and number of shares	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Earnings per share, undiluted, EUR	-0.014	-0.033	-0.066
Earnings per share, diluted, EUR	-0.009	-0.025	-0.021
Number of outstanding shares at the close of period	199,179,456	77,440,623	165,187,636
Number of outstanding shares, adjusted by dilutive effect at the close of the period	276,618,990	91,940,401	281,346,937
Average number of outstanding shares by month, adjusted by share issue	180,962,845	69,892,449	88,002,694
Average number of outstanding shares for the period, adjusted by dilutive effect	258 402 379	84 392 227	204 161 995

**ANNEX 3**  
**BALANCE SHEET (FAS, unaudited)**

(EUR 1,000)	30 June 2022	30 June 2021	31 December 2021
<b>Liabilities</b>			
<b>Non-current assets</b>			
Intangible assets	465	631	537
Tangible assets	540	542	480
Shares in group companies	162	162	162
<b>Total non-current assets</b>	<b>1,167</b>	<b>1,335</b>	<b>1,178</b>
<b>Current assets</b>			
Inventories	3,121	1,468	1,873
Non-current receivables	231	284	247
Trade receivables	269	387	453
Receivables from participating interest undertakings	1	4	4
Other receivables	144	69	63
Prepayments and accrued income	1,123	666	291
Cash and cash equivalents	2,461	1,042	4,070
<b>Total current assets</b>	<b>7,350</b>	<b>3,920</b>	<b>7,001</b>
<b>Total assets</b>	<b>8,517</b>	<b>5,255</b>	<b>8,179</b>

(EUR 1,000)	30 June 2022	30 June 2021	31 December 2021
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	470	470	470
Share issue			
Paid-up unrestricted equity reserve	52,933	45,688	51,913
Retained losses	-45,880	-40,108	-40,107
Net profit/loss for the reporting period/financial year	-2,549	-2,333	-5,772
<b>Total equity</b>	<b>4,974</b>	<b>3,717</b>	<b>6,503</b>
<b>Mandatory provisions</b>			
Other mandatory provisions	213	223	210
<b>Total non-current liabilities</b>			
<b>Subordinated loans</b>			
Loans from financial institutions	243	243	119
<b>Total non-current liabilities</b>	<b>243</b>	<b>243</b>	<b>119</b>
<b>Total current liabilities</b>			
<b>Subordinated loans</b>			
Loans from financial institutions		80	124

Advances received	105	24	155
Trade payables	1,075	462	563
Amounts owed to group undertakings	85	38	72
Other liabilities	60	55	43
Accruals and deferred income	1,762	412	391
<b>Total current liabilities</b>	<b>3,087</b>	<b>1,072</b>	<b>1,347</b>
<b>Total liabilities</b>	<b>3,330</b>	<b>1,315</b>	<b>1,466</b>
<b>Total equity and liabilities</b>	<b>8,517</b>	<b>5,255</b>	<b>8,179</b>

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**ANNEX 4**
**CASH FLOW STATEMENT (FAS, unaudited)**

(EUR 1,000)	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
<b>Business operations</b>			
Net profit/loss for the reporting period/financial year	-2,549	-2,333	-5,772
Adjustments	281	272	1,525
Increase/decrease in current receivables	-711	463	815
Increase/decrease in inventories	-1,247	-294	-699
Increase/decrease in current non-interest-bearing debts	1,914	-462	-360
Interests from operating activities	-127	-152	-1,238
<b>Cash flow from operations</b>	<b>-2,439</b>	<b>-2,506</b>	<b>-5,729</b>
<b>Investments</b>			
Investments	-139	-37	-61
Dividends received on investments	0	20	20
<b>Cash flow from investment activities</b>	<b>-139</b>	<b>-17</b>	<b>-41</b>
<b>Financing</b>			
Paid share issue	1,020	1,392	7,617
Advances received	-50	-104	27
Withdrawals of non-current loans	0	52	52
Repayments of non-current loans	0	-274	-354
Withdrawals of current loans	0	0	0
Repayments of current loans	0	0	0
<b>Cash flow from financing activities</b>	<b>970</b>	<b>1,067</b>	<b>7,342</b>
Change in cash and cash equivalents	-1,608	-1,456	1,571
Cash and cash equivalents at the beginning of period	4,070	2,498	2,498
<b>Cash and cash equivalents at the end of period</b>	<b>2,461</b>	<b>1,042</b>	<b>4,070</b>

**ANNEX 5**
**CALCULATION OF CHANGES IN EQUITY (FAS, unaudited)**

(EUR 1,000)	Share capital	Paid-up unrestricted equity fund	Retained earnings	Net profit for the financial year	Total
Equity at 1 Jan 2022	470	51,913	-45,880	0	6,503
Share issue	0	1,020	0	0	1,020
Net profit/loss for the reporting period	0	0	0	-2,549	-2,549
Equity at 30 Jun 2022	470	52,933	-45,880	-2,549	4,974
Equity at 1 Jan 2021	470	44,296	-40,108	0	4,658
Share issue	0	1,392	0	0	1,392
Net profit/loss for the reporting period	0	0	0	-2,333	-2,333
Equity at 30 Jun 2021	470	45,688	-40,108	- 2,333	3,717



**ANNEX 6**
**FINANCIAL RATIOS AND CALCULATION OF KEY FIGURES (FAS, unaudited)**

<b>(EUR 1,000)</b>	<b>Jan-Jun 2022</b>	<b>Jan-Jun 2021</b>	<b>Jan-Dec 2021</b>
Revenue	2,132	1,627	2,497
Net profit/loss for the reporting period/financial year	-2,549	-2,333	-5,772
Cash and cash equivalents	2,461	1,042	4,070
Equity	4,974	3,717	6,503
Equity ratio, %	59.1	71.1	81.0

**Calculation of key figures**

Equity ratio, %	Equity in balance sheet at the end of the period x 100 / Total assets - advances received
Number of outstanding shares, pcs	Number of outstanding shares at the close of period
Number of outstanding shares on average	Average number of outstanding shares by month, adjusted by share issue
Earnings per share, EUR	Net profit for the financial year / Average number of outstanding shares by month, adjusted by share issue