



EAGLE FILTERS GROUP

EAGLE FILTERS GROUP OYJ
FINANCIAL STATEMENT BULLETIN
JANUARY – DECEMBER 2024

Eagle Filters Group Financial Statement Bulletin 1 January – 31 December 2024

WEAK START ON H2 UNDERMINED PROFITABILITY, STRONG GROWTH CONTINUED

HIGHLIGHTS OF THE REVIEW PERIOD

JULY – DECEMBER 2024

- Revenue increased by 30 % and amounted to EUR 3.7 (2.8) million.
- Order intake decreased by 56 % and amounted to EUR 1.7 (3.9) million.
- Order backlog amounted to EUR 1.2 (3.6) million at the end of the period.
- EBITDA was EUR -1.7 (-1.5) million.
- Operating result was EUR -2.2 (-2.1) million.
- Eagle Filters Group may raise additional funding during 2025.

JANUARY – DECEMBER 2024

- Revenue increased by 26 % and amounted to EUR 7.6 (6.0) million.
- Order intake decreased by 19 % and amounted to EUR 5.0 (6.1) million.
- Order backlog amounted to EUR 1.2 (3.6) million at the end of the period.
- EBITDA was EUR -2.1 (-2.6) million.
- Operating result was EUR -3.2 (-3.7) million.
- Eagle Filters Group may raise additional funding during 2025.

Eagle Filters Group's description of risks and uncertainties is included later in the report.

KEY FIGURES

EUR '000	7-12 / 2024	7-12 / 2023	1-12 / 2024	1-12 / 2023
Order intake	1 736	3 949	4 961	6 118
Order backlog	1 212	3 637	1 212	3 637
Revenue	3 676	2 820	7 593	6 028
EBITDA	-1 654	-1 466	-2 129	-2 566
EBITDA-%	Neg.	Neg.	Neg.	Neg.
Operating result	-2 159	-2 079	-3 212	-3 726
Operating result-%	Neg.	Neg.	Neg.	Neg.
Result for the financial period	-2 532	-2 473	-3 896	-4 801
Earnings per share (EUR)	-0.01	-0.02	-0.02	-0.03
Shareholders' equity at the end of the period	2 191	3 203*	2 191	3 203*
Equity ratio	17.6 %	24.9 %*	17.6 %	24.9 %*
Net debt	4 900	4 206	4 900	4 206
Head count at the end of the review period	66	63	66	63

*Comparison period figures have been adjusted for changes in accounting principles (IAS 40 investment properties). For further information, see section *changes in accounting principles*, which is included in the report.

CEO'S REVIEW

Growth continued during 2024 at the level of 26%, slightly under our targeted 30%. We are still targeting 30% annual growth and 20% EBITDA in the long term. It is to be noted that revenue recognition happens on an individual delivery basis affecting timing of revenue.

Our 2024 order intake decreased by 19% due to timing of new orders. Also the order back-log decreased after large deliveries were delivered. Despite these, our sales pipeline remains strong, and we target sizable deliveries for 2025.

The biggest disappointment for the year was that we were still not able to achieve positive EBITDA during H2. Q4 was very strong, but Q3 failed us significantly. Main reasons for weak production during early H2 were delays in in-bound materials and labor deficiencies. We have costs running every day whether we have the materials and people at site.

In order to correct the situation, we conducted share issuance in September to be able to invest in partial automatization of our factory. This includes robot investments.

Regarding Advanced Materials business, we have recognized first small revenues and are having several offers out for potential new customers. Typically, each new customer runs their own tests before considering buying.

To keep our shareholders and the market better informed, we are bringing back Q1 and Q3 summaries for 2025. Regular H1 and H2 summaries remain unchanged.

After the review period we were able to secure EUR 1.0 million loan with Finnvera improving our financial market and operating capital position.

FINANCIAL TARGETS AND OUTLOOK

Eagle Filters Group has set long-term targets for its 100% owned subsidiary Eagle Filters Oy. Eagle Filters Oy targets an average annual revenue growth of more than 30% and an EBITDA margin exceeding 20% in the long term.

The company's management estimates that the special circumstances caused by Russia's war on Ukraine and growing unrest in the Middle East have caused disturbance in the company's operating environment. These events, however, are not expected to have an impact on Eagle Filters Group's long-term targets.

Eagle Filters Group does not publish a short-term outlook.

MARKET OVERVIEW & BUSINESS UPDATE

According to the International Energy Agency, preliminary data indicate that natural gas consumption increased by 2.8% in 2024, accounting for around 40% of the increase in global energy demand in 2024. This highlights the importance of gas in our transitioning energy system. Natural gas accounts for about a quarter of global electricity generation. It serves as an important complimentary energy source for intermittent wind and solar, with its flexibility and significantly less CO2 emissions compared to coal. In the future, the gas turbine infrastructure may serve as a large-scale energy storage system and play a key role in clean energy production.

The global gas turbine air filter market continues to grow. Asia Pacific accounts for the largest share of the global gas turbine air filter market. The largest market segment driving gas turbine air filter demand is energy and power, as the oil and gas segment is also increasing its importance. The demand for air filters in each geographical area can vary according to fluctuations in natural gas and electricity prices as the utilization rates of gas turbines are highly dependent on these factors.

The trends of clean energy transition and increasing energy needs are expected to contribute positively to the demand and for our Clean Energy business area. During the year, we have delivered our high-performing air filters to 4 new countries.

As for the Advanced materials business, the addressable market is far greater than the gas turbine market, both in use cases and in value. First sales have been achieved in 2024, and we will initially target HVAC and industrial filters manufacturers in Europe, where we can utilize our existing connections to potential customers. We see a clear market demand for our high-quality filter material products and also an opportunity to create a stable cash-generating business area alongside the more volatile Clean Energy business area.

For the manufacturing operations, in 2024 the focus has been on increasing production efficiency in the Clean Energy business area. After a weak start to H2, we have identified areas with significant potential for improvement and started carrying out strategic automation projects during Q4 with the aim to significantly increase production output per labor cost, as well as to achieve more stable (referring to volume) manufacturing processes. This includes investments in new robotics, and a new automated production line. These automation projects are expected to be up and running in H1 2025.

Management is fully committed to improving profitability to achieve our long-term targets.

ORDERS & SALES

JULY – DECEMBER 2024

Orders received decreased by 56 % and amounted to EUR 1 736 (3 949) thousand. Order intake was driven by the Clean Energy business area. The change in order intake is primarily due to the timing of customers' investment decisions.

The order book at the end of the period was EUR 1 212 (3 637) thousand, reflecting improved efficiency in production and lower order intake levels.

Revenue increased by 30 % and amounted to EUR 3 676 (2 820) thousand. Revenue was driven by the Clean Energy business area. First sales for the advanced materials business area were achieved in H2 2024.

JANUARY – DECEMBER 2024

Orders received decreased by 19 % and amounted to EUR 4 961 (6 118) thousand. Order intake was driven by the Clean Energy business area. The change in order intake is primarily due to the timing of customers' investment decisions.

The order book at the end of the period was EUR 1 212 (3 637) thousand, reflecting improved efficiency in production and lower order intake levels.

Revenue increased by 26 % and amounted to EUR 7 593 (6 028) thousand. Revenue was driven by the Clean Energy business area. During the year Eagle delivered a filter housing project and achieved the first sales for the Advances Materials business area.

RESULT

JULY – DECEMBER 2024

EBITDA amounted to EUR -1 654 (-1 466) thousand. EBITDA was affected by low production volumes in early H2, which heavily affected the H2 and full year profitability. Main reasons for the weak production during early H2 were delays in in-bound materials and labor deficiencies.

EBITDA has been affected by a one-off impairment of inventory and capitalized development costs, totaling EUR -178 thousand. Most of the impairment relates to the health & safety business area, which has been discontinued during 2024.

The operating result amounted to EUR -2 159 (-2 079) thousand. The operating result was heavily impacted by the planned depreciation and amortization of EUR -506 (-613) thousand, of which amortization of goodwill was EUR -416 (-447) thousand. Fair value changes of investment properties included in depreciations and amortizations impacted the result by EUR 105 thousand.

Net financial items improved to EUR -348 (-394) thousand. Taxes amounting to EUR -24 (0) thousand comprise of changes in deferred tax liabilities.

The result was EUR -2 532 (-2 473) thousand and earnings per share were EUR -0.01 (-0.02).

JANUARY – DECEMBER 2024

EBITDA amounted to EUR -2 129 (-2 566) thousand. EBITDA improvement was driven by increased production output and production efficiencies by reduced relative labor and material cost. Full-year EBITDA was heavily impacted by a weak start to H2.

EBITDA has been affected by a one-off impairment of inventory and capitalized development costs, totaling EUR -178 thousand. Most of the impairment relates to the health & safety business area, which has been discontinued during 2024.

The operating result amounted to EUR -3 212 (-3 726) thousand. The operating result was heavily impacted by the planned depreciation and amortization of EUR -1 082 (-1 160) thousand, of which amortization of goodwill was EUR -838 (-844) thousand. Fair value changes of investment properties included in depreciations and amortizations impacted the result by EUR 89 thousand.

Net financial items improved to EUR -662 (-1 075) thousand. The comparison period was affected by impairments of shares totaling EUR -219 thousand. Taxes amounting to EUR -22 (0) thousand comprise of changes in deferred tax liabilities.

The result was EUR -3 896 (-4 801) thousand and earnings per share were EUR -0.02 (-0.03).

FINANCIAL POSITION AND CASHFLOW

The balance sheet total at the end of the review period was EUR 12 503 (31.12.2023: 13 467) thousand, of which equity accounted for EUR 2 191 (3 203) thousand.

At the end of the review period, net debt amounted to EUR 4 900 (4 206) thousand. Loans from credit institutions at the end of the review period were EUR 5 343 (4 766) thousand, of which EUR 1 522 (1 466) thousand were short term loans. Cash and cash equivalents at the end of the period amounted to EUR 443 (560) thousand.

During 2024, the Group's cash flows from operating activities were EUR -2 682 (-2 656) thousand. Changes in working capital had an impact of EUR -296 (433) thousand on operating cash flow. Cash flow from investing activities was EUR -324 (-552) thousand, impacted by investments in intangible and tangible assets. Cash flow from financing activities was EUR 2 932 (2 905) thousand, impacted by share issues of EUR 2 925 thousand.

To execute Eagle Filters growth-strategy, management is actively evaluating ways for more effective use of capital. To support the working capital and investment needs and to secure liquidity, Eagle Filters Group may raise additional funding during 2025.

INVESTMENTS, RESEARCH AND PRODUCT DEVELOPMENT

Investments to tangible and intangible assets in January–December amounted to EUR 328 (550) thousand. During 2024, Eagle Filters continued developing its Advanced Materials business area. Tangible investments comprise of investments in manufacturing automatization and investments in energy saving equipment for its property.

INVESTMENT PROPERTIES

Eagle Filters Group has adopted the IAS Investment property standard to give a more accurate and fair value of its property located in Kotka, Finland. Investment property is property held to earn rentals or for capital appreciation or both. The valuation of investment properties follows the fair value model in accordance with the IAS 40 Investment property standard, whereby gains and losses arising from the changes in the fair value of investment properties are presented in the income statement on a net basis.

Investment properties are initially measured at acquisition cost, which includes transaction costs such as professional fees and transfer taxes. After the initial recognition at acquisition cost, investment properties are measured at fair value,

The fair value of the company's investment properties is determined by an independent external valuer, in accordance with international IVS (International Valuation Standards) on a semi-annual basis. In the first and third quarters of the year, the company determines the fair value of its investment properties internally, basing its assessments on market indicators provided by the external valuer.

At the end of the review, investment properties amounted to EUR 3 419 (3 278) thousand. Changes in investment properties for the review period amounted to EUR 142 thousand, comprising of changes in fair value (EUR 89 thousand) and investments in investment properties (EUR 53 thousand).

At the end of the review period, deferred tax liabilities for investment properties amounted to EUR 621 (599) thousand.

ACQUISITIONS

Other long- and short-term liabilities include a purchase price liability related to the acquisition of 15% of the shares of Eagle Filters Oy in 2021. The purchase price of the shares is tied to the development of Eagle Filters Oy's revenue and EBIT for the financial

years 2023-2025. The maximum purchase price may be up to EUR 3.0 million, which would require Eagle Filters Oy's cumulative revenue for 2023-2025 to be EUR 44.4 million or Eagle Filters Oy's aggregate annual positive EBIT for the corresponding period to be EUR 8.9 million euros.

Eagle Filters Group has renegotiated the payment terms of the purchase price. According to the renegotiated payment terms the purchase price is paid in installments during the years 2025-2026 (previously 2024-2026) and Eagle Filters Group has the option to pay 75% (previously 50%) of the purchase price in the company's shares.

In the 2024 year-end figures, Eagle Filters Group has recorded a conditional purchase price liability of EUR 1 987 thousand, of which EUR 1 155 thousand is recorded as short-term liabilities.

PERSONNEL

The number of personnel employed by Eagle Filters Group at the end of December 2024 was 66 (63) and averaged 63 (60) in January–December 2024. The company underwent change negotiations during H1 2024.

SHARES AND SHAREHOLDERS

Eagle Filters Group's registered share capital is EUR 80,000 and at the end of the review period, the company had 204 072 406 fully paid shares each having one vote at shareholders' meetings. Eagle Filters Group's shares are traded on Nasdaq First North Finland. The share trading volume during the review period was EUR 1 815 (1 190) thousand and 26 913 830 (13 875 804) shares. The share's volume weighted average price during the review period was EUR 0.067 (0.086), the highest price was EUR 0.110 in September 2024 and the lowest EUR 0.037 in April 2024. The closing price of the share at the end of the review period was EUR 0.073. The market value of the share capital at the end of the review period was EUR 14 897 (11 744) thousand.

The number of registered shareholders at the end of the review period was 3 294 (3 515), including nominee shareholders.

At the end of the review period Eagle Filters Group board members and the management owned a total of 51 560 311 shares, and options that give a right to subscribe 1 704 886 shares taking into account all shares and options owned directly and indirectly through companies controlled or influenced by them or through their family members.

The company releases notifications of changes in holdings (flagging notifications) are available on the company's website at www.eaglefiltersgroup.com.

GOVERNANCE

Annual General Meeting

Eagle Filters Group's Annual General Meeting (the "AGM"), held on 30th of May 2024, approved the financial statements and discharged the members of the Board of Directors and the company's CEO from liability for the financial year 2023. The AGM decided that no dividend will be paid for the financial year that ended on 31.12.2023.

The AGM resolved the Board of Directors consists of four members. Matti Vuoria, Jarkko Joki-Tokola, Markku Hämäläinen and Harri Kairento were re-elected to the Board of Directors. The AGM resolved that the remuneration of the members of the Board of Directors remain the same and that the members of the Board of Directors be paid EUR 400 per month. In addition, the Chairman of the Board be granted 25,000, Vice Chairman 20,000 and other Board members 15,000 stock options as annual remuneration. The stock options will be issued based on authorization granted by the AGM. The remuneration of the members of the Board of Directors is not paid to persons working for the company. The members of the Board of Directors are reimbursed for reasonable travel and lodging costs. Travel and lodging costs will not be compensated to those members of the Board of Directors who reside in the greater Helsinki area when the meetings are held in the greater Helsinki area.

The Annual General Meeting resolved that the auditors' fees are paid according to the auditor's invoice approved by the company. The Annual General Meeting elected auditing firm BDO Oy as the company's auditor. BDO Oy has informed that the principal auditor will be Mr. Timo Helle, Authorised Public Accountant.

The AGM authorized the Board of Directors to 1) decide in one or more transactions on the issuance of shares and 2) decide on issuance of options.

The AGM decisions are available in detail on the company website at: <https://eaglefiltersgroup.com/general-meetings/>.

Extraordinary General Meeting

The Extraordinary General Meeting (the "EGM") of Eagle Filters Group was held on 21 November 2024. The EGM resolved the number of members of the Board of Directors to be five. Mr. Jukka Heikka was elected as new member of the Board of Directors for a term that will continue until the end of the next Annual General Meeting.

The EGM decisions are available in detail on the company website at: <https://eaglefiltersgroup.com/general-meetings/>.

Share-based incentive schemes

Eagle Filters Group has established stock option programs covering, among others, employees, and the members of the Board of Directors and the Management Team of the company. The allocated options entitle the subscription of a total of 4 748 170 shares, corresponding to 2.3 % of the diluted total number of shares.

Stock option program 2/2016

Based on the authorization granted by the Extraordinary General Meeting on 9 March 2016, the Board of Directors has on 10 June 2016 decided on a stock option program for the key employees, under which a maximum 1 000 000 new shares can be subscribed. The details of the program are presented in the latest financial statements, which can be read at: <https://eaglefiltersgroup.com/reports-and-presentations/>.

Stock option program 1-2020

Based on the authorization granted by the Annual General Meeting on 3 August 2020, the Board of Directors has on 16 December 2020 decided on a stock option program for the key employees, under which a maximum 1 200 000 new shares can be subscribed. The details of the program are presented in the latest financial statements, which can be read at: <https://eaglefiltersgroup.com/reports-and-presentations/>.

Stock option program 1-2021

Based on the authorization granted by the Extraordinary General Meeting on 25 February 2021, the Board of Directors has on 19 April 2021 decided on a stock option program for the former holders of stock options belonging to the stock option program 2013, under which a maximum 1 439 680 new shares can be subscribed. The details of the program are presented in the latest financial statements, which can be read at: <https://eaglefiltersgroup.com/reports-and-presentations/>.

Stock option program 1-2022

Based on the authorization granted by the Annual General Meeting on 20 June 2022, the Board of Directors has on 25 August 2022 decided on a stock option program for the key personnel of the Company, under which a maximum 2 000 000 new shares can be subscribed. The details of the program are presented in the latest financial statements, which can be read at: <https://eaglefiltersgroup.com/reports-and-presentations/>.

Stock option program 1-2024

Based on the authorization granted by the Annual General Meeting on 30 May 2024, the Board of Directors has on 20 November 2024 decided on a stock option program for the key personnel of the Company, under which a maximum 3 000 000 new shares can be subscribed. The details of the program are presented in the notice to the

Annual General Meeting 2024, which can be read at: <https://eaglefiltersgroup.com/general-meetings/>.

Share issues

In March 2024 Eagle Filters Group carried out a directed share issue of approximately EUR 0.8 million to a group of private investors, in which 14 285 711 new shares were offered. The entire subscription price of EUR 0.8 million was recorded in the reserve for invested unrestricted equity. These shares were registered in the Trade Register on 15 April 2024 and started trading in the First North Growth Market Finland maintained by Nasdaq Helsinki Oy together with the old shares as of 16 April 2024.

In September 2024 Eagle Filters Group carried out a directed share issue of approximately EUR 2.1 million to a group of private investors, in which 33 203 125 new shares were offered. The entire subscription price of EUR 2.1 million was recorded in the reserve for invested unrestricted equity. These shares were registered in the Trade Register on 17 October 2024 and started trading in the First North Growth Market Finland maintained by Nasdaq Helsinki Oy together with the old shares as of 18 October 2024.

Changes in management and organization

On 21 November 2024, the Extraordinary general meeting elected Jukka Heikka as a new member to the Board of Directors.

EVENTS AFTER THE REVIEW PERIOD

Eagle Filters has agreed on debt financing with Finnvera Oyj to enhance Eagle Filters' international growth and to support working capital needs. The long-term debt financing agreement between Eagle Filters and Finnvera consists of EUR 1.0 million long-term debt financing agreement, with a maturity of three years. The interest rate is Euribor 6 months + 3.2 % interest margin. The financing agreement includes other terms customary for financing agreements.

RISKS AND UNCERTAINTIES

Eagle Filters Group is associated with a number of risks and uncertainties, including but not limited to the following, that can affect the level of sales and profits as well as operations or financing.

Russia's war against Ukraine as well as the increasing tension in the Middle East and the subsequent global geopolitical instability combined with high inflation, supply chain challenges, and European energy market problems have caused various supply and demand-related risks as well as increased uncertainty and financial instability.

Especially the global disruption in the availability of raw materials/components and their price development can cause fast changes in the company's operating environment. The company monitors the development of the situation and actively strives to ensure the availability of materials/components required for product deliveries but challenges in raw material/component availability, or price increases, can have a detrimental effect on company's production and deliveries as well as on profitability of the company.

Strategic risks refer to uncertainty that is primarily, but not entirely limited, related to changes in the operating environment and the ability to utilize or anticipate these changes. These changes may relate, for example, to the general economic situation, customer consumption behavior, competition, politics and legislation/regulatory or technological developments. When assessing strategic risks and opportunities, the goal is to find the business opportunities that are available to achieve the set goals with manageable risks, while avoiding those that present unreasonably high risks.

Operational risks refer to circumstances or events that can prevent or hinder the achievement of objectives or cause harm to people, property, business, information, or the environment. Operational risks include risks related to, but not limited to manufacturing, management & personnel, suppliers & subcontractors, products, contracts, commodities, litigation, authoritative or administrative proceedings and financial sanctions.

Financial risks are those related to Eagle Filters Group's financial position. These include, but are not limited to e.g., availability and cost of finance, inflation, NWC and liquidity, credit losses and foreign exchange rate fluctuations.

Non-economic impacts are also considered when assessing risks. Reputation risk arises if Eagle Filter Group's operations conflict with the expectations of various stakeholders, such as customers, suppliers, regulators, shareholders, financiers, or other societal stakeholders. Responsible practices are key to preventing reputational risks. Reputation risks are also managed through timely and adequate communication.

CHANGES IN ACCOUNTING PRINCIPLES

IAS 40 – Investment property

Eagle Filters Group has adopted the IAS Investment property standard to give a more accurate and fair value of its property located in Kotka, Finland. Investment property is property held to earn rentals or for capital appreciation or both. The valuation of investment properties follows the fair value model in accordance with the IAS 40 Investment property standard, whereby gains and losses arising from the changes in the fair value of investment properties are presented in the income statement on a net basis.

Investment properties are initially measured at acquisition cost, which includes transaction costs such as professional fees and transfer taxes. After the initial recognition at acquisition cost, investment properties are measured at fair value,

The fair value of the company's investment properties is determined by an independent external valuer, in accordance with international IVS (International Valuation Standards) on a semi-annual basis. In the first and third quarters of the year, the company determines the fair value of its investment properties internally, basing its assessments on market indicators provided by the external valuer.

As a result of the new accounting principles, the comparison period balance sheet has been adjusted. Comparison period tangible assets have been adjusted with EUR 3 278 thousand, comprising of investment properties recorded at fair value. Comparison period equity has been adjusted with EUR 2 394 thousand and comparison period long-term liabilities have been adjusted with EUR 599 thousand, comprising of deferred tax liabilities.

ACCOUNTS PRINCIPLES, ESTIMATES AND MANAGEMENT JUDGMENT MADE IN PREPARATION OF THE ANNUAL AND SEMI- ANNUAL ACCOUNTS

Annual and semi-annual accounts have been prepared following generally accepted accounting principles and applicable laws. Eagle Filters Group has as of 31 December 2023 started to report consolidated group figures. The group consolidated figures comprise of Eagle Filters Group Oyj (parent company), Eagle Filters Oy, Eagle Filters DMCC and Lumeron Oy. Associate companies have been consolidated into the group financial statements based on Eagle Filters Group's ownership stakes, reflecting its portion of the associate company's profit or loss, as well as changes in equity.

The figures in this full-year review are not audited. The figures have been rounded, and consequently, the sum of individual figures may deviate from the presented sum figure.

The preparation of annual and semi-annual accounts release information requires management to make accounting estimates and judgements as well as assumptions that affect the application of the preparation principles and the accounting estimates on assets, liabilities, income and expenses. Actual results may differ from previously made estimates and judgements.

FINANCIAL INFORMATION

CONSOLIDATED INCOME STATEMENT

EUR '000	7-12 / 2024	7-12 / 2023	1-12 / 2024	1-12 / 2023
Revenue	3 676	2 820	7 593	6 028
Change in finished good and WIP	-397	-171	-93	47
Other income	-3	1	-2	-3
Materials and services	-2 541	-1 851	-4 925	-3 870
Personnel expenses	-1 575	-1 619	-3 219	-3 191
Depreciation and amortizations	-506	-613	-1 082	-1 160
Other operating expenses	-814	-645	-1 483	-1 577
Operating result	-2 159	-2 079	-3 212	-3 726
Financial income	9	3	10	14
Financial expenses	-357	-397	-672	-1 089
Result before taxes	-2 507	-2 473	-3 874	-4 801
Taxes	-24	0	-22	0
Result for the financial period	-2 532	-2 467	-3 896	-4 801
Earnings per share, EUR				
Basic earnings per share	-0.01	-0.02	-0.02	-0.03
Diluted earnings per share	-0.01	-0.02	-0.02	-0.03



CONSOLIDATED BALANCE SHEET

EUR '000	31.12.2024	31.12.2023
ASSETS		
NON-CURRENT ASSETS		
Intangible assets		
Goodwill	4 123	5 002
Development expenses	379	394
Other intangible assets	2	9
Advance payments	0	1
Total intangible assets	4 505	5 407
Tangible assets		
Machinery and equipment	399	484
Other tangible assets	6	6
Advance payments	64	14
Investment properties	3 419	3 278
Total tangible assets	3 888	3 781
Investments		
Shares in group companies	4	4
Shares in associated companies	126	125
Total investments	130	129
NON-CURRENT ASSETS TOTAL	8 523	9 317
CURRENT ASSETS		
Inventories		
Raw materials	1 159	1 650
Work in progress	74	28
Finished goods	169	308
Other inventory	72	145
Total inventories	1 474	2 131
Long-term receivables		
Other long-term receivables	0	0
Total long-term receivables	0	0
Short-term receivables		
Trade receivables	1 389	391
Loan receivables	0	4
Other receivables	625	962
Accrued income and prepaid expenses	50	101
Total short-term receivables	2 063	1 459
Cash and cash equivalents	443	560
TOTAL CURRENT ASSETS	3 980	4 150
TOTAL ASSETS	12 503	13 467

EUR '000	31.12.2024	31.12.2023
EQUITY AND LIABILITIES		
EQUITY		
Share capital	80	80
Invested unrestricted equity fund	35 708	32 783
Retained earnings	-29 701	-24 859
Result for the financial period	-3 896	-4 801
TOTAL EQUITY	2 191	3 203
LIABILITIES		
Non-current liabilities		
Loans from financial institutions	3 820	3 300
Other long-term liabilities	832	1 684
Deferred tax liabilities	621	599
Total non-current liabilities	5 273	5 582
Current liabilities		
Loans from financial institutions	1 522	1 466
Advanced received	42	607
Trade payables	1 343	862
Other liabilities	1 445	1 021
Accruals and deferred income	687	725
Total current liabilities	5 039	4 682
TOTAL LIABILITIES	10 312	10 265
TOTAL EQUITY AND LIABILITIES	12 503	13 467

CONSOLIDATED STATEMENT OF CASHFLOW

EUR '000	7-12 / 2024	7-12 / 2023	1-12 / 2024	1-12 / 2023
Cashflow from operating activities				
Result before taxes	-2 507	-2 473	-3 874	-4 801
Adjustments				
Depreciation and amortization	574	613	1 140	1 160
Financial income and expenses	349	389	663	690
Non-cash transactions	65	0	75	166
Impairments	0	5	0	219
Changes in working capital				
Change in inventory	650	586	531	-327
Change in current non-interest-bearing receivables	-903	-612	-610	-245
Change in current non-interest-bearing liabilities	77	638	-217	1 005
Paid interests and other financial items	-267	-390	-396	-526
Received interest and other financial items	5	3	5	3
Paid taxes	0	0	0	0
CASHFLOW FROM OPERATING ACTIVITIES	-1 957	-1 242	-2 682	-2 656
Cashflow from investing activities				
Investments in tangible and intangible assets	-174	-322	-328	-550
Investments in shares of group companies	0	0	0	-2
Investments in other securities	0	-1	0	0
Proceeds from sale of shares	4	0	4	0
CASHFLOW FROM INVESTING ACTIVITIES	-171	-324	-324	-552
Cashflow from financing activities				
Share issue against payment	2 125	1 000	2 925	2 650
Withdrawals of interest-bearing loans	784	500	700	944
Repayment of interest-bearing loans	-520	-152	-693	-690
CASHFLOW FROM FINANCING ACTIVITIES	2 390	1 348	2 932	2 905
Unrealized exchange and currency translation differences	-30	4	-43	12
CHANGE IN CASH AND CASH EQUIVALENTS	232	-213	-117	-291
Cash and cash equivalents at the beginning of the period	211	773	560	851
Cash and cash equivalents at the end of the period	443	560	443	560

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR '000	Share capital	Share issue	Invested unrestricted equity fund	Retained earnings	Translation differences	Total equity
As at 1.7.2024	80	0	33 583	-31 031	-7	2 625
Result for the period				-2 532		-2 532
Translation differences					-30	-30
Adjustments				2		2
Share issue			2 125			2 125
At 31.12.2024	80	0	35 708	-33 560	-37	2 191

EUR '000	Share capital	Share issue	Invested unrestricted equity fund	Retained earnings	Translation differences	Total equity
As at 1.7.2023	80	0	31 783	-29 587	1	2 277
Result for the period				-2 473		-2 473
Translation differences					4	4
Adjustments				2 394		2 394
Share issue			1 000			1 000
At 31.12.2023	80	0	32 783	-29 666	6	3 203

EUR '000	Share capital	Share issue	Invested unrestricted equity fund	Retained earnings	Translation differences	Total equity
As at 1.1.2024	80	0	32 783	-29 666	6	3 203
Result for the period				-3 896		-3 896
Translation differences					-43	-43
Adjustments				2		2
Share issue			2 925			2 925
At 31.12.2024	80	0	35 708	-33 560	-37	2 191

EUR '000	Share capital	Share issue	Invested unrestricted equity fund	Retained earnings	Translation differences	Total equity
As at 1.1.2023	80	1 720	28 413	-27 259	-7	2 947
Result for the period				-4 801		-4 801
Translation differences					12	12
Adjustments				2 394		2 394
Share issue			4 370			4 370
Registration of shares		-1 720				-1 720
At 31.12.2023	80	0	32 783	-29 666	6	3 203

APPENDIX

Definitions

Key figure	Definition
EBITDA	Operating profit before depreciation and amortization
Equity ratio (%)	(Total equity x 100) / total assets
Net debt	Current and non-current loans from credit institutions, less cash and cash equivalents.
Number of shares	Total number of shares at the end of the period
Weighted average number of shares	Issue and conversion-adjusted weighted average number of shares
Basic earnings per share	Result for the (financial) period / Issue and conversion-adjusted weighted average number of shares
Diluted earnings per share	Result for the (financial) period / Issue and conversion-adjusted weighted average number of shares added by outstanding warrants

Investment properties – IAS 40

Determining fair value of investment properties

One critical component of the financial statements that involves uncertainties related to estimates and assumptions is the determination of the fair value of investment properties. The key variables in determining the fair value of an investment property include the required rate of return, market rents, vacancy rate, and maintenance costs, for which the Company's management must exercise judgment and estimation.

The fair value of the company's investment properties is determined by an independent external valuer, using a 10-year cash flow analysis on a property-specific base. The annual base cash flow is calculated based on the rent agreements in effect at the valuation date. When a lease expires, the market rent determined by an external appraiser is used instead of the contract rent. Potential gross rental income is then adjusted by deducting the assumed vacancy, maintenance costs, and investments. The resulting cash flow is discounted using a property-specific discount rate, which consists of the required rate of return and an inflation assumption.

Input date

The input data used in the cash flow analysis by the external appraiser for the review period are presented in the table below:

	2024	2023
Required rate of return, %	14.0 %	14.0 %
Market rents, EUR/m2/month	6.2	6.4
Maintenance costs, EUR/m2/month	1,21	1.57
10-year average economic vacancy rate, %	22.0	21.7
Market rent growth assumption, %	2.00	1.94
Maintenance cost growth assumption, %	2.00	1.94

Fair value changes

The changes in investments properties, including changes in fair value, are presented in the table below:

	2024	2023
Investment properties 1.1.	3 278	0
Additions	53	0
Transfer between accounts	0	294
Change in fair value	89	2 984
Investment properties 31.12	3 419	3 278

Management evaluates changes in the fair value determined by an external expert by reviewing the assumptions used in the input data and assessing their logical consistency.

EAGLE FILTERS GROUP

About Eagle Filters Group Oyj

Eagle Filters Group is a material science company that aims to enable a green and healthy environment.

Eagle provides high performance filtration solutions that cut CO2 emissions and increase profitability of the energy industry. Eagle's technology improves performance and energy efficiency while cutting costs. The technology is being used by some of the world's largest energy utilities.

The company group is listed on First North Growth Market Finland under the ticker EAGLE. The Company's Certified Adviser is Carnegie Investment Bank AB (publ).