



Financial Statements  
Bulletin  
January 1 –  
December 31, 2024



Merus Power Plc Financial Statements Bulletin February 6, 2025 at 9:00 a.m. EET

## **MERUS POWER PLC FINANCIAL STATEMENTS BULLETIN JANUARY 1 – DECEMBER 31, 2024**

The numbers in parentheses refer to the same period of the previous year unless otherwise indicated. The numbers in the financial statements bulletin are unaudited.

## **STRONG GROWTH**

### **JULY–DECEMBER 2024 IN BRIEF**

- Net sales were EUR 29.2 (15.5) million, growth 88.5% year on year
- EBITDA was EUR 2.6 (0.6) million
- EBIT was EUR 2.0 (0.2) million
- Earnings per share was EUR 0.22 (0.00)
- Orders received were EUR 14.0 (13.7) million, growth 1.8% year on year

### **JANUARY–DECEMBER 2024 IN BRIEF**

- Net sales were EUR 35.8 (29.0) million, growth 23.4% year on year
- EBITDA was EUR -0.8 (0.2) million
- EBIT was EUR -2.1 (-0.5) million
- Earnings per share was EUR -0.35 (-0.10) million
- Orders received were EUR 53.6 (33.8) million, growth 58.6% year on year

### **SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD**

- February 13, 2024: Merus Power receives a battery energy storage order of approximately EUR 15 million from eNordic and Lappeenranta Energia – new energy storage system strengthens the power grid
- The AI-based trading service developed by Merus Power was completed in 2024
  - May 2, 2024: Merus Power provides Oy Herrfors Ab with a trading platform offering immediate economic benefits to the electricity company
  - May 16, 2024: Sallila Energia to start using Merus Power's trading service for its energy storage facility
- June 19, 2024: Merus Power receives an energy storage order of nearly EUR 20 million from Alpiq
- July 8, 2024: Merus Power joins the transformation of the steel industry – delivers compensators for green steel production
- July 25, 2024: Merus Power to provide a compensator worth nearly EUR 4 million to Saudi Arabia
- August 1, 2024: Merus Power to deliver two compensators to support rail traffic in Estonia
- August 13, 2024: Merus Power lowers its guidance on EBITDA
- November 26, 2024: The largest battery energy storage manufactured by Merus Power to be transferred to electricity market use
- December 18, 2024: Merus Power to deliver energy storage system to Enertia – contract value over EUR 4 million

## KEY FIGURES

In EUR 1 000 unless otherwise indicated	7–12/2024	7–12/2023	2024	2023
Net sales	29 168	15 472	35 834	29 031
Change in net sales, %	88.5%	56.4%	23.4%	79.2%
EBITDA	2 604	581	-798	187
% of net sales	8.9%	3.8%	-2.2%	0.6%
EBIT	1 954	200	-2 055	-509
% of net sales	6.7%	1.3%	-5.7%	-1.8%
Profit/loss for the financial period	1 666	28	-2 654	-798
Earnings per share (undiluted), EUR	0.22	0.00	-0.35	-0.10
Earnings per share (diluted), EUR	0.21	0.00	-0.34	-0.10
Equity / share, EUR	1.24	1.58	1.24	1.58
Balance sheet total	26 711	21 189	26 711	21 189
Equity	9 533	12 092	9 533	12 092
Return on equity, %	19.2%	0.2%	-24.5%	-6.4%
Interest-bearing net debt	-1 167	1 400	-1 167	1 400
Net gearing, %	-12.2%	11.6%	-12.2%	11.6%
Equity ratio, %	35.7%	57.1%	35.7%	57.1%
Liquid assets	2 970	2 615	2 970	2 615
Cash flow from operating activities	-590	1 382	4 978	42
Number of shares	7 673 416	7 644 966	7 673 416	7 644 966
Average number of shares	7 659 191	7 644 966	7 659 191	7 644 966
Orders received	13 969	13 718	53 626	33 805
Order book	29 953	13 841	29 953	13 841
Average number of employees	124	94	117	88

## BOARD OF DIRECTORS' PROPOSAL ON THE HANDLING OF THE RESULT FOR THE FINANCIAL YEAR

The Board of Directors proposes to the Annual General Meeting that the loss for the financial year of EUR -2.7 million be transferred to the retained earnings account of previous years and that no dividend be paid for the financial year January 1–December 31, 2024.

## FINANCIAL GUIDANCE FOR 2025

Merus Power estimates that the company's net sales will grow strongly compared to 2024 and that EBITDA will be EUR 1–3 million.

## CEO KARI TUOMALA COMMENTS ON 2024:

### Strong progress in our growth strategy in 2024

In 2024, our net sales increased significantly and reached a record-breaking EUR 35.8 (29.0) million. Net sales grew mainly in the second half of the year due to the income recognitions of



modular orders with long delivery times and the timings of new orders. The growth was driven by power quality and energy efficiency projects in the heavy industry sector as well as power storage projects implemented particularly in Finland.

However, the growth of the company and investments in our future burdened our profitability. Our EBITDA for 2024 was negative at EUR -798 thousand (EUR 187 thousand positive in 2023). The result was weakened particularly by the significant non-recurring expenses caused by the delay of the first turnkey energy storage project delivered in Lempäälä, Finland, as well as more demanding development work than anticipated in connection with the project. Nevertheless, our EBITDA improved significantly in the second half of the year and amounted to EUR 2.6 (0.6) million in July–December. We are continuing our actions to improve profitability.

Orders received increased in 2024 and amounted to EUR 53.6 (33.8) million. Orders received include several important energy storage projects, an opening move in the green steel market, and steady product business in active filters.

### **Investments in personnel and product development**

We strengthened our competitiveness during the year, as strategically important product development projects were completed, and several significant system deliveries with great reference value were made to customers. We have continued to invest in our personnel and in product development, including energy storage product, software, and service development. During the year, we also built an energy storage of our own for the FINGRID frequency reserve market to support product development and market leadership in the entire value chain. Our personnel increased during 2024 by 30 people to a total of 127 employees. This enables Merus Power's growth and success also in the future.

A strong synergy exists in our product portfolio; similar technology is largely applied in energy storage products and power quality solutions. This is why our investments in technology development make it possible for us to maintain the competitiveness of both product areas and enable the implementation of the company's growth strategy in the strongly growing energy storage market and drive success in the steadily growing power quality market.

### **Order book on record level**

The continued strong growth trend of the green transition supported our sales in both energy storage and power quality solutions. Our growth was strongest particularly in energy storage projects in the Finnish market and in international energy efficiency improvement projects in the metal industry. At the end of the year, our order book was on a record level at EUR 30.0 (13.8) million.

Our growth strategy in energy storage technology has yielded good results. During the year, we agreed upon a delivery of a 38MW / 40 MWh energy storage for Lappeenranta Energia and Ardian's eNordic in Lappeenranta, Finland. An energy storage of 30 MW / 36 MWh will be delivered to Alpiq in Valkeakoski and a 10MW /10MWh energy storage to Enertia Oy in Forssa,



both in Finland. All agreements also include a maintenance agreement and are good examples of deliveries covering the entire lifecycle.

In power quality technology, we received several large compensator orders during the year. For example, we are delivering a compensator to Saudi Arabia to support the operation of our customer's electric arc furnace and to improve the energy efficiency of the facility. Another example is a delivery of compensators to the GRK Group to support interruption-free operation of Estonia's rail traffic and its electrification.

### **Active work to grow service business continues**

With our heavy industry and energy storage customers, we continued to work actively to grow our service business. Merus Power's proprietary MERUSCOPE™ remote monitoring and control software and the MERUSCOPE™ trading services form a good premise for flexibly serving customers around the world. The increasing installed base supported by growing product and project sales creates a basis for steady growth in the service business.

### **Confidently into 2025**

Economic uncertainty was reflected in the entire year 2024. Although decreasing interest rates have given signs of a moderate economic recovery, economic growth remained very modest. Furthermore, geopolitical tensions created uncertainty in the market. However, Merus Power's markets are still well positioned for growth, and active work towards growth in line with our strategy continues in all markets. Policy changes in the United States are likely to slow down the green transition in some respects. However, we do not expect it to significantly reduce demand in the market segments served by Merus Power's technology.

The year 2024 was a busy one for Merus Power. We pushed successfully through many challenges that the year brought on our path. A big thank you for this goes to our skilled personnel and to our customers who have entrusted us with the execution of their important investment projects. I would also like to thank the company's shareholders – we all need to contribute to maintaining the momentum of the green transition and stopping climate change. We will confidently advance the company strategy in 2025.

## **FINANCIAL REVIEW**

### **JULY–DECEMBER 2024**

Merus Power's net sales July 1–December 31, 2024 were EUR 29.2 (15,5) million. Net sales grew 88.5% year on year. EBITDA was EUR 2.6 (0.6) million or 8.9 (3.8)% of net revenue.



EBIT was EUR 2.0 (0.2) million or 6.7 (1.3)% of net revenue. Result for July–December was EUR 1.7 (0.0) million.

Undiluted earnings per share were EUR 0.22 (0.00).

## **JANUARY–DECEMBER 2024**

Merus Power's net sales January 1–December 31, 2024 were EUR 35.8 (29.0) million. Net sales grew 23.4% year on year. EBITDA was EUR -0.8 (0.2) million or -2.2 (0.6)% of net sales.

EBIT was EUR -2.1 (-0.5) million or -5.7 (-1.8)% of net sales. Result for the financial period was EUR -2.7 (-0.8) million. Undiluted earnings per share were EUR -0.35 (-0.10). Cash flow from operating activities was EUR 5.0 (0.0) million.

On December 31, 2024, balance sheet total of Merus Power was EUR 26.7 (21.2) million. The Group's total equity was EUR 9.5 (12.1) million. Interest-bearing net debt at the end of the financial period was EUR -1.2 (1.4) million and net gearing -12.2 (11.6)%. The Group's equity ratio was 35.7 (57.1)%. Equity per share was EUR 1.24 (1.58). On December 31, 2024, the Group's liquid assets were EUR 3.0 (2.6) million.

## **GOVERNANCE**

### **The company's business areas and organizational structure**

Merus Power Plc designs, manufactures and sells innovative Finnish energy storage systems, power quality solutions and related services. The company provides products and services for companies in global markets.

The Group's parent company is Merus Power Plc. The company's head office, product development, production facilities and other key functions are located in Ylöjärvi, Finland. The Group has a subsidiary, Merus Power Asia-Pacific Pte Ltd, in Singapore, and a subsidiary, Merus Power Hong Kong Limited in Hong Kong, which has not engaged in business operations during the reporting period.

A third subsidiary of the Group is Lempäälän Tasapainotus Oy, that serves as the company's product development environment.

### **Personnel and operating locations**

During the financial period, the company employed on average 117 people (in 2023, on average 88). At the end of the financial period, the company employed a total of 127 people (December 31, 2023: 97). Merus Power Plc has offices in Ylöjärvi, Nokia and Helsinki, Finland, as well as in Germany and the United Arab Emirates.



In 2024, the members of Merus Power Oyj's Management Team were Kari Tuomala, CEO; Rainer Antila, CFO; Markus Ovaskainen, Sales Director; Mikko Marttala, Finance and Project Development Director; Maiju Levirinne, Director, Supply Processes; Jyri Öörni, Development Director; Toni Peltomaa, After Sales and Service Director; and Juuso Järvinen, Director, Delivery Process and PMO.

The company's organization was renewed at the turn of the year, and as of January 1, 2025, the members of the Management Team have been Kari Tuomala, CEO; Rainer Antila, CFO; Markus Ovaskainen, Sales Director; Jyri Öörni, R&D Director; Mikko Marttala, Director, System Deliveries and Services; and Jarkko Latonen, Director, Factory Operations and Quality.

The members of Merus Power Plc's Board of Directors are Vesa Sadeharju (Chair), Anne Koutonen, Vesa Riihimäki and Tapani Kiiski.

### **General Meeting of Shareholders**

The company's Annual General Meeting was held on March 13, 2024 in Tampere, Finland. The meeting confirmed the 2023 financial statements. The meeting resolved that the loss shown in the financial statements be entered in the account for profit and loss and the no dividend be distributed. The members of the Board of Directors and the CEO were discharged from liability for the financial period of January 1–December 31, 2023. The remuneration statement of the governing bodies was processed and approved. The General Meeting also discussed the number of Board members and resolved to elect four ordinary members for the next term of office. Vesa Sadeharju, Vesa Riihimäki and Anne Koutonen were re-elected as Board members for the next term of office. A new member, Tapani Kiiski, was also elected to the Board. The meeting approved the audit fee and elected the auditing firm Moore Idman Oy to continue for the next term of office. Authorised Public Accountant Jukka Lahdenpää will continue to serve as the key audit partner.

The Board of Directors was authorized to decide on the issue of shares and special rights entitling to shares in accordance with its proposal.

In its constitutive meeting held after the Annual General Meeting, the Board of Directors elected Vesa Sadeharju as its Chairman.

### **SHARE AND SHAREHOLDERS**

On December 31, 2024, Merus Power's fully paid and registered share capital was EUR 270 000, and the number of shares was 7 673 416 (7 644 966). Average number of shares during the financial period was 7 659 191. The company has one class of shares, all with equal voting rights, dividend, and the company's assets. During the financial period, the company was not in possession of any of its own shares.

### **Summary of trading on Nasdaq First North Growth Market Helsinki January 1–December 31, 2024**

Year 2024	Shares exchanged, pcs	Total market value EUR million	Highest rate, EUR	Lowest rate, EUR	Average exchange rate, EUR	Closing rate, EUR
MERUS	1 193 229	5.10	5.80	3.03	4.27	3.71

	Dec 31, 2024	Dec 31, 2023
Market value, EUR 1 000	28 468	30 886
Number of shareholders	4 727	5 019

On December 31, 2024, the company had 4 727 shareholders.

Major registered shareholders by number of shares on December 31, 2024

Shareholder	Number of shares	% of shares
Tuomala Kari Antero	1 497 144	19.51
Ahlstrom Invest B.V	1 041 890	13.58
Turret Oy Ab	387 500	5.05
Sijoitusrahasto Aktia Capital	374 572	4.88
Varma Mutual Pension Insurance Company	370 780	4.83
Power Fund III Ky	340 661	4.44
Öörni Jyri Jaakko	329 360	4.29
Laakso Risto Juhani	329 360	4.29
Leinonen Aki Johannes	270 792	3.53
Ilmarinen Mutual Pension Insurance Company	259 808	3.39
Holdix Oy Ab	259 377	3.38
Elo Mutual Pension Insurance Company	230 000	3.00
Innocap Oy AB	103 300	1.35
Ensto Invest Oy	67 584	0.88
Antila Rainer Olavi	63 139	0.82
Umo Capital Oy	61 428	0.80
Umo Invest Oy	61 428	0.80
Säästöpankki Pienyhtiöt Fund	61 271	0.80
Fennia Life Insurance Company Ltd	49 090	0.64
Vilpponen Aki Hannu	45 500	0.59
20 biggest total	6 203 984	80.85

## Incentive programs

On April 1, 2021, the company's Board of Directors decided on a share option program and granted a maximum of 150 000 option rights that entitle to subscribe to an equal number of the





company's A-series shares. The issue price for one share is EUR 3.32. The issue price per share can be lowered, if, before the issuance of shares, the company grants new shares to existing shareholders relative to the percentage of their current shareholdings. However, the minimum issue price per share is always at least EUR 0.01.

The share subscriptions based on the option programs must take place in the period December 31, 2023 – December 31, 2026. The stock options have been allocated to the company's key employees and employees in a permanent employment relationship. On December 31, 2024, 17 key employees and employees permanently employed by the company had stock options.

Outstanding option programs are presented in the table below.

Option program	Total number of options, pcs	Subscribed, pcs	Not yet subscribed, pcs	Subscription price, EUR	Subscription period
2021	150 000	28 450	121 550	3.32	Dec 31, 2023– Dec 31, 2026

## NEAR-TERM RISKS AND UNCERTAINTIES

Through risk management, Merus Power supports the achievement of its strategic and operational goals while safeguarding the continuity of its own and its customers' operations in changing circumstances. We strive for comprehensive risk management that emphasizes anticipating risks and necessary measures and systematic, timely action. Risk management is part of our daily operations. In addition to assessing business risks, anticipating and managing sustainability risks plays a key role in both our operations and those of our customers.

Geopolitical tensions particularly in the Middle East are very high, causing significantly increased risks relating to energy policy, economic forecasts and trade. Increasing tension in global trade may slow down trade growth. Inflation has turned out to last longer than anticipated, and economic forecasts are very cautious. (OECD, Economic outlook)

The political importance of the green transition is still evident, but there are risks related to its development. (IEA, Energy outlook 2024). Climate targets have remained unchanged, and there is even pressure to make them more ambitious in order to prevent global warming from rising above 1.5 degrees Celsius. Political decision-makers have failed to reach a consensus needed for reaching the climate targets (COP29). Increasing geopolitical uncertainty and the slow weakening of the inflation may slow down economic and trade development as well as implementation of publicly funded projects. This impacts companies' investment activity and the development and adoption of green technology while delaying the reaching of climate targets.



At least in the short term, U.S. energy and trade policies will increase uncertainty both in the energy-related technology market in general and Merus Power's export markets in the United States in particular.

Merus Power's products are devices with long-term investment projects. Sudden price changes in materials and components cannot necessarily be transferred into the price of the end products. This results in risks related to profitability targets. The price increase caused by inflation was evident in the prices of regularly used components in 2024. Strong demand in the previous years has created challenges for the supply chain. The availability development of components varied. Problems continued particularly in the availability of components used in both energy infrastructure and the automotive industry. There were no significant changes in price levels or availability in 2024, but for some materials, the uncertainty continues.

The risk and outlook for battery availability and price level remain unchanged, but the concentration of suppliers in China and other parts of Asia increases the geopolitical risk. In 2024, the availability of batteries has been better than in previous years, but logistics-related issues may still affect the delivery times of batteries used as components in energy storages as well as cargo pricing. Furthermore, the EU's new battery legislation will impact requirements related to, for example, battery recycling.

Cyber security is one of the growing challenges in modern society. In the continuously developing IT environment, the energy industry and power grids are critical targets. Software and electronics also play a significant part in Merus Power's business, and therefore there are cyber security risks that concern the company and its products. Merus Power continuously develops its products and operations to protect itself against these risks by keeping data security up to date, training its personnel, and collaborating with cyber security experts.

## **MARKET OUTLOOK**

### **Economic development**

According to the economic forecast published by the OECD in December 2024, the global economy continues to grow at a modest pace. The growth forecast for 2025 is very similar to that of 2024. Inflation is expected to continue to slow down. Increasing geopolitical uncertainty and slow economic growth are also reflected in Merus Power's general market outlook.

In the EU, economic growth will pick up slightly during the next two years. In the US, economic growth will be stronger than in the EU, but the growth will slow down somewhat during the next two years. In Asia, good economic growth is expected for India and China. The geopolitical situation is increasing tensions in trade and may impact economic forecasts.



## **Energy transition and energy storage market**

The UN climate summit in Baku decided to triple the funding granted to developing countries for boosting the green transition. At the same time, it was acknowledged that climate change targets must be sped up in the future. The purpose of the targets is to boost the green transition globally and limit climate warming to 1.5 degrees Celsius.

An estimated USD 2,000 billion is invested in renewable energy projects per year. The IEA calls for stronger action to improve energy efficiency. Energy efficiency improvements have the potential to reduce emissions more than any other actions.

The EU has defined a shared target of renewables covering a 42.5% share of electricity production by 2030. To reach the minimum target of the EU, renewable electricity production deployment should double from the current numbers. Currently, Sweden and Finland have the highest shares of renewable energy in the EU. It has been estimated that there were approximately 10 GW of energy storages in the EU in 2022, and the amount must increase to 57 GW by the year 2030. The energy storage market in Europe is expected to grow to EUR 33 billion by 2030.

The electricity markets in Finland and Sweden, and the frequency balancing market in particular, have favored energy storage investments. There are currently 0.75 gigawatts of electricity storage facilities and 0.84 gigawatts under construction in the Nordic countries, and an additional 1.5 gigawatts are already planned by 2027. Obstacles to the growth of the energy storage market are minor in the Nordic countries, and the electricity market supports growth. According to Fingrid, the need for balancing the power grid will continue to increase. In 2023, approximately 1 GW of balancing was purchased. The amount for 2024 is estimated to have reached 1.5 GW and to reach 2.5 GW in 2030.

The company estimates that the short and long-term market outlook for renewable energy and for energy storage in particular remains positive, and the market is expected to grow strongly. In Merus Power's home market in the Nordic countries, different sources indicate continued growth. The energy storage market in Europe is also growing. Electricity market development is at different stages in different countries, and this development creates a favorable market for energy storage at different times in different countries. This non-simultaneity creates continuity for the company's energy storage market growth. However, the unifying European electricity market will make the market development clearer and more predictable in the long term.

## **Power quality market**

The power quality market is a global market growing by 7.4 per cent between 2024 and 2029. Market size is estimated to have been USD 17 billion in 2024 and to grow to USD 24 billion in 2029.



From the point of view of the company's product, the power quality market forecasts remain similar to those of last year. From the point of view of the company's business, the most important product segments for power quality solutions are active harmonic filters, static synchronous compensators and static VAR compensators. Their combined market size was approximately USD 3.1 billion in 2024. This market is expected to grow to USD 6.0 billion by 2033. Key market sizes and growth forecasts are estimated to have remained unchanged.

## STRATEGY AND FINANCIAL TARGETS

Merus Power's strategic goal is to boost the company's sales, improve profitability and to strengthen the company's market position in the sustainable energy transition. Merus Power is aiming for strong growth particularly in the energy storage market and renewable energy integration. The company also intends to grow faster than the market in the global market for power quality solutions.

### Cornerstones of Merus Power's strategy are

- scalable product portfolio
- multi-channel sales strategy
- growth of energy storage business in Europe
- local and global presence in power quality solutions
- increasing share of services

### Medium-term financial objectives:

- achieve net sales of EUR 80 million in 2026 primarily through organic growth
- average EBITDA margin of more than 15 percent
- equity ratio of more than 35 percent

	2020	2021	2022	2023	2024
Net sales EUR 1 000	6 500	14 770	16 204	29 031	35 834
EBITDA %	0.6	5.6	3.6	0.6	-2.2
Equity ratio, %	32.3	64.0	52.5	57.1	35.7

## EVENTS AFTER THE END OF THE FINANCIAL PERIOD

On December 30, 2024, Merus Power announced changes in the company's Management Team. The company's organization was renewed at the turn of the year, and as of January 1, 2025, the members of the Management Team have been Kari Tuomala, CEO; Rainer Antila, CFO; Markus Ovaskainen, Sales Director; Jyri Öörni, R&D Director; Mikko Marttala, Director, System Deliveries and Services; and Jarkko Latonen, Director, Factory Operations and Quality.

## FINANCIAL REPORTING IN 2025



Financial statements, the report of the Board of Directors and the Annual Report for 2024 will be published on February 17, 2025 as a company announcement and on the company's web pages at <https://sijoittajat.meruspowers.fi/en/for-investors/releases/>

The Annual General Meeting is planned for March 17, 2025. The company's Board of Directors will convene the General Meeting later. The notice to convene the Annual General Meeting will be published as a company announcement and on the company's web pages at <https://sijoittajat.meruspowers.fi/en/for-investors/governance/annual-general-meeting/>

The company's half-year report will be published on August 21, 2025.

### **Press conference**

Merus Power will arrange a press conference for the media and analysts in Finnish on Thursday, February 6, 2025, at 10:30 a.m. The event will be held as a Teams webinar. The link below can be used to register for the event in advance.

<https://events.teams.microsoft.com/event/a6d457c2-c80a-475e-92e0-125ba51a48de@eb19cf28-ccec-4816-b423-0b1fd1cedaca>

After the event, the materials will be published on the company's web page at <https://sijoittajat.meruspowers.fi/en/for-investors/reports-and-presentations/>

## TABLES, JANUARY 1–DECEMBER 31, 2024

### ACCOUNTING POLICIES

The financial statements have been prepared in accordance with good accounting practice and Finnish legislation. The information is presented to the extent required by section 4.4.6 of the Nasdaq First North Growth Market Rulebook. The values presented have been rounded to the nearest whole number, which means that the sum of individual values may differ from the total value presented.

### CONSOLIDATED INCOME STATEMENT

Konserni, 1 000 euroa	7–12/2024	7–12/2023	2024	2023
<b>NET SALES</b>	<b>29 168</b>	<b>15 472</b>	<b>35 834</b>	<b>29 031</b>
Increase/decrease in stocks of finished goods and work in progress	897	1684	1 380	1 859
Manufacturing for own use	1428	795	2 483	1 573
Other operating income	36	51	786	154
Materials and services				
Materials and supplies	-17 771	-8 381	-22 198	-17 593
Purchases during the financial year	-18 396	-4 694	-24 081	-10 948
Increase/decrease in stocks of finished goods	625	-3 687	1 883	-6 644
External services	-4 911	-3 971	-6 542	-5 083
<b>GROSS PROFIT</b>	<b>8 847</b>	<b>5 650</b>	<b>11 743</b>	<b>9 942</b>
Personnel expenses				
Wages and salaries	-3 450	-2 672	-6 756	-5 239
Social security expenses				
Pension expenses	-616	-479	-1 121	-865
Other social security expenses	-59	-66	-167	-163
Depreciation and amortization				
Depreciation according to plan	-651	-381	-1 257	-697
Other operating expenses	-2 118	-1 853	-4 498	-3 488
<b>OPERATING PROFIT (-LOSS)</b>	<b>1 954</b>	<b>200</b>	<b>-2 055</b>	<b>-509</b>
Financial income and expenses				
Other interest and financial income	67	67	67	12
Reduction in value of investments held as current assets	73	-1	20	21
Interest and other financial expenses	-428	-548	-685	-321
<b>PROFIT BEFORE TAX AND APPROPRIATIONS</b>	<b>1 666</b>	<b>-282</b>	<b>-2 654</b>	<b>-798</b>
Tax	0	0	0	0
<b>PROFIT (LOSS) FOR THE FINANCIAL YEAR</b>	<b>1 666</b>	<b>-282</b>	<b>-2 654</b>	<b>-798</b>

## CONSOLIDATED BALANCE SHEET

Group, EUR 1 000	2024	2023
<b>Assets</b>		
<b>Non-current assets</b>		
Intangible assets		
Development expenses	3 238	1 995
Intangible rights	35	44
Other intangible assets	1 396	1 494
Tangible assets		
Machinery and equipment	240	163
Investments	0	0
<b>Non-current assets total</b>	<b>4 909</b>	<b>3 696</b>
<b>Current assets</b>		
Inventories		
Raw materials and consumables	5 906	3 776
Work in progress	2 361	1 006
Finished goods	805	1 027
Advance payments	58	453
Short-term receivables		
Trade receivables	4 072	3 097
Receivables from Group companies	2	0
Loan receivables	0	0
Other receivables	180	11
Subscribed capital unpaid	0	0
Prepayments and accrued income	5 413	5 507
Investments	276	756
Cash and cash equivalents	2 694	1 859
<b>Current assets total</b>	<b>21 767</b>	<b>17 493</b>
<b>Assets total</b>	<b>26 676</b>	<b>21 189</b>

<b>Group, EUR 1 000</b>	<b>2024</b>	<b>2023</b>
<b>Liabilities</b>		
<b>Equity</b>		
Share capital	270	270
Other reserves (limited liability company)	17 595	17 501
Retained earnings (loss)	-5 678	-4 880
Profit (loss) for the financial year	-2 654	-798
<b>Equity total</b>	<b>9 533</b>	<b>12 092</b>
Provisions		
Other provisions	119	142
<b>Provisions total</b>	<b>119</b>	<b>142</b>
<b>Creditors</b>		
Long-term liabilities		
Long-term loans from credit institutions	983	1 803
Short-term liabilities		
Loans from credit institutions	820	2 213
Advance payments received	4 916	959
Trade payables	9 092	2 730
Other payables	178	206
Accruals and deferred income	1 070	1 045
<b>Creditors total</b>	<b>17 059</b>	<b>8 955</b>
<b>Liabilities total</b>	<b>26 711</b>	<b>21 189</b>



## CONSOLIDATED CASH FLOW STATEMENT

<b>Group, EUR 1 000</b>	<b>2024</b>	<b>2023</b>
<b>Cash flow from operating activities</b>		
Operating profit	-2 055	-509
Adjustments	1 234	672
<b>Change in working capital</b>	<b>6 398</b>	<b>169</b>
Financial income and expenses	-599	-289
Taxes	0	0
<b>Cash flow from operating activities</b>	<b>4 978</b>	<b>42</b>
<b>Cash flow from investing activities</b>		
Investments in tangible and intangible assets	-2 505	-2 887
<b>Cash flow from investing activities</b>	<b>-2 505</b>	<b>-2 887</b>
<b>Cash flow before financing activities</b>	<b>2 473</b>	<b>-2 845</b>
<b>Cash flow from financing activities</b>		
Change in long-term debts	-820	-663
Change in short-term debts	-1 393	836
Share issue	94	0
<b>Cash flow from financing activities</b>	<b>-2 118</b>	<b>173</b>
<b>Change of cash and cash equivalents</b>	<b>355</b>	<b>-2 672</b>
Cash and cash equivalents at beginning of year	2 615	5 287
<b>Cash and cash equivalents at end of year<sup>*)</sup></b>	<b>2 970</b>	<b>2 615</b>

<sup>\*)</sup> Cash and cash equivalents include cash and cash equivalents as well as financial securities.

## STATEMENT OF CHANGES IN EQUITY

EUR 1 000	7-12/2024	7-12/2023	2024	2023
<b>Capital employed</b>				
Share capital at beginning of financial year	270	270	270	270
Share capital at end of financial year	270	270	270	270
<b>Capital employed total</b>	<b>270</b>	<b>270</b>	<b>270</b>	<b>270</b>
<b>Unrestricted equity</b>				
Invested unrestricted equity reserve at beginning of financial year	17 584	17 501	17 584	17 501
Additions	11	0	11	0
Invested unrestricted equity reserve at end of financial year	17 595	17 501	17 595	17 501
Profit from previous financial periods at beginning of financial year	-10 002	-5 708	-10 002	-4 882
Translation differences	4	2	4	3
Profit from previous financial periods at end of financial year	-9 998	-5 706	-9 998	-4 879
Profit for the financial year	1 666	28	1 666	-798
<b>Unrestricted equity total</b>	<b>9 263</b>	<b>11 823</b>	<b>9 263</b>	<b>11 823</b>

## GUARANTEES, INDEMNITIES AND OTHER SECURITIES GIVEN

EUR 1 000	2024	2023	2022
<b>Rental liabilities for premises</b>			
Due in the following year	433	420	153
Due at a later date	2 510	3 241	0
<b>Leasing liabilities</b>			
Due in the following year	345	477	34
Due at a later date	143	144	20
	202	333	13
<b>Other contingent liabilities given</b>			
Business mortgages	11 400	3 800	1 800
Commercial guarantees	22 280	3 814	1 385
VAT liabilities	325	346	
<b>Total</b>	<b>34 005</b>	<b>7 960</b>	<b>3 185</b>

## CALCULATION OF KEY FIGURES

### EBITDA

= net sales +/- increase or decrease in finished goods and work in progress and inventories + manufacturing for own use + other operating income - materials and services - personnel costs - other operating expenses

EBITDA margin on net sales, %

= EBITDA / net sales

Operating profit on net sales, %

= Operating profit / net sales

Profit (loss) for the period on net sales, %

= Profit (loss) for the period / net sales

Net interest-bearing liabilities

= interest-bearing liabilities - cash and cash equivalents

Order book

= proportion of customer orders outstanding or partially recognised at the end of the accounting period

Equity ratio, %

= Total equity / balance sheet total

Net gearing, %

= Interest-bearing liabilities - cash and cash equivalents) / Total equity

Return on equity, %

= Profit (loss) for the period / average equity during the period<sup>1)</sup>

Earnings per share (EPS) - undiluted, EUR/share

Profit (loss) for the period / number of shares adjusted for share issues excluding treasury shares

Earnings per share (EPS) - diluted, EUR/share

Profit (loss) for the period / (number of shares adjusted for share issue) excluding treasury shares + number of outstanding options)

Total equity/share, EUR/osake

Total equity / number of shares at the end of the financial period



**Merus Power Plc**

**Board of Directors**

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Nasdaq Helsinki Oy

Finnish Financial Supervisory Authority

Key media

**Merus Power in brief:**

Merus Power is a technology company driving the sustainable energy transition. We design and produce innovative electrical engineering solutions such as energy storages and power quality solutions, and services for the needs of renewable energy and industry. Through our scalable technology, we facilitate the growth of renewable energy in the electricity grids and improve the energy efficiency of society. We are a domestic specialist in innovative electrical engineering and operate in global and high-growth markets. Our personnel represent internationally renowned engineering expertise. Our net sales in 2024 was EUR 35.8 million and our stock's trading symbol on the Nasdaq First North Growth Market Finland is MERUS.

The original of this document has been made in Finnish. In case of any discrepancy, the Finnish version will prevail.