


SOLTEQ

An abstract graphic consisting of several thick, wavy lines in a vibrant pink color, set against a dark navy blue background. The lines flow from the left side of the page, curve upwards and then downwards, creating a sense of movement and depth. The lines are closely spaced, creating a striped effect.

# Financial Statements Bulletin

JANUARY 1–DECEMBER 31, 2022

# Solteq Plc Financial Statements Bulletin January 1–December 31, 2022

**The profitability of Solteq weakened due to a decrease in demand and difficulties in product development**

## October–December

- Revenue totaled EUR 16.9 million (18.3) and decreased by 7.5 percent
- EBITDA was EUR 0.3 million (2.6) and EBITDA percent was 1.5 (14.4)
- Operating result was EUR -1.2 million (1.3) and operating result percent was -7.1 (7.2)
- Earnings per share was EUR -0.09 (0.03)

## January–December

- Revenue totaled EUR 68.4 million (69.1) and decreased by 0.9 percent
- EBITDA was EUR 5.6 million (12.3) and EBITDA percent was 8.1 (17.8)
- Operating result was EUR -4.4 million (7.1) and operating result percent was -6.4 (10.3), including a EUR 4.4 million write-off for the Solteq Robotics business
- Earnings per share was EUR -0.28 (0.21)
- Solteq Group's equity ratio was 30.3 percent (36.9)
- Net cash flow from operating activities was EUR 3.9 million (10.0)
- Solteq Group's revenue is expected to remain on the same level and operating profit to be positive

## Key figures

	10-12/2022	10-12/2021	Change %	1-12/2022	1-12/2021	Change %
Revenue, TEUR	16,900	18,277	-7.5	68,426	69,055	-0.9
EBITDA, TEUR	262	2,629	-90.0	5,555	12,267	-54.7
Comparable EBITDA, TEUR	654	2,732	-76.0	6,400	12,556	-49.0
Operating result, TEUR	-1,199	1,321	-190.7	-4,406	7,123	-161.9
Comparable operating result, TEUR	-776	1,424	-154.5	888	7,412	-88.0
Result for the financial period, TEUR	-1,664	604	-375.3	-5,404	4,100	-231.8
Earnings per share, EUR	-0.09	0.03	-377.0	-0.28	0.21	-231.7
Operating result, %	-7.1	7.2		-6.4	10.3	
Comparable operating result, %	-4.6	7.8		1.3	10.7	
Equity ratio, %				30.3	36.9	

## Profit guidance 2023

Solteq Group's revenue is expected to remain on the same level and operating profit to be positive

## **CEO Aarne Aktan:**

The fourth quarter of Solteq Plc was weak. The Group's revenue was EUR 16.9 million, EBITDA EUR 0.3 million, and comparable operating result EUR -0.8 million. The revenue diminished by 7.5 percent due to a decrease in demand and problems with Utilities product development.

The revenue of the Solteq Digital segment decreased as a result of the economic uncertainties in the market. The demand was lower than in the comparison period, which decreased the utilization rate and profitability of the segment.

The profitability of the Solteq Software segment weakened significantly. The continued problems with product development in the Solteq Utilities business increased the project and service delivery costs and decreased customer invoicing. The offering of the Utilities product portfolio was strengthened in November 2022 with the acquisition of an energy sector system and service provider, S2B Energia Oy. The segment's Solteq Robotics business area, which had demanded significant product development investments, was terminated for being unprofitable.

To address the challenges in the external and internal operating environment, the company updated its business strategy, management system, and reporting structure during the fourth quarter. The main objective of the strategy work was to clarify the vision of the company's competitive advantage and to focus the business operations to support the identified strengths. As of January 1, 2023, the Group's business was divided into Utilities segment focusing on the energy sector and Retail & Commerce segment serving the needs of retail and e-commerce. To execute the updated strategy, a new Executive Team was appointed to the company as of January 1, 2023.

In the fourth quarter, efforts were also made to ensure the flexibility of financing for the current financial year. The company initiated a written procedure to amend the terms and conditions of its EUR 23 million senior unsecured fixed rate notes. Due to the approved amendments to the terms and conditions, the working capital facility was increased from EUR 7 million to EUR 10 million. The increased flexibility in financing is a good thing for the company, although we strive to develop our business in a way that doesn't require additional debt.

Despite the challenges the uncertain economic situation and the rise in costs pose to all market participants, we expect the outlook for the Retail & Commerce segment to remain moderate during the current financial year. The outlook for the Utilities segment is expected to remain good. By solving product development problems during the first half of the year, the company aspires to improve the segment's profitability.

## **Nordic IT market outlook within the key industries for Solteq**

Solteq aims to meet the changing needs of the energy sector, retail industry, and e-commerce through its product development and expert services in the Nordics. Starting from January 1, 2023, the Group's reportable business segments are Utilities and Retail & Commerce. The Utilities segment offers software solutions and expert services for the energy sector, and the Retail & Commerce segment for retail and e-commerce. The business areas share similar characteristics, such as the rapidly evolving digital transformation and the need for smarter and more efficient core functions. The company estimates that its offering matches well with the industry-specific development needs where the Nordic decision-makers are focusing their IT investments in the coming years.

The demand for software solutions and expert services in the Nordic energy sector is accelerated by changes in the industry's regulation, the transition to renewable energy sources, and the potential for more streamlined business operations created by the developing technology. The business of the Utilities segment consists of software solutions and expert services, which comprehensively take into account the regulatory changes in the Nordics and EU. Among these are nationally driven datahub projects for centralized information exchange and the unification of operating models regarding measurement practices and the opening of electricity markets. The company estimates that the segment's industry-specific expertise and offering create a clear competitive advantage in the Nordic energy market.

The Russian invasion of Ukraine has created significant market uncertainties, such as high inflation and increased interest rates. The uncertainties affect the Nordic market by weakening the demand, in particular, for the offering of the Retail & Commerce segment. However, the demand is driven by the rapidly evolving digitalization and the need for the secure, reliable, and coherent IT ecosystems.

## **Revenue and profit**

### **October–December**

Revenue for the fourth quarter decreased by 7.5 percent compared to the previous year and totaled EUR 16,900 thousand (18,277). Operating result for the review period was EUR -1,199 thousand (1,321). Comparable operating result was EUR -776 thousand (1,424). Result before taxes was EUR -2,042 thousand (738) and the result for the financial period was EUR -1,664 thousand (604).

### **January–December**

Revenue decreased by 0.9 percent compared to the previous year and totaled EUR 68,426 thousand (69,055). Operating result for the review period was EUR -4,406 thousand (7,123). Comparable operating result was EUR 888 thousand (7,412). Result before taxes was EUR -6,574 thousand (5,245) and the result for the financial period was EUR -5,404 thousand (4,100).

## **Solteq Digital**

### **October–December**

A decrease in demand weakened the revenue and profitability of the Solteq Digital segment. The revenue was EUR 10,312 thousand (11,700), a decrease of 11.9 percent relative to the comparison period. In October–December, the EBITDA was EUR 774 thousand (2,006) and the operating result was EUR 264 thousand (1,445).

### **January–December**

The revenue of the Solteq Digital segment was EUR 42,142 thousand (44,302), a decrease of 4.9 percent relative to the comparison period. The segment's EBITDA was EUR 5,295 thousand (7,916), and the operating result was EUR 3,228 thousand (5,563).

The segment's business consists of three solution areas: digital business and commerce solutions, data and analytics solutions, and business solutions. Of the segment's revenue, 47.4 percent was derived from digital business and commerce solutions, 19.7 percent from data and analytics solutions, and 32.9 percent from business solutions.

<b>Solteq Digital</b>	<b>10-12/2022</b>	<b>10-12/2021</b>	<b>Change %</b>	<b>1-12/2022</b>	<b>1-12/2021</b>	<b>Change %</b>
Revenue, TEUR	10,312	11,700	-11.9	42,142	44,302	-4.9
Comparable EBITDA, TEUR	1,008	2,000	-49.6	5,759	7,969	-27.7
Comparable EBITDA, %	9.8	17.1		13.7	18.0	
EBITDA, TEUR	774	2,006	-61.4	5,295	7,916	-33.1
EBITDA, %	7.5	17.1		12.6	17.9	
Comparable operating result, TEUR	514	1,439	-64.3	3,707	5,617	-34.0
Comparable operating result, %	5.0	12.3		8.8	12.7	
Operating result, TEUR	264	1,445	-81.7	3,228	5,563	-42.0
Operating result, %	2.6	12.4		7.7	12.6	

## **Solteq Software**

### **October–December**

During the fourth quarter, difficulties in the product development of Solteq Utilities and the resulting increase in project delivery costs and a decrease in customer invoicing affected the profitability relative to the comparison period. The revenue of the Solteq Software segment was EUR 6,588 thousand (6,577). The comparable EBITDA was EUR -354 thousand (732), and the comparable operating result was EUR -1,290 thousand (-15).

### **January–December**

The revenue of the Solteq Software segment was EUR 26,284 thousand (24,753), an increase of 6.2 percent relative to the comparison period. The comparable EBITDA was EUR 641 thousand (4,587), and the comparable operating result was EUR -2,820 thousand (1,795).

The segment's business consists primarily of the Utilities business and retail sector software and services. The Utilities business accounted for 55.5 percent and the Retail business for 37.8 percent of the segment's revenue.

The Utilities product portfolio expanded with two acquisitions, an energy sector software provider Enerity Solutions Oy in January and an energy sector system and service provider S2B Energia Oy in November. The acquisitions strengthen the Company's leading expert position in the changing energy sector and create opportunities for growth within the international market. A significant milestone was reached in February as the customers switched to the centralized information exchange system, Datahub. The introduction of a centralized information exchange system has been a significant step towards a flexible electricity retail market of the future. Going forward, Datahub will be further developed to meet the needs of the changing energy market, and it will enable, among other things, the formation of energy communities and the introduction of a 15-minute imbalance settlement period in 2023. Utilities will continue to invest in product development and internationalization.

In the product development of Retail business area, the Nordic launch of Solteq Commerce Cloud was a key focus area. A significant milestone during the fourth quarter was the preparation for implementation at Royal Arena, Copenhagen. Cloud-based technology, versatile integration capabilities, open interfaces, and features supporting omnichannel business create a significant competitive advantage for Solteq Software's Retail business.

Recurring revenue accounted for 37.4 percent of the segment's revenue. This was lower than previous estimates, due to the high amount of expert work related to delivery projects. Recurring revenue consists of software licensing, maintenance, and support fees.

During the review period, the Company wrote off EUR 4,418 thousand worth of investments made to the product development of the Solteq Robotics business. In November, the business area was terminated for being unprofitable. During the review period, Solteq invested EUR 3,676 thousand in total into product development.

<b>Solteq Software</b>	<b>10-12/2022</b>	<b>10-12/2021</b>	<b>Change %</b>	<b>1-12/2022</b>	<b>1-12/2021</b>	<b>Change %</b>
Revenue, TEUR	6,588	6,577	0.2	26,284	24,753	6.2
Comparable EBITDA, TEUR	-354	732	-148.3	641	4,587	-86.0
Comparable EBITDA, %	-5.4	11.1		2.4	18.5	
EBITDA, TEUR	-512	623	-182.3	260	4,352	-94.0
EBITDA, %	-7.8	9.5		1.0	17.6	
Comparable operating result, TEUR	-1,290	-15	-8718.7	-2,820	1,795	-257.1
Comparable operating result, %	-19.6	-0.2		-10.7	7.3	
Operating result, TEUR	-1,463	-124	-1076.8	-7,633	1,560	-589.5
Operating result, %	-22.2	-1.9		-29.0	6.3	

## Balance sheet and financing

Total assets amounted to EUR 74,336 thousand (75,806) at the end of the review period. Liquid assets totaled EUR 2,057 thousand (3,588). The company has a standby credit limit of EUR 5,000 thousand and a bank account credit limit of EUR 2,000 thousand. At the end of the review period, EUR 5,000 thousand (0) of the standby credit limit and EUR 805 thousand (0) of the bank account credit limit was in use. At the end of the review period, the company had a EUR 1,463 thousand (1,463) Business Finland loan for product development.

The Group's interest-bearing liabilities were EUR 33,474 thousand (29,524).

Solteq Group's equity ratio was 30.3 percent (36.9).

On October 1, 2020, Solteq issued a fixed rate bond with a nominal value of EUR 23.0 million. Annual interest of 6.0 percent is paid on the bond, and it will mature on October 1, 2024. The bond can be redeemed before its final maturity date.

The terms of the bond include financial covenants concerning the distribution of funds and incurring financial indebtedness other than permitted under the terms of the bond (Incurrence Covenant). The

covenants require that the equity ratio exceeds 27.5 percent, the interest coverage ratio (EBITDA/net interest cost) exceeds 3.00:1, and that the Group's net interest-bearing debt to EBITDA ratio does not exceed 4:1. The covenants concerning the distribution of funds and incurring financial indebtedness other than permitted under the terms of the bond are not fulfilled based on the financial year 2022. The fulfillment of the covenants is always reviewed based on the last reported 12-month period. Violations of the above-mentioned financial covenants of the bond do not, as such, lead to the right to demand immediate repayment of the bond, but they limit the distribution of the company's funds and incurring financial indebtedness other than permitted under the terms of the bond.

The maturity distribution of financial liabilities is presented in the tables section of this Financial Statements Bulletin.

## Investment, research, and development

The net investments during the review period were EUR 9,217 thousand (7,147). Of the net investments, EUR 5,291 thousand (3,775) were related to business acquisitions. Solteq Plc acquired the entire share capital of Enerity Solutions Oy on January 3, 2022, and the entire share capital of S2B Energia Oy on November 7, 2022. During the comparison period, Solteq Plc acquired the consulting business of Partiture Oy on March 1, 2021, and Solteq Denmark A/S acquired the entire share capital of Forsyning 360 ApS on October 1, 2021. A total of EUR 3,676 thousand (2,807) of the net investments were capitalized development costs relating to the continued further development of the existing software products and the development of new software products. Other investments were EUR 250 thousand (564). Other investments include the net change in rented premises and equipment, totaling EUR 302 thousand (492). During the review period, Solteq Plc wrote off EUR 4,418 thousand in product development investments relating to the Solteq Robotics business.

Capitalized development costs included EUR 2,367 thousand (2,079) in personnel costs.

## Personnel

The number of permanent employees at the end of the review period was 662 (648).

### Key figures for Group's personnel

	10-12/2022	10-12/2021	1-12/2022	1-12/2021
Average number of personnel during period			676	637
Employee benefit expenses, TEUR	9,991	9,111	37,273	33,987

## **Related party transactions**

Solteq Group's related parties include the Board of Directors, the CEO, and the Group's Executive Team, as well as their related parties and entities according to the IAS24 standard.

The related party transactions and euro amounts are presented in the tables at the end of this Financial Statements Bulletin.

## **Shares, shareholders, and treasury shares**

Solteq Plc's equity on December 31, 2022, was EUR 1,009,154.17 which was represented by 19,396,501 shares. The shares have no nominal value. All shares have an equal entitlement to dividends and company assets. Shares are governed by a redemption clause.

Solteq Plc did not hold any treasury shares at the end of the review period.

## **Exchange and rate**

During the review period, the exchange of Solteq's shares in the Nasdaq Helsinki Ltd was 13.0 million shares (25.1) and EUR 36.3 million (127.8). The highest rate during the review period was EUR 4.94 and the lowest rate was EUR 1.15. The weighted average rate of the share was EUR 2.81 and the end rate was EUR 1.23. The market value of the company's shares at the end of the review period totaled EUR 23.9 million (90.8).

## **Ownership**

At the end of the review period, Solteq had a total of 7,864 shareholders (7,970). Solteq's 10 largest shareholders owned 10,381 thousand shares, i.e., they owned 53.5 percent of the company's shares and votes. Solteq Plc's members of the Board of Directors and CEO owned 26 thousand (328) shares on December 31, 2022.

## **Annual General Meeting**

Solteq's Annual General Meeting was held on March 24, 2022. The Annual General Meeting approved the financial statements for the period January 1–December 31, 2021, and discharged the CEO and the Board of Directors from liability.

In accordance with the proposal of the Board of Directors, the Annual General Meeting decided that no dividend is directly distributed for the financial period ended on December 31, 2021, by a resolution of the Annual General Meeting but that the Annual General Meeting authorized the Board of Directors to decide, at its sole discretion, on the distribution of dividends of a maximum amount of EUR 0.10 per share from retained earnings. The authorization was valid until September 30, 2022 (including September 30, 2022) and the board did not use it.

The Annual General Meeting authorized the Board of Directors to decide on share issue, carried out with or without payment and on issuing share options, and other special rights referred to in Chapter 10, Section1 of the Finnish Companies Act as follows:



The maximum total amount of shares or other rights is 3,000,000. The authorization includes the right to give new shares and special rights or convey the company's own shares. The authorization includes the right to deviate from the shareholders' pre-emptive right of subscription if there is a weighty financial reason for the company, e.g., to improve the capital structure, to execute of business acquisitions and other business improvement arrangements. The authorization cannot be used to implement the company's incentive schemes. The authorization includes the right for the Board of Directors to decide on the other terms concerning the share issue and the granting of special rights, including the subscription price and payment of the subscription price in cash or in whole or in part by other means (subscription in kind) or by using a claim on the subscriber to offset the subscription price and to record it in the company's balance sheet. The authorization is effective until the next annual general meeting, however, no longer than until April 30, 2023 (April 30, 2023 included).

The Annual General Meeting authorized the Board of Directors to decide on share issue, carried out with or without payment and on issuing share options, and other special rights referred to in Chapter 10, Section 1 of the Finnish Companies Act as part of the implementation of the company's incentive schemes as follows:

The maximum total amount of shares or other rights is 1,000,000. The authorization includes the right to give new shares and special rights or convey the company's own shares. The authorization includes the right to deviate from the shareholders' pre-emptive right of subscription as part of the implementation of the company's incentive schemes, in which case there is a weighty financial reason for the company. The authorization includes the right for the Board of Directors to decide on the other terms concerning the share issue and the granting of special rights, including the subscription price and payment of the subscription price in cash or by using a claim on the subscriber to offset the subscription price and to record it in the company's balance sheet. The authorization is effective until the next annual general meeting, however, no longer than until April 30, 2023 (April 30, 2023, included).

The Annual General Meeting authorized the Board of Directors to decide on repurchasing of the company's own shares as follows:

On the basis of the authorization the number of own shares to be repurchased shall not exceed 500,000 shares. Shares may be repurchased in one or more lots. The Company may use only unrestricted equity to repurchase own shares. Repurchase of own shares may be made otherwise than in proportion to the share ownership of the shareholders (directed repurchase). The purchase price shall be at least the lowest price paid for the company's shares in regulated trading at the time of purchase and no more than the highest price paid for Company shares in regulated trading at the time of purchase. Own shares can be purchased to be used to improve the capital structure of the company, to execute of business acquisitions and other business improvement arrangements or as a part of the implementation the company's incentive schemes. The authorization is effective until the next annual general meeting, however, no longer than until April 30, 2023 (April 30, 2023, included).

In addition, the Annual General Meeting authorized the Board of Directors to decide on accepting the company's own shares as pledge as follows:

The Board of Directors is authorized to decide on accepting the company's own shares as pledge (directed) regarding business acquisitions or when executing other business arrangements. Accepting pledge may occur at once or in multiple transactions. The number of own shares to be accepted as pledge shall not exceed 2,000,000 shares. The authorization includes that the Board of Directors may

decide on all other terms concerning the accepting as pledge. The authorization is effective until the next Annual General Meeting, however, no longer than until April 30, 2023 (April 30, 2023, included).

## **Board of Directors and auditors**

The Annual General Meeting on March 24, 2022, decided to appoint six members to the Board of Directors. Aarne Aktan, Markku Pietilä, Panu Porkka, and Katarina Segerståhl were re-elected and Anni Sarvaranta and Mika Sutinen were elected as members of the Board of Directors for the term expiring at the end of the Annual General Meeting of 2023.

In the Board meeting, held after the Annual General Meeting, Markku Pietilä was elected as the Chairman of the Board.

In addition, Aarne Aktan, Markku Pietilä, and Katarina Segerståhl were appointed as the members of the Audit Committee and Aarne Aktan as the Chairman of the Audit Committee.

KPMG Oy Ab, Authorized Public Accountants, was re-elected as auditors, with Petri Sammalisto, APA, acting as the chief auditor.

Aarne Aktan resigned from the Board of Directors and Audit Committee of Solteq Plc on July 1, 2022, as he assumed the role of CEO of the Company. Thereafter, Solteq's Board of Directors consists of five members. The Audit Committee was reorganized by the appointment of Mika Sutinen as a member and Chairman of the Committee.

## **Other events during the review period**

On January 3, 2022, Solteq Plc announced that it had signed an agreement to purchase the entire share capital of the energy software company Enerity Solutions Oy. The table section of this Financial Statements Bulletin provides more detailed information regarding the acquisition.

On January 14, 2022, Solteq Plc announced that the company's Board of Directors has appointed CFO Kari Lehtosalo as Interim CEO as of February 1, 2022.

On April 1, 2022, Solteq Plc announced that the Company's Board of Directors has appointed Aarne Aktan as the new Chief Executive Officer of the Company. Aktan will begin his duties on July 1, 2022, at the latest. Aarne Aktan has been a member of Solteq's Board of Directors since 2015, and he will continue as a member of the Board until taking over his CEO duties. Thereafter Solteq's Board of Directors consists of five board members.

On May 25, 2022, Solteq Plc announced it is lowering its revenue and profit guidance for 2022. The new profit guidance for 2022 is: Solteq Group's revenue is expected to grow and profit to weaken. The previous 2022 profit guidance, published on April 28, 2022, as a part of the year's first Interim Report, was: Solteq Group's revenue is expected to grow clearly and operating profit to improve. The company's long-term financial goals remain unchanged.

On August 11, 2022, Solteq Plc announced the reorganization of the Audit Committee of the Board of Directors by the appointment of Mika Sutinen as a member of the Committee. Going forward, the Audit Committee consists of Mika Sutinen (Chairman), Katarina Segerståhl, and Markku Pietilä.

On September 19, 2022, Solteq Plc announced it is lowering its revenue and profit guidance for 2022. The new profit guidance for 2022 is: Solteq Group's revenue is expected to stay at the same level and operating profit to be negative. At the same time Solteq announced the write-off of product development investments made to the Solteq Robotics business. The write-off was made during the third quarter and resulted in a one-time negative impact of EUR 4.4 million on the Company's operating result of 2022. The write-off has no cash flow effect.

On September 19, 2022, Solteq Plc announced that the Company's Board of Directors has appointed Kari Lehtosalo as Executive Vice President of the Solteq Software segment. In addition to his new responsibilities, Lehtosalo will continue his duties as the Company's CFO and member of the Executive Team.

On November 9, 2022, Solteq Plc announced that VP of People and Culture and member of the Executive Team, Kirsi Jalasaho, has announced her resignation to assume a new position outside of Solteq. Jalasaho will continue in her current position and as a member of the Executive Team until the end of January 2023.

On November 25, 2022, Solteq Plc announced having updated its business strategy. The energy sector, retail industry, and e-commerce are at the core of the business.

On November 25, 2022, Solteq Plc announced a written procedure to amend the terms and conditions of its EUR 23 million fixed rate bond, due 2024.

On December 12, 2022, Solteq Plc announced changes in its Executive Team. Director of Communications and Marketing Christa Tavan, EVP of the Retail & Commerce segment Jesper Boye, EVP of the Utilities segment Jaakko Hirvensalo, and General Counsel Mikko Sairanen will take on their Executive Team duties as of January 1, 2023. With the changes, EVP of the Solteq Digital segment Juha Rokkanen and Chief Marketing Officer Matti Djateu will leave the Executive Team. Both will continue in their positions and with the company until December 31, 2022.

On December 19, 2022, Solteq Plc announced making a clarification to the notice of the written procedure relating to its EUR 23 million fixed rate bond and extending the voting deadline.

On December 30, 2022, Solteq Plc announced the amendments to the terms and conditions of the bond have been approved in written procedure. After the approval, the permitted size of the Working Capital Facility was increased from EUR 7 million to EUR 10 million.

## Events after the review period

On January 16, 2023, Solteq Plc announced having updated its long-term financial targets. Solteq Plc's Board of Directors has approved the company's segment-specific long-term targets, which are based on the updated strategy and segment structure.

On January 27, 2023, Solteq Plc announced that the Board of Directors has appointed Oona Silén as VP of People and Culture and member of the Executive Team of the company as of February 6, 2023.

The company's management is not aware of other events of material importance after the review period that might have affected the preparation of the Financial Statements Bulletin.

## Risks and uncertainties

Material uncertainties and near-term risks consist of the general financial uncertainty caused by the Russian invasion of Ukraine, high inflation, and the availability of labor. The Russian invasion of Ukraine has not had an immediate effect on the Company's business. The weakened economy and other indirect effects might affect the customers' ability to make investments in the long run. In addition, the change in the security environment increases the risk of cyber attacks.

Other key uncertainties and risks are related to the management of changes in financing and balance sheet structures, the timing and pricing of business deals that are the basis for revenue, changes in general costs, developing company's own products and their commercialization, and the company's capability to manage extensive customer contracts and deliveries.

The key business risks and uncertainties of the company are monitored constantly as a part of the Board of Directors' and Executive Team's duties. In addition, the company has the Audit Committee appointed by the Board of Directors.

## The Russian invasion of Ukraine and its impact on Financial Reporting

The company has no business operations in Russia or in Ukraine. The management of the company is continuously monitoring the Russian invasion of Ukraine and assessing its impact on the company's operations, strategy, realization of financial targets, performance, financial position, and cash flows.

The impairment tests of goodwill and capitalized development costs were performed during the last quarter of the financial year 2022. No need for impairment was identified, but a clear margin was left for each tested unit and project. No impairment losses were recognized in 2022 related to the goodwill of the group or to the merger losses of the parent company. Impairment tests have been carried out at the cash-generating unit level. The recoverable amount has been determined by means of the value in use. The determined anticipated cash flows are based on the operating profit budget for 2023 and operating profit forecasts for the subsequent four years. The Russian invasion of Ukraine has had no effect on the valuation of the assets.

The company has not historically incurred material credit losses, so the probability of such losses is low, and provisions for them have been small. However, due to the general economic uncertainty, high inflation and increased interest rates, the company has decided to prepare for possible credit losses by

keeping the provision for credit losses unchanged, which was increased due to the COVID-19 pandemic. No significant changes have yet been observed in customers' payment behavior. The company is following the situation closely. The company has also assessed the valuation of its other asset items and discovered that the Russian invasion of Ukraine has had no effect on their valuation so far.

The company has a EUR 23.0 million bond that matures on October 1, 2024. The company also has a EUR 5,000 thousand standby credit limit and a EUR 2,000 thousand bank account credit limit. At the end of the review period EUR 5,000 thousand of standby credit limit was used. At the end of the review period EUR 805 thousand of bank account credit limit was used. The company's operations are on a solid foundation, and it is the management's view that the company has the capacity to overcome the negative impacts caused by the Russian invasion of Ukraine on its business operations.

### **Proposal of the Board of Directors on the disposal of profit for the financial year**

At the end of financial year 2022, the distributable equity of the Group's parent company is 16,436,538.92 euros. Solteq Plc's Board of Directors proposes to the Annual General Meeting that for the financial year 2022, no dividend will be paid out.

The Board of Directors is of the opinion that there are no financial prerequisites for dividend pay-outs, or other kind of distribution of funds. According to the terms and conditions of the company debenture stock distribution of funds would lead to the expiration of the credit. The covenants of the bond do not permit distribution of funds based on the financial year 2022.

No essential changes have taken place in the company's financial situation after the end of the financial year.

### **Financial reporting**

This Financial Statements Bulletin has been prepared in accordance with the recognition and valuation principles of IFRS standards and using IAS 34 and the same accounting policies as the Financial Statements 2021. The new IFRS standards, taken into use on January 1, 2022, do not have a significant impact on the Group's Financial Statements Bulletin. The Financial Statements Bulletin is based on 2022 audited Financial Statements.

#### **Revenue from contracts with customers**

The revenue of the Solteq Digital mainly comprises of professional services. These services include consulting, implementation of systems as projects, continuous development services, and maintenance. The reporting of revenue from contracts with customers in Solteq Digital remains nearly the same, and the revenue is classified in either services or software and hardware sales. The services mainly consist of time and material-based consulting, support and development services provided by the company, as well as projects. The company recognizes revenue over time as the customer receives the benefits of the service. In addition, Solteq Digital generates revenue of software and hardware sales, consisting mainly of third-party software license and maintenance fees.

Solteq Software's business is based on the company's own products. The segment's revenue is mainly derived from license and maintenance fees for Solteq's own products, and related services such as integrations and implementation projects. Solteq Software's revenue from contracts with customers is classified into services, recurring revenue/SaaS, and non-recurring license and hardware sales. The services mainly consist of time and material-based consulting as well as support and development

services and projects provided by the company, for which the customer receives the benefits as the service is provided. Recurring revenue/SaaS includes sales related to Solteq's own products where the amount charged is not dependent on the amount of work performed and the charge is recurring or deferred over the contract period. In addition, the contract needs to be valid until further notice or the contract period is minimum 12 months in order to be classified as recurring Revenue/SaaS. Non-recurring license and hardware sales include license fees related to the company's own software and directly related products and hardware. The revenue is recognized as point in time.

## Financial information

### Consolidated statement of comprehensive income

TEUR	10-12/2022	10-12/2021	1-12/2022	1-12/2021
<b>Revenue</b>	<b>16,900</b>	<b>18,277</b>	<b>68,426</b>	<b>69,055</b>
Other income	54	20	166	113
Materials and services	-1,960	-2,088	-7,550	-7,903
Employee benefit expenses	-11,966	-10,817	-44,560	-40,312
Other expenses	-2,767	-2,763	-10,928	-8,685
Depreciations and impairments	-1,460	-1,308	-9,960	-5,144
<b>Operating result</b>	<b>-1,199</b>	<b>1,321</b>	<b>-4,406</b>	<b>7,123</b>
Financial income and expenses	-844	-583	-2,169	-1,878
<b>Result before taxes</b>	<b>-2,042</b>	<b>738</b>	<b>-6,574</b>	<b>5,245</b>
Income taxes	379	-134	1,170	-1,145
<b>Result for the financial period</b>	<b>-1,664</b>	<b>604</b>	<b>-5,404</b>	<b>4,100</b>
Other comprehensive income to be reclassified to profit or loss in subsequent periods				
Currency translation differences	39	-11	-61	-46
Other comprehensive income, net of tax	39	-11	-61	-46
<b>Total comprehensive income</b>	<b>-1,625</b>	<b>593</b>	<b>-5,465</b>	<b>4,055</b>
Total result for the period attributable to owners of the parent	-1,664	604	-5,404	4,100
Total comprehensive income attributable to owners of the parent	-1,625	593	-5,465	4,055
Earnings per share, EUR (undiluted)	-0.09	0.03	-0.28	0.21
Earnings per share, EUR (diluted)	-0.09	0.03	-0.28	0.21

## Consolidated statement of financial position

TEUR	31 Dec 2022	31 Dec 2021
<b>Assets</b>		
<b>Non-current assets</b>		
Tangible assets	64	244
Right-of-use assets	3,309	5,010
Intangible assets		
Goodwill	46,493	42,325
Other intangible assets	9,125	12,092
Other investments	437	438
Deferred tax assets	1,380	82
Other long-term receivables	269	116
<b>Non-current assets total</b>	<b>61,078</b>	<b>60,307</b>
<b>Current assets</b>		
Inventories	133	207
Trade and other receivables	11,068	11,705
Cash and cash equivalents	2,057	3,588
<b>Current assets total</b>	<b>13,258</b>	<b>15,500</b>
<b>Total assets</b>	<b>74,336</b>	<b>75,806</b>
<b>Equity and liabilities</b>		
<b>Equity attributable to equity holders of the parent company</b>		
Share capital	1,009	1,009
Share premium reserve	75	75
Distributable equity reserve	13,260	13,260
Retained earnings	8,195	13,660
<b>Total equity</b>	<b>22,539</b>	<b>28,004</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	759	610
Financial liabilities	24,179	24,217
Lease liabilities	1,694	3,330
<b>Non-current liabilities total</b>	<b>26,632</b>	<b>28,158</b>
<b>Current liabilities</b>		
Financial liabilities	5,928	
Trade and other payables	17,485	17,595
Provisions	78	73
Lease liabilities	1,673	1,976
<b>Current liabilities total</b>	<b>25,164</b>	<b>19,644</b>
<b>Total equity and liabilities</b>	<b>74,336</b>	<b>75,806</b>



## Consolidated cash flow statement

TEUR	1-12/2022	1-12/2021
<b>Cash flow from operating activities</b>		
Profit for the financial period	-5,404	4,100
Adjustments for operating profit	10,275	7,096
Changes in working capital	852	514
Interests paid	-1,854	-1,772
Interests received	18	16
<b>Net cash flow from operating activities</b>	<b>3,887</b>	<b>9,955</b>
<b>Cash flow from investing activities</b>		
Business acquisitions	-5,109	-2,855
Investments in tangible and intangible assets	-3,454	-3,064
<b>Net cash used in investing activities</b>	<b>-8,563</b>	<b>-5,920</b>
<b>Cash flow from financing activities</b>		
Long-term loans, decrease	-8	
Short-term loans, increase	6,813	
Short-term loans, decrease	-1,194	
Payment of finance lease liabilities	-2,465	-2,415
Dividend payment		-2,909
<b>Net cash used in financing activities</b>	<b>3,145</b>	<b>-5,325</b>
<b>Changes in cash and cash equivalents</b>	<b>-1,531</b>	<b>-1,289</b>
Cash and cash equivalents at the beginning of period	3,588	4,877
<b>Cash and cash equivalents at the end of period</b>	<b>2,057</b>	<b>3,588</b>

## Consolidated statement of changes in equity

TEUR	Share capital	Share premium account	Invested unrestricted equity reserve	Currency translation difference	Retained earnings	Total
<b>Equity 1 Jan 2021</b>	<b>1,009</b>	<b>75</b>	<b>12,910</b>	<b>-99</b>	<b>12,613</b>	<b>26,509</b>
Profit for the financial period					4,100	4,100
Other items on comprehensive income				-46		-46
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-46</b>	<b>4,100</b>	<b>4,055</b>
<b>Transactions with owners</b>						
Returned dividends					0	0
Dividends paid					-2,909	-2,909
Share issue			350			350
<b>Transactions with owners</b>	<b>0</b>	<b>0</b>	<b>350</b>	<b>0</b>	<b>-2,909</b>	<b>-2,559</b>
<b>Equity 31 Dec 2021</b>	<b>1,009</b>	<b>75</b>	<b>13,260</b>	<b>-144</b>	<b>13,805</b>	<b>28,004</b>
<b>Equity 1 Jan 2022</b>	<b>1,009</b>	<b>75</b>	<b>13,260</b>	<b>-144</b>	<b>13,805</b>	<b>28,004</b>
Result for the financial period					-5,404	-5,404
Other items on comprehensive income				-61		-61
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-61</b>	<b>-5,404</b>	<b>-5,465</b>
<b>Equity 31 Dec 2022</b>	<b>1,009</b>	<b>75</b>	<b>13,260</b>	<b>-205</b>	<b>8,400</b>	<b>22,539</b>

## Quarterly key indicators

TEUR	1-3/2022	4-6/2022	7-9/2022	10-12/2022
Revenue	19,239	17,937	14,351	16,900
EBITDA	2,720	1,776	797	262
Comparable EBITDA	2,922	1,946	877	654
Operating profit	1,384	414	-5,005	-1,199
Comparable operating profit	1,586	585	-507	-776
Result before taxes	1,021	-99	-5,455	-2,042

TEUR	1-3/2021	4-6/2021	7-9/2021	10-12/2021
Revenue	17,383	18,487	14,909	18,277
EBITDA	3,490	3,726	2,422	2,629
Comparable EBITDA	3,554	3,767	2,502	2,732
Operating profit	2,232	2,440	1,130	1,321
Comparable operating profit	2,296	2,481	1,210	1,424
Result before taxes	1,838	1,989	680	738

## Revenue from contracts with customers

### Solteq Digital

TEUR	10-12/2022	10-12/2021	1-12/2022	1-12/2021
Services	9,661	11,074	39,240	41,692
Software and hardware sales	651	625	2,902	2,610
<b>Total</b>	<b>10,312</b>	<b>11,700</b>	<b>42,142</b>	<b>44,302</b>

### Solteq Software

TEUR	10-12/2022	10-12/2021	1-12/2022	1-12/2021
Services	3,510	3,842	14,180	15,308
Recurring revenue / SaaS	2,597	2,066	9,827	7,789
Non-recurring sales	481	669	2,277	1,656
<b>Total</b>	<b>6,588</b>	<b>6,577</b>	<b>26,284</b>	<b>24,753</b>
<b>Group total</b>	<b>16,900</b>	<b>18,277</b>	<b>68,426</b>	<b>69,055</b>

## Total investments

TEUR	10-12/2022	10-12/2021	1-12/2022	1-12/2021
Group total	745	2,409	9,217	7,147

## Maturity of financial liabilities

TEUR	Book value	Contractual cash flows	1-12 months	13-24 months	25-36 months	Later
<b>Financial liabilities, 31 Dec 2022</b>						
Bond	22,839	25,766	1,383	24,383		
Loans from financial institutions	1,463	1,525	95	414	359	657
Lease liabilities	3,368	3,486	1,803	1,351	326	5
Trade payables	3,916	3,916	3,916			
<b>Financial liabilities total</b>	<b>31,585</b>	<b>34,693</b>	<b>7,197</b>	<b>26,148</b>	<b>686</b>	<b>663</b>
<b>Financial assets, 31 Dec 2022</b>						
Trade receivables	8,499					
Cash and cash equivalents	2,057					
<b>Financial assets total</b>	<b>10,556</b>					

The company has a standby credit limit of EUR 5,000 thousand and a bank account credit limit of EUR 2,000 thousand. At the end of the review period, EUR 5,000 thousand (O) of the standby credit limit and EUR 805 thousand (O) of the bank account credit limit was in use.

## Fair value of financial assets and liabilities

The fair values of the financial assets and liabilities are mainly the same as the book values. Hence, they are not presented in table form in the Financial Statements Bulletin.

## Liabilities

TEUR	31 Dec 2022	31 Dec 2021
Business mortgages	10,000	10,000
Off-balance sheet lease liabilities	1,530	1,642

## Related party transactions

There were no related party transactions to be reported in the review or the comparison period.

## Distribution of holdings by sector December 31, 2022

	Number of owners		Shares and votes	
	PCS	%	PCS	%
Private companies	254	3.23	4,296,922	22.15
Financial and insurance institutions	12	0.15	1,380,743	7.12
Public sector organizations	3	0.04	5,196,890	26.79
Households	7,566	96.21	8,134,578	41.94
Non-profit organizations	4	0.05	93,731	0.48
Foreign owners	17	0.22	293,637	1.51
<b>Total</b>	<b>7,864</b>	<b>100.00</b>	<b>19,396,501</b>	<b>100.00</b>
Total of nominee registered	8	0.10	317,102	1.63

## Distribution of holdings by share December 31, 2022

Number of shares	Number of owners		Shares and votes	
	PCS	%	PCS	%
1 - 100	2,600	33.06	122,907	0.63
101 - 1 000	4,003	50.90	1,667,864	8.60
1 001 - 10 000	1,129	14.36	3,065,266	15.80
10 001 - 100 000	117	1.49	3,197,402	16.48
100 001 - 1 000 000	11	0.14	4,062,403	20.94
1 000 000 -	4	0.05	7,280,659	37.54
<b>Total</b>	<b>7,864</b>	<b>100.00</b>	<b>19,396,501</b>	<b>100.00</b>
of which nominee registered	8	0.00	317,102	1.64

## Major shareholders December 31, 2022

		Shares and votes	
		number	%
1.	Profiz Business Solution Oy	2,083,769	10.74
2.	Elo Mutual Pension Insurance Company	2,000,000	10.31
3.	Ilmarinen Mutual Pension Insurance Company	1,651,293	8.51
4.	Varma Mutual Pension Insurance Company	1,545,597	7.97
5.	Aktia Capital Mutual Fund	770,000	3.97
6.	Aalto Seppo Tapio	615,000	3.17
7.	Saadetdin Ali U	602,216	3.10
8.	Säästöpankki Small Cap Mutual Fund	500,000	2.58
9.	Incedo Oy	313,178	1.61
10.	Säästöpankki Itämeri Mutual Fund	300,000	1.55
<b>10 largest shareholders total</b>		<b>10,381,053</b>	<b>53.52</b>
Total of nominee-registered		317,102	1.63
Others		8,698,346	44.84
<b>Total</b>		<b>19,396,501</b>	<b>100.00</b>

## Financial performance indicators

	10-12/2022	10-12/2021	1-12/2022	1-12/2021
Revenue, MEUR	16.9	18.3	68.4	69.1
Change in revenue, %	-7.5	11.4	-0.9	14.2
Operating result, MEUR	-1.2	1.3	-4.4	7.1
% of revenue	-7.1	7.2	-6.4	10.3
Result before taxes, MEUR	-2.0	0.7	-6.6	5.2
% of revenue	-12.1	4.0	-9.6	7.6
Net investments in non-current assets, MEUR	0.7	2.4	9.2	7.1
Equity ratio, %			30.3	36.9
Net debt, MEUR			31.4	25.9
Gearing, %			139.4	92.6
Return on equity, rolling 12 months, %			-21.4	15.0
Return on investment, rolling 12 months, %			-6.9	13.0
Personnel at end of period			662	648
Personnel average for period			676	637

## Key indicators per share

	10-12/2022	10-12/2021	1-12/2022	1-12/2021
Earnings per share, EUR (undiluted)	-0.09	0.03	-0.28	0.21
Earnings per share, EUR (diluted)	-0.09	0.03	-0.28	0.21
Equity per share, EUR			1.16	1.44

## Alternative performance measures to be used in financial reporting by Solteq Group

Solteq uses alternative performance measures to describe the company's underlying financial performance and to improve the comparability between review periods. The alternative performance measures should not be regarded as indicators that replace the financial key figures as defined in IFRS standards.

Performance measures used by Solteq Group are EBITDA, equity ratio, gearing, return on equity, return on investment, net debt, and the share of recurring revenue of the total revenue of Solteq Software segment. The calculation principles of these financial key figures are presented as part of this Financial Statements Bulletin. The performance measures presented as rolling 12 months include the total figures of the past four quarters.

## Items affecting comparability and alternative performance measures

### Items affecting comparability:

Transactions that are unrelated to the regular business operations, or valuation items that do not affect the cash flow, but have an important impact on the income statement, are adjusted as items affecting comparability. These non-recurring items may include the following:

- Significant restructuring arrangements and related financial items
- Impairments
- Items related to the sale or discontinuation of significant business operations
- Costs incurred by the re-organization of operations
- Costs incurred by the integration of acquired business operations
- Non-recurring severance packages
- Fee items that are not based on cash flow
- Costs incurred by changes in legislation
- Fines and similar indemnities, damages, and legal costs.

### Comparable operating result (EBIT)

The reconciliation of the comparable operating result to operating result is presented in the table below. The same adjusting items apply when reconciling the comparable EBITDA to EBITDA, except for the Impairments.

TEUR	10-12/2022	10-12/2021	1-12/2022	1-12/2021
<b>Operating result (EBIT)</b>	<b>-1,199</b>	<b>1,321</b>	<b>-4,406</b>	<b>7,123</b>
<b>Items affecting comparability</b>				
Acquisition costs		68	124	189
Cost of integrating the acquired business		7	24	7
Non-recurring severance packages	128	3	164	68
Impairments	30		4,448	
Fines and similar indemnities and damages	-7		29	
Costs incurred by the re-organization of operations	272	25	506	25
<b>Total items affecting comparability</b>	<b>423</b>	<b>103</b>	<b>5,293</b>	<b>289</b>
<b>Comparable operating result (EBIT)</b>	<b>-776</b>	<b>1,424</b>	<b>888</b>	<b>7,412</b>

## Calculation of the key figures

### Equity ratio, %:

$$\frac{\text{Equity}}{\text{Balance sheet total - Advances received}} \times 100$$

### Gearing, %:

$$\frac{\text{Interest bearing liabilities - Cash and cash equivalents}}{\text{Equity}} \times 100$$

### Return on Equity (ROE), %:

$$\frac{\text{Result for the financial period (rolling 12 months)}}{\text{Equity (average for the period)}} \times 100$$

### Return on investment (ROI), %:

$$\frac{\text{Result before taxes + Finance expenses (rolling 12 months)}}{\text{Balance sheet total - Interest free debt (average for the period)}} \times 100$$

### Earnings per share:

$$\frac{\text{Result before taxes +/- Minority interest}}{\text{Adjusted average basic number of shares}}$$

### Diluted earnings per share:

$$\frac{\text{Result before taxes +/- Minority interest}}{\text{Adjusted diluted average number of shares}}$$

### Equity per share:

$$\frac{\text{Equity}}{\text{Number of shares}}$$

### EBITDA:

Operating result + Depreciations and impairments

### Net debt:

Interest bearing liabilities - Cash and cash equivalents

### Share of recurring revenue of the total revenue of Solteq Software segment:

$$\frac{\text{Recurring revenue / SaaS}}{\text{Total revenue of Solteq Software segment}}$$



## Business Combinations

On January 3, 2022, Solteq Plc signed an agreement to purchase the entire share capital of the energy software company Enerity Solutions Oy. Through the acquisition, Solteq is expanding its software offering in the utilities sector, which is one of the company's key growth drivers in the Nordic market. The deal also further increases the company's expertise in the changing operating environment of the energy sector. Enerity Solutions specializes in software solutions for electricity trading and grid profitability and risk management.

<b>TEUR</b>	<b>1-12/2022</b>
<b>Consideration</b>	
Paid in cash	5,291
<b>Total</b>	<b>5,291</b>

### Values of the assets and liabilities arising from the acquisition

Tangible assets	5
Intangible assets **	577
Trade and other receivables	229
Cash and cash equivalents	869
<b>Total assets</b>	<b>1,680</b>

Trade payables and other liabilities	445
Financial liabilities	115
<b>Total liabilities</b>	<b>560</b>

<b>The goodwill value of the acquisition</b>	<b>4,171</b>
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### Cash flow from the acquisition

Consideration paid in cash in 2022	5,291
Cash and cash equivalents of the acquired companies	869
<b>Total cash flow from the acquisition</b>	<b>4,422</b>

Goodwill consists of assets that cannot be separated like synergy benefits, competent personnel, market share and entrance to new market.

\*\* Depreciations of the intangible rights during the reporting period are EUR 115 thousand.

### Expenses related to the acquisition

Other expenses	124
<b>Total expenses related to the acquisition</b>	<b>124</b>

<b>Impact on the Solteq Group's number of personnel</b>	<b>17</b>
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<b>Impact on the Solteq Group's comprehensive income statement</b>	<b>1-12/2022</b>
Revenue *	2,323
Operating profit *	802

\* The amount of the revenue and the operating profit from the acquisition date to the end of the reporting period. Enerity Solutions Oy is consolidated to Solteq Group as of the beginning of the reporting period. The company was merged into the parent company on June 1, 2022.

Solteq Plc acquired on November 7, 2022, the entire share capital of energy sector system and service provider S2B Energia Oy. As a result of the acquisition 10 employees transferred to be part of Solteq Group. The debt-free purchase price was EUR 1 and net assets EUR 32 thousand. The revenue and operating profit of the acquired businesses is not presented as if the consolidation would have happened in the beginning of the financial year because it has no significant effect on Solteq Group's figures.

## Business Combinations in the Financial Year 2021

Solteq Plc acquired Partiture Oy's professional services business, specializing in utilities sector. The agreement was effective as of March 1, 2021. The utilities sector is one of the Solteq's key drivers for growth in the Nordic market. As a result of the business transfer agreement, 16 experts transferred to Solteq. The debt-free purchase price of the transfer was EUR 2,350 thousand.

EUR 350 thousand of the business acquisition purchase price was paid for with new Solteq shares measured at fair value, based on the authorization given to the Board, by the Annual General Meeting on June 10, 2020, and the rest of the purchase price with existing cash funds. EUR 1,000 thousand of the purchase price was paid at the time of signing the agreement, and the rest was paid on December 15, 2021.

The business transfer agreement created an intangible asset related to the customer contracts transferred to Solteq Plc with the agreement. In addition, goodwill of EUR 1,991 thousand, which consists of non-separable assets, such as synergies, competent personnel, and market share, was recognized for the transaction. The goodwill is tax-deductible.

A total of EUR 64 thousand of expenses related to the business transfer agreement were recognized in other operating expenses.

<b>TEUR</b>	<b>1-12/2021</b>
Intangible assets	448
<b>Total assets</b>	<b>448</b>
Deferred tax liabilities	90
<b>Total liabilities</b>	<b>90</b>
<b>Net assets acquired</b>	<b>359</b>
Total consideration	2,350
Goodwill	1,991
<b>Impact on cash flows</b>	
Paid in cash	2,000
<b>Cash flow from investing activities</b>	<b>-2,000</b>
<b>Consideration</b>	
Paid in cash	2,000
Directed issue	350
<b>Total</b>	<b>2,350</b>

Solteq Plc's Danish subsidiary, Solteq Denmark A/S, signed a share purchase agreement on October 1, 2021, whereby it acquired a management consulting business specialized in the utilities sector. The acquisition consisted of the consulting business of Kouno P/S and the share capital of Forsyning 360 ApS. As a result of the acquisition, 9 employees joined the Solteq Denmark Group. The debt-free purchase price of the transaction was EUR 1,425 thousand. EUR 855 thousand of the purchase price was paid at the time of signing the agreement, and the rest was paid in 2022.

A total of EUR 57 thousand of expenses related to the acquisition were recognized in other operating expenses.

The revenue and operating profit of the acquired companies is not presented as if the consolidation would have happened in the beginning of the financial year because it has no significant effect on Solteq Group's figures.

## **Financial reporting**

Solteq Plc's audited Annual Report and financial statements for 2022 will be published on the company's website by March 7, 2023.

Solteq Plc's financial information bulletins in 2023 have been scheduled as follows:

- Interim Report 1-3/2023 Thursday May 4, 2023, at 8.00 am
- Half Year Report 1-6/2023 Wednesday August 23, 2023, at 8.00 am
- Interim Report 1-9/2023 Thursday October 26, 2023, at 8.00 am

More investor information is available on Solteq's website at [www.solteq.com](http://www.solteq.com).

## **Further information:**

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