

# Betolar Plc Financial Statements Release

For the financial period 1 January–31 December 2024

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Betolar Plc's Financial Statements Release for 1 January–31 December 2024 (unaudited)

## Betolar Plc's Financial Statements Release 1-12/2024: Focus on the mining industry is paying off

### October–December 2024 in brief

- Net sales amounted to EUR 210 thousand (217 thousand)
- EBITDA amounted to EUR -1,193 thousand (-2,370 thousand)
- Cash and cash equivalents and short-term fund investments at the end of the period amounted to EUR 8,987 thousand (14,315 thousand)
- Order intake amounted to EUR 271 thousand (213 thousand)
- The number of new NRE projects was 5 (5)
- The number of new pilot customers was 1 (1)
- The average number of personnel during the period was 37 (57)

### January–December 2024 in brief

- Net sales amounted to EUR 762 thousand (515 thousand)
- Gross margin amounted to EUR 564 thousand (340 thousand)
- EBITDA amounted to EUR -5,816 thousand (-11,181 thousand)
- Operating profit (loss) was EUR -7,964 thousand (-13,260 thousand)
- Profit for the financial period amounted to EUR -7,732 thousand (-13,153 thousand)
- Earnings per share were EUR -0.36 (EUR -0.67)
- Cash and cash equivalents and short-term fund investments at the end of the period amounted to EUR 8,987 thousand (14,315 thousand)
- Order intake amounted to EUR 1,003 thousand (607 thousand)
- The number of new NRE projects was 11 (9)
- The number of new pilot customers was 5 (24)
- The average number of personnel during the period was 46 (60)

### Key events in the 2024 financial period

- Betolar's new low-carbon shotcrete solution into production use at the beginning of 2025 at Outokumpu's Kemi mine (12/2024).
- Betolar and Balsam Laboratory researching and developing a method for utilizing fine crusher dust from tunnel drilling in tunnel construction (12/2024).
- Saudi Readymix and Betolar cooperated on low-carbon concrete solutions in Saudi Arabia (11/2024).
- Betolar and Latitude 66 Limited signed a memorandum of understanding to develop sustainable solutions (9/2024).
- Betolar and Norge Mineraler signed a memorandum of understanding to develop sustainable mining solutions (7/2024).
- Betolar acquired MetalCirc's patent regarding the treatment of waste combustion ashes (8/2024).
- Betolar was granted a patent enabling the large-scale use of sidestreams in road, soil, and ground construction (7/2024).
- Betolar was granted a patent in Finland for a CEM III/B accelerator solution (8/2024).
- Betolar successfully completed a direct share issue of 1,960,688 new shares, raising EUR 2.35 million (8/2024).

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- Betolar updated its medium and long-term business and financial targets (2/2024).
- Betolar conducted change negotiations as part of focusing on solutions for sidestreams and the mining and metals industries. As a result of the change negotiations, the organizational structure was changed, and operations were restructured and made more efficient. A total of 13 positions were terminated (6/2024).
- Changes in the management team: The company's CEO Riku Kytömäki, CFO Riikka Ylikoski, CHRO Antti Uski, and CTO Jarno Poskela left the company, while Ville Voipio left the management team for new responsibilities in construction and marketing. Tuija Kalpala was appointed as Betolar's new CEO on 22 April 2024, Soila Söderström was invited to join the management team on 29 May 2024, and Mikko Wirkkala started as new CFO on 3 September 2024 (4/2024-6/2024).

## Key events after financial period

- The world's lowest-emission hollow core slabs developed by Betolar and Consolis Parma enter the production phase (1/2025).
- Betolar studied the circular economy use of ashes generated from Alva-yhtiöt energy production using the SidePrime analysis service (2/2025).
- Betolar updates its financial targets (2/2025).

Betolar's consolidated financial statements for the year that ended 31 December 2024 have been prepared in accordance with the International Financial Reporting Standards (IFRS) and Interpretations Committee (IFRIC) in force on 31 December 2024.

The figures in brackets in this report refer to the comparison period, i.e. the same period in 2023, unless otherwise specified. The figures for the comparison period are based on the audited financial statements. All figures are according to IFRS accounting standards.

## The Board of Directors' proposal on the use of distributable unrestricted shareholders' equity

The Board of Directors proposes that no dividend be distributed for the financial period 1 January–31 December 2024 and that the loss for the financial period be carried over under retained earnings.

## CEO Tuija Kalpala comments on the financial period 2024

The most significant successes of 2024 are related in particular to customer projects. These include the completion of the CEM III shotcrete development for Outokumpu, the approval by the Concrete Association and the achievement of CE marking readiness for the world's lowest carbon cavity tiles developed by Betolar for Consolis Parma. In addition, new Betolar innovations for which patents have been filed, such as the use of various sidestreams and inventions for metal fractioning, were significant achievements in addition to product development breakthroughs, such as passing the challenging double-sided salt freeze thaw tests for concrete products.

On the mining side, the market showed strong interest in Betolar's low-carbon and waste-free solutions. We started commercial discussions with a number of different mining companies in the second half of the year and signed several memoranda of understanding with companies such as Norge Minerals and Latitude 66 Ltd. This shows that there is significant demand in the mining sector for Betolar's new innovative and low-carbon solutions.

The market situation, particularly in the construction sector, continued to be challenging. Although several successful customer pilot projects were completed, many players in the sector took a time-out in bringing low-carbon products to market. However, interest in low-carbon concrete products remained high.

2024 was a year of significant change for Betolar. The company's strategy was refocused on the mining, metals and sidestream business segments. This led to a major organizational change and the start of change negotiations for the Finnish workforce in late spring. There were also personnel changes in the company's management and the size of the management team was reduced from seven to three people. Change is always a challenge and requires stretching and commitment from the whole organization. Towards the end of the year, however, these changes started to produce the desired results.

I want to thank all Betolar staff for their excellent work towards new innovations and a low-carbon future. I also thank all our customers, partners and stakeholders for their trust and good cooperation.

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## Key figures

### Key indicators for the Group

(EUR thousand, unless otherwise specified)	10-12/ 2024	10-12/ 2023	7-12/ 2024	7-12/ 2023	2024	2023
<b>Financial indicators</b>						
Net sales	210	217	486	385	762	515
Gross margin <sup>1</sup>			347	304	564	340
EBITDA <sup>1,2</sup>	-1,193	-2,370	-2,167	-4,995	-5,816	-11,181
Operating profit			-3,299	-6,185	-7,964	-13,260
Earnings before interest and taxes			-3,228	-6,126	-7,798	-13,177
Profit (loss) for the financial period			-3,198	-6,122	-7,732	-13,153
Earnings per share, basic and diluted, EUR <sup>1,2,3</sup>			-0.15	-0.31	-0.36	-0.67
Cash and cash equivalents and short-term fund investments <sup>1,2</sup> (at the end of the period)	8,987	14,315	8,987	14,315	8,987	14,315
<b>Operational indicators</b>						
Order intake (EUR thousand) <sup>1,2</sup>	271	213	508	469	1,003	607
Number of new NRE projects <sup>1,2</sup>	5	5	6	8	11	9
Number of pilot customers <sup>1,2</sup>	1	1	3	6	5	24
Personnel (average number during the financial period)	37	57	40	58	46	60

- 1) Betolar uses certain indicators (gross margin, EBITDA, earnings per share, cash and cash equivalents and short-term fund investments, order intake, number of new NRE projects and number of pilot customers) as half-yearly indicators of operational profitability and business performance. The definitions and calculation formulas of these indicators can be found in the appendix to the report.
- 2) Betolar uses certain indicators (EBITDA, cash and cash equivalents and short-term fund investments, order intake, number of new NRE projects and number of pilot customers) as quarterly indicators of operational profitability and business performance. The definitions and calculation formulas of these indicators can be found in the appendix to the report.
- 3) The number of shares used in the calculation of earnings per share at the end of the period and average number of shares during the period with comparative data: 31.12.2024: 21,567,570 shares, 1-12/2024: 20,587,226 shares, 7-12/2024: 20,587,226 shares, 31.12.2023: 19,606,882 shares, 1-12/2023: 19,569,320 shares, 7-12/2023: 19,579,236 shares.

## Business Review

In 2024, Betolar focused on three business areas: industrial sidestreams, mining and metals, and concrete solutions for construction. Order intake was particularly concentrated on industrial sidestreams and the mining and metals industries.

### Industrial sidestreams

#### Purchase and sale of industrial sidestreams

Betolar continued to develop its industrial sidestream business and focused on building its international sourcing and logistics expertise. In addition, the company carried out commercial consultancy projects related to the industrial sidestream supply chain for a Central European client. The company also actively explored opportunities for the further processing, refining, and commercialization of industrial sidestreams to strengthen its position in the industrial sidestream value chain - enabling more valuable use of industrial sidestreams as, for example, a cement substitute binder. During this period, Betolar made small-scale, low-risk, and controlled sales of blast furnace slag to individual customers.

#### Research and analysis of industrial sidestreams

The second part of Betolar's sidestream business focused on creating commercial processing and recovery opportunities for previously unused industrial sidestreams and other materials, particularly in the mining and construction sectors. In this context, Betolar sold a number of sidestream research projects for its customers.

Betolar launched the AI-based sidestream analysis service (Sideprime™) during the year, and customer numbers increased towards the end of the year. The sidestream analysis service allows industrial companies to commission a mapping of the potential utilization of the sidestream material generated by their operations. The sidestream analysis service allows for an even more efficient pre-screening of multiple sidestreams, and thus a more extensive pre-screening and testing of selected sidestreams, for example at a mining site. The AI-based solution is based on data collected from materials previously tested and studied at Betolar and the AI models developed based on this data, as well as a continuously growing material bank.

### Mining and metals industries

Betolar provides solutions for the mining and metals industry in the field of shotcrete, concrete paste filling and cementless rockfill, stabilized dry blasting, metal fraction technology and improving the related recovery of sidestreams.

Business in the mining and metals industry grew thanks to research service projects and development projects. Betolar initiated a new research services project for the recovery of fine crusher dust from tunnel drilling at the request of a customer. In addition, Betolar's innovation in metal fraction technology and the development of binder production processes progressed according to plan during 2024.

The most significant customer was Outokumpu, which successfully completed the first phase of its low-carbon shotcrete development project. The low-carbon shotcrete, which complies with the CEM III standard, will be ready for production at Outokumpu's Kemi mine in early 2025. The project moved to the second phase, during which Outokumpu will develop cementless shotcrete.

During this period, Betolar's mining and metals business progressed, with Memoranda of Understanding with Norge Mineraler and Latitude 66 Limited. For Norge Mineraler, various sustainable mining solutions will be developed in Norway. Similarly, a collaboration with Latitude 66 Limited is starting to explore and develop sustainable mining solutions for the Kuusamo cobalt mining project in Northern Finland.

In the mining and metals industry, projects are large and typically of long duration. Despite the significant need and demand for more environmentally friendly and sustainable solutions, the introduction of new technologies is a long-term process.

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## Concrete solutions for construction

The low-carbon hollow-core slabs developed by Betolar as part of a Consolis Parma customer project received approval in the spring according to EN standards. This included an endorsement from the Finnish Concrete Association for the use of activator chemicals as concrete admixtures. Together, these will enable CE marking in Finland for a new type of low-carbon hollow-core slabs that can be used in the same way as conventional hollow-core slabs.

In the field of low-carbon concrete solutions for landscaping, Betolar continued to supply the materials used in the manufacture of Geoprime products to customers in Europe and India. In addition, commercial projects were carried out in Central Europe at the customer's two plants. Geoprime-based paving products passed challenging double-sided salt freeze thaw tests simulating extreme conditions conducted by various manufacturers, which are critical to demonstrate the long-term durability and performance of concrete.

During the reporting period, Betolar signed a new Geoprime hollow-core slab pilot contract with a customer in Australia.

During the past year, Betolar's innovative solutions received significant recognition both in Finland and internationally. Betolar's solutions have won several awards.

## Business environment and market review

### General overview of Betolar's target market

Betolar's target market consists of low-carbon and cement-replacing solutions for the mining and construction industries. The traditional concrete construction market is dominated by concrete applications based on Portland cement. Portland cement is widely favored because of its high availability and compliance with local and international cement standards. Betolar's solution is based on geopolymers and other alternative binders that replace Portland cement and take market share from cement. The progress of the green transition and the demand for low-carbon solutions will influence the target market, as will developments in regulation, such as construction standards and waste legislation. Existing and new mining projects need more environmentally friendly solutions for extraction, to avoid sidestream from generating. The company estimates that the market for green concrete is expected to multiply in the long term for blended cements, geopolymers and alternative binders. This will increase the size of Betolar's target market. Betolar's target market will also be influenced by the increased recovery of industrial and strategic metals and demand from the construction sector.

### The competitive environment

The competitive environment for concrete cement replacement material technologies and productized low-carbon applications consists of three main categories and the related players: traditional Portland cement and technologies to reduce emissions from its production, lower-carbon blended cements, and alternative binders such as alkali-activated geopolymers.

Portland cement production is highly energy- and emission-intensive and consumes a large amount of virgin raw materials, particularly limestone. Traditional cement producers are also exploring carbon capture in the cement production process to reduce CO<sub>2</sub> emissions, but solutions are still expensive. One existing and alternative way to reduce emissions is to permanently sequester carbon dioxide captured from industrial emissions in concrete, which is a technological direction that Betolar is also exploring in its applications.

The second category consists of producers of low-carbon cement mixtures, in which part of the cement is replaced mainly by either ground granulated blast furnace slag or fly ash as a sidestream of the steel industry. However, the challenge for cement mixtures is that cement can only be replaced by blast furnace slag up to a certain point, which also limits the emission reduction.

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The third category is alternative binders, which can significantly reduce CO2 emissions by up to 80% or more and reduce the use of virgin resources by replacing cement entirely with industrial sidestreams.

Betolar differentiates itself from its competitors with its business model and its flexible technology, which allows different industrial sidestreams to be used locally. Low-carbon shotcrete and concrete paste filling products developed for the mining industry are leading the market. Betolar also has a strong IPR strategy and continues to develop its AI platform to advance as a pioneer in sustainable materials.

## Financial review

### Net sales

#### July – December 2024

The Group's net sales in July-December 2024 increased from the comparison period and amounted to EUR 486 thousand (7-12/2023: 385 thousand).

During the period, 30% of revenue came from license and materials sales associated with the Geoprime concept and 70% of revenue came from sales related to customer pilots and research service projects.

Geographically, the net sales were distributed as follows: EMEA (Europe, Middle East, Africa) 74% (54%), APAC (Asia Pacific) 26% (23%) and Americas 0% (23%).

#### January – December 2024

The Group's net sales for January–December 2024 increased compared to the comparison period and amounted to EUR 762 thousand (2023: 515 thousand).

During the period, 29% of revenue came from license and materials sales associated with the Geoprime concept and 61% of revenue came from sales related to customer pilots and research service projects. Other operating income for the period was EUR 947 thousand (201 thousand) and consisted mostly of business grants.

Geographically, net sales were distributed as follows: EMEA (Europe, Middle East, Africa) 76% (64%), APAC (Asia Pacific) 24% (19%) and Americas 0% (17%).

### Financial result

#### July – December 2024

Gross margin for July-December 2024 was EUR 347 thousand (7-12/2023: 304 thousand) and EBITDA was EUR -2,167 thousand (-4,995 thousand). Personnel expenses were EUR 1,808 thousand (3,363 thousand) and other operating expenses were EUR 1,146 thousand (2,090 thousand). Depreciation, amortization and impairment amounted to EUR 1,132 thousand (1,190 thousand).

The Group's operating profit was EUR -3,299 thousand (-6,185 thousand). Net financial income and expenses were EUR 71 thousand (59 thousand). Earnings before taxes and interest were EUR -3,228 thousand (-6,126 thousand). The result for the financial period was EUR -3,198 thousand (-6,122 thousand).

#### January – December 2024

The gross margin amounted to EUR 564 thousand (340 thousand) and EBITDA improved by EUR 5,365 thousand to EUR -5,816 thousand (-11,181 thousand).

Personnel expenses decreased from the comparison period and amounted to EUR 4,717 thousand (6,836 thousand) and other operating expenses amounted to EUR 2,610 thousand (4,885 thousand). The cost level decreased from the comparison period due to adjustments made to the cost structure.



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In January–December, non-recurring expenses of EUR 549 thousand were incurred in connection with change negotiations and management changes.

Depreciation, amortization, and impairments amounted to EUR 2,148 thousand (2,079 thousand).

The Group's operating profit for January–December 2024 amounted to EUR -7,964 thousand (-13,260 thousand).

Net financial income and expenses totaled EUR 166 thousand (83 thousand). Financial income consisted mostly of income from short-term interest funds.

Earnings before taxes and interest were EUR -7,798 thousand (-13,177 thousand). The result for the financial year was EUR -7,732 thousand (-13,153 thousand).

## Financial position and cash flows

Betolar's balance sheet total at the end of the financial period was EUR 15,067 thousand (31 December 2023: 21,236 thousand). Equity amounted to EUR 8,149 thousand (13,786 thousand). The equity ratio at the end of the financial period stood at 54 (65) per cent.

At the end of the financial period, the Group's net debt was EUR -3,430 thousand (-9,128 thousand) and the net gearing ratio was -42 (-66) per cent.

Cash flow from operating activities in January–December 2024 was EUR -6,442 thousand (1–12/2023: -11,676 thousand). Net cash flow from operating activities was affected by a decrease in personnel costs and other operating expenses.

The cash flow from investments amounted to EUR 5,656 thousand (9,228 thousand). Cash flow from investing activities includes withdrawals from short-term fund investments and investments in the company's tangible and intangible assets.

Cash flow from financing activities amounted to EUR 1,931 thousand (2,224 thousand). Cash flow from financing activities includes the directed share issue of EUR 2,353 thousand, transaction costs related to the share issue of EUR -166 thousand, EUR -3 thousand in short-term loan repayments, and EUR -252 thousand of lease repayments.

Betolar's short-term fund investments at the end of the period totaled EUR 6,889 thousand (13,372 thousand). Cash and cash equivalents at the end of the period were EUR 2,088 thousand (943 thousand) and the change in cash and cash equivalents was EUR 1,145 thousand (-224 thousand). Total cash and cash equivalents and short-term fund investments were EUR 8,987 thousand (14,315 thousand).

The company has taken active measures to secure the financial conditions to implement its strategy, which was updated in 2023. In 2023, Betolar initiated cost structure adjustment measures aimed at achieving annual cost savings of EUR 5,000 thousand. Betolar continued its cost saving measures, started change negotiations in April 2024, and reduced the size of the Management Team. The change negotiations resulted in a reduction of 13 employees which will not jeopardize Betolar's ability to meet its contractual commitments, ensure customer satisfaction, or develop its business in line with its strategy. The measures to achieve the cost-saving target were completed largely during the period.

Betolar has received public financing for research and development. Business Finland granted Betolar EUR 2,700 thousand for a research and development project on alternative sidestreams during financial year 2023. The remaining EUR 2,200 thousand of the grant remains undrawn, with the remainder to be disbursed as the research project progresses during 2025 and 2026. In January 2025, the company withdrew the last instalment of EUR 2 500 thousand from a EUR 7 000 thousand loan from the Climate Fund. In addition, during the period Finnpartnership awarded the company a grant of EUR 370 thousand to pilot the prefabrication of hollow-core slabs in Malaysia.

During the reporting period, Betolar successfully completed a directed share issue, with 1,960,688 new shares issued, raising EUR 2,353 thousand. The subscription price was recorded in full to the Company's invested unrestricted equity reserve.

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## Investments

Investments in tangible and intangible assets totaled EUR 1,396 thousand (2023: 3,205 thousand). Investments consisted almost exclusively of the capitalization of development expenditure and accounted for 18 (26) per cent of total operating expenses.

## Technology development

Betolar focused its research and development activities on developing new technologies for customers in the sidestream, mining, and metals industries. In addition, Betolar's data platform and ecosystem was developed, shifting the focus to help customers identify the value creation potential of sidestreams, including their suitability as a raw material for various mining and metals applications and concrete solutions for construction.

Betolar's own laboratory activities provide the necessary analyses for research and product development. Laboratory activities were made more efficient by centralizing all laboratory activities to Kannonkoski.

### Industrial sidestreams and mining product applications

The sidestream research project focused on customer projects. New sidestream studies were launched, particularly in relation to tailings for the mining industry. The aim of customer projects is to find new alternatives to ground granulated blast furnace slag (GGBFS) and various ashes from the steel industry.

Betolar developed a low-carbon shotcrete solution and concrete paste filling technology, and the compliant low-carbon shotcrete solution was ready for production. The project moved into the second phase, where a fully cementless shotcrete will be developed. The development of the low-carbon concrete paste solution achieved the required strength and long-term durability characteristics.

The development of binders for hardenable cementless rockfill continued, and the solution has successfully met laboratory-scale strength and solubility requirements. Sidestreams suitable for cementless rockfill can also be used in stabilized dry blasting. The identification of a range of cost-effective and high-volume sidestreams will enable the long-term use of the solutions developed by Betolar in new applications in the mining and metals industries.

### Data platform and ecosystem

Work continued on the development of AI data platform. During the year, the focus was on identifying the suitability of customers' sidestreams as raw material for the mining and metals industries or for concrete solutions in construction. By continuously collecting data from material research work and laboratory tests and trials, Betolar can automate work steps and develop AI solutions to improve the efficiency of research work. As data accumulates, the ability to create better understanding and products continues to grow. AI tools can be used to simulate tests, predict the behavior of materials, optimize chemical recipes, and more.

### Innovation

Betolar's aim is to also produce completely new solutions that have long-term business potential. Over the past year, Betolar has strengthened its technology portfolio in the sidestream, mining and metals industries, for example by developing new technologies for value fraction recovery processes. The technology also enables the purification of residual slag from contaminants, so that it can be used, for example, as a high-quality binder similar to cement of blast furnace slag. This developed technology does not require significant additional energy, making it a cost-effective and low-emission solution. The process involves the addition of suitable industrial sidestreams to the molten slag to separate the metals and achieve the right binder composition. In the same process, oxide metals are also reduced by certain methods. Betolar has succeeded, on a laboratory scale, in separating from the sidestreams, at high yields, valuable elements such as chromium, iron, nickel, vanadium, manganese, some of which are critical and/or strategic elements, and in producing the binders described above, while reducing the amount of slag that ends up as waste. The next objective of the development work is to carry out larger-

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scale experimental phases before moving to industrial scale. The year also saw the further development of technologies for the permanent disposal of carbon dioxide.

## Patent portfolio

Betolar's patent portfolio grew during the year. In March, a European patent was granted for the treatment of road or foundation base layer with an activator in a mobile machine. In June, Betolar was granted a patent in Finland for a liquid dosing device. In July, Betolar was granted a patent in Finland enabling the large-scale use of sidestreams in road, soil and ground construction. In addition, the company was also granted a patent for an accelerator solution for CEM III/B mix cement, which accelerates the initial strength development of low-carbon concrete, enabling it to meet conventional demolding times. In August, Betolar acquired a patent from MetalCirc Ltd, which relates to a method for neutralizing waste combustion ashes and recycling valuable materials contained in the ashes. This patent complements the technology developed by Betolar and reinforces the protection scope of its patents in the application stage as well as its hazardous materials separation capabilities. Betolar has 18 active patent families consisting of 47 issued patents, in addition to a significant number of inventions in the process of patent approval to support the needs of the mining and metals industry.

## Sustainability

Betolar promotes the United Nations' Sustainable Development Goals, and particularly impacts goals 9, 11, 12, and 13: it fosters positive change in infrastructure, cities, consumption patterns, and climate actions. Betolar has identified and validated three key sustainability themes through stakeholder dialogue. These themes are important to stakeholders, are financially important to the company, and will guide the implementation of sustainability throughout the company.

### 1. Accelerating CO2 emission reductions:

- The carbon handprint refers to the emission reduction achieved by using a product or service compared to a conventional product. Concrete and measured data on emission reductions is significant to Betolar's customers, partners, and investors who are pursuing their own climate goals. The calculation is based on third-party screening-level assessments and compares the CO2 emission reductions of the raw material sourcing and transport life cycle stages (phases A1-A2) to a reference product in Betolar's key markets and products. The production, use, and end-of-life phases (A3-A5) were excluded from the assessment as they are assumed to be identical between Geoprime and conventional concrete.
- For 2024, the carbon handprint of the Geoprime solution increased significantly to 2,816 tons of CO2 equivalent (tCO<sub>2e</sub>). In 2023, the corresponding avoided emissions were 685 tCO<sub>2e</sub>. The reason for this is the growth in sales of Geoprime solutions and sidestreams.
- The carbon dioxide emissions from Betolar's business operations for 2024 were 1,039 tCO<sub>2e</sub> (2023: 2,672 tCO<sub>2e</sub>). The company managed to reduce both total emissions and carbon intensity per employee in 2024 compared to 2023, largely due to a reduction in the amount of goods and services purchased and an increase in supplier-specific information. Emissions (scope 1, 2, and 3 categories) were calculated according to the internationally accepted and recommended Greenhouse Gas (GHG) Protocol.
- Betolar's own carbon dioxide emissions (scope 1, 2, and 3 categories) were calculated for the first time for the year 2022. During the reporting period, the focus was on improving the quality and completeness of the calculations and increasing transparency in calculation assumptions. Preparations for value chain emission calculations continued and data collection processes were enhanced. Although Betolar is not yet subject to the EU's Corporate Sustainability Reporting Directive (CSRD), the baseline calculation serves as a foundation for setting targets and supports the company's readiness for upcoming EU reporting obligations.

### 2. Ensuring the responsibility of sidestreams and activator chemicals:

- It is essential for Betolar to ensure the safe use of sidestreams and activator chemicals in its operations. All research materials (chemicals, sidestreams, wastes) used in laboratories and factory tests are risk assessed before use. The risk assessment is carried out by a five-

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person team. The risk assessment determines the safe ways to handle research material, such as the necessary additional equipment, personal protective equipment, and storage of research material.

- Betolar developed a Supplier Code to outline ethical principles for suppliers of activator chemicals. This document outlined the expectations and requirements related to ethical and responsible practices for suppliers.

### 3. Ensuring social responsibility in the construction value chain:

- For Betolar, ensuring social responsibility means guaranteeing the well-being and safety of employees and other participants in the value chain. In 2023, Betolar published a Code of Conduct intended to guide every employee and stakeholder to act responsibly and ethically
- The company enhanced its ability to operate with diversity by training its staff on diversity and equality.

To guide its operations, Betolar utilizes a quality management system certified according to the ISO 14001 environmental standard and the ISO 45001 occupational health and safety standard. Betolar strives to ensure the highest possible quality and safety levels in its own operations, as well as those of its suppliers and customers. During the period, Betolar's ISO 9001, ISO 14001 and ISO 45001 systems were reaudited by Bureau Veritas. Based on the evaluation, Bureau Veritas granted extensions to the certificates.

## Strategy and Business Models

Betolar's strategy is to enable the green transition of various industries, especially mining and metals.

In Betolar's business model, the following focus areas are emphasized:

- Licensable Geoprime material technology solutions are offered with continuous volume-based license and material fees, which can also be tied to achieved emission reductions and benefit sharing.
- Research service projects (NRE, non-recurring engineering fee) especially for the mining industry and by-product owners.
- Commercialization of industrial by-products and waste streams, and the SidePrime analysis service.

Betolar's Board of Directors has approved the company's financial targets on 4 February 2025, which are as follows:

- Achieving positive cash flow from operating activities by the end of 2026
- The long-term financial target to achieve one billion euros in revenue and a 30 percent EBITDA margin by the end of 2033 remains unchanged.

In the long term, low-carbon solutions that replace cement are expected to grow, especially in the mining and metal industries as well as in construction, and Betolar aims to capture a significant market share.

Betolar considers itself to be in a better position than other industry operators to meet the needs for researching and commercializing alternative binders. The company has a globally scalable operating model, very strong expertise in sidestreams, and a competitive advantage with a data-driven business ecosystem platform. The company is focused on systematic data utilization in its product development processes. The success of the strategy emphasizes the rapid development and commercialization of alternative sidestreams. The company continuously evaluates opportunities to strengthen its position in the value chain and scalable customer segments in rapidly developing markets.

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## Near-term risks and uncertainties

Betolar's most significant risks and business uncertainties are described in more detail in the Report of the Board of Directors in the annual financial statements. The risks and uncertainties specific to the near term are described below.

Economic cycles, and uncertainty, affect the demand for Betolar's products and services, posing a risk to the implementation of Betolar's growth strategy. Geopolitical risks and the unstable global situation may affect Betolar's markets and expose the company to business risks.

Commercial, financial and technical success of projects will be required to ensure the uptake and viability of concrete solutions. Clear phasing of deployment and continuous customer support will substantially reduce the risk of failure in deployment projects.

Betolar also aims to offer alternative, non-commercialized industrial side streams and their recovery technologies for use alongside or instead of blast furnace slag. The main risk associated with industrial side streams and other alternative materials is that they are not defined in existing construction standards and therefore need to be further processed or find a non-construction use.

Regarding liquidity risk, the objective is to secure sufficient liquid assets to finance operations and repay maturing loans. The company will continuously assess and monitor the level of funding required for its operations to achieve the above objective.

## Personnel and offices

The Group employed an average of 46 (1-12/2023: 60) people during the period. At the end of the period, the Group employed 36 people (31 December 2023: 53), of whom 35 (49) worked in Finland and 1 (4) outside of Finland. In Finland, the company has an office in Espoo and a research and development facility in Kannonkoski. In addition to the Indian subsidiary, the company has operations in Singapore and in Indonesia.

Betolar's change negotiations, which started in April, were concluded at the beginning of June. During the reporting period, Betolar shifted its focus to the introduction of new operating models and ways of working to meet the rapidly changing demand for the green transition needs of the sidestreams, mining, and metals industries. Towards the end of the year, headcount decreased, partly due to the impact of the change negotiations, and recruitments were mainly replacements.

## Governance

### The Board of Directors and committees

The members of Betolar's Board of Directors on 31 December 2024 were Ilkka Salonen (Chairman), Tero Ojanperä (Vice Chairman), Anders Dahlblom (member), Kalle Härkki (member), Soile Kankaanpää (member), Juha Leppänen (member) and Inka Mero (member).

The Betolar Board of Directors has two standing committees: the Audit Committee and the Personnel and Remuneration Committee. The Audit Committee is chaired by Anders Dahlblom, with Kalle Härkki, Soile Kankaanpää, and Ilkka Salonen as members. The members of the Audit Committee are independent of the company and its significant shareholders, except for Anders Dahlblom, who is dependent on a major shareholder of the company. The Personnel and Remuneration Committee is chaired by Tero Ojanperä, with Kalle Härkki, Inka Mero and Ilkka Salonen as members. The members of the Personnel and Remuneration Committee are independent of the company and its significant shareholders.

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## Shareholders' Nomination Board

The composition of the Betolar Shareholders' Nomination Board was determined on 1 August 2024 based on the holdings entered in the shareholders' register, and its composition was announced on 20 August 2024. The company announced a change in the composition of the Shareholders' Nomination Board on 4 September 2024. Ahlström Invest B.V. sold all its shares in Betolar Plc. Consequently, the member appointed by the shareholder, Andreas Ahlström, resigned from the Shareholders' Nomination Board of Betolar. The Shareholders' Nomination Board decided to request the appointment of a new member for the prematurely vacated position and has offered the position to the next largest shareholder by voting power, Ilmarinen Mutual Pension Insurance Company. Ilmarinen Mutual Pension Insurance Company appointed Annika Ekman to the Nomination Board.

The Nomination Board consists of four members, of whom the four largest shareholders of the company are each entitled to nominate one member. The Nomination Board also includes the Chairman of the Board of Directors as an expert member.

The members of the Nomination Board at the end of the period were: Alexander Ehrnrooth, Chairman of the Shareholders' Nomination Board, representing the shareholder Nidoco AB; Juha Leppänen, shareholder; Olli-Pekka Kallasvuo, representing the shareholder Ajanta Innovations Oy; and Annika Ekman, representing the shareholder Ilmarinen Mutual Pension Insurance Company. The Nomination Board also includes Ilkka Salonen, Chairman of the Board of Directors of Betolar, as the expert member.

The Committee's task is to prepare and present annually to the Annual General Meeting and, if necessary, to the Extraordinary General Meeting proposals on the composition of the Board of Directors and remuneration. The Nomination Committee is also responsible for identifying candidates to succeed the members of the Board of Directors and for preparing the principles of Board diversity.

## Auditor

The company's auditor is PricewaterhouseCoopers Oy, with Janne Rajalahti, Authorized Public Accountant, as the responsible auditor.

## CEO and Management Team

The members of the Betolar Management Team on 31 December 2024 were Tuija Kalpala (CEO and President), Mikko Wirkkala (Chief Financial Officer), and Soila Söderström (General Counsel).

The Board of Directors appointed Chief Operating Officer Tuija Kalpala as the new President and CEO to accelerate the company's commercial development. Ville Voipio, Chief Commercial Officer, left the Management Team for a new role with responsibility for the construction business area and marketing. It was jointly agreed with Antti Uski, Chief Human Resources Officer, and Jarno Poskela, Chief Technology Officer, that they would leave their positions in the company, continuing in the Management Team until 13 June 2024 and in their employment with Betolar until the end of July. Mikko Wirkkala was appointed as the new CFO, and he assumed his position on 3 September 2024. Riikka Ylikoski, the company's previous CFO, continued in her position until mid-July, after which she moved to another employer. Soila Söderström, General Counsel, was appointed to the Management Team as of 29 May 2024, and is responsible for legal affairs, human resources, communications, and sustainability.

## Decisions of the Annual General Meeting

Betolar's Annual General Meeting, held on 27 March 2024, approved the financial statements for the financial year 2023 and discharged the members of the Board of Directors and the President and CEO from liability.

### Decision on the use of the loss shown in the balance sheet

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The Annual General Meeting resolved to transfer the loss for the financial period to the profit (loss) account of previous financial periods and resolved not to pay a dividend in accordance with the proposal of the Board of Directors.

## Board members and remuneration

The Annual General Meeting resolved, in accordance with the proposal of the Shareholders' Nomination Committee, that the Board of Directors will consist of seven (7) members, that Ilkka Salonen, Tero Ojanperä, Kalle Härkki, Soile Kankaanpää, Juha Leppänen and Inka Mero were re-elected as members of the Board of Directors, and that Anders Dahlblom was elected as a new member of the Board of Directors.

The Annual General Meeting resolved that the Chairman of the Board will be paid a fee of EUR 3,500 per month, the Deputy Chairman of the Board a fee of EUR 2,700 per month, and other Members of the Board each a fee of EUR 1,900 per month. Furthermore, the Meeting resolved that the Chairman of any committee established by the Board of Directors will be paid EUR 600 per meeting of the committee and other members of the committee will be paid EUR 300 per meeting. Travel expenses will be reimbursed in accordance with the maximum amount of the respective travel allowance base as approved by the Tax Administration.

## Resolutions on the authorizations of the Board of Directors

The Annual General Meeting decided to authorize the Board of Directors to decide on the issuance of shares as well as the issuance of options and other special rights entitling to shares, as proposed by the Board of Directors. The Annual General Meeting further decided to authorize the Board of Directors to decide on the repurchase of the company's own shares.

Both authorizations are valid until the next Annual General Meeting (and until 30 June 2025 at the latest), and they cancel the corresponding authorizations granted by the Annual General Meeting of 31 March 2023.

These authorizations are described below in the section on the authorizations of the Board of Directors.

## Share and shareholders

At the end of the financial year on 31 December 2024, Betolar's share capital was EUR 80,000 and the company had issued 21,567,570 fully paid shares. The company has one class of shares with ISIN FI4000512587.

At the end of the financial period, Betolar had a total of 4,834 (4,993) shareholders. The table below shows Betolar's ten largest shareholders by number of shareholders, as of 31 December 2024. (Data source: Euroland.com)

### Ten largest shareholders 31 December 2024

Position	Shareholders	Number of shares	% of shares
1	Nidoco AB	5,998,561	27.81
2	Leppänen Juha Markus	1,603,468	7.43
3	Ajanta Innovations Oy	1,600,463	7.42
4	Ilmarinen Mutual Pension Insurance Company	1,080,139	5.01
5	Voima Ventures Fund II Ky	828,186	3.84
6	Skandinaviska Enskilda Banken	826,735	3.83
7	Entrada Oy	591,150	2.74
8	Danske Invest Finnish Equity Fund	504,076	2.34
9	Ylitalo Kari Tapani	465,919	2.16
10	Säästöpankki Small Cap Mutual Fund	450,000	2.09

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10 largest, total	13,948,697	64.67
Other shareholders	7,618,873	35.33
All shares, total	21,567,570	100.00

The members of the Board of Directors and Management Team and entities controlled by them held a total of 2,584,884 shares in Betolar at the end of the financial period, accounting for approximately 12 per cent of all shares and votes.

## Largest shareholders by sector 31 December 2024

Position	Shareholders by sector	Number of shares	% of shares
1	Foreign, total	6,160,311	28.56
2	Households	5,974,596	27.70
3	Private companies	5,939,469	27.54
4	Public organizations	1,341,463	6.22
5	Financial and insurance institutions, total	838,021	3.89
6	Not-for-profit organizations, total	4,634	0.02
	Total	20,258,494	93.93
	Nominee-registered	1,309,076	6.07
	All shares, total	21,567,570	100.00

Of the shares, 6.07 % were held by nominee-registered shareholders.

## Share portfolio distribution 31 December 2024

Position	Number of shares	Number of shareholders	% of shareholders	Number of shares	% of shares
1	1–100	2,448	50.64	133,105	0.62
2	101–500	1,437	29.73	373,620	1.73
3	501–1 000	432	8.94	339,919	1.58
4	1 001–5 000	388	8.03	857,518	3.98
5	5 001–10 000	48	0.99	343,032	1.59
6	10 001–50 000	44	0.91	973,947	4.52
7	50 001–100 000	8	0.17	588,083	2.73
8	100 001–500 000	21	0.43	4,925,568	22.84
9	500 001-	8	0.17	13,032,778	60.43
	Nominee-registered	7	0.14	1,309,076	6.07
	Total		100.00	19,606,882	100.00

The 100 largest shareholders are listed on Betolar's website: <https://www.betolar.com/investors>.

## Flagging notifications

During the period, Betolar received the following notifications in accordance with the Securities Markets Act.



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Trade date	Shareowner	Reason for notification	% of shares and voting rights direct	% of shares and voting rights through financial instruments	total of shares and voting rights, %
16.5.2024	Nidoco AB	Exceeds 10 %	13.26 %	0 %	13.26 %
21.5.2024	Ilmarinen Mutual Pension Insurance Company	Exceeds 5 %	5.51 %	0 %	5.51 %
23.5.2024	Ahlström Invest B.V.	Exceeds 5 %	6.4 %	0 %	6.4 %
28.5.2024	Ajanta Innovations Oy	Exceeds 5 %	8.16 %	0 %	8.16 %
15.6.2024	Juha Markus Leppänen	Exceeds 15 %	8.18 % of shares 16.60 % of voting rights <sup>1</sup>	0 %	16.6 %
29.8.2024	Nidoco AB	Exceeds 20 %	21.98 %	0 %	21.98 %
30.8.2024	Ahlström Invest B.V.	Falls below 5 %	0 %	0 %	0 %
30.8.2024	Nidoco AB	Exceeds 25 %	27.81 %	0 %	27.81 %
3.12.2024	Juha Markus Leppänen	Falls below 15 %	7.43 % of shares 14.69% of voting rights <sup>2</sup>		14.69 %

<sup>1</sup> Juha Markus Leppänen's proxy-based right to use 8.42% (1,650,387 pcs) of the votes is valid until further notice.

<sup>2</sup> Juha Markus Leppänen's proxy-based right to use 7.26% (1,567,387 pcs) of the votes is valid until further notice.

## Price performance and trading

The highest quoted share price during the period was EUR 1.44 and the lowest was EUR 0.69. The volume-weighted average price was EUR 1.05. The closing price for the period was EUR 0.77, giving Betolar a market value of EUR 16,607,028.90. The total number of shares exchanged during the period was EUR 4,583,121 and the trading volume was 4,371,916 shares. The average daily turnover during the period was 17,418 shares.

## Authorizations of the Board of Directors

The Board of Directors of Betolar has the following authorizations granted by the Annual General Meeting of 27 March 2024.

### Authorization to decide on the issuance of shares as well as the issuance of options and other special rights entitling to shares

The Annual General Meeting resolved to authorize the Board of Directors, in accordance with a proposal of the Board, resolve on the issuance a maximum of 1,960,688 shares (including shares to be issued under special rights) in one or more tranches corresponding to approximately ten (10) percent of all the shares in the company. The Board of Directors decides on all terms and conditions of the share issue and the issuance of option rights and other special rights entitling to shares within the limits of the authorization. The issuance of shares and special rights entitling to shares, including options, may be carried out in deviation from the shareholders' pre-emptive right (directed issue). The total number of option rights or other special rights entitling to shares to be issued for the implementation of the company's incentive and commitment programs may not exceed 800,000 new shares and/or treasury

# BETOLAR

shares held by the company, the amount of which corresponds to approximately four (4) percent of the total number of shares in the company at the time of the convening of the Annual General Meeting. The number of shares to be issued for the implementation of the incentive and commitment programs is included in the maximum number of shares referred to in the authorization.

The authorization is valid until the next Annual General Meeting, but not later than 30 June 2025, and the previous authorization granted by the Annual General Meeting of 31 March 2023 to the Board of Directors was revoked.

## Authorization to decide on the repurchase of company's own shares

The Annual General Meeting resolved to authorize the Board of Directors in accordance with the proposal of the Board to resolve on the repurchase a maximum of 1,960,688 shares, which corresponds to approximately ten (10) percent of the current number of all the company's shares. The company's own shares can only be repurchased with unrestricted equity and the shares can be repurchased on the repurchase date at a price formed in multilateral trading or otherwise at a price formed in the market. Shares may also be acquired outside public trading at a price that does not exceed the market price in public trading at the time of acquisition.

The Board of Directors decides how the shares are acquired. Own shares may be repurchased other than in proportion to the shares held by the shareholders (directed repurchase) if there is a compelling financial reason for doing so. The authorization is valid until the next Annual General Meeting, but not later than 30 June 2025, and the previous authorization granted by the Annual General Meeting of 31 March 2023 to the Board of Directors was revoked.

## Estimate of probable future development

The uncertainty of the global economic outlook and the geopolitical situation, as well as downturn in the construction market, are expected to continue. Interest in low-carbon cement substitutes is expected to continue in the mining and metals industries. Betolar has production deployment readiness in several solutions and Betolar will focus on the commercial promotion of the solutions during 2025. Net sales for 2025 is expected to increase compared to the previous year. The company does not expect to pay a dividend in the short or medium term.

## Board of Directors' proposal for the distribution of profit

The parent company's distributable free equity as of 31 December 2024 was EUR 4,927,009.21. The parent company's profit for the financial year was EUR -7,641,856.55.

The company does not expect to pay a dividend in the short or medium term. In addition, the terms of Betolar's financing agreements contain certain restrictions on Betolar's ability to pay dividends or otherwise distribute capital.

For more information on the restrictions, please refer to the section entitled "Betolar's business financing" in the Betolar Listing Prospectus.

The Board of Directors proposes to the Annual General Meeting that no dividend be paid for the financial period 1 January 2024 - 31 December 2024 and that the loss for the financial period be transferred to the profit (loss) account for previous financial periods.

## Annual General Meeting

The Annual General Meeting of Betolar Plc is planned to be held on 27 March 2025. The notice of the Annual General Meeting will be published later.

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## Annual report and financial reporting

Betolar will publish the following financial reports in 2025:

- 24 April            Q1 business review
- 18 July             Half-yearly review
- 28 October        Q3 business review

The Annual Report for 2024 will be published by 5 March 2025. Betolar's financial reports are available on the company's website at [www.betolar.com/investors](http://www.betolar.com/investors).

## Webcast for investors and media

Betolar will host a live webcast in English for investors and media on 5 February 2025 at 14.00 Finnish time.

You can follow the broadcast at <https://betolar.events.inderes.com/q4-2024/register>

In the English presentation, CEO & President Tuija Kalpala and CFO Mikko Wirkkala will present Betolar's financial statements and other topical issues. A recording of the event and the corresponding presentation will be available on Betolar's investor website later in the day.

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## Betolar Plc financial statements release 1–12/2024

### CONSOLIDATED INCOME STATEMENT

EUR thousand

EUR	1–12/2024	1–12/2023	7–12/2024	7–12/2023
<b>NET SALES</b>	<b>762</b>	<b>515</b>	<b>486</b>	<b>385</b>
Other operating income	947	201	440	155
Materials and services	-198	-175	-139	-81
Personnel expenses	-4,717	-6,836	-1,808	-3,363
Depreciation, amortization and impairment	-2,148	-2,079	-1,132	-1,190
Other operating expenses	-2,610	-4,885	-1,146	-2,090
<b>Operating profit (loss)</b>	<b>-7,964</b>	<b>-13,260</b>	<b>-3,299</b>	<b>-6,185</b>
Financial income and expenses	166	83	71	59
<b>Earnings before interest and tax</b>	<b>-7,798</b>	<b>-13,177</b>	<b>-3,228</b>	<b>-6,126</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>-7,732</b>	<b>-13,153</b>	<b>-3,198</b>	<b>-6,122</b>
<b>Earnings per share</b>				
EUR	-0.36	-0.67	-0.15	-0.31

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## CONSOLIDATED BALANCE SHEET

EUR thousand

ASSETS	31 December 2024	31 December 2023
<strong>Non-current assets</strong>		
Development expenditure	3,836	4,309
Other intangible assets	0	0
Property, plant and equipment	1,010	1,050
Right-of-use assets	189	414
Other non-current receivables	194	209
Deferred tax assets	131	60
<strong>Non-current assets, total</strong>	<strong>5,360</strong>	<strong>6,042</strong>
<strong>Current assets</strong>		
Trade receivables	134	229
Other receivables	106	148
Accrued income and prepaid expenses	480	502
Investments	6,899	13,372
Cash and cash equivalents	2,088	943
<strong>Current assets, total</strong>	<strong>9,707</strong>	<strong>15,194</strong>
<strong>Total assets</strong>	<strong>15,067</strong>	<strong>21,236</strong>

## EQUITY AND LIABILITIES

<strong>Equity</strong>		
Share capital	80	80
Invested unrestricted equity reserve	47,359	45,172
Translation differences	7	6
Retained earnings	-31,565	-18,319
Profit for the financial period	-7,732	-13,153
<strong>Total equity</strong>	<strong>8,149</strong>	<strong>13,786</strong>

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<b>Non-current liabilities</b>		
Capital loans	5,150	4,802
Loans from financial institutions	4	7
Government loan	288	375
Lease debts	71	222
Deferred tax liabilities	0	0
<b>Non-current liabilities, total</b>	<b>5,512</b>	<b>5,405</b>
<b>Current liabilities</b>		
Loans from financial institutions	4	3
Government loan	112	0
Lease liabilities	136	198
Accounts payable	174	418
Other payables	83	146
Accruals and deferred income	898	1,280
<b>Current liabilities</b>	<b>1,406</b>	<b>2,045</b>
<b>Total liabilities</b>	<b>6,918</b>	<b>7,450</b>
<b>Shareholders' equity and liabilities, total</b>	<b>15,067</b>	<b>21,236</b>

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## CONSOLIDATED CASH FLOW STATEMENT

1–12/2024

1–12/2023

EUR thousand

### Cash flow from operating activities

Profit for the financial period	-7,732	-13,153
Adjustments:		
Depreciation, amortization and impairment	2,148	2,079
Net financial income and expenses	-166	-83
Share-based payments	-93	269
Other adjustments	40	17
Income taxes	-71	-29
Cash flow before changes in working capital	-5,874	-10,899

### Working capital change:

Change in account payable and other payables	-689	-258
Change in trade receivables and other receivables	101	-512

### Cash flow from operating activities before financial items and taxes

**-6,461**      **-11,669**

Interest paid and payments on other financial charges for operating activities

19      -7

### Net cash flow from operating activities (A)

**-6,442**      **-11,676**

### Cash flow from investing activities

Investments in tangible and intangible assets	-1,366	-3,179
Investments in other investments	7,014	12,404
Change in loan receivables	8	3

### Net cash flow from investing activities (B)

**5,656**      **9,228**

### Cash flow from financing activities

Share issues	2,353	0
Transaction costs of share issue	-166	0
Long-term loan disbursements	0	2,500
Short-term loan disbursements	0	0
Repayments of short-term loans	-3	-3
Repayments of lease liabilities	-252	-273

### Net cash flow from financing activities (C)

**1,931**      **2,224**

### Change in cash and cash equivalents (A + B + C) increase (+) / decrease (-)

1,145      -224

Cash and cash equivalents at the beginning of the period

943      1,167

Cash and cash equivalents at the end of the period

1,145      -224

### Change

**2,088**      **943**

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## Consolidated Statement of changes in equity

EUR thousand  
1–12/2024

Equity attributable to owners of the parent

	Share capital	Invested unrestricted equity reserve	Share issue	Treasury shares	Translation differences	Retained earnings	Total equity
<b>Shareholders' equity 1 Jan. 2024</b>	80	45,172	0	0	6	-31,473	13,786
<b>Comprehensive income</b>							
Profit (loss) for the financial period	0	0	0	0	0	-7,732	-7,732
Other comprehensive income							
Translation differences	0	0	0	0	1	0	1
<b>Total comprehensive income (loss) for the period, total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>-7,732</b>	<b>-7,731</b>
<b>Transactions with owners</b>							
Issues less transaction costs	0	0	0	0	0	0	0
Registration of shares	0	2,187	0	0	0	0	2,187
Cancellation of treasury shares	0	0	0	0	0	0	0
Share-based payments	0	0	0	0	0	-93	-93
Other adjustments	0	0	0	0	0	0	0
<b>Total transactions with owners</b>	<b>0</b>	<b>2,187</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-93</b>	<b>-2,094</b>
<b>Shareholders' equity 31 Dec. 2024</b>	<b>80</b>	<b>47,359</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>-39,297</b>	<b>8,149</b>



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EUR thousand  
1-12/2023

	Equity attributable to owners of the parent					Retained earnings	Total equity
	Share capital	Invested unrestricted equity reserve	Share issue	Treasury shares	Translation differences		
<b>Shareholders' equity</b>	<b>80</b>	<b>45,086</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>-18,589</b>	<b>26,582</b>
<b>1 Jan. 2023</b>							
<b>Comprehensive income</b>							
Profit (loss) for the financial period	0	0	0	0	0	-13,153	-13,153
Other comprehensive income items							
Translation differences	0	0	0	0	2	0	2
<b>Comprehensive income (loss) for the period, total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>-13,153</b>	<b>-13,151</b>
<b>Transactions with owners</b>							
Issues less transaction cost	0	0	0	0	0	0	0
Registration of shares	0	0	0	0	0	0	0
Cancellation of treasury shares	0	0	0	0	0	0	0
Share-based payments	0	86	0	0	0	269	355
Other adjustments	0	0	0	0	0	0	0
<b>Total transactions with owners</b>	<b>0</b>	<b>86</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>269</b>	<b>355</b>
<b>Shareholders' equity 31 Dec. 2023</b>	<b>80</b>	<b>45,172</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>-31,473</b>	<b>13,786</b>

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## Accounting principles applied to the consolidated financial statements

Betolar Plc's consolidated financial statements include the parent company Betolar Plc (the "Company") and its subsidiaries (the "Group" or "Betolar") Betolar Chemicals Oy (as of 1 November 2019) and Betolar India Private Ltd (as of 1 September 2021).

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS, IAS) and Interpretations (IFRIC) issued by the International Accounting Standards Board (IASB) and adopted for use in the EU. The consolidated financial statements for the year ended 31 December 2024 have been prepared in accordance with International Financial Reporting Standards (IFRS) and Interpretations (IFRIC) in force on 31 December 2024. The notes to the consolidated financial statements have also been prepared in accordance with the requirements of the Finnish Accounting Act and the Finnish Limited Liability Companies Act.

## Business continuity

Betolar has taken active steps to secure the financial conditions. As a result of these measures, the company's financial position will allow it to operate without any revenue financing for well beyond the next 12 months.

## Related party transactions

Betolar's related parties include the subsidiaries of the parent company Betolar Plc. Related parties also include the key employees of Betolar's management as well as their close family members and the entities under their control. The key management personnel are the members of Betolar's Board of Directors, the CEO and other members of the Management Team. Transactions with related parties are made on normal commercial terms. The transactions include consultancy services related to business development purchased from a member of the Board of Directors and a member of the Management Team. In addition, share subscriptions made by related parties have been identified as related party transactions during the financial period.

No loans or any other guarantees or securities were issued to any related parties.

The following transactions were carried out with related parties:

<b>EUR thousand</b>	<b>31 December 2024</b>	<b>31 December 2023</b>
Income statement	<b>Group</b>	<b>Group</b>
Purchased services	128	133

<b>EUR thousand</b>	<b>31 December 2024</b>	<b>31 December 2023</b>
Balance sheet	<b>Group</b>	<b>Group</b>
Accounts payable	11	0

# BETOLAR

Management salaries and fees:

EUR thousand	31 December 2024	31 December 2023
	Group	Group
<u>Remuneration of the members of the Board of Directors</u>		
Chairman	44	39
Other members of the Board of Directors	119	98
<b>Board of Directors' fees, total</b>	<b>164</b>	<b>135</b>

EUR thousand	31 December 2024	31 December 2023
	Group	Group
<u>CEO</u>		
Salaries and fees	289	404
Pension expenses	52	73
Indirect employee costs	8	11
<b>Total</b>	<b>349</b>	<b>488</b>

<u>Other Management Team</u>		
Salaries and fees	529	1,080
Pension expenses	95	196
Indirect employee costs	15	29
<b>Total</b>	<b>640</b>	<b>1,305</b>

During the financial years 2024 and 2023, management has been granted options (pcs) as follows:

	2024	2023
	Group	Group
Members of the Board of Directors	0	0
CEO	120,000	280,000
Other members of the Management Team	110,000	278,333
<b>Total</b>	<b>230,000</b>	<b>558,333</b>

Kannonkoski 5 February 2025

Betolar Plc

Board of Directors

## APPENDIX

### Calculation formulas for certain financial indicators and operative indicators.

Measure	Definition	Purpose of use
Gross margin	Net sales – materials and services	Gross margin is a measure of the Group's profitability.  Gross margin measures profitability after reducing the costs of materials and services.
EBITDA	Operating profit (loss) before depreciation, amortisation and impairment	EBITDA is a measure of the Group's performance.
Earnings per share, basic, EUR	Profit for the financial period / weighted average number of outstanding shares during the financial period	The measure reflects the distribution of the Company's earnings for each individual share.
Earnings per share, adjusted for dilution, EUR	Profit for the financial period / weighted average number of outstanding shares during the financial period + diluting potential shares	The measure reflects the distribution of the Company's earnings for each individual share, taking dilution into consideration.
Cash, cash equivalents and short-term fund investments	Cash and cash equivalents + current investments	Cash and short-term fund investments describe the company's liquid assets.
Order intake	The value of orders for materials and services received during the reporting period.	The indicator describes the expected future development of the company's sales.
New Non-Recurring Engineering (NRE) projects	The number of new NRE order intakes received in the reporting period.	The indicator describes the development of the contract of the company's research service business.
Number of pilot customers	Number of new customers in the plant pilot phase.	The measure illustrates new customers in the plant pilot phase of the Company's sales process.