

An aerial photograph of a winding asphalt road with double yellow lines, curving through a dense, lush green forest. The road is the central focus, leading the eye from the top left towards the bottom right. The surrounding trees are vibrant green, with some areas showing a mix of green and yellowish-brown, suggesting a diverse ecosystem or perhaps the effects of a fire. The overall scene is serene and natural.

WETTERI

HALF-YEAR FINANCIAL REPORT 1 JANUARY TO 30 JUNE 2023

Wetteri Plc



Wetteri Plc's half-year financial report 1 January to 30 June 2023

Strong 41 % growth in revenue, market area expanded

During 2022, the Wetteri Group (hereinafter "Wetteri", "the Wetteri Group", "the Group" or "the company") carried out several business combinations in preparation for its listing on the stock exchange. For this reason, the financial information for the review period (January–June 2023) is not comparable with the financial information for the comparison period (24 February to 30 June 2022). The financial information for the comparison period (24 February to 30 June 2022) includes the comprehensive income and balance sheet of the Group company Themis Holding Oy as of its establishment on 24 February 2022, as well as the comprehensive income and balance sheet of the Group company Wetteri Yhtiöt Oy and its subsidiaries as of the implementation of the share deal on 11 May 2022. Themis Holding Oy was established for the stock exchange listing and the preceding business combinations, in which it acted as the acquiring party in terms of accounting. In the comparison period (24 February to 30 June 2022), it did not have any business operations until after the implementation of Wetteri Yhtiöt Oy's share deal on 11 May 2022. Because the financial information for the reporting period and the comparison period is not comparable, this half-year report contains pro forma information concerning the comprehensive income of the Group and its operating segments for the periods 1 April to 30 June 2022, 1 January to 30 June 2022 and 1 January to 31 December 2022. This pro forma information is hypothetical and has been prepared for illustrative purposes only. The half-year report and the pro forma information it contains are unaudited.

The comparison figures in brackets refer to the comparison period 1 April to 30 June 2022 or 24 February to 30 June 2022 and to the pro forma information for 1 April to 30 June 2022 or 1 January to 30 June 2022. Whether reference is being made to the comparison period or to the pro forma information is mentioned separately.

This is an unofficial translation of Wetteri's Half Year Financial Report January to June 2023. The official report is published in Finnish.

Summary for the reporting period 1 April to 30 June 2023

- The Group's revenue was EUR 109.9 million (comparison period: EUR 47.4 million in April–June 2022; pro forma: EUR 69.5 million in April–June 2022).
- Adjusted EBITDA was EUR 5.5 million (EUR 2.7 million; EUR 3.1 million).
- The adjusted operating profit was EUR 2.4 million (EUR 1.1 million; EUR 0.6 million).
- The operating profit was EUR 1.5 million (EUR -0.6 million; EUR -1.7 million).
- The revenue of the Passenger Cars segment increased by EUR 33.4 million year-on-year (+91%).
- The revenue of the Heavy Equipment segment decreased by EUR 1.8 million year-on-year (-10%).
- The revenue of the Maintenance Services segment increased by EUR 8.7 million year-on-year (+84%).

Summary for the reporting period 1 January to 30 June 2023

- The Group's revenue was EUR 200.2 million (comparison period: EUR 47.4 million in January–June 2022; pro forma: EUR 142.2 million in January–June 2022).
- Adjusted EBITDA was EUR 11.4 million (EUR 2.7 million; EUR 6.9 million).
- The adjusted operating profit was EUR 5.5 million (EUR 1.1 million; EUR 2.0 million).
- The operating profit was EUR 2.7 million (EUR -0.6 million; EUR -1.8 million).
- The revenue of the Passenger Cars segment increased by EUR 37.3 million year-on-year (+44%).
- The revenue of the Heavy Equipment segment increased by EUR 8.5 million year-on-year (+29%).
- The revenue of the Maintenance Services segment increased by EUR 11.9 million year-on-year (+55%).
- Autotalo Hartikainen became part of Wetteri through a business acquisition on 8 March 2023.
- AutoPalin became part of Wetteri through a business acquisition on 1 June 2023.

Financial guidance

Wetteri Plc's financial guidance for 2023

- Revenue EUR 460 million
- Adjusted operating profit EUR 13 million

Wetteri Plc's financial guidance for 2024

- Revenue EUR 730 million
- Adjusted operating profit EUR 21 million

The company's medium-term (3-year) target is to achieve EUR 1,000 million in revenue and EUR 30 million in operating profit.



Key performance indicators

EUR thousand	Q2/ 2023	Q2/ 2022 ¹⁾	Pro forma Q2/ 2022	Chang e ²⁾	H1/ 2023	H1/ 2023 ¹⁾	Pro forma H1/ 2023	Chang e ²⁾	2022	Pro forma 2022
Revenue	109,914	47,381	69,544	58 %	200,199	47,381	142,163	41 %	191,825	291,042
EBITDA	5,373	1,485	1,643	227 %	10,091	1,485	4,693	115 %	6,172	9,125
EBITDA, % of revenue	5 %	3 %	2 %		5 %	3 %	3 %		3 %	3 %
Adjusted EBITDA ³⁾	5,527	2,657	3,082	79 %	11,356	2,657	6,928	64 %	9,788	13,804
Adjusted EBITDA, % of revenue	5 %	6 %	4 %		6 %	6 %	5 %		5 %	5 %
Operating profit (loss) (EBIT)	1,519	-567	-1,664	-191 %	2,666	-567	-1,786	-249 %	-2,279	-3,954
Operating profit (loss), % of revenue	1 %	-1 %	-2 %		1 %	-1 %	-1 %		-1 %	-1 %
Adjusted operating profit ³⁾	2,417	1,099	559	333 %	5,488	1,099	2,017	172 %	3,322	3,860
Adjusted operating profit, % of revenue	2 %	2 %	1 %		3 %	2 %	1 %		2 %	1 %
Profit (loss) before tax	-872	-1,120	-2,412	-64 %	-734	-1,120	-3,096	-76 %	-4,367	-7,255
Profit (loss) before tax, % of revenue	-1 %	-2 %	-3 %		0 %	-2 %	-2 %		-2 %	-2 %
Profit (loss) for the period	-720	-1,091	-2,138	-66 %	-686	-1,091	-2,762	-75 %	-3,834	-6,545
Profit (loss) for the period, % of revenue	-1 %	-2 %	-3 %		0 %	-2 %	-2 %		-2 %	-2 %
Earnings per share, basic (EUR)	-0.01	-0.02			-0.01	-0.02			-0.05	
Earnings per share, diluted (EUR)	-0.01	-0.02			-0.01	-0.02			-0.05	
Return on equity (ROE), %	-8 %	-51 %			-4 %	-37 %			-25 %	
Return on investment (ROI), %	-8 %	-12 %			-6 %	-9 %			-11 %	
Equity ratio, %	16 %	12 %			16 %	12 %			20 %	
Liquidity, %	93 %	101 %			93 %	101 %			85 %	
Average number of personnel during the period	962	611			914	611			695	
Invoiced sales of new passenger cars (pcs)	962	350			1,545	350			1,394	
Invoiced sales of new lorries (pcs)	46	40			102	40			143	
Invoiced sales of used passenger cars (pcs)	1,464	731			2,684	731			3,280	
Orders: new passenger cars (pcs)	787	518			1,417	518			1,916	
Orders: new lorries (pcs)	45	53			89	53			89	
Passenger cars: order backlog at the end of the period	71,361	47,888			71,361	47,888			82,700	
Lorries: order backlog at the end of the period	21,700	31,422			21,700	31,422			20,100	
Passenger car repair shop: hours sold	86,132	35,470			151,525	35,470			109,342	
Lorry repair shop: hours sold	26,443	17,730			55,911	17,730			74,514	

¹⁾ Q2 2022 refers to the period 1 April to 30 June 2022, H1 2022 to the period 24 February to 30 June 2022, and 2022 to the period 24 February to 31 December 2022. The financial information for the comparison period is not comparable with the financial information for the reporting period because the company did not have any business operations in the comparison period until after 11 May 2022.

²⁾ Change refers to the change between Q2 2023 and pro forma Q2 2022 and change between H1 2023 and pro forma H1 2022.

³⁾ The adjusted EBITDA and operating profit do not take into account items affecting the comparability of the Group's EBITDA and operating profit, such as significant non-recurring items of income and expenses and amortisation of the fair value of assets recognised on the balance sheet by means of purchase price allocation of business combinations. The purpose of the adjusted EBITDA and operating profit is to improve the comparability of the Group's EBITDA and operating profit between periods. The reconciliation of the adjusted EBITDA and operating profit is presented on page 15 of the half-year financial report.

Aarne Simula, CEO:

“Wetteri had a strong first half of the year, and our revenue grew to EUR 200 million, with an increase of 41% year-on-year. During the first half of the year, our revenue increased because of deliveries from the order backlog for new passenger cars and higher sales of used cars. Growth in the Passenger Cars segment was 44%. The Heavy Equipment business also recorded a strong result in the first half of the year, and the segment’s revenue increased by 29%. Our maintenance, spare parts and repair shop services also fared well throughout the first half of the year, and the segment’s revenue grew by 55% year-on-year. I would like to thank all our staff for this good result.



Our good performance clearly reflects the strength and stabilising impact of Wetteri’s business model. Our business model covers the entire life cycle of a vehicle, from the sale of new and used passenger cars, commercial vehicles and heavy equipment to a wide range of maintenance, spare parts and repair shop services. This is an effective way to manage business risks and generate a stable revenue stream over business cycles.

Our goal is to be the largest and most profitable player in the automotive sector by the end of 2025. Wetteri has a good and proven growth strategy, which we implement with determination but prudently. In the first half of this year, we carried out two business acquisitions: Autotalo Hartikainen in eastern Finland became part of Wetteri in March, and AutoPalin in the Satakunta region in western Finland joined Wetteri in early June. These business acquisitions provided us with new brands to represent, strengthened our position as a representative of our current brands and improved our ability to serve larger customer segments in passenger cars, commercial vehicles and heavy equipment.

A historical transformation is shifting structures and operating models in automotive sector. Operations will be centralised to larger units with better profitability. This trend has manifested itself in many ways this year. Wetteri is involved in the consolidation of the Finnish automotive sector, and its growth is fuelled by the sector’s transformation. New business acquisitions will be made, and well-managed, high-quality acquirees are available in the automotive sector. We select our acquirees carefully: their revenue growth potential and profitability and the synergies to be achieved are assessed meticulously.

We also invested in organic geographical growth during the first half of the year. In response to the significantly increased demand for used cars and to expand our geographical presence, we opened new used car centres in Joensuu and Raisio. In July, we opened a used car centre based on the Wetteri Premium concept in Oulu, and our newest location – our 39th – is a used car centre opened in Oulunportti, a growing hub for car sales. In the used car trade, Wetteri is self-sufficient in used cars: strength: we are quite self-sufficient in used cars: When we sell a new car, we get a used car in return for our stock. Our ability to meet the demand in different segments is excellent, even in terms of different types of motive power. Our sales of used cars increased almost 26 % during the review period, compared to the same period in 2022.

High interest rates and inflation have increased consumer uncertainty, which has been reflected in the demand for cars. In the media, the automotive sector is currently shown in a rather gloomy light, but the situation may be much brighter at the operator level. Powerful marketing campaigns and our high-quality offering have attracted interest from car buyers, and completed deals are at a good level. The value of the passenger car backlog was almost 72 million euros at the end of June.

This year, the number of first registrations of new passenger cars is expected to be 82,000, which is still below the long-term average. Combined with the ageing car fleet in Finland, the current level of first registrations is creating enormous potential for organic growth in the automotive sector. There are signs of inflation declining, and interest rate increases are thought to be largely over. This trend will increase consumer confidence and purchasing power, as well as interest in buying cars. Interest in buying cars will also be increased by fully electric versions of best-selling vehicle types and generally shorter delivery times.

Wetteri has an ambitious growth target, and our strong strategy will help us achieve our target. During the autumn, we will also explore opportunities for funding growth, expanding the company’s ownership base and strengthening self-sufficiency through a share issue for institutional investors, private investors and Wetteri’s personnel.”

Operating environment

In the first half of 2023, trade in the automotive sector picked up in used cars and heavy equipment. First registrations are also growing markedly.

According to the Finnish Information Centre of the Automobile Sector, a total of 46,875 passenger cars were registered in Finland during the first half of the year, representing an increase of nearly 8% year-on-year. However, registrations in the first half of the year were still 15.5% below the long-term average for January–June. The increase in the number of



registrations is a result of the easing of the shortage of new cars that has long burdened the automotive sector and the delivery of cars from high order backlogs. As the shortage has eased, delivery times for new cars have generally become shorter.

A total of 5,698 vans were registered in January–June, up 2.9% from the previous year. The total is around 20% lower than the average for the last five years. The first registrations of lorries increased markedly during the first half of the year. In the weight category of over 16 tonnes, a total of 1,552 lorries were registered in the first half of the year, which is 24.1% more than in the first half of last year. A total of 106 medium-weight lorries (6–16 tonnes) had been registered by the end of June, which is 32.5% more than last year. A total of 455 lightweight lorries (under 6 tonnes) have been registered this year, which is 21.0% more than last year.

The geopolitical situation, inflation, reduced purchasing power and high interest rates have increased consumer uncertainty over the last year. In the car trade, economic uncertainty is driving customer demand towards used cars in particular. Longer delivery times for new cars can contribute to an increase in the demand for high-quality used cars, and the used car trade has grown markedly. According to the Finnish Information Centre of the Automobile Sector, used car sales in dealerships increased by around 4.3% in the first half of the year from last year.

The slowdown and downward trend in inflation, the end of interest hikes and the possible downturn in interest rates will increase consumers' purchasing power. The continued low level of first registrations and the ageing car fleet in Finland will create strong demand potential and opportunities for organic growth for the car trade in the coming years. Shorter delivery times for new cars and the introduction of more affordable rechargeable cars to the market are likely to increase the demand for new passenger cars.

The change of motive power in the car fleet is progressing in all vehicle categories. In the first half of the year, around 42% of passenger cars were petrol-powered, and around 6% were diesel-powered. The proportion of fully electric cars of registrations in January–June was 32.6%, and that of rechargeable hybrids was 18.8%. The proportion of rechargeable cars is expected to decrease slightly towards the end of the year, as the order backlog includes a large number of rechargeable cars ordered last year and the year before which could not be delivered to customers until the spring and early summer because of long delivery times. According to Traficom's statistics, the first registrations of biogas-powered vehicles in particular have increased in heavy transport in recent years. The electrification of heavy transport is progressing more slowly because of factors such as the long distances in Finland, heavy articulated vehicles and the limited power of electric batteries. Biogas with diesel, on the other hand, provides a competitive fuel for heavy transport, with very low emissions.

Strategy

Wetteri aims to become Finland's largest full-service multi-brand dealership and the most profitable company in its sector by the end of 2025. The consolidation of the sector is accelerating Wetteri's growth, and the company has a phased plan for acquisitions. In its plan, the company focuses on well-managed operators whose business models and cultures are a good match with Wetteri, an entrepreneur-driven company. This ensures that the integration processes run smoothly and that synergies are achieved. The company also aims to grow inorganically by expanding and opening new locations.

The automotive sector is undergoing a major transformation because of changes in distribution routes and business models, the electrification of motoring and increasing environmental requirements. The investment and development needs arising from the changes are driving consolidation in the sector. This transformation in the automotive sector is a key driver of Wetteri's growth strategy.

The company's broad-based business model and proven ability to successfully lead growth provide the company with excellent capabilities to serve as an active consolidator in its sector. Wetteri has the largest representation of passenger car brands in Finland. The company's multi-brand strategy and its business model, which covers the entire life cycle of the car in the sale of new passenger cars, commercial vehicles and heavy equipment, in the spare parts, maintenance and repair shop business and in the used car trade, create favourable conditions for profitable business operations and growth over business cycles. The company's comprehensive business model enables organic growth, provides stable revenue streams and stabilises business risks during business cycles.

With a market share of 38%, Wetteri is the market leader in the sale of new passenger cars in northern Finland. The company has systematically expanded its geographical presence in eastern and western Finland. Wetteri implemented its first business acquisition in line with its growth strategy by acquiring Autotalo Hartikainen in eastern Finland in March 2023. As a result of the acquisition, Wetteri's operations expanded into Kuopio, Joensuu and Iisalmi. In addition, its multi-brand range of passenger cars and heavy equipment maintenance representation expanded. Another business acquisition was carried out at the end of May 2023: AutoPalin in Pori and Rauma became part of Wetteri on 1 June 2023. With the acquisition of AutoPalin, Wetteri became one of Finland's largest Mercedes Benz and Volvo dealers, and the company expanded its area of operation into western Finland.



Increased activity in the used car trade since the beginning of 2023 has also provided opportunities for organic growth and the expansion of operations. In May 2023, Wetteri opened a new used car centre in Joensuu. In addition, the company opened a new used car centre in Raisio and a used car centre based on the Wetteri Premium concept in Oulu in July. In August, a new used car centre was opened in Oulunportti, a hub for car sales in Oulu.

Wetteri intends to further strengthen its leadership in exploiting digitalisation and data analytics. The company is investing in developing predictive remote diagnostics for heavy transport. The company is also investing in the development of video checks, which are used in maintenance services and increase the transparency of operations, and the development of digital service channels. Consumer behaviour has changed in terms of buying a car, and the company has long been developing its digital marketing, analytics tools and data-driven operations, as well as its customer service platforms. This work also continues, and the company has invested in ensuring resources for marketing.

In its investor strategy, the company focuses on increasing sustainable shareholder value, as well as on a liquid share with a broad ownership base and its position as one of the most popular shares on the main marketplace of Nasdaq Helsinki. During the current year, the company is still investigating the possibilities of financing growth, expanding the company's ownership base and strengthening self-sufficiency with a share issue, which would be aimed at institutional investors, private investors and Wetteri's personnel.

Business performance in the reporting period

EUR thousand	Q2/2023	Q2/2022	Pro forma Q2/2022	Change	H1/2023	H1/2022	Pro forma H1/2022	Change	2022	Pro forma 2022
Group										
Revenue	109,914	47,381	69,544	58 %	200,199	47,381	142,163	41 %	191,825	291,042
EBITDA	5,373	1,485	1,643	227 %	10,091	1,485	4,693	115 %	6,172	9,125
Adjusted EBITDA	5,527	2,657	3,082	79 %	11,356	2,657	6,928	64 %	9,788	13,804
Operating profit (EBIT)	1,519	-567	-1,664	-191 %	2,666	-567	-1,786	-249 %	-2,279	-3,954
Adjusted operating profit	2,417	1,099	559	333 %	5,488	1,099	2,017	172 %	3,322	3,860

Wetteri Plc's revenue in the second quarter of 2023 was EUR 109.9 million. Compared with the corresponding period in the previous year (EUR 69.5 million, pro forma), its revenue increased by 58.0%. Its second-quarter EBITDA increased to EUR 5.4 million (April-June 2022, pro forma: EUR 1.6 million). Its adjusted EBITDA increased to EUR 5.5 million (EUR 3.1 million), operating profit to EUR 1.5 million (EUR -1.7 million) and adjusted operating profit to EUR 2.4 million (EUR 0.6 million).

In the first half of 2023, Wetteri Plc's revenue increased to EUR 200.2 million, up 40.8% from the previous year (EUR 142.2 million, pro forma). Its EBITDA grew to EUR 10.1 million (EUR 4.7 million). Its adjusted EBITDA in January-June was EUR 11.4 million (EUR 6.9 million). Its operating profit in the first half of the year was EUR 2.7 million (EUR -1.8 million), and its adjusted operating profit was EUR 5.5 million (EUR 2.0 million). The delivery of new cars from the order backlog, the acquisition of Autotalo Hartikainen in March 2023 and the acquisition of AutoPalin in June 2023 had a strong positive impact on the revenue. The integration costs on the other hand decreased the operating profit at the second quarter.

Operating segments

Passenger Cars segment

EUR thousand	Q2/2023	Q2/2022	Pro forma Q2/2022	Change	H1/2023	H1/2022	Pro forma H1/2022	Change	2022	Pro forma 2022
Passenger Cars										
Revenue	70,164	28,039	36,750	91%	121,280	28,039	83,965	44%	116,088	171,969
EBITDA	1,780	454	895	99%	2,399	454	1,847	30%	3,572	2,430
Adjusted EBITDA	1,839	458	902	104%	2,465	458	1,860	33%	3,589	2,456
Operating profit (EBIT)	52	-653	-122	-142%	-741	-653	-463	60%	-1,100	-2,449
Adjusted operating profit	596	-383	283	110%	237	-383	347	-32%	-19	-828

The Passenger Car segment's revenue in January-June 2023 was EUR 121.3 million, with an increase of 44.4% from the corresponding period in the previous year (pro forma). The strong growth in revenue was driven by customer deliveries of new cars from the order backlog since the beginning of the year and increased activity in the used car trade. There were



1,545 invoiced sales of new passenger cars in the reporting period, up 41,1 % from the corresponding period in the previous year. The order intake for new cars decreased by 18.0% year-on-year, with 1,417 new orders received. Inflation, increased interest rates and unstable energy prices affected the demand for new cars in the reporting period. The value of the order backlog for new cars at the end of the review period was EUR 71.4 million. The order backlog consisted of 1,450 cars at the end of the review period.

The invoiced sales of used cars increased by 25,7 % in January–June 2023 compared with the corresponding period in the previous year and was 2,684 cars in total.

Heavy Equipment segment

EUR thousand	Q2/2023	Q2/2022	Pro forma Q2/2022	Change	H1/2023	H1/2022	Pro forma H1/2022	Change	2022	Pro forma 2022
Heavy Equipment										
Revenue	16,619	10,922	18,446	-10%	37,379	10,922	28,900	29%	45,513	59,644
EBITDA	1,057	564	-211	-602%	2,096	564	412	409%	1,667	2,199
Adjusted EBITDA	1,204	856	228	428%	2,680	856	1,289	108%	2,836	3,953
Operating profit (EBIT)	540	158	-758	-171%	878	158	-767	-214%	-3	-244
Adjusted operating profit	800	610	-80	-1099%	1,816	610	589	209%	1,805	2,467

The Heavy Equipment segment's revenue in January–June 2023 increased by 29.3% compared with the corresponding period in the previous year (pro forma). The invoiced sales of Volvo and Renault lorries totalled 102 in the review period (86 in the corresponding period in the previous year). A total of 89 new lorry orders were recorded in January–June, and the value of the lorry order backlog was EUR 21.7 million at the end of the review period. The component shortage that had affected the lorry market began to ease during the first half of the year, and the long delivery times for lorries are gradually returning to normal. The Group company Wetteri Power Oy's market share in its area of operation was 38.6% (39.9% on 30 June 2022). Wetteri Power Oy's long-term average market share in the area has been 32% when the lorry market has not experienced disruptions similar to those in recent years.

The demand for used lorries remained at a good level in the review period, and the invoiced sales of used lorries totalled 65 (58 in January–June 2022). Maintenance contract coverage was at a very good level, at 87.4%. Maintenance agreements made in connection with the sale of new lorries play an important role in engaging customers in the use of Wetteri Power Oy's maintenance and repair services. Under a maintenance agreement, the lorry is covered by Wetteri Power Service Centre's predictive remote diagnostics. The aim of this is to ensure the longest possible driving time for the customer's fleet without any unexpected interruptions and to optimise the efficient use of Wetteri Power's maintenance and repair service resources. At the end of the reporting period, more than 800 lorries were covered by predictive remote diagnostics.

Maintenance Services segment

EUR thousand	Q2/2023	Q2/2022	Pro forma Q2/2022	Change	H1/2023	H1/2022	Pro forma H1/2022	Change	2022	Pro forma 2022
Maintenance Services										
Revenue	19,025	7,699	10,360	84%	33,524	7,699	21,584	55%	26,580	44,356
EBITDA	2,305	655	989	133%	5,222	655	2,635	98%	1,625	5,059
Adjusted EBITDA	2,554	890	1,341	90%	5,823	890	3,339	74%	2,564	6,468
Operating profit (EBIT)	393	124	-103	-479%	1,955	124	228	756%	-429	77
Adjusted operating profit	745	427	351	112%	2,762	427	1,137	143%	783	1,894

The Maintenance Services segment's revenue increased by 55.3% in January–June 2023 compared with the corresponding period in the previous year (pro forma). A total of 151,525 maintenance and repair shop hours were sold in January–June 2023, up 39.8% from the corresponding period in the previous year. The euro-denominated maintenance work invoicing increased by 42.9% year-on-year. Spare parts sales in January–June 2023 increased by 48.0% year-on-year. One of the factors behind the good performance in maintenance services was the Personal Mechanic operating model, in which the customer and mechanic do business without intermediaries. Spare parts sales grew alongside maintenance operations, and the level of accessories in new cars also increased the demand for spare parts.

Items not allocated to operating segments

EUR thousand	Q2/2023	Q2/2022	Pro forma Q2/2022	Change	H1/2023	H1/2022	Pro forma H1/2022	Change	2022	Pro forma 2022
Items not allocated to operating segments										
Revenue	4,107	721	3,988	3%	8,015	721	7,713	4%	3,644	15,073
EBITDA	231	-189	-30	-870%	374	-189	-200	-287%	-692	-562
Adjusted EBITDA	-70	453	611	-111%	388	453	441	-12%	798	928
Operating profit (EBIT)	534	-197	-680	-179%	574	-197	-784	-173%	-748	-1,338
Adjusted operating profit	276	445	5	5939%	674	445	-56	-1307%	753	326

The items not allocated to operating segments consist of the training business, service station operations in Kuusamo and the Group's administration and IT services. The training business includes Tieturi Oy and Informator Utbildning Svenska AB (Sweden), which provide IT training for companies, and Management Institute of Finland MIF, which consists of two units (MIF Tutkinnot and MIF Competence) and provides working life training. Informator's training business has been loss-making, and the outlook for the Swedish training market still does not support development in the desired direction. For this reason, the company is exploring different options for the Swedish training business to achieve a more permanent solution.

Pro forma information concerning the Group's comprehensive income for the periods 1 April to 30 June 2022, 1 January to 30 June 2022 and 1 January to 31 December 2022

The pro forma information in the comprehensive income statement has been prepared to illustrate how Wetteri Group's comprehensive income would have been formed if Wetteri Plc's and Themis Holding Oy's share exchange (reverse acquisition), which was implemented on 9 December 2022, and the Wetteri Yhtiöt Oy Group's share deal, which was implemented on 11 May 2022, had already taken place on 1 January 2022, and the current Group structure had been formed at that time. The transactions mentioned above are described in more detail in the Group's financial statements for the financial year that ended on 31 December 2022. This unaudited pro forma information is hypothetical and has been prepared for illustrative purposes only. For this reason, the pro forma information differs from the Group's actual comprehensive income for the comparison periods 1 April to 30 June 2022, 24 February to 30 June 2022 and 24 February to 31 December 2022.

The pro forma information is based on Wetteri Plc's, Themis Holding Oy's and the Wetteri Yhtiöt Oy Group's consolidated comprehensive income for the 2022 financial year. The pro forma information has been adjusted for amortisation arising from the fair value measurement of assets that would have been recognised in the 2022 financial year if the completed share exchange of Wetteri Plc and Themis Holding Oy on 9 December 2022 (reverse acquisition) and the completed share deal of the Wetteri Yhtiöt Oy Group on 11 May 2022 had already taken place on 1 January 2022. Amortisation has been determined based on the assumption that the fair value allocations to the assets would have been the same on 1 January 2022 as they were at the time of the actual execution of the acquisitions on 9 December 2022 and 11 May 2022. The pro forma information of the comprehensive income statement has also been adjusted for the elimination of internal items and the deferred tax effect of the amortisation resulting from the fair value measurement of assets.

EUR thousand	Pro forma Q2/2022	Pro forma H1/2022	Pro forma 2022
Revenue	69,544	142,163	291,042
Other operating income	173	288	558
Materials and services	-53,473	-109,556	-227,030
Employee benefits	-9,850	-19,375	-37,973
Depreciation, amortisation and impairment losses	-3,307	-6,479	-13,079
Other operating expenses	-4,750	-8,827	-17,472
Operating profit (loss)	-1,664	-1,786	-3,954
Financial income	15	16	199
Financial expenses	-764	-1,326	-3,497
Financial income and expenses	-749	-1,310	-3,298
Share of profit or loss of associates	0	0	-3



Profit (loss) before tax	-2,412	-3,096	-7,255
Income taxes	274	334	710
Profit (loss) for the period	-2,138	-2,762	-6,545
Other items of comprehensive income that may be reclassified to profit or loss			
Translation differences arising from net investments in subsidiaries	20	40	93
Comprehensive income for the period	-2,118	-2,722	-6,452
Distribution of profit (loss) for the period			
To shareholders of the parent company	-2,138	-2,762	-6,545
To non-controlling interests	0	0	0
	-2,138	-2,762	-6,545
Distribution of comprehensive income for the period			
To shareholders of the parent company	-2,118	-2,722	-6,452
To non-controlling interests	0	0	0
	-2,118	-2,722	-6,452

Balance sheet, financial position and investments

At the end of the reporting period on 30 June 2023, the Group's balance sheet total stood at EUR 220.4 million, of which equity accounted for EUR 34.2 million. Non-current liabilities totalled EUR 72.1 million, including EUR 40.5 million in lease liabilities.

At the end of the reporting period, current liabilities stood at EUR 114.1 million, including EUR 40.3 million in trade and other payables and EUR 8.1 million in lease liabilities. Net working capital stood at EUR 15.7 million at the end of the reporting period. Inventories amounted to EUR 75.0 million. The equity ratio was 16% on 30 June 2023.

On 30 June 2023, the Group's interest-bearing liabilities consisted of EUR 48.6 million in lease liabilities, EUR 25.0 million in loans from financial institutions, EUR 7.9 million in balance used from the Group's account credit facilities of EUR 13.8 million, EUR 5.3 million in capital loans, EUR 2.0 million in convertible bonds, EUR 0.6 million in loans under the Employee Pensions Act (TyEL), EUR 0.4 million in product development loans, EUR 1.0 million in other loans and EUR 48.1 million in other financial liabilities. Other financial liabilities included the balance used from the credit facilities related to vehicle consignment stock and sale and leaseback arrangements on 30 June 2023, among other liabilities. Interest-bearing liabilities totalled EUR 138.9 million on 30 June 2023.

Consignment stock financing of used cars and sale and leaseback arrangements of dealership demonstrator cars are significant part of efficient working capital management and constitute a large portion of the Group's interest-bearing liabilities. The Group has access to significant credit facilities within which it may finance its vehicles. Financing received from the consignment stock arrangements and demonstrator car sale and leaseback arrangements is presented as short-term financial liability in the Group's balance sheet. Financed cars are included in the Group's inventory and serve as collateral for the financing received. The cars are redeemed back to Wetteri at the latest when they are sold forward to a new customer.

Of the Group's interest-bearing liabilities:

- 22.2% (EUR 30.8 million) are related to the consignment stock financing of used cars.
- 10.4% (EUR 14.5 million) are related to the sale and leaseback arrangements of demonstrator cars and rental cars of car repair shops.

On 30 June 2023, the Group had access to EUR 38.5 million in credit facilities related to its consignment stock of vehicles and EUR 20,8 million in credit facilities related to vehicle sale and leaseback arrangements.

In the reporting period, cash flow from operating activities was EUR 7.8 million, and the total cash flow was EUR 0.5 million. Investments amounted to around EUR 1.8 million in the reporting period and mainly consisted of renovation and equipment costs related to dealerships' leased facilities.



Group governance and management

Board of Directors

The members of Wetteri Plc's Board of Directors are Markku Kankaala (Chair), Martti Haapala, Mikael Malmsten, Satu Mehtälä, Hannu Pärssinen and Aarne Simula.

Management Team

Aarne Simula serves as the CEO of Wetteri Plc. The company's Management Team consists of the following members: Aarne Simula, CEO; Panu Kauppinen, CFO (since 13 March 2023); Antti Ollikainen, CEO of Wetteri Power Oy; and Sanna Räsänen, HR- and CCO.

Decisions of the Annual General Meeting and the Board of Directors' inaugural meeting

Wetteri Plc's Annual General Meeting (AGM) on 8 May 2023 adopted the financial statements for 2022 and discharged the Board of Directors and the CEO from liability. In accordance with the Board of Directors' proposal, the AGM decided that no dividend would be paid for the financial year that ended on 31 December 2022. The AGM confirmed the remuneration policy.

The AGM confirmed that the Board of Directors would consist of six members and elected the company's Board of Directors for a new term of office. The members of the Board of Directors are Markku Kankaala (Chair), Martti Haapala, Mikael Malmsten, Satu Mehtälä, Hannu Pärssinen and Aarne Simula. PricewaterhouseCoopers Oy continues as the company's auditor, with Sami Posti, APA, as the principal auditor.

The AGM decided that each member of the company's Board of Directors would be paid a fee of EUR 3,000 per month, and that the Chair of the Board would be paid a fee of EUR 5,500 per month. No separate meeting fees will be paid. By decision of the AGM, the Chairs of committee meetings will be paid a fee of EUR 500 per meeting, and the members of the committees will be paid a fee of EUR 300 per meeting.

The AGM authorised the Board of Directors to decide on share issues, including the right to issue new shares or transfer shares held by the company, and on the issue of option rights and other special rights entitling their holders to shares. Based on the authorisation, a maximum of 70,000,000 new shares or shares held by the company can be issued in one or more instalments. This represents around 49.7% of the company's current shares. The authorisation replaces previous authorisations and is valid for one year from the decision of the AGM.

Based on the authorisation granted by the AGM, the Board of Directors has the right to decide on share issues and the issue of option rights and other special rights entitling their holders to shares, and on the terms and conditions of such issues. The Board may use the authorisation to finance and enable acquisitions or other business arrangements and investments, for example, or to provide personnel with incentives or encourage them to commit to the company. Based on the authorisation, the Board may decide on share issues against payment and share issues without payment, and consideration other than cash may also be used as payment for the subscription price. The authorisation includes the right to decide on deviation from the shareholders' pre-emptive right if the conditions laid down in the Limited Liability Companies Act are met.

The Board of Directors' inaugural meeting was held after the AGM. At its inaugural meeting, the Board elected Markku Kankaala as Chair and Hannu Pärssinen as Vice Chair from among its members. The other members of the Board are Martti Haapala, Mikael Malmsten, Satu Mehtälä and Aarne Simula.

At the Board's inaugural meeting, Satu Mehtälä was elected as Chair of the Audit Committee, and Markku Kankaala and Hannu Pärssinen were elected as the members of the Audit Committee. Samuli Koskela, secretary to the Board of Directors, was elected as secretary to the Audit Committee. Hannu Pärssinen was elected as Chair of the Remuneration Committee, and Mikael Malmsten, Martti Haapala and Aarne Simula were elected as its members.

Company shares

Wetteri Plc's share capital stood at EUR 96,000 at the end of the reporting period on 30 June 2023, and the total number of shares was 140,885,022. The company did not hold any treasury shares at the end of the review period or the comparison period.

Key events during the review period

25 January 2023: Wetteri announced the composition of its Shareholders' Nomination Committee. On 31 December 2022, the largest shareholders were Simula Invest Oy, PM Ruukki Oy and Oy Haapalandia Invest Ltd. Simula Invest Oy appointed Aarne Simula as its representative, PM Ruukki Oy appointed Markku Kankaala as its representative, and Oy Haapalandia Invest Ltd appointed Martti Haapala as its representative. The committee elected Aarne Simula as its Chair from among its members.

26 January 2023: Wetteri announced that Simula Invest Oy would execute a mandatory tender offer for Wetteri Plc's shares. Wetteri's Board of Directors published its statement on the tender offer on 6 February 2023, and the Financial Supervisory Authority approved the tender offer document on 7 February 2023. The tender offer period started on 8 February 2023. The final result of the tender offer procedure was announced on 24 April 2023. The shareholders who approved the tender offer in accordance with its terms and conditions held a total of 13,997,285 shares in Wetteri and represented around 9.92% of all the votes in the company. Taking these shares into account, Simula Invest Oy's holding increased to 58,651,863 shares following the tender offer procedure, which corresponds to 41.63% of all the votes in Wetteri Plc. Ownership of the shares was transferred against the payment of a cash consideration on 27 April 2023. Aarne Simula, who controls Simula Invest Oy, personally owns 64,080 shares in Wetteri Plc, and his related parties own 10,000 shares. Taking into account Simula Invest Oy's holding and the personal holdings of Simula and his related parties, Simula Invest Oy's total holding in Wetteri Plc has increased to 58,725,943 shares, or 41.68% of all the votes in Wetteri Plc.

1 February 2023: The company published a further specification concerning the schedule for the acquisition of Autotalo Hartikainen, which had been announced in December 2022. The execution of the transaction was delayed because of the Finnish Competition and Consumer Authority's proceedings schedule. It was announced on 1 March 2023 that the transaction would be completed on 7 March 2023. The business operations of Autotalo Hartikainen were transferred to Wetteri on 8 March 2023. A directed share issue was carried out as part of the financing of the transaction. The share issue was announced on 7 March 2023. Based on an authorisation granted by the Annual General Meeting, Wetteri's Board of Directors issued a total of 6,284,152 new shares in Wetteri for the Active Owners group. Of these, a total of 3,142,076 shares were issued through a directed issue, and another 3,142,076 shares through conversions of convertible bonds.

13 March 2023: The company announced a change in its Management Team. Sami Klemola, who had served as the company's CFO, resigned from his position, and Panu Kauppinen was appointed as the company's CFO.

14 March 2023: The company announced that it would carry out its second acquisition under its growth strategy and acquire the AutoPalin business operations of Palin Oy in Pori and Rauma. 31 March 2023: The company announced that the AutoPalin transaction was expected to be completed by 31 May 2023 following approval from the Finnish Competition and Consumer Authority.

28 March 2023: The company announced that the publication of its financial statements bulletin, annual report and financial statements would be delayed from the previously announced schedule. At the same time, the company announced that its Annual General Meeting would be held on 8 May 2023, later than previously announced.

On 6 April 2023, the company published its financial statements bulletin. On 14 April 2023, the company announced its financial statements, annual report, remuneration report and corporate governance statement. Notice of the Annual General Meeting was also published on 14 April 2023, along with the Shareholders' Nomination Committee's proposals to the Annual General Meeting. The Nomination Committee proposed that the composition of the company's Board of Directors remain unchanged from 9 December 2022.

6 April 2023: The company announced amendments to Wetteri's financing agreement. Wetteri Plc's subgroup Themis Holding Oy agreed on changes to the covenant of the financing agreement with the financing bank. In accordance with the amended covenant, EBITDA for the financial year that ended on 31 December 2022 will be adjusted for one-off expenses related to the Wetteri-Soprano arrangement, which was announced on 9 December 2022. In addition, EBITDA will be adjusted for one-off expenses related to Autotalo Mobila Oy's internal arrangements.

24 April 2023: The company announced the final result of Simula Invest's mandatory public tender offer. The shareholders who approved the tender offer in accordance with its terms and conditions held a total of 13,997,285 shares in Wetteri and represented around 9.92% of all the votes in the company. Taking these shares into account, Simula Invest Oy's holding increased to 58,651,863 shares, which corresponds to 41.63% of all the votes in Wetteri Plc. Ownership of the shares was transferred against the payment of a cash consideration. Aarne Simula, who controls Simula Invest Oy, personally owns 64,080 shares in Wetteri Plc, and his related parties own 10,000 shares. Taking into account Simula Invest Oy's holding and the personal holdings of Simula and his related parties, Simula Invest Oy's total holding in Wetteri Plc has increased to 58,725,943 shares, or 41.68% of all the votes in Wetteri Plc. The tender offer procedure was completed following the payment of the cash consideration on 27 April 2023.



28 April 2023: The company announced that liquidity provision for its share would end on 31 May 2023. The company estimated that the liquidity of its share would be sufficient without liquidity provision.

8 May 2023: Wetteri's Annual General Meeting was held. The Annual General Meeting approved all the Board's proposals and elected the company's Board of Directors for a new term of office. At the Board's inaugural meeting, Markku Kankaala was elected as its Chair and Hannu Pärssinen as its Vice Chair. At the Board's inaugural meeting, Satu Mehtälä was elected as Chair of the Audit Committee, and Markku Kankaala and Hannu Pärssinen were elected as the members of the Audit Committee. Samuli Koskela, secretary to the Board of Directors, was elected as secretary to the Audit Committee. Hannu Pärssinen was elected as Chair of the Remuneration Committee, and Mikael Malmsten, Martti Haapala and Aarne Simula were elected as its members.

Key events after the reporting period

There have been no key events since the end of the reporting period.

Personnel

Wetteri's average number of personnel was 914 in the reporting period. 89% of its mechanics' employment relationships and 96% of its white-collar employees' employment relationships were permanent.

Wetteri's personnel by function:

- Sales 20%
- Maintenance and spare parts business 67%
- Administration 8%
- Other 5%

Wetteri supports its personnel in learning and offers opportunities for training alongside work. In the automotive sector, it is critical to maintain brand-specific expertise, for example. The company offers safe working conditions and fair terms of employment. Equal treatment and mutual respect are important values.

Sustainability

Wetteri's key sustainability themes are low-emission and safe driving, Wetteri as a workplace and Wetteri as a responsible company as part of society. The Group's Management Team and development manager are responsible for the management of sustainability work. They maintain the company's sustainability plan and its targets and monitor the achievement of the targets. Management systems certified in accordance with ISO 9001 and ISO 14001, as well as the related audits, are important parts of sustainability work as a whole.

Wetteri's sustainability standards, guidelines and operating models have been compiled in an operating system accessible to all personnel. The operating system and its guidelines cover statutory obligations, values and internal instructions. The Code of Conduct approved by Wetteri's Board of Directors includes safety and security policies, personnel policies and environmental policies.

Wetteri is committed to the automotive sector's Green Deal agreement, which aims to promote the achievement of the CO₂ emissions reduction targets set for transport, the improvement of the energy efficiency of vehicles and the increased use of biofuels and other types of alternative motive power. Wetteri seeks to raise its employees', customers' and stakeholders' awareness of environmentally friendly driving in addition to helping customers find the optimal solution between their transport needs and a minimal climate load.

In 2023, the company started development work to create structures for more systematic sustainability reporting with appropriate targets and indicators. The company identified the taxonomy-aligned portion of its business operations in 2022, and it will analyse the proportion of taxonomy-aligned business operations of its revenue in 2023. In addition, the company will start a project to identify material aspects related to CSRD reporting and create capacity for data collection from the beginning of 2024 and for reporting in the 2024 financial statements.

Key risks and uncertainties

Wetteri may fail in implementing its strategy, finding businesses to acquire in line with its strategy or integrating acquired companies, and acquisitions may involve unexpected challenges, responsibilities and risks.



Changes in distribution channels and the related changes in customers' consumption patterns may cause changes in Wetteri's operations. These changes may fail, or preparation for the changes may fail, which may have an adverse impact on Wetteri's business operations, financial position and reputation.

Geopolitical tensions and uncertain economic and financial conditions, as well as a decline in consumer confidence, may have an adverse impact on Wetteri's business operations and the availability and price of financing.

Representation agreements with the importers of various vehicle brands are significant for Wetteri's business operations, which is why they also pose significant risks. Representation agreements include terms concerning the termination of the agreement in situations in which material changes take place in Wetteri's ownership or management. The company seeks to mitigate this risk by having cooperation relationships managed by several members of the management, so that such relationships do not depend on any single key individual.

The Group's operations may be exposed to various financial risks: interest rate, credit, liquidity and solvency risks. Through its financial risk management, the Group seeks to ensure sufficient liquidity by means of account credit facilities, active used car stock management and consignment stock credit facilities, for example. The Group's used car consignment stock credit facilities are agreements valid until further notice, with notice periods of three to six months. Typically, the agreements are reviewed annually, and the credit facilities have been continuous in nature. The purpose of this is to minimise the potential impacts of market fluctuations and unpredictability on the Group's profit, balance sheet and cash flows. With the Group investing in growth through acquisitions in line with its strategy, ensuring solvency requires careful solvency risk management and a positive cash flow from operating activities. The Group's financing agreements include covenants related to key indicators, as well as other terms related to indebtedness, investments, ownership structure, business continuity, the transfer and pledging of shares, and the distribution of funds. If these terms are not met at the time of review on 30 June and 31 December, loans included in the financing agreements may fall due. Some of the Group's bank loans are hedged against interest rate increases.

Wetteri maintains normal insurance cover against various risks associated with the Group's business operations. Because of general restrictions included in insurance policies, the insurance may not necessarily cover all the damage incurred. Wetteri's insurance policies are organised so that they reflect Wetteri's business operations, and the insurance cover corresponds to industry practices and covers the risks against which obtaining insurance can be considered an appropriate measure.

Estimate of developments in 2023

The used car and lorry trades have picked up during the first half of the year compared with the previous year. It is estimated that the shortage in the availability of new cars will ease somewhat by the end of 2023, when the record-high order backlog can be reduced through invoicing. Geopolitical tensions may have influence on the demand of new cars. Signals of stabilising interest rate and decline in inflation may on the other hand increase the demand.

In accordance with its financial guidance for 2023, Wetteri expects its revenue to be EUR 460 million and its adjusted operating profit to be EUR 13 million.

Wetteri's disclosure of financial information

Wetteri will publish its interim report for January–September on 28 November 2023.

Oulu 25 August 2023

Wetteri Plc

Board of Directors

Further information:

Aarne Simula, CEO, Wetteri Plc

Tel. +358 400 689 613, aarne.simula@wetteri.fi

Panu Kauppinen, CFO, Wetteri Plc



Tel. +358 44 236 3740, panu.kauppinen@wetteri.fi

Webcast on 25 August 2023 at 1 pm

Wetteri will hold a webcast for shareholders, analysts and the media on 25 August 2023 at 1 pm. During the webcast, Wetteri Plc's CEO, Aarne Simula, will present the result for the first half of the year, provide information about the progress of the company's strategy and discuss the market situation in the automotive sector. The webcast will be held in Finnish: <https://wetteri.videosync.fi/q2-2023>.



Key performance indicators

EUR thousand	Q2/ 2023	Q2/ 2022 ¹⁾	Pro forma Q2/ 2022	Change ²⁾	H1/ 2023	H1/ 2023 ¹⁾	Pro forma H1/ 2023	Change ²⁾	2022	Pro forma 2022
Revenue	109,914	47,381	69,544	58 %	200,199	47,381	142,163	41 %	191,825	291,042
EBITDA	5,373	1,485	1,643	227 %	10,091	1,485	4,693	115 %	6,172	9,125
EBITDA, % of revenue	5 %	3 %	2 %		5 %	3 %	3 %		3 %	3 %
Items affecting comparability included in EBITDA	154	1,173	1,438		1,265	1,173	2,235		3,616	4,678
Adjusted EBITDA	5,527	2,657	3,082	79 %	11,356	2,657	6,928	64 %	9,788	13,804
Adjusted EBITDA, % of revenue	5 %	6 %	4 %		6 %	6 %	5 %		5 %	5 %
Operating profit (loss) (EBIT)	1,519	-567	-1,664	-191 %	2,666	-567	-1,786	-249 %	-2,279	-3,954
Operating profit (loss), % of revenue	1 %	-1 %	-2 %		1 %	-1 %	-1 %		-1 %	-1 %
Items affecting comparability included in operating profit	898	1,666	2,222		2,822	1,666	3,803		5,601	7,814
Adjusted operating profit	2,417	1,099	559	333 %	5,488	1,099	2,017	172 %	3,322	3,860
Adjusted operating profit, % of revenue	2 %	2 %	1 %		3 %	2 %	1 %		2 %	1 %
Profit (loss) before tax	-872	-1,120	-2,412	-64 %	-734	-1,120	-3,096	-76 %	-4,367	-7,255
Profit (loss) before tax, % of revenue	-1 %	-2 %	-3 %		0 %	-2 %	-2 %		-2 %	-2 %
Profit (loss) for the period	-720	-1,091	-2,138	-66 %	-686	-1,091	-2,762	-75 %	-3,834	-6,545
Profit (loss) for the period, % of revenue	-1 %	-2 %	-3 %		0 %	-2 %	-2 %		-2 %	-2 %
Earnings per share, basic (EUR)	-0.01	-0.02			-0.01	-0.02			-0.05	
Earnings per share, diluted (EUR)	-0.01	-0.02			-0.01	-0.02			-0.05	
Balance sheet total	220,447	137,846			220,447	137,846			154,595	
Net debt	137,239	91,075			137,239	91,075			94,404	
Return on equity (ROE), %	-8 %	-51 %			-4 %	-37 %			-25 %	
Return on investment (ROI), %	-8 %	-12 %			-6 %	-9 %			-11 %	
Equity ratio, %	16 %	12 %			16 %	12 %			20 %	
Liquidity, %	93 %	101 %			93 %	101 %			85 %	
Gearing, %	401 %	533 %			402 %	533 %			312 %	
Average number of personnel during the period	962	611			914	611			695	
Invoiced sales of new passenger cars (pcs)	962	350			1,545	350			1,394	
Invoiced sales of new lorries (pcs)	46	40			102	40			143	
Invoiced sales of used passenger cars (pcs)	1,464	731			2,684	731			3,280	
Orders: new passenger cars (pcs)	787	518			1,417	518			1,916	
Orders: new lorries (pcs)	45	53			89	53			89	
Passenger cars: order backlog at the end of the period	71,361	47,888			71,361	47,888			82,700	
Lorries: order backlog at the end of the period	21,700	31,422			21,700	31,422			20,100	
Passenger car repair shop: hours sold	86,132	35,470			151,525	35,470			109,342	
Lorry repair shop: hours sold	26,443	17,730			55,911	17,730			74,514	

¹⁾ Q2 2022 refers to the period 1 April to 30 June 2022, H1 2022 to the period 24 February to 30 June 2022, and 2022 to the period 24 February to 31 December 2022. The financial information for the comparison period is not comparable with the financial information for the reporting period because the company did not have any business operations in the comparison period until after 11 May 2022.

²⁾ Change refers to the change between Q2 2023 and pro forma Q2 2022 and change between H1 2023 and pro forma H1 2022.

Calculation formulas for key indicators

EBITDA	=	Operating profit + depreciation, amortisation and impairment losses
EBITDA, % of revenue	=	EBITDA/revenue
Adjusted EBITDA	=	EBITDA + items affecting comparability included in EBITDA
Adjusted EBITDA, % of revenue	=	Adjusted EBITDA/revenue
Operating profit (EBIT)	=	Revenue + other operating income – materials and services – employee benefits – other operating expenses – depreciation, amortisation and impairment losses
Operating profit, % of revenue	=	Operating profit/revenue
Adjusted operating profit	=	Operating profit + items affecting comparability included in operating profit
Adjusted operating profit, % of revenue	=	Adjusted operating profit/revenue
Earnings per share, basic (EUR)	=	Profit for the period/volume-weighted average number of shares during the period
Earnings per share, diluted (EUR)	=	Profit for the period/volume-weighted average number of shares during the period, adjusted for share issues
Return on equity, %	=	Profit (loss) for the period/equity on average during the period
Return on investment, %	=	Profit (loss) before tax + financial expenses/equity on average during the period + interest-bearing liabilities on average during the period
Equity ratio, %	=	Equity/balance sheet total – advances received
Liquidity, %	=	Current assets/current liabilities
Gearing, %	=	Net debt / equity

Reconciliation of key indicators

Formation of adjusted EBITDA

EUR thousand	Q2/2023	Q2/2022	Pro forma Q2/2022	H1/2023	H1/2022	Pro forma H1/2022	2022	Pro forma 2022
Adjusted EBITDA								
Operating profit	1,519	-567	-1,664	2,666	-567	-1,786	-2,279	-3,954
Depreciation, amortisation and impairment	3,855	2,052	3,307	7,424	2,052	6,479	8,451	13,079
EBITDA	5,373	1,485	1,643	10,091	1,485	4,693	6,172	9,125
Items affecting comparability included in EBITDA	154	1,173	1,438	1,265	1,173	2,235	3,616	4,678
Total	5,527	2,657	3,082	11,356	2,657	6,928	9,788	13,804

Formation of items affecting comparability included in EBITDA

EUR thousand	Q2/2023	Q2/2022	Pro forma Q2/2022	H1/2023	H1/2022	Pro forma H1/2022	2022	Pro forma 2022
Items affecting comparability included in EBITDA								
Negative goodwill arising from acquisitions	-349	0	0	-349	0	0	0	0
Transaction costs related to acquisitions	121	0	0	196	0	0	0	0
Costs related to share issue planning	115	0	0	115	0	0	0	0
Compensation for termination of employment	0	0	0	240	0	0	0	0
Transfer tax on Wetteri Yhtiöt Oy's share deal	0	496	496	0	496	496	496	496
Other transaction costs related to the acquisition of Wetteri Yhtiöt Oy	0	95	95	0	95	95	95	95
Transaction costs related to the reverse acquisition of Wetteri Plc arising from listing on the stock exchange	1	50	50	1	50	50	899	899
Depreciation of the fair value of inventories	266	531	797	1,063	531	1,594	2,125	3,188
Total	154	1,173	1,438	1,265	1,173	2,235	3,616	4,678

Formation of adjusted operating profit

EUR thousand	Q2/2023	Q2/2022	Pro forma Q2/2022	H1/2023	H1/2022	Pro forma H1/2022	2022	Pro forma 2022
Adjusted operating profit								
Operating profit	1,519	-567	-1,664	2,666	-567	-1,786	-2,279	-3,954
Items affecting comparability included in operating profit	898	1,666	2,222	2,822	1,666	3,803	5,601	7,814
Total	2,417	1,099	559	5,488	1,099	2,017	3,322	3,860

Formation of items affecting comparability included in operating profit

EUR thousand	Q2/2023	Q2/2022	Pro forma Q2/2022	H1/2023	H1/2022	Pro forma H1/2022	2022	Pro forma 2022
Items affecting comparability included in operating profit								
Negative goodwill arising from acquisitions	-349	0	0	-349	0	0	0	0
Transaction costs related to acquisitions	121	0	0	196	0	0	0	0
Costs related to share issue planning	115	0	0	115	0	0	0	0
Compensation for termination of employment	0	0	0	240	0	0	0	0
Transfer tax on Wetteri Yhtiöt Oy's share deal	0	496	496	0	496	496	496	496
Other transaction costs related to the acquisition of Wetteri Yhtiöt Oy	0	95	95	0	95	95	95	95
Transaction costs related to the reverse acquisition of Wetteri Plc arising from listing on the stock exchange	1	50	50	1	50	50	899	899
Depreciation of the fair value of inventories	266	531	797	1,063	531	1,594	2,125	3,188
Amortisation of the fair value of the brand value	304	193	304	607	193	607	777	1,214
Amortisation of the fair value of dealership agreements	300	153	230	549	153	460	613	919
Amortisation of the fair value of customer relationships	30	0	30	60	0	60	7	120

Amortisation of the fair value of the order backlog	111	147	221	340	147	441	588	882
Total	898	1,666	2,222	2,822	1,666	3,803	5,601	7,814

Formation of net debt

EUR thousand	H1/2023	H1/2022	2022
Net debt			
Interest-bearing liabilities	138,909	92,987	95,552
Cash and cash equivalents	-1,670	-1,912	-1,147
Total	137,239	91,075	94,404

Formation of return on equity (ROE), %

EUR thousand	Q2/2023	Q2/2022	H1/2023	H1/2022	2022
Return on equity (ROE), %					
Profit (loss) for the period	-2,882	-4,362	-1,371	-3,159	-3,834
Equity on average during the period	34,554	8,542	32,227	8,542	15,121
Total	-8%	-51%	-4%	-37%	-25%

Formation of return on investment (ROI), %

EUR thousand	Q2/2023	Q2/2022	H1/2023	H1/2022	2022
Return on investment (ROI), %					
Profit (loss) before tax	-3,486	-4,481	-1,468	-3,245	-4,367
Financial expenses	-9,768	-2,271	-6,931	-1,644	-2,282
Equity on average during the period	34,554	8,542	32,227	8,542	15,121
Interest-bearing liabilities on average during the period	133,966	46,494	117,230	46,494	47,776
Total	-8%	-12%	-6%	-9%	-11%

Formation of the equity ratio, %

EUR thousand	H1/2023	H1/2022	2022
Equity ratio, %			
Equity	34,212	17,083	30,242
Balance sheet total	220,447	137,846	154,595
Advances received	258	3	1,215
Total	16%	12%	20%

Formation of liquidity, %

EUR thousand	H1/2023	H1/2022	2022
Liquidity, %			
Current assets	106,037	70,407	71,153
Current liabilities	114,098	69,562	83,262
Total	93%	101%	85%

Formation of gearing, %

EUR thousand	H1/2023	H1/2022	2022
Gearing, %			
Net debt	137,239	91,075	94,404
Equity	34,212	17,083	30,242

Total

401%

533%

312%



Condensed consolidated financial information

Consolidated statement of comprehensive income

Consolidated balance sheet

Consolidated cash flow statement

Consolidated statement of changes in equity

Notes to the Group's condensed consolidated financial information (only in Finnish)

Consolidated statement of comprehensive income

EUR thousand	Q2/2023	Q2/2022	H1/2023	H1/2022	2022
Revenue	109,914	47,381	200,199	47,381	191,825
Other operating income	438	79	596	79	344
Materials and services	-86,300	-37,178	-157,540	-37,178	-152,899
Employee benefits	-13,168	-5,611	-23,479	-5,611	-22,309
Depreciation, amortisation and impairment losses	-3,855	-2,052	-7,424	-2,052	-8,451
Other operating expenses	-5,511	-3,186	-9,686	-3,186	-10,788
Operating profit (loss)	1,519	-567	2,666	-567	-2,279
Financial income	52	15	65	15	195
Financial expenses	-2,442	-568	-3,465	-568	-2,282
Financial income and expenses	-2,390	-553	-3,400	-553	-2,087
Share of profit or loss of associates	0	0	0	0	-1
Profit (loss) before tax	-872	-1,120	-734	-1,120	-4,367
Income taxes	151	30	49	30	534
Profit (loss) for the period	-720	-1,091	-686	-1,091	-3,834
Other items of comprehensive income that may be reclassified to profit or loss					
Translation differences arising from net investments in subsidiaries	37	0	56	0	6
Comprehensive income for the period	-683	-1,091	-629	-1,091	-3,828
Distribution of profit (loss) for the period					
To shareholders of the parent company	-720	-1,091	-686	-1,091	-3,834
To non-controlling interests	0	0	0	0	0
	-720	-1,091	-686	-1,091	-3,834
Distribution of comprehensive income for the period					
To shareholders of the parent company	-683	-1,091	-629	-1,091	-3,828
To non-controlling interests	0	0	0	0	0
	-683	-1,091	-629	-1,091	-3,828
Earnings per share calculated from the profit (loss) attributable to shareholders of the parent company					
Basic earnings per share (EUR)	-0.01	-0.02	-0.01	-0.02	-0.05
Diluted earnings per share (EUR)	-0.01	-0.02	-0.01	-0.02	-0.05



Consolidated balance sheet

EUR thousand	H1/2023	H1/2022	2022
ASSETS			
Non-current assets			
Goodwill	33,215	1,146	21,075
Intangible assets	10,407	10,956	10,102
Property, plant and equipment	68,429	54,995	50,376
Interests in associates	0	0	0
Other shares and interests	294	68	74
Non-current receivables	259	0	263
Non-current financial assets	159	0	121
Deferred tax assets	1,648	274	1,430
Total non-current assets	114,410	67,438	83,442
Current assets			
Inventories	75,030	49,097	49,517
Trade and other receivables	29,279	19,250	19,998
Other financial assets	25	32	20
Tax assets based on taxable income for the period	32	117	471
Cash and cash equivalents	1,670	1,912	1,147
Total current assets	106,037	70,407	71,153
TOTAL ASSETS	220,447	137,846	154,595
EQUITY AND LIABILITIES			
Equity			
Share capital	96	0	96
Share issue	0	2,604	0
Invested unrestricted equity fund	37,074	15,570	32,474
Translation differences	62	0	6
Retained earnings	-3,834	0	0
Profit (loss) for the period	-686	-1,091	-3,834
Equity loan	1,500	0	1,500
Total equity attributable to shareholders of the company	34,212	17,083	30,242
Non-current liabilities			
Loans	24,942	11,335	6,736
Lease liabilities	40,511	34,512	32,038
Other non-current liabilities	4,565	2,630	177
Other financial liabilities	21	27	1
Deferred tax liabilities	2,097	2,697	2,138
Total non-current liabilities	72,137	51,200	41,091
Current liabilities			
Loans	17,222	19,611	28,692
Lease liabilities	8,106	5,725	5,704
Trade and other payables	40,329	22,358	26,289
Provisions	133	87	88
Other financial liabilities	48,107	21,778	22,380
Tax liabilities based on taxable income for the period	200	3	109
Total current liabilities	114,098	69,562	83,262
Total liabilities	186,235	120,762	124,353
TOTAL EQUITY AND LIABILITIES	220,447	137,846	154,595

Consolidated cash flow statement

EUR thousand	H1/2023	H1/2022	2022
Cash flow from operating activities			
Payments received from customers for the sale of goods and services	193,118	44,971	190,523
Payments made to suppliers of goods, service providers and personnel	-181,968	-46,093	-185,954
Payments from other operating income	247	79	343
Transaction costs related to business combinations	-196	-591	-1,490
Interest received	21	18	89
Interest paid	-3,464	-568	-2,240
Income taxes paid	6	-153	-554
Cash flow from operating activities	7,764	-2,336	717
Cash flow from investing activities			
Investments in intangible assets	-39	-29	-29
Investments in property, plant and equipment	-1,540	-240	-1,232
Business combination less cash and cash equivalents acquired	-14,334	-30,555	-30,298
Investments in other shares and interests	-220	0	0
Cash flow from investing activities	-16,133	-30,823	-31,559
Cash flow from financing activities			
Share issues against payment	2,300	17,600	17,600
Transaction costs related to the issue of new shares	-116	0	-381
Dividends paid to shareholders	0	0	-988
Withdrawals of long-term loans	9,500	8,950	0
Repayments of long-term loans	0	-2,670	-2,670
Withdrawals of long-term loans from related parties	1,000	0	5,500
Repayment of principal on lease liabilities	-3,616	6,568	-3,808
Withdrawals of short-term loans	2,500	-92	17,930
Repayments of short-term loans	-5,964	5,500	-1,600
Withdrawals of other financial liabilities	47,107	8,857	39,886
Repayments of other financial liabilities	-43,875	-8,713	-39,481
Cash flow from financing activities	8,835	35,071	31,989
Total cash flow	467	1,912	1,147
Change in cash and cash equivalents			
Cash and cash equivalents at the beginning of the period	1,147	0	0
Effects of exchange rate changes on cash and cash equivalents	56	0	0
Cash and cash equivalents at the end of the period	1,670	1,912	1,147
Change in cash and cash equivalents	467	1,912	1,147

Consolidated statement of changes in equity

EUR thousand	Share capital	Share issue	Invested unrestricted equity fund	Translation differences	Retained earnings	Equity loan	Equity attributable to shareholders of the parent company	Non-controlling interests	Total equity
Equity 1 Jan 2023	96	0	32,474	6	-3,834	1,500	30,242	0	30,242
Profit (loss) for the period					-686		-686		-686
Other items of comprehensive income				56			56		56
Comprehensive income for the period	0	0	0	56	-686	0	-629	0	-629
Share issue 7 March 2023			4,600				4,600		4,600
Transactions with shareholders	0	0	4,600	0	0	0	4,600	0	4,600
Equity 30 Jun 2023	96	0	37,074	62	-4,519	1,500	34,212	0	34,212

EUR thousand	Share capital	Share issue	Invested unrestricted equity fund	Translation differences	Retained earnings	Equity loan	Equity attributable to shareholders of the parent company	Non-controlling interests	Total equity
Equity 24 Feb 2023	0	0	0	0	0	0	0	0	0
Profit (loss) for the period					-1,091		-1,091		-1,091
Other items of comprehensive income							0		0
Comprehensive income for the period	0	0	0	0	-1,091	0	-1,091	0	-1,091
Value of the equity component in capital loans 11 May 2022			574				574		574
Themis Holding Oy's share issue 11 May 2022		1,972	4,028				6,000		6,000
Themis Holding Oy's share issue 17 May 2022		633	10,967				11,600		11,600
Transactions with shareholders	0	2,604	15,570	0	0	0	18,174	0	18,174
Equity 30 Jun 2023	0	2,604	15,570	0	-1,091	0	17,083	0	17,083



EUR thousand	Share capital	Share issue	Invested unrestricted equity fund	Translation differences	Retained earnings	Equity loan	Equity attributable to shareholders of the parent company	Non-controlling interests	Total equity
Equity 24 Feb 2023	0	0	0	0	0	0	0	0	0
Profit (loss) for the period					-3,834		-3,834		-3,834
Other items of comprehensive income				6			6		6
Comprehensive income for the period	0	0	0	6	-3,834	0	-3,828	0	-3,828
Value of the equity component in capital loans 11 May 2022			574				574		574
Themis Holding Oy's share issue 11 May 2022	1,972		4,028				6,000		6,000
Themis Holding Oy's share issue 17 May 2022	633		10,967				11,600		11,600
Themis Holding Oy's distribution of dividends 18 Nov 2022			-1,000				-1,000		-1,000
Share exchange between Wetteri Plc and Themis Holding Oy 9 Dec 2022	-2,508		18,008			1,500	17,000		17,000
Transaction costs related to the new shares issued in connection with the share exchange 9 Dec 2022			-305				-305		-305
Conversion of the convertible bond into new shares 9 Dec 2022			200				200		200
Transactions with shareholders	96	0	32,474	0	0	1,500	34,070	0	34,070
Equity 31 Dec 2023	96	0	32,474	6	-3,834	1,500	30,242	0	30,242