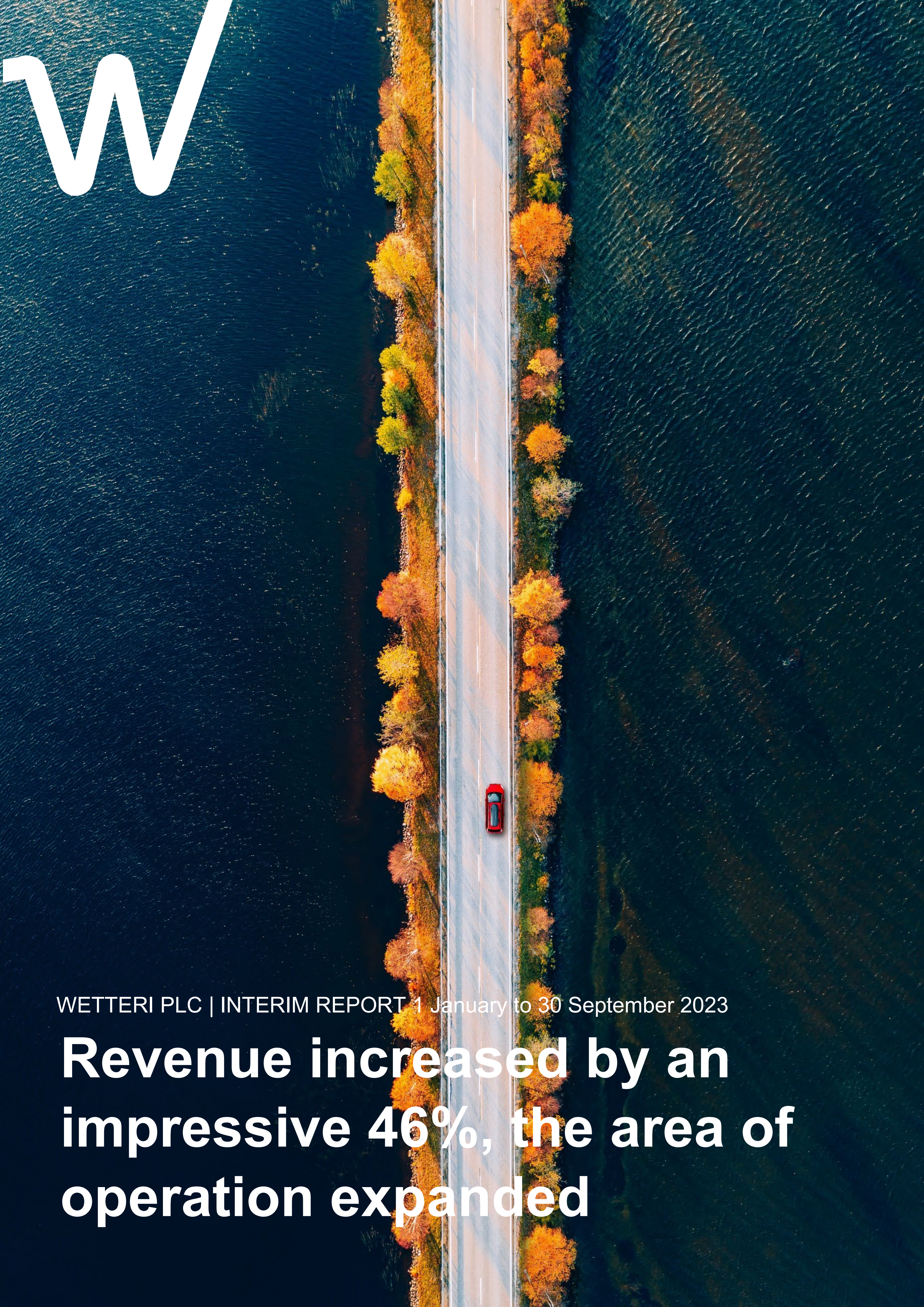

WETTERI PLC | INTERIM REPORT 1 January to 30 September 2023

Revenue increased by an impressive 46%, the area of operation expanded

Wetteri Plc’s interim report 1 January to 30 September 2023

Revenue increased by an impressive 46%, the area of operation expanded

During 2022, the Wetteri Group (hereinafter “Wetteri”, “the Wetteri Group”, “the Group” or “the company”) carried out several corporate arrangements in preparation for its listing on the stock exchange. For this reason, the financial information for the review period (January–September 2023) is not comparable with the financial information for the comparison period (24 February to 30 September 2022). The financial information for the comparison period (24 February to 30 September 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 transaction on 11 May 2022. Themis Holding Oy was established for the stock exchange listing and the preceding corporate arrangements, in which it acted as the acquiring party in terms of accounting. In the comparison period (24 February to 30 September 2022), it did not have any business operations until after the implementation of Wetteri Yhtiöt Oy’s share transaction on 11 May 2022. Because the financial information for the review period and the comparison period is not comparable, this interim report contains pro forma information concerning the comprehensive income of the Group and its operating segments for the periods 1 July to 30 September 2022, 1 January to 30 September 2022 and 1 January to 31 December 2022. This pro forma information is hypothetical and has been prepared for illustrative purposes only. The interim report and the pro forma information it contains are unaudited.

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

This in an unofficial translation of Wetteri’s interim report January to September 2023. The official report is published in Finnish.

Summary of the review period 1 July to 30 September 2023

- The Group’s revenue was EUR 112.0 million (comparison period: EUR 69.7 million in July–September 2022; pro forma: EUR 71.4 million in July–September 2022).
- Adjusted EBITDA was EUR 6.8 million (EUR 4.9 million; EUR 4.5 million).
- The adjusted operating profit was EUR 3.2 million (EUR 2.4 million; EUR 2.0 million).
- The operating profit was EUR 2.0 million (EUR 0.7 million; EUR 0.3 million).
- The revenue of the Passenger Cars segment increased by EUR 35.0 million (+90%) year-on-year (pro forma July–September 2022).
- The revenue of the Heavy Equipment segment increased by EUR 0.7 million (+5%) year-on-year (pro forma July–September 2022).
- The revenue of the Maintenance Services segment increased by EUR 5.1 million (+34%) year-on-year (pro forma July–September 2022).

Summary of the review period 1 January to 30 September 2023

- The Group’s revenue was EUR 312.2 million (comparison period: EUR 117.0 million in February–September 2022; pro forma: EUR 213.5 million in January–September).
- Adjusted EBITDA was EUR 18.1 million (EUR 7.5 million; EUR 11.5 million).
- The adjusted operating profit was EUR 8.7 million (EUR 3.5 million; EUR 4.0 million).
- The operating profit was EUR 4.7 million (EUR 0.2 million; EUR -1.5 million).
- The revenue of the Passenger Cars segment increased by EUR 72.3 million (+59%) year-on-year (pro forma January–September 2022).
- The revenue of the Heavy Equipment segment increased by EUR 9.1 million (+21%) year-on-year (pro forma January–September 2022).
- The revenue of the Maintenance Services segment increased by EUR 17.1 million (+46%) year-on-year (pro forma January–September 2022).
- 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	Q3/2023	Q3/ 2022[1]	Pro forma Q3/2022	Change [2]	Q1-Q3/ 2023	Q1-Q3/ 2022[1]	Pro forma Q1-Q3/ 2022	Change [2]	2022[1]	Pro forma 2022
Revenue	111,999	69,663	71,360	57%	312,198	117,044	213,523	46%	191,825	291,042
EBITDA	6,256	3,929	3,586	74%	16,347	5,414	8,279	97%	6,172	9,125
EBITDA, % of revenue	6%	6%	5%		5%	5%	4%		3%	3%
Adjusted EBITDA [3]	6,780	4,873	4,530	50%	18,135	7,531	11,458	58%	9,788	13,804
Adjusted EBITDA, % of revenue	6%	7%	6%		6%	6%	5%		5%	5%
Operating profit (loss) (EBIT)	1,983	734	280	609%	4,650	167	-1,506	n/a	-2,279	-3,954
Operating profit (loss), % of revenue	2%	1%	0%		1%	0%	-1%		-1%	-1%
Adjusted operating profit [3]	3,199	2,418	2,008	59%	8,687	3,517	4,025	116%	3,322	3,860
Adjusted operating profit, % of revenue	3%	3%	3%		3%	3%	2%		2%	1%
Profit (loss) before tax	-315	130	-359	n/a	-1,049	-991	-3,455	n/a	-4,367	-7,255
Profit (loss) before tax, % of revenue	0 %	0 %	-1 %		0 %	-1 %	-2 %		-2%	-2%
Profit (loss) for the period	-401	55	-425	n/a	-1,087	-1,036	-3,187	n/a	-3,834	-6,545
Profit (loss) for the period, % of revenue	0 %	0 %	-1 %		0 %	-1 %	-1 %		-2%	-2%
Earnings per share, basic (EUR)	0.00	0.00			-0.01	-0.01			-0.05	
Earnings per share, diluted (EUR)	0.00	0.00			-0.01	-0.01			-0.05	
Return on equity (ROE), %	-5 %	1 %			-5 %	-20 %			-25%	
Return on investment (ROI), %	-6 %	-2 %			-6 %	-7 %			-11%	
Equity ratio, %	15 %	13 %			15 %	13 %			20%	
Liquidity, %	92 %	103 %			92 %	103 %			85%	
Average number of personnel during the review period [4]	992	614			899	617			695	
Invoiced sales of new passenger cars (pcs)	929	495			2,474	845			1,394	
Invoiced sales of new lorries (pcs)	36	48			138	88			143	
Invoiced sales of used passenger cars (pcs)	1,527	1,380			4,211	2,111			3,280	
Orders: new passenger cars (pcs)	746	762			2,163	1,280			1,916	
Orders: new lorries (pcs)	21	10			110	63			89	
Passenger cars: order backlog at the end of the period	64,665	58,089			64,665	58,089			82,700	
Lorries: order backlog at the end of the period	18,750	24,270			18,750	24,270			20,100	
Passenger car repair shop: hours sold	84,129	52,098			235,654	87,568			109,342	
Lorry repair shop: hours sold	24,553	25,611			80,464	43,341			74,514	

[1] Q3/2022 refers to the period 1 July to 30 September 2022, Q1–Q3/2022 to the period 24 February to 30 September 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 review 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 Q3/2023 and pro forma Q3/2022 and the change between Q1–Q3/2023 and pro forma Q1–Q3/2022.

[3] The adjusted EBITDA and operating profit do not take items affecting the comparability of the Group's EBITDA and operating profit into account, 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 acquisition calculations. 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 interim report.

[4] The calculation of average number of personnel during the review period has been refined in the review period so that the number of personnel at the end of each month has been added together and the amount thus obtained has been divided by the number of months in the review period.

Aarne Simula, CEO:

“The period between January and September was strong for Wetteri, and our revenue increased to more than EUR 312 million. This marked an increase of 46% year-on-year. The Passenger Cars segment’s revenue increased by 59% from the previous year because of deliveries from the order backlog for new cars. In addition, the used car trade grew by nearly 20%. The Heavy Equipment segment’s revenue increased by 21%, and the value of its order backlog stood at nearly EUR 19 million at the end of the review period. The Maintenance Services segment’s revenue increased by 46% in January–September. In new passenger cars, deals were closed at a relatively good level, and our order backlog continues to be nearly EUR 65 million.

Our result for January–September is a clear indication of the strength of Wetteri’s business model. In the automotive sector, we are the only listed company whose business model covers the sale of passenger cars, commercial vehicles and heavy equipment, along with maintenance, spare parts and repair services. This makes Wetteri’s operations stable and less sensitive to the impacts of business cycles.

Wetteri’s goal is to be the largest and most profitable player in the automotive sector by the end of 2025. In January–September, we took major steps towards this goal and completed two business acquisitions: Autotalo Hartikainen became part of Wetteri at the beginning of March, and AutoPalin joined us at the beginning of June. With these acquisitions, we added five new towns to Wetteri’s area of operation, gained new brands to represent and strengthened our position as a representative of our current brands. We also strengthened our capabilities to serve wider customer segments in all vehicle categories, from passenger cars to heavy equipment. In addition, we invested in organic growth and opened four new used car centres in different parts of Finland. This increased the number of our locations to 40.

Wetteri has Finland’s largest passenger car brand sales and maintenance representation and heavy equipment maintenance representation, 36 brands in total. Securing brand representation always requires long-term work, high-quality operations and sustainability from the dealer. The fulfilment of manufacturer-specific requirements is assessed annually in terms of employees’ competence and training, customer satisfaction, energy efficiency and the achievement of emissions reduction targets, among other aspects. Wetteri’s broad brand representation is a competitive factor and a cornerstone of growth, which enables us to serve an extensive customer base with different needs, even within vehicle categories, which helps on mitigating business risk.

The automotive sector is undergoing a historic transformation that is shaping the industry and its structures. Changes in distribution route models from traditional to agency model, the electrification of motoring, and increasing environmental requirements call for new kinds of expertise and investments, which means that operations will focus on larger, more profitable and more efficient units. The number of players in the automotive sector will decrease, as many of the companies will have to weigh options between either investing growth or selling the business to someone with stronger potential for growth. Synergy benefits and business development potential are key considerations in Wetteri’s acquisitions. In a transaction, the parties’ similar operating cultures support successful integration, and Wetteri has a strong track record in this respect.

This year, the number of first registrations of new passenger cars is expected to be 87,000, which is more than the forecast made early in the year, but still below the long-term average. The level of first registrations is expected to continue to be low in 2024. This trend will lead to an ageing car fleet, and Finland’s car fleet is already the oldest in Europe. Combined with an ageing car fleet, the decrease in inflation and the stabilisation of interest rates, as well as the recovery of the economy from the recession, which is expected to be short-lived, will increase consumers’ interest in purchasing new cars in the coming years. New and more affordable fully electric cars in the highest-selling vehicle categories and normalised delivery times are likely to increase consumers’ and companies’ interest in updating their fleet. There is pent-up demand in the automotive sector, which we expect to materialise in the coming years. There is strong potential for organic growth.

Wetteri’s growth target is ambitious, our strategy is clear, and its implementation is continuing with determination. In October, we announced a new business transaction: Wetteri will acquire the car dealership business operations of the Suur-Savo Cooperative Society. The transaction is expected to be completed by 31 January 2024. In the spring of 2024, we will open a major used car dealership in Vantaa in line with the Wetteri Premium concept. This enables us to respond to the growing demand for high-quality used cars in the Helsinki metropolitan area. During the rest of the year, we will also explore opportunities for funding growth, expanding the company’s ownership base and strengthening self-sufficiency through a directed share issue for institutional investors, private investors and Wetteri’s personnel.”

Operating environment

According to statistics from the Finnish Information Centre of the Automobile Sector, the car trade picked up in January–September for used cars and heavy equipment. First registrations of new passenger cars and heavy equipment increased markedly from the previous year. This was because of the easing of the component shortage in the automotive sector and deliveries from the order backlog, as well as the return of delivery times for new cars to normal levels.

A total of 68,580 passenger cars was registered in January–September, which is nearly 9% more than in the previous year, but 14% below the long-term average. First registrations of passenger cars in Finland are expected to increase to 87,000 this year, which is significantly more than the estimate announced early in the year (80,000).

First registrations of lorries increased markedly in January–September. In the over 16-tonne weight category, a total of 2,316 lorries was registered in January–September, which is 28% more than in the corresponding period in the previous year. A total of 148 medium-weight lorries (6–16 tonnes) had been registered by the end of September, which is 20% more than last year. A total of 689 lightweight lorries (under 6 tonnes) was registered in January–September, which is 32% more than last year. A total of 8,477 vans was registered in January–September, which is 3% more than in the corresponding period in the previous year.

According to statistics published by the European Automobile Manufacturers' Association, first registrations of cars in Europe increased by 17% in January–September compared with the corresponding period in the previous year. The highest growth rates were recorded in Italy (21%), France (16%) and Germany (15%). At the European level, the categories with the highest growth are vans and heavy equipment. First registrations of vans increased by 14% year-on-year, and first registrations of heavy equipment grew by 23%, taking all weight categories into account.

The geopolitical situation, inflation, reduced purchasing power and high interest rates have increased consumer uncertainty during the current year. In the car trade, economic uncertainty is driving customer demand towards used cars in particular. Long delivery times for new cars have contributed to the increased demand for high-quality used cars. In January–September, the sales of used cars in car dealerships grew by 6% year-on-year.

The return of delivery times for new cars to normal levels and the stabilisation of the development of interest rates and inflation may increase interest in purchasing new cars. 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. The return of delivery times for new cars to normal levels 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. Of the passenger cars registered in January–September, 33% were fully electric cars, and 20% were rechargeable hybrids. Government support for the purchase of electric cars is ending, but their taxation is lower than that of combustion engine cars, which is likely to continue to drive demand towards fully electric cars and rechargeable hybrids. Diesel combustion engines continue to hold first place in the motive power statistics on heavy equipment. However, according to Traficom, first registrations of vehicles running on biofuel in particular have increased in recent years. The electrification of heavy transport is progressing more slowly than that of passenger car traffic 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 basis of Wetteri's growth strategy is to benefit from the historic transformation of the automotive sector by consolidating the sector in Finland. The automotive sector also has growth potential based on the ageing Finnish vehicle fleet, the quiet years in the car trade and the pent-up demand arising from them. The green transition in transport and the emissions reduction targets are increasing the need and demand for low-emission cars in all vehicle categories. Wetteri also seeks to develop the profitability of its own operations and benefit from the synergies arising from acquisitions. The company's comprehensive business model and multi-brand strategy are important competitive factors in the automotive market.

The major transformation of the automotive sector is resulting from factors such as changes in the distribution route and business models, new requirements arising from the electrification of motoring, technological development and new environmental requirements. The investment and development needs arising from the changes are driving consolidation in the sector. Wetteri is a consolidator of the Finnish automotive sector, 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 company's broad-based business model and strong track record of successful growth management lay a solid foundation for the company to execute measures in line with its growth strategy. 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 creates a broad basis for organic growth in different operating segments, generates a stable revenue flow and mitigates business risks over the business cycle.

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 on 31 May 2023: AutoPalin in Pori and Rauma became part of Wetteri. 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. In October 2023, Wetteri announced it would acquire the car dealership business operations of the Suur-Savo Cooperative Society. The transaction is expected to be completed on or around 31 January 2024.

Increased activity in the used car trade since the beginning of 2023 has also provided opportunities for organic growth and the geographical expansion of operations. In May 2023, Wetteri opened a new used car centre in Joensuu. In July, the company opened a new used car centre in Raisio and a used car centre based on the Wetteri Premium concept in Oulu. In August, a new used car centre was opened in Oulunportti, a hub for car sales in Oulu. In the spring of 2024, Wetteri will open a major used car dealership in Petikko in Vantaa. This will strengthen its position in the Helsinki metropolitan area.

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. In maintenance operations, video inspections and reports on and recordings of the measures performed, are part of Wetteri's digital development work and customer service development. The development of digital service channels and data-driven marketing in terms of analytics tools and service platforms, for example, is an important means to respond to changes in consumer behaviour.

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 stock exchange list of Nasdaq Helsinki. The company is exploring options for financing growth, strengthening equity and expanding the ownership base. One of the options is a directed share issue for institutional investors, private investors and personnel. If such a share issue is implemented, it will take place in the fourth quarter of 2023.

Business performance in the review period

EUR thousand	Q3/2023	Q3/2022	Pro forma Q3/2022	Change	Q1–Q3/2023	Q1–Q3/2022	Pro forma Q1–Q3/2022	Change	2022	Pro forma 2022
Group										
Revenue	111,999	69,663	71,360	57%	312,198	117,044	213,523	46%	191,825	291,042
EBITDA	6,256	3,929	3,586	74%	16,347	5,414	8,279	97%	6,172	9,125
Adjusted EBITDA	6,780	4,873	4,530	50%	18,135	7,531	11,458	58%	9,788	13,804
Operating profit (EBIT)	1,983	734	280	609%	4,650	167	-1,506	n/a	-2,279	-3,954
Adjusted operating profit	3,199	2,418	2,008	59%	8,687	3,517	4,025	116%	3,322	3,860

Wetteri Plc's revenue in the third quarter of 2023 was EUR 112.0 million. Compared with the corresponding period in the previous year (EUR 71.4 million, pro forma), its revenue increased by 57%. Its EBITDA in the third quarter increased to EUR 6.3 million (EUR 3.6 million). Its adjusted EBITDA increased to EUR 6.8 million (EUR 4.5 million), operating profit to EUR 2.0 million (EUR 0.3 million) and adjusted operating profit to EUR 3.2 million (EUR 2.0 million).

In January–September 2023, Wetteri Plc's revenue increased to EUR 312.2 million, up 46% from the previous year (EUR 213.5 million, pro forma). Its EBITDA grew to EUR 16.3 million (EUR 8.3 million). Its adjusted EBITDA in January–September was EUR 18.1 million (EUR 11.5 million). Its operating profit in January–September was EUR 4.7 million (EUR -1.5 million), and its adjusted operating profit was EUR 8.7 million (EUR 4.0 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. Integration costs arising from business acquisitions, estimated at EUR 0.4 million, had a negative impact on the operating profit in the third quarter.

Operating segments

Passenger Cars segment

EUR thousand	Q3/2023	Q3/2022	Pro forma Q3/2022	Change	Q1–Q3/2023	Q1–Q3/2022	Pro forma Q1–Q3/2022	Change	2022	Pro forma 2022
Passenger Cars										
Revenue	73,750	42,501	38,774	90%	195,030	70,540	122,739	59%	116,088	171,969
EBITDA	1,555	1,315	256	508%	3,954	1,769	2,102	88%	3,572	2,430
Adjusted EBITDA	1,672	1,321	262	538%	4,136	1,780	2,122	95%	3,589	2,456
Operating profit (EBIT)	-350	-519	-1,927	n/a	-1,091	-1,172	-2,390	n/a	-1,100	-2,449
Adjusted operating profit	263	-114	-1,522	n/a	499	-496	-1,175	n/a	-19	-828

The Passenger Car segment's revenue in January–September 2023 was EUR 195 million, with an increase of 59% from the corresponding period in the previous year (pro forma). The strong growth in revenue was driven by business acquisitions, customer deliveries of new cars from the order backlog and increased activity in the used car trade. There were 2,474 invoiced sales of new passenger cars in the review period, up 55.6% from the corresponding period in the previous year. The order intake for new cars decreased by 13.2% year-on-year, with 2,163 new orders received. Inflation, higher interest rates and volatile energy prices had an impact on the demand for new cars during the review period. The value of the order backlog for new cars remained at a good level and was EUR 64.7 million at the end of the review period. The order backlog consisted of 1,274 cars at the end of the review period.

The invoiced sales of used cars were 4,211 cars in January–September 2023, up 19.8% from the corresponding period in the previous year.

Heavy Equipment segment

EUR thousand	Q3/2023	Q3/2022	Pro forma Q3/2022	Change	Q1–Q3/2023	Q1–Q3/2022	Pro forma Q1–Q3/2022	Change	2022	Pro forma 2022
Heavy Equipment										
Revenue	15,044	14,395	14,387	5%	52,422	25,317	43,287	21%	45,513	59,644
EBITDA	1,244	801	1,485	-16%	3,339	1,365	1,897	76%	1,667	2,199
Adjusted EBITDA	1,265	1,239	1,924	-34%	3,946	2,095	3,212	23%	2,836	3,953
Operating profit (EBIT)	779	189	873	-11%	1,657	347	106	1,463%	-3	-244
Adjusted operating profit	851	867	1,551	-45%	2,667	1,477	2,140	25%	1,805	2,467

The Heavy Equipment segment's revenue in January–September increased to EUR 52.4 million, with an increase of 21% year-on-year. The invoiced sales of Volvo and Renault lorries totalled 138 in the review period (134 in the corresponding period in the previous year). A total of 110 new lorry orders was recorded in January–September, and the value of the lorry order backlog was EUR 18.8 million at the end of the review period. Generally, the delivery times for lorries returned to normal for nearly all manufacturers as the shortage of components eased after the years of the pandemic. The Group company Wetteri Power Oy's market share in its area of operation was 38.8% (40.8% on 30 September 2022). Wetteri Power Oy's long-term average market share in its area is 32%.

The demand for used lorries was at a good level in the review period, and the invoiced sales of used lorries totalled 85 (74 in January–September 2022). Maintenance contract coverage was high, at 89.6%. 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 maintenance agreements, lorries are covered by Wetteri Power's remote diagnostics, which seeks to ensure uninterrupted driving time for the customer's fleet in accordance with a plan and to optimise the efficient use of Wetteri Power's maintenance and repair service resources. A total of 80,464 heavy equipment repair shop hours was sold in the review period (78,143 hours in January–September 2022).

Maintenance Services segment

EUR thousand	Q3/2023	Q3/2022	Pro forma Q3/2022	Change	Q1–Q3/2023	Q1–Q3/2022	Pro forma Q1–Q3/2022	Change	2022	Pro forma 2022
Maintenance Services										
Revenue	20,358	11,512	15,245	34%	53,882	19,211	36,830	46%	26,580	44,356
EBITDA	3,592	1,710	1,687	113%	8,814	2,365	4,322	104%	1,625	5,059
Adjusted EBITDA	3,865	2,062	2,039	90%	9,688	2,952	5,378	80%	2,564	6,468
Operating profit (EBIT)	1,472	969	1,222	20%	3,427	1,093	1,450	136%	-429	77
Adjusted operating profit	1,846	1,423	1,676	10%	4,608	1,850	2,813	64%	783	1,894

The Maintenance Services segment's revenue increased by 46% in January–September 2023 compared with the corresponding period in the previous year (pro forma). A total of 235,654 maintenance and repair shop hours was sold in January–September 2023, up 46.8% from the corresponding period in the previous year. The euro-denominated maintenance work invoicing increased by 49.5% year-on-year. Spare parts sales in January–June 2023 increased by 56.7% year-on-year. One of the factors behind the strong performance of 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	Q3/2023	Q3/2022	Pro forma Q3/2022	Change	Q1–Q3 2023	Q1–Q3 2022	Pro forma Q1–Q3/2022	Change	2022	Pro forma 2022
Items not allocated to operating segments										
Revenue	2,848	1,255	2,955	-4%	10,863	1,976	10,667	2%	3,644	15,073
EBITDA	-135	104	158	-186%	239	-84	-42	n/a	-692	-562
Adjusted EBITDA	-22	251	305	-107%	366	704	746	-51%	798	928
Operating profit (EBIT)	82	95	112	-26%	656	-102	-672	n/a	-748	-1,338
Adjusted operating profit	239	242	302	-21%	913	686	246	270%	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. The company is therefore exploring different options for the Swedish training business to achieve a more permanent solution.

Pro forma information concerning the Group's comprehensive income for Q3/2022, Q1–Q3/2022 and 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 transaction, 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. The pro forma information therefore differs from the Group's actual comprehensive income for the comparison periods 1 July to 30 September 2022, 24 February to 30 September 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 depreciation 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 transaction of the Wetteri Yhtiöt Oy Group on 11 May 2022 had already taken place on 1 January 2022. Depreciation has been determined based on the assumption that the fair value allocations to the assets by means of acquisition calculations 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 in the comprehensive income statement has also been adjusted for the elimination of internal items and the deferred tax effect of the depreciation resulting from the fair value measurement of assets.

EUR thousand	Pro forma Q3/2022	Pro forma Q1-Q3/2022	Pro forma 2022
Revenue	71,360	213,523	291,042
Other operating income	101	389	558
Materials and services	-56,480	-166,036	-227,030
The cost of employee benefits	-8,299	-27,675	-37,973
Depreciation and impairment	-3,306	-9,785	-13,079
Other operating expenses	-3,097	-11,923	-17,472
Operating profit (loss)	**280**	**-1,506**	**-3,954**
Financial income	85	102	199
Financial expenses	-724	-2,050	-3,497
Financial income and expenses	**-638**	**-1,948**	**-3,298**
Share of profit or loss of associates	0	0	-3
Profit (loss) before tax	**-359**	**-3,455**	**-7,255**
Income taxes	-66	268	710
Profit (loss) for the period	**-425**	**-3,187**	**-6,545**

Other items of comprehensive income that may be reclassified as profit or loss			
Translation differences arising from net investments in subsidiaries	-2	38	93
Comprehensive income for the period	**-427**	**-3,149**	**-6,452**
Distribution of profit (loss) for the period			
To shareholders of the parent company	-425	-3,187	-6,545
To non-controlling interests	0	0	0
	-425	**-3,187**	**-6,545**
Distribution of comprehensive income for the period			
To shareholders of the parent company	-427	-3,149	-6,452
To non-controlling interests	0	0	0
	-427	**-3,149**	**-6,452**

Balance sheet, financial position and investments

At the end of the review period on 30 September 2023, the Group's balance sheet total stood at EUR 220.5 million, of which equity accounted for EUR 33.8 million. Non-current liabilities totalled EUR 69.8 million, including EUR 40.8 million in lease liabilities.

At the end of the review period, current liabilities stood at EUR 116.9 million, including EUR 39.9 million in trade and other payables, and EUR 8.7 million in lease liabilities. Net working capital stood at EUR 20.4 million at the end of the review period. Inventories amounted to EUR 77.3 million. The equity ratio was 15% on 30 September 2023.

On 30 September 2023, the Group's interest-bearing liabilities consisted of EUR 49.5 million in lease liabilities, EUR 23.6 million in loans from financial institutions, EUR 12.0 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 1.1 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 46.1 million in other financial liabilities. Other financial liabilities mainly consisted of the balance used (EUR 44.1 million) from the credit facilities related to vehicle consignment stock and sale and leaseback arrangements on 30 September 2023. Interest-bearing liabilities totalled EUR 141.0 million on 30 September 2023.

The Group's interest-bearing liabilities

EUR thousand	Q3/2023	Q3/2022	2022
Non-current interest-bearing liabilities			
Capital loans	5,300	0	5,175
Loans from financial institutions	16,292	11,208	885
Loans under the Employee Pensions Act (TyEL)	658	0	418
Product development loans	257	0	257
Other loans	1,045	0	0
Lease liabilities	40,807	33,179	32,038
Other financial liabilities	13	22	1
Non-current interest-bearing liabilities, total	**64,373**	**44,409**	**38,776**
Current interest-bearing liabilities			
Capital loans	0	5,076	0
Loans from financial institutions	7,269	3,083	13,787
Overdraft facilities	12,032	11,455	12,039
Loans under the Employee Pensions Act (TyEL)	438	0	437
Product development loans	129	0	129
Convertible bonds	2,000	0	2,300
Lease liabilities	8,698	5,651	5,704
Vehicle consignment stock credit facilities	28,220	7,881	11,372
Vehicle sale and leaseback credit facilities	15,911	10,789	9,721
Other financial liabilities	1,951	603	1,288
Current interest-bearing liabilities, total	**76,648**	**44,537**	**56,776**

Interest-bearing liabilities, total	**141,021**	**88,946**	**95,552**

Consignment stock financing for used cars and sale and leaseback arrangements for demonstration cars are a significant part of efficient working capital management and a major part of the Group's interest-bearing liabilities. The Group has access to considerable credit facilities that can be used for the purpose of financing cars. The financing obtained from consignment stock financing for used cars and sale and leaseback arrangements for demonstration cars is presented under current financial liabilities on the consolidated balance sheet in accordance with the IFRS. On the other hand, a car issued for financing is included in the Group's inventories and serves as collateral for the financing granted. A car under financing is redeemed when it is sold to a customer.

Of the Group's interest-bearing liabilities:

- EUR 28.2 million (20%) is related to consignment stock financing for used cars
- EUR 15.9 million (11%) is related to sale and leaseback arrangements concerning the Group's demonstration and courtesy cars.

On 30 September 2023, the Group had access to EUR 38.5 million in credit facilities related to its consignment stock of vehicles and EUR 20.3 million in credit facilities related to vehicle sale and leaseback arrangements.

In the review period, cash flow from operating activities was EUR 8.2 million, and the total cash flow was EUR -0.4 million. Investments amounted to around EUR 2.2 million in the review period. Of the investments, EUR 0.5 million was related to a new damage repair shop and its energy-efficient car paint shop opened in Kemi during the review period, and EUR 0.6 million to development investments of Kokkola facilities of Wetteri Power Oy, the group company responsible for the group's Heavy Equipment business. The rest of the investments 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, CCO.

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. 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.

On 12 September 2023, Wetteri Plc announced that the company and Lago Kapital Oy had signed a market-making agreement that met the Nasdaq Liquidity Providing (LP) requirements. Under the agreement, Lago Kapital Oy will place a buy and sell order on Wetteri Plc's shares so that the highest permitted difference between the buy and sell orders is 4% calculated from the buy order. The number of shares included in the orders must correspond to at least EUR 3,000. Lago Kapital Oy undertakes to place a buy and sell order on Wetteri Plc's shares in the stock exchange trading system on each trading day for at least eighty-five per cent (85%) of the continuous trading time. Market making under the agreement began on 15 September 2023. The agreement is valid for a fixed term of six months and then continues under a notice period of two months. The purpose of the agreement is to increase the liquidity of the share and reduce share price volatility, thereby making trading easier for private investors in particular. In connection with the agreement, the principal owner, Simula Invest Oy, will grant a stock loan (around 35,000 shares) to Lago Kapital Oy.

Key events after the review period

On 27 October 2023, Wetteri Plc announced that it would execute its third business acquisition this year by acquiring the car dealership business operations of the Suur-Savo Cooperative Society, which engages in car trade and maintenance operations in Mikkeli, Savonlinna and Vantaa. Its brand representation includes Toyota at Etelä-Savon Auto and Mercedes-Benz, Nissan and Opel at Savon Autokeskus. Wetteri Auto Oy, a subsidiary of Wetteri Plc, will acquire passenger car sales and maintenance operations through the transaction. The purchase price is EUR 1.4 million and includes machinery, equipment and spare parts. Wetteri Plc's financial guidance will not change as a result of the planned acquisition. The transaction is expected to be completed by 31 January 2024. The transaction is conditional on the parties' decisions, due diligence, confirmation of funding, and approval from the Finnish Competition and Consumer Authority.

Personnel

Wetteri's average number of personnel was 899 in the review period. 89% of its mechanics' employment relationships and 94% of its white-collar employees' employment relationships were permanent.

Wetteri Plc's personnel by function:

- Sales 18%
- Maintenance and spare parts business 69%

- Administration 5%
- Other 8%

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 and invests in maintaining its employees' working capacity. 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 CO_2 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 a project in preparation for reporting under the Corporate Sustainability Reporting Directive. The company has identified key stakeholders in terms of sustainability reporting and has started a double materiality analysis to lay a foundation for its sustainability reporting. Wetteri is part of the value chain in the automotive sector. In this capacity, Wetteri has reported on its greenhouse gas emissions and energy efficiency to importers of cars and other partners for a long time. 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.

During the review period, Wetteri opened a car paint shop in Kemi that has a considerably more energy-efficient process than traditional car paint shops in terms of the heat required for the painting process. The car paint shop is the first of its kind in Finland. Wetteri is planning to open similar car paint shops in its other locations. Special attention has also been paid to the tool cleaning system, which enables the recovery of colour pigments and improves water efficiency.

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. Challenges in the availability of new cars have mostly been overcome during 2023, and the deliveries of new cars continue. The economic impacts of the geopolitical situation may reduce the demand for new cars. The recent signals of stabilised interest rates and a change in the direction of inflation may increase the demand for new cars.

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 schedule for the disclosure of financial information in 2024 in December.

Oulu 28 November 2023

Wetteri Plc

Board of Directors

Further information:

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Webcast 28 November 2023 at 3 pm

Wetteri will hold a webcast for shareholders, analysts and the media on 28 November 2023 at 3 pm. During the webcast, Wetteri Plc's CEO, Aarne Simula, will present the result for January–September, provide information about the progress of the company's strategy and discuss the market situation in the automotive sector. The webcast can be followed at https://wetteri.videosync.fi/q3-2023

Key performance indicators

EUR thousand	Q3/2023	Q3/ 2022[1]	Pro forma Q3/2022	Change [2]	Q1-Q3/ 2023	Q1-Q3/ 2022[1]	Pro forma Q1-Q3/ 2022	Change [2]	2022[1]	Pro forma 2022
Revenue	111,999	69,663	71,360	57%	312,198	117,044	213,523	46%	191,825	291,042
EBITDA	6,256	3,929	3,586	74%	16,347	5,414	8,279	97%	6,172	9,125
EBITDA, % of revenue	6%	6%	5%		5%	5%	4%		3%	3%
Items affecting comparability included in EBITDA	523	944	944		1,788	2,117	3,179		3,616	4,678
Adjusted EBITDA	6,780	4,873	4,530	50%	18,135	7,531	11,458	58%	9,788	13,804
Adjusted EBITDA, % of revenue	6%	7%	6%		6%	6%	5%		5%	5%
Operating profit (loss) (EBIT)	1,983	734	280	609%	4,650	167	-1,506	n/a	-2,279	-3,954
Operating profit (loss), % of revenue	2%	1%	0%		1%	0%	-1%		-1%	-1%
Items affecting comparability included in operating profit (loss)	1,215	1,684	1,728		4,037	3,351	5,531		5,601	7,814
Adjusted operating profit	3,199	2,418	2,008	59%	8,687	3,517	4,025	116%	3,322	3,860
Adjusted operating profit, % of revenue	3%	3%	3%		3%	3%	2%		2%	1%
Profit (loss) before tax	-315	130	-359	n/a	-1,049	-991	-3,455	n/a	-4,367	-7,255
Profit (loss) before tax, % of revenue	0 %	0 %	-1 %		0 %	-1 %	-2 %		-2%	-2%
Profit (loss) for the period	-401	55	-425	n/a	-1,087	-1,036	-3,187	n/a	-3,834	-6,545
Profit (loss) for the period, % of revenue	0 %	0 %	-1 %		0 %	-1 %	-1 %		-2%	-2%
Earnings per share, basic (EUR)	0.00	0.00			-0.01	-0.01			-0.05	
Earnings per share, diluted (EUR)	0.00	0.00			-0.01	-0.01			-0.05	
Balance sheet total	220,543	129,758			220,543	129,758			154,595	
Net debt	140,224	87,937			140,224	87,937			94,404	
Return on equity (ROE), %	-5 %	1 %			-5 %	-20 %			-25%	
Return on investment (ROI), %	-6 %	-2 %			-6 %	-7 %			-11%	
Equity ratio, %	15 %	13 %			15 %	13 %			20%	
Liquidity, %	92 %	103 %			92 %	103 %			85%	
Gearing, %	415 %	513 %			415 %	513 %			312%	
Average number of personnel during the review period [3]	992	614			899	617			695	
Invoiced sales of new passenger cars (pcs)	929	495			2,474	845			1,394	
Invoiced sales of new lorries (pcs)	36	48			138	88			143	
Invoiced sales of used passenger cars (pcs)	1,527	1,380			4,211	2,111			3,280	
Orders: new passenger cars (pcs)	746	762			2,163	1,280			1,916	
Orders: new lorries (pcs)	21	10			110	63			89	
Passenger cars: order backlog at the end of the period	64,665	58,089			64,665	58,089			82,700	
Lorries: order backlog at the end of the period	18,750	24,270			18,750	24,270			20,100	
Passenger car repair shop: hours sold	84,129	52,098			235,654	87,568			109,342	
Lorry repair shop: hours sold	24,553	25,611			80,464	43,341			74,514	

[1] Q3/2022 refers to the period 1 July to 30 September 2022, Q1–Q3/2022 to the period 24 February to 30 September 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 review 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 Q3/2023 and pro forma Q3/2022 and the change between Q1–Q3/2023 and pro forma Q1–Q3/2022.

[4] The calculation of average number of personnel during the review period has been refined in the review period so that the number of personnel at the end of each month has been added together and the amount thus obtained has been divided by the number of months in the review period.

Calculation formulas for key indicators

EBITDA	=	Operating profit + depreciation and impairment
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 – the cost of employee benefits – other operating expenses – depreciation and impairment
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	Q3/2023	Q3/2022	Pro forma Q3/2022	Q1–Q3/2023	Q1–Q3/2022	Pro forma Q1–Q3/2022	2022	Pro forma 2022
Adjusted EBITDA								
Operating profit	1,983	734	280	4,650	167	-1,506	-2,279	-3,954
Depreciation and impairment	4,273	3,196	3,306	11,697	5,247	9,785	8,451	13,079
EBITDA	**6,256**	**3,929**	**3,586**	**16,347**	**5,414**	**8,279**	**6,172**	**9,125**
Items affecting comparability included in EBITDA	523	944	944	1,788	2,117	3,179	3,616	4,678
Total	**6,780**	**4,873**	**4,530**	**18,135**	**7,531**	**11,458**	**9,788**	**13,804**

Formation of items affecting comparability included in EBITDA

EUR thousand	Q3/2023	Q3/2022	Pro forma Q3/2022	Q1–Q3/2023	Q1–Q3/2022	Pro forma Q1–Q3/2022	2022	Pro forma 2022
Items affecting comparability included in EBITDA								
Negative goodwill arising from acquisitions	0	0	0	-349	0	0	0	0
Transaction and integration costs related to acquisitions	440	0	0	635	0	0	0	0
Expenses related to the planning of share issues	84	0	0	198	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 transaction	0	0	0	0	496	496	496	496
Other expenses related to the acquisition of Wetteri Yhtiöt Oy	0	0	0	0	95	95	95	95
Expenses related to the reverse acquisition of Wetteri Plc arising from listing on the stock exchange	0	147	147	1	197	197	899	899
Depreciation of the fair value of inventories	0	797	797	1,063	1,328	2,391	2,125	3,188
Total	**523**	**944**	**944**	**1,788**	**2,117**	**3,179**	**3,616**	**4,678**

Formation of adjusted operating profit

EUR thousand	Q3/2023	Q3/2022	Pro forma Q3/2022	Q1–Q3/2023	Q1–Q3/2022	Pro forma Q1–Q3/2022	2022	Pro forma 2022
Adjusted operating profit								
Operating profit	1,983	734	280	4,650	167	-1,506	-2,279	-3,954
Items affecting comparability included in operating profit	1,215	1,684	1,728	4,037	3,351	5,531	5,601	7,814
Total	**3,199**	**2,418**	**2,008**	**8,687**	**3,517**	**4,025**	**3,322**	**3,860**

Formation of items affecting comparability included in operating profit

EUR thousand	Q3/2023	Q3/2022	Pro forma Q3/2022	Q1–Q3/2023	Q1–Q3/2022	Pro forma Q1–Q3/2022	2022	Pro forma 2022
Items affecting comparability included in operating profit								
Negative goodwill arising from acquisitions	0	0	0	-349	0	0	0	0
Transaction and integration costs related to acquisitions	440	0	0	635	0	0	0	0
Expenses related to the planning of share issues	84	0	0	198	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 transaction	0	0	0	0	496	496	496	496
Other expenses related to the acquisition of Wetteri Yhtiöt Oy	0	0	0	0	95	95	95	95
Expenses related to the reverse acquisition of Wetteri Plc arising from listing on the stock exchange	0	147	147	1	197	197	899	899
Depreciation of the fair value of inventories	0	797	797	1,063	1,328	2,391	2,125	3,188
Depreciation of the fair value of the brand value	304	290	304	911	483	911	777	1,214
Depreciation of the fair value of representation agreements	317	230	230	866	383	689	613	919
Depreciation of the fair value of customer relationships	30	0	30	90	0	90	7	120

Depreciation of the fair value of the order backlog	41	221	221	381	368	662	588	882
Total	**1,215**	**1,684**	**1,728**	**4,037**	**3,351**	**5,531**	**5,601**	**7,814**

Formation of net debt

EUR thousand	Q1–Q3/2023	Q1–Q3/2022	2022
Net debt			
Interest-bearing liabilities	141,021	88,946	95,552
Cash and cash equivalents	-796	-1,009	-1,147
Total	**140,224**	**87,937**	**94,404**

Formation of return on equity (ROE), %

EUR thousand	Q3/2023	Q3/2022	Q1–Q3/2023	Q1–Q3/2022	2022
Return on equity (ROE), %					
Profit (loss) for the period	-1,604	220	-1,449	-1,740	-3,834
Equity on average during the period	34,006	17,111	32,020	8,569	15,121
Total	**-5 %**	**1 %**	**-5 %**	**-20 %**	**-25%**

Formation of return on investment (ROI), %

EUR thousand	Q3/2023	Q3/2022	Q1–Q3/2023	Q1–Q3/2022	2022
Return on investment (ROI), %					
Profit (loss) before tax	-1,261	518	-1,399	-1,664	-4,367
Financial expenses	-9,248	-2,747	-7,703	-2,108	-2,282
Equity on average during the period	34,006	17,111	32,020	8,569	15,121
Interest-bearing liabilities on average during the period	139,965	90,967	118,286	44,473	47,776
Total	**-6 %**	**-2 %**	**-6 %**	**-7 %**	**-11%**

Formation of the equity ratio, %

EUR thousand	Q1–Q3/2023	Q1–Q3/2022	2022
Equity ratio, %			
Equity	33,799	17,138	30,242
Balance sheet total	220,543	129,758	154,595
Advances received	276	13	1,215
Total	**15 %**	**13 %**	**20%**

Formation of liquidity, %

EUR thousand	Q1–Q3/2023	Q1–Q3/2022	2022
Liquidity, %			
Current assets	107,427	65,081	71,153
Current liabilities	116,924	63,352	83,262
Total	**92%**	**103%**	**85%**

Formation of gearing, %

EUR thousand	Q1–Q3/2023	Q1–Q3/2022	2022
Gearing, %			
Net debt	140,224	87,937	94,404
Equity	33,799	17,138	30,242
Total	**415 %**	**513 %**	**312%**

Condensed consolidated financial information

Consolidated statement of comprehensive income

EUR thousand	Note	Q3/2023	Q3/2022	Q1–Q3/2023	Q1–Q3/2022	2022
Revenue	1, 2	111,999	69,663	312,198	117,044	191,825
Other operating income	3	95	102	691	181	344
Materials and services		-89,105	-55,812	-246,644	-92,990	-152,899
The cost of employee benefits		-12,205	-7,377	-35,684	-12,989	-22,309
Depreciation and impairment	4, 5	-4,273	-3,196	-11,697	-5,247	-8,451
Other operating expenses		-4,528	-2,646	-14,214	-5,832	-10,788
Operating profit (loss)	**2**	**1,983**	**734**	**4,650**	**167**	**-2,279**
Financial income		13	83	78	97	195
Financial expenses		-2,312	-687	-5,777	-1,254	-2,282
Financial income and expenses		**-2,299**	**-604**	**-5,699**	**-1,157**	**-2,087**
Share of profit or loss of associates		0	0	0	0	-1
Profit (loss) before tax		**-315**	**130**	**-1,049**	**-991**	**-4,367**
Income taxes		-86	-75	-37	-45	534
Profit (loss) for the period		**-401**	**55**	**-1,087**	**-1,036**	**-3,834**
Other items of comprehensive income that may be reclassified as profit or loss						
Translation differences arising from net investments in subsidiaries		-12	0	44	0	6
Comprehensive income for the period		**-413**	**55**	**-1,043**	**-1,036**	**-3,828**
Distribution of profit (loss) for the period						
To shareholders of the parent company		-401	55	-1,087	-1,036	-3,834
To non-controlling interests		0	0	0	0	0
		-401	**55**	**-1,087**	**-1,036**	**-3,834**
Distribution of comprehensive income for the period						
To shareholders of the parent company		-413	55	-1,043	-1,036	-3,828
To non-controlling interests		0	0	0	0	0
		-413	**55**	**-1,043**	**-1,036**	**-3,828**
Earnings per share calculated from the profit (loss) attributable to shareholders of the parent company						
Basic earnings per share (EUR)		0.00	0.00	-0.01	-0.01	-0.05
Diluted earnings per share (EUR)		0.00	0.00	-0.01	-0.01	-0.05

Consolidated balance sheet

EUR thousand	Note	Q1–Q3/2023	Q1–Q3/2022	2022
ASSETS				
Non-current assets				
Goodwill	4	33,215	1,146	21,075
Intangible assets	4	9,673	10,202	10,102
Property, plant and equipment	5, 6	67,858	52,877	50,376
Interests in associates		0	0	0
Other shares and interests		298	68	74
Non-current receivables		240	0	263
Non-current financial assets	8	147	72	121
Deferred tax assets		1,685	313	1,430
Total non-current assets		**113,117**	**64,677**	**83,442**
Current assets				
Inventories	7	77,347	45,782	49,517
Trade and other receivables	8	29,130	18,259	19,998
Other financial assets	8	43	22	20
Tax assets based on taxable income for the period		111	10	471
Cash and cash equivalents	8	796	1,009	1,147
Total current assets		**107,427**	**65,081**	**71,153**
TOTAL ASSETS		**220,543**	**129,758**	**154,595**
EQUITY AND LIABILITIES				
Equity				
Share capital		96	0	96
Share issue		0	2,604	0
Invested unrestricted equity fund	9	37,074	15,570	32,474
Translation differences		50	0	6
Retained earnings		-3,834	0	0
Profit (loss) for the period		-1,087	-1,036	-3,834
Equity loan		1,500	0	1,500
Total equity attributable to shareholders of the company		**33,799**	**17,138**	**30,242**
Non-current liabilities				
Loans	8, 10	23,553	11,208	6,736
Lease liabilities	6	40,807	33,179	32,038
Other non-current liabilities		3,433	2,459	177
Other financial liabilities	8	13	22	1
Deferred tax liabilities		2,016	2,400	2,138
Total non-current liabilities		**69,821**	**49,268**	**41,091**
Current liabilities				
Loans	8, 10	21,868	19,613	28,692
Lease liabilities	6	8,698	5,651	5,704
Trade and other payables	8	39,888	18,637	26,289
Provisions		133	87	88
Other financial liabilities	8, 10	46,082	19,273	22,380
Tax liabilities based on taxable income for the period		255	90	109
Total current liabilities		**116,924**	**63,352**	**83,262**
Total liabilities		**186,744**	**112,620**	**124,353**
TOTAL EQUITY AND LIABILITIES		**220,543**	**129,758**	**154,595**

Consolidated cash flow statement

EUR thousand	Note	Q1–Q3/2023	Q1–Q3/2022	2022
Cash flow from operating activities				
Payments received from customers for the sale of goods and services		304,762	114,693	190,523
Payments made to suppliers of goods, service providers and personnel		-290,659	-111,382	-185,954
Payments from other operating income		292	181	343
Transaction costs related to business combination	3	-225	-788	-1,490
Interest received		24	39	89
Interest paid		-5,772	-1,254	-2,240
Income taxes paid		-223	-370	-554
Cash flow from operating activities		**8,199**	**1,118**	**717**
Cash flow from investing activities				
Investments in intangible assets	4	-45	-29	-29
Investments in property, plant and equipment	5	-1,906	-539	-1,232
Business combination less cash and cash equivalents acquired	3	-14,318	-30,555	-30,298
Investments in other shares and interests		-224	0	0
Cash flow from investing activities		**-16,493**	**-31,122**	**-31,559**
Cash flow from financing activities				
Share issues against payment	9	2,300	17,600	17,600
Transaction costs related to the issue of new shares		-200	0	-381
Dividends paid to shareholders		0	0	-988
Withdrawals of long-term loans	8, 10	9,500	8,950	0
Repayments of long-term loans	8	0	-2,670	-2,670
Withdrawals of long-term loans from related parties	11	1,000	0	5,500
Repayment of principal on lease liabilities	6	-5,692	-2,353	-3,808
Withdrawals of short-term loans [1)]	8, 10	3,000	6,510	17,930
Repayments of short-term loans [1)]	8	-3,207	-160	-1,600
Withdrawals of short-term loans from related parties [1)]	11	0	5,500	0
Withdrawals of other financial liabilities	8, 10	58,271	20,574	39,886
Repayments of other financial liabilities	8	-57,073	-22,938	-39,481
Cash flow from financing activities		**7,899**	**31,013**	**31,989**
Total cash flow		**-395**	**1,009**	**1,147**
Change in cash and cash equivalents				
Cash and cash equivalents at the beginning of the period		1,147	0	0
Impact of changes in exchange rates on cash and cash equivalents		44	0	0
Cash and cash equivalents at the end of the period	8	796	1,009	1,147
Change in cash and cash equivalents		**-395**	**1,009**	**1,147**

[1)] Withdrawals of short-term loans also include the short-term portion of long-term loans at the time of withdrawal. Correspondingly, repayments of short-term loans include the payments of the short-term portion of long-term loans.

Consolidated statement of changes in equity

EUR thousand	Note	Share capital	Share issue	Invested unrestricted equity fund	Translation differences	Retained earnings	Equity loan	Equity attributable to share-holders 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						-1,087		**-1,087**		**-1,087**
Other items of comprehensive income					44			**44**		**44**
Comprehensive income for the period		**0**	**0**	**0**	**44**	**-1,087**	**0**	**-1,043**	**0**	**-1,043**
Share issue 7 March 2023	9			4,600				**4,600**		**4,600**
Transactions with shareholders		**0**	**0**	**4,600**	**0**	**0**	**0**	**4,600**	**0**	**4,600**
Equity 30 Sep 2023		**96**	**0**	**37,074**	**50**	**-4,920**	**1,500**	**33,799**	**0**	**33,799**

EUR thousand	Share capital	Share issue	Invested unrestricted equity fund	Translation differences	Retained earnings	Equity loan	Equity attributable to share-holders of the parent company	Non-controlling interests	Total equity
Equity 24 Feb 2022	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Profit (loss) for the period					-1,036		**-1,036**		**-1,036**
Other items of comprehensive income							**0**		**0**
Comprehensive income for the period	**0**	**0**	**0**	**0**	**-1,036**	**0**	**-1,036**	**0**	**-1,036**
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 Sep 2022	**0**	**2,604**	**15,570**	**0**	**-1,036**	**0**	**17,138**	**0**	**17,138**

EUR thousand	Share capital	Share issue	Invested unrestricted equity fund	Translation differences	Retained earnings	Equity loan	Equity attributable to share-holders of the parent company	Non-controlling interests	Total equity
Equity 24 Feb 2022	**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 exchange of shares 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 2022	**96**	**0**	**32,474**	**6**	**-3,834**	**1,500**	**30,242**	**0**	**30,242**