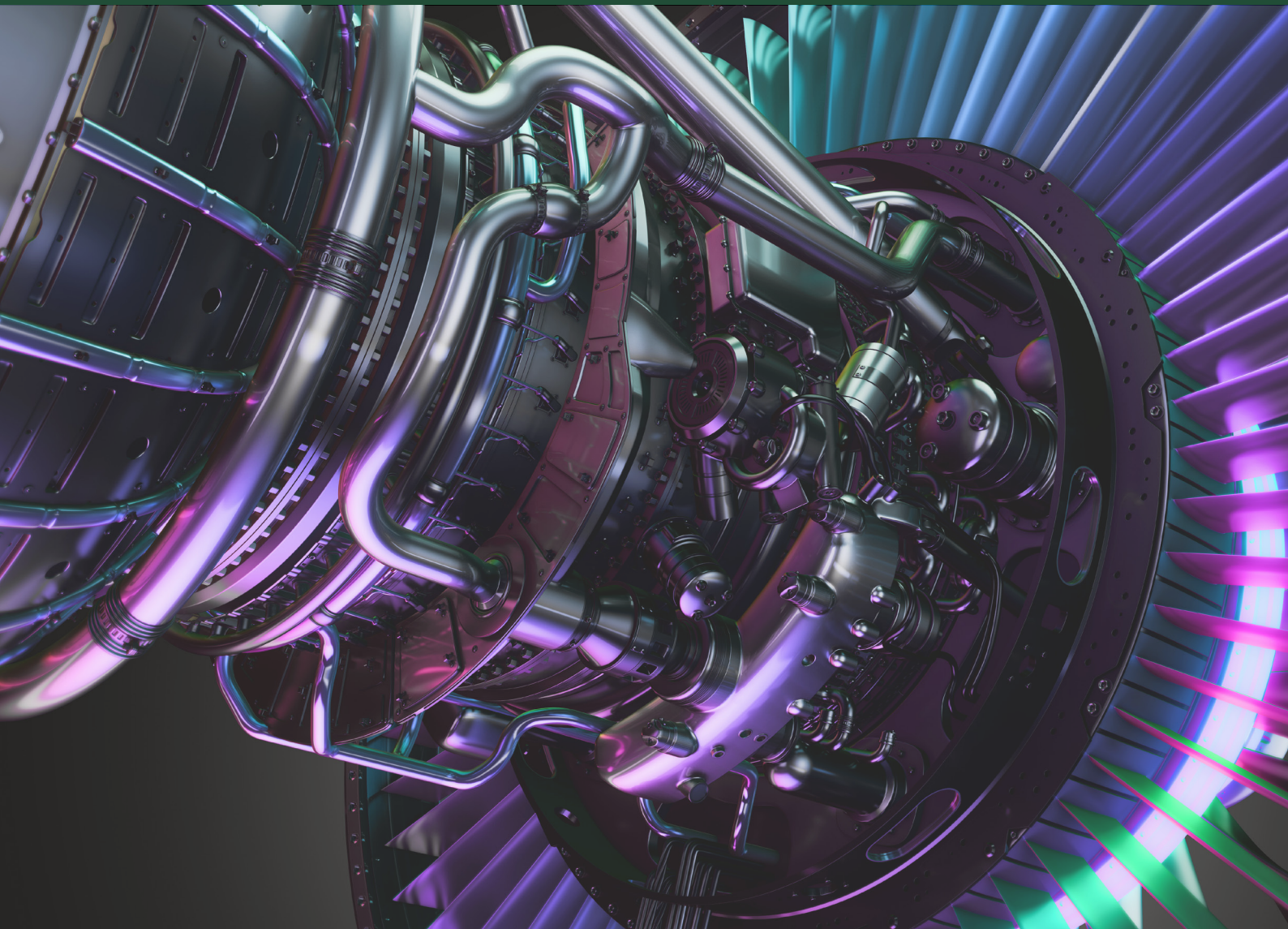




**FINANCIAL
STATEMENT
BULLETIN
FOR
1 JANUARY –
31 DECEMBER 2022**
(UNAUDITED)

EAGLE FILTERS GROUP IN BRIEF

Eagle Filters Group Oyj is a material science company that aims to enable a green and healthy environment. Eagle provides high performance filtration solutions that cut CO2 emissions and increase profitability of the energy industry. Eagle's technology improves performance and energy efficiency while cutting costs. The technology is being used by some of the world's largest energy utilities. Eagle's advanced filtration media enables improved and reliable filtration efficiency with significantly reduced pressure loss, at a competitive cost. The company's proprietary materials provide opportunities to expand to several new filtration application areas, including HVAC, automotive as well as industrial filtration, providing further opportunities for improving performance and energy efficiency, as well as cutting CO2 emissions.



2022 OVERVIEW



Eagle Filters Group Financial Statement Bulletin 2022: Eagle Filters Oy revenue grew by 20% – strong order book supports growth for 2023

Highlights Of The Review Period

JULY – DECEMBER 2022

(Figures below are unaudited)

Eagle Filters Oy

- Eagle Filters Oy's H2 revenue was EUR 1.9 million (37% growth from H2 2021)
- Eagle Filters Oy's H2 order intake increased by 248 % compared to H2 2021 and amounted to EUR 4.3 million.
- Eagle Filters Oy's order backlog at year-end 2022 was EUR 3.5 million.
- Eagle Filters Oy's revenue and order backlog for 2023 was EUR 4,2 million at the time of reporting. In addition, the company has made an appx EUR 0.5 million agreement that is targeted to be delivered in 2023 and 2024.
- Eagle Filters Oy's EBITDA in H2 amounted to EUR -1.6 million (EUR -1.3 million in H2 2021)
- Eagle Filters' corporate restructuring program ended as the company paid all remaining debt in advance to the payment schedule. The program lasted six years.

Eagle Filters Group Oyj

- Eagle Filters Group's H2 operating result was EUR -356 (-281) thousand. H2 net result amounted to EUR -1 379 (-674) thousand.
- During H2 2022 Eagle Filters Group carried out share issues amounting to approximately EUR 3.2 million.

JANUARY – DECEMBER 2022

(Figures below are unaudited)

Eagle Filters Oy

- Eagle Filters Oy's 2022 revenue was EUR 3.5 million (20% growth from 2021)
- Eagle Filters Oy's order intake increased by 47% compared to 2021 and amounted to EUR 5.7 million.
- Eagle Filters Oy's order backlog at year-end 2022 was EUR 3.5 million.
- Eagle Filters Oy's EBITDA for 2022 was EUR -2.6 million (EUR -2.7 million in 2021).

- Eagle Filters Oy's revenue and order backlog for 2023 was EUR 4,2 million at the time of reporting. In addition, the company has made an appx EUR 0.5 million agreement that is targeted to be delivered in 2023 and 2024.
- Eagle Filters' corporate restructuring program ended as the company paid all remaining debt in advance to the payment schedule. The program lasted six years.

Eagle Filters Group Oyj

- Eagle Filters Groups 2022 operating result was EUR -839 (-685) thousand. 2022 net result amounted to EUR -1 232 (-1 631) thousand.
- In February 2022 Eagle Filters Group sold almost half of its ownership in Nuuka for EUR 2.0 million. The transaction has a EUR 1.0 million positive impact on Eagle Filters Group's 2022 result.
- During H2 Eagle Filters Group recorded impairments of approximately EUR 2.3 million related to its Venture Holdings. The impairments impact the result of the review period by EUR -0.8 million.
- During 2022 Eagle Filters Group carried out share issues amounting to approximately EUR 6.3 million.
- Eagle Filters Group's description of risks and uncertainties is included in the complete report which is attached to this release as a pdf file

Key figures

EUR '000	7-12/2022 (unaudited)	7-12/2021 (unaudited)	1-12/2022 (unaudited)	1-12/2021
Turnover	30	90	110	180
Operating result	-356	-281	-839	-685
Operating result / turnover (%)	Neg.	Neg.	Neg.	Neg.
Result for the financial period	-1 379*	-674	-1 232	-1 631
Earnings per share (EUR)	-0.01	-0.02	-0.02	-0.04
Cash at the end of the period	656	43	656	43
Shareholders' equity at the end of the period	12 565	9 484	12 565	9 484
Equity ratio	73.8 %	61.4 %	73.8 %	61.4 %
Net debt	2 634	4 406	2 634	4 406
Head count at the end of the review period	4	4	4	4
Salaries	130	113	249	233

*Non-cash impairments on Venture Holdings impacted H2 result by EUR -815 thousand.

CEO's Review

"Sales continue to perform well making the order book strong for 2023"

2022 was a year of transformation, Loudspring Oyj became Eagle Filters Group Oyj via transformation to an industrial company. Eagle Filters provides high performance air filtration technology for gas turbines, cutting CO2 emissions at the world's largest emission sources - energy utilities. Eagle Filters also come out of the debt restructuring program it had been in since 2016, as remaining payments were made in full in advance to the original schedule.

Significant funds were raised and manufacturing investments made during 2022. The manufacturing capacity at the Kotka plant was more than doubled during the year to support future growth. We also recruited several key people to the organization.

Sales continue to perform well making the order backlog strong for 2023. We are targeting continuous growth exceeding 30%. We have also expanded our geographical reach, increasing the number of countries we have delivered to from 42 to 48. Break-even monthly EBITDA was not met during the year due to materials and logistics challenges.

We experienced logistical challenges regarding inbound materials as well as outbound customer deliveries which in turn delayed customer invoicing and revenue. The uncertainties regarding inbound and outbound logistics continue and may impact our operations.

Having gone through the transformation from an investment company to an industrial company we are targeting to reveal hidden value for our shareholders. We are setting high growth targets for the company for 2023 and beyond. With adequate growth we will also achieve profitability.

Jarkko Joki-Tokola
CEO

Financial Targets and Outlook

Eagle Filters Group has set long-term targets for its 100% owned subsidiary Eagle Filters Oy. Eagle Filters Oy targets an average annual revenue growth of more than 30% and an EBITDA margin exceeding 20% in the long term.

The company's management estimates that due to the special circumstances caused by the COVID-19 pandemic, Russia's war on Ukraine and the global disturbance in the energy sector has caused disturbance in the company's operating environment. This, however, is not expected to have an impact on Eagle Filters Group's long-term targets.

Eagle Filters Group does not publish a short-term outlook.

MAIN EVENTS





Eagle Filters Oy

HIGHLIGHTS OF THE REVIEW PERIOD

JANUARY – DECEMBER 2022

(Figures below are unaudited)

- Revenue in H2 grew to EUR 1.9 million (1.4 million in H2 2021). Revenue for 2022 was EUR 3.5 million, a 20% growth from 2021.
- EBITDA in H2 amounted to EUR -1.6 million (EUR -1.3 million in H2 2021). EBITDA for 2022 was EUR -2.6 million (EUR -2.7 million in 2021).
- Eagle Filters Oy's order intake H2 increased by 248 % compared to H2 2021 and amounted to EUR 4.3 million. Order intake during 2022 grew by 47% compared to 2021 and amounted to EUR 5.7 million.
- Eagle Filters Oy's order backlog at year-end 2022 was EUR 3.5 million.
- Eagle Filters Oy's revenue and order backlog for 2023 was EUR 4,2 million at the time of reporting. In addition, the company has made an appx EUR 0.5 million agreement that is targeted to be delivered in 2023 and 2024.
- Eagle Filters' corporate restructuring program ended as the company paid all remaining debt in advance to the payment schedule. The program lasted six years.

Key figures

EUR '000	7-12/2022 (unaudited)	7-12/2021 (unaudited)	1-12/2022 (unaudited)	1-12/2021
Order book, end of period	3 532	1 400	3 532	1 400
Revenue	1 891	1 385	3 520	2 934
EBITDA	-1 620	-1 263	-2 647	-2 697
Result for the financial period	-1 955	-2 438	-3 329	-4 069
Operating result / turnover (%)	Neg.	Neg.	Neg.	Neg.
Net debt	1 131	1 586	1 131	1 586
Net working capital	1 329	408	1 329	408

Business Update & Market Review

Eagle Filters has three business areas: Clean Energy, Advanced materials and Health & Safety.

Customers' interest in Eagle's high performance air filtration products (Clean Energy) continued to increase. Lower than targeted production continued throughout 2022 due mainly to sourcing and logistics issues, and sales have outpaced production. New production machinery has been installed, material inventories have been increased, and use of in-house materials has also been increased. After the review period, Eagle has been able to significantly increase its production output, and the production volume (completed orders) in January–February 2023 was over EUR 600 thousand during both months.

Respirator sales (Health and Safety) have been limited during the review period. Eagle continues dialogue with large potential customers, but there is high uncertainty whether significant respirator sales will be generated.

First material sales (Advanced Materials) have been delayed mainly due to delays in material sourcing, and are now targeted for H1 2023. The initial response from potential customers has been very positive for Eagle's filter materials that have high filtration performance and low pressure drop at low cost. If successful, the material products have a potential for rapidly growing sales at a healthy margin.

Orders & Sales

In H2 2022, orders received increased by 247 % percent from H2 2021 and amounted to EUR 4.3 (1.2) million.

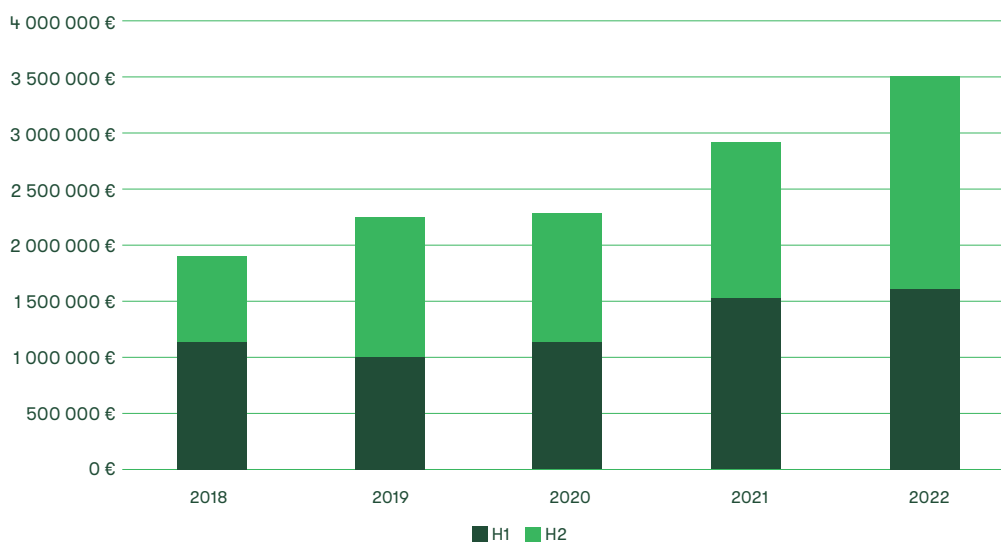
Orders received increased in 2022 by 47 % percent from 2021 and amounted to EUR 5.7 (3.8) million.

The order book at the end of the period increased by 152% to EUR 3.5 (1.4) million.

In H2 2022, sales increased from H2 2021 by 37% percent and amounted to EUR 1.9 (1.4) million. Sales in 2022 increased by 20% percent from the comparison period to EUR 3.5 (2.9) million.

Eagle Filters Oy's revenue and order backlog for 2023 was EUR 4,2 million at the time of reporting. In addition, the company has made an appx EUR 0.5 million agreement that is targeted to be delivered in 2023 and 2024.

EAGLE FILTERS OYJ – REVENUE DEVELOPMENT



Financial Performance

EBITDA for H2 2022 amounted to EUR -1.6 (-1.3) million. EBITDA in 2022 amounted to EUR -2.6 (-2.7) million. In addition to the below target revenue and the logistical challenges regarding inbound materials and outbound customer deliveries, the rise in material and freight costs affected Eagle's EBITDA negatively. Eagle Filters has responded to these issues with price increases and by investing significant amounts of working capital in inventories, to facilitate deliveries and material availability. To achieve a positive EBITDA, a monthly revenue of appx EUR 500-600 thousand is required. The monthly break even level is dependent on the product mix as well as material and logistics costs.

Eagle's net debt amounted to EUR 1 131 (1 586 as at year-end 2021) thousand as at year-end 2022. During H2 2022 Eagle paid all remaining payments of the debts of its corporate restructuring program in advance to the repayment schedule and ended the restructuring corporate restructuring program. The restructuring program lasted six years.

As production capacity has been increased and sales progress well, working capital has remained the main bottleneck to achieving significant growth. At year end Eagle's net working capital amounted to EUR 1 329 thousand (408 thousand at year end 2021). As production and order volumes grow, the need for upfront working capital continues to increase. The working capital need is also increased by the fact that lead times continue to be long in material sourcing and large utility customers typically require long payment terms.

Venture Holdings

Eagle Filters Group owns other minority stakes in Finnish ventures that are focused on saving natural resources.

Effective ownership as at 31.12.2022.

Venture holdings	Effective ownership
Aurelia Turbines Oy	0.2 %
Clean Future Fund Ky	36.8 %
Enersize Oyj	1.1 %
Metgen Oy	1.3 %
Nuuka Solutions Oy	21.9%
Sansox Oy	9.5 %
Sofi Filtration Oy	19.6 %
Swap.com Services Oy	14.7 %

(Figures below are unaudited)

Nuuka Solutions revenue was EUR 1 309 (1370) thousand, decreasing 4% from the comparison year.

Sofi Filtration Oy's 2022 revenue was EUR 207 (115) thousand, an 80% growth from 2021.

As a Nasdaq First North listed company, Enersize reports independently on its developments. Enersize's financial reports can be found on <https://enersize.com/>.

Impairments of venture holdings

During 2022 Eagle Filters Group has continued its transformation process from an investment company to an industrial company through Eagle Filters Oy. As part of the transformation, the company's strategy has shifted to focus solely on Eagle Filters Oy's business and going forward, the visibility into Venture Holdings' operations is expected to deteriorate.

To reflect the strategic shift, limited visibility and the consequently increased uncertainties in determining the fair value for Venture Holdings, Eagle Filters Group's Board of Directors has according to the principle of prudence decided on non-cash impairments totaling EUR 2.3 million relating to Eagle Filters Group's Venture Holdings Nuuka Solutions, Sofi Filtration, Sansox, Clean Future Fund and Enersize. Other venture holdings have been impaired in previous financial periods. The impairment of Nuuka Solutions only relates to the revaluation reserve.

The impairments impact Eagle Filters Group's 2022 profit- & loss statement by EUR -815 thousand and the equity revaluation reserve by EUR -1 451 thousand. The impairments do not have an impact on cashflow.

Developments in Venture Holdings

Venture holdings	Asset class	Book value before impairment (EUR'000)	Impairment (EUR'000)	Impact through P/L-statement (EUR'000)	Impact through equity revaluation reserve (EUR'000)	Book value after impairment (EUR'000)
Nuuka Solutions	Shares	1 964	-681	0	-681	1 283
Sofi Filtration	Shares	1 334	-1 334	-565	-769	0
Sansox	Shares	74	-74	-74	0	0
Sansox	Long term receivables	40	-40	-40	0	0
Clean Future Fund	Shares	98	-98	-98	0	0
Enersize	Shares	37	-37	-37	0	0
TOTAL		3 548	-2 266	-815	-1 451	1 283

FINANCIAL INFORMATION AND GOVERNANCE





Result

JULY – DECEMBER 2022

(Comparison figures as at H2 2021)

Eagle Filters Group's H2 revenue amounted to EUR 30 (90) thousand. The revenue is mainly related to service fees from portfolio companies Eagle Filters Oy.

Personnel costs during the review period amounted to EUR -156 (-135) thousand. The company's operating result for the review period was EUR -356 (-281) thousand.

Financial income in the review period was a total of EUR 61 (101) thousand, mainly comprising of interest from loans granted to Eagle Filters Oy and Venture Holdings. The financial expenses, amounting to EUR -1 083 (-495) thousand, comprise of EUR -815 thousand non-cash impairments of Venture Holdings.

The result of the review period was EUR -1 379 (-674) thousand.

JANUARY – DECEMBER 2022

(Comparison figures as at 31.12.2021)

Eagle Filters Group's revenue for the review period 1 January to 31 December 2022 was EUR 110 (180) thousand. The revenue is mainly related to service fees from Eagle Filters Oy.

Personnel costs during the review period amounted to EUR -302 (-278) thousand. The company's operating result for the review period was EUR -839 (-685) thousand. Other operating costs include costs relating to the rights issue of approximately EUR -61 thousand.

Financial income in the review period was a total of EUR 1 083 (122) thousand, mainly affected by the EUR 994 thousand proceeds from the sale of Nuuka shares. The financial expenses, amounting to EUR -1 475 (-1 068) thousand, comprise of EUR -815 thousand non-cash impairments of Venture Holdings which has been recorded in Q4 and EUR -299 thousand non-cash impairments of Enersize Oyj which have been recorded during Q1-Q3.

The result of the review period was EUR -1 232 (-1 631) thousand.

Financial Position

(Comparison figures as at 31.12.2021)

The balance sheet total at the end of the review period was EUR 17 024 (15 446) thousand, of which equity accounted for EUR 12 565 (9 484) thousand. The equity ratio amounted to 73.8 % (61.4%). During the review period Eagle Filters Group carried out share issues totalling EUR 6.3 million.

At the end of the review period, the company's net debt amounted to EUR 2 634 (4 406) thousand. Loans from credit institutions at the end of the review period were EUR 3 289 (4 449) thousand of which EUR 231 (1 649) thousand are short term loans. Cash and cash equivalents at the end of the period amounted to EUR 656 (43) thousand.

During H2 2022 Eagle Filters Group negotiated the repayment schedule of the NEFCO loan, delaying the amortizations from November 2022 to November 2023. During this period, the interest payments until November 2023 shall be capitalized. The maximum amount of the interest to be capitalized is EUR 350 thousand. Also, the loan maturity has been extended by four years, and the final maturity date is in November 2030. The interest rate for the NEFCO loan is eight

percent p.a. on top of the reference rate (six months' EURIBOR). The NEFCO loan agreement requires creditors' consent (which shall not be unreasonably withheld) for the selling of shares in portfolio companies Eagle Filters Oy, Nuuka Solutions Oy and Sofi Filtration Oy. The NEFCO loan agreement also includes the following financial covenants: minimum 3-month cash runway; and a solidity ratio of not less than 35%. Eagle Filters Group is compliant with the loan covenants.

To execute Eagle Filters growth-strategy, management is actively evaluating ways for more effective use of capital. To support the growing working capital needs of Eagle Filters Oy, Eagle Filters Group needs to either continue to divest venture holdings or raise additional funding during 2023 in order to secure liquidity.

At the end of the review period Eagle Filters Group had the following financing arrangements and balance sheet items:

- Cash EUR 656 thousand
- Listed shares in Enersize with a fair value at the end of the review period of EUR 35 thousand*.

*Enersize shares owned by Eagle Filters Group have been given as collateral for Eagle Filters Group and daughter company Eagle Filter Oy's loans. The consent of the collateral holder is required for the selling of these shares.

Personnel

The number of personnel employed by Eagle Filters Group at the end of December 2022 was 4 (4) and averaged 4 (4) in January–December 2022.

Shares and Shareholders

Eagle Filters Group's registered share capital is EUR 80,000 and at the end of December 2022, the company had 100 199 011 fully paid shares, divided into 4 016 660 series K shares each having 20 votes at shareholders' meetings, and 96 182 351 series A shares each having one vote at shareholders' meetings. Eagle Filters Group's A shares are traded on First North.

The share trading volume in 2022 was EUR 2.1 million and 21 344 233 shares. The share's volume weighted average price during the review period was EUR 0.101, the highest price was EUR 0.192 in January 2022 and the lowest EUR 0.066 in August 2022. The closing price of the share at the end of December 2022 was EUR 0.080. The market value of the share capital on 31 December 2022 was EUR 8.0 million including K shares, which are not subject to trading.

The number of registered shareholders at the end of the review period was 4 631, including nominee shareholders. Euroclear Finland had 3 575 shareholders and Euroclear Sweden 1 056 shareholders.

At the end of the review period Eagle Filters Group board members and the management owned a total of 22 662 821 Series A shares, 3 331 110 Series K shares and options that give a right to subscribe 2 037 253 class A-options taking into account all shares and options owned directly and indirectly through companies controlled or influenced by them or through their family members.

Governance

Annual General Meeting

Eagle Filters Group's Annual General Meeting (the "AGM") was held on the 20th of June 2022 in Helsinki. The AGM adopted the annual accounts for 2021 and discharged the members of the Board of Directors and the CEO from liability for the year 2021. The AGM decided that no dividend will be paid for the financial year that ended on 31.12.2021.

The AGM resolved that the members of the Board of Directors be paid EUR 400 per month. In addition, the Chairman of the Board be granted 25,000, Vice Chairman 20,000 and other Board members 15,000 stock options as annual remuneration. The stock options will be issued based on authorization granted by the AGM. The remuneration of the members of the Board of Directors is not paid to persons working for the company. The members of the Board of Directors are reimbursed for reasonable travel and lodging costs. Travel and lodging costs will not be compensated to those members of the Board of Directors who reside in the greater Helsinki area when the meetings are held in the greater Helsinki area.

The AGM resolved those five (5) members to be elected to the Board of Directors. The AGM re-elected Mr. Matti Vuoria, Mr. Lassi Nojonen and Mr. James Penney of the current members of the Board of Directors and elected Mr. Markku Hämäläinen and Mr. Jarkko Joki-Tokola as new members of the Board of Directors for a term ending at the closing of the AGM of year 2023.

The AGM resolved that the auditor's fees are paid according to the auditor's invoice approved by the company. The AGM elected auditing firm KPMG Oy Ab as the company's auditor. KPMG Oy Ab has informed that the principal auditor will be Mr. Petri Kettunen, Authorised Public Accountant.

Two main authorizations were given: 1) authorizing the Board of Directors to decide on issuance of shares, 2) authorizing the Board of Directors to decide on issuance of options.

Extraordinary General Meetings

Eagle Filters Group's Extraordinary General Meeting (the "EGM") was held on 16th February 2022 in Helsinki. The EGM authorized the Board of Directors to decide, in one or more transactions, on the issuance of class A shares.

Eagle Filters Group's Extraordinary General Meeting (the "EGM") was held on 27th October 2022 in Helsinki. The EGM resolved that the trade name of the company be changed to Eagle Filters Group Oyj. The EGM also authorized the Board of Directors to decide, in one or more transactions, on the issuance of class A shares.

The AGM and EGM decisions are available in detail on the company website at: www.eaglefiltersgroup.com

Share based incentive schemes

Eagle Filters Group has established stock option programs covering, among others, employees, and the members of the Board of Directors and the Management Team of the company. Based on the outstanding option programs, options corresponding to a total 3 363 161 A-shares remain that can be subscribed as of 31 December 2022, corresponding to 3.2 % of the diluted total number of shares.

STOCK OPTION PROGRAM 2/2016

Based on the authorization granted by the Extraordinary General Meeting on 9 March 2016, the Board of Directors has on 10 June 2016 decided on a stock option program for the key employees, under which a maximum 1 000 000 new class A shares can be subscribed. The details of the program are presented in the latest financial statements, which can be read at: <https://eaglefiltersgroup.com/reports-and-presentations/>

STOCK OPTION PROGRAM 1-2020

Based on the authorization granted by the Annual General Meeting on 3 August 2020, the Board of Directors has on 16 December 2020 decided on a stock option program for the key employees, under which a maximum 1,200,000 new class A shares can be subscribed. The details of the program are presented in the latest financial statements, which can be read at: <https://eaglefiltersgroup.com/reports-and-presentations/>

STOCK OPTION PROGRAM 1-2021

Based on the authorization granted by the Extraordinary General Meeting on 25 February 2021, the Board of Directors has on 19 April 2021 decided on a stock option program for the former holders of stock options belonging to the stock option program 2013, under which a maximum 1,439,680 new class A shares can be subscribed. The details of the program are presented in the latest financial statements, which can be read at: <https://eaglefiltersgroup.com/reports-and-presentations/>

STOCK OPTION PROGRAM 1-2022

Based on the authorization granted by the Annual General Meeting on 20 June 2022, the Board of Directors has on 25 August 2022 decided on a stock option program for the key personnel of the Company, under which a maximum 2,000,000 new class A shares can be subscribed.

The share subscription period with 1-2021 stock options is 25 August 2022 – 31 December 2030. The share subscription price shall be EUR 0.104 per share. The share subscription price is set based on resolution of the Annual General Meeting held on 20 June 2022 and it corresponds to the subscription price used in emission the Company carried out in February 2022.

SHARE ISSUES

In March 2022 Eagle Filters Group carried out a rights issue of approximately EUR 2.5 million as well as a EUR 0.6 million directed share issue. The rights issue was oversubscribed, and the subscriptions amounted to 124% of the offered amount. In connection with the approval of subscriptions received in the Offering, the Company's Board of Directors also resolved on a directed share issue of approximately EUR 0.6 million to an investment company.

In September 2022 Eagle Filters Group carried out a directed share issue of approximately EUR 1.5 million to a group of private investors.

In December 2022 Eagle Filters Group carried out a directed share issue of approximately EUR 1.7 million to a group of private investors. The shares were registered in the Finnish trade register on 13 January 2023.

Events After the Review Period

Eagle Filters Group's Extraordinary General Meeting (the "EGM") was held on 18th January 2023 in Helsinki. The EGM resolved on combination of the share classes and amending the company's Articles of Association accordingly.

Eagle Filters Oy's sale outlook remained strong. Eagle Filters Oy's revenue and order backlog for 2023 was EUR 4,2 million at the time of reporting. In addition, the company has made an appx EUR 0.5 million agreement that is targeted to be delivered in 2023 and 2024.

Shares which were issued in the December share issue have been registered in the Finnish trade register on 13th January 2023.

The Board Of Directors' Proposal For Distributing Profits

The distributable unrestricted equity of Eagle Filters Group on 31 December 2022 is EUR 10 765 thousand of which the result of the period is EUR -1 232 thousand. The Board of Directors proposes to the Annual General Meeting that no dividend be distributed for the financial year 2022, and that the loss of the financial year is recorded in the retained earnings.

Risks and Uncertainties

Eagle Filters group Oyj (the "Company") and its Venture Holdings are associated with a number of risks and uncertainties including but not limited to the following:

- The Company and Venture Holdings are start-up and growth companies, and Company's value depends heavily on the future development of these companies and the Company's ability to realize the value of its investments. The Company and Venture Holdings are associated with significant risks and uncertainties including but not limited to: 1) risks related to financial position and availability of additional financing that they dependent on, 2) risk related to exit of Venture Holdings and their ability to sustain growth, 3) risks related to competition and technological development, 4) risks related to protection of intellectual property rights, 5) dependence on a limited number of key employees, 6) various business related risks, such as dependence on a limited number of clients, technical and warranty risks, credit loss risk and currency fluctuation risk, 7) insurance risks and 8) economic, political and regulatory risks in various markets.
- There can be no assurance that the Company or Venture Holdings will become profitable, which could impair the Company's and Venture Holdings ability to sustain their operations or obtain any required additional financing. Even if the Company or Venture Holdings would become profitable in the future, they may not necessarily be able to deduct the previous losses in taxation and sustain profit in subsequent periods.
- Amendments to the laws and regulations and interpretations of laws and regulations relating to the Company's or Venture Holdings business may involve negative effects to the Company or to Venture Holdings. In the event of any litigation, authoritative or administrative proceedings, or financial sanctions, losses and/or limitation of business opportunities may occur.

In addition, the Company is associated with inter alia the following risks that relate to its business operations:

- The Company's ability to make profit is influenced by its ability to sell Venture Holdings which is subject to uncertainty. There is a risk that the Company will not succeed in selling its Venture Holdings at the price the shares are being traded at on the market at the time of the disposal or valued at in the balance sheet.
- The Company may be affected by liquidity risk if liquidity will not be available to meet payment commitments due to the fact that the Company cannot divest its holdings in Venture Holdings quickly or without considerable extra costs.
- The Company does not independently control its Venture Holdings, and there may occur potential interest conflicts with the other shareholders and stakeholders exercising influence over each respective Venture Holdings operations or the information provided by a Venture Holding to the Company may not be accurate or adequate. Furthermore, an investment in a Venture Holding may be affected by the existence of shareholders agreements or articles of associations containing provisions restricting transferability of the Venture Holdings shares or otherwise having an impact on the value of said shares.

As Eagle Filters Group is transforming into an industrial company, it is more dependent on the financial performance of Eagle Filters. Eagle filters' financial performance can be negatively affected by risks including but not limited to: 1) risks related to production, material sourcing & logistics 2) risks related to availability of additional funding 3) risk related to loss of significant customers and/or material changes in the demand environment 4) risk related to the dependency of key personnel.

Covid-19 pandemic and Russia's attack on Ukraine may cause severe negative effects to the Company and Venture Holdings. These negative effects may include, but are not limited to, effects on operations, financing as well as negative effects on customers, suppliers, and partners. Furthermore, the pandemic and Russia's attack on Ukraine may cause completely unforeseeable negative effects.

Financial Communication in 2023

Eagle Filters Group will publish its financial reports in 2023 as follows:

- 26 April 2023 January – March 2023 Q1 Summary
- 24 August 2023 Half-year review (January–June) 2023
- 25 October 2023 July – September 2023 Q3 Summary

Eagle Filters Group's Annual General meeting is planned to be held on 28 April 2023 in Helsinki. The notice to the Annual General Meeting will be published separately.

Accounts Principles, Estimates and Management Judgment Made in Preparation of the Annual and Semi- Annual Accounts

Annual and semi-annual accounts have been prepared following generally accepted accounting principles and applicable laws. The half-year figures for 2022 and 2021 of the review have not been audited. The full year figures for 2021 of the profit and loss statement, balance sheet and statement of cash flows are audited. The figures presented are rounded.

The preparation of annual and semi-annual accounts release information requires management to make accounting estimates and judgements as well as assumptions that affect the application of the preparation principles and the accounting estimates on assets, liabilities, income and expenses. Actual results may differ from previously made estimates and judgements.

Eagle Filters Oy, Lumeron Oy and Loudspring Sweden AB were Eagle Filters Group's only subsidiaries at the end of the review period. Eagle Filters Group does not report consolidated accounts as Eagle Filters Group and its subsidiaries are regarded as a minor group in accordance with Finnish Accounting Act chapter 1§ 6 a.

Financial Information

Profit and Loss Statement

EUR '000	7-12/2022	7-12/2021	1-12/2022	1-12/2021
Turnover	30	90	110	180
Materials and services	7	-29	-5	-75
Personnel expenses	-156	-135	-302	-278
Depreciation and amortizations	-1	-1	-1	-2
Other operating expenses	-237	-206	-641	-510
Operating result	-356	-281	-839	-685
Financial income and expenses	-1 023	-393	-393	-946
Result before taxes	-1 379	-674	-1 232	-1 631
Taxes	0	0	0	0
Result for the financial period	-1 379	-674	-1 232	-1 631
Basic earnings per share (EUR)	-0.01	-0.02	-0.02	-0.04
Diluted earnings per share (EUR)	-0.01	-0.01	-0.01	-0.04

Balance Sheet

EUR '000	31.12.2022	31.12.2021
ASSETS		
Non-current assets		
Tangible assets	9	11
Investments		
Holdings in group undertakings	6 481	6 323
Holdings in participating interests	1 283	4 931
Other shares and similar rights of ownership	0	374
Receivables from group undertakings	6 942	3 624
Total non-current assets	14 714	15 262
Current assets		
Long term receivables		
Receivables from participating interests	0	40
Short term receivables		
Accounts receivables	74	37
Loan receivables	1	0
Receivables from group undertakings	1 302	2
Receivables from participating interests	203	0
Other receivables	61	60
Accrued income and prepaid expenses	13	2
Total current assets	1 654	141
Cash and cash equivalents	656	43
TOTAL ASSETS	17 024	15 446

EUR '000	31.12.2022	31.12.2021
EQUITY AND LIABILITIES		
Equity		
Share capital	80	80
Share issue	1 720	0
Revaluation reserve	0	1 958
Fund for invested unrestricted equity	28 413	23 862
Retained earnings	-16 416	-14 786
Result for the financial period	-1 232	-1 631
Total equity	12 565	9 484
Liabilities		
Non-current liabilities		
Loans from financial institutions	3 059	2 800
Other long term liabilities	950	792
Current liabilities		
Loans from financial institutions	231	1 649
Accounts payable	29	18
Other liabilities	18	552
Accrued expenses and deferred income	172	151
Total liabilities	4 459	5 962
TOTAL EQUITY AND LIABILITIES	17 024	15 446

Cash Flow Statement

EUR '000	7-12/2022	7-12/2021	1-12/2022	1-12/2021
CASH FLOW FROM OPERATING ACTIVITIES				
Result before taxes	-1 379	-674	-1 232	-1 631
Adjustments				
Depreciation and amortization	1	1	1	2
Financial income and expenses	1 023	394	393	946
Non-cash transactions	0	6	0	82
Other adjustments	0	0	0	0
Changes in working capital				
Change in interest free accounts receivable and other receivable	-41	446	-50	124
Change in accounts payable and other liabilities	-163	-229	1	-31
Paid interests and other financial items	-18	-319	-225	-416
Cash flow from operating activities	-576	-446	-1 111	-924
CASH FLOW FROM INVESTING ACTIVITIES				
Investments in tangible and intangible assets	0	0	0	0
Investments in shares of group undertakings	0	0	0	0
Investments in shares of participating companies	-15	0	-15	-21
Granted loans	-2 180	-1 768	-4 732	-3 518
Repayments of loan receivables	0	0	0	0
Proceeds from sale of shares	-18	109	1 999	1 991
Received interest from investments	0	0	0	0
Received dividend from investments	0	15	0	15
Cash flow from investing activities	-2 214	-1 643	-2 748	-1 533

EUR '000	7-12/2022	7-12/2021	1-12/2022	1-12/2021
CASH FLOW FROM FINANCING ACTIVITIES				
Share issue against payment	3 180	800	5 771	800
Withdrawals of long term interest-bearing loans	0	0	0	0
Repayment of long term interest-bearing loans	0	0	-350	0
Withdrawals of short term interest-bearing loans	0	799	0	1 299
Repayment of short term interest-bearing loans	0	-242	-949	-250
Cash flow from financing activities	3 180	1 357	4 472	1 849
CHANGE IN CASH AND CASH EQUIVALENTS	390	-731	613	-607
Cash and cash equivalents at the beginning of the period	266	774	43	650
Cash and cash equivalents at the end of the period	656	43	656	43

Statement Of Changes In Equity

EUR '000	7-12/2022	7-12/2021	1-12/2022	1-12/2021
Share capital in the beginning of the period	80	80	80	80
Share capital at the end of the period	80	80	80	80
Share issue in the beginning of the period	0	0	0	0
Unregistered shares from share issue*	1 720	0	1 720	0
Share issue at the end of the period	1 720	0	1 720	0
Revaluation reserve in the beginning of the period	1 451	1 958	1 958	1 958
Sale of Nuuka shares	0	0	-507	0
Impairments	-1 451	0	-1 451	0
Revaluation reserve at the end of the period	0	1 958	0	1 958
Total restricted equity	1 800	2 038	1 800	2 038
Unrestricted equity reserve in the beginning of the period	26 953	22 962	23 862	22 952
Share issues	1 460	900	4 551	900
Unrestricted equity reserve at the end of the period	28 413	23 862	28 413	23 862
Retained earnings (loss) in the beginning of the period	-16 269	-15 742	-16 416	-14 786
Profit (loss) for the period	-1 379	-674	-1 232	-1 631
Retained earnings (loss) at the end of the period	-17 648	-16 416	-17 648	-16 416
Total unrestricted equity	10 765	7 446	10 765	7 446
Total equity	12 565	9 484	12 565	9 484

*The shares were registered in the Finnish trade register on 13 January 2023.

Definitions

EBITDA	Operating profit before depreciation and amortization
Equity ratio (%)	$(\text{Total equity} \times 100) / \text{total assets}$
Net debt	Current and Non-current loans from credit institutions, less cash and cash equivalents.
Net working capital	Inventories, trade-, and other receivables less trade- and other payables.
Number of shares	Total number of shares at the end of the period
Weighted average number of shares	Issue and conversion-adjusted weighted average number of shares

