

Solar Foods Oyj

Half-year report January–June 2024 (unaudited)

FACTORY 01 STARTED OPERATIONS IN APRIL – PROVEN SCALABILITY OF PRODUCTION ENABLES COMMERCIALISATION OF SOLEIN®

January–June 2024 in brief

- In total, approximately EUR 8.8 million of new capital raised, mainly from new shareholders. Grants received EUR 9.3 million.
- Cash and cash equivalents at the end of the period EUR 24.2 million (16.7)
- Operating loss EUR 4.4 million (3.4).
- Loss for the period EUR 5.7 million (4.0). The accrual of grant income and capitalization of development expenditure made earlier during H1 2024 were revisited during the review period which had a negative impact on the previous estimate of the loss of the period (EUR 2.5 million).
- Investments EUR 4.5 million (3.3)
- Loss per share EUR -0.24 (-0.20)

Significant events in January-June 2024

- Start-up of Factory 01 and production of its first Solein batches. Launch of new headquarters, including Solein Kitchen and restaurant space intended for demonstration use
- In April, Solar Foods became the first Finnish then private company to acquire Nasdaq Green Equity Designation – Private Company label from Nasdaq
- Launch of Fazer's Taste the Future chocolate bar containing Solein in Singapore
- Ilkka Saura, CFO, and Juan Manuel Benitez-Garcia, CCO, appointed to the Management Team

Significant events after the review period

- Achieving self-affirmed GRAS (Generally Recognized as Safe) status for Solein in the United States in September
- Listing on the Nasdaq First North marketplace on 10 September 2024
- Launch of Solein-containing products by the Japanese Ajinomoto Group in Singapore: Atlr.72™ Flowering Mooncakes and Ice Cream Sandwiches
- International NASA Deep Space Food Challenge victory in the international category in the United States
- Two new members started in the Management Team: Troels Nørgaard, Chief Strategy Officer, and Benoit Formesyn, Project Manager
- During autumn 2024, the company started a review to further define its strategy. As a part of the strategy review, new growth targets for the company are aimed to be defined

Key figures

MEUR	1–6/2024	1–6/2023	Change, %	1–12/2023
Revenue	0	0	771	0
Other operating income	2.9	2	44	5.1
Operating profit/loss	-4.4	-3.4	30	-6.8
Profit/loss for the period	-5.7	-4.0	42	-9.0
Equity ratio, %	51	11	346	48
Investments	4.5	3.3	36	8.0
Cash and cash equivalents at the end of the period	24.2	16.7	45	16.4
Basic and diluted loss per share (EPS), EUR	-0.24	-0.20	20	-0.38
Personnel at the end of the period	40	29	38	31

CEO Pasi Vainikka:

Mission completed for the first strategy period – The next phase begins

The first half of 2024 was a turning point in Solar Foods' history as our demonstration facility Factory 01 started up in April. The production facility is not only unique worldwide, but also a registered food production facility that has already delivered the first commercial batches for test marketing in Singapore. During the review period, we finalized the construction project of the new factory, introduced the new technology of the production plant and delivered product to a customer in Singapore. All this was made possible by Solar Foods' world-class team.

We achieved the three main goals for Solar Foods' first strategy period 2018–2024: We delivered a new crop to humanity in the form of Solein, which was approved as a novel food, we proved its excellence in usability in various food categories up to consumer product launches, and the Factory 01 production facility proved the scalability of the technology. Factory 01 was a big investment, but it also plays a vital long-term role for Solar Foods: as large Solein factories are built around the world, Factory 01 will take on a new role as Solar Foods' R&D unit, with the potential to continuously scale new products to market.

Now that the basic pillars are in place, the company's second strategy period until 2030 begins. We are currently further defining our strategy, which we will tell more about by the end of the year 2024.

Solein obtained self-affirmed GRAS status (Generally Recognized as Safe) in the United States, which is a significant step in opening a key market area. This will also contribute to Solein's expansion into other markets that do not grant separate novel food authorisations, such as Japan. The company's full focus is now on realizing product launches in the USA.

The three-year Deep Space Food Challenge by the US National Aeronautics and Space Administration (NASA) and the Canadian Space Agency (CSA) approached its finale this spring. The winners of the

third stage of the competition were announced in August, and Solar Foods won the international category of the competition, leaving behind around 300 competing teams.

During the first half of the year, Solar Foods received a total of approximately EUR 8.8 million in new capital, mainly from new shareholders. In addition, the company received IPCEI support of approximately EUR 9.3 million. These brought a substantial boost to our cash flow, and we also started the listing process.

In April, Nasdaq awarded Solar Foods the Nasdaq Green Equity Designation – Private Company mark as the first Finnish then private company. This, together with the oversubscribed share issues, accelerated the implementation of the company's listing plan. Trading in Solar Foods' share began on the Nasdaq First North Growth Market Finland marketplace on 10 September, marking the beginning of a new era in the company's history. The listing is Solar Foods' route to industrialise hydrogen fermentation technology, and it enables the company to scale its business globally. After the successful launch of Factory 01, in the next phase of our strategy, we are preparing for the global commercialisation and scaling of production.

Financial development

January-June 2024

Revenue for the review period was EUR 0 million (0).

The operating loss for the review period was EUR 4.4 million (3.4).

The operating loss increased from the comparison period due to, among other factors, the growth in the number of personnel, higher other operating expenses, and depreciation. The company has evaluated the accrual-based recognition of grants made earlier during H1 2024 based on the principle of prudence, and at the same time assessed the capitalization principles of development expenses and the allocation of related grants. This decreased the amount of other operating income and increased the amount of operating expenses compared to the previously estimated loss.

Amortization of tangible and intangible assets amounted to EUR 4.2 million (2.9).

Financial expenses amounted to EUR 1.4 million (0.7). Financial expenses increased from the comparison period due to expenses related to the funding round completed in spring, which totaled EUR 0.7 million.

Solar Foods' loss-making result of EUR 5.7 million (4.0) reflects the company's development phase, where significant investments have been made to enable its future growth. The company's primary objective during the review period was to continue long-term product development and start production at the Factory 01 facility.

Financial position and cash flow

The company's balance sheet total at the end of the review period was EUR 56.6 million (43.7), of which the share of equity was EUR 28.2 million (4.9). The company's equity ratio at the end of the review period was 51% (11%).

At the end of the review period, the company's net debt was EUR -3.3 million (20.6). Non-current debt amounted to EUR 18.2 (20.9) million. Net gearing at the end of the review period was -12% (97%).

In January–June 2024, cash flow from operating activities amounted to EUR 4.2 million (-0.3), as the company received more payments from grant projects than in the comparison period. Cash flow from investing activities was EUR -4.5 million (-3.3) and cash flow from financing was EUR 8.1 million (10.9).

Cash and cash equivalents at the end of the period were EUR 24.2 million (16.7).

Investments and R&D

Investments in tangible and intangible assets amounted to EUR 4.5 million (3.3) during the review period. The investments mainly consisted of capitalized development expenditure.

Personnel and management

In the beginning of the review period, Solar Foods employed 31 people. During the review period, the number of employees grew to 40 people.

During the review period, the company's Management Team consisted of Chief Executive Officer Pasi Vainikka, Chief Financial Officer Ilkka Saura, Chief Technology Officer Juha-Pekka Pitkänen, Chief Operating Officer Tiia Kuusimäki, Chief Commercial Officer Shilei Zhang (until May 2024), Chief Commercial Officer Juan Manuel Benitez-Garcia (from June 2024), Production Manager Jouni Ahtinen and Chief Experience Officer Laura Sinisalo.

Shares and shareholders

Solar Foods Oyj's stock has been trading on the First North Growth Market Finland marketplace maintained by Nasdaq Helsinki Ltd since 10 September 2024. The ISIN code of the share is FI4000577192 and the ticker is SFOODS. Solar Foods's registered share capital is EUR 80,000, and the number of shares is 24,553,107. Solar Foods does not hold treasury shares. The shareholder agreements have terminated after the end of the review period in connection with the company's listing.

The number of shares in Solar Foods at the end of the review period on 30 June 2024 was 24,553,107 and the average number in the review period was 23,696,543.

Solar Foods had a total of 2,287 shareholders at the time of publication of the company prospectus on 5 September 2024, and a total of 2,287 shareholders at the end of the review period on 30 June 2024. The company's 100 largest shareholders are presented on the company's website www.investors.solarfoods.com/en/investors/share_information/shareholders

Directed share issues carried out by the company during the review period and share capital development

The aim of the directed share issues carried out by the company during the review period has been to strengthen the company's capital structure and financial position. Share issues have been directed to the company's shareholders, holders of subordinated debt and, as part of the company's funding rounds, to private individuals, corporations and the public. In the directed share issues, the subscription prices of new shares have been fully recorded in the company's invested unrestricted equity.

The number of shares was 23,420,943 on 31 December 2023 and on 30 June 2024 it was 24,553,107 shares as referred to above. During the first half of the year, Solar Foods successfully completed directed share issues raising approximately EUR 8.8 million by offering 1,031,644 new shares. Option holders subscribed for additional 100,520 new shares based on option rights. The share capital was raised by EUR 77,500 in June and the increase was registered in the Trade Register on 8 July 2024.

Incentive schemes

At the end of the review period, the company had five stock option plans, under which option holders can subscribe for a maximum of 2,057,192 new shares or the company's own shares, which immediately dilutes the shareholders' relative ownership in the company by approximately 8.5 percent, if all option rights are exercised and they have the maximum number of new shares is subscribed, taking into account that the number of the company's shares at the end of the review period was 24,553,107 shares.

Following the changes made after the review period to option plans 2020A and 2020B shares may be subscribed twice a year after the publication of the company's financial statements and half-year report or as separately decided by the company's board of directors. The subscription price of the shares is EUR 0.2051 per share (2020A) and EUR 2.75 per share (2020B and 2/2024).

During the period, an option plan 1/2024 was created, under which 122,352 options were granted, entitling to subscribe for company shares at a price of EUR 0.001 per share. The subscription period ends on 31 December 2034.

During the period, an option plan 2/2024 was created, under which 953,250 options were granted, entitling to subscribe for company shares at a price of EUR 2.75 per share. Shares may be subscribed twice a year after the publication of the company's financial statements and half-year report or as separately decided by the company's board of directors. The subscription period ends on 31 December 2029.

Annual General Meeting 2024

Solar Foods Oy's Annual General Meeting was held on 5 June 2024. Annual General Meeting adopted the Annual Accounts and discharged the members of the Board of Directors and the Managing Director from liability for the financial period 1 January 2023, through 31 December 2023. In addition, it was resolved to not to distribute dividends from the accounting period of 2023. It was recorded that audit company KPMG Oy Ab shall continue to act as the company's auditor, with APA Jussi Paski as the auditor with principal responsibility.

The Annual General Meeting re-elected Juha Lindfors, Thomas Harding, Sebastian Jägerhorn, Juha-Pekka Pitkänen, Pontus Stråhlman and Jari Tuovinen as ordinary members of the Board of Directors, and Tommi Nuutinen as deputy member.

The Annual General Meeting resolved to authorize the Board of Directors to decide on the repurchase of the company's own common shares, preferred series-S shares, and preferred series-A shares in one or several instalments. The Annual General Meeting resolved to authorize the Board of Directors to decide upon a share issue and the issuance of option rights and other special rights entitling to shares in one or several instalments and either against or without consideration.

The Annual General Meeting resolved to increase the share capital of the company by EUR 77,500 by means of an increase from reserves by transferring EUR 77,500 from the company's reserves of

unrestricted equity into the share capital. After the increase from reserves, the company's share capital is EUR 80,000.

The Annual General Meeting resolved to change the corporate form of the company from a private limited liability company to a public limited liability company, as well as to change the trade name of the company from Solar Foods Oy to Solar Foods Oyj due to the change in the company's corporate form. The Annual General Meeting resolved to amend certain sections of the company's Articles of Association. The amendments concern the change of the corporate form, mandatory pre-registration in general meetings of shareholders as well as the possibility to hold a general meeting in a virtual form in the future.

The Annual General Meeting resolved to incorporate the company's shares into the Finnish book-entry securities system and to add a reference to the inclusion of the shares in the book-entry system in the company's Articles of Association. The Annual General Meeting resolved to authorize the Board of Directors to decide on the period for entering the company's shares into the book-entry securities system (registration period). It was resolved to authorize the Board of Directors to decide on the technical listing of the company on a well-known public marketplace (such as Nasdaq Helsinki or Nasdaq First North). The Annual General Meeting further resolved to authorize the Board of Directors to decide, in connection with a possible listing, on the approval and signing of a placing agreement, the election of a certified adviser as well as the approval and signing of a related agreement, approval the company description or prospectus to be prepared in connection with the listing, the filing of a listing application, as well as to resolve on other similar actions required for the execution of the listing.

Extraordinary General Meeting 2024

Solar Foods Oyj's Extraordinary General Meeting was held on 16 August 2024. The Extraordinary General Meeting adopted the following resolutions.

The share classes are to be combined, subject to the listing of the company (which meant that the company's board of directors implements and files the conditional decisions made by the extraordinary general meeting to be registered in connection with the listing of the company, in the time frame required by the listing process before the commencement of the listing of the company), without changing the number of shares so that all shares are of the same type and confer equal rights in the company, including that each share has one vote. Additionally, The Extraordinary General Meeting resolved the company's Articles of Association to be amended accordingly. The general meeting also decided at the same time to remove the redemption clause and the consent clause in the Articles of Association and to change the provision regarding the term of office of the board members so that the term of office of the board member continues from the election until the end of the company's next Annual General Meeting, and that the possibility of electing substitute members to the board was removed.

It was resolved, subject to the decision on combination of the company's share classes and registration of such decision, to revoke all unused authorizations granted by the shareholders to the board of directors concerning share issues and the issuance of option rights and other special rights entitling to shares.

The Extraordinary General Meeting resolved, subject to the decision on combination of the company's share classes and registration of such decision, to authorize the Board to decide on a share issue and the issuance of other special rights entitling to shares, in one or several tranches, either against payment or without payment. The authorization includes the right to issue new shares or transfer treasury shares possessed by the company. The number of shares issued based on this authorization, including the shares issued based on option rights and other special rights, may not exceed 7,365,932

shares, corresponding to approximately 30% of all the company's shares as of the date of the notice to the extraordinary general meeting. The authorization is valid until 30 June 2025.

The Extraordinary General Meeting resolved, subject to the listing of the company, to revoke the previous, unused authorizations and authorize the board of directors to resolve upon the acquisition of the company's own shares in one or more instalments. The maximum number of shares to be acquired under the authorization is 2,455,310 shares, which amount corresponds to approximately a maximum of 10 percent of all shares in the company on the date of this notice to the General Meeting. The authorization is valid until 30 June 2025.

The Extraordinary General Meeting resolved to make, subject to the decision on combination of the company's share classes and registration of such decision, on the changes to the company's existing stock option plans (2020A, 2020B, 1/2023, 1/2024 and 2/2024) due to the combination of the share classes.

The Extraordinary General Meeting resolved that the number of the members in the Board of Directors is seven and Juha Lindfors, Thomas Harding, Sebastian Jägerhorn, Juha-Pekka Pitkänen, Pontus Stråhlman and Jari Tuovinen are re-elected to the Board of Directors. Additionally, it was resolved that Paula Laine is elected as a new ordinary member of the Board of Directors, for a term that expires at the close of the next Annual General Meeting of the company, and no deputy members are elected.

The Extraordinary General Meeting resolved the remuneration of the Board of Directors and the other members of the Board of Directors subject to the listing of the company's shares. The remuneration shall be paid monthly for those months for which the person acts as a member or the Chair or Deputy Chair of the Board of Directors.

Risks and uncertainties

Risks related to the company's business

The company is an early-stage growth company with significant activity-related risks. The company has little revenue relative to its operating expenses and has not yet generated a positive operating result. The company is in the early stages of commercialization and does not expect significant revenue in the coming years.

The company is dependent on external financing and needs significantly more equity and debt financing. Future profitability requires full utilization of the capacity of the planned production plant. It is uncertain whether the company can obtain the necessary financing, and any additional financing may change the company's ownership.

Risks related to the operating environment

Companies have been significantly affected in recent years by global economic instability and uncertainty on the financial markets, including the ongoing war between Russia and Ukraine, the impact of the COVID-19 pandemic, and geopolitical tensions such as trade relations between the United States and China. These factors increase financial uncertainty, complicate business planning and predictability, and may hinder the company's growth potential. In addition, intensifying competition and similar, substitutive or cheaper products developed by competitors may limit the company's business opportunities. Solein competes with other protein sources, such as plant-based and cellular proteins, and there are already hundreds of companies on the market that develop new protein sources. If competitors develop a better product, it may force the company to lower its prices, which leads to shrinking net sales and margins.

Risks related to the company's financial and economic position

The company depends on external financing because it is currently not making a profit. If the company builds more factories, like Factory 02, it requires significant additional financing, which may be covered with both equity and debt financing. In addition, the company's operational expenses and early-stage business require additional financing. The company's ability to obtain financing depends on many factors, and there is no certainty that funding will be available on reasonable terms or at all.

The company is also exposed to exchange rate fluctuations as its business is planned for international markets, and changes in exchange rates may have a detrimental effect on its financial position.

Significant events after the review period

- Achieving self-affirmed GRAS (Generally Recognized as Safe) status in the United States in September. The next steps in Solein's commercialization in the US are to register the Solar Foods production facility Factory 01 with the U.S. Food and Drug Administration (FDA), which requires a food safety plan fulfilling the specific local requirements, and to fulfill any other applicable requirements. This will enable Solar Foods to start food export from Factory 01 to the United States. Solar Foods estimates that sales in the United States could start by the end of this year.
- Listing on the Nasdaq First North marketplace on 10 September 2024.
- Our strategic R&D partnership with the Japanese food company The Ajinomoto Group that started in 2023, concretized in August when Ajinomoto launched test marketing in Singapore and introduced the Atlr.72™ Flowering Mooncakes and Ice Cream Sandwiches containing Solein to the market.
- Victory in the third phase of the three-year Deep Space Food Challenge launched by the US National Aeronautics and Space Administration (NASA) and the Canadian Space Agency (CSA). The winners of the third phase of the competition were announced in August, and Solar Foods' space food production concept won the international category, beating around 300 other teams. The goal of Solar Foods' challenge was to produce safe, nutritious and tasty food with as few resources and waste as possible.
- Two new members started in the Management Team: Troels Nørgaard, Chief Strategy Officer, and Benoit Formesyn, Project Manager.
- During autumn 2024, the company started a review to further define its strategy. As a part of the strategy review, new growth targets for the company are aimed to be defined.

Accounting principles for the half-year report

Solar Foods Oyj's half-year report has been prepared in accordance with national accounting legislation (FAS) and following good accounting practices. The figures of the half-year report are unaudited. The figures presented are rounded off from the exact figures. Business continuity has been ensured during the review period and it involves no uncertainty at the time of publication of the half-year report.

The financial information presented in this half-yearly report does not include all the notes to the financial statements of the company and should be read in conjunction with the financial statements for the fiscal year that ended on 31 December 2023.

TABLES
PROFIT AND LOSS (FAS, EUR)

	unaudited	unaudited	audited
	1–6/2024	1–6/2023	1–12/2023
	6 months	6 months	12 months
Net turnover	13,929	1,600	4,987
Work performed for own use	2,054,257	1,522,156	2,946,296
Other operating income	2,894,140	2,014,048	5,145,638
Staff expenses			
Wages and salaries	-1,407,497	-1,005,236	-2,044,471
Social security expenses			
Pension expenses	-251,212	-174,711	-359,319
Other social security expenses	-41,352	-42,481	-72,339
Staff expenses in total	-1,700,061	-1,222,428	-2,476,129
Depreciation and amortization			
Depreciation and amortization according to plan	-4,214,549	-2,877,456	-7,126,960
Other operating expenses	-3,414,822	-2,788,246	-5,287,644
Operating profit (loss)	-4,367,106	-3,350,326	-6,793,812
Financial income and expenses			
Other interest income and other financial income from others	2,336	364	425
Interest and other financial expenses to others	-1,381,782	-698,695	-2,198,502
Total financial income and expenses	-1,379,782	-698,331	-2,198,077
Profit before appropriations and taxes	-5,746,552	-4,048,657	-8,991,889
Profit (loss) for the period	-5,746,552	-4,048,657	-8,991,889

BALANCE SHEET (FAS, EUR)

	unaudited 30th June 2024	unaudited 30th June 2023	audited 31st December 2023
ASSETS			
Non-current assets			
Intangible assets			
Development expenditure	3,894,129	5,445,326	3,734,049
Intangible rights	963,988	986,134	1,083,467
Other intangible assets	4,115,081	0	4,646,704
Total intangible assets	8,973,198	6,431,460	9,464,219
Tangible assets			
Machinery and equipment	16,552,611	16,126,455	19,122,185
Other tangible assets	507,736	848,831	678,283
Advance payments and construction in progress	164,021	869,124	329,123
Total tangible assets	17,224,367	17,844,410	20,129,592
Total non-current assets	26,197,565	24,275,870	29,593,811
Current assets			
Long-term receivables			
Other receivables	576,670	106,220	670,420
Total long-term receivables	576,670	106,220	670,420
Short-term receivables			
Accounts receivable	8,027	1,600	2,917
Other receivables	855,989	248,787	39
Prepayments and accrued income	4,695,967	2,387,133	6,710,801
Total short-term receivables	5,559,983	2,637,519	6,713,757
Total receivables	6,136,653	2,743,740	7,384,177
Cash and cash equivalents	24,225,086	16,722,761	16,387,375
Total current assets	30,361,739	19,466,501	23,771,552
TOTAL ASSETS	56,559,304	43,742,371	53,365,363

	unaudited 30th June 2024	unaudited 30th June 2023	audited 31st December 2023
EQUITY AND LIABILITIES			
Capital and reserves			
Subscribed capital	2,500	2,500	2,500
Reserve for invested unrestricted equity	51,408,623	17,510,798	42,631,977
Retained earnings	-17,512,872	-8,520,983	-8,520,983
Profit (loss) for the period	-5,746,552	-4,048,657	-8,991,889
Total capital and reserves	28,151,699	4,943,658	25,121,605
Liabilities			
Non-current liabilities			
Capital loans	0	16,406,742	0
Loans from credit institutions	18,223,333	20,940,000	18,902,500
Total non-current liabilities	18,223,333	37,346,742	18,902,500
Current liabilities			
Loans from credit institutions	2,716,667	0	2,037,500
Advances received	818,611	130,331	818,611
Trade payables	2,810,312	599,975	1,013,555
Other payables	3,142,575	51,357	4,949,779
Accruals and deferred income	696,108	670,308	521,813
Total current liabilities	10,184,272	1,451,971	9,341,258
Total liabilities	28,407,605	38,798,713	28,243,758
TOTAL EQUITY AND LIABILITIES	56,559,304	43,742,371	53,365,363

STATEMENT OF CASH FLOWS (FAS, EUR, unaudited)

	1-6/2024	1-6/2023	2023
Cash flows from operating activities:			
Profit before appropriations and taxes	-5,746,552	-4,048,657	-8,991,889
Adjustments for:			
Depreciation according to plan	4,214,549	2,877,456	7,126,960
Financial income and expenses	1,379,446	698,331	2,198,077
Operating profit before working capital changes:	-152,557	-472,870	333,148
Working capital changes:			
Increase (-) or decrease (+) in trade and other receivables	1,812,115	189,516	-3,499,549
Increase (+) or decrease (-) in trade payables	3,321,317	596,959	641,174
Cash generated from operations	4,980,875	313,605	-2,525,226
Interest paid and payments for other finance costs	-792,220	-651,981	-1,238,197
Net cash from operating activities	4,188,654	-338,376	-3,763,424
Cash flows from investing activities:			
Investments in tangible and intangible assets	-6,123,053	-3,260,189	-8,206,993
Investment grants received	1,648,611	0	235,558
Net cash used in investing activities:	-4,474,442	-3,260,189	-7,971,435
Cash flows from financing activities:			
Proceeds from issuance of share capital	8,776,645	0	12,373,901
Costs for share issue	-653,148	0	-572,994
Proceeds from capital loan borrowings	0	4,000,000	0
Proceeds from long-term borrowings	0	6,857,095	6,857,095
Net cash used in financing activities	8,123,498	10,857,095	18,658,003
Net increase/decrease in cash and cash equivalents	7,837,710	7,258,530	6,923,145
Cash and cash equivalents at beginning of period	16,387,375	9,464,231	9,464,231
Cash and cash equivalents at end of period	24,225,086	16,722,761	16,387,375

STATEMENT OF CHANGES IN EQUITY (FAS, EUR)

	Subscribed capital	Reserve for invested unrestricted equity	Retained earnings	Total
Equity January 1, 2024	2,500	42,631,977	-17,512,872	25,121,605
Profit (loss) for the period	0	0	-5,746,552	-5,746,552
Issuance of share capital	0	8,776,645	0	8,776,645
Equity June 30, 2024	2,500	51,408,623	-23,259,424	28,151,699

	Subscribed capital	Reserve for invested unrestricted equity	Retained earnings	Total
Equity January 1, 2023	2,500	17,510,798	-8,520,983	8,992,315
Profit (loss) for the period	0	0	-4,048,657	-4,048,657
Equity June 30, 2023	2,500	17,510,798	-12,569,640	4,943,658

	Subscribed capital	Reserve for invested unrestricted equity	Retained earnings	Total
Equity January 1, 2023	2,500	17,510,798	-8,520,983	8,992,315
Profit (loss) for the period	0	0	-8,991,889	-8,991,889
Conversion of capital loans to shares through issuance of share capital	0	12,747,278	0	12,747,278
Issuance of share capital	0	12,373,901	0	12,373,901
Equity December 31, 2023	2,500	42,631,977	-17,512,872	25,121,605

Guarantees given and off-balance sheet commitments and pension liabilities

Guarantees given by type	The amount of the debt or the guarantee with less value than debt 30th June 2024 (EUR thousand)
Financial loans	16,300.0
Rental guarantees	670.3
Business mortgage	21,200.0
Others	390.8
Rental liabilities	2024-2043 excl. VAT
Rental liabilities for the properties	22,641.2
Financial leasing	33.2

At the end of the financial year, unaudited grant settlements include a possible repayment liability corresponding to the amount of the grant received of EUR 9,661,942 (situation on 30 June 2024).

The company is obliged to review the VAT deductions made on a real estate investment completed in 2023 if the taxable use of the property decreases during the review period. The last review year will be 2032. The maximum amount of the liability is EUR 816,000 (situation on 30 June 2024).

Definitions and calculation formulas for key indicators

Indicator	Definition or calculation formula
Operating profit (EBIT)	= Net sales + other operating income – materials and services – personnel expenses – other operating expenses – depreciation and impairment
Equity ratio, %	= $\frac{\text{Equity at the end of the period} + \text{appropriations}}{(\text{Balance sheet total at the end of the period} - \text{Advances received at the end of the period})} \times 100$
Net debt (-cash)	= Long-term interest-bearing liabilities+ short-term interest-bearing liabilities – cash in hand and in banks
Net gearing	= $\frac{\text{Net debt (- cash)}}{\text{equity} + \text{voluntary provisions} + \text{appropriations} + \text{equity loans}}$
Earnings (Loss) per share	= $\frac{\text{Profit (loss) for the period}}{\text{average amount of shares during the period}}$