



Merus Power Plc Financial Statements Bulletin January 1 – December 31, 2024: Strong growth

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The numbers in parentheses refer to the same period of the previous year unless otherwise indicated. The numbers in the financial statements bulletin are unaudited.

This release is a summary of the report Merus Power's Financial Statements Bulletin January 1 – December 31, 2024. The entire report is attached to this release as a PDF file. The report is also available on the company's website at <https://sijoittajat.meruspower.fi/en/for-investors/reports-and-presentations/>.

STRONG GROWTH

JULY–DECEMBER 2024 IN BRIEF

- Net sales were EUR 29.2 (15.5) million, growth 88.5% year on year
- EBITDA was EUR 2.6 (0.6) million
- EBIT was EUR 2.0 (0.2) million
- Earnings per share was EUR 0.22 (0.00)
- Orders received were EUR 14.0 (13.7) million, growth 1.8% year on year

JANUARY–DECEMBER 2024 IN BRIEF

- Net sales were EUR 35.8 (29.0) million, growth 23.4% year on year
- EBITDA was EUR -0.8 (0.2) million
- EBIT was EUR -2.1 (-0.5) million
- Earnings per share was EUR -0.35 (-0.10) million
- Orders received were EUR 53.6 (33.8) million, growth 58.6% year on year

SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD

- February 13, 2024: Merus Power receives a battery energy storage order of approximately EUR 15 million from eNordic and Lappeenranta Energia – new energy storage system strengthens the power grid
- The AI-based trading service developed by Merus Power was completed in 2024
- May 2, 2024: Merus Power provides Oy Herrfors Ab with a trading platform offering immediate economic benefits to the electricity company
- May 16, 2024: Sallila Energia to start using Merus Power's trading service for its energy storage facility
- June 19, 2024: Merus Power receives an energy storage order of nearly EUR 20 million from Alpiq
- July 8, 2024: Merus Power joins the transformation of the steel industry – delivers compensators for green steel production
- July 25, 2024: Merus Power to provide a compensator worth nearly EUR 4 million to Saudi Arabia
- August 1, 2024: Merus Power to deliver two compensators to support rail traffic in Estonia
- August 13, 2024: Merus Power lowers its guidance on EBITDA

- November 26, 2024: The largest battery energy storage manufactured by Merus Power to be transferred to electricity market use
- December 18, 2024: Merus Power to deliver energy storage system to Enertia – contract value over EUR 4 million

KEY FIGURES

| In EUR 1 000 unless otherwise indicated | 7-12/2024 | 7-12/2023 | 2024 | 2023 |
|---|-----------|-----------|-----------|-----------|
| Net sales | 29 168 | 15 472 | 35 834 | 29 031 |
| Change in net sales, % | 88.5% | 56.4% | 23.4% | 79.2% |
| EBITDA | 2 604 | 581 | -798 | 187 |
| % of net sales | 8.9% | 3.8% | -2.2% | 0.6% |
| EBIT | 1 954 | 200 | -2 055 | -509 |
| % of net sales | 6.7% | 1.3% | -5.7% | -1.8% |
| Profit/loss for the financial period | 1 666 | 28 | -2 654 | -798 |
| Earnings per share (undiluted), EUR | 0.22 | 0.00 | -0.35 | -0.10 |
| Earnings per share (diluted), EUR | 0.21 | 0.00 | -0.34 | -0.10 |
| Equity / share, EUR | 1.24 | 1.58 | 1.24 | 1.58 |
| Balance sheet total | 26 711 | 21 189 | 26 711 | 21 189 |
| Equity | 9 533 | 12 092 | 9 533 | 12 092 |
| Return on equity, % | 19.2% | 0.2% | -24.5% | -6.4% |
| Interest-bearing net debt | -1 167 | 1 400 | -1 167 | 1 400 |
| Net gearing, % | -12.2% | 11.6% | -12.2% | 11.6% |
| Equity ratio, % | 35.7% | 57.1% | 35.7% | 57.1% |
| Liquid assets | 2 970 | 2 615 | 2 970 | 2 615 |
| Cash flow from operating activities | -590 | 1 382 | 4 978 | 42 |
| Number of shares | 7 673 416 | 7 644 966 | 7 673 416 | 7 644 966 |
| Average number of shares | 7 659 191 | 7 644 966 | 7 659 191 | 7 644 966 |
| Orders received | 13 969 | 13 718 | 53 626 | 33 805 |
| Order book | 29 953 | 13 841 | 29 953 | 13 841 |
| Average number of employees | 124 | 94 | 117 | 88 |

BOARD OF DIRECTORS' PROPOSAL ON THE HANDLING OF THE RESULT FOR THE FINANCIAL YEAR

The Board of Directors proposes to the Annual General Meeting that the loss for the financial year of EUR -2.7 million be transferred to the retained earnings account of previous years and that no dividend be paid for the financial year January 1–December 31, 2024.

FINANCIAL GUIDANCE FOR 2025

Merus Power estimates that the company's net sales will grow strongly compared to 2024 and that EBITDA will be EUR 1–3 million.

CEO KARI TUOMALA COMMENTS ON 2024:

Strong progress in our growth strategy in 2024

In 2024, our net sales increased significantly and reached a record-breaking EUR 35.8 (29.0) million. Net sales grew mainly in the second half of the year due to the income recognitions of modular orders with long delivery times and the timings of new orders. The growth was driven by power quality and energy efficiency projects in the heavy industry sector as well as power storage projects implemented particularly in Finland.

However, the growth of the company and investments in our future burdened our profitability. Our EBITDA for 2024 was negative at EUR -798 thousand (EUR 187 thousand positive in 2023). The result was weakened particularly by the significant non-recurring expenses caused by the delay of the first turnkey energy storage project delivered in Lempäälä, Finland, as well as more demanding development work than anticipated in connection with the project. Nevertheless, our EBITDA improved significantly in the second half of the year and amounted to EUR 2.6 (0.6) million in July–December. We are continuing our actions to improve profitability.

Orders received increased in 2024 and amounted to EUR 53.6 (33.8) million. Orders received include several important energy storage projects, an opening move in the green steel market, and steady product business in active filters.

Investments in personnel and product development

We strengthened our competitiveness during the year, as strategically important product development projects were completed, and several significant system deliveries with great reference value were made to customers. We have continued to invest in our personnel and in product development, including energy storage product, software, and service development. During the year, we also built an energy storage of our own for the FINGRID frequency reserve market to support product development and market leadership in the entire value chain. Our personnel increased during 2024 by 30 people to a total of 127 employees. This enables Merus Power's growth and success also in the future.

A strong synergy exists in our product portfolio; similar technology is largely applied in energy storage products and power quality solutions. This is why our investments in technology development make it possible for us to maintain the competitiveness of both product areas and enable the implementation of the company's growth strategy in the strongly growing energy storage market and drive success in the steadily growing power quality market.

Order book on record level

The continued strong growth trend of the green transition supported our sales in both energy storage and power quality solutions. Our growth was strongest particularly in energy storage projects in the Finnish market and in international energy efficiency improvement projects in the metal industry. At the end of the year, our order book was on a record level at EUR 30.0 (13.8) million.

Our growth strategy in energy storage technology has yielded good results. During the year, we agreed upon a delivery of a 38MW / 40 MWh energy storage for Lappeenranta Energia and Ardian's eNordic in Lappeenranta, Finland. An energy storage of 30 MW / 36 MWh will be delivered to Alpiq in Valkeakoski and a 10MW /10MWh energy storage to Enertia Oy in Forssa, both in Finland. All agreements also include a maintenance agreement and are good examples of deliveries covering the entire lifecycle.

In power quality technology, we received several large compensator orders during the year. For example, we are delivering a compensator to Saudi Arabia to support the operation of our customer's electric arc furnace and to improve the energy efficiency of the facility. Another example is a delivery of compensators to the GRK Group to support interruption-free operation of Estonia's rail traffic and its electrification.

Active work to grow service business continues

With our heavy industry and energy storage customers, we continued to work actively to grow our service business. Merus Power's proprietary MERUSCOPE™ remote monitoring and control software and the MERUSCOPE™ trading services form a good premise for flexibly serving customers around the world. The increasing installed base supported by growing product and project sales creates a basis for steady growth in the service business.

Confidently into 2025

Economic uncertainty was reflected in the entire year 2024. Although decreasing interest rates have given signs of a moderate economic recovery, economic growth remained very modest. Furthermore, geopolitical tensions created uncertainty in the market. However, Merus Power's markets are still well positioned for growth, and active work towards growth in line with our strategy continues in all markets. Policy changes in the United States are likely to slow down the green transition in some respects. However, we do not expect it to significantly reduce demand in the market segments served by Merus Power's technology.

The year 2024 was a busy one for Merus Power. We pushed successfully through many challenges that the year brought on our path. A big thank you for this goes to our skilled personnel and to our customers who have entrusted us with the execution of their important investment projects. I would also like to thank the company's shareholders – we all need to contribute to maintaining the momentum of the green transition and stopping climate change. We will confidently advance the company strategy in 2025.

EVENTS AFTER THE END OF THE FINANCIAL PERIOD

On December 30, 2024, Merus Power announced changes in the company's Management Team. The company's organization was renewed at the turn of the year, and as of January 1, 2025, the members of the Management Team have been Kari Tuomala, CEO; Rainer Antila, CFO; Markus Ovaskainen, Sales Director; Jyri Öörni, R&D Director; Mikko Marttala, Director, System Deliveries and Services; and Jarkko Latonen, Director, Factory Operations and Quality.

FINANCIAL REPORTING IN 2025

Financial statements, the report of the Board of Directors and the Annual Report for 2024 will be published on February 17, 2025 as a company announcement and on the company's web pages at

<https://sijoittajat.meruspower.fi/en/for-investors/releases/>.

The Annual General Meeting is planned for March 17, 2025. The company's Board of Directors will convene the General Meeting later. The notice to convene the Annual General Meeting will be published as a company announcement and on the company's web pages at <https://sijoittajat.meruspower.fi/en/for-investors/governance/annual-general-meeting/>.

The company's half-year report will be published on August 21, 2025.

Press conference

Merus Power will arrange a press conference for the media and analysts in Finnish on Thursday, February 6, 2025, at 10:30 a.m. The event will be held as a Teams webinar. The link below can be used to register for the event in advance.

<https://events.teams.microsoft.com/event/a6d457c2-c80a-475e-92e0-125ba51a48de@eb19cf28-cc5c-4816-b423-0b1fd1cedaca>

After the event, the materials will be published on the company's web page at <https://sijoittajat.meruspower.fi/en/for-investors/reports-and-presentations/>

Merus Power Plc Board of Directors

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Key media

Merus Power in brief:

Merus Power is a technology company driving the sustainable energy transition. We design and produce innovative electrical engineering solutions such as energy storages and power quality solutions, and services for the needs of renewable energy and industry. Through our scalable technology, we facilitate the growth of renewable energy in the electricity grids and improve the energy efficiency of society. We are a domestic specialist in innovative electrical engineering and operate in global and high-growth markets. Our personnel represent internationally renowned engineering expertise. Our net sales in 2024 was EUR 35.8 million and our stock's trading symbol on the Nasdaq First North Growth Market Finland is MERUS.

The original of this document has been made in Finnish. In case of any discrepancy, the Finnish version will prevail.

Attachments

- [financial statements bulletin 2024.pdf](#)