

Bittium

Bittium Corporation Financial Statement Bulletin January-December 2021

Net sales

Net sales growth

86.9

MEUR

+10.8 %

Operating result

Operating result, % of net sales

3.2

MEUR

3.7 %

Bittium's Net Sales in 2021 Grew over 10 Percent and Operating Result Improved from Previous Year

Unless otherwise mentioned, the figures in brackets refer to the corresponding period in the previous year.

Summary October-December 2021

- Net sales were EUR 30.1 million (EUR 21.8 million), representing a 37.8 percent increase year-on-year.
- The share of product-based net sales was EUR 23.0 million (EUR 14.5 million), representing 76.5 percent of the net sales. The share of Medical Technologies products was EUR 7.4 million (EUR 3.8 million) and the share of Defense & Security products was EUR 15.5 million (EUR 10.7 million).
- The share of services-based net sales was EUR 7.1 million (EUR 7.3 million), representing 23.5 percent of the net sales. The share of Connectivity Solutions R&D services was EUR 4.6 million (EUR 4.4 million).
- EBITDA was EUR 6.6 million (EUR 3.2 million).
- The operating result was EUR 3.7 million (EUR 0.3 million).
- The result for the period was EUR 4.3 million and earnings per share were EUR 0.121 (result for the period EUR 0.7 million and earnings per share EUR 0.019).
- Cash flow from operating activities was EUR 4.2 million (EUR 5.1 million).
- Net cash flow was EUR 2.2 million (EUR 0.6 million).

Summary January-December 2021

- Net sales were EUR 86.9 million (EUR 78.4 million), representing a 10.8 percent increase year-on-year.
- The share of product-based net sales was EUR 63.1 million (EUR 53.1 million), representing 72.6 percent of the net sales. The share of Medical Technologies products was EUR 27.8 million (EUR 17.4 million) and the share of Defense & Security products was EUR 35.3 million (EUR 35.8 million).
- The share of services-based net sales was EUR 23.8 million (EUR 25.3 million), representing 27.4 percent of the net sales. The share of Connectivity Solutions R&D services was EUR 15.5 million (EUR 15.9 million).
- EBITDA was EUR 13.7 million (EUR 13.5 million).
- Operating result was EUR 3.2 million (EUR 2.1 million).
- Result for the period was EUR 3.3 million and earnings per share were EUR 0.093 (result for the period EUR 2.2 million and earnings per share EUR 0.061).
- Cash flow from operating activities was EUR 8.3 million (EUR 6.9 million).
- Net cash flow was EUR -2.6 million (EUR -10.5 million).
- The order backlog was EUR 29.5 million (EUR 27.6 million)
- The Board of Directors of Bittium Corporation proposes to the Annual General Meeting of shareholders to be held on April 6, 2022, resolve to pay EUR 0.04 per share as dividend based on the adopted balance sheet for the financial period of January 1 - December 31, 2021.

GROUP (MEUR)	10-12/2021	10-12/2020	1-12/2021	1-12/2020
	3 months	3 months	12 months	12 months
NET SALES	30.1	21.8	86.9	78.4
Change of net sales, %	37.8 %	-19.1 %	10.8 %	4.2 %
EBITDA	6.6	3.2	13.7	13.5
EBITDA, % of net sales	21.9 %	14.8 %	15.7 %	17.2 %
OPERATING PROFIT / LOSS	3.7	0.3	3.2	2.1
Operating profit / loss, % of net sales	12.4 %	1.2 %	3.7 %	2.7 %
RESULT OF THE PERIOD FROM CONTINUING OPERATIONS	4.3	0.7	3.3	2.2
CASH AND OTHER LIQUID ASSETS	22.0	24.7	22.0	24.7
EQUITY RATIO (%)	72.4 %	73.1 %	72.4 %	73.1 %
EARNINGS PER SHARE (EUR)	0.121	0.019	0.093	0.061

Bittium's CEO Hannu Huttunen

The last quarter of 2021 was excellent for Bittium. Net sales increased by 37.8 percent from the previous year, with product deliveries focusing on the latter part of the year. The operating result for the fourth quarter was EUR 3.7 million corresponding to 12.4 percent of net sales. In my opinion, the development of the last quarter of the year proves that our target, an operating result level of 10 percent, is realistic. We aim at an average annual net sales growth of more than 10 percent and an operating result level of 10 percent. The net sales in 2021 grew by 10.8 percent from the previous year and the operating result was EUR 3.2 million falling short of our target. The growth in net sales resulted from the great development of Medical Technologies product sales. Defense & Security's product-based net sales remained at the same level than in previous year despite of the difficulties in sourcing components. The additional costs caused by the shortage of components also had an effect on EBITDA and maintaining the expanded product portfolio competitive was reflected as growth of annual R&D costs. Connectivity Solutions' business development was slowed down by the travel restrictions caused by the coronavirus pandemic.

The availability of components has been weak and prices higher than before. We were also unable to deliver all product deliveries to our customers on time. The shortage of components will affect our product business also during the current year. However, we believe that the situation will gradually return to normal when going towards 2023.

The level of R&D investments decreased. Almost EUR 7 million less R&D costs were capitalized in the balance sheet than in the previous year, and despite that, the result for the year was better than in the previous year. As a result of lower R&D costs and almost 20 percent increase in the product sales, the cash flow for the year was approximately EUR 8 million better than in the previous year. We are unlikely to reduce the absolute level of our R&D investments, but the relative level will decrease through the growth we are aiming at.

In the Defense business, the cooperation with our most important domestic and international customers continued well. The general market slowdown due to the coronavirus pandemic had some effect on the progress of projects, and product deliveries were delayed due to a shortage of components. Towards the end of the year, we were able to manufacture and deliver a significant number of products to our customers, which was reflected in significant growth in Defense product-based net sales in the fourth quarter. In the defense market, the coronavirus pandemic affected the progress of government purchase programs for tactical communications systems, which affected the acquisition of new customer projects.

Despite the delay in the development of Bittium Tough SDR™ radios, I am really pleased with the outcome. These are world-class state-of-the-art vehicle and military radios that are highly competitive internationally. I want to take the opportunity here and thank our development team and our customer, Finnish Defence Forces, who has been involved in the development of the radios from the beginning. At the end of the last year, the delivery of the first phase of SDR radios and related equipment to the customer was almost completed. The Finnish Defence Forces started testing radios and their waveforms and will build readiness for more extensive use of radios in the coming years. The Defense Forces is preparing to purchase the next batch of products, and the annual order volumes, according to the letter of

intent for the acquisition of new tactical radios published in August 2017, will be reached, according to the current understanding, from 2024 onwards.

a4ESSOR, a multinational joint venture for the development of secure European software-defined radio technology, progressed well over the past year and the jointly developed ESSOR waveform received official approval. a4ESSOR partners, of which Bittium is one of the six companies, will port the ESSOR waveform to their own software radios as part of the next phase of the project. Bittium has been the first ESSOR partner to port the ESSOR waveform to its own SDR radios and to demonstrate the functionality in field tests over large networks. We have world-class waveform expertise and are a nationally and internationally recognized partner in the development of secure and interference-tolerant waveforms. Last year, a4ESSOR launched a new project to develop new ESSOR waveforms interoperable with partner countries' radios and to improve the existing waveform, to ensure that these waveforms can be ported to the national radios of the ESSOR countries. In this new project, Bittium will focus on developing ground-to-ground and air-to-ground waveforms.

The importance of mobile security in communications has grown and the demand for secure Bittium Tough Mobile 2 smartphones has increased steadily over the past year. The security classification of the smartphone and its related system plays a key role, especially in the governmental market, and we are actively applying for security classification certificates in various countries together with our customers.

In the first half of the year, we entered into a distribution agreement with Mexican telecommunication solutions provider Inmosat for the distribution of Mexsat satellite phones designed for the Mexican state's Mexsat satellite communications system. The products of the first order under the distribution agreement have been delivered to the customer, and we expect the deliveries to continue this year.

The medical technology market clearly began to recover from the downturn caused by the coronavirus pandemic. The demand from the service providers recovered, which was reflected in the development of Medical Technologies' product-based net sales. Remote monitoring and remote diagnostics solutions facilitate the challenges of limited medical resources and cost pressures, which was reflected in increased sales of Bittium's medical remote diagnostics solutions. The extent of the growth was limited by the shortage of components, which we expect to continue until the end of 2022.

The European Medical Device Regulation (MDR) entered into force in May, causing a backlog of quality system audits and device approvals and thus a significant delay in application lead times. We launched our new home sleep apnea testing solution Bittium Respiro™ in the early last year, and its MDR approval has been delayed due to a delay in lead times. With the current information at hand, we believe we will get the approval during the second half of this year.

The demand for Bittium's ECG measuring devices increased during the last year. The majority of the product deliveries were made to our customer Preventice, a provider of remote monitoring services in the U.S. ECG market. The demand for Bittium's EEG devices designed for intensive care slowed down. The temporary overload of intensive care units with patients infected by the coronavirus affected the ability of intensive care units to promote the use of new technologies and solutions.

In September, we announced an agreement under which Bittium planned to buy a 25 percent stake in the shares of Technomed Ltd, a UK provider of ECG diagnostic services. Since the technical conditions required for the share purchase were not met, we terminated the agreement. However, the cooperation with Technomed continues in the measurement and monitoring of biosignals and the development of analysis software, and we signed a new distributor agreement for Bittium Faros™ ECG measuring devices and Bittium Respiro™ home sleep apnea measuring devices and software.

In the Connectivity Solutions business, the delivery of our R&D services and connectivity solutions to our customers continued. The net sales of Bittium's R&D services remained at the same level as in the previous year. The business grew in the Open Radio Access Network (O-RAN) market, and we made investments in the development, sales, and marketing of our own O-RAN business over the past year. There was also new demand arising in wireless satellite technology. The growth in these areas brought us new international customers.

In the manufacturing industry, the coronavirus pandemic slowed down the start of new R&D service projects, and the demand in this market has clearly decreased. The demand for the development of new medical technology solutions, on the other hand, remained stable despite the slowdown in the approvals of new medical devices caused by the new MDR regulation.

The exceptional circumstances caused by the pandemic strengthened our remote work practices with our existing customers. Despite the virtual meetings and events becoming more and more common, acquiring new customers was challenging. In addition, the availability of professional workforce on the market weakened. There are not enough software engineers available in the markets compared to the demand. The competition for the workforce also increased labor mobility.

Our goal in the Connectivity Solutions service business is to further increase the number of product development service projects and expand the international customer base.

During 2021, we strengthened our position as a provider of secure and reliable solutions as well as a provider of solutions for remote monitoring and remote diagnostics. We also focused strongly on continuously improving the customer experience and quality.

To conclude, I would like to thank all our customers and partners, as well as our shareholders, for their trust in Bittium. I would also like to thank all our employees for the past year and their strong commitment to our common goals. Our personnel is united by the same enthusiasm for technologies and learning of new things, which is ultimately reflected in our product development and in the work for our customers. I am proud of all of you and the results we have together achieved.

Outlook for 2022

The global disruption in the availability of electronic components and the spread of new variants of the coronavirus are having a significant impact on the global market. More than 70 percent of Bittium's net sales accumulate from products and related systems, and the prevailing shortage of components is causing significant uncertainty to the development of Bittium's product-based net sales in 2022. Due to these uncertainties, at this point of the year, the company will exceptionally publish only the first half-year outlook instead of the full-year outlook.

Bittium expects the net sales in January-June 2022 to be at the same level as in the previous year (EUR 39.7 million in January-June 2021) and the operating result to be negative (operating loss of EUR -0.7 million in January-June 2021).

More information about Bittium's market outlook, risks and uncertainties are presented in this report in the sections "Market Outlook" and "Risks and Uncertainties" as well as on the company's internet pages at www.bittium.com.

Market Environment and Business Development in January-December 2021

Defense & Security Business

Cooperation with the Finnish Defence Forces continued closely during 2021. Deliveries of products required for tactical communication continued, however, the shortage of components slowed down the delivery schedule. Despite the challenging availability of components in the fourth quarter, a significant number of products were delivered to the customers, which was reflected in fourth-quarter revenue growth in Defense and Security products.

Deliveries of the first phase of the Bittium Tough SDR™ handheld and vehicle radios and related accessories, agreed under the purchase agreement between the Finnish Defence Forces and Bittium, published in December 2018, were almost completed. The poor availability of components needed in production slowed down the final deliveries. The Finnish Defence Forces launched the Field Radio 2020 project, which serves the testing and operational implementation of Bittium Tough SDR products and their waveforms and is preparing the purchase of the next batch of products to expand the Defence Forces' testing activities and preparations for the commissioning of radios. With the current understanding, the annual order volumes stated in the letter of intent to acquire new tactical radios, published in August 2017, will be reached from 2024 onwards. The Defence Forces have been involved in defining the Bittium Tough SDR™ system from the beginning of the project and believe to achieve a significant performance improvement through the system. Alongside the testing and introduction of the radios, the development of the waveforms used in the radios continued as planned.

The development of the Bittium Tactical Wireless IP Network™ software defined radio system continued in cooperation with the Finnish Defence Forces as planned. In March, the Defence Forces ordered products from the TAC WIN system and Bittium Tough Comnode™ products based on the existing framework agreements for the purchase of the products. The share of TAC WIN products was approximately EUR 8.5 million and the share of Bittium Tough Comnode was approximately EUR 1.7 million. All products have been delivered to the Defence Forces during 2021.

Cooperation with the Estonian Defense Forces continued closely in the supply of tactical communication products and systems, which complement the tactical communication system already delivered for the customer. The product deliveries are based on a framework agreement between Bittium's Estonian partner Telegrupp AS and the Estonian Defense Forces, and it covers the years 2021–2025. The deliveries, integration work and testing of tactical communication system products were also continued with the Austrian Defense Forces.

In November, a4ESSOR, a multinational joint venture developing secure European software defined radio technology, launched a new ESSOR New Capabilities (ENC) project to develop new ESSOR waveforms interoperable with partner countries' radios and to improve the

existing system to enable the waveforms portability to the national radios. The new project aims to improve the interoperability and security of ground-to-ground, air-to-ground and satellite-based tactical data transmission. In this project, Bittium will focus on the development of ground-to-ground and air-to-ground waveforms. Earlier in May, a4ESSOR received official approval for its ESSOR High Data Rate Base Waveform.

The importance of mobile security in communications has increased and the demand for the secure Bittium Tough Mobile™ 2 smartphones grew steadily over the past year. The security classification of the phone and its related system plays a key role, especially in the governmental market. Bittium actively applies for security classification certificates in various countries together with its customers. The customer experience of the Secure Call communication application, launched on the Tough Mobile 2 phone at the beginning of the year, has been positive and the delivery volumes of the Secure Call application increased.

Deliveries of Mexsat satellite phones designed for the Mexican state's Mexsat satellite communications system continued. The resale cooperation with the Mexican telecommunications solutions provider Inmosat has worked well and the products of the first order related to the distributor agreement have been delivered to the customer. The product deliveries to Mexico are expected to continue this year.

Medical Technologies Business

During 2021, the medical technology market clearly began to recover from the downturn caused by the coronavirus pandemic. Demand from the service providers recovered, which was also clearly reflected in the development of net sales. During the past year, the medical remote diagnostics market was consolidated as major service providers merged, which might lead to higher device sales volumes, thus creating growth opportunities for device manufacturers.

The importance of remote care and remote monitoring has increased during the coronavirus pandemic due to insufficient medical resources and cost pressures. Remote monitoring and remote diagnostics solutions alleviate these problems, which was also reflected in increased sales of Bittium's medical remote diagnostics solutions. Component shortages limited the growth during the past year and component shortages are expected to continue at least until 2022. All of Bittium's cardiology and neurophysiology solutions operate on the cloud-based MedicalSuite service platform, enabling service operators to further digitize their remote diagnostic service processes. Along with an aging population, the coronavirus pandemic has provided a strong incentive to streamline and digitize primary care and specialist care. Together, these factors are driving demand for the device and total service solutions in the medical technology market.

The transitional periods for the application of the European Medical Device Safety Regulation (MDR) (EU 2017/745) expired and entered into force in full on May 26, 2021. The regulation harmonises European health legislation and replaces the old MD and AIMD directives on medical and implantable devices. The change has caused a backlog of quality system audits and product approvals and thus a significant delay in application lead times. Bittium has several medical device approvals underway in several countries.

Early in the year, Bittium launched a new home sleep apnea testing solution, Bittium Respiro™. MDR approval of the solution is still pending due to lead time delays. Based on current information, approval is expected in the second half of this year. The device, designed for home use, has received positive feedback, especially due to its compact size and ease of use. Deliveries of the product variant of the device that is targeted at the Finnish market, began during the autumn of 2021, and demand developed positively.

The temporary overload in intensive care units by the patients with coronavirus infection affected the ability of intensive care units to promote the introduction of new technologies and solutions. This slowed down the demand for Bittium's EEG devices designed for intensive care. Bittium BrainStatus™ EEG measuring devices were delivered to customers for pilot use, but the overload of patients with coronavirus slowed down the progress of the pilots.

Demand for Bittium Faros™ ECG measuring devices increased during the past year. The majority of product deliveries were made to Preventice, a provider of remote monitoring services in the U.S. ECG market. The global shortage of components declined the amount of product deliveries. Demand for disposable Bittium OmegaSnap™ patch electrodes designed for Faros devices for long-term ECG measurement increased and deliveries progressed well.

During the last year, Bittium launched new products and software versions and they have been very well received. Product management, product development and production organizations were strengthened, and the quality system and operating processes were developed in accordance with the new MDR requirements. To further increase the international sales, the sales organization was strengthened, and the international distribution network expanded.

In September, Bittium announced to have signed an agreement under which Bittium planned to buy a 25 percent stake in Technomed, a British provider of ECG diagnostic services. Since the technical conditions required for the share purchase were not met, Bittium canceled the agreement. However, the cooperation between Bittium and Technomed will continue in the measurement and monitoring of biosignals and the development of analysis software, and the companies signed a distributor agreement for Bittium Faros™ ECG measuring

devices and Bittium Respiro™ home sleep apnea measuring devices and software. The agreement sets out the distribution rights for both devices. Technomed is granted an exclusive right to use Bittium Faros™ ECG devices to provide cardiology diagnostic services in the UK. In other respects, the agreement does not define exclusive rights related to sales rights. Under the agreement, Technomed will commit to minimum purchases of both devices for the period 2022–2024.

Connectivity Solutions Business

Bittium provides R&D services in the areas of wireless telecommunications, medical technology, automotive and manufacturing industries. Outsourcing R&D services, in whole or in part, brings customers cost savings and enables the scaling of their product development volume to meet their current needs. Bittium has extensive expertise in the areas of wireless connectivity, information security, and various communication technologies (such as 5G).

The delivery of R&D services and connectivity solutions for the customers continued and the demand for Bittium's R&D services remained stable during 2021. The market for Open Radio Access Network (O-RAN) architecture developed further and the demand for O-RAN know-how increased. During the last year, Bittium has been investing in the development, sales and marketing of its own O-RAN business. New demand also arose in wireless satellite technology. The growth of these areas has provided the company with new international customers.

The coronavirus pandemic slowed down the start of new R&D service projects in the manufacturing industry and automotive markets, and the demand clearly declined. The demand for medical technology solutions remained stable despite the slowdown in the lead times of the new medical device approvals caused by the new European Medical Device Safety Regulation (MDR).

The exceptional circumstances caused by the pandemic strengthened the remote work practices with existing customers. However, despite the virtual meetings and events becoming more and more common, acquiring new customers was challenging. Also, the availability of professional workforce on the market weakened, and, in particular, there is an insufficient amount of software engineers available compared to the demand. The competition for the workforce also increased labor mobility.

Financial Performance in January-December 2021

Bittium's net sales in January-December 2021 increased by 10.8 percent year-on-year to EUR 86.9 million (EUR 78.4 million).

The share of product-based net sales was EUR 63.1 million (EUR 53.1 million), representing 72.6 percent of the net sales. The share of Medical Technologies products was EUR 27.8 million (EUR 17.4 million) and the share of Defense & Security products and systems was EUR 35.3 million (EUR 35.8 million). The increase in product-based net sales resulted from the growth in the demand for Medical Technologies business' Faros ECG monitoring devices.

The share of services-based net sales was EUR 23.8 million (EUR 25.3 million), representing 27.4 percent of the net sales. The share of Connectivity Solutions R&D services was EUR 15.5 million (EUR 15.9 million), resulting mainly from R&D services for wireless telecommunication customers.

EBITDA for January-December 2021 was EUR 13.7 million (EUR 13.5 million). EBITDA was affected by increased production costs, which was mainly due to additional costs caused by the component shortages. The level of R&D investments decreased, which reflected as a decrease in R&D expenses capitalized in the balance sheet. Maintaining the expanding product portfolio competitive increases the annual continuing product development costs.

Operating result in January-December 2021 was EUR 3.2 million (EUR 2.1 million).

Cash flow from operating activities was EUR 8.3 million (EUR 6.9 million). Net cash flow during the period was EUR -2.6 million, including as the most significant items EUR 7.0 million R&D investments into own products and EUR 1.1 million dividend payment (EUR -10.5 million, including as the most significant item EUR 13.6 million R&D investments into own products, no dividends was paid during the comparison period).

The equity ratio was 72.4 percent (73.1 percent).

Net gearing was 0.2 percent (-1.9 percent).

The order backlog at the end of the year was EUR 29.5 million (EUR 27.6 million).

Half Year Figures

GROUP'S NET SALES AND OPERATING RESULT, MEUR	2H/21	1H/21	2H/20	1H/20
Net sales	47.2	39.7	35.8	42.5
Operating profit (loss)	3.9	-0.7	-0.8	2.9
Result before taxes	3.6	-1.0	-0.9	2.5
Result for the period	4.4	-1.0	-0.4	2.5

DISTRIBUTION OF NET SALES BY PRODUCT AND SERVICES, MEUR AND %	2H/21	1H/21	2H/20	1H/20
Product-based net sales	35.2	27.9	23.0	30.1
	74.5 %	70.3 %	64.3 %	70.7 %
Services-based net sales	12.0	11.8	12.8	12.5
	25.5 %	29.7 %	35.7 %	29.3 %

DISTRIBUTION OF PRODUCT-BASED NET SALES, MEUR AND %	2H/21	1H/21	2H/20	1H/20
Defense & Security products	20.8	14.5	15.1	20.6
	59.3 %	51.8 %	65.5 %	68.6 %
Medical Technologies products	14.3	13.5	8.0	9.5
	40.7 %	48.2 %	34.5 %	31.4 %

DISTRIBUTION OF SERVICES-BASED NET SALES, MEUR AND %	2H/21	1H/21	2H/20	1H/20
Connectivity Solutions R&D services	7.7	7.8	8.0	7.4
	63.8 %	66.6 %	62.4 %	58.9 %
Other service-based net sales	4.4	3.9	4.8	5.1
	36.2 %	33.4 %	37.6 %	41.1 %

DISTRIBUTION OF NET SALES BY MARKET AREAS, MEUR AND %	2H/21	1H/21	2H/20	1H/20
Asia	0.3	0.3	0.2	0.2
	0.6 %	0.6 %	0.5 %	0.4 %
Europe	32.0	25.0	29.3	35.2
	67.9 %	62.9 %	81.7 %	82.8 %
North and South America	14.9	14.4	6.4	7.1
	31.5 %	36.4 %	17.8 %	16.7 %

Quarterly Figures

GROUP'S NET SALES AND OPERATING RESULT, MEUR	4Q/21	3Q/21	2Q/21	1Q/21	4Q/20
Net sales	30.1	17.1	22.6	17.0	21.8
Operating profit (loss)	3.7	0.2	0.7	-1.5	0.3
Result before taxes	3.5	0.1	0.5	-1.6	0.2
Result for the period	4.3	0.1	0.5	-1.6	0.7

DISTRIBUTION OF NET SALES BY PRODUCT AND SERVICES, MEUR AND %	4Q/21	3Q/21	2Q/21	1Q/21	4Q/20
Product-based net sales	23.0 76.5 %	12.2 71.0 %	16.7 73.8 %	11.2 65.7 %	14.5 66.5 %
Services-based net sales	7.1 23.5 %	5.0 29.0 %	5.9 26.2 %	5.9 34.3 %	7.3 33.5 %

DISTRIBUTION OF PRODUCT-BASED NET SALES, MEUR AND %	4Q/21	3Q/21	2Q/21	1Q/21	4Q/20
Defense & Security products	15.5 67.6 %	5.3 43.4 %	11.2 66.8 %	3.3 29.5 %	10.7 73.6 %
Medical Technologies products	7.4 32.4 %	6.9 56.6 %	5.6 33.2 %	7.9 70.5 %	3.8 26.4 %

DISTRIBUTION OF SERVICES-BASED NET SALES, MEUR AND %	4Q/21	3Q/21	2Q/21	1Q/21	4Q/20
Connectivity Solutions R&D services	4.6 64.8 %	3.1 62.5 %	3.8 63.7 %	4.1 69.6 %	4.3 58.9 %
Other service-based net sales	2.5 35.2 %	1.9 37.5 %	2.2 36.3 %	1.8 30.4 %	3.0 41.1 %

DISTRIBUTION OF NET SALES BY MARKET AREAS, MEUR AND %	4Q/21	3Q/21	2Q/21	1Q/21	4Q/20
Asia	0.2 0.6 %	0.1 0.5 %	0.1 0.6 %	0.1 0.7 %	0.1 0.5 %
Europe	21.1 70.2 %	10.9 63.8 %	15.3 67.5 %	9.7 56.9 %	18.8 86.2 %
North and South America	8.8 29.2 %	6.1 35.7 %	7.2 31.9 %	7.2 42.5 %	2.9 13.3 %

Statement of Financial Position and Financing

The figures presented in the statement of financial position of December 31, 2021, are compared with the statement of the financial position of December 31, 2020 (MEUR).

	Dec 31, 2021	Dec 31, 2020
Non-current assets	85.9	86.4
Current assets	80.3	71.7
Total assets	166.1	158.0
Share capital	12.9	12.9
Other capital	103.9	101.3
Total equity	116.8	114.2
Non-current liabilities	21.5	21.9
Current liabilities	27.8	21.8
Total equity and liabilities	166.1	158.0
Cash flow of the review period:	1-12/2021	1-12/2020
+ profit of the period +/- Adjustment of accrual basis items	15.2	14.1
+/- Change in net working capital	-6.2	-6.8
- interest, taxes and dividends	-0.7	-0.5
= net cash from operating activities	8.3	6.9
- net cash from investing activities	-8.4	-15.9
- net cash from financing activities	-2.5	-1.5
= net change in cash and cash equivalents	-2.6	-10.5

The number of gross investments in the period under review was EUR 9.6 million. Net investments for the review period totaled to EUR 9.3 million. The total amount of depreciation during the period under review was EUR 10.5 million. The amount of interest-bearing debt, including finance lease liabilities, was EUR 22.3 million at the end of the reporting period (EUR 22.5 million). Bittium's equity ratio at the end of the period was 72.4 percent (73.1 percent).

The Group's liquidity remained good despite the uncertainty caused by the coronavirus pandemic and the global disruption in the availability of electronic components. Securing cash flow has not required any special adjustment measures and no significant changes have been identified in the credit risks of trade receivables.

Cash and other liquid assets at the end of the reporting period were EUR 22.0 million (EUR 24.7 million). Net cash flow during the period was EUR -2.6 million. The net cash flow resulted from EUR 7.0 million investments made into own product development and EUR 1.1 million dividend payment as the most significant items (EUR -10.5 million including EUR 13.6 million investments made into own product development as the most significant item, no dividends were paid in the corresponding period).

Bittium has a EUR 20.0 million senior loan and a EUR 10.0 million committed overdraft credit facility agreement with Nordea Bank Finland Plc. The maturity date for the senior loan is May 24, 2024, and the credit limit agreement is valid until May 24, 2024. Bittium has EUR 10.0 million committed overdraft credit facility agreement with OP Corporate Bank Plc valid until May 24, 2022. At the end of the review period, no limits from these facilities were in use.

Bittium follows a hedging strategy that has an objective to ensure the business margins in changing market circumstances by minimizing the influence of exchange rates. According to the hedging strategy principles, the net position in the currency is hedged when it exceeds the euro limit defined in the hedging strategy. The net position is determined based on accounts receivable, accounts payable, order book, and budgeted net currency cash flow.

Research and Development

Bittium continued to make significant investments to develop its own products and product platforms. In January-December 2021, the R&D investments were EUR 19.8 million (EUR 22.8 million), representing 22.8 percent of the net sales (29.1 percent).

The R&D investments focused mainly on developing tactical communication system and its products for the defense industry, developing different types of special terminal products for authorities and their related security software, as well as developing medical technology products. During 2021, the focus of investments has gradually shifted from tactical communications to the development of new medical technology products.

The capitalized R&D investments are related to the investments in developing the software defined radio based tactical radios, Bittium Tough SRD™ product family, further development of tactical communication networks, and development of medical technology products.

R&D INVESTMENTS, (MEUR)

	1-12 2021 12 months	1-12 2020 12 months
Total R&D investments	19.8	22.8
Capitalized R&D investments	-7.0	-13.6
Depreciations and impairment of R&D investments	5.5	6.1
Cost impact on income statement	18.3	15.4
R&D investments, % of net sales	22.8 %	29.1 %

CAPITALIZED R&D INVESTMENTS IN BALANCE SHEET, MEUR

	1-12 2021 12 months	1-12 2020 12 months
Balance sheet value in the beginning of the period	46.6	39.1
Additions during the period	7.0	13.6
Depreciations and impairment of R&D investments	-5.5	-6.1
Balance sheet value at the end of the period	48.1	46.6

Personnel

The Bittium group employed an average of 664 people in January-December 2021. At the end of 2021, the company had 653 employees (684 employees at the end of 2020).

Changes in the Company's Management

On May 17, 2021, Bittium announced that Mr. Sammy Loitto, Senior Vice President, Sales and a member of Bittium Corporation's Management Group, will transfer to another company. Mr. Loitto acted as Senior Vice President, Sales at Bittium for three years, and successfully developed Bittium's sales and sales management processes, environment, and systems during his career.

The company decided that it will divide its sales management and development into the Company's three product and service areas, which are Defense & Security, Medical Technologies, and Connectivity Solutions. Dividing the sales activities into product and service areas in this context enables even stronger sales management and development. After the change, Bittium has product and service area specific sales management, which reports to the heads of the product and service areas in their positions. As a result, sales development is better targeted to the needs of each product and service areas. The changes have taken effect on June 1, 2021.

As of June 1, 2021, Bittium Corporation's management group consisted of the following persons: Mr. Hannu Huttunen, CEO (Chairman); Mr. Pekka Kunnari, CFO; Mr. Kari Jokela, CLO; Mrs. Karoliina Malmi, Vice President Communications and Marketing; Mr. Arto Pietilä, Senior

Vice President Medical Technologies; Mr. Jari Sankala, Senior Vice President Defense & Security; Mr. Tommi Kangas, Senior Vice President Connectivity Solutions; and Mr. Jari-Pekka Innanen, Vice President, Engineering.

Share and Share Capital

The shares of Bittium Corporation are quoted on Nasdaq Helsinki. The Company has one series of shares. All shares entitle their holders to dividends of equal value. Each share has one vote. The share does not have a nominal value. The Company's shares have been entered into the Euroclear Finland Ltd's book-entry securities system.

At the end of the financial period, the fully paid share capital of the Company entered into the Finnish Trade Register was EUR 12,941,269.00 and the total number of the shares was 35,702,264. The accounting par value of the Company's share is EUR 0.10. The Company does not have its own shares in its possession.

MARKET VALUES OF SHARES (EUR)	1-12/2021	1-12/2020
	12 months	12 months
Highest	7.89	7.67
Lowest	4.93	3.40
Average	6.18	5.74
At the end of period	5.30	5.79
Market value of the stock. (MEUR)	189.2	206.7
Trading value of shares. (MEUR)	83.2	117.9
Number of shares traded. (1.000 pcs)	13 464	20 557
Related to average number of shares %	37.7	57.6

Incentive Systems

Employee Profit-Sharing Plan

In 2021, Bittium had an employee profit-sharing plan that applies to all employees, excluding those covered by other short-term bonus plans. According to the 2021 profit-sharing plan, a separately defined part of Bittium's operating profit will be distributed to employees as a profit-sharing bonus in proportion to salaries. The goal of the system is to enable the company's success to be shared with employees and to engage employees.

Variable Pay

The variable pay is paid based on the achievement of goals. In 2021, earning period for the variable pay was the calendar year. The targets are determined separately for each earning period. The setting of targets and the review of their achievement is decided on a one-over-one basis. The criteria for the short-term merit pay are the financial and strategic targets of the Company. In addition, part of the targets can be personal targets, which may vary between duties.

Management Share-Based Incentive Plan

The management of Bittium group share-based long-term incentive scheme which comprises a Performance Share Plan ("PSP"). The objectives of the Performance Share Plan are to align the interests of Bittium's management with those of the Company's shareholders and, thus, to promote shareholder value creation in the long term, to commit the management to achieving Bittium's strategic targets and the retention of Bittium's management. The Performance Share Plan consists of three annually commencing three-year performance share plans, PSP 2020-2022, PSP 2021-2023 and PSP 2022-2024, each with a one-year performance period, which is followed by the payment of the share reward and a two-year transfer restriction period. The commencement of each plan is, however, subject to a separate Board decision. Further information can be found at the company's internet pages at the address www.bittium.com.

On February 11, 2021, the Board of Directors of Bittium Corporation decided on the new period in the share-based long-term incentive scheme for the Bittium group's management. The members of Bittium's Management Group are eligible to participate in the second PSP 2021–2023 plan. The performance measures based on which the potential share reward under PSP 2021-2023 will be paid are the revenue growth and cash flow before financial items of Bittium. A precondition for the payment of the share reward is, in addition, that the employment relationship of the participant with Bittium continues at the time the reward is paid. The potential reward will be paid in shares of Bittium. If all the performance targets set for the second plan, PSP 2021 – 2023, are fully achieved, the aggregate maximum number of shares to be paid based on this second plan is approximately 111,900 shares (gross before the withholding of the applicable payroll tax). The aggregate gross value of PSP 2021 – 2023, estimated based on the volume-weighted average quotation of Bittium's share during the period H2/2020, is approximately EUR 0.7 million.

On March 24, 2021, the Board of Directors of Bittium Corporation decided on a directed share issue without consideration for the payment of the share rewards based on the Company's share-based incentive scheme to the Company's management. The directed share issue without consideration decided was about the first Performance Share Plan (PSP 2020-2022) of the share-based incentive scheme. In the Share Issue 9,098 new shares of the Company was issued without consideration to the management entitled to share rewards according to the terms and conditions of the share-based incentive scheme. A total of nine persons of the Company's management group were in the target group of the payment.

On March 29, 2021, the new shares issued without consideration were registered in the Trade Register. After the registration, the total number of Bittium Corporation shares was 35,702,264. The newly registered shares was admitted to trading on the Nasdaq Helsinki stock exchange on March 30, 2021.

Shareholders

Largest Shareholders	Number of shares	% of shares
1. Veikkolainen Erkki	1 741 908	4.88 %
2. Ponato Oy	1 501 300	4.21 %
3. Hulkko Juha	1 419 379	3.98 %
4. Mutual Pension Insurance Company Varma	1 365 934	3.83 %
5. Mutual Pension Insurance Company Ilmarinen	1 296 529	3.63 %
6. OP-Suomi Mikroyhtiöt - special investment company	752 757	2.11 %
7. Hilden Kai Jalmari	658 000	1.84 %
8. Mutual Pension Insurance Company Elo	500 000	1.40 %
9. Investment Fund Taaleritehdas Mikro Markka	500 000	1.40 %
10. Citibank Europe PLC	479 789	1.34 %

At the end of 2021, Bittium Corporation had 21,663 shareholders. The ten largest shareholders owned 28.6 percent of the shares. Private ownership was 70.2 percent. The percentage of foreign and nominee-registered shareholders was 3.0 percent at the end of 2021.

Flagging Notifications

On September 29, 2021, Bittium Corporation received a notification under Chapter 9, Section 5 of the Finnish Securities Market Act (FSMA), according to which Jbit Oy, a company 100% owned by Juha Hulkko has acquired 159,000 shares in Bittium Corporation. In connection with the completion of the share purchase, Juha Hulkko's aggregate amount of direct and indirect holdings in Bittium Corporation's shares and votes exceeded the five percent limit on 28.9.2021.

According to the notification, the aggregate holdings of Juha Hulkko in Bittium Corporation on September 28, 2021 amounted to a total of 1,783,450 shares, corresponding to 5.00 percent of the total number of shares and voting rights of Bittium Corporation. The share stock of Bittium Corporation consists of 35,702,264 shares, each entitling one vote.

Decisions of the Annual General Meeting of Bittium Corporation

Bittium's Annual General Meeting was held on April 14, 2021, at 1.00 pm at the company's headquarters in Oulu, Finland. Shareholders and their proxy representatives could participate in the meeting and exercise their rights only by voting in advance and by making counterproposals and presenting questions in advance. The meeting could not be attended on-site. The Annual General Meeting was arranged in accordance with an exceptional meeting procedure based on the temporary legislation to limit the spread of the Covid-19 pandemic (677/2020) approved by the Finnish Parliament.

Use of the Profits Shown on the Balance Sheet and Authorizing the Board of Directors to Decide on Distribution of Dividend

Based on the shareholder vote concerning minority dividend, the Annual General Meeting decided in deviation from the proposal of the Board of Directors that a minority dividend corresponding to half of the profit for the financial period shall be paid in accordance with Chapter 13, Section 7 of the Companies Act. The Board of Directors of the company had proposed to the Annual General Meeting that no dividend be distributed by the Annual General Meeting based on the adopted balance sheet for the financial period of January 1, 2020 - December 31, 2020. The total amount of the minority dividend to be distributed was EUR 1,110,327.74, corresponding to EUR 0.0311 per share.

The dividend was paid to shareholders who on the dividend record date April 16, 2021, were registered in the company's shareholders' register held by Euroclear Finland Oy. The dividend was paid on April 23, 2021. All the shares in the company were entitled to the dividend with the exception of shares possibly held by the Company on the dividend record date.

Election and Remuneration of the Members of the Board of Directors

The Annual General Meeting decided that the Board of Directors shall comprise five (5) members. Mr. Erkki Veikkolainen, Ms. Riitta Tiuraniemi, Mr. Veli-Pekka Paloranta, and Mr. Pekka Kemppainen were re-elected as members of the Board of Directors for a term of office expiring at the end of the next Annual General Meeting. Further, Mr. Petri Toljamo was elected as a new member of the Board of Directors for a corresponding term of office.

At its assembly meeting held on April 14, 2021, the Board of Directors elected Mr. Erkki Veikkolainen as the Chairman of the Board of Directors. Further, the Board has resolved to keep the Audit Committee. Ms. Riitta Tiuraniemi (Chairman of the committee), Mr. Petri Toljamo, and Mr. Veli-Pekka Paloranta were elected as members of the Audit Committee.

The Annual General Meeting resolved that the following monthly remuneration shall be paid to the members of the Board of Directors: to the chairman of the Board of Directors EUR 3,150 and to the other members of the Board of Directors EUR 1,800 each. In addition, the members of the Board of Directors are entitled to compensation for attending Board meetings as follows: the chairman of the Board EUR 875 for each meeting and other members EUR 500 for each meeting. In addition, the members of the Board of Directors are entitled to compensation for attending Committee meetings as follows: the chairman of the Committee EUR 600 for each meeting and other Committee members EUR 400 for each meeting. Travel expenses of the members of the Board of Directors shall be reimbursed in accordance with the Company's travel policy. The General Meeting also decided that 50 percent of the total amount of the monthly

remuneration of the members of the Board of Directors will be paid at once as Bittium Corporation's shares acquired for the price formed in public trading, through share issue or, in special circumstances if share-based remuneration cannot be paid for some reason, in money. The shares will be acquired according to the share purchase program of the company. A member of the Board of Directors may not transfer the shares received as remuneration before his/her membership in the Board of Directors has ended.

Election and Remuneration of the Auditor

Ernst & Young Oy, authorized public accountants, was re-elected auditor of the company for a term of office ending at the end of the next Annual General Meeting. Ernst & Young Oy has notified that Mr. Jari Karppinen, APA, will act as responsible auditor. It was decided that the remuneration to the auditor shall be paid against the auditor's reasonable invoice.

Authorizing the Board of Directors to Decide on the Repurchase of the Company's own Shares

The Annual General Meeting authorized the Board of Directors to decide on the repurchase of the Company's own shares as follows.

The number of own shares to be repurchased shall not exceed 3,500,000 shares, which corresponds to approximately 9.80 percent of all of the shares in the company as of the date of the Annual General Meeting. Only the unrestricted equity of the company can be used to repurchase its own shares on the basis of the authorization.

Own shares can be repurchased at a price formed in public trading on the date of the repurchase or otherwise at a price formed on the market.

The Board of Directors decides how own shares will be repurchased. Own shares can be repurchased using, inter alia, derivatives. Own shares can be repurchased otherwise than in proportion to the shareholdings of the shareholders (directed repurchase).

The authorization cancels the authorization given by the Annual General Meeting on June 15, 2020, to decide on the repurchase of the company's own shares.

The authorization is effective until June 30, 2022.

Authorizing the Board of Directors to Decide on the Issuance of Shares as well as the Issuance of Special Rights Entitling to Shares

The Annual General Meeting authorized the Board of Directors to decide on the issuance of shares and special rights entitling to shares referred to in Chapter 10 Section 1 of the Companies Act as follows.

The number of shares to be issued shall not exceed 3,500,000 shares, which corresponds to approximately 9.80 percent of all of the shares in the company as at the date of the Annual General Meeting.

The Board of Directors decides on all the conditions of the issuance of shares and of special rights entitling to shares. The authorization concerns both the issuance of new shares as well as the transfer of treasury shares. The issuance of shares and of special rights entitling to shares may be carried out in deviation from the shareholders' pre-emptive rights (directed issue).

The authorization cancels the authorization given by the General Meeting on June 15, 2020 to decide on the issuance of shares as well as the issuance of special rights entitling to shares referred to in Chapter 10 Section 1 of the Companies Act.

The authorization is effective until June 30, 2022.

Proposal by the Board of Directors on the Use of the Profit Shown on the Balance Sheet and the Payment of the Dividend

On December 31, 2021, the parent company's distributable funds amounted to EUR 117,996,832.83, of which EUR 127,479.11 is profit for the last financial year. The Board of Directors proposes that the Annual General Meeting resolve to pay EUR 0.04 per share as dividend based on the balance sheet to be adopted for the financial period January 1, 2021 - December 31, 2021.

The proposed dividend corresponds to a total of EUR 1,428,090.56 as of the date of the notice of the Annual General Meeting. The proposed dividend exceeds the amount of a minority dividend, which would be EUR 63 739,56, i.e. approximately EUR 0.0018 per share. The dividend will be paid to the shareholders who are registered in the company's register of shareholders as maintained by Euroclear Finland Ltd on the dividend record date, April 8, 2022. The Board of Directors proposes that the dividend be paid on April 19, 2022.

Bittium Corporation follows a dividend policy that takes into account the Corporation's net income, financial status, need for capital and financing of growth.

Significant Events after the Reporting Period

On January 18, 2022, Mr. Antti Näykki (45 years), B.Eng. Embedded Systems, was appointed as Senior Vice President, Medical Technologies Product and Service Area in Bittium Corporation and as a member of Bittium Corporation's Management Group, effective on February 1, 2022. Mr. Näykki has worked at Bittium since 2019, among other things, as responsible for business development, and as the head of the Medical Technologies product management. In his new position as Senior Vice President of Medical Technologies Product and Service Area, he reports to Mr. Hannu Huttunen, CEO of Bittium Corporation. Mr. Arto Pietilä, Senior Vice President of Medical Technologies Product and Service Area and a member of Bittium Corporation's Management Group, will retire in March 2022. He has agreed to support a smooth transition of responsibilities to Mr. Antti Näykki in the first months of 2022.

As of February 1, 2022, Bittium Corporation's management group consists of the following persons: Mr. Hannu Huttunen, CEO (Chairman); Mr. Pekka Kunnari, CFO; Mr. Kari Jokela, CLO; Mrs. Karoliina Malmi, Vice President Communications and Marketing; Mr. Jari Sankala, Senior Vice President Defense & Security; Mr. Tommi Kangas, Senior Vice President Connectivity Solutions; Mr. Antti Näykki, Senior Vice President Medical Technologies; and Mr. Jari-Pekka Innanen, Vice President, Engineering.

On February 2, 2022, Bittium Biosignals Ltd, a subsidiary of Bittium Corporation, and Preventice Solutions, a wholly-owned subsidiary of Boston Scientific, announced to have signed an agreement by which Bittium will extend its supply of BodyGuardian® MINI devices for monitoring cardiac arrhythmias to Preventice Solutions. In addition, according to the agreement the parties continue to cooperate in the development of new tailored ECG technology for Preventice Solutions. When the minimum volumes required for the exclusive rights under the agreement are met, the total value of the agreement is approximately USD 40-45 million (approximately EUR 35-40 million based on an exchange rate of February 1, 2022), with revenues accruing during 2022, 2023, 2024 and 2025. The final total value is mainly affected by the purchase volumes of different product models. The cooperation between Bittium and Preventice Solutions began in February 2018 regarding the development and delivery of wireless ECG measurement devices. A continuation of the cooperation was announced on September 10, 2020. The agreement signed on February 2, 2022 replaces the extension agreement signed in September 2020 for the supply of ECG measuring devices for the years 2021-2024.

On February 8, 2022, the Finnish Defence Forces ordered the Bittium Tactical Wireless IP Network™ (TAC WIN) system's products based on a Framework Agreement on the purchase of the products. The value of the purchase order was approximately EUR 8.8 million. The ordered tactical routers and radio heads are related to several ongoing projects in the Finnish Defence Forces, where Bittium TAC WIN provides broadband IP network connections for mobile communication stations and command posts. Bittium TAC WIN system's products were ordered based on a Framework Agreement between Bittium and the Finnish Defence Forces, according to which the Finnish Defence Forces purchase Bittium TAC WIN system's products for tactical communications. The Framework Agreement covers the years 2021–2024, with a total value of approximately EUR 30 million at the maximum. According to the Framework Agreement, the Finnish Defence Forces will issue separate purchase orders for the products each year. Bittium announced on December 22, 2020 that the Finnish Minister of Defence Antti Kaikkonen had authorized the Finnish Defence Forces to purchase the Bittium Tactical Wireless IP Network™ (TAC WIN) system's products. The ordered products will be delivered to the Finnish Defence Forces during the year 2022.

Risks and Uncertainties

Bittium has identified several business, market and finance related risk factors and uncertainties that can affect the level of sales and profits.

The coronavirus pandemic has caused changes in the company's operating environment. The company management has been actively following and anticipating the development of the pandemic and has taken measures to prevent and remedy the impacts of the pandemic. It is difficult to estimate the length of the situation or its impacts on business operations and financial results.

The global disruption in the availability of electronic components and their price development has caused fast changes in the company's operating environment. The company monitors the development of the situation and actively strives to ensure the availability of components required for product deliveries. Poor availability of components can have a detrimental effect on the progress of customer projects and the ability to deliver products.

Market Risks

The global economic uncertainty may affect the demand for Bittium's services, solutions, and products and provide pressure on, e.g., pricing. In the short term, such uncertainty may affect, in particular, the utilization and chargeability levels and average hourly prices of R&D services. Growing political uncertainty may also affect the demand for Bittium's services, solutions, and products and the price competitiveness in the different geographical areas. Bittium is also increasingly exposed to legal, economic, political, and regulatory risks related to the countries in which its suppliers and other cooperation partners are located. Such risks may result in delays in deliveries or in situations where there will be no orders in the forecast quantities, currency losses, elevated costs, or litigations and related costs.

As Bittium's customer base includes, among others, companies operating in the field of telecommunication, defense, and other authorities, as well as companies delivering products to them and companies operating in the healthcare sector, the company is exposed to market changes in these industries.

A significant part of Bittium's net sales accumulate from selling products and R&D services to defense and other authorities, as well as companies delivering products to them. Deviation in anticipated business development with such customer concentrations may translate as a significant deviation in Bittium's outlook, both in terms of net sales and operating result, during the ongoing financial period and thereafter.

Bittium seeks to expand its customer base on a longer term and reduce dependence on individual companies, and hence the company would thereby be mainly affected by the general business climate in the industries of the companies belonging to Bittium's customer base instead of the development of individual customer relationships. The more specific market outlook has been presented in this report in the "Market outlook" section.

Business Related Risks

Bittium's operative business risks are mainly related to the following items: uncertainties and short visibility on customers' product program decisions, their make or buy decisions and, on the other hand, their decisions to continue, downsize or terminate current product programs, execution and management of large customer projects, ramping up and down project resources, availability of personnel in labor markets, accessibility on commercially acceptable terms and, on the other hand, successful utilization of the most important technologies and components, competitive situation and potential delays in the markets, timely closing of customer and supplier contracts with reasonable commercial terms, delays in R&D projects, a realization of expected return on capitalized R&D investments, obsolescence of inventories and technology risks in product development causing higher than planned R&D costs, and risks related to the ramp-up of product manufacturing. Revenues expected to come from either existing or new products and customers include normal timing risks. Bittium has certain significant customer projects, and deviation in their expected continuation could also result in significant deviations in the company's outlook. In addition, there are typical industry warranty and liability risks involved in selling Bittium's services, solutions, and products.

Bittium's product delivery business model faces such risks as high dependency on actual product volumes, timing risks, and potential delays in the markets. The above-mentioned risks may manifest themselves as lower amounts of products delivered or higher costs of production, and ultimately, as lower profit. Bringing Bittium's products to international defense and other authorities' markets may take longer than

anticipated because the projects are typically long, and the purchasing programs are prepared in the lead of national governments and within the available financing. Once a supplier has been selected, product deliveries are typically executed over several years.

Some of Bittium's businesses operate in industries that are heavily reliant on patent protection and therefore face risks related to the management of intellectual property rights, on the one hand, related to accessibility on commercially acceptable terms of certain technologies in the Bittium's products and services, and on the other hand, related to an ability to protect technologies that Bittium develops or licenses from others from claims that third parties' intellectual property rights are infringed. Additionally, parties outside of the industries operate actively to protect and commercialize their patents and therefore in their part increase the risks related to the management of intellectual property rights. At worst, claims that third parties' intellectual property rights are infringed could lead to substantial liabilities for damages. In addition, the progress of the customer projects and delivery capability may also be affected by potential challenges in global accessibility of key technologies and components on commercially acceptable terms, as well as by the acceptance of the necessary export licenses. The company changed its name to Bittium Corporation as of July 1, 2015 and started using the new trademark. The registration and the use of the new trademark can include customary risks involved in taking in use a new trademark.

Financing Risks

Global economic uncertainty may lead to payment delays, increase the risk for credit losses, and weaken the availability and terms of financing. To fund its operations, Bittium relies mainly on income from its operative business and may from time to time seek additional financing from selected financial institutions. Bittium has EUR 20.0 million senior loan and EUR 10.0 million committed overdraft credit facility agreement with Nordea Bank Plc. The maturity date for the senior loan is May 24, 2024, and the credit limit agreement is valid until May 24, 2024. Bittium has EUR 10.0 million committed overdraft credit facility agreement with OP Corporate Bank Plc valid until May 24, 2022.

These agreements include customary covenants related to, among other things, equity ratio, transferring property, and pledging. There is no assurance that additional financing will not be needed in case of investments, networking capital needs, or clearly weaker than expected development of Bittium's businesses. Customer dependency in some parts of Bittium's business may translate as an accumulation of risk with respect to outstanding receivables and ultimately with respect to credit losses.

Outlook for 2022

The global disruption in the availability of electronic components and the spread of new variants of the coronavirus are having a significant impact on the global market. More than 70 percent of Bittium's net sales accumulate from products and related systems, and the prevailing shortage of components is causing significant uncertainty to the development of Bittium's product-based net sales in 2022. Due to these uncertainties, at this point of the year, the company will exceptionally publish only the first half-year outlook instead of the full-year outlook.

Bittium expects the net sales in January-June 2022 to be at the same level as in the previous year (EUR 39.7 million in January-June 2021) and the operating result to be negative (operating loss of EUR -0.7 million in January-June 2021).

More information about Bittium's market outlook, risks and uncertainties are presented in this report in the sections "Market Outlook" and "Risks and Uncertainties" as well as on the company's internet pages at www.bittium.com.

Market Outlook and the Implications of the Coronavirus Pandemic for Bittium

Bittium's customers operate in various industries, each of them having its own industry specific factors driving the demand. A common factor creating demand among the whole customer base is the growing need for higher quality and secure data transfer. Due to the technology competencies accrued over time and the long history in developing mobile communication solutions, Bittium is in a good position to offer customized solutions to its customers. Over thirty years of experience and extensive competence in measuring biosignals also act as a basis for medical technology solutions.

In 2020 and 2021, the global coronavirus pandemic has significantly affected the global economy and market situation. Bittium's business sales cycles are long by their nature, but the pandemic has also affected Bittium's business, among others, by slowing down existing projects and postponing new projects. The market is slowly beginning to recover from the effects of the pandemic, but the global shortage of components will affect product manufacturing and thus the ability to deliver products to customers on schedule.

The factors affecting the demand for Bittium's products and services and the effects of the coronavirus pandemic on them are described below:

Defense, Public Safety, and Information Security Markets

- In the defense market's tactical communications sector, the governments' defense forces and other authorities need networks that troops, who are more and more constantly on the move, can use and transfer growing amounts of data securely. This creates demand for Bittium Tactical Wireless IP Network™ (TAC WIN) broadband network, Bittium Tough SDR™ handheld and vehicular radios, and for other Bittium's IP-based (Internet Protocol) tactical communication solutions that fulfill the needs of data transfer of moving troops and individual soldiers. Bittium continues its efforts to bring its defense market targeted products and services also to the international defense markets and aims to get new international customers for its tactical communication system in 2022. Due to the long sales cycles driven by purchasing programs of national governments, it will take time to receive purchase orders. Exceptional circumstances due to the corona pandemic have to some extent affected the progress of programs, which has slowed down the completion of larger deals.
- The financial difficulties caused by the coronavirus pandemic affect the budgets of public finances such as states and public authorities and have required postponing of procurement. This has somewhat delayed the launch of new projects and receiving orders. Especially in the defense and authorities' markets testing and piloting of products and systems are typical phases before receiving orders of larger entities, and current circumstances due to the pandemic situation have caused delays in them. However, the market has begun to recover from the effects of the pandemic. The global shortage of components affects the availability of various components used in products, which affects the company's ability to deliver products to its customers on time.
- The use of LTE technology, smartphones, and applications continue to increase in special verticals, such as public safety, creating demand for Bittium Tough Mobile™ secure LTE smartphone and other customized special terminals based on Bittium's own product platform. The awareness of mobile security risks is growing, and the interest in secure mobile devices is increasing. The sales of secure terminal products are expected to develop moderately according to the nature of public safety markets.
- The smartphone sales process often involves testing and piloting systems and equipment, possibly integrating third-party technologies, and possible local regulatory approvals, which are typically lengthy processes. Exceptional circumstances caused by the coronavirus pandemic may have a significant impact on the progress of projects, which slows down the closings of larger transactions.

Telecommunication and Digitalization

- In mobile telecommunications, the implementation of 5G is accelerating in pace. Investments in developing new features continue and the importance of software development in the 5G network development expands. This creates demand for Bittium's R&D services. There is a wide range of frequencies allocated for the 5G technology, thus creating the need to develop multiple products to cover the market and creating demand for R&D services for the development of product variants. The different kinds of needs for solutions in the open radio frequency network architecture, Open Radio Access Network (ORAN), and satellite communication increase the demand for Bittium's R&D expertise as new players enter the traditional supplier network. Also, the development of new devices utilizing 5G technology increases the demand for Bittium's services.
- As digitalization evolves, secure IoT (Internet of Things) has become a significant development area in almost every industry. The increasing need for companies to digitalize their operations, collect data wirelessly, and transfer it to the internet and cloud services generate a need for Bittium's services and customized solutions. To this end, the market needs secure devices, for both demanding industrial and leisure applications, which collect information from the sensors used by the device and create a reliable wireless connection to the Internet and cloud services. The deployment of 5G technology is expanding and the number of digitalized devices increases continuously. The devices will also feature new and more advanced features that will create demand for design services. Therefore, the integration of different systems and technologies play an important role in enabling complete digitalization services. There are several learning systems and devices under development that use different kinds of artificial intelligence (AI) technologies to ease and speed up the processing of large data amounts.

- Changes in the digitalization of the automotive industry and new business models as well as the automation of automotive operations create a need for technological development. Most significant technology trends, such as wireless connectivity, intelligent mobility, self-driving cars, and electric cars, are guiding needs for innovative software development. The share of software in cars quickly is increasing, and software is becoming a major enabler and a differentiator. The use of the Android™ Automotive operating system in the In-Vehicle Infotainment (IVI) systems is strongly entering the market. Several carmakers have announced the launch of cars with Android Automotive. Bittium's more than a decade of experience with the Android operating system and the Google ecosystem combined with wireless connectivity know-how create good business opportunities for this market.
- The coronavirus pandemic has slowed sales of product development services. Despite the fact that adaptation to new circumstances and practices has gone well, the pandemic has slowed down the progress of existing projects and the acquisition of new customers. However, the market has slowly begun to recover from the effects of the pandemic and new customer projects have been launched. The coronavirus pandemic and labor competition are expected to continue prevailing in the market during 2022. The goal is to further increase the number of product development service projects and expand the international customer base.

Medical ECG, EEG, and Sleep Apnea Remote Monitoring Market

- The medical technology market is undergoing significant development in patient care, especially outside hospitals. There is an increasing focus on the prevention of diseases and health problems through early diagnosis and the discharge of patients at an earlier stage to reduce hospital and treatment days. These actions significantly increase efficiency in health care processes and lower costs.
- A prerequisite for early hospital discharge is the enabling of accurate and precise follow-up and measurement opportunities in home conditions, which would be enabled through remote monitoring. Remote monitoring and remote diagnostics also enable specialists' diagnoses regardless of time and place. Also, evolving artificial intelligence-based algorithms become more common in supporting physicians in making diagnoses. Remote monitoring and remote diagnostics make it possible and faster to obtain more accurate diagnoses, which, in turn, speeds up the start of the right kind of treatment. The market change will enable several new providers to join the overall care service chain, without compromising the quality of specialist services.
- For remote monitoring and remote diagnostics, Bittium provides its Bittium Faros™ product family for remote heart monitoring, Bittium BrainStatus™ for measuring the electrical activity of the brain, home sleep apnea testing solution Bittium Respiro™, and different kinds of diagnostics software offered by Bittium.
- As the coronavirus pandemic spread, the number of non-emergency patients going to treatments and tests to healthcare providers decreased. Several hospitals and medical care facilities have postponed their non-emergency tests and examinations and focused on the treatment of the pandemic patients as well as on the actions aimed to prevent the virus from spreading. The pandemic situation varies from country to country, but generally the market is beginning to get back to normal again. In the long-term, the pandemic will accelerate the use of remote services in hospitals and medical care facilities, and thus create positive development on the demand for remote monitoring products and services.
- The global shortage of components affects the availability of various components used in products and can affect the company's ability to deliver products to its customers on time.

Annual General Meeting of Shareholders 2022 and Annual Report 2021

Notice is given to the shareholders of Bittium Corporation (the "Company") to participate in the Annual General Meeting to be held on Wednesday April 6, 2022, at 13.00 (CEST+1) in the Company's headquarters at Ritaharjuntie 1, 90590 Oulu, Finland. In order to prevent the spread of the Covid-19 pandemic and to prepare for unpredictable changes in the pandemic situation, the Annual General Meeting will be held without shareholders' and their proxy representatives' presence at the meeting venue. Shareholders of the Company and their proxy representatives may participate in the meeting and exercise shareholder rights only through voting in advance as well as by making

counterproposals and presenting questions in advance. Instructions for shareholders can be found in the notice of the Annual General Meeting, which was published today, February 10, 2022, and on the company's website at <https://www.bittium.com>.

Bittium Corporation's Annual Report for 2021, which also includes the company's Financial Statements, the Report of the Board of Directors and the Auditor's Report, as well as the Corporate Governance Statement and the Sustainability Report and the Remuneration Report, are available on the company's website at <https://www.bittium.com> and at <https://annualreport.bittium.com> on Wednesday, March 16, 2022.

Invitation to a Press Conference

Bittium will hold a webcast regarding the Financial Statement 2021 for media, analysts, and institutional investors on Thursday, February 10, 2022, at 9.00 am (CET+1). The conference will be held in Finnish. Bittium will also hold a webcast for media, analysts, and institutional investors in English on the same day at 11.00 am (CET+1).

Link to the Finnish webcast: https://bittium.videosync.fi/q4_2021_fin

Link to the English webcast: https://bittium.videosync.fi/q4_2021_eng

Recordings of both webcasts and the presentation will be available after the conference on Bittium's website at www.bittium.com/investors.

Oulu, February 10, 2022

Bittium Corporation

The Board of Directors

Further Information:

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CEO

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CFO

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Distribution:

Nasdaq Helsinki

Major media

Bittium Corporation Condensed Financial Statements and Notes January – December 2021

The consolidated financial statement has been prepared in accordance with International Financial Reporting Standards (IFRS). The Financial Statement of 2021 has been audited and the auditing report has been dated on February 9, 2022.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (MEUR)	1-12/2021	1-12/2020
Continuing operations	12 months	12 months
NET SALES	86.9	78.4
Other operating income	2.6	0.9
Work performed by the undertaking for its own purpose and capitalized	0.5	0.3
Raw materials	-23.3	-21.2
Personnel expenses	-39.0	-32.5
Depreciation	-10.5	-11.4
Other operating expenses	-13.9	-12.5
Share of results of the associated companies	-0.1	0.0
OPERATING PROFIT (LOSS)	3.2	2.1
Financial income and expenses	-0.7	-0.4
PROFIT BEFORE TAX	2.5	1.6
Income tax	0.8	0.5
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS	3.3	2.2
Discontinued operations		
Profit for the year from discontinued operations		
PROFIT FOR THE PERIOD	3.3	2.2
Other comprehensive income:		
Items that may be reclassified subsequently to the statement of income		
Exchange differences on translating foreign operations	0.2	-0.2
Other comprehensive income for the period total	0.2	-0.2
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	3.6	1.9
Profit for the year attributable to		
Equity holders of the parent	3.3	2.2
Total comprehensive income for the period attributable to		

Equity holders of the parent	3.6	1.9
Earnings per share from continuing operations, EUR		
Basic earnings per share	0.093	0.061
Diluted earnings per share	0.093	0.061
Earnings per share from discontinued operations, EUR		
Basic earnings per share		
Diluted earnings per share		
Earnings per share from continuing and discontinued operations, EUR		
Basic earnings per share	0.093	0.061
Diluted earnings per share	0.093	0.061
Average number of shares, 1000 pcs	35 700	35 693
Average number of shares, diluted, 1000 pcs	35 700	35 693

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (MEUR)	Dec 31, 2021	Dec 31, 2020
ASSETS		
Non-current assets		
Property, plant and equipment	20.9	22.8
Goodwill	5.8	5.8
Intangible assets	49.9	49.0
Other financial assets	1.4	1.6
Other long-term receivables	1.1	1.2
Deferred tax assets	6.7	6.0
Non-current assets total	85.9	86.4
Current assets		
Inventories	18.8	20.9
Trade and other receivables	39.4	26.1
Financial assets at fair value through profit or loss	5.7	5.7
Cash and short term deposits	16.3	19.0
Current assets total	80.3	71.7
TOTAL ASSETS	166.1	158.0
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	12.9	12.9
Invested non-restricted equity fund	26.0	26.0
Translation difference	1.1	0.9

Retained earnings	76.8	74.5
Total equity	116.8	114.2
Non-current liabilities		
Deferred tax liabilities	0.2	0.3
Provisions		
Interest-bearing liabilities	21.1	21.4
Other non-current liabilities	0.2	0.3
Advances received		
Non-current liabilities total	21.5	21.9
Current liabilities		
Trade and other payables	23.1	18.1
Provisions	3.5	2.6
Interest-bearing loans and borrowings	1.2	1.1
Current liabilities total	27.8	21.8
Total liabilities	49.3	43.8
TOTAL EQUITY AND LIABILITIES	166.1	158.0

CONSOLIDATED STATEMENT OF CASH FLOWS (MEUR)	1-12/2021	1-12/2020
	12 months	12 months
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year from continuing operations	3.3	2.2
Profit for the year from discontinued operations		
Adjustment of accrual basis items	11.9	12.0
Change in net working capital	-6.2	-6.8
Interest paid on operating activities	-0.8	-0.6
Interest received from operating activities	0.1	0.1
Income taxes paid	-0.1	-0.0
NET CASH FROM OPERATING ACTIVITIES	8.3	6.9
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of business unit, net of cash acquired		
Purchase of property, plant and equipment	-1.0	-1.4
Purchase of intangible assets	-7.5	-14.5
Purchase of investments/associated companies	-0.0	-0.0
Sale of property, plant and equipment		
Sale of intangible assets		
NET CASH FROM INVESTING ACTIVITIES	-8.4	-15.9
CASH FLOW FROM FINANCING ACTIVITIES		

Borrowings		
Repayment of borrowing		
Payment of finance liabilities	-1.4	-1.5
Dividend paid and repayment of capital	-1.1	
NET CASH FROM FINANCING ACTIVITIES	-2.5	-1.5
NET CHANGE IN CASH AND CASH EQUIVALENTS	-2.6	-10.5
Cash and cash equivalents at beginning of period	24.7	35.2
Cash and cash equivalents at end of period	22.0	24.7

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (MEUR)

A = Share capital

B = Invested non-restricted equity fund

C = Translation difference

D = Retained earnings

E = Non-controlling interests

F = Total equity

	A	B	C	D	E	F
Shareholders equity on Jan. 1, 2020	12.9	26.0	1.1	72.3		112.3
Comprehensive income for the period						
Profit for the period				2.2		2.2
Exchange differences on translating foreign operations			-0.2			-0.2
Total comprehensive income for the period			-0.2	2.2		1.9
Transactions between the shareholders						
Share-related compensation				0.0		0.0
Total transactions between the shareholders				0.0		0.0
Other changes				-0.1		-0.1
Shareholders equity on Dec. 31, 2020	12.9	26.0	0.9	74.5		114.2

	A	B	C	D	E	F
Shareholders equity on Jan. 1, 2021	12.9	26.0	0.9	74.5		114.2
Comprehensive income for the period						
Profit for the period				3.3		3.3

Exchange differences on translating foreign operations			0.2			0.2
Total comprehensive income for the period			0.2	3.3		3.6
Transactions between the shareholders						
Distribution of dividends				-1.1		-1.1
Share-related compensation				0.1		0.1
Total transactions between the shareholders				-1.0		-1.0
Other changes				0.0		0.0
Shareholders equity on Dec. 31, 2021	12.9	26.0	1.1	76.8		116.8

NOTES TO FINANCIAL STATEMENTS

ACCOUNTING PRINCIPLES FOR THE FINANCIAL STATEMENT:

The consolidated financial statement has been prepared in accordance with International Financial Reporting Standards (IFRS).

ALTERNATIVE PERFORMANCE MEASURES

In addition to the key ratios defined in the IFRS standards, Bittium may use some alternative performance measures in financial reporting.

IAS 1 Presentation of Financial Statements standard does not specify the concept of operating profit. Bittium has defined the operating profit as follows: The operating profit is the net of turnover added with other operating income, subtracted with the raw materials and external services, adjusted with the change in stocks and work performed by the undertaking for its own purpose, subtracted with the personnel expenses, depreciation and possible reductions in value as well as other business expenses. All other items are presented below the operating profit. The share of profits in associated companies, currency changes and changes in derivative instruments are included in the operating profit if they arise from the business; otherwise, they are presented in the financial income and expenses.

The definitions of the other common alternative performance measures are listed below.

EBITDA = Operating profit + depreciations

Net gearing % =
$$\frac{\text{Interest-bearing liabilities - cash and deposits and short-term investments} \times 100}{\text{Total equity}}$$

Equity per share =
$$\frac{\text{Equity attributable to equity holders of the parent}}{\text{Share issue adjusted number of the shares at the end of the period}}$$

SEGMENT-INFORMATION (MEUR)

Bittium Corporation does not have segments that require reporting according to IFRS 8 standard.

NET SALES OF GEOGRAPHICAL AREAS (MEUR)	1-12/2021	1-12/2020
	12 months	12 months
Net sales		
Europe	57.0	64.5
Americas	29.3	13.5
Asia	0.5	0.4
Net sales total	86.9	78.4

RELATED PARTY TRANSACTIONS	1-12/2021	1-12/2020
	12 months	12 months
Employee benefits for key management and stock options expenses total, continuing operations	1.4	1.5

The Management of Bittium Corporation has a Share-Based Incentive Scheme. The Performance Share Plan (PSP) consists of three annually commencing three-year performance share plans, PSP 2020-2022, PSP 2021-2023 and PSP 2022-2024, each with a one-year performance period, which is followed by the payment of the share reward and a two-year transfer restriction period. The commencement of each plan, is, however, subject to a separate Board decision. The performance measures based on which the potential share reward under PSP 2020-2022 will be paid are the revenue growth and cash flow before financial items of Bittium. A precondition for the payment of the share reward is, in addition, that the employment relationship of the participant with Bittium continues at the time the reward is paid. The potential reward will be paid in shares of Bittium.

SHARE-BASED REMUNARATION OF THE MANAGEMENT

Form of the reward	Shares
Grant date	10.2.2021
Total amount of the shares at the most	111 900
Share price at the grant date, EUR	6.87
Total expenses of the reward at the most, EUR million	0.8
Execution	In shares

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME BY QUARTER (MEUR) Continuing operations	10-12/2021	7-9/2021	4-6/2021	1-3/2021	10-12/2020
	3 months	3 months	3 months	3 months	3 months
NET SALES	30.1	17.1	22.6	17.0	21.8
Other operating income	0.8	0.5	0.7	0.6	0.3
Work performed by the undertaking for its own purpose and capitalized	0.1	0.1	0.1	0.2	0.1
Raw materials	-9.1	-4.1	-6.4	-3.7	-6.0
Personnel expenses	-10.5	-8.1	-10.3	-10.1	-9.0
Depreciation	-2.9	-2.6	-2.5	-2.5	-3.0

Other operating expenses	-4.7	-2.7	-3.5	-3.0	-4.0
Share of profits in associated companies	-0.1	-0.0	0.0	-0.0	-0.0
OPERATING PROFIT (LOSS)	3.7	0.2	0.7	-1.5	0.3
Financial income and expenses	-0.2	-0.2	-0.2	-0.1	-0.1
PROFIT BEFORE TAX	3.5	0.1	0.5	-1.6	0.2
Income tax	0.8	0.0	-0.0	0.0	0.5
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS	4.3	0.1	0.5	-1.6	0.7
Discontinued operations					
Profit for the period from discontinued operations					
PROFIT FOR THE PERIOD	4.3	0.1	0.5	-1.6	0.7
Other comprehensive income	0.0	0.1	-0.0	0.1	-0.1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	4.3	0.2	0.5	-1.4	0.6
Profit for the period attributable to:					
Equity holders of the parent	4.3	0.1	0.5	-1.6	0.7
Total comprehensive income for the period attributable to:					
Equity holders of the parent	4.3	0.2	0.5	-1.4	0.6

CONSOLIDATED STATEMENT OF CASH FLOWS BY QUARTER	10-12/2021	7-9/2021	4-6/2021	1-3/2021	10-12/2020
	3 months	3 months	3 months	3 months	3 months
Net cash from operating activities	4.2	2.9	2.6	-1.4	5.1
Net cash from investing activities	-1.6	-1.6	-2.3	-2.9	-4.1
Net cash from financing activities	-0.3	-0.3	-1.5	-0.3	-0.4
Net change in cash and cash equivalents	2.2	1.0	-1.1	-4.6	0.6

FINANCIAL PERFORMANCE RELATED RATIOS	1-12/2021	1-12/2020
	12 months	12 months
STATEMENT OF COMPREHENSIVE INCOME (MEUR)		
Net sales	86.9	78.4
Operating profit (loss)	3.2	2.1
Operating profit (loss). % of net sales	3.7	2.7
Profit before taxes	2.5	1.6
Profit before taxes. % of net sales	2.9	2.1
Profit for the period from continuing operations	3.3	2.2

PROFITABILITY AND OTHER KEY FIGURES		
Interest-bearing net liabilities. (MEUR)	0.2	-2.1
Net gearing. -%	0.2	-1.9
Equity ratio. %	72.4	73.1
Gross investments. (MEUR)	9.6	17.4
Average personnel during the period. continuing operations	664	673
Personnel at the period end. continuing operations	653	684

AMOUNT OF SHARE ISSUE ADJUSTMENT (1.000 pcs)	Dec. 31. 2021	Dec. 31. 2020
At the end of period	35 702	35 693
Average for the period	35 700	35 693
Average for the period diluted with stock options	35 700	35 693

STOCK-RELATED FINANCIAL RATIOS (EUR)	1-12/2021 12 months	1-12/2020 12 months
Earnings per share from continuing operations. EUR		
Basic earnings per share	0.093	0.061
Diluted earnings per share	0.093	0.061
Earnings per share from discontinued operations. EUR		
Basic earnings per share		
Diluted earnings per share		
Earnings per share from continuing and discontinued operations. EUR		
Basic earnings per share	0.093	0.061
Diluted earnings per share	0.093	0.061
Equity *) per share	3.27	3.20
*) Equity attributable to equity holders of the parent		

MARKET VALUES OF SHARES (EUR)	1-12/2021 12 months	1-12/2020 12 months
Highest	7.89	7.67
Lowest	4.93	3.40
Average	6.18	5.74

At the end of period	5.30	5.79
Market value of the stock. (MEUR)	189.2	206.7
Trading value of shares. (MEUR)	83.2	117.9
Number of shares traded. (1.000 pcs)	13 464	20 557
Related to average number of shares %	37.7	57.6

SECURITIES AND CONTINGENT LIABILITIES (MEUR)	Dec. 31. 2021	Dec. 31. 2020
AGAINST OWN LIABILITIES		
Floating charges		
Mortgages are pledged for liabilities totaled		
Guarantees	3.0	0.1
Rental liabilities		
Falling due in the next year	0.0	0.1
Falling due after one year		
Other contractual liabilities		
Falling due in the next year	1.4	2.3
Falling due after one year	1.4	1.2
Material purchase commitments	18.2	11.5

NOMINAL VALUE OF CURRENCY DERIVATIVES (MEUR)	Dec. 31. 2021	Dec. 31. 2020
Foreign exchange forward contracts		
Market value	0.0	0.0
Nominal value	5.0	0.6