



SOLIDIDIUM

A N N U A L R E P O R T

2024



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FINANCIAL STATEMENTS

Solidium's financial was 18 months. The financial period changes to a calendar year to clarify communications and administration.

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REVIEW BY THE CEO

The downturn in the Finnish stock market has a direct impact on Solidium's returns.

REIMA RYTSÖLÄ

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SOLIDIUM AND RESPONSIBLE OWNERSHIP

The corporate responsibility program supports Solidium's objective to increase the value of its holdings.

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The GRI Index is available on Solidium's website www.solidium.fi/en/corporate-responsibility



Courage and risk-taking are needed to drive growth

REIMA RYTSÖLÄ | CEO

Our annual report this year covers an exceptional period of 18 months, as we adjusted our financial year to align with the calendar year to clarify Solidium's governance and communication. This period has been marked by the underperformance of the Helsinki Stock Exchange compared to international peers. Helsinki has lagged even behind the Euro Stoxx index, which has not been a strong performer in recent times. The weak performance of the domestic stock market directly impacts Solidium's returns.

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We are closely monitoring unlisted technology companies, many of which are growing rapidly. One of the fastest-growing sectors is the space economy.





” In a challenging operating environment, ensuring profitability is, of course, important but long-term success also requires investing in future growth.

The Finnish economy has been waiting for growth to take off for a long time. Many sectors have faced disappointment as economic recovery has been repeatedly delayed. Our global companies are growing more slowly than their international peers. The European Central Bank should finally acknowledge the structural weaknesses of the eurozone and lower interest rates more decisively. The risk of a resurgence in inflation is relatively low, but overly high interest rates are stifling our economy.

More discussion is needed on the reasons behind the poor performance of the Helsinki Stock Exchange and Finland's slow growth. In today's ever-changing geopolitical environment, it might seem easier to stand still and avoid risks but caution alone does not lead to success. In a challenging operating environment, ensuring profitability is, of course, important, but long-term success also requires investing in future growth. Solidium engages in active dialogue with its portfolio companies and supports them as an owner in driving growth.

Growth companies set the direction

New growth companies are setting an example for more established companies. We are closely monitoring unlisted technology companies, many of which are growing rapidly. One of the fastest-growing sectors is the space economy. During this financial year,

Solidium became a new investor in ICEYE, a satellite company operating in this field. We increased the size of our investment in ICEYE before Christmas, making it the first investment aligned with our new strategy. While we remain committed to nationally significant companies that benefit from a domestic anchor owner, we are also looking to include companies like ICEYE in our portfolio companies with the potential to become nationally significant in the coming years.

A significant milestone was the sale of Solidium's shares in Kemira in February 2024, marking an end for over a century of state ownership. We had been gradually reducing our stake, as Kemira has a strong Finnish anchor owner, Oras Invest, even without Solidium. Another notable divestment during the financial year was the sale of Mandatum shares. Mandatum was separated from Sampo, and Solidium was no longer needed to strengthen the domestic ownership of a single wealth management company.

Investments in growth

To build growth, Finnish owners need a new attitude toward dividends, as dividends are not always the best way to utilize a company's resources. It may often be wiser to invest in growth and development. Swedish companies have better understood the dynamics of capital markets and are more inclined to invest in

growth. Finnish owners and boards should take an example from their Swedish counterparts.

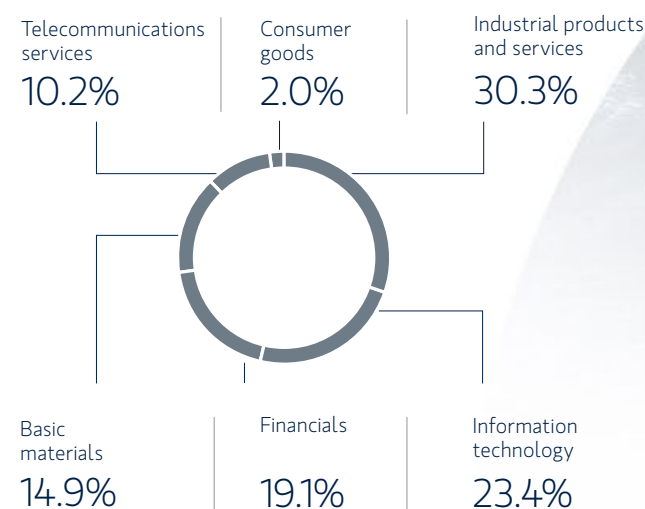
One initiative aimed at growth is the partnership Solidium announced in April 2024 with Future Board, a network of board professionals under 40. Through this partnership, our goal is to support ownership culture, diversify the boards of our companies, and bring young talent into businesses. We have actively highlighted the importance of the culture of ownership on various platforms, including media, lectures at the University of Helsinki, and different discussion forums. During the financial year, we also continued to develop our sustainability efforts and established ownership expectations regarding biodiversity matters.

This is my final annual report as Solidium's CEO, as I will take on new challenges in 2025. I want to thank all stakeholders and staff for their cooperation. Solidium's mission continues. In a rapidly changing world, it remains in Finland's national interest to maintain domestic ownership in nationally significant companies. This ensures the stability and predictability of our society. Our operations provide significant income to society and reduce the need for taxation. In line with our new strategy, we aim to identify new companies of national significance for Finland and, as owners, support their value creation and responsibility.



Breakdown by sector

31.12.2024



Key figures

in the financial year 2023–2024

-0.4%

Return of equity holdings

312 EUR million

Proposal for the profit distribution from the financial year

352 EUR million

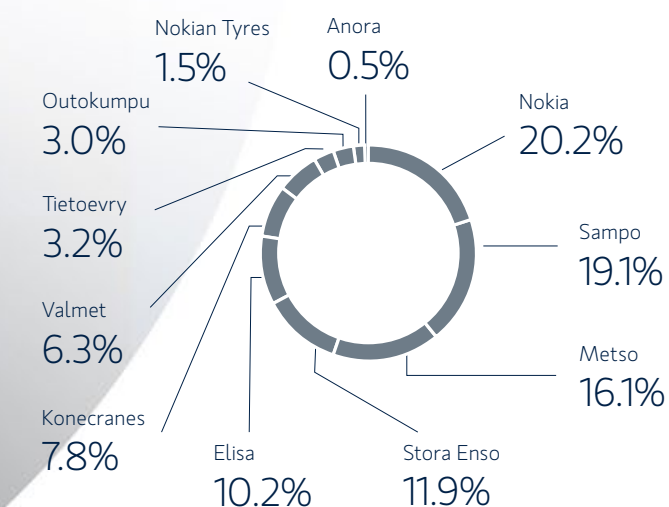
Received profit distribution before taxes

6,801 EUR million

Net asset value

Breakdown of equity holdings

31.12.2024





ANORA

Ownership

19.4 %

- The latest one and a half years have been full of challenges for Anora, which is visible also in the company's shareholder return.
- Anora announced in September 2023 that it has sold its Larsen cognac business. The divestment enables Anora to strengthen its focus on its key hero brands in line with Anora's strategy and reduced significantly Anora's indebtedness.
- Anora's sales of 8-percent wines has started well in Finland.
- Anora's science-based emission reduction targets received approval from SBTi. These include short-term targets for 2030 as well as long-term targets to achieve net-zero emissions across the entire value chain by 2050.



► More information on website



Ownership

10.0 %

- After having a long and successful career as CEO since 2003, Veli-Matti Mattila retired, and handed over the leadership to Topi Manner.
- Elisa's mobile service revenue has continued its steady, strong growth, which contributed to the increase of the dividend for the tenth consecutive year.
- Elisa acquired sedApta, in which it had previously been a minority shareholder. The acquisition strengthens the company's position in international digital services and represents a significant addition to the division in terms of scale.



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ICEYE

Ownership

0 %

- ICEYE raised €148 million in new funding during 2024 to support the company's growth. As part of this, Solidium invested €55 million in ICEYE's convertible bond.
- The company signed new contracts to both existing and new clients, the most significant being a delivery to the United Arab Emirates.
- ICEYE has continued the successful launch of satellites into orbit and is well-positioned to proceed with satellite deliveries, both to enhance its own constellation and for customer deployments.



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KONECRANES

Ownership

11.1 %

- Konecranes' financial development has been excellent, and the company has reached the lower end of its profitability target (EBITA margin 12-15%).
- The company has made several service-related bolt-on acquisitions to boost growth. This is one of the most important value creation tools.
- The company established a network of partners to build a full range of port cranes, including STS cranes, in the United States. The network meets the domestic manufacturing criteria including "Build America Buy America".



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Metso

Ownership

14.9 %

- Metso raised its profitability target after achieving the previous one. The new target level is an adjusted EBITA margin of over 17 percent across the cycle (previously 15 percent).
- Sami Takaluoma was appointed as Metso's new CEO as Pekka Vauramo retired.
- Metso completed the discontinuation of its waste-to-energy business and settled legal proceedings related to old projects. As a result, the company had to record a one-time expense of €255 million.



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NOKIA

Ownership

5.8 %

- Nokia announced the acquisition of U.S.-based Infinera for an enterprise value of 2.3 billion USD to expand its optical networks business, particularly in North America and data centers.
- Nokia Technologies had a strong year, renewing licensing agreements with the last remaining major mobile phone manufacturers.
- The company's mobile networks business lost AT&T as a customer, posing challenges for the scale of Mobile Networks segment.
- Nokia's strong free cash flow has enabled significant capital returns to shareholders through both dividends and share buybacks.



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nokian TYRES

Ownership

10.1 %

- The company's investment in a new passenger car tire manufacturing plant in Oradea, Romania, has progressed as planned and on schedule. The plant is the world's first fully carbon-neutral tire factory, and commercial production will begin at the start of 2025.
- The SBTi (Science Based Targets initiative) has approved the company's new emission reduction targets, which include short-term goals for 2030 and long-term goals to achieve net-zero emissions across the entire value chain by 2050. The company achieved its previous key emission targets seven years ahead of schedule in 2023.
- Paolo Pompei will start as CEO at the beginning of 2025, as Jukka Moisio retires from the company.



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outokumpu

Ownership

15.5 %

- Kati ter Horst assumed the role of Outokumpu's new CEO as Heikki Malinen transitioned to new responsibilities.
- The year 2024 has been one of the weakest in Outokumpu's history, influenced by low demand, market prices, and strikes in spring.
- After evaluating alternatives for building its own hot rolling mill, Outokumpu decided to extend its agreement for outsourcing hot rolling services in the Americas until 2051.
- Outokumpu committed to investing a total of €70 million in biocoke production to reduce emissions from its ferrochrome production. A biocoke briquetting plant will be built in Tornio, Finland, and a biocarbon plant in Germany.



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SAMPO GROUP

Ownership

6.2 %

- Sampo set new and clear financial targets for 2024–2026 regarding the group’s profitability, earnings growth, and capital generation.
- Sampo made an exchange offer for all outstanding Topdanmark shares that it did not own from before. The exchange offer was completed successfully in September 2024. Topdanmark will be integrated into If’s Nordic business organization.
- Sampo’s short-term climate targets received SBTi approval in November 2024. The targets are based on climate science and covers both the group’s own operations and investment activities.



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Ownership

10.7 %
Solidium Oy’s holding of all of Stora Enso Oyj’s shares is 10.7% and of all votes 27.3%

- Hans Sohlström started as CEO in September 2023, while Niclas Rosenlew started as CFO in January 2025. The new CEO has launched several value creation programmes, which have progressed across all divisions.
- In August 2024, the company reported an environmental incident involving forestry machinery crossings of a river with endangered freshwater pearl mussels. The company has taken several measures to improve the environmental sustainability of its wood procurement.
- In October 2024, the company announced plans to sell 12% of its forest assets in Sweden. The sale would reduce debt, strengthen the balance sheet, and enhance the economic value of the company’s forest holdings.



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Ownership

10.8 %

- The acquisition of MentorMate in the summer of 2023 supports Tietoevry Create’s strategic goal of becoming a globally leading player, strengthening the customer base in North America, and enhancing capabilities in consulting, data, cloud, and AI services.
- In January 2024, one of Tietoevry’s data center facilities experienced a criminal ransomware attack. Except for a few customers, all services were restored by mid-March.
- The strategic evaluations initiated in 2022 have not yet resulted in structural changes: the sales process of Tech Services is still ongoing, and Banking is being developed inside group, maintaining possibilities for potential strategic value-creation opportunities in the future.



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Ownership

10.1 %

- The company strengthened its technology and service portfolio by acquiring Körber’s tissue business at the end of 2023. Additionally, the acquisition of Siemens AG’s process gas chromatography business in the spring of 2024 expands company’s automation offering.
- Thomas Hinnerskov started as the new CEO in August 2024, bringing extensive international experience, particularly in service-driven businesses.
- In September 2024, the company secured an order worth over EUR 1 billion for a pulp mill to be built by Arauco in Brazil. The order includes comprehensive automation and flow control solutions, further strengthening the company’s position in the South American market.



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Financial year 2023–2024

Solidium's financial year was changed to align with the calendar year. The financial period was 18 months long, starting on July 1, 2023, and ending on December 31, 2024. The purpose of this change was to clarify Solidium's communication and other governance. During the financial year, Solidium invested in the satellite company ICEYE and divested its holdings in Mandatum and Kemira.

Investment in ICEYE

In the spring 2024, Solidium invested in the satellite company ICEYE. Solidium acted as the lead investor in a financing round for ICEYE, a Finnish SAR satellite imaging company, signed on April 15, 2024. Solidium's contribution amounted to half of the over 80 million euros financing round, approximately 40 million euros. The round, structured as a convertible bond, included new investors as well as previous owners participating on similar commercial terms as Solidium. At the end of 2024, Solidium made an additional 15 million euros investment in ICEYE, also structured as a convertible bond.

Share sales during the financial year

During the financial year, Solidium sold shares of Mandatum Oyj for 131 million euros and Kemira Oyj for 124 million euros, fully divesting its ownership in both companies.

Board elections

In line with the updated strategy adopted in the spring of 2023, Solidium's long-term goal remains to have a board seat in each of its portfolio companies. During the 2023–2024 financial year, Solidium held board seats in eleven of its portfolio companies. New appointments included CEO Reima Rytsölä to Stora Enso's board, Investment Director Annareetta Lumme-Timonen to Valmet's board, and Legal Counsel Ulla Palmunen to ICEYE's board. CEO Reima Rytsölä also continued as a board member at Metso and Nokian Tyres, Investment Director Annareetta Lumme-Timonen at Anora, and Investment Director Petter Söderström at Tietoevry and Outokumpu. Additionally, Pauli Anttila remained on Konecranes' board, while Solidium board members Timo Ahopelto continued as board member in Nokia and Jannica Fagerholm continued as board member in Sampo.

In the spring 2024 Annual General Meetings, a total of 13 new board members were elected to Solidium's portfolio companies, as 12 board members in total resigned.

Annual General Meeting and profit distribution

Solidium's Annual General Meeting was held in Helsinki on December 18, 2023. The Annual General Meeting adopted the company's

financial statements for the financial year of 1 July 2022–30 June 2023 and discharged the members of the Board of Directors and the CEO from liability. The Annual General Meeting also approved the Board's proposal to distribute 342 416 911 euros in dividends to the owner.

It was confirmed that the Board of Directors shall have seven members. Jouko Karvinen was elected as chair of the Board of Directors, and Timo Ahopelto as vice chair until the end of the next Annual General Meeting. Jannica Fagerholm, Suvi Haimi, Jukka Ohtola, and Laura Raitio were elected as members and Tuomas Hyyryläinen was elected as a new board member.

On December 13, 2024, Solidium's sole shareholder, the State of Finland, decided to distribute a dividend of 238,000,000 euros, corresponding to the total dividends Solidium received from its portfolio companies between July 1, 2023, and June 30, 2024.

For the recently concluded financial year, the dividend proposed by the board amounts to 90 million euros, corresponding to the total dividends received between July 1, 2024, and December 2024. Additionally, Solidium will return capital from the proceeds of the Mandatum and Kemira share sales, totaling 222,000,000 euros.



Cash flows

In the financial year 2023–2024

DISPOSALS	255	EUR MILLION
DIVIDENDS RECEIVED	352	EUR MILLION
OTHER INTEREST AND FINANCIAL INCOME RECEIVED	20	EUR MILLION

ACQUISITION OF SHARES	0	EUR MILLION
INVESTMENTS IN CONVERTIBLE BOND (ICEYE)	-55	EUR MILLION
PROFIT DISTRIBUTION TO THE STATE DURING THE FINANCIAL YEAR	-580	EUR MILLION
DEBT REPAYMENT (NET)	0	EUR MILLION
TAX PAYMENTS	-88	EUR MILLION
EXPENSES INCLUDING FINANCIAL ITEMS	-8	EUR MILLION

TO SOLIDIUM	+627	EUR MILLION
FROM SOLIDIUM	-732	EUR MILLION
CHANGE IN CASH ASSETS	-104	EUR MILLION



Solidium and responsible ownership

Good management of corporate responsibility is one of the prerequisites of long-term value creation.

Solidium's operations as a responsible owner are based on its long-term corporate responsibility programme. The objective of the programme is to support Solidium's mission to grow the financial value of the holdings over the long term and to strengthen Solidium's operating model of responsible ownership.

Our long-term corporate responsibility programme for 2022–2026 has four priorities: matters essential in terms of value creation in the portfolio companies; portfolio companies outperforming their peers in terms of corporate responsibility; ensuring the owner's due diligence; and Solidium's own responsibility as an organisation and employer. This annual review describes our corporate responsibility activities and their results during the financial period 1.7.2023–31.12.2024.*

Corporate responsibility occurrences in the investment portfolio

During the review period, Solidium actively monitored the development of corporate responsibility in its portfolio companies. Our established dialogue with portfolio company management covered topical matters and themes of our ESG analysis model.

During the review period, the portfolio companies experienced corporate responsibility occurrences, some of which also surfaced on Solidium's ownership agenda and required actions from the owner.

In August 2024, an environmental damage was observed at Stora Enso's harvest site in Kainuu. Forest machines had repeatedly surpassed Hukkajoki, where there is a population of highly endangered freshwater pearl mussel. The case was serious and unfortunate, and it has caused significant reputational damage for Stora Enso. Solidium has followed the matter, received clarifications and had several discussions with the company. Solidium follows the development and continues the discussions with Stora Enso in accordance with the practices related to ownership work.

In October 2024 the Swedish media reported on Stora Enso's payment practices. According to the media Stora Enso had postponed payments to its suppliers. Solidium received a clarification from the company and discussed the matter with company management. Solidium expects responsible and ethically sustainable practices from its portfolio companies. This applies also to procurement and payment practices.

In the Finnish media, it was assessed in October 2024 whether Metso has through its customers connections to Russia. Solidium stated upon request its view as Metso's owner. Metso's ability to assess business partners is appropriate, including sustainability aspects. Metso publicly condemned Russia's military actions in Ukraine and withdrew from its business operations in Russia quickly after the outbreak of the war of aggression.

As before, any urgent corporate responsibility issues that the owner needs to be involved in will be addressed immediately going forward as well. Solidium engages in regular dialogue with the companies on matters related to the owner within the framework of the corporate governance code for listed companies.

The responsible ownership program supports long-term value creation and strengthens practices of responsible ownership.

* The corporate responsibility programme 2022–2026 and its background were presented in Solidium's Annual Report 2022



Solidium regularly
conducts sustainability
analyses of its portfolio
companies.

The implementation of ESG analysis model continued

Solidium regularly conducts sustainability analyses of its portfolio companies. The analysis model focuses on the ESG perspectives essential for Solidium's role as an owner and on the capital market perspectives. The analysis model is modular and its parts – modules – are updated in turn. The model is presented in more detail in Solidium's annual report 2023. The results of the updated modules were discussed in Solidium's board meetings in October 2024 and October 2023. Highlights of the results are presented on page 13.

Solidium set its expectation as an owner regarding biodiversity

Solidium's board decided in June 2024 to complement Solidium's expectations as an owner with regards to biodiversity. Solidium expects that its portfolio companies identify dependencies on nature, sets biodiversity targets that are advanced compared to peers, and reports on biodiversity in accordance with the corporate sustainability reporting directive (CSRD).

The process included background work to map the biodiversity targets of Solidium's own owner and investor peer companies.

Active stakeholder engagement continued

Stakeholder engagement is a key form of corporate responsibility work and an important foundation. Solidium engaged in dialogue focusing on responsibility matters with external and internal stakeholders on more than 110 occasions in total (note, during the 18 month financial year). In addition, meetings and discussions on corporate responsibility topics, related to the analysis work, were held with each portfolio company in accordance with Solidium's annual schedule.

External stakeholders

The number of external stakeholder meetings during the financial year exceeded 70. Solidium's role in the discussions varied: in some, we were the presenter, an active participant and an influencer, while in others, we assumed the role of a listener and a learner.

The roles of a presenter and an active participant reflected Solidium's established position as a developer of responsible ownership in Finland. Solidium's representative was a guest speaker in events organized by the Financial Supervisory Authority, University of Helsinki, Boardman, Aalto EE, Mercuri Urval, to name a few.

In the role of listener and learner, the biodiversity theme and the CSRD reporting framework were still emphasized. During the financial year, we participated in nearly 30 different events on these and other current sustainability topics.

Solidium continued the dialogue with the State owner by participating in the activity of the sustainability network organized by the Ownership Steering Department of the Prime Minister's Office. We continued influencing responsible investing in Finland as a member of the FINSIF forum. Solidium was also a member of the FiBS network and the Directors' Institute of Finland.

Internal stakeholders

We continued to apply established and appropriate operating methods in our work with the internal stakeholders. We organised a large number of internal planning and discussion sessions concerning corporate responsibility during the financial year, a total of approximately 40. Part of this was related to the management, development, and coordination of our own sustainability efforts, while another part of our contribution focused specifically on the development of biodiversity work. Solidium's Green Office team also continued its planning and coordination work.

Developing Solidium's own CSRD reporting readiness was a significant project during the financial year, involving 20 internal meetings and planning sessions with an advisor, including a few workshops with the investment staff. Additionally, the investment staff participated in a separate CSRD-related training at the beginning of the financial year.

Corporate responsibility matters were on Solidium board's agenda during the review period four times, covering the annual corporate responsibility review, the ESG analysis model's modules implemented during the financial year, the CSRD reporting readiness development project, and Solidium's biodiversity expectations as an owner. Corporate responsibility matters were also discussed in Solidium's board, during portfolio company reviews, including value creation plans. Furthermore, current corporate responsibility topics in the media were also discussed..

Solidium implemented its own environmental programme

Solidium works to reduce the carbon footprint of its own operations and to use natural resources responsibly. We implemented the WWF Green Office environmental programme in 2022. The main themes selected for the programme were communication and commitment,

procurement and transport. Solidium's internal Green Office team coordinates the work.

We continued transparent and open reporting of corporate responsibility

The annual review of responsible ownership is part of Solidium's Annual Report. A report was submitted to the state owner on corporate responsibility work.

Our reporting was carried out with reference to the GRI 2021 Standards. The corporate responsibility reporting continued in accordance with the state owner's guidelines.

During the financial year, a project was carried out to assess and develop Solidium's readiness for CSRD reporting. CSRD reporting is not mandatory for Solidium. We aim to gradually enhance our reporting readiness step by step towards the year 2026 when the financial sector ESRS standards are expected to be published. The project will simultaneously enhance our understanding of the new reporting requirements that our portfolio companies face.

Targets for the financial year 2025

We will continue Solidium's work as a responsible owner in accordance with our established operating method and in line with the long-term corporate responsibility programme. The focus area of the 2025 financial year is the development of Solidium's corporate responsibility reporting from the perspective of new reporting frameworks. We will also continue to monitor corporate responsibility in our portfolio companies and implement the next modules of the ESG analysis model. Solidium's ESG expectations for its portfolio companies will be updated.



The results of the ESG analysis model modules*

Module: ESG value creation opportunities

- Solidium aims to increase the value of its holdings over the long term. Therefore, it is meaningful to explore the opportunities that addressing sustainability needs can provide to its portfolio companies. This is assessed in the ESG value creation analysis module.
- The analysis is based on information presented by the companies on their websites and in their annual reports. The level of detail provided by the companies varies significantly.
- The amount of ESG value creation opportunities depends on the company's industry: in some industries, they occur more naturally than in others. Solidium's portfolio companies have value creation opportunities particularly related to environmental matters.
- For some companies the ESG business opportunities, in turn, arise from adapting operations to changing and necessary needs, such as the electrification of equipment or reducing increasing emission costs.
- ESG value creation can also involve maintaining a competitive position. Companies may achieve pricing or margin advantages by addressing sustainability needs.
- Based on publicly available information, companies are also developing entirely new business opportunities but commercialization and scaling takes time.
- Only a few companies currently measure the development of their ESG business in any way. The companies have, in Solidium's view, a good opportunity to sharpen the ESG value creation profile.

Module: ESG fund flows

- Solidium monitors how ESG fund flows are directed towards its portfolio companies. The analysis uses the EU SFDR classification system to categorize ESG funds. This, in turn, indicates how investors perceive the company's ESG performance.
- Solidium's portfolio companies have, on average, a larger share of their stocks held by Article 8 and 9 funds compared to peers. This is partly explained by the fact that some of the peers are listed outside the EU.
- The ESG funds' ownership stakes have been on the rise: The Solidium portfolio average is 8.8% and peer portfolio 7.8%.

Module: Climate

- The largest CO₂ emitters in Solidium's portfolio are companies in the process industry (Stora Enso and Outokumpu).
- The absolute Scope 1+2 emissions of all Solidium's portfolio companies decreased in 2023 compared to 2022.
- Solidium's portfolio emissions have decreased significantly from 2017 to 2023, partly due to the reduction of emissions in our portfolio companies and partly due to share transactions. Solidium's portfolio emissions were in total 408 996 CO₂t calendar year 2023
- In the peer comparison, Solidium's portfolio companies perform well. We normalize CO₂ intensity in comparison to peers in order to provide a directional comparison across industries.
- The climate ambition of the portfolio companies remains strong and is generally at a higher level compared to peers. Nearly all

companies have SBT targets. Some companies have set net-zero targets through the SBTi. The portfolio companies perform excellently in CDP rankings.

- Climate is linked to the remuneration of nearly all Solidium portfolio companies' CEOs, in STI and/or LTI programs. The weightings range from 10–20%. CO₂ emissions reduction is the most used criterion.

Module: Biodiversity

- Biodiversity is a key theme for more than half of Solidium's portfolio companies; these companies are also advanced in their work related to the theme.
- The presence and significance of the biodiversity theme vary greatly depending on the industry.
- The lack of a standardized framework has slowed the setting of biodiversity-related targets for the portfolio companies. The companies are monitoring the development of various frameworks (e.g. TNFD and SBTN). Some companies have started developing their own indicators.

Module: Tax reporting transparency and tax responsibility

- The tax reporting transparency of Solidium's portfolio companies has continued to improve; almost all companies report their taxes either on a country or regional basis.
- According to the companies, aggressive tax planning is not in use.

Module: ESG risks

- The occurrence of ESG risk themes has remained similar to previous years, despite changes in the portfolio composition.
- The investment teams assessed supply chain management as a significant corporate responsibility risk in nearly all portfolio companies. Many companies have a large number of suppliers, and supply chains are long, extending to risk countries where responsible business practices are not as well established. On a general level, the development of risks has remained stable, and their management is largely at a good level.

Module: ESG management and governance

- The portfolio companies' approach to corporate responsibility has traditionally focused on risk management, but nowadays they place increasing emphasis on value creation opportunities arising from sustainability needs, particularly in the areas of climate and the environment. Additionally, the companies' corporate responsibility work has shifted mainly from an operational focus to a more strategic approach.
- The CSRD is currently occupying a lot of the portfolio companies' attention, which is also reflected in increased resource needs in many companies. Preparing for CSRD reporting can also shift focus away from other matters.

* Solidium's ESG analysis model is presented in Solidium's Annual report 2023

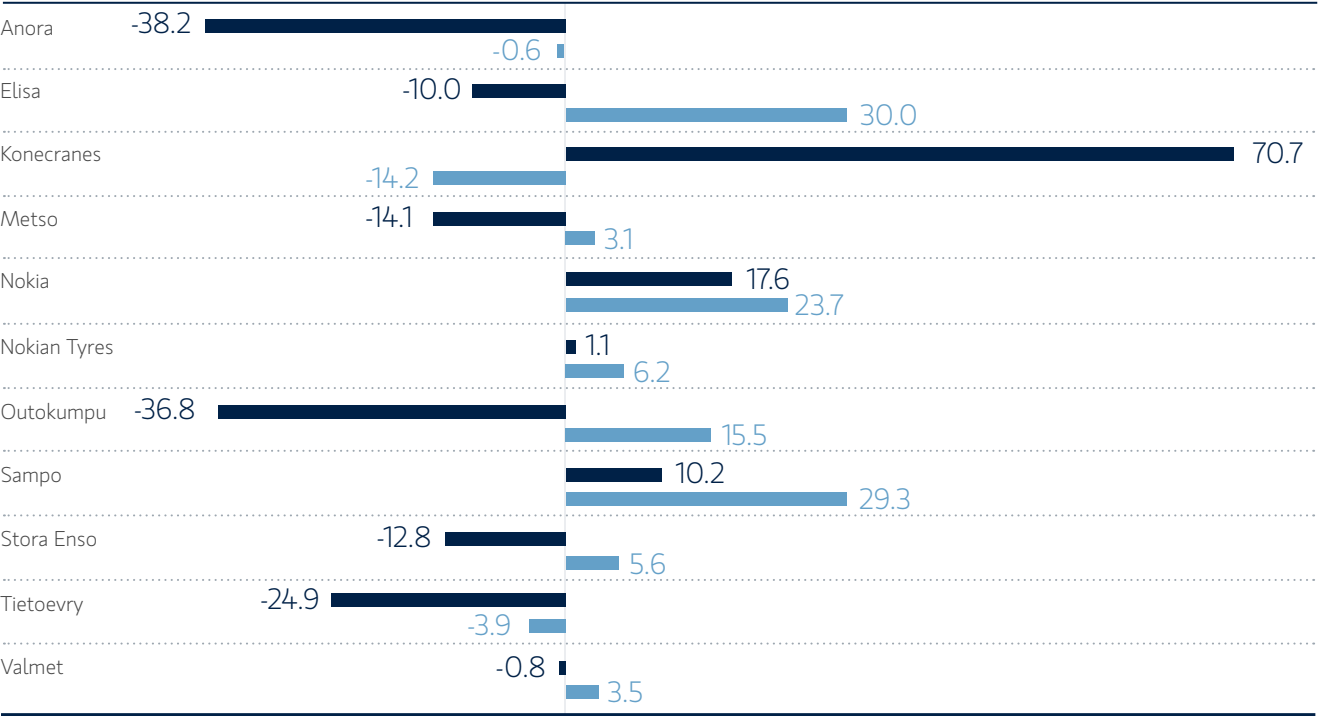


Solidium's holdings

-0.4%

The return on Solidium's equity investments was -0.4 per cent during the financial year. The best returns during the financial year were generated by Konecranes and Nokia, whereas Anora had challenges i.a. in its wine business and weakened market conditions had a particularly negative effect on Outokumpu. During the financial year, the return of Solidium's benchmark index* was 13.7%.

Return of Solidium's equity holdings, % ■ Peer companies' returns, %** 18 months



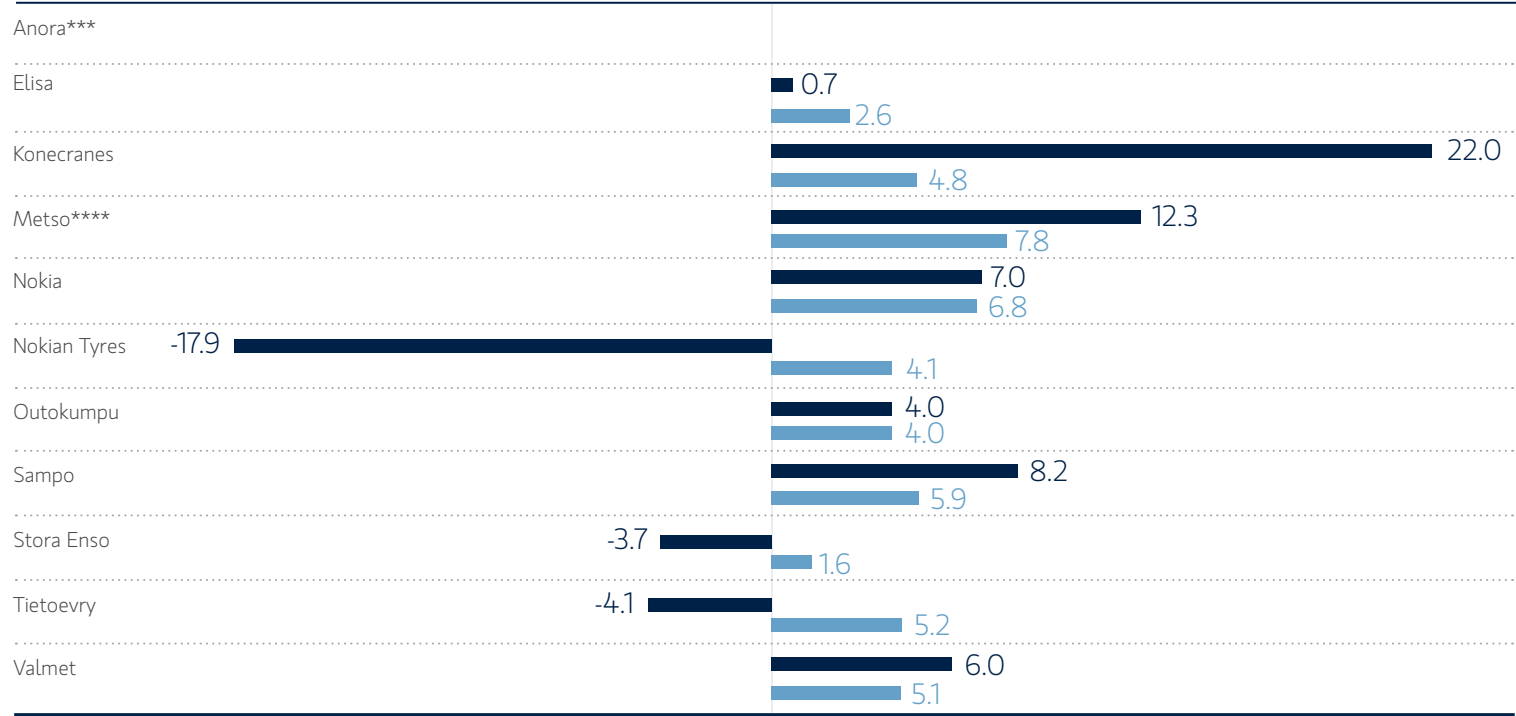
* The returns of the benchmark index are calculated based on the daily average returns of the peer companies of the holding company, using the holding company's share of Solidium's equity holdings as the weight for each peer group.

** The returns are measured in local currencies for the most liquid share series of each company. Dividends are included in the returns, but they have not been reinvested (making the returns more comparable to Solidium's own performance). Solidium's returns from these companies may differ due to exchange rates, transactions, or taxes. The return of the peer companies is calculated as the median of the peer companies' returns.

4.6%

The annualised return on Solidium's equity holdings during the period of five years was 4.6 per cent. The best returns were generated by Konecranes and Metso. The return of the Solidium's benchmark index* was 6.3% over the same period.

Return of Solidium's equity holdings, % ■ Peer companies' returns, %** 5 years (annualised return)



* The Anora shares were transferred to Solidium in the autumn of 2021.

** Metso Minerals merged with Outotec on 1 July 2020. The figure shows their combined return.



Solidium’s holdings

Change in the value of holdings
in the financial year, EUR million

Company	Market value 30.6.2023	Transactions	Dividend	Change in value	Market value 31.12.2024	Share of equity holdings
Anora	64	-124	4	-23	37	0.5%
Elisa	822		38	-82	702	10.2%
Kemira	114		2	13	0	0.0%
Konecranes	324		12	226	538	7.8%
Metso	1,364		63	-192	1,109	16.1%
Nokia	1,247		62	204	1,389	20.2%
Nokian Tyres	112		11	2	103	1.5%
Outokumpu	347		18	-123	206	3.0%
Sampo	1,368		60	2	1,311	19.1%
Stora Enso	955		17	-120	818	11.9%
Tietoevry	325		28	-78	219	3.2%
Valmet	475		37	-3	435	6.3%
Total	7,517	-124	352	-174	6,867	100%

Transactions by financial year

Important events *

■ Disposals and capital repayments in shares EUR million
■ Acquisitions and share transfers EUR million

07/2023–12/2024

- Divestment of Mandatum shares (EUR 131 million)
- Divestment of Kemira shares (EUR 124 million)
- Investments in Iceye convertible bond (EUR 55 million)

-255 55

2022/2023

- Divestment of Kemira shares (EUR 129 million)
- Additional investments in Konecranes (EUR 29 million)
- Additional investments in Nokia (EUR 105 million)
- Additional investments in Nokian Tyres (EUR 10 million)

-129 144

2021/2022

- Capital repayment to the State of Finland: SSAB A (EUR 120 million), SSAB B (EUR 151 million)
- Divestment of Outokumpu shares (EUR 86 million)
- Divestment of Sampo shares (EUR 498 million)
- Anora shares transferred from the State of Finland (EUR 145 million)
- Additional investments in Nokian Tyres (EUR 29 million)
- Additional investments in Valmet (EUR 52 million)
- Additional investments in Konecranes (EUR 34 million)

-855 260

2020/2021

- Participation in the share issue of Outokumpu (EUR 10 million)
- Divestment of SSAB B shares (EUR 277 million)
- Purchase of Tietoevry shares from Apax Partners (EUR 26 million)
- Divestment of Outokumpu's shares (EUR 24 million)
- Divestment of Neles' shares to Valmet (EUR 190 million)
- Additional investments in Nokian Tyres (EUR 76 million)
- Additional investments in Nokia (EUR 115 million)

-490 227

2019/2020

- Divestment of Sampo's shares (EUR 458 million)
- Divestment of the Nordea shares that were distributed by Sampo (EUR 36 million)
- Divestment of Kemira's shares (EUR 84 million)
- Additional investments in Nokia (EUR 207 million)
- Additional investments in Nokian Tyres (EUR 55 million)
- Additional investments in Konecranes (EUR 25 million)
- Additional investments in Tietoevry (EUR 123 million)

-578 410

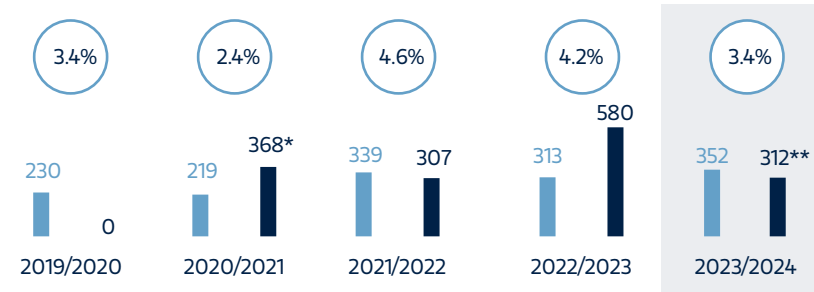
* More specific information is available on Solidium's website.



Solidium's holdings

Profit distribution received and paid by financial year, EUR million

The profit distribution proposed by the Board of Directors for the past financial year is EUR 312 million. The dividend yield from Solidium's holdings was 3.4 per cent.



■ Profit distribution to Solidium during the financial year
■ Profit distribution to the State for the financial year
○ Dividend yield***

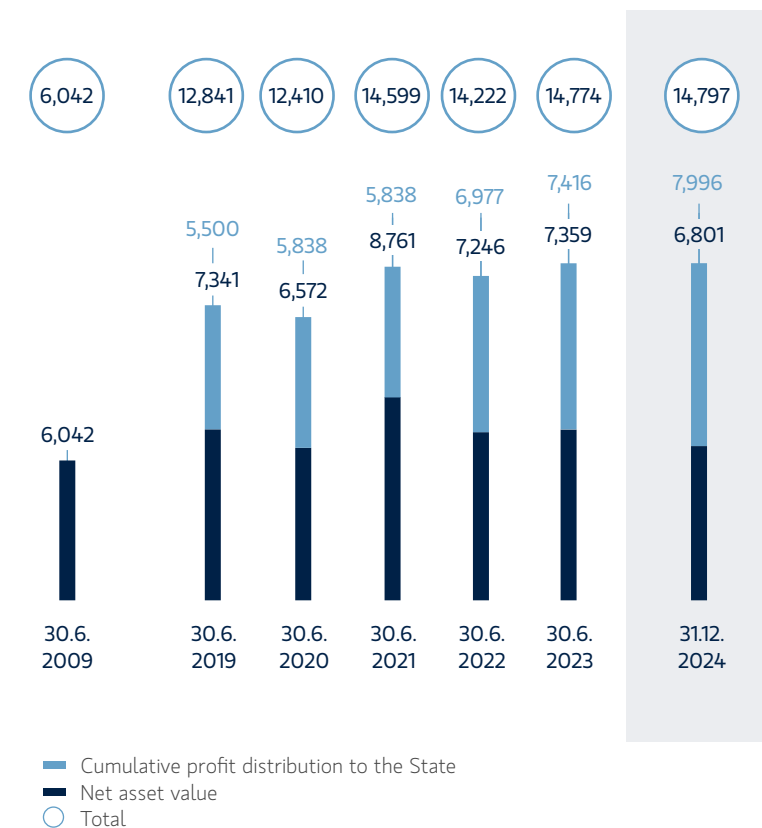
* Funds have also been transferred as capital repayment to the State owner.

** Proposal by the Board of Directors.

*** The dividend yield for the entire portfolio has been calculated by dividing the profit distribution received for each financial year by the total value of the equity holdings on the closing date of the corresponding financial year. For the financial year 2023/2024 (18 months), the dividend yield is annualized.

Net asset value development, EUR million

The net asset value decreased from EUR 7,359 million to EUR 6,801 million during the financial year due to the dividend payments of EUR 580 million. The cumulative distribution of profits to the State between the beginning of Solidium's operations and the end of the latest financial year is EUR 7,996 million. The net asset value adjusted for profit distribution increased 145 per cent in 2009–2024, or an average of 5.9 per cent per year.



■ Cumulative profit distribution to the State
■ Net asset value
○ Total



Board of Directors

Jouko Karvinen

Chair of the Board
born 1957, M.Sc. (Tech.)

Board member of Solidium since
2021, Chair of the Board since
October 2022

2007– 2014 Stora Enso Oyj, CEO
2002– 2006 Royal Philips,
Medical-division, CEO
–2002 ABB Asea Brown Bover,
Various leadership positions from
1980

Previous Board positions: Finnair,
IMD Business School (Lausanne,
Switzerland), SKF, Nokia, Valmet and
Advisor in Komatsu Corporation



Jannica Fagerholm

born 1961, M.Sc. (Econ.)

Board Member of
Solidium since 2019

2010– Signe and
Ane Gyllenberg Foundation, CEO
1999–2010 SEB Gyllenberg
Private Bank, CEO
1998–1999
Handelsbanken Liv Finland,
Country Manager
1990–1998 Sampo Group,
Investment Management Unit

Positions of trust:
2023– Mandatum Plc, Vice Chair
2016– Kesko Corporation,
Board Member
2013– Sampo Plc, Board Member,
Vice Chair 2019–
2001– Swedish Society of Literature
in Finland, finansrådet

Timo Ahopelto

Vice Chair
born 1975, M.Sc. (Tech.)

Board Member of Solidium since
2017, Vice Chair since 2023

2009– Lifeline Ventures, Founding Partner
2006–2009 Blyk, VP Business Development
2000–2006 CRF Health, Founding CEO, VP Commercial Operations
1999–2000 McKinsey & Company, Consultant

Positions of trust:
2023– Nokia, Board Member
2021– Finnish Startup
Community, Chair of the Board

2019– Foundation for Private Entrepreneurs,
Board Member
2014– Finnish Business and Policy Forum EVA
and Research Institute for Finnish Economy
ETLA, Board Member



Jukka Ohtola

born 1967, M.Sc. (Econ.),
CEFA

Board Member of
Solidium since 2021

2024– Prime Minister’s
Office, Senior Ministerial
Adviser, Financial Affairs
2007–2024 Prime Minister’s
Office, Ministerial Adviser
1997–2007
Ministry of Trade and
Industry, Senior Auditor

Positions of trust:
2021– Finnish Minerals
Group, Board Member
Previous Board positions
for over 20 years



Tuomas Hyyryläinen

born 1977, M.Sc. (Econ.)

Board Member of Solidium since 2023

2023– Pihlajalinna Oyj, CEO
2018–2023 Fiskars Group, EVP,
Business Area Crea, Chief Growth Officer
2012–2018 Neste Corporation, SVP,
Emerging Businesses, SVP, Strategy
and New Ventures, SVP, Strategy
2010–2012 F-Secure Corporation, VP,
Strategy and Mergers & Acquisitions
2004–2010 Nokia Corporation, Leader
positions in strategy and business development

Positions of trust:
2024– The Finnish Association of
Private Care Providers, Board Member

Laura Raitio

born 1962, Lic.Sc. (Tech.)

Board Member of
Solidium since 2019

2014–2017 Diacor Medical Services Oy, CEO
1990–2014 Various leadership positions at Ahlstrom Oyj,
most recently Executive Vice President of Building and Energy
business area from 2009 to 2014 and a member of
Corporate Executive team

Positions of trust:
2023– BMR sr, Board Member
2022– Unieke, Board Member
2021– Alko Ltd, Board Member,
Chair of the Board 2022–

2018– Helsinki Deaconess
Institute, Chair of the Board
2017– Raute Corporation,
Board Member, Chair of
the Board 2019–

Suvi Haimi

born 1981,
Adjunct professor,
PhD in Medical Biomaterials

Board Member of Solidium
since 2022

2024– Kuurai Ltd, Founder and CEO
2016–2024 Sulapac Ltd,
CEO and Co-founder

Positions of trust:
2024– Sulapac Ltd,
Chair of the Board
2021– Kiilto Family Oy,
Board member

2021– Finnish Startup Community,
Board member
2020– Linio Biotech Ltd,
Advisor



Personnel



Reima Rytsölä

born 1969, CEO, M.Soc.Sc. (Econ.), CEFA, AMP

Day-to-day administration of the company and managing the operations in compliance with the instructions determined by the Board, board elections in the portfolio companies. Board member at Metso, Nokian Tyres, Stora Enso.

Pauli Anttila

born 1984, Investment Director, M.Sc. (Econ.)

Responsible for the holdings in Elisa, Konecranes and Nokian Tyres (until the end of the financial period), nomination board work, board member at Konecranes.

Annareetta Lumme-Timonen

born 1967, Investment Director, M.Sc. (Tech.), D.Sc. (Tech.)

Responsible for the holdings in Anora, Metso, Stora Enso and Valmet, nomination board work, corporate responsibility, board member at Anora and Valmet.

Timo Mäkinen

born 1991, Investment Manager, M.Sc. (Tech.)

Responsible for the holdings in Elisa and ICEYE, new investments in growth companies, analyses in the investment teams

Aino Pitkänen

born 1998, Associate, M.Sc. (Econ.)

Analyses in the investment teams

Joonas Hytti

born 1992, Investment Manager, M.Sc. (Econ.), CEFA

Responsible for the holding in Konecranes, analyses in the investment teams, portfolio performance monitoring



Petter Söderström

born 1976, Investment Director,
M.Sc. (Econ.)

Responsible for the holdings in Nokia,
Outokumpu, Sampo and Tietoevry,
nomination board work, treasury, board
member at Outokumpu and Tietoevry

Ulla Palmunen

born 1974, General Counsel,
LL.M.

Legal affairs and compliance,
secretary to the Board of Directors,
risk management, HR, finance, ICT,
communications, board member
at ICEYE



Toni Nurmi

born 1993, Investment
Manager, M.Sc. (Econ.), CEFA

Responsible for the holding in
Nokian Tyres, new investments
in growth companies, analyses
in the investment teams



Natalie Nevaste

born 1986, Specialist, Communications,
Master of Hospitality Management

Communications, office
management tasks and
coordination



Mari Ovaskainen

born 1978, Specialist, HR and IT, BBA

Human Resources, IT Procurement and Vendor Management

Victor Jansson

born 1994, Associate, M.Sc. (Econ.)

Analyses in the investment teams, corporate responsibility



Inka Virtanen

born 1985, Executive Assistant and Specialist, Finance, BBA

Assistant to Chair of the Board, financial administration, events

Jaana Lahti

born 1985, Executive Assistant and Specialist, HR, BBA

Assistant to CEO, Human Resources



Report by the Board of Directors for the financial year of 1 July 2023–31 December 2024

Solidium Oy owns and manages shares in companies operating in Finland and exercises shareholder rights in them based on its ownership. Solidium is wholly owned by the State of Finland.

The Cabinet Committee on Economic Policy confirmed Solidium Oy's new mandate in autumn 2023. In accordance with the mandate, Solidium is a Finnish anchor owner, with a national interest in its operations. The company has both the right and the obligation to develop its holdings, and investment decisions and divestments should be economically justifiable. Funds from divestment of shares are primarily used to new investments or to strengthen the existing holdings. In addition, Solidium should be prepared, if so decided, to ensure proper capital management of its portfolio companies and to participate in the companies' share issues or other financing rounds pro rata.

Solidium's core task is to strengthen and stabilize Finnish ownership in companies of national interest and increase the value of the holdings in the long term. Solidium applies methods available for a minority owner to support and challenge the portfolio companies to develop and outperform their peers. The goal is for Solidium to have a representative in the board of directors of every portfolio company in the long term.

A central aspect of Solidium's corporate governance model is to actively influence the board composition of the portfolio companies. Therefore, Solidium participated actively in the work of nomination boards preparing board elections during the financial year. The aim is to form a board composition which best serves the needs of the company and the goal of shareholder value creation. During the financial year, representatives of Solidium participated in the

preparation of proposals concerning the election and remuneration of board members of 11 companies in the nomination board: as the chair of the shareholders' nomination boards of Elisa Corporation, Konecranes Plc, Mandatum Plc, Metso Corporation, Nokian Tyres Oyj, Outokumpu Oyj and Tietoevry Oyj and as a member of the shareholders' nomination boards of Anora Group Plc, Kemira Oyj, Stora Enso Oyj and Valmet Corporation. During the financial year, a total of 13 new members were elected to the boards of directors of Solidium's portfolio companies, seven of the new members were women.

Solidium Oy's financial year changes to a calendar year. Due to this change, the recently ended financial year was 18 months long (1 July 2023 – 31 December 2024). Since the previous financial year was 12 months long (1 July 2022 – 30 June 2023), the comparative data is not directly comparable. The reason for the change in financial year is to clarify Solidium's communication and other governance.

Return development

At the close of the financial year, the market value of the equity investments was EUR 6,867 million and the value of money market investments was EUR 437 million. Return on investment was 0.3 per cent in total over the period. Solidium's return on equity investments was -0.4 per cent. Return on money market investments was 6.9 per cent. Return on ICEYE convertible debt was 4.0 per cent. The company's net asset value decreased from EUR 7,359 million to EUR 6,801 million.

At the close of the financial year on 31 December 2024 Solidium held shares in eleven listed companies: Anora Group Plc, Elisa Corporation, Konecranes Plc, Metso Corporation, Nokia Corporation, Nokian Tyres Oyj, Outokumpu Oyj, Sampo Plc, Stora Enso Oyj, Tietoevry Oyj, and Valmet Corporation. Additionally, Solidium has made a convertible bond investment in ICEYE Oy. During the financial year, Solidium received EUR 352 million before taxes in profits distributed by its portfolio companies (1 July 2022 – 30 June 2023 EUR 313 million).

Events during the financial year

During the financial year, Solidium sold shares of Mandatum Oyj for 131 million euros and Kemira Oyj for 124 million euros, fully divesting its ownership in both companies.

During the financial year, Solidium invested a total of 55 million euros in the Finnish SAR satellite imaging company ICEYE. On April 15, 2024, Solidium acted as the lead investor in a funding round, contributing approximately 40 million euros, which accounted for half of the over 80 million euros total funding. Additionally, on December 13, 2024, Solidium made a follow-up investment of 15 million euros, under the same terms as the spring funding round. The investments were made in the form of convertible bonds, with new investors and previous owners of the company participating alongside Solidium on the similar commercial terms.

At the end of the financial year, CEO Reima Rytsölä submitted his resignation notice to transition to another employer by June 1, 2025,

at the latest. Rytsölä has served as the company's CEO since August 2022.

Financial performance

The management cost ratio, which indicates the cost efficiency of operations, was 0.12 per cent due to 18 months long financial period. The annualized comparable management cost ratio was 0.08 per cent (0.06 per cent). The amount of personnel expenses was EUR 4.4 million (EUR 3.0 million). Other operating expenses totalled EUR 3.7 million (EUR 1.6 million). The company's operating profit was EUR -8.2 million (EUR -4.6 million). Financial income, which totalled EUR 375.4 million (EUR 551.8 million), mainly consisted of dividend income, EUR 352.4 million before taxes. The company's financial expenses totalled EUR -1.3 million (EUR -8.2 million). Taxes for the financial year amounted to EUR -27.5 million (EUR -68.2 million) and profit totalled EUR 338.4 million (EUR 470.8 million).

Solvency and liquidity

The largest item in Solidium's non-current assets is the equity portfolio with a book value of EUR 6,867 million (EUR 7,517 million). Solidium did not invest in new shares (EUR 144 million on previous financial period). During the financial year, Solidium invested EUR 55 million in ICEYE convertible bond. Proceeds from selling shares totalled EUR 255 million (EUR 129 million). At the end of the financial year, Solidium's liquid assets totalled EUR 368 million (EUR



473 million), while total assets were EUR 7,293 million (EUR 7,991 million).
The period-end equity ratio was 93 per cent (92 per cent) and liquidity was excellent, thanks to the liquid assets of EUR 368 million and credit limit of EUR 300 million.

Annual Meetings and Board of Directors

Solidium’s Annual General Meeting was held in Helsinki on 18 December 2023. The Annual General Meeting adopted the company’s financial statements for the financial year 1 July 2022–30 June 2023 and discharged the members of the Board of Directors and the CEO from liability. In accordance with the Board’s proposal, the Annual General Meeting decided on a profit distribution of EUR 342,416,911 million to the owner. For a term ending at the end of the next Annual General Meeting, Jouko Karvinen was elected as the Chair. The following persons were re-elected to the Board of Directors: Timo Ahopelto (Vice Chair), Jannica Fagerholm, Suvi Haimi, Jukka Ohtola, and Laura Raitio as Board members. Tuomas Hyryläinen was elected as a new board member. The Annual General Meeting confirmed the existing remuneration of the Board of Directors: Chair of the Board of Directors shall receive a remuneration of EUR 5,500 per month, the Vice Chair EUR 3,000 per month, and each member EUR 2,500 per month. In addition, a meeting remuneration of EUR 600 was confirmed for each meeting. KPMG Oy Ab, authorised public accountant firm, with APA Marcus Tötterman as the principal auditor, was re-appointed as Solidium’s auditor to serve for a term ending at the end of the next Annual General Meeting.

All Board members are independent of the company and the shareholder, with the exception of Jukka Ohtola, who is not

independent of the shareholder. The Board members do not hold company shares, and the company has not adopted any stock option or share reward schemes. The monthly remuneration and meeting fees paid to the members of Solidium’s Board of Directors totalled EUR 448,111 (EUR 301,524). Solidium’s Board convened 18 times (11 times) during the financial year, and the attendance rate of its members was 99 per cent (98 per cent).

Solidium’s Board of Directors has a written charter. The charter complements the Board’s duties as set out in the Limited Liability Companies Act and in the Articles of Association by, among other things, specifying that Solidium’s Board decides on the company’s business strategy within the limits of the authority granted by the owner, decides on share acquisitions and disposals, and confirms the principles of risk management. The charter contains procedural guidelines for meeting preparations, documentation and regularly handled matters. The Personnel Committee prepares matters concerning remuneration and the personnel. The Personnel Committee convened five times during the financial year, and the attendance rate of its members was 100.

The State of Finland, being the sole shareholder of Solidium Oy, resolved on December 13, 2024, to distribute a dividend to the shareholder in an amount corresponding to the dividends received by Solidium during the period 1 July 2023 – 30 June 2024, totalling EUR 238,000,000.

Personnel

The CEO of Solidium is Reima Rytsölä. The CEO does not own any company shares or options. The CEO’s remuneration consists of a fixed monthly salary and a performance bonus of a maximum of 30

per cent of the fixed salary, determined annually. The CEO’s pension benefits and retirement age are determined in accordance with the Employees Pension Act. The CEO’s term of notice is six months.
The average number of Solidium’s permanent employees was 13 in the financial year and 14 at the end of the period. In addition to the acting CEO, Solidium’s Management Team comprised of General Counsel Ulla Palmunen, Investment Directors Pauli Anttila, Annareetta Lumme-Timonen and Petter Söderström at the end of the financial year. The members of the management team can serve in the boards of directors of Solidium’s portfolio companies after getting a discrete permission for incidental occupation. Portfolio companies pay compensation for their respective boards of directors according to their own policies.
At the end of the financial year, CEO Reima Rytsölä submitted his resignation notice to transition to another employer by June 1, 2025, at the latest. Rytsölä has served as the company’s CEO since August 2022.

Assessment of key risks and sources of uncertainty

The key strategic risks and financial risks related to Solidium’s operations are generated by market forces, which cause fluctuations in volumes and market values and may therefore significantly influence changes in the values of the company’s investments and profits, the availability of financing and the achievement of long-term business objectives. Strategic and financial risks may also arise, for example, from the choice of a wrong strategy, from deficient management and monitoring, or from slow reaction to changes taking place in the market situation and the operating environment.
The most significant risks affecting the company’s operations consist of equity, interest rate, currency and liquidity risks related to

investment operations. These market-related risks may have a significant impact on the company’s profit and the values of the shares owned by the company as a result of changes in market prices (interest rates, exchange rates, share prices, credit risk margins) or changes in price fluctuations. The company does not hedge its equity investments with derivatives or other instruments without a separate authorisation from the Board of Directors.
The key operational risks are related to deficiencies or errors in the functioning of internal processes and systems, the actions of individuals or events external to the company, which may cause direct or indirect losses to the company.

Internal supervision and risk management

The principles of the company’s internal supervision and risk management are further detailed on the company’s web site.

Proposal for the distribution of profit

The distributable non-restricted equity recognized in the financial statements totals EUR 4,660,009,302 including the profit of EUR 338,396,318 for the financial year. The Board of Directors proposes that a dividend of EUR 90,000,000 and extra capital repayment of EUR 222,000,000 be paid.



Solidium Oy’s key figures

	1.7.2023–31.12.2024	1.7.2022–30.6.2023	1.7.2021–30.6.2022
Operating profit, EUR million	-8.2	-4.6	-4.0
Pre-tax profit, EUR million	365.9	539.0	333.7
Profit for the period, EUR million	338.4	470.8	302.9
Return on investment at fair value, %	0.3	8.3	-8.5
Management cost ratio of operations, %	0.12*	0.06	0.05
Net asset value, EUR million	6,800.7	7,358.6	7,245.6
Interest-bearing liabilities, EUR million	0.0	0.0	0.0
Equity ratio, %	93	92	93
Distribution of profit	312.0**	580.4	307.0
Average number of employees	13	13	13

* The management cost ratio for the financial year was 0.12% due to the 18-month financial period, while the annualized comparable administrative expense ratio was 0.08%.

** Board proposal

Calculation of key figures

Management cost ratio of operations	=	$\frac{\text{Personnel expenses + depreciations and impairments + other operating expenses}}{\text{Net asset value (average of opening and closing balance)}}$
Net asset value	=	$\frac{\text{Shareholders' equity}}{\text{Publicly listed equities and investment funds have been valued at their last trading price, taking into account deferred tax.}}$
Equity ratio	=	$\frac{\text{Shareholders' equity}}{\text{Balance sheet total – prepayments received}}$

Income statement

€	Note	1.7.2023–31.12.2024	1.7.2022–30.6.2023
Other operating income		0	649
Personnel expenses	1		
Wages and salaries		-3,760,197	-2,568,849
Social security expenses			
Pension costs		-601,666	-409,812
Other personnel expenses		-87,384	-69,820
Total social security expenses		-689,050	-479,632
Total personnel expenses		-4,449,247	-3,048,481
Depreciation and impairment			
Depreciation according to plan		-39,294	-43,054
Other operating expenses	2	-3,695,768	-1,555,201
OPERATING PROFIT (LOSS)		-8,184,308	-4,646,086
Financial income and expenses	3		
Income from other non-current asset investments			
From others		354,777,864	313,025,529
Other interest and financial income			
From others		20,632,574	238,753,560
Reduction in value of investments held as current assets		0	1,899,622
Interest and other financial expenses			
To others		-1,303,662	-10,064,527
Total financial income and expenses		374,106,776	543,614,184
PROFIT (LOSS) BEFORE TAX		365,922,468	538,968,098
Income tax		-27,526,151	-68,158,606
PROFIT (LOSS) FOR THE PERIOD		338,396,318	470,809,492



Balance sheet

€	Note	31.12.2024	30.6.2023
ASSETS			
NON-CURRENT ASSETS			
Tangible assets	4		
Machinery and equipment		117,881	129,161
Other tangible assets		17,420	17,420
Total tangible assets		135,302	146,581
Investments	5		
Other shares and equity		6,866,976,089	7,517,351,255
Other receivables		56,994,521	0
Total investments		6,923,970,609	7,517,351,255
TOTAL NON-CURRENT ASSETS		6,924,105,911	7,517,497,836
CURRENT ASSETS			
Receivables	6		
Other receivables		22,077	65,069
Prepayments and accrued income		870,211	502,115
Total receivables		892,288	567,184
Financial investments			
Other investments		309,206,940	305,000,000
Total financial investments		309,206,940	305,000,000
Cash and cash equivalents		59,186,110	167,756,305
TOTAL CURRENT ASSETS		369,285,338	473,323,489
TOTAL ASSETS		7,293,391,249	7,990,821,325

€	Note	31.12.2024	30.6.2023
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
	5,7		
Share capital		331,500,000	331,500,000
Fair value reserve		1,809,177,529	2,260,403,811
Reserve for invested non-restricted equity		2,310,894,958	2,310,894,958
Retained profit (loss)		2,010,718,027	1,985,033,843
Profit (loss) for the period		338,396,318	470,809,492
TOTAL SHAREHOLDERS' EQUITY		6,800,686,831	7,358,642,104
LIABILITIES			
Non-current liabilities	8		
Deferred tax liabilities		452,294,382	565,100,953
Total non-current liabilities		452,294,382	565,100,953
Current liabilities	9		
Trade payables		236,084	126,829
Other liabilities		77,706	72,940
Accrued liabilities		40,096,246	66,878,499
Total current liabilities		40,410,036	67,078,268
TOTAL LIABILITIES		492,704,418	632,179,221
TOTAL EQUITY AND LIABILITIES		7,293,391,249	7,990,821,325



Cash flow statement

€	1.7.2023–31.12.2024	1.7.2022–30.6.2023
Cash flow from operating activities		
Operating profit	-8,184,308	-4,646,086
Adjustments to operating profit*	39,294	43,054
Dividends and capital repayments received	352,360,101	313,025,529
Other financial items	19,551,540	98,354,149
Tax paid	-87,859,486	-18,358,732
	275,907,141	388,417,914
	,	,
Change in working capital		
Current receivables (increase -, decrease +)	-59,861	-5,207
Non-interest-bearing current liabilities (increase +, decrease -)	-222,426	503,785
	-282,287	498,578
Cash flow from operating activities	275,624,854	388,916,492
Cash flow from investing activities		
Investments in tangible and intangible assets	-28,015	-21,661
Investments in shares	0	-143,842,030
Gains on sale of shares	255,456,816	129,211,200
Loans given	-55,000,000	-350,000,000
Repayments of loan receivables	0	350,000,000
Cash flow from investing activities	200,428,802	-14,652,490

€	1.7.2023–31.12.2024	1.7.2022–30.6.2023
Cash flow from financing activities		
Increase in short-term loans	0	220,000,000
Repayment of short-term loans	0	-220,000,000
Profit distribution paid	-580,416,911	-307,000,000
Cash flow from financing activities	-580,416,911	-307,000,000
Cash flow for the period	-104,363,256	67,264,002
Liquid funds at the start of the financial period	472,756,305	405,492,303
Liquid funds at the end of the financial period	368,393,050	472,756,305
Change in liquid funds	-104,363,256	67,264,002

Liquid funds in the cash flow statement include receivables from banks, bank deposits with a maturity of less than 3 months, short-term commercial papers and certificates of deposit, and units in mutual funds that invest in corresponding financial instruments.

* Adjustments to operating profit		
Depreciation	39,294	43,054



Notes to the financial statements

The financial statements of Solidium Oy have been prepared in compliance with the Finnish Accounting Act, Accounting Ordinance and Companies Act.

Solidium Oy is domiciled in Helsinki. Copies of Solidium Oy’s financial statements are available at the company’s office at Unioninkatu 32 B, 00100 Helsinki.

SUMMARY OF NOTABLE ACCOUNTING POLICIES

Measurement and recognition principles

Financial income

Dividend income from investments within non-current assets is recorded on a cash basis. Interest income from financial investments and cash and cash equivalents is recorded as interest and other financial income. Interest and other financial income is recorded as income and as receivable within accrued income.

Non-current investments

Solidium applies section 5.2a of the Accounting Act regarding recognition of financial instruments, according to which equity investments are valued at fair value on the balance sheet. Fair value is considered as quotes in liquid markets in which prices can be retrieved easily and regularly. Equity investments are by nature long-term. Due to changes in market prices, changes in fair value are recorded in the fair value reserve in shareholders’ equity. Changes in the fair value reserve are recorded in the deferred tax liability under “Non-current liabilities”. Gains and losses on the sale of shares are recognized directly in retained earnings.

Classification and valuation of financial instruments

Debt securities, units in mutual funds, and other financial instruments are for valuation purposes classified as “Financial investments”. Debt securities are at the starting point recorded in line with the original cost and valued in the financial statement with the deferred expiry date nominal value. Units in mutual funds and other financial

instruments are recoded in the balance sheet at the original cost or at the market value during the previous financial year end. Impairments from financial investments are recorded in the income statement as “Reduction in value of investments held as current assets”.

Settlement date

The sale and purchase agreement of financial instruments are recorded according to the trading date.

Valuation of intangible and tangible assets

Fixed assets are recorded in the balance sheet at the original price less depreciation according to plan

- Machinery and equipment 25% declining-balance depreciation

Valuation of other debt

Other debt is at the starting point recorded in line with the original cost and after that according to the deferred cost.

Currency

All items in the financial statements have been compiled in euro. Items in other currencies have been converted to euro with the European Central Bank’s confirmed exchange rate at the financial period end date.

Pensions

The pension provisions for the company’s personnel are arranged through statutory TyEL insurance. Pensions are recognised in the income statement on an accrual basis.

Tax

The tax expense item in the income statement consists of current tax. It is calculated on the basis of the Finnish tax rate and adjusted for any taxes related to previous financial periods. A deferred tax liability or deferred tax asset is recorded as a result of changes in fair value of equity investments. Capital gain taxes on equity investments are recognized in retained earnings.

NOTES TO THE INCOME STATEMENT

€	1.7.2023–31.12.2024	1.7.2022–30.6.2023
1. PERSONNEL EXPENSES		
Wages and salaries	3,760,197	2,568,849
Pension costs	601,666	409,812
Other personnel expenses	87,384	69,820
Total	4,449,247	3,048,481

During the financial period (18 months), the CEO was paid a salary (including fringe benefits) of EUR 824,976, and the performance bonuses EUR 178,760. The persons belonging to the Management Team (excluding the CEO) were paid salaries (including fringe benefits) EUR 1,166,954 and performance bonuses EUR 284,111 during the financial period (18 months). The performance bonus provision for the financial period totalled EUR 57,538 for the Management Team. The Board of Directors received EUR 448,111 in monthly salaries and meeting fees.

Number of employees during the financial year	Average	Period end
Permanent employees	13	14
Temporary employees	1	0

2. OTHER OPERATING EXPENSES

Administration costs	2,327,917	839,149
Costs for facilities	433,417	280,264
Other	934,433	435,787
Total	3,695,768	1,555,201

Fees paid to authorised public accountants

Audit	18,609	18,166
Tax consultation	0	0
Other services	10,540	7,936
Total	29,149	26,102

3. FINANCIAL INCOME AND EXPENSES

Income from other non-current asset investments	354,777,864	313,025,529
Other interest and financial income	20,632,574	238,753,560*
Reversal of reduction in value of investments held as current assets	0	1,899,622
Reduction in value of investments held as current assets	0	0
Interest and other financial expenses	-1,303,662	-10,064,527
Total	374,106,776	543,614,184

* Includes Fortum subscription rights received from Fortum, with value of 131,769,300 euros.



NOTES TO THE BALANCE SHEET

Undepreciated expenditure residue of intangible assets as well as machinery and equipment belonging to non-current assets

€	31.12.2024	30.6.2023
4. TANGIBLE ASSETS		
Machinery and equipment		
Cost of acquisition at the start of the financial period	801,369	779,708
Purchases during the financial period	28,015	21,661
Cost of acquisition at the end of the financial period	829,383	801,369
Accumulated depreciation at the start of the financial period	672,208	629,155
Depreciation for the period	39,294	43,054
Book value at the end of the financial period	117,881	129,161
Other tangible assets		
Cost of acquisition at the start of the financial period	17,420	17,420
Cost of acquisition at the end of the financial period	17,420	17,420
Book value at the end of the financial period	17,420	17,420
Total tangible assets	135,302	146,581

5. INVESTMENTS

Share	Number of shares	Holding	Carrying amount 31.12.2024
Anora Group Oyj	13,097,481	19.4%	37,196,846
Elisa Oyj	16,802,800	10.0%	702,357,040
Konecranes Oyj	8,793,123	11.1%	538,139,128
Metso Oyj	123,477,168	14.9%	1,108,824,969
Nokia Oyj	325,000,000	5.8%	1,389,212,500
Nokian Tyres Oyj	14,031,000	10.1%	103,071,726
Outokumpu Oyj	70,793,208	15.5%	205,654,269
Sampo Oyj A	33,278,580	6.2%	1,310,510,480
Stora Enso Oyj A*	62,655,036	35.7%	606,500,748
Stora Enso Oyj R*	21,792,540	3.6%	211,779,904
Tietoevry Oyj	12,857,918	10.8%	218,841,764
Valmet Oyj	18,640,665	10.1%	434,886,714
Total			6,866,976,089

* Solidium Oy's holding of all of Stora Enso Oyj's shares is 10.7% and of all votes 27.3%

The most significant risks affecting the company's operations consist of equity, interest rate, currency and liquidity risks related to investment operations. Equity risk is to be understood as changes in fair value due to price changes

A 10 per cent decrease in the value of equity investments would affect shareholders' equity after tax by EUR -549 million (EUR -601 million as of 30 June 2023).

Other receivables		
Convertible bonds	56,994,521	0



NOTES TO THE BALANCE SHEET

€	31.12.2024	30.6.2023
6. CURRENT RECEIVABLES		
Other receivables	22,077	65,069
Prepayments and accrued income	870,211	502,115
Total	892,288	567,184
Decomposition of the relevant items in prepayments and accrued income:		
Accruals of personnel expenses	0	4,229
Interest accruals of money market investments	185,377	98,343
Interest income	580,068	358,795
Other items	104,766	40,747
7. SHAREHOLDERS' EQUITY		
Restricted shareholders' equity		
Share capital	331,500,000	331,500,000
Fair value reserve	1,809,177,529	2,260,403,811
Total restricted shareholders' equity	2,140,677,529	2,591,903,811
Changes in the fair value reserve		
Fair value reserve per 1 July	2,260,403,811	2,242,358,762
Profit + / Loss (-) valued at fair value	-394,918,349	101,276,029
Deferred tax liabilities from profit/loss valued at fair value	78,983,670	-20,255,206
Total	-315,934,679	81,020,823
Profit from previous periods transferred to shareholders equity		
Capital gains and / losses total	-169,114,504	-78,719,717
Deferred taxes on capital gains / -losses	33,822,901	15,743,943
Total	-135,291,603	-62,975,774
Fair value reserve per 30 June and 31 December	1,809,177,529	2,260,403,811

€	31.12.2024	30.6.2023
Non-restricted shareholders' equity		
Reserve for invested non-restricted equity per 1 July	2,310,894,958	2,442,664,258
Capital repayment in subscription rights and shares	0	-131,769,300
Reserve for invested non-restricted equity per 30 June and 31 December	2,310,894,958	2,310,894,958
Profit from previous periods at per 1 July	2,455,843,335	2,229,058,069
Dividend paid	-580,416,911	-307,000,000
Profit from sold securities	169,114,504	78,719,717
Taxes from sold securities	-33,822,901	-15,743,943
Profit from previous periods per 30 June and 31 December	2,010,718,027	1,985,033,843
Profit for the period	338,396,318	470,809,492
Total non-restricted shareholders' equity	4,660,009,302	4,766,738,292
Total shareholders' equity	6,800,686,831	7,358,642,104

Number of share and categories
The number of company's shares amount to 2,000. All the shares are of the same category and entitles to one vote per share. The shares do not have a face value.

8. NON-CURRENT LIABILITIES		
Non-current deferred tax liabilities *	452,294,382	565,100,953
Total	452,294,382	565,100,953

* Deferred tax liabilities EUR 452,294,382 (2023: EUR 565,100,953) consists of EUR 606,653,161 (2023: EUR 699,224,581) tax liabilities and EUR 154,358,779 (2023: EUR 134,123,628) tax receivables.

9. CURRENT LIABILITIES		
Trade payables	236,084	126,829
Other liabilities	77,706	72,940
Accrued liabilities	40,096,246	66,878,499
Total	40,410,036	67,078,268
Material items in accrued liabilities:		
Income tax accrual	39,349,051	65,902,550
Accruals of personnel expenses	634,491	970,938
Other items	112,703	5,012



OTHER NOTES

€	31.12.2024	30.6.2023
10. OTHER COMMITMENTS		
Future minimum lease expenses under lease contracts that cannot be dissolved are distributed as follows:		
Within 12 months	119,562	219,045
After 12 months but within five years	5,346	18,803
Total	124,908	237,848
Credit limit		
Amount of the credit limit	300,000,000	300,000,000
In use	0	0
Amount of the given collateral	0	0

Proposal for the distribution of profit

The distributable non-restricted shareholders’ equity recognised in the financial statements totals EUR 4,660,009,302. No material changes have taken place in the company’s financial situation since the end of the financial period and, in the view of the Board of Directors, the proposed distribution of profit will not jeopardise the company’s ability to fulfil its obligations.

The Board of Directors proposes to the General Meeting that the distributable non-restricted shareholders’ equity to be allocated as follows:

EUR 2,000 per share to be paid as dividend for 45,000shares	90,000,000
EUR 111,000 per share to be distributed from the reserve for invested non-restricted equity for 2,000 shares	222,000,000
Amount retained in non-restricted shareholders' equity	4,348,009,302

If the Board's proposal is approved, the shareholder’s equity of Solidium Oy will consist of the following:

Share capital	331,500,000
Fair value reserve	1,809,177,529
Reserve for invested non-restricted equity	2,088,894,958
Retained earnings	2,259,114,344



Signatures for the Report of the Board of Directors and the financial statements

Helsinki / 2025

Jouko Karvinen Chair	Timo Ahopelto Vice Chair
Jannica Fagerholm	Jukka Ohtola
Laura Raitio	Suvi Haimi
Tuomas Hyyryläinen	
Reima Rytsölä CEO	

Auditor’s note
An auditor’s report has been issued today on the audit performed.

Helsinki / 2025

KPMG Oy Ab

Marcus Tötterman
Authorised Public Accountant



This document is an English translation of the Finnish auditor’s report. Only the Finnish version of the report is legally binding.

Auditor’s Report

To the Annual General Meeting of Solidium Oy

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Solidium Oy (business identity code 2245475-9) for the financial period 1 July 2023–31 December 2024. The financial statements comprise the balance sheet, income statement, cash flow statement and notes.

In our opinion, the financial statements give a true and fair view of the company’s financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the company’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the company or cease operations, or there is no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors’ and the Managing Director’s use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Reporting Requirements

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual

Report, but does not include the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Other opinions

We support that the financial statements should be adopted. The proposal by the Board of Directors regarding the use of the retained earnings shown in the balance sheet is in compliance with the Limited Liability Companies Act. We support that the Members of the Board of Directors and the Managing Director should be discharged from liability for the financial period audited by us.

Helsinki, 29 January 2024
KPMG OY AB

Marcus Tötterman
Authorised Public Accountant, KHT

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