

Q3

Taaleri Plc Interim Statement

1 January–30 September 2024



Taaleri Plc Interim Statement 1.1.–30.9.2024

Taaleri's financial result was strong in the third quarter of the year

July–September 2024

- Continuing earnings decreased by 5.9% to EUR 9.7 (10.3) million. The Private Asset Management segment's continuing earnings decreased by 5.4% to EUR 6.1 (6.5) million, and the Garantia segment's continuing earnings decreased by 3.9% to EUR 3.3 (3.4) million.
- Performance fees were EUR 0.0 (0.0) million, and net income from investment operations was EUR 11.9 (2.8) million.
- Income increased by 65.0% to EUR 21.6 (13.1) million.
- Operating profit was EUR 14.7 (5.7) million, corresponding to 67.9% (43.5%) of income.
- Earnings per share were EUR 0.39 (0.16).

January–September 2024

- Continuing earnings grew by 0.3% to EUR 30.1 (30.0) million. The Private Asset Management segment's continuing earnings grew by 2.3% to EUR 18.1 (17.7) million, while the Garantia segment's continuing earnings decreased by 2.3% to EUR 10.5 (10.8) million.
- Performance fees were EUR 0.0 (1.5) million, and net income from investment operations was EUR 20.5 (17.2) million.
- Income increased by 3.9% to EUR 50.6 (48.7) million.
- Operating profit was EUR 28.6 (25.0) million, corresponding to 56.7% (51.4%) of income.
- The assets under management in the Private Asset Management segment remained at the level of the turn of the year at EUR 2.6 (31 December 2023: 2.6) billion.
- Earnings per share were EUR 0.76 (0.67).

This Interim Statement has not been prepared in accordance with IAS 34. The information presented is unaudited. Unless otherwise stated, the figures in parentheses in the Interim Statement refer to the corresponding period of the previous year. See page 21 for further information of the accounting policies of this Interim Statement.

Growth in continuing earnings, %

-5.9

(Q3 2023: 9.8)

Income, EUR million

21.6

(Q3 2023: 13.1)

Operating profit, %

67.9

(Q3 2023: 43.5)

Assets Under Management, BEUR

2.6

(31.12.2023: 2.6)

Key figures

Group key figures	7–9/2024	7–9/2023	Change, %	1–9/2024	1–9/2023	Change, %	1–12/2023
Earnings key figures							
Continuing earnings, MEUR	9.7	10.3	-5.9	30.1	30.0	0.3	39.9
Income, MEUR	21.6	13.1	65.0	50.6	48.7	3.9	66.3
Operating profit, MEUR	14.7	5.7	157.8	28.6	25.0	14.6	31.9
Operating profit, %	67.9	43.5		56.7	51.4		48.1
Profit for the period, MEUR	13.1	4.9	168.2	24.1	21.5	11.8	26.5
Return on equity, annualised %	26.3	9.6		15.4	14.1		13.0
Balance sheet key figures							
Equity ratio, %	68.7	67.7		68.7	67.7		67.8
Other key figures							
Cost/income ratio, %	33.0	58.0		44.8	50.5		52.8
FTE (full-time equivalents), at the end of the period	129	119	8.5	129	119	8.5	118
Assets under management in Private Asset Management segment, BEUR	2.6	2.6		2.6	2.6		2.6
Guaranty insurance portfolio, BEUR	1.7	1.8		1.7	1.8		1.7

Review by CEO Peter Ramsay

Taaleri Group's third-quarter result was strong due to the recognised earn-out from last year's sale of the renewable energy project development portfolio. Garantia's net income from investment operations developed positively. We continued to systematically promote our strategy in a challenging operating environment.



Taaleri Group's income amounted to EUR 21.6 million in the third quarter, increasing by 65% from the comparison period as a result of the recognition of the earn-out from the sale of the renewable energy project development portfolio in 2023. Continuing earnings decreased by 6% to EUR 9.7 million. The operating profit margin was excellent at 68%.

In the Private Asset Management segment, continuing earnings decreased by 5% to EUR 6.1 million, partly due to a non-recurring fee recorded for the renewable energy business in the comparison period. The management fees received from private equity funds increased as a result of the increase in fee-generating assets under management. Income, in turn, increased by 72% from the comparison period to EUR 14.4 million. The increase in income was due to the earn-out from the renewable energy project development portfolio recorded in the review period.

We promoted our strategy of internationalisation, which was reflected, for example, in investors from new geographical areas. The renewable energy business continued the fundraising for Taaleri SolarWind III Fund. In addition to capital raised in the third quarter, we received further commitments to the fund in October, which will bring the fund to EUR 470 million. Our goal is to raise EUR 700 million for the fund by the end of June next year. We will also continue the active development of the fund's project development portfolio. In the third quarter of the year, the fund invested in a 154-megawatt wind power project in Serbia. Preparations to exit the Taaleri Wind II and Taaleri Wind III Funds continued during the third quarter.

We continue the value creation work in the existing investments of the Taaleri Bioindustry I Fund. Over one-third of the fund's investment commitments have now been deployed, and the fund continues to actively source potential new investments. The bioindustry business has decided to discontinue preparations for the new venture capital fund and to refrain from launching it. The torrefied biomass plant in Joensuu will be completed during 2024, after which production can be launched in small batches and ramped up next year.

The real estate business continued to develop new products in the third quarter of the year. The expertise of the real estate team was strengthened. Our goal is to develop and launch new products next year. The real estate market remains soft, but simultaneously provides opportunities in real estate development.

Garantia's insurance service result fell slightly in the third quarter to EUR 3.4 million from EUR 3.6 million in the comparison period due to the sluggish development of the housing market. The combined ratio, which measures the profitability of insurance operations, remained strong at 25.8%. Garantia's net income from investment operations was EUR 3.5 million and the return on investment at fair value was 4.0% in the third quarter, mainly due to positive market developments and the transition towards the investment portfolio's target allocation.

We continued taking long-term systematic operational actions in line with our strategy. Fundraising for our new and established funds is progressing, albeit at a slower pace than the original schedule. Creating value for our customers is at the heart of our operations now and in the future, as our industry's outlook improves.

Outlook and financial targets

Taaleri's business outlook for the current financial year is described below. The outlook is based on Taaleri's understanding of business developments during the current financial year and in relation to the corresponding period.

Private Asset Management

Continuing earnings from the renewable energy business are expected to develop positively during the financial year 2024. The operating profit for 2024 will depend on, among other things, the net income from the investment operations and the revision of the estimated performance fees of the exit-phase funds Taaleri Wind II and Taaleri Wind III Funds, or their final amount, and on the timing of such exits. It is possible, that the exits will be postponed to the 2025 financial year.

According to Taaleri's updated strategy, strong international growth is sought in Taaleri's bioindustry, real estate and other businesses, which is reflected in the profitability of Other private asset management and the increase in the number of employees. Operating profit in Other private asset management is expected to be negative for 2024.

Garantia

Garantia's continuing earnings are expected to fall slightly from the level of the corresponding period, in particular due to the development of the Finnish housing market. In an interest rate environment in line with market expectations, Garantia's net income from investment operations is expected to develop positively compared to the corresponding period.

Other group

The income from the Other group in 2024 is heavily dependent on changes in the fair value of non-strategic investments, and final exits in particular. The cost level of Group operations is expected to remain at approximately the level of the corresponding period.

Long-term targets

Taaleri has set itself targets related to growth, return on invested capital and dividend payout. Taaleri's long-term targets are:

- Growth in Group's continuing earnings and performance fees at least 15 percent
- Return on equity at least 15 percent
- Dividend payout at least 50 percent of the FY profit.

Operating environment and market prospects

Economic activity and capital markets remained subdued in Europe in the third quarter of 2024. As inflation has eased, central banks have shifted their tight monetary policy toward a more neutral stance, leading to declining interest rates. In the United States, economic indicators speak in favour of a soft landing, and expectations of interest rate reductions for the rest of the year are more moderate than in Europe. Uncertainty in the stock market increased in the third quarter of the year after a strong start to the year.

The fundraising climate for private capital remained challenging in the third quarter of the year. Uncertainty related to interest rates, the exit market and the geopolitical situation curbed investor demand. However, slight optimism is on the horizon. According to Preqin, the share of investors who expect unlisted market returns to improve over the next year has increased since last spring. Risk appetite increased in infrastructure investments. The decline in interest rates supports the exit market, which in turn accelerates fundraising as investors can allocate capital distributions to new funds.

The renewable energy business is supported by the global transition to renewable energy. The war in Ukraine has accelerated this transition, but at the same time it has created uncertainty in the investment markets and affected investment portfolio asset allocations. The lower price level of electricity has reduced uncertainty related to possible electricity price regulation and increased discussion on new support mechanisms aimed at increasing investments in renewable energy in Europe. Electricity prices vary significantly across different geographical regions in Europe, and the attractiveness of investments in renewable energy projects varies from country to country.

Economic uncertainty and financial market challenges remain present in the operating environment for the bioindustry business. This has led to longer funding rounds and extended project schedules. In the prevailing operating environment, cost efficiency has become an important factor alongside sustainability in short-term decision making for businesses.

The prices of EU emission allowances (ETS) that affect the demand for bioindustry products corresponded to the average for the past year during the review period. The price level of emission allowances remains lower than the forecasts provided by market observers. The price is affected by, for example, the current demand for emission allowances in relation to the abundant supply in the market. The price level of coal in the third quarter was slightly below the year-to-date average and

corresponds to the price level before the record-high levels in 2022. The price level of the domestic pulpwood and energy wood used as raw material in bioindustry was at a record high during the third quarter.

The real estate market was characterised by moderate activity in the third quarter, and transaction volumes fell short of the previous quarter. A pick-up in the rental market for residential real estate was indicated by a moderate increase in rents and occupancy rates in the Helsinki Metropolitan Area in the third quarter of the year compared to the corresponding period last year.

The operating environment of Garantia Insurance Company Ltd's insurance operations was impacted by economic uncertainty that kept consumer confidence significantly below the long-term average and the activity in the housing markets remained low. The continuing low volume of housing transactions significantly affected the company's sales of residential mortgage guarantees. In Finland, the prolonged weak economic cycle was also reflected in a slight increase in unemployment, but the creditworthiness of the company's residential mortgage guarantee customers largely remained good, and no significant changes occurred in the risk position of the guaranty insurance portfolio. There has been a slight increase in the housing market transaction volumes, and should the positive development continue, it will have a positive effect on Garantia's residential mortgage guaranty sales.

As a result of subdued economic activity, companies' willingness to invest has remained low and the number of bankruptcy filings have continued to rise. The demand for corporate financing has remained modest but in general, the credit worthiness of corporate counterparties in Garantia's insurance exposure has mostly remained stable. Development in the investment market has been strong during the first nine months of 2024.

Financial result

Continuing earnings, income, and operating profit

Group, EUR million	7-9/2024	7-9/2023	Change, %	1-9/2024	1-9/2023	Change, %	1-12/2023
Continuing earnings	9.7	10.3	-5.9%	30.1	30.0	0.3%	39.9
Private Asset Management	6.1	6.5	-5.4%	18.1	17.7	2.3%	24.4
Garantia	3.3	3.4	-3.9%	10.5	10.8	-2.3%	13.6
Other	0.3	0.4	-33.7%	1.5	1.5	-4.5%	1.9
Income	21.6	13.1	65.0%	50.6	48.7	3.9%	66.3
Private Asset Management	14.4	8.4	72.0%	27.6	29.7	-7.2%	42.3
Garantia	6.8	4.1	64.6%	20.2	14.1	43.2%	18.3
Other	0.4	0.6	-30.8%	2.8	4.9	-42.5%	5.7
Operating profit	14.7	5.7	157.8%	28.6	25.0	14.6%	31.9
Private Asset Management	9.2	2.7	240.8%	10.0	10.9	-8.2%	14.9
Garantia	6.3	3.9	64.1%	19.5	13.2	48.2%	16.8
Other	-0.9	-0.9	1.2%	-0.9	0.9	n/a	0.1

The Group's share of the result of associated companies is taken into account in the segment income. In addition, transit items that have no effect on the result for the financial year have been eliminated from segment income. Segment information and the reconciliation statement to the IFRS income statement are presented on pages 30–31.

July–September 2024

The Group's continuing earnings decreased in the third quarter by 5.9% to EUR 9.7 (10.3) million. The continuing earnings of the Private Asset Management segment fell by 5.4% due to a non-recurring fee of EUR 0.6 million recorded for the renewable energy business in the comparison period, although management fees received from private equity funds increased as a result of the increase in the assets under management that produce the fee. The Garantia segment's continuing earnings decreased by 3.9% due to an increase in insurance service expenses. Insurance revenue remained at the level of the comparison period.

No performance fees were recognised in the third quarter. The Group's net income from investment operations was EUR 11.9 (2.8) million, of which the majority of EUR 8.3 million came from the earn-out from last year's sale of the renewable energy project development portfolio in the Private Asset Management segment. The Garantia segment's investment result was also strong. Thanks to net income from investment operations, the Group's income grew to EUR 21.6 (13.1) million.

The Group's operating expenses totalled EUR 6.9 (7.4) million, including EUR 3.6 (3.8) million of personnel costs and EUR 1.5 (1.5) million of fee and commission expenses. The Group's operating profit was EUR 14.7 (5.7) million, corresponding to 67.9% (43.5) of income.

In the Group's consolidated IFRS income statement, income grew by 64.6% to EUR 22.2 (13.5) million. In the consolidated IFRS income statement, the profit for the period was EUR 13.1 (4.9) million and comprehensive income items were EUR 2.1 (0.8) million, consisting mainly of changes in fair value, so the Group's total comprehensive income was EUR 15.2 (5.7) million.

January–September 2024

The Group's continuing earnings grew slightly to EUR 30.1 (30.0) million in January–September. The Private Asset Management segment's continuing earnings grew by 2.3%, but the Garantia segment's continuing earnings decreased by 2.3%. In the Garantia segment, the insurance service result remained at the level of the comparison period, but the net finance income and expense from insurance suffered due to the rise in discount rates, which caused the decline in continuing earnings.

No performance fees were recognised in the review period, while EUR 1.5 million in performance fees was recognised in the comparison period. The Group's net income from investment operations was EUR 20.5 (17.2) million, including EUR 9.7 (3.3) million from the Garantia segment, EUR 9.5 (10.5) million from the Private Asset Management segment and EUR 1.4 (3.6) million from the Other group. The Group's income grew by 3.9% to EUR 50.6 (48.7) million.

The Group's operating expenses totalled EUR 21.9 (23.7) million in January–September, including EUR 10.9 (12.1) million of personnel costs and EUR 4.4 (4.9) million of fee and commission expenses. The Group's operating profit was EUR 28.6 (25.0) million, corresponding to 56.7% (51.4) of income.

In the Group's consolidated IFRS income statement, income grew by 9.6% to EUR 52.0 (47.5) million. In the consolidated IFRS income statement, the profit for the period was EUR 24.1 (21.5) million and comprehensive income items were EUR 3.5 (1.6) million, consisting mainly of changes in fair value, so the Group's total comprehensive income was EUR 27.5 (23.1) million.

Balance sheet, investments, and financing

The balance sheet total of Taaleri Group at the end of the review period was EUR 301.6 (31 December 2023: 307.9) million. At the end of the review period, the Group's cash and cash equivalents totalled EUR 29.3 (31 December 2023: 38.3) million, after the parent company paid EUR 28.2 million in dividends in April. Investments were EUR 220.6 (31 December 2023: 228.4) million, corresponding to 73.1% (31 December 2023: 74.2%) of the Group's balance sheet total. Of the investments, EUR 159.3 (31 December 2023: 160.6) million consisted of Garantia's investment portfolio, EUR 37.5 (31 December 2023: 32.3) million of direct investments in the Private Asset Management segment and EUR 23.8 (31 December 2023: 35.5) million of non-strategic investments. At the end of the review period, the Group's accrued income included unrealised performance fees of EUR 14.2 (31 December 2023: 14.2) million.

In addition, Taaleri has unrecognised contractual contingent receivables from, among other things, the sale of Taaleri Forest III Fund announced on 26 June 2023 and the renewable energy development activities implemented in Texas announced on 1 December 2023. Taaleri records contingent receivables if they are likely to be realised.

The liabilities of the Group totalled EUR 94.3 (31 December 2023: 99.3) million, of which insurance contract liabilities were EUR 43.5 (31 December 2023: 45.6) million and interest-bearing liabilities were 14.9 (31 December 2023: 14.9) million. The interest-bearing liabilities consisted of Taaleri Plc's Tier 2 bond, which was redeemed after the end of the review period in October.

During the review period, Taaleri agreed on a EUR 30 million three-year revolving credit facility agreement. The agreement is intended for general corporate purposes to strengthen Taaleri's strategy. The revolving credit facility agreement includes standard covenants. The revolving credit facility remained fully undrawn at the end of the review period.

At the end of September, Taaleri Group's equity was EUR 207.3 (31 December 2023: 208.6) million. The Group's equity ratio remained strong at 68.7% (31 December 2023: 67.8%), and the Group's annualised return on equity during the January–September period stood at 15.4% (14.1%).

Business segments

Taaleri's continuing operations include two reported segments: Private Asset Management, which is divided to Renewable energy and Other private asset management, and Garantia. The group Other presents Group's non-strategic investments, Taaleri Kapitaali and Group operations not included in the business segments.

On 7 August 2024, Taaleri announced that it had changed the composition of the reported segments by transferring Aktia Bank Plc's shareholding from the Strategic Investments segment to the Other group. The previous Strategic Investments segment includes only Garantia's business, and the segment will henceforth be called Garantia. Taaleri received Aktia Bank Plc shares on 30 April 2021 as part of the sale of the wealth management operations. The information for the corresponding period has been adjusted accordingly.

The segment-specific income statements are presented on pages 30–31.

Private Asset Management

In reporting, the Private Asset Management segment is divided into Renewable energy and Other private asset management. Renewable energy includes Taaleri Energia, which develops and invests in industrial-scale wind and solar power projects and energy storage systems. It also manages investments throughout their lifecycle. The other areas within Private Asset Management include Taaleri's bioindustry, real estate and other businesses. Group investments that support the core business and the development of the businesses reported under the Private Asset Management segment are reported under the segment. Such investments include, for example, seed investments in new funds. Group investments are presented in further detail under segment information on pages 32–33.

Private Asset Management, EUR million	7–9/2024	7–9/2023	Change, %	1–9/2024	1–9/2023	Change, %	1–12/2023
Continuing earnings	6.1	6.5	-5.4%	18.1	17.7	2.3%	24.4
Performance fees	-	-0.0	n/a	-	1.5	-	1.5
Investment operations	8.3	1.9	335.2%	9.5	10.5	-9.9%	16.5
Income	14.4	8.4	72.0%	27.6	29.7	-7.2%	42.3
Personnel costs	-2.2	-2.6	-14.2%	-7.8	-8.8	-10.7%	-11.6
Other costs	-3.0	-3.1	-3.9%	-9.7	-10.0	-2.9%	-15.8
Operating profit	9.2	2.7	240.8%	10.0	10.9	-8.2%	14.9
FTE, at the end of the period	88	82	7.5%	88	82	7.5%	82

Private Asset Management segment's direct investments, EUR million	30.9.2024	31.12.2023	Change, %
Investments and receivables, fair value	37.5	32.3	16.2%
Renewable energy	20.1	19.3	4.0%
Real estate	0.0	0.2	-100.0%
Bioindustry	17.4	12.8	36.3%

Renewable energy

Renewable energy, EUR million	7–9/2024	7–9/2023	Change, %	1–9/2024	1–9/2023	Change, %	1–12/2023
Continuing earnings	5.0	5.1	-1.5%	14.4	13.0	11.0%	18.1
Performance fees	-	-	-	-	-	-	-
Investment operations	8.2	1.9	332.2%	9.6	10.5	-8.4%	17.2
Income	13.2	7.0	89.7%	24.0	23.5	2.3%	35.4
Personnel costs	-1.5	-1.9	-21.7%	-4.7	-6.1	-23.7%	-7.6
Other costs	-2.0	-2.2	-11.2%	-6.7	-6.8	-1.2%	-11.4
Operating profit	9.7	2.8	245.0%	12.7	10.6	19.4%	16.3
FTE, at the end of the period	51	48	6.1%	51	48	6.1%	48
Assets under management, EUR billion	1.7	1.6		1.7	1.6		1.6

July–September 2024

The continuing earnings of the renewable energy business decreased in the third quarter of the year by 1.5% to EUR 5.0 (5.1) million due to a non-recurring fee of EUR 0.6 million recorded for the renewable energy business in the comparison period, although management fees received from private equity funds increased as a result of the increase in the assets under management that produce the fee. No performance fees were recognised during the review period. Net income from investment operations was EUR 8.2 (1.9) million, of which the majority of EUR 8.3 million was recognised from the earn-out from last year's sale of the renewable energy project development portfolio. Income from the renewable energy business grew by 89.7% to EUR 13.2 (7.0) million.

Operating expenses totalled EUR 3.5 (4.1) million, of which fee and commission expenses were EUR 1.1 (1.0) million and personnel costs were EUR 1.5 (1.9) million. Personnel costs decreased as variable personnel costs decreased. Other operating expenses included EUR 0.2 (0.9) million of billed expenses with the corresponding income recognised in the net income from investment operations. Operating profit for the renewable energy business was EUR 9.7 (2.8) million, corresponding to a profit margin of 73.6%.

During the third quarter, the renewable energy business continued the fundraising for Taaleri SolarWind III Fund and the active development of the fund's project development portfolio. Several investors are currently conducting due diligence on the fund, and, based on the indicative decisions made during the third quarter of the year, the amount of capital committed will continue to grow during the rest of the year. The fund made a decision during the review period to invest in a 154-megawatt wind power project in Serbia, while the Taaleri SolarWind II Fund focused on the high-quality and efficient operation of the wind and solar farms already in production. Preparations to exit the Taaleri Wind II and Taaleri Wind III Funds, which are at the end of their lifecycle, continued during the third quarter.

January–September 2024

The continuing earnings of the renewable energy business grew in January–September by 11.0% to EUR 14.4 (13.0) million, mainly due to the fees generated by the Taaleri SolarWind III Fund, which made its first closing in 2023. No performance fees were recognised during the review period. Net income from investment operations was EUR 9.6 (10.5) million, most of which came from the capital gains from the sale of the project development portfolio to the Taaleri SolarWind III Fund in both the review and the comparison period. In addition to changes in the fair value of the Private Asset Management segment's direct renewable energy investments, EUR 1.3 (2.4) million of invoicing related to renewable energy projects was recognised in net income from investment operations, the corresponding costs of which were recognised in operating expenses in the same amount. Income from the renewable energy business grew by 2.3% to EUR 24.0 (23.5) million.

Operating expenses totalled EUR 11.4 (12.9) million, of which fee and commission expenses were EUR 3.2 (3.1) million and personnel costs were EUR 4.7 (6.1) million. The personnel costs decreased as the comparison period included variable personnel costs related to the first closing of the Taaleri SolarWind III Fund. Other operating expenses included EUR 1.3 (2.4) million of billed expenses, with the corresponding income recognised in the net income from investment operations. Operating profit for the renewable energy business was EUR 12.7 (10.6) million, corresponding to a profit margin of 52.7% (45.2).

The renewable energy business continued fundraising for the Taaleri SolarWind III Fund to increase the amount of investment commitments from the second closing realised at the end of 2023. At the end of the review period, the commitments amounted to EUR 440 million. In addition, an indicative decision was made on a new commitment, and several investors are carrying out due diligence on the fund. The development of the Taaleri SolarWind III Fund's project development portfolio continued throughout the first half of the year, and the fund made the decision to invest, among other projects, in a 154-megawatt wind power project in Serbia. By the end of the review period, construction decisions had been made for three projects of the fund. The Taaleri SolarWind II Fund, in turn, focused on the high-quality and efficient operation of the wind and solar farms already in production during the review period. Preparations to exit the Taaleri Wind II and Taaleri Wind III Funds continued.

Other private asset management

Other private asset management, EUR million	7-9/2024	7-9/2023	Change, %	1-9/2024	1-9/2023	Change, %	1-12/2023
Continuing earnings	1.2	1.4	-18.9%	3.7	4.7	-21.6%	6.2
Performance fees	-	-0.0	n/a	-	1.5	-100.0%	1.5
Investment operations	0.1	0.0	>100.0%	-0.2	-0.0	>100.0%	-0.8
Income	1.2	1.4	-13.8%	3.5	6.2	-43.0%	7.0
Personnel costs	-0.7	-0.7	6.1%	-3.2	-2.7	18.8%	-4.0
Other costs	-1.0	-0.8	15.7%	-3.0	-3.2	-6.4%	-4.4
Operating profit	-0.5	-0.1	354.1%	-2.7	0.3	n/a	-1.4
FTE, at the end of the period	37	34	9.5%	37	34	9.5%	34
Assets under management, EUR billion	1.0	1.0		1.0	1.0		1.0

July–September 2024

Continuing earnings from Taaleri's bioindustry, real estate and other businesses in the third quarter fell by 18.9% to EUR 1.2 (1.4) million. The decrease in continuing earnings was partly due to the decrease in mandated fees and private equity fund management fees for the real estate business, but also due to Taaleri's share of the profit of WasteWise Group, which has been consolidated into the bioindustry business as an associated company from July 2023.¹ onwards No performance fees

¹ Taaleri's share of WasteWise Group's profit for the period is consolidated to the Taaleri Group using the equity method because the company is an associated company of Taaleri. Taaleri's share of WasteWise Group's profit is consolidated to the continuing earnings of the bioindustry business in segment reporting.

were recognised during the review period. Income from the bioindustry, real estate and other businesses fell to EUR 1.2 (1.4) million in the quarter ended.

Operating expenses in Other private asset management totalled EUR 1.7 (1.5) million, including EUR 0.4 (0.5) million in fee and commission expenses and EUR 0.7 (0.7) million in personnel costs. Personnel costs included EUR 0.0 (0.1) million in variable personnel costs. Operating profit (loss) from Taaleri's bioindustry, real estate and other businesses was EUR -0.5 (-0.1) million.

In addition to the value creation of the investee companies of the Taaleri Bioindustry I Fund and the ramp-up of the projects funded, the bioindustry business focused on sourcing and assessing new potential investments and promoted several preliminary investment negotiations during the review period. Towards the end of the review period, the Taaleri Bioindustry I Fund finalised negotiations for a possible fifth investment in the fund.

The bioindustry business also continued the completion of the construction work of the torrefied biomass plant in Joensuu during the review period and prepared to start ramp-up of production. In addition, the bioindustry business continued the international project to investigate potential torrefied biomass production in Canada.

The real estate business completed three new recruitments in the third quarter. The new expertise strengthens the creation of new investment products and investment activities in accordance with the change in the strategic focus of the real estate business. The business continued to structure a new closed-end fund product and formulate its investment strategy, as well as planned and prepared for future fundraising. The business also promoted the structuring of a new separately managed mandate.

January–September 2024

Continuing earnings from Taaleri's bioindustry, real estate and other businesses decreased in January–September by 21.6% to EUR 3.7 (4.7) million. The decline in continuing earnings was partly due to the decrease in mandated fees and private equity fund management fees for the real estate business, but also due to Taaleri's share of the profit of WasteWise Group, which has been consolidated into the bioindustry business as an associated company from July 2023 onwards. No performance fees were recognised during the review period ended, while EUR 1.5 million in performance fees were recognised in the comparison period. During the review period, EUR -0.4 million worth of changes in the fair value of Taaleri's direct investments reported under the Private Asset Management segment were recorded in the investment result of Other asset management. This caused income from the bioindustry, real estate and other businesses to fall to EUR 3.5 (6.2) million.

Operating expenses in Other private asset management totalled EUR 6.2 (5.9) million, including EUR 1.2 (1.7) million in fee and commission expenses and EUR 3.2 (2.7) million in personnel costs. The increase in personnel costs is explained by the increased number of personnel and higher reserves for variable personnel costs than in the comparison period. Operating profit (loss) from Taaleri's bioindustry, real estate and other businesses was EUR -2.7 (0.3) million in the review period ended.

During the review period, the bioindustry business continued value creation for the portfolio companies of the Taaleri Bioindustry I Fund by ramping up funded projects and conducting financing arrangements. The business identified several new potential portfolio companies for the fund, made its fourth investment in the Finnish growth company eniferBio and negotiated a possible fifth investment for the fund.

The bioindustry business also continued the construction project of the torrefied biomass plant in Joensuu and prepared to start the ramp-up of production. The business promoted a potential international torrefied biomass production project through the establishment of a project development company in Canada and resources committed to the project.

The real estate business updated its strategy in the early part of the year. In accordance with the new strategy, the focus of operations will shift more strongly to the structuring of new investment products, as well as investment activities. The business started the development of new products and services to promote the strategy, implemented an organisational change to support the strategy and advanced new recruitments. The current product portfolio was optimised during the review period by exiting the only investment in Taaleri Rauma Housing Fund IV. In addition, the business negotiated and restructured the financing arrangements of the funds it manages.

Taaleri's private equity funds in a table

Renewable energy, EUR million	Founded	Product	Business area	AUM Q3 2024	Stage of the fund
Taaleri Wind Fund II Ky	2014	Private equity fund	Renewable energy	319	Invested
Taaleri Wind Fund III Ky	2016	Private equity fund	Renewable energy	52	Invested
Taaleri SolarWind I Ky	2016	Private equity fund	Renewable energy	169	Invested
Taaleri SolarWind II Feeder Fund Ky	2019	Feeder fund	Renewable energy	185	Invested
Taaleri Wind Fund IV Ky	2019	Co-investment fund	Renewable energy	204	Invested
Taaleri SolarWind II	2019	Private equity fund	Renewable energy	290	Invested
Taaleri SolarWind III ²	2023	Private equity fund	Renewable energy	386	Fundraising
Managed accounts	2019-	Managed accounts	Renewable energy	54	Invested
Renewable energy total				1,659	
Other private asset management, EUR million	Founded	Product	Business area	AUM Q3 2024	Stage of the fund
Taaleri Real Estate Development Fund Ky	2015	Private equity fund	Real estate	11	Invested
Taaleri Multifunctional Properties Ky	2018	Private equity fund	Real estate	42	Invested
Taaleri Property Fund I Ky	2015	Private equity fund	Real estate	36	Invested
Taaleri Property Fund II Ky	2016	Private equity fund	Real estate	2	Invested
Taaleri Rental Home Ky	2016	Private equity fund	Real estate	171	Invested
Taaleri Housing Fund VIII Ky	2021	Private equity fund	Real estate	92	Investing period
Managed accounts	2021-	Managed accounts	Real estate	325	Investing period
Real estate total				677	
Taaleri Biorefinery Ky	2020	Co-investment	Bioindustry	42	Invested
Joensuu Biocoal	2021	Co-investment	Bioindustry	16	Investing period
Taaleri Bioindustry I Ky	2021	Private equity fund	Bioindustry	107	Investing period
Bioindustry total				164	
Other funds total				142	
Other private asset management total				983	
Taaleri's Private Asset Management segment total, EUR million				2,643	

The assets under management of the Private Asset Management segment reported by Taaleri Group are assets that generate continuing earnings. In some of the funds, the assets that generate continuing earnings includes both Fund's equity and debt financing. If Taaleri's earnings are based on the amount of investment commitments, the assets under management are also based on the investment commitments. Assets under management in real estate mandates are gross assets under management in portfolio management mandates and market value of real estate portfolios under management in other real estate management mandates.

² On 30 September 2024, the total commitments of the Taaleri SolarWind III Fund were EUR 440 million and included a conditional commitment dependent on the final size of the fund that has not been included in the reported assets under management that generate recurring fees.

Garantia

The objective of Garantia is to modernise collateral practices and provide customers with easy and cost-effective guaranty solutions and new business opportunities through digital channels. The company's business is divided into guaranty insurance and investment operations.

Garantia, EUR million	7-9/2024	7-9/2023	Change, %	1-9/2024	1-9/2023	Change, %	1-12/2023
Insurance service result	3.4	3.6	-3.2%	10.9	10.9	0.4%	13.5
Insurance revenue	4.6	4.6	1.8%	14.4	14.4	0.4%	19.0
Insurance service expenses	-1.1	-0.9	31.7%	-3.3	-3.2	3.9%	-4.9
Net expenses from reinsurance contracts	-0.1	-0.2	-49.6%	-0.3	-0.4	-29.0%	-0.5
Net finance income and expense	-0.2	-0.1	15.3%	-0.4	-0.1	>100.0%	0.0
Net income from investment operations	3.5	0.7	>100.0%	9.7	3.3	>100.0%	4.7
Other income	0.0	0.0	3.3%	0.0	0.0	19.5%	0.0
Income	6.8	4.1	64.6%	20.2	14.1	43.2%	18.3
Personnel costs	-0.4	-0.3	74.7%	-0.6	-0.9	-28.4%	-1.4
Other costs	0.0	0.0	12.1%	-0.1	0.0	27.3%	-0.1
Operating profit	6.3	3.9	64.1%	19.5	13.2	48.2%	16.8
FTE, at the end of the period	21	19	10.5%	21	19	10.5%	19

Garantia	7-9/2024	7-9/2023	Change, %	1-9/2024	1-9/2023	Change, %	1-12/2023
Claims ratio (IFRS), %	5.4%	-5.8%	11.2%-p.	1.7%	0.3%	1.4%-p.	4.5%
Expense ratio (IFRS), %	18.7%	24.4%	-5.7%-p.	21.0%	21.6%	-0.6%-p.	21.5%
Reinsurance ratio (IFRS), %	1.7%	3.4%	-1.7%-p.	1.8%	2.6%	-0.8%-p.	2.7%
Combined ratio (IFRS), %	25.8%	22.0%	3.8%-p.	24.5%	24.5%	0.0%-p.	28.7%
Return on investments at fair value, %	4.0%	1.4%	2.6%-p.	9.0%	3.8%	5.2%-p.	6.9%
Net income from investment operations							
Recognised in in PL, MEUR	3.5	0.7	>100.0%	9.7	3.3	>100.0%	4.7
Recognised in OCI, MEUR	2.7	1.5	79.8%	4.1	2.4	69.5%	5.7
Total net income from investment operations, MEUR	6.2	2.2	>100.0%	13.7	5.7	>100.0%	10.4

Garantia	30.9.2024	31.12.2023	Change, %
Investment portfolio, fair value, MEUR	161.7	164.0	-1.4%
Shares and funds	32.6	14.4	126.6%
Private equity funds	4.7	5.2	-9.9%
Real estate property funds	2.4	2.3	6.3%
Debt instruments, fair value through PL	27.1	35.2	-23.0%
Debt instruments, fair value through OCI	93.9	105.3	-10.8%
Cash and cash equivalents	0.9	1.5	-42.6%
Guaranty insurance portfolio, MEUR	1,744	1,749	-0.3%
Solvency ratio, %	281.3%	245.7%	35.5%-p.
Credit rating (S&P)	A-	A-	-

July–September 2024

Garantia's income in the third quarter was EUR 6.8 (4.1) million. The increase in income was mainly a result of higher net investment income compared to the corresponding period last year.

Insurance service result decreased 3.2 per cent from the corresponding period and stood at EUR 3.4 (3.6) million. Insurance revenue remained at the level of the comparison period at EUR 4.6 (4.6) million. Insurance service expenses increased 31.7 per cent and stood at EUR 1.1 (0.9) million. The increase was mainly a result of reversal of losses related to onerous contracts in the corresponding period last year. The combined ratio (IFRS) amounted to 25.8% (22.0) in the third quarter as a result of increased insurance service expenses.

A new material claim related to a single corporate exposure incurred during the third quarter. However, there was no profit and loss effect as Garantia has a full right of recourse and secure collateral position.

Total net income from investment operations was excellent in the third quarter and reached EUR 6.2 (2.2) million. It was divided into net income from investment operations recognised in profit and loss and to changes in fair values in other comprehensive income. Net income from investment operations recognised in profit and loss amounted to EUR 3.5 (0.7) million and the

changes in fair values in other comprehensive income amounted to EUR 2.7 (1.5) million. The increase in total net income from investment operations was driven by strong stock market performance and decreasing interest rate environment, which had a positive impact on unrealised fair value changes in other comprehensive income.

Other expenses amounted to EUR 0.5 (0.3) million. They include the proportion of the company's expenses that is not related to insurance operations, such as variable personnel costs.

Operating profit amounted to EUR 6.3 (3.9) million. The result at fair value before tax was EUR 9.0 (5.3) million.

January–September 2024

During the first nine months of the year, Garantia continued to build new partnerships and engaged in the development of existing and new products. Garantia's income in the first nine months was EUR 20.2 (14.1) million. The increase in income was a result of higher net investment income recognised in profit and loss compared to the corresponding period last year.

Insurance service result remained at the level of the comparison period at EUR 10.9 (10.9) million. Insurance revenue remained at level with the corresponding period at EUR 14.4 (14.4) million. In addition, the combined ratio (IFRS) stood at 24.5% (24.5) in January-September.

Total net income from investment operations stood at EUR 13.7 (5.7) million. It was divided into net income from investment operations recognised in profit and loss amounting EUR 9.7 (3.3) million and to changes in fair values in other comprehensive income amounting to EUR 4.1 (2.4) million. Increase in the total net income from investment operations was driven by strong performance of stock market and stabilising interest rate environment, which had a positive impact on unrealised fair value changes in other comprehensive income.

Other expenses amounted to EUR 0.7 (1.0) million. Other expenses include the proportion of the company's expenses that is not related to insurance operations, such as variable personnel costs.

Operating profit amounted to EUR 19.5 (13.2) million. The result at fair value before tax was EUR 23.6 (15.6) million.

Insurance operations

Garantia's insurance revenue remained at the level of the comparison period during the first nine months of the year and amounted to EUR 14.4 (14.4) million. Guaranty insurance exposure decreased by 0.3% and stood at EUR 1,744 (31 December 2023: 1,749) million at the end of the third quarter.

Insurance service expenses increased slightly to EUR 3.3 (3.2) million in January-September. Claims ratio (IFRS) for the first nine months of the year remained low and stood at 1.7% (0.3). Expense ratio (IFRS) slightly improved to 21.0% (21.6).

New material claim related to a single corporate exposure incurred during the review period. However, there was no profit and loss effect as Garantia has a full right of recourse and secure collateral position.

Net expenses from reinsurance contracts amounted to EUR 0.3 (0.4) million during the review period. Reinsurance ratio (IFRS) stood at 1.8% (2.6).

Garantia's combined ratio (IFRS) was 24.5% (24.5) in the first nine months of the year. The profitability of insurance operations was very good.

Of the total guaranty insurance exposure, EUR 1,385 (31 December 2023: 1,397) million, or 79% (80), was made up of consumer exposure and EUR 359 (31 December 2023: 352) million, or 21% (20), of corporate exposure. The consumer exposure includes residential mortgage guarantees and rent guarantees underwritten to private households. The corporate exposure includes corporate loan guarantees, commercial bonds, and other business-related guarantees underwritten to corporates and other organisations.

Most of the consumer exposure is made up of the residential mortgage guaranty portfolio, which had no material changes to its risk position in the first nine months of the year. The portfolio is well-diversified with respect to counterparties, geographical location of collateral properties and time of underwriting. In addition, the creditworthiness of counterparties in the portfolio is very good on average. The credit risks of the portfolio are also limited with an excess-of-loss portfolio reinsurance arrangement. However, increased interest rates, a weakened economy and increased unemployment have in general put a strain on the debt service capacity of mortgage borrowers. Housing prices have also come down during the first nine months of the year, resulting in lower residential collateral values. Despite the challenging environment, claims have not materially increased, thanks to the good underlying creditworthiness of the borrowers.

The creditworthiness of the corporate counterparties in the company's guaranty insurance portfolio has remained good on average, although the weakened economic environment has had an impact on the creditworthiness of individual counterparties. The share of corporate exposures with investment grade ratings of AAA...BBB- amounted to 30.3% (31

December 2023: 31.1), and the share of exposures rated BB- or better made up 69.7% (71.4) of all rated corporate exposures. The share of exposures with weak ratings of C+ or lower came down to 2.5% (31 December 2023: 2.8).

The principal industry sectors in the corporate portfolio were wholesale trade at 20.9% (31 December 2023: 20.8), manufacturing at 14.7% (31 December 2023: 19.1), financial and insurance services at 14.5% (31 December 2023: 11.7), construction at 11.8% (31 December 2023: 12.3) and waste collection and water supply 11.4% (31.12.2023: 10.9). The shares of other industry sectors were all less than 10%.

Investment operations

Total net income from investment operations in January-September stood at EUR 13.7 (5.7) million. Net income from investment operations recognised in profit and loss amounted to EUR 9.7 (3.3) million and the changes in fair values in other comprehensive income amounted to EUR 4.1 (2.4) million. Hence, the return on investments at fair value was 9.0% (3.8).

Majority of total net income came from fixed-income investments in the third quarter of the year. Income from fixed-income investments was driven by decreasing interest rate environment and narrowing credit spreads. The stock market developed positively both in Europe and in the US. The conflict in the Middle East has not notably affected the risk appetite in the market. The market is expecting both the ECB and the Fed to cut rates up to a percentage point in the following 12 months. Euribor 12, which is used as a reference rate for most of the mortgages in Finland, has decreased and stood at 2.75% at the end of September.

At the end of the review period, the fair value of Garantia's investment portfolio was EUR 162 (31 December 2023: 164) million. In addition to accumulated investment returns and insurance cashflow, the value of the investment portfolio was affected by the EUR 15 million dividend payment to the parent company in the first quarter as well as corporation tax paid.

In investment operations, the overall risk level has been moderately increased during 2024 by increasing the allocation to equity index funds and increasing the duration of the bond portfolio. At the end of the reporting period, fixed-income investments made up 75.4% (31 December 2023: 86.6), equity & private equity investments 23.1% (31 December 2023: 12.0) and real estate investments 1.5% (31 December 2023: 1.4) of the investment portfolio (incl. cash and cash equivalents). The majority of the fixed income investments was made up of investments in bonds of Nordic companies, credit institutions and insurance companies with strong creditworthiness. The proportion of investment grade-rated fixed-income investments was 66.4% (31 December 2023: 66.0). The modified duration of the fixed-income investments was 3.3 (31 December 2023: 2.4).

Credit rating

On 14 December 2023, Standard & Poor's Global Ratings (S&P) affirmed the credit rating of A- with stable outlook for Garantia Insurance Company³.

Other

The group Other is used to present the Group's non-strategic investments, Taaleri Kapitaali and Group operations not included in the business segments.

At the beginning of the year, Taaleri received the purchase price receivable of a real estate project located in Canada that was part of non-strategic investments, which is why the non-strategic portfolio decreased by EUR -8.6 million. The payment of the purchase price receivable had no effect on the result. In addition, a change in value of EUR 0.7 million was recognised for Turun Toriparkki Oy, and part of the Aktia shares were sold for approximately EUR -3.8 million. The Group investments are presented in further detail under segment information on pages 32-33.

Other, EUR million	7-9/2024	7-9/2023	Change, %	1-9/2024	1-9/2023	Change, %	1-12/2023
Continuing earnings	0.3	0.4	-33.7%	1.5	1.5	-4.5%	1.9
Performance fees	-	-	-	-	-	-	-
Investment operations	0.2	0.2	-25.8%	1.4	3.4	-59.7%	3.8
Income	0.4	0.6	-30.8%	2.8	4.9	-42.5%	5.7
Personnel costs	-0.9	-0.9	0.5%	-2.4	-2.4	1.7%	-3.1
Other costs	-0.3	-0.5	-34.3%	-1.3	-1.6	-19.7%	-2.5
Operating profit	-0.9	-0.9	1.2%	-0.9	0.9	n/a	0.1
FTE, at the end of the period	20	18	11.0%	20	18	11.0%	17

³ The credit rating concerns the company's Issuer Credit Rating (ICR), Financial Strength Rating (FSR) and Financial Enhancement Rating (FER).

Non-strategic investments, EUR million	30.9.2024	31.12.2023	Change, %
Investments and receivables, fair value	23.8	35.5	-33.1%
Real estate development	15.1	22.7	-33.4%
Other investments	8.7	12.9	-32.6%

July–September 2024

In the third quarter of the year, the income of the Other group totalled EUR 0.4 (0.6) million, consisting of continuing earnings of EUR 0.3 (0.4) million and net income from investment operations of EUR 0.2 (0.2) million.

Operating expenses were EUR 1.3 (1.5) million, of which personnel costs amounted to EUR 0.9 (0.9) million. The Other group's operating profit (loss) in the third quarter was EUR -0.9 (-0.9) million.

January–September 2024

In January–September, the income of the Other group totalled 2.8 (4.9) million, consisting of continuing earnings of EUR 1.5 (1.5) million and net income from investment operations of EUR 1.4 (3.4) million. The net income from investment operations of the Other group included EUR 0.7 (0.6) million in dividends generated by Aktia Bank Plc's shares. The net income from investment operations in the comparison period was also affected by changes in fair value in the non-strategic investment portfolio.

Operating expenses were EUR 3.7 (3.9) million, of which personnel costs amounted to EUR 2.4 (2.4) million. The operating profit (loss) of the Other group in January–September was EUR -0.9 (0.9) million.

Sustainability

Focus areas in 2024

- Climate change mitigation
- Responsible partnerships
- Sustainability data and reporting
- Sustainability management

Progress Q3/2024

- Work on double materiality assessment
- Strengthening nature competence and greater integration into sustainability work in accordance with TNFD
- Supporting the sustainability work of investee companies
- Preparing the wider commissioning of a software tool customised for the sustainability data of private equity funds

We promoted sustainability development in line with EU regulations and our commitments during the third quarter

We continued our preparations for new obligations under the EU's Corporate Sustainability Reporting Directive (CSRD). We organised two workshops on the topic, where we worked on activity-specific double materiality analyses based on CSRD reporting and provided training for several dozen members of the Taaleri team on the topic. We also included elements supporting double materiality assessment in Taaleri's comprehensive personnel survey and communications.

The double materiality assessment describes the impact of our operations on the environment and society, as well as the economic impact of sustainability factors on our operations. Taaleri must meet the CSRD obligations for the first time in the reporting for financial year 2025. The proactive preparatory work is based on Taaleri's strategic goals and supports sustainability management in addition to ensuring compliant reporting.

We continued sustainability work with our partners

We are participating in Sitra's training programme for the financial sector to support the identification, management and reporting of impacts, dependencies, risks and opportunities related to nature. The training supports the expansion of the work and reporting in accordance with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) at Taaleri. Taaleri's bioindustry business already published a TNFD report at the beginning of the year. Similar work is expected to be expanded in the other businesses in 2025.

We introduced the Group's general sustainability criteria and related guidance on Group's direct own balance sheet investments. We also more extensively developed our processes for assessing current and potential investments from the perspective of sustainability and value creation. In addition, we continued to implement and promote other sustainability projects on our agenda. The topics that are among the focus areas of sustainability are described in more detail in the first interim statement of the year (Taaleri Plc Q1 2024, p. 12–13).

Annual General Meeting 2024

Taaleri Plc's Annual General Meeting was held on 10 April 2024 in Helsinki.

Decisions of Taaleri Plc's Annual General Meeting

The General Meeting adopted the financial statements for the 2023 financial period, granted the members of the Board of Directors and the CEO discharge from liability and approved the Remuneration Policy and the Remuneration Report for Governing Bodies.

Deciding on dividend distribution

The General Meeting decided according to the proposal of the Board of Directors that a dividend of EUR 1.00 per share be paid based on the balance sheet adopted for the financial year ended 31 December 2023. The dividend was paid to shareholders who on the dividend record date of 12 April 2024 were entered as shareholders in the company's shareholder register maintained by Euroclear Finland Ltd. The dividend was paid on 19 April 2024.

Deciding on the remuneration of members of the Board of Directors

The General Meeting decided that the members of the Board of Directors be paid monthly remuneration as follows:

- EUR 6,000 for the Chairperson of the Board (2023: EUR 6,000)
- EUR 5,000 for the Vice-Chairperson of the Board (2023: EUR 5,000)
- EUR 5,000 for the Chairperson of the Audit Committee (2023: EUR 5,000)
- EUR 4,000 for other members of the Board of Directors (2023: EUR 4,000)

The General Meeting decided that meeting-specific fees will not be paid (2023: meeting-specific fees were not paid). The remuneration will cover the entire term of office and committee work.

The General Meeting decided additionally that for a meeting of the Board of Directors and Committee held in a place other than the home location of the Board member, travel and accommodation expenses will be paid according to the invoice.

Deciding on the number of members and the members of the Board of Directors

The General Meeting decided that the number of members of the Board of Directors be set as six (6).

The General Meeting re-elected the following current members of the Board of Directors Elina Björklund, Petri Castrén, Juhani Elomaa and Hanna Maria Sievinen. Juhani Bonsdorff and Leif Frilund were elected as new members to the Board of Directors.

The members of the Board of Directors were elected for a term expiring at the close of the next Annual General Meeting.

Election of the chairman and deputy chairman of the Board of Directors

The General Meeting decided to elect Juhani Elomaa as the Chairperson of the Board of Directors and Hanna Maria Sievinen as Deputy Chairperson of the Board of Directors.

Selecting the auditor and deciding on the auditor's remuneration

The General Meeting decided that Ernst & Young Oy, a firm of authorised public accounts, be re-elected as the company's auditor for a term ending at the close of the next Annual General Meeting. Ernst & Young Oy has notified that Johanna Winqvist-Ilkka, Authorised Public Accountant, will act as the auditor with principal responsibility.

The General Meeting decided that the auditor's remuneration be paid based on invoices approved by the Audit Committee.

Authorising the Board of Directors to decide on the purchase of the company's own shares

The General Meeting decided to authorise the Board of Directors to decide on the repurchase of the company's own shares using assets belonging to unrestricted equity on the following conditions:

Up to 2,000,000 shares may be repurchased, corresponding to 7.05% of all the company's shares. The repurchase may be made in one or more instalments. The purchase price per share shall be the price given on the Helsinki Stock Exchange or another market-based price. The shares may be acquired to develop the company's capital structure, to finance or implement corporate acquisitions, investments or other arrangements related to the company's business operations, to be used as part of the company's incentive scheme, or to be cancelled if justified from the point of view of the company and its shareholders. The authorisation issued includes the right to decide whether the shares will be repurchased in a private placement or in proportion to the shares owned by shareholders. The repurchase may take place through private placement only if there is a weighty financial reason for it from the company's perspective. The Board of Directors has the right to decide on other matters concerning the repurchase of shares.

This authorisation is valid for 18 months from the date of the close of the Annual General Meeting. This authorisation cancels the authorisation to purchase the company's own shares issued at the General Meeting of 13 April 2023.

Authorising the Board of Directors to decide on share issue and the issuance of option rights and other special rights entitling to shares

The General Meeting decided to authorise the Board of Directors to decide on the issue of new shares and the assignment of treasury shares in the possession of the company and/or the issuance of option rights or other special rights entitling to shares, as referred to in Chapter 10, Section 1 of the Finnish Companies Act, on the following terms:

The Board of Directors may issue new shares and assign treasury shares in the possession of the company up to a maximum of 2,500,000 shares, corresponding to 8.82% of all the company's shares. The new shares may be issued and the treasury shares possessed by the company may be assigned and/or option rights or other special rights entitling to shares may be issued to the company's shareholders in proportion to their ownership of shares or deviating from the shareholder's pre-emptive subscription right in a private placement, if there is a weighty financial reason for it from the point of view of the company, such as using the shares as consideration in potential corporate acquisitions or other arrangements that are part of the company's business operations, or to finance investments or as part of the company's incentive scheme. The Board of Directors may also decide on a free-of-charge share issue to the company itself.

The new shares and/or option rights or other special rights entitling to shares may be issued and the shares possessed by the company may be assigned either against payment or without payment. A private placement may only be without payment if there is an especially weighty reason for it from the point of view of the company and taking into account the benefit of all its shareholders.

The Board of Directors will decide on all other factors related to share issues and the assignment of shares and decide on all terms and conditions of the option rights and other special rights entitling to shares.

The authorisation is valid until the end of the next Annual General Meeting, however no longer than 30 June 2025. This authorisation cancels the authorisation regarding the share issue issued at the General Meeting on 13 April 2023.

Authorising the Board of Directors to decide on charitable donations

The General Meeting decided to authorise the Board of Directors to decide on one or more donations for charitable or similar purposes up to a total value of EUR 50,000, and to decide on the recipients, purposes and other terms of the contributions. The authorisation is valid until the end of the next Annual General Meeting.

Decisions regarding the organisation of Taaleri Plc's Board of Directors

Hanna Maria Sievinen, Petri Castrén and Juhani Bonsdorff were elected as members of the Board of Directors' Audit Committee. The Board of Directors elected Hanna Maria Sievinen as Chairperson of the Audit Committee.

Juhani Elomaa, Leif Frilund and Elina Björklund were elected as members of the Board of Directors' Remuneration Committee. The Board elected Juhani Elomaa as Chairperson of the Remuneration Committee.

Changes in Taaleri's management

On 16 August 2023, Taaleri announced that Titta Elomaa, a member of the Executive Management Team of Taaleri Plc and CEO of Garantia Insurance Company, had announced that she would resign from her duties as CEO of Garantia. At the same time, it was announced that the Board of Directors of Garantia Insurance Company Ltd had decided to appoint Henrik Allonen, M.Sc. (Econ.), as Managing Director of the company as of 1 January 2024. At the same time, he became a member of Taaleri Plc's Executive Management Team.

On 21 November 2023, Taaleri announced that the Director of Taaleri's real estate business changes. Taaleri appointed Mikko Krootila to the position and as a member of the Executive Management Team as of 1 January 2024.

On 4 December 2023, Taaleri announced that Taaleri's Head of Investor Relations, Sustainability and Communications Siri Markula has resigned. Markula left her position and Taaleri's Executive Management Team in February 2024.

On 12 January 2024, Taaleri announced that Taaleri had on that day appointed Ilkka Laurila as the Group's CFO and a member of the Executive Management Team after Minna Smedsten, the former Group's CFO, had resigned earlier in October 2023. Laurila took up his position on 6 February 2024.

Taaleri's personnel

The number of employees (full-time equivalent) in the Group at the end of the review period was 129 (119). The number of employees in the Private Asset Management segment was 88 (82) and in the Garantia segment 21 (19). The number of employees in the Other group was 20 (18). 96% (96) of the personnel were employed in Finland.

Taaleri Group's personnel costs in the third quarter totalled EUR 3.6 (3.8) million, consisting of fixed personnel costs of EUR 2.4 (2.4) million and variable personnel costs of EUR 1.2 (1.4) million. In January–September, Taaleri Group's personnel costs totalled EUR 10.9 (12.1) million, consisting of fixed personnel costs of EUR 8.6 (8.5) million and variable personnel costs of EUR 2.3 (3.6) million.

Incentive schemes

At the end of the review period, Taaleri had in force the CEO's stock option plan, three share-based incentive schemes for the Group's key personnel and an employee share savings plan.

Further information on share-based incentive schemes can be found in Note 42 on pages 131–133 of Taaleri's Consolidated Financial Statements included in the Annual Report 2023.

New incentive schemes launched during the review period

Taaleri announced on 24 January 2024, that the Board of Directors of Taaleri Plc has resolved to establish a new share-based incentive plan for the company's CFO. The aim of the new plan is to align the objectives of the shareholders and the CFO in order to increase the value of Taaleri in the long-term as well as to retain the CFO at the company and offer him a competitive reward plan that is based on investing and accumulating the company's shares.

The plan consists of one matching period starting on 6 February 2024 and ending on 6 February 2027. In the plan, it is possible to earn matching shares from a matching period of three years. The prerequisite for receiving matching shares is that the participant acquires company's shares within the limits announced by the Board of Directors in advance and that his employment with the company is valid until the reward payment. As a reward for the commitment, Taaleri grants the participant a gross reward of one matching share for every share committed to the plan.

The final number of matching shares depends on the number of shares acquired by the participant. The reward value corresponds to the value of a maximum of 21,643 Taaleri Plc shares, including also the potential proportion to be paid in cash. The plan rewards will be paid partly in company shares and partly in cash. The cash proportion is intended to cover taxes and social security contributions arising from the reward to the participant.

The participant must own half of the reward shares paid to him on the basis of the plan until the total value of his shareholding in the company equals half of his annual gross salary. Such a number of shares must be owned as long as the employment continues.

Shares and share capital

Taaleri's share on Nasdaq Helsinki

1–9/2024	No of shares traded	Total value EUR	High EUR	Low EUR	Average EUR*	Last EUR
TAALA	5,363,356	49,576,656	10.90	7.96	9.24	8.23

* Volume weighted average

Taaleri's share has been listed on Nasdaq Helsinki, among mid-cap companies, since 2016. The trading code is TAALA. At the end of the review period, the company had 15,084 (31.12.2023: 11,382) shareholders.

On 30 September 2024, Taaleri Plc's shareholders' equity was EUR 125,000.00 and the company had 28,196,253 registered shares.

On 27 March 2024, Taaleri announced that it cancels 154,367 of its own shares in accordance with the decision of the company's Board of Directors. 109,367 cancelled shares were repurchased under the share repurchase program, which was announced on 19 December 2023. 45,000 of the cancelled shares were already in the company's possession before the start of the share repurchase program. After the cancellation, Taaleri holds 0 own shares. The cancellation of the shares was recorded with the Finnish Trade Register on 27 March 2024, and the cancellation was registered on 3 May 2024. After the cancellation, the total number of registered shares of Taaleri Plc is 28,196,253.

Share repurchase program

Taaleri announced on 19 December 2023, that the Board of Directors of Taaleri Plc has resolved to start repurchasing the company's own shares based on the authorization given by the Annual General Meeting held on 13 April 2023. The maximum number of the company's own shares to be repurchased was 200,000 shares, corresponding to approximately 0.71 per cent of all the shares in the company. The maximum amount to be used for the share repurchase was EUR 1,900,000. The shares was decided to be repurchased using the company's unrestricted equity. The shares was decided to be repurchased through public trading organized by Nasdaq Helsinki Ltd at the market price as per the time of repurchase.

When the program started, the total number of shares in Taaleri Plc was 28,350,620. When the program started, the company held 45,000 of its own shares, which corresponded to 0.16 per cent of all shares.

The repurchase of own shares started on 20 December 2023 and ended at Taaleri Plc's Annual General Meeting, which was held on 10 April 2024. The last purchase in the share repurchase program was made on 16 February 2024.

During 2024, a total of 89,340 own shares were acquired, which corresponds to 0.32 percent of all shares. A total of EUR 832,766.32 was paid for the 89,340 shares acquired, which has been recorded as a reduction of the parent company's and the Group's equity.

During the entire share repurchase program, a total of 109,367 own shares were acquired, which corresponds to 0.39 percent of all shares. A total of EUR 1,007,907.34 was paid for the 109,367 shares acquired, which has been recorded as a reduction of the parent company's and the Group's equity.

Flaggings during review period

Taaleri Plc received on 8 April 2024 an announcement under Chapter 9, Section 5 of the Finnish Securities Market Act, according to which the total number of Taaleri Plc shares indirectly owned by Vakuutusosakeyhtiö Henki-Fennia decreased below five (5) per cent of the share capital of Taaleri Plc on 5 April 2024.

Share price development

The chart represents the price development of Taaleri's share since listing from 20 April 2013 to 30 September 2024:



Short term risks and concerns

Taaleri is exposed in its operations to several operational risks and market risks, of which Taaleri seeks to describe the most significant below. More broadly, risks related to Taaleri's operations, and risk management are described in Note 36 of the Consolidated Financial Statements included in the 2023 Annual Report on pages 115–125.

Geopolitical risks and tensions continue to cause uncertainty in the operating environment. The tightening of monetary policy implemented by central banks in recent years has curbed inflation and slowed down economic growth. Prolonged inflation and rising raw material costs can impact project development expenses and cost base for investments. Badly timed monetary policy measures may slow down economic recovery and thus make investment activities and project development more difficult.

With regard to Garantia's guaranty insurance operations, the most material risk is related to the weakened economic situation and the increase in unemployment in Finland, which weaken the debt servicing capacity of consumer and corporate customers. However, the debt servicing capacity of Finnish mortgagors is strong in principle, and there are no signs of a significant increase in payment difficulties as of yet. The creditworthiness of Garantia's corporate guaranty portfolio has remained stable, but a weak economic environment may affect the creditworthiness of individual counterparties.

The result of Private Asset Management segment is influenced by the development of assets under management, which depends, among other things, on the progress of private equity fund projects, the development of capital markets, the success of the own fundraising and the success of the cooperation with Aktia. The success of fundraising is influenced, among other things, by launching products that meet investor demand and competitiveness in the fundraising market. Profit development is also influenced by the realisation of performance fees and the success of own investment projects.

Garantia's guaranty insurance business and investment activities have a major impact on Taaleri's operational income and capital adequacy. The principal risks associated with Garantia's operations are the credit risks arising from guaranty insurance operations, as well as the market risks related to investment operations.

In Garantia's guaranty insurance operations, credit risk refers to the risk of the guaranteed counterparty being unable to meet its contractual obligations towards the beneficiary of the guaranty. The amount of credit risk is mainly dependent on the creditworthiness of the guaranteed counterparties and the amount of any counter-collateral. The market risks regarding investment operations consist of interest, equity, property, currency, and counterparty credit risks affecting the value and return of investment assets.

The Other group's income consists of the market value changes in investments and of sales profits/losses gained as well as returns of loans granted. The earnings and results of the Other group may thus vary significantly between periods under review.

Taaleri's operations depend on its ability to find and retain skilled employees. The tightened competitive situation can affect the availability and retention of employees. The turnover of key personnel is accompanied by the risk that knowledge and know-how will be lost.

Taaleri's business is dependent on functioning information systems, telecommunications, and external service providers. Disturbances can be caused by e.g. hardware failures, software errors or cyber threats. Compromise of information security and protection can cause losses and damage to reputation.

Material events after the financial period

Taaleri Plc announced on 19 September 2024 that it would redeem its EUR 15 million Tier 2 bond issued on 18 October 2019. The advance redemption was made in full (including accrued interest) on 18 October 2024 according to the terms and conditions of the bond.

Helsinki, 5 November 2024
Taaleri Plc
Board of Directors

Additional info

CEO Peter Ramsay, +358 50 343 7493, peter.ramsay@taaleri.com

CFO Ilkka Laurila, +358 40 076 1360, ilkka.laurila@taaleri.com

Director, Investor Relations and Communications Linda Tierala, +358 40 571 7895, linda.tierala@taaleri.com

Webcast presentation for analysts, investors and media

An analyst, investor and media conference will be held in English on 5 November 2024 at 11:00 a.m. EET at Event Venue Eliel in Sanomatalo, Töölönlahdenkatu 2, Helsinki. The webcast can be followed online at <https://taaleri.videosync.fi/q3-2024>. The event will be recorded and available later on Taaleri's investor pages at <http://www.taaleri.com/en/investors/reports-and-presentations>.

Taaleri in brief

Taaleri is a Nordic investment and asset manager that focuses on businesses with industrial-scale opportunities within bioindustry and renewable energy. We create value by combining extensive know-how, deep expertise, entrepreneurship and capital through both funds under management and direct investments. We have been a signatory of the UN Principles for Responsible Investment (UNPRI) since 2010, and we joined the Net Zero Asset Managers initiative in 2021. Taaleri's vision is to become a leading investment manager operating internationally in bioindustry and renewable energy.

Taaleri has two business segments: Private Asset Management and Garantia. Private Asset Management consists of bioindustry, renewable energy and real estate businesses.

Taaleri has EUR 2.6 bn of assets under management in its private equity funds and co-investments. The company has approximately 130 employees. Taaleri Plc is listed on Nasdaq Helsinki.

www.taaleri.com

Accounting policies of the Interim Statement

Taaleri's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. This Interim Statement has not been prepared in accordance with IAS 34. The information presented is unaudited. The Interim Statement has been published in Finnish and English. The Finnish Interim Statement is official and is used if there is a discrepancy between the language versions. All figures in the Interim Statement have been rounded and consequently the sum of individual figures can deviate from the presented sum figure.

The accounting policies of the Interim Statement are substantially the same as those presented in Taaleri's Financial Statements for 2023, except for the amendments listed below and amendments to IFRS standards that came into force on 1 January 2024 or later. Revised standards and interpretations do not have a material impact on the reported result or financial position.

Amended accounting policies for the Consolidated Financial Statements from 1.1.2024

Revenue recognition principles for Private Asset Management (2.14 Revenue recognition principles)

The amendment in the accounting policy concerns the frequency of the review of the unrealised performance fees.

Due to the successful investment activities of private equity funds and co-investments, fee income may also include performance fees. The calculation formulas for the performance fees of Taaleri's private equity funds and co-investments are fund-specific, but they are always based on the returns at the fund or co-investment level after reaching a separately agreed hurdle rate. The performance fee is recognised at the time when the realization of the performance fee is reasonably certain, but the performance fee is paid only in connection with the exit of the fund or co-investment. If the exit takes place only in later financial years, but the realization of the performance fee can already be reasonably certain in previous financial years, an asset based on the contract is recognised in connection with the recognition of the unrealised performance fee.

Taaleri only considers the performance fee to the extent that it is probable that the amount of the accrued recognised income will not need to be significantly reversed later. Previously, Taaleri reviewed the amounts of unrealised performance fees semi-annually, but from 1 January 2024, quarterly. The review includes evaluating the amount of the performance fees of private equity funds and co-investments attributable to the alternative fund manager or the responsible partner of the alternative fund and modelling the probabilities of the factors related to the final amount of performance fees.

Valuation of Garantia's insurance contract liabilities (2.17 Accounting policies requiring management's judgment and key uncertainties regarding estimations)

The amendment in the accounting policy concerns the frequency of the assumption updates.

The measurement of Garantia's insurance contract liabilities according to IFRS 17 Insurance Contracts includes several factors that involve management's judgement and uncertainty.

The most significant uncertainties are related to the estimation of future claims cashflows, and to the estimation of the amount of the adjustment for non-financial risk reflecting the variation in the claims cashflows. Uncertainty is also associated with the selection of the interest rate curve applied in cashflow discounting, and the measurement of the liquidity premium, as well as the assessment of future other insurance service expenses. In the evaluation of the future claims cashflows of the liability for the remaining coverage, Taaleri uses the ratio of claims incurred for the last ten (10) years to the guarantee insurance exposure per insurance contract portfolio, and a forecast of the development of the guarantee exposure. Similarly, in the evaluation of future other insurance service expenses, Taaleri uses the ratio of other insurance service expenses of the last three (3) years to the guarantee exposure per insurance contract portfolio, and a forecast of the development of the guarantee exposure.

The assumptions were previously updated annually at the time of the Financial Statement's balance sheet date, but from 1 January 2024, semi-annually, and the forecast at the time of reporting is used as the best estimate.

Key figures

The Group

Unless otherwise stated, the key figures regarding the Consolidated Income Statement presented in the table below have been calculated on the basis of the Group's Consolidated Income Statement, which applies IFRS standards. The key figures regarding the Consolidated Income Statement presented in the explanatory part of this Interim Statement have been calculated on the basis of the Group's segment reporting, unless otherwise stated.

	7-9/2024	7-9/2023	1-9/2024	1-9/2023	1-12/2023
Income, EUR 1,000	22,220	13,498	52,011	47,451	65,629
Operating profit (-loss), EUR 1,000	14,695	5,699	28,710	25,016	31,921
- as percentage of income	66.1%	42.2%	55.2%	52.7%	48.6%
Net profit for the period, EUR 1,000	13,107	4,888	24,050	21,519	26,546
- as percentage of income	59.0%	36.2%	46.2%	45.4%	40.4%
Basic earnings per share, EUR	0.39	0.16	0.76	0.67	0.81
Diluted earnings per share, EUR	0.38	0.16	0.74	0.65	0.79
Basic total comprehensive income earnings per share, EUR	0.46	0.19	0.88	0.72	0.88
Return on equity % (ROE) ¹⁾	26.3%	9.6%	15.4%	14.1%	13.0%
Return on equity at fair value % (ROE) ¹⁾	30.4%	11.2%	17.6%	15.2%	13.9%
Return on assets % (ROA) ¹⁾	17.9%	6.5%	10.5%	9.5%	8.7%
Cost/income ratio	34.6%	59.7%	46.5%	52.2%	54.3%
Price/earnings (P/E) ¹⁾	5.3	14.2	8.1	10.4	11.1
FTE (full-time equivalents), at the end of the period	129	119	129	119	118
Equity ratio -%	68.7%	67.7%	68.7%	67.7%	67.8%
Net gearing -%	-6.9%	-9.6%	-6.9%	-9.6%	-11.2%
Equity/share, EUR	7.18	7.19	7.18	7.19	7.29
Dividend or distribution of funds /share, EUR	-	-	-	-	1.00
Dividend or distribution of funds / earnings, %	-	-	-	-	123.1%
Effective dividend yield, %	-	-	-	-	11.1%
Loan receivables, EUR 1,000	5,301	5,562	5,301	5,562	5,142
Number of shares at the end of period ²⁾	28,196,253	28,305,620	28,196,253	28,305,620	28,285,593
Average number of shares ²⁾	28,196,253	28,305,620	28,204,353	28,305,620	28,305,267
Share average price, EUR	8.21	9.61	9.24	10.71	10.23
- highest price, EUR	8.79	10.28	10.90	12.94	12.94
- lowest price, EUR	7.96	9.15	7.96	9.15	8.27
- closing price, EUR	8.23	9.25	8.23	9.25	8.99
Market capitalisation, EUR 1,000 ²⁾	232,055	261,827	232,055	261,827	254,287
Shares traded, thousands	1,049	273	5,363	2,115	2,749
Shares traded, %	4%	1%	19%	7%	10%

1) Annualised

2) Reduced by own shares acquired

Insurance operations key figures

Taaleri's insurance business operations consist entirely of Garantia Insurance Company Ltd. Garantia Insurance Company Ltd has been consolidated from 1 April 2015.

EUR 1,000	7-9/2024	7-9/2023	1-9/2024	1-9/2023	1-12/2023
Insurance service result	3,449	3,561	10,906	10,863	13,549
Insurance revenue	4,646	4,565	14,443	14,383	19,010
Insurance service expenses	-1,120	-850	-3,275	-3,150	-4,942
- of which incurred claims	-299	-215	-1,097	-888	-1,197
- of which other insurance administrative expenses	-660	-731	-2,446	-2,336	-3,248
- of which losses on onerous contracts	6	326	79	289	-471
- of which changes in liability of incurred claims	42	152	774	557	813
- of which insurance acquisition costs	-209	-382	-586	-772	-839
Net expenses from reinsurance contracts	-77	-153	-263	-370	-520
Net finance income and expense from insurance	-158	-137	-397	-96	-14
Net income from investment operations	3,486	692	9,652	3,306	4,738
Other income	6	6	33	28	37
Income	6,783	4,122	20,194	14,101	18,310
Personnel costs	-447	-256	-650	-908	-1,422
Other expenses	-17	-15	-54	-42	-62
Operating profit	6,319	3,851	19,490	13,151	16,826
Claims ratio (IFRS), %	5.4%	-5.8%	1.7%	0.3%	4.5%
Expense ratio (IFRS), %	18.7%	24.4%	21.0%	21.6%	21.5%
Reinsurance ratio (IFRS), %	1.7%	3.4%	1.8%	2.6%	2.7%
Combined ratio (IFRS), %	25.8%	22.0%	24.5%	24.5%	28.7%
Return on investments at fair value, %	4.0%	1.4%	9.0%	3.8%	6.9%
Investment portfolio, fair value, EUR million	162	159	162	159	164
Insurance exposure, EUR million	1,744	1,848	1,744	1,848	1,749
Solvency ratio (S2), % ¹⁾	281.3%	271.1%	281.3%	271.1%	245.7%

¹⁾ The key figures based on the Solvency II regulations do not fall within the sphere of statutory auditing under the Insurance Companies Act. The related key figures have not been audited.

Key figures accounting principles

Basic earnings per share, EUR

Profit or loss attributable to ordinary shareholders of the parent company

Weighted average number of ordinary shares outstanding - repurchased own shares

Diluted earnings per share, EUR

Profit or loss attributable to ordinary shareholders of the parent company

Weighted average number of ordinary shares outstanding + dilutive potential ordinary shares - repurchased own shares

Alternative performance measures

The Alternative Performance Measures (APMs) are presented to illustrate the financial performance of business operations and to improve comparability between reporting periods. They should not be replacements for the performance measures defined in IFRS standards.

Basic total comprehensive income earnings per share, EUR

Total comprehensive income attributable to ordinary shareholders of the parent company

Weighted average number of ordinary shares outstanding - repurchased own shares

Return on equity (ROE), %

Profit for the period x 100

Total equity (average of the beginning and end of the year)

Return on equity at fair value (ROE), %	$\frac{\text{Total comprehensive income for the period} \times 100}{\text{Total equity (average of the beginning and end of the year)}}$
Return on assets (ROA), %	$\frac{\text{Profit for the period} \times 100}{\text{Balance sheet total (average of the beginning and end of the year)}}$
Cost/income ratio, %	$\frac{\text{Fee and commission expense} + \text{interest and other financing expense} + \text{administrative expenses} + \text{depreciation} + \text{other operating expenses}}{\text{Total income} + \text{share of associates' profit or loss}}$
Price/Earnings (P/E)	$\frac{\text{Price of share at the end of the period}}{\text{Earnings/share}}$
Equity ratio, %	$\frac{\text{Total equity} \times 100}{\text{Balance sheet total}}$
Gearing ratio, %	$\frac{(\text{Interest-bearing liabilities} - \text{cash and cash equivalents}) \times 100}{\text{Total equity}}$
Equity/share, EUR	$\frac{\text{Equity attributable to ordinary shareholders of the parent company}}{\text{Number of shares at end of period} - \text{repurchased own shares}}$
Dividend/share, EUR	$\frac{\text{Dividend payable for the financial period} \times 100}{\text{Weighted average number of ordinary shares outstanding} - \text{repurchased own shares}}$
Dividend/earnings, %	$\frac{\text{Dividend/share} \times 100}{\text{Basic earnings per share}}$
Effective dividend yield, %	$\frac{\text{Dividend/share} \times 100}{\text{Price of share at the end of the period}}$
Market capitalization	Number of shares at end of financial period, less repurchased own shares, multiplied by stock exchange price at end of financial period
Shares traded, %	$\frac{\text{Shares traded during the financial period} \times 100}{\text{Weighted average number of ordinary shares outstanding}}$

Key figures for insurance operations

Combined ratio (IFRS), %	Claims ratio + Expense ratio + Reinsurance ratio
Claims ratio (IFRS), %	$\frac{\text{Incurred claims} + \text{Losses on onerous contracts} + \text{Changes in liability for incurred claims}}{\text{Insurance revenue}}$
Expense ratio (IFRS), %	$\frac{\text{Insurance administrative expenses} + \text{Insurance acquisition costs}}{\text{Insurance revenue}}$
Reinsurance ratio (IFRS), %	$\frac{\text{Net expenses from reinsurance contracts}}{\text{Insurance revenue}}$
Solvency ratio (S2), %	$\frac{\text{Basic own funds}}{\text{Solvency capital requirement (SCR)}}$

Consolidated income statement

EUR 1,000	1.7.-30.9.2024	1.7.-30.9.2023	1.1.-30.9.2024	1.1.-30.9.2023
Fee and commission income	6,792	6,528	20,490	20,342
Net income from insurance	6,777	4,117	20,161	14,073
Insurance service result	3,449	3,561	10,906	10,863
Net finance expenses from insurance contracts	-158	-137	-397	-96
Net income from investment operations	3,486	692	9,652	3,306
Net gains or net losses on trading in securities and foreign currencies	-341	204	-333	-165
Income from equity investments	8,310	743	8,918	9,429
Interest income	227	941	954	1,586
Other operating income	455	966	1,821	2,186
Total income	22,220	13,498	52,011	47,451
Fee and commission expense	-1,866	-1,947	-5,568	-6,238
Administrative expenses				
Personnel costs	-3,673	-3,840	-11,075	-12,255
Other administrative expenses	-1,158	-1,101	-4,020	-3,984
Depreciation, amortisation and impairment of tangible and intangible assets	-224	-5	-652	-242
Other operating expenses	-506	-1,040	-2,204	-2,575
Expected credit losses from financial assets measured at amortised cost	-2	-3	132	-40
Share of associates' profit or loss	-95	136	86	2,900
Operating profit	14,695	5,699	28,710	25,016
Interest and other financing expenses	-228	-204	-683	-977
Income tax expense	-1,361	-607	-3,978	-2,521
Profit for the period	13,107	4,888	24,050	21,519
Consolidated statement of comprehensive income	1.7.-30.9.2024	1.7.-30.9.2023	1.1.-30.9.2024	1.1.-30.9.2023
Profit for the period	13,107	4,888	24,050	21,519
Items that may be reclassified to profit or loss				
Translation differences		41	84	25
Changes in the fair value reserve	2,691	1,497	4,087	2,411
Income tax	-538	-299	-817	-482
Items that may be reclassified to profit or loss in total	2,153	1,239	3,354	1,953
Items that may not be reclassified to profit or loss				
Changes in the fair value reserve	-124	-528	141	-473
Income tax	25	106	-28	95
Items that may not be reclassified to profit or loss in total	-99	-422	112	-378
Total comprehensive income for the period	15,161	5,704	27,516	23,094
Profit for the period attributable to:				
Owners of the parent company	10,926	4,602	21,438	18,899
Non-controlling interests	2,181	286	2,612	2,620
Total	13,107	4,888	24,050	21,519
Total comprehensive income for the period attributable to:				
Owners of the parent company	12,980	5,418	24,905	20,474
Non-controlling interests	2,181	286	2,612	2,620
Total	15,161	5,704	27,516	23,094
Earnings per share for profit attributable to the shareholders of the parent company	1.7.-30.9.2024	1.7.-30.9.2023	1.1.-30.9.2024	1.1.-30.9.2023
Basic earnings per share, profit for the period	0.39	0.16	0.76	0.67
Diluted earnings per share, profit for the period	0.38	0.16	0.74	0.65

Consolidated quarterly income statement

EUR 1,000	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Fee and commission income	6,792	7,065	6,633	7,312	6,528
Net income from insurance	6,777	4,691	8,693	4,200	4,117
Insurance service result	3,449	3,456	4,002	2,686	3,561
Net finance expenses from insurance contracts	-158	-141	-99	82	-137
Net income from investment operations	3,486	1,376	4,789	1,431	692
Net gains or net losses on trading in securities and foreign currencies	-341	-1,027	1,036	-824	204
Income from equity investments	8,310	765	-156	-40	743
Interest income	227	350	377	340	941
Other operating income	455	798	569	7,192	966
Total income	22,220	12,640	17,152	18,178	13,498
Fee and commission expense	-1,866	-1,789	-1,914	-2,013	-1,947
Administrative expenses					
Personnel costs	-3,673	-3,471	-3,931	-4,155	-3,840
Other administrative expenses	-1,158	-1,578	-1,285	-1,805	-1,101
Depreciation, amortisation and impairment of tangible and intangible assets	-224	-188	-239	-230	-5
Other operating expenses	-506	-966	-733	-2,539	-1,040
Expected credit losses from financial assets measured at amortised cost	-2	-13	147	-567	-3
Share of associates' profit or loss	-95	-228	410	35	136
Operating profit	14,695	4,408	9,607	6,904	5,699
Interest and other financing expenses	-228	-224	-230	-248	-204
Income tax expense	-1,361	-758	-1,858	-1,629	-607
Profit for the period	13,107	3,425	7,519	5,027	4,888

Consolidated statement of comprehensive income	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Profit for the period	13,107	3,425	7,519	5,027	4,888
Items that may be reclassified to profit or loss					
Translation differences		27	57	-108	41
Changes in the fair value reserve	2,691	1,056	340	3,245	1,497
Income tax	-538	-211	-68	-649	-299
Items that may be reclassified to profit or loss in total	2,153	872	329	2,488	1,239
Items that may not be reclassified to profit or loss					
Changes in the fair value reserve	-124	-46	310	-2,654	-528
Income tax	25	9	-62	531	106
Items that may not be reclassified to profit or loss in total	-99	-37	248	-2,123	-422
Total comprehensive income for the period	15,161	4,259	8,096	5,393	5,704

Profit for the period attributable to:

Owners of the parent company	10,926	3,109	7,403	4,085	4,602
Non-controlling interests	2,181	315	115	942	286
Total	13,107	3,425	7,519	5,027	4,888

Total comprehensive income for the period attributable to:

Owners of the parent company	12,980	3,944	7,980	4,450	5,418
Non-controlling interests	2,181	315	115	942	286
Total	15,161	4,259	8,096	5,393	5,704

Consolidated balance sheet

Assets, EUR 1,000	30.9.2024	31.12.2023
Receivables from credit institutions	29,275	38,302
Receivables from the public and general government	5,301	5,142
Shares and units	40,385	38,708
Participating interests	12,970	12,884
Insurance assets	159,515	160,875
Reinsurance contract assets	263	325
Investments	159,252	160,551
Intangible assets	581	572
Goodwill	347	347
Other intangible assets	234	225
Tangible assets	2,008	2,406
Owner-occupied properties	1,618	2,022
Other tangible assets	390	384
Other assets	14,134	17,163
Accrued income and prepayments	31,485	26,742
Deferred tax assets	5,903	5,116
	301,557	307,911

Liabilities and equity, EUR 1,000	30.9.2024	31.12.2023
Liabilities	94,283	99,265
Insurance contract liabilities	43,489	45,616
Other liabilities	5,651	4,944
Accrued expenses and deferred income	18,626	17,327
Deferred tax liabilities	11,618	16,491
Subordinated debt	14,899	14,886
Equity capital	207,274	208,646
Share capital	125	125
Reserve for invested unrestricted equity	18,831	18,831
Fair value reserve	-7,880	-11,262
Translation difference	25	-59
Retained earnings or loss	169,969	175,516
Profit or loss for the period	21,438	22,985
Non-controlling interest	4,766	2,511
	301,557	307,911

Consolidated statement of cash flows

EUR 1,000	1.1.–30.9.2024	1.1.–30.9.2023
Cash flow from operating activities:		
Operating profit (loss)	28,710	25,016
Depreciation	650	381
Change in goodwill	1	-139
Other adjustments		
Changes in fair value of investments	-17,907	652
Other adjustments	47	-3,081
Interest and other financing expenses	-120	5
Cash flow before change in working capital	11,382	22,836
Change in working capital		
Increase (-)/decrease (+) in loan receivables	75	-2,178
Increase (-)/decrease (+) in current interest-free receivables	7,634	-3,690
Increase (+)/decrease (-) in current interest-free liabilities	1,565	-2,468
Cash flow from operating activities before financial items and taxes	20,655	14,500
Direct taxes paid (-)	-9,339	-1,199
Cash flow from operating activities (A)	11,316	13,300
Cash flow from investing activities:		
Investments in tangible and intangible assets	-109	-679
Investments in subsidiaries and associated companies net of cash acquired	234	1,506
Other investments	9,937	-7,775
Cash flow from investing activities (B)	10,062	-6,948
Cash flow from financing activities:		
Changes in share-based incentives	-	433
Transactions with non-controlling interests	-9	1,515
Increase (+)/decrease (-) in current liabilities	-	-410
Payments to acquire entity's shares	-833	-
Dividends paid and other distribution of profit		
To parent company shareholders	-28,196	-19,814
To non-controlling shareholders	-1,366	-175
Cash flow from financing activities (C)	-30,404	-18,451
Increase/decrease in cash and cash equivalents (A+B+C)	-9,027	-12,099
Cash and cash equivalents at beginning of period	38,302	46,817
Cash and cash equivalents at end of period	29,275	34,718
Net change in cash and cash equivalents	-9,027	-12,099

Changes in group equity capital

	Share capital	Fair value reserve	Reserve for invested unrestricted equity	Translation differences	Retained earnings	Total	Non-controlling interests	Equity total
2024, EUR 1,000								
1.1.2024	125	-11,262	18,831	-59	198,500	206,134	2,511	208,646
Total comprehensive income for the financial period		3,382		84	21,438	24,905	2,612	27,516
Earnings for the period					21,438	21,438	2,612	24,050
Other comprehensive income items		3,382		84		3,466		3,466
Distribution of profit					-28,196	-28,196	-175	-28,371
Dividend EUR 1.00/share					-28,196	-28,196		-28,196
Distribution of profit for subgroup							-175	-175
Purchase of own shares					-833	-833		-833
Share-based payments payable as equity					387	387		387
Transactions with non-controlling interests							-9	-9
Other					111	111	-173	-62
30.9.2024	125	-7,880	18,831	25	191,407	202,508	4,766	207,274
2023, EUR 1,000								
1.1.2023	125	-13,285	18,831	23	195,228	200,922	-400	200,521
Total comprehensive income for the financial period		1,550		25	18,899	20,474	2,620	23,094
Earnings for the period					18,899	18,899	2,620	21,519
Other comprehensive income items		1,550		25		1,575		1,575
Distribution of profit					-19,814	-19,814	-175	-19,989
Dividend EUR 0.70/share					-19,814	-19,814		-19,814
Distribution of profit for subgroup							-175	-175
Share-based payments payable as equity					427	427		427
Transactions with non-controlling interests					1,636	1,636	227	1,863
Other					13	13	3	16
30.9.2023	125	-11,735	18,831	48	196,389	203,658	2,274	205,932

Segment information, earnings 1.7.–30.9.2024

1.7.–30.9.2024, EUR 1,000	Continuing operations					Total
	Private Asset Management	Renewable energy	Other private asset management	Garantia	Other	
Continuing earnings	6,136	4,975	1,161	3,297	250	9,683
Performance fees	-	-	-	-	-	-
Investment operations	8,282	8,210	72	3,486	160	11,928
Total income	14,418	13,184	1,233	6,783	410	21,611
Fee and commission expense	-1,454	-1,072	-382	-	-5	-1,458
Personnel costs	-2,225	-1,484	-742	-447	-947	-3,620
Direct expenses	-1,475	-903	-572	-17	-315	-1,808
Depreciation, amortisation, and impairment	-30	-16	-14	-	-20	-50
Impairment losses on loans	-	-	-	-	-2	-2
Operating profit	9,233	9,710	-477	6,319	-878	14,674
Operating profit, %	64.0%	73.6%	neg	93.2%	neg	67.9%

1.7.–30.9.2023, EUR 1,000

Continuing earnings	6,484	5,052	1,432	3,430	377	10,292
Performance fees	-5	-	-5	-	-	-5
Investment operations	1,903	1,899	3	692	216	2,810
Total income	8,382	6,951	1,431	4,122	593	13,098
Fee and commission expense	-1,497	-1,024	-473	-	-7	-1,504
Personnel costs	-2,593	-1,894	-699	-256	-942	-3,791
Direct expenses	-1,624	-1,302	-322	-15	-574	-2,214
Depreciation, amortisation, and impairment	42	84	-42	-	66	107
Impairment losses on loans	-	-	-	-	-3	-3
Operating profit	2,710	2,815	-105	3,851	-868	5,693
Operating profit, %	32.3%	40.5%	neg	93.4%	neg	43.5%

Reconciliations

Reconciliation of total income, EUR 1,000	1.7.–30.9.2024	1.7.–30.9.2023
Total income of segments	21,611	13,098
Share of associates' profit or loss allocated to total income of segments	95	-136
Transit items eliminated in segment reporting	513	537
Consolidated total income	22,220	13,498

Reconciliation of operating profit, EUR 1,000	1.7.–30.9.2024	1.7.–30.9.2023
Total earnings of segments before taxes and NCI	14,674	5,693
IFRS 16 Leases ¹⁾	21	6
Consolidated operating profit	14,695	5,699

¹⁾ The division of lease expense to depreciation and interest expense according to IFRS 16 Leases -standard is not applied in the segment reporting.

Segment information, earnings 1.1.–30.9.2024

1.1.–30.9.2024, EUR 1,000	Continuing operations					Total
	Private Asset Management	Renewable energy	Other private asset management	Garantia	Other	
Continuing earnings	18,081	14,387	3,694	10,542	1,452	30,075
Performance fees	-	-	-	-	-	-
Investment operations	9,471	9,638	-167	9,652	1,354	20,477
Total income	27,552	24,025	3,528	20,194	2,806	50,552
Fee and commission expense	-4,347	-3,172	-1,175	-	-28	-4,375
Personnel costs	-7,849	-4,669	-3,181	-650	-2,396	-10,895
Direct expenses	-5,190	-3,468	-1,723	-54	-1,412	-6,656
Depreciation, amortisation, and impairment	-85	-44	-40	-	-30	-114
Impairment losses on loans	-71	-	-71	-	203	132
Operating profit	10,011	12,673	-2,662	19,490	-856	28,645
Operating profit, %	36.3%	52.7%	neg	96.5%	neg	56.7%

1.1.–30.9.2023, EUR 1,000

Continuing earnings	17,676	12,965	4,711	10,794	1,520	29,990
Performance fees	1,489	-	1,489	-	-	1,489
Investment operations	10,515	10,526	-11	3,306	3,357	17,178
Total income	29,680	23,491	6,189	14,101	4,876	48,657
Fee and commission expense	-4,879	-3,143	-1,736	-	-39	-4,918
Personnel costs	-8,793	-6,115	-2,678	-908	-2,355	-12,056
Direct expenses	-5,122	-3,694	-1,428	-42	-1,539	-6,703
Depreciation, amortisation, and impairment	22	73	-51	-	41	63
Impairment losses on loans	-	-	-	-	-40	-40
Operating profit	10,908	10,612	296	13,151	944	25,003
Operating profit, %	36.8%	45.2%	4.8%	93.3%	19.4%	51.4%

Reconciliations

Reconciliation of total income, EUR 1,000

	1.1.–30.9.2024	1.1.–30.9.2023
Total income of segments	50,552	48,657
Share of associates' profit or loss allocated to total income of segments	-86	-2,900
Transit items eliminated in segment reporting	1,545	1,693
Consolidated total income	52,011	47,451

Reconciliation of operating profit, EUR 1,000

	1.1.–30.9.2024	1.1.–30.9.2023
Total earnings of segments before taxes and NCI	28,645	25,003
IFRS 16 Leases ¹⁾	65	13
Consolidated operating profit	28,710	25,016

¹⁾ The division of lease expense to depreciation and interest expense according to IFRS 16 Leases -standard is not applied in the segment reporting.

Further information is provided below on Taaleri Group's own balance sheet investments, excluding personnel receivables, the fair value of which exceeds one million euros at the balance sheet date. Taaleri Group's investments that support the core business and development of the private asset management, are reported under Private Asset Management segment. Non-strategic investments are presented as part of the Other group.

Private Asset Management segment's direct investments, EUR 1,000		Purchase price 30.9.2024	Fair value 30.9.2024	Holding 30.9.2024
	Investment type			
Renewable energy investments				
Truscott Gilliland East Wind	Shares and participations	10,973	10,025	7.0%
Taaleri SolarWind II	Shares and participations	2,731	3,331	0.9%
Taaleri Debt Ky	Shares and participations	1,500	2,079	15.0%
Taaleri SolarWind III	Shares and participations	1,677	1,704	1.1%
Bioindustry investments				
Fintoil Oy	Shares and participations	8,069	9,870	39.6%
Tracegrow Ltd	Shares and participations	2,260	1,266	7.1%
WasteWise Group Oy	Shares and participations	3,650	3,044	33.7%
Taaleri Biocoal Development Ky	Shares and participations	1,500	1,408	12.4%
Other investments		4,480	4,796	
Total Private Asset Management segment's direct investments		36,841	37,524	

Non-strategic investments EUR 1,000		Purchase price 30.9.2024	Fair value 30.9.2024	Holding 30.9.2024
	Investment type			
Real estate development investments				
TT Canada RE Holdings Corporation	Loan	-	2,210	-
Sepos Oy	Shares and participations	2,834	678	30.0%
Sepos Oy	Loan	2,072	2,104	-
Turun Toriparkki Oy	Shares and participations	8,503	8,833	39.3%
Other investments				
Aktia Bank Plc	Shares and participations	5,876	5,325	0.8%
Alisa Bank Plc	Shares and participations	5,460	2,767	10.4%
Other investments		6,436	1,859	
Total non-strategic investments		31,181	23,776	

Investments in the non-strategic investment portfolio have a project-specific exit plan. Taaleri's own co-investment projects will be divested at the same pace as other co-investors.

Private Asset Management segment's direct investments, EUR 1,000	Investment type	Purchase price 31.12.2023	Fair value 31.12.2023	Holding 31.12.2023
Renewable energy investments				
Truscott Gilliland East Wind	Shares and participations	10,973	10,158	7.0%
Taaleri SolarWind II	Shares and participations	2,658	3,010	0.9%
Taaleri Debt Ky	Shares and participations	1,500	2,079	15.0%
Taaleri SolarWind III	Shares and participations	1,139	1,176	1.1%
Bioindustry investments				
Fintoil Oy	Shares and participations	3,000	4,800	24.0%
Tracegrow Ltd	Shares and participations	1,992	1,365	7.7%
Tracegrow Ltd	Loan	200	210	-
WasteWise Group Oy	Shares and participations	3,650	3,509	34.1%
Taaleri Biocoal Development Ky	Shares and participations	1,500	1,437	12.4%
Other investments		4,071	4,543	
Total Private Asset Management segment's direct investments		30,683	32,288	

Non-strategic investments EUR 1,000	Investment type	Purchase price 31.12.2023	Fair value 31.12.2023	Holding 31.12.2023
Real estate development investments				
TT Canada RE Holdings Corporation	Loan	6,729	10,710	-
Sepos Oy	Shares and participations	2,834	734	30.0%
Sepos Oy	Loan	1,946	2,008	-
Turun Toriparkki Oy	Shares and participations	8,503	8,091	39.3%
Other investments				
Aktia Bank Plc	Shares and participations	10,000	9,180	1.3%
Alisa Bank Plc	Shares and participations	5,460	2,623	17.3%
Other investments		6,603	2,199	
Total non-strategic investments		42,076	35,546	

TAALERI

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