

Q4

Taaleri Plc Financial Statements Bulletin

1 January–31 December 2024



Taaleri Energia opened Finland's largest battery energy storage system in Lempäälä in November

TAALERI

Taaleri Plc Financial Statements Bulletin 1.1.–31.12.2024

Taaleri's positive financial performance continued in the final quarter of the year

October–December 2024

- Continuing earnings grew by 5.7% to EUR 10.4 (9.9) million. The Private Asset Management segment's continuing earnings grew by 6.1% to EUR 7.1 (6.7) million, and the Garantia segment's continuing earnings grew by 11.1% to EUR 3.1 (2.8) million.
- Performance fees were EUR 1.8 (0.0) million, and net income from investment operations was EUR 7.7 (7.8) million.
- Income increased by 13.0% to EUR 20.0 (17.7) million.
- Operating profit was EUR 9.4 (6.9) million, corresponding to 47.0% (38.9) of income.
- Earnings per share were EUR 0.23 (0.14).

January–December 2024

- Continuing earnings grew by 1.6% to EUR 40.5 (39.9) million. The Private Asset Management segment's continuing earnings grew by 3.3% to EUR 25.2 (24.4) million, and the Garantia segment's continuing earnings grew by 0.4% to EUR 13.6 (13.6) million.
- Performance fees were EUR 1.8 (1.5) million, and net income from investment operations was EUR 28.2 (25.0) million.
- Income increased by 6.3% to EUR 70.5 (66.3) million.
- Operating profit was EUR 38.0 (31.9) million, corresponding to 53.9% (48.1) of income.
- The assets under management in the Private Asset Management segment grew by 2.2% to EUR 2.7 (31 December 2023: 2.6) billion.
- Earnings per share were EUR 1.00 (0.81).
- The Board of Directors proposes that a dividend of EUR 0.50 per share be paid for 2024, distributed in two equal instalments of EUR 0.25 each.

This Financial Statements Bulletin has been prepared in accordance with IAS 34. The Financial Statements Bulletin is based on the audited Financial Statements of 2024. The auditor's report has been issued on 12 February 2025. Unless otherwise stated, the figures in parentheses in the Financial Statements Bulletin refer to the corresponding period of the previous year. See page 24 for further information of the accounting policies of this Financial Statements Bulletin. The financial figures in the explanatory section of the Financial Statements Bulletin are based on the Taaleri's segment reporting unless otherwise stated.

Growth in continuing earnings, %	Income, EUR million	Operating profit, %	Assets Under Management, BEUR
5.7 (Q4 2023: -6.6)	20.0 (Q4 2023: 17.7)	47.0 (Q4 2023: 38.9)	2.7 (31.12.2023: 2.6)

Key figures

Group key figures	10–12/2024	10–12/2023	Change, %	1–12/2024	1–12/2023	Change, %
Earnings key figures						
Continuing earnings, MEUR	10.4	9.9	5.7	40.5	39.9	1.6
Income, MEUR	20.0	17.7	13.0	70.5	66.3	6.3
Operating profit, MEUR	9.4	6.9	36.3	38.0	31.9	19.3
Operating profit, %	47.0	38.9		53.9	48.1	
Profit for the period, MEUR	8.4	5.0	67.8	32.5	26.5	22.4
Return on equity, annualised %	16.0	9.7		15.3	13.0	
Balance sheet key figures						
Equity ratio, %	73.8	67.8		73.8	67.8	
Other key figures						
Cost/income ratio, %	54.0	59.0		47.4	52.8	
FTE (full-time equivalents), at the end of the period	129	118	9.0	129	118	9.0
Assets under management in Private Asset Management segment, BEUR	2.7	2.6	2.2	2.7	2.6	2.2
Guaranty insurance portfolio, BEUR	1.7	1.7	-4.0	1.7	1.7	-4.0

Review by CEO Ilkka Laurila

I started as CEO of Taaleri at the beginning of January 2025. I am excited about my new role and our opportunity to strengthen Taaleri as a Nordic investment and asset manager. Our goal is to promote profitable growth across all businesses.



The Taaleri Group's result for the final quarter of the year was strong, mainly due to the continuing earnings from the renewable energy business, recognised performance fees, and Garantia's result. We advanced our strategy in a challenging operating environment.

The Taaleri Group's income was EUR 20.0 million in the final quarter of the year, reflecting a 13.0% increase compared to the previous period, driven by the growth in continuing earnings and performance fees. Continuing earnings grew by 5.7% to EUR 10.4 million. The operating profit margin was 47.0%. In the Private Asset Management segment, continuing earnings grew by 6.1% to EUR 7.1 million, thanks to new commitments raised for the SolarWind III Fund after the comparison period. The management fees received from private equity funds increased as a result of the increase in the assets under management that produce the fees. The income of the Private Asset Management segment, in turn, grew by 13.0% compared to the comparison period to EUR 14.4 million. The growth in income was primarily driven by performance fees recognised during the review period based on management's estimates.

The renewable energy business continued the fundraising for Taaleri SolarWind III Fund. In the final quarter of the year, we increased the size of the fund to EUR 481 million. We succeeded in attracting new international investors to the fund. Fundraising for the fund is scheduled to continue until the end of June. We have already surpassed the size of the previous Taaleri SolarWind II Fund by 36%. Our goal is to significantly grow the fund size further within the current year, but reaching the original target size of EUR 700 million is uncertain given the current market. The fund's project development portfolio allows for efficient allocation of capital, and the fund's investment activities remained active in the final quarter of the year. The Taaleri Wind II and Taaleri Wind III Funds are in the exit phase, and we are actively engaged in sales negotiations.

The bioindustry business focused on value creation from existing investments in the Taaleri Bioindustry I Fund and actively identifying new investment opportunities. The torrefied biomass plant in Joensuu was completed, and our goal is to begin production with smaller test batches. A broader ramp-up will take place in 2025.

The real estate business continued to develop new products in the final quarter of the year. We agreed on a mandate-based strategic partnership with a large Finnish pension insurer at the beginning of 2025. Our goal is to launch additional new products within the current year. The timing of the launches will depend not only on investor discussions but also on the development of the real estate market.

Garantia's insurance revenue in the final quarter of the year remained at the level of the comparison period, amounting to EUR 4.5 million. The housing market, which is linked to company's residential mortgage guarantee sales, has shown signs of recovery following interest rate cuts. The combined ratio, which measures the profitability of insurance operations, stayed strong at 26.2%. Garantia's net income from investment operations measured at fair value through profit or loss was EUR 2.2 million, and the return on investments at fair value was 1.1% in the final quarter of the year. The investment market strengthened compared to the comparison period, but the development in the final quarter was more moderate compared to the first nine months of 2024.

The result for the final quarter of the year marked a strong end to 2024. Although progress was slower than desired, we have advanced our key strategic initiatives in the prevailing market. We will refine our strategy during the current year. We have built a strong foundation, and we have the right people, expertise, and resources to achieve results. Our goal is to continue developing our processes to enhance productivity and quality, ensuring we can provide the best solutions and products to our clients as well in the future.

Dividend proposal of the Board of Directors

The Board proposes to the Annual General Meeting that a dividend of EUR 0.50 per share be paid for 2024, totalling EUR 14,098,126.50. The parent company's distributable assets at the balance sheet date were EUR 114,274,142.31, of which the profit for the financial year was EUR 13,715,113.92. The Board proposes that the company transitions to a biannual dividend distribution arrangement, whereby the dividend for 2024 is proposed to be paid in two equal instalments.

The Board proposes that the first instalment of EUR 0.25 per share be paid to shareholders who are registered in the shareholder register held by Euroclear Finland Oy on the dividend record date of 4 April 2025. The Board proposes that the first instalment of the dividend be paid on 11 April 2025.

The Board proposes that the second instalment of EUR 0.25 per share be paid to shareholders who are registered in the shareholder register held by Euroclear Finland Oy on the dividend record date of 3 October 2025. The Board proposes that the second instalment of the dividend be paid on 10 October 2025.

The Board of Directors' report and Financial Statements for 2024 will be available at www.taaleri.com on 12 March 2025 at the latest.

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

The growth in continuing earnings from the renewable energy business for 2025 will be clarified as the final size of the Taaleri SolarWind III Fund and the final exit timings for the Taaleri Wind II and Taaleri Wind III Funds become clear. The operating profit for 2025 will depend, among other factors, on the net income from investment operations and the clarification of the estimated performance fees for the funds in the exit phase or their final amount and timing of the exits.

Taaleri's bioindustry, real estate and other businesses focus on strong international growth, which burdens the profitability of Other private asset management. The operating profit for 2025 is expected to remain negative in Other private asset management, but to develop positively compared to the previous period.

Garantia

Garantia's continuing earnings are expected to remain slightly below the comparison period due to, in particular, the prolonged weak development of the Finnish housing market. In a market environment in line with expectations, Garantia's net income from investment operations is expected to decrease compared to the exceptionally strong comparison period.

Other group

The income from the Other group in 2025 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.

Promoting the strategy

The year 2024 was the first of Taaleri's current strategy period. At the core of the strategy are private asset management business and significant industrial investments, particularly in bioindustry. Taaleri's goal is to increase the assets under management to EUR 4 billion and increase the Group's direct industrial investments to at least EUR 100 million by the end of 2026.

Taaleri has four strategic priorities. Below, we outline how we advanced each of the priorities during 2024.

1. Grow in our business areas through both assets under management and direct investments

Assets under Taaleri's management increased during 2024 from EUR 2.6 billion to EUR 2.7 billion. During the year, we raised

funds for Taaleri's latest SolarWind III renewable energy fund. By the end of 2024, EUR 481 million had been raised for the fund, exceeding the size of the previous Taaleri SolarWind II Fund, which is fully invested, by 36%. The fund's fundraising was supported by a project development portfolio that included 60 projects at the end of the financial year.

2. Make substantial industrial investments and cooperate with industrial partners, especially in the bioindustry ecosystem

Over the year, we advanced several projects within the bioindustry ecosystem. We completed the torrefied biomass plant in Joensuu during the past year, and production is set to commence in early 2025. Taaleri is an investor in the project. We also made an additional investment in the Fintoil biorefinery, which is an associated company of Taaleri. Fintoil's financial situation and operating environment improved in the final quarter of 2024. Furthermore, we promoted a potential international project for torrefied biomass production, facilitated through a project development company established in Canada and dedicated resources committed to the initiative.

Throughout 2024, we explored potential direct investments, but no new significant investments have yet been made.

3. Expand our investor base outside of Finland and partner with international organisations on investments

In 2024, our fundraising efforts focused on international markets. Of the SolarWind III Fund's current capital, 54% is raised outside Finland. Over 2024, we strengthened relationships within international networks and with potential partners.

4. Develop impact and sustainability in all investments throughout their lifecycle

We developed and increased private equity funds that seek not only economic returns but also measurable benefits for the environment and society. In 2024, we managed nine private asset management funds classified under Articles 8 or 9 of the EU Sustainable Finance Disclosure Regulation (SFDR) (2019/2088). These funds either make sustainable investments, such as those contributing significantly to mitigating climate change, or promote selected sustainability characteristics.

Operating environment

Economic development in the eurozone remained subdued in the final quarter of 2024. However, economic growth is forecasted to be slightly more favourable in 2025 compared to the previous year. In the United States, economic growth remained strong, highlighting the contrast with weaker development in Europe.

Inflation has eased, but it has not yet reached the target levels set by central banks. Interest rates continued to decline, which revitalised the industrial economic climate. However, geopolitical instability continues to increase market uncertainty.

The fundraising environment for private markets remained challenging in the final quarter of 2024. Fundraising for infrastructure funds was at its lowest level in years. Fluctuations in valuation levels, uncertainty in exit markets, and geopolitical risks have made investors more cautious. According to Preqin, which tracks private market developments, there are a record number of funds in the market, but the total target capital has decreased compared to last year. At the same time, new, non-institutional investors are becoming increasingly interested in investing in the private market.

The renewable energy business environment was divided. Electricity prices vary significantly across different regions in Europe, which impacts the attractiveness of renewable energy investments on a country-by-country basis. The recent rapid development of wind and solar power has also led to a decrease in the selling prices of electricity from these energy sources. For example, the price of solar energy has fallen in Spain, and wind energy prices have decreased in the Nordic countries.

In bioindustry, the political climate has weakened the operating environment for products and solutions focused on sustainability, making market entry more difficult. Commercialisation is further hindered by the prevailing emphasis on cost efficiency and established value chains across many sectors, which makes it challenging to integrate new solutions, even when they are competitive in terms of quality and price.

The demand for bioindustry products is influenced by the prices of EU emission allowances (ETS), which rose to their highest levels at the end of 2024. Despite this, the price level of emission allowances remains lower than previously forecasted. Price development is influenced by factors such as the abundant supply of emission allowances in relation to current demand. The price of coal in the final quarter of 2024 was below the average price for the entire year. At the same time, the prices of domestic pulpwood and fuelwood, used as bioindustry raw materials, remained at record-high levels, although the pace of price increases decelerated toward the end of the year.

The real estate market remains sluggish for the time being. The final quarter of the year was slightly more active in Finland than the previous quarter. However, transaction volumes were nearly 40% lower than in the corresponding period in 2023. The increase in required returns for prime real estate levelled off, and there was little need for write-downs due to higher required returns in similar real estate categories at the end of the year.

In the insurance operating environment of Garantia Insurance Company Ltd, economic uncertainty continued to keep consumer confidence well below the long-term average, and activities in the housing market remained subdued. The

continuing low volume of housing transactions significantly affected the company's sales of residential mortgage guarantees. In Finland, the prolonged weak economic situation was also reflected in increased 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 guarantee insurance portfolio. The housing market showed signs of recovery towards the end of the year. If the positive development continues, the volume of Garantia's residential mortgage guarantee sales is also expected to take an upward turn.

As a result of subdued economic activity, companies' willingness to invest remained low and the number of bankruptcies initiated continued on an upward trend. Demand for corporate financing remained modest, but the improvement in business confidence indicators in the latter half of the year can be considered a positive signal. However, the creditworthiness of the corporate counterparties of Garantia's guarantee insurance portfolio mostly remained stable. The development of the investment market was slightly weaker in the final quarter of 2024 following an exceptionally strong first nine months.

Financial result

Continuing earnings, income, and operating profit

Group, EUR million	10-12/2024	10-12/2023	Change, %	1-12/2024	1-12/2023	Change, %
Continuing earnings	10.4	9.9	5.7%	40.5	39.9	1.6%
Private Asset Management	7.1	6.7	6.1%	25.2	24.4	3.3%
Garantia	3.1	2.8	11.1%	13.6	13.6	0.4%
Other	0.2	0.4	-38.8%	1.7	1.9	-11.7%
Income	20.0	17.7	13.0%	70.5	66.3	6.3%
Private Asset Management	14.4	12.7	13.9%	42.0	42.3	-0.9%
Garantia	5.3	4.2	26.2%	25.5	18.3	39.3%
Other	0.2	0.8	-69.5%	3.1	5.7	-46.4%
Operating profit	9.4	6.9	36.3%	38.0	31.9	19.3%
Private Asset Management	6.0	4.0	50.6%	16.1	14.9	7.6%
Garantia	4.8	3.7	30.4%	24.3	16.8	44.3%
Other	-1.5	-0.8	81.2%	-2.3	0.1	n/a

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 33–34.

October–December 2024

The Group's continuing earnings grew by 5.7% to EUR 10.4 (9.9) million during the final quarter. Continuing earnings in the Private Asset Management segment grew by 6.1%, supported by the renewable energy business. The Garantia segment's continuing earnings grew by 11.1% due to a decrease in insurance service expenses. Insurance revenue decreased slightly compared to the comparison period.

In the final quarter of the year, a total of EUR 1.8 (0.0) million in performance fees were recognised. The majority of the performance fees were recognised based on management estimates from the Taaleri SolarWind I Fund, whose exit preparations were initiated. The Group's net income from investment operations was EUR 7.7 (7.8) million, of which EUR 5.5 (6.0) million was from the Private Asset Management segment and 2.2 (1.4) from the Garantia segment. The net income from investment operations of the Private Asset Management segment included an additional income of EUR 5.8 million from renewable energy development activities in Texas between 2018 and 2021. Taaleri received the first portion of the sale price for the project in 2023, and when announcing the transaction, noted that the sale agreement included the possibility of an additional income if certain conditions are met. The additional income was fully recognised in the final quarter of 2024. The Group's income grew to EUR 20.0 (17.7) million as a result of growth in continuing earnings and recognised performance fees.

The Group's operating expenses totalled EUR 10.6 (10.8) million, of which personnel costs were EUR 4.3 (4.1) million and fee and commission expenses EUR 1.6 (1.7) million. The Group's operating profit was EUR 9.4 (6.9) million, corresponding to 47.0% (38.9%) of income.

In the Group's consolidated IFRS income statement, income grew by 13.1% to EUR 20.6 (18.2) million. The profit for the period was EUR 8.4 (5.0) million and comprehensive income items were EUR -0.5 (0.4) million, consisting mainly of changes in fair value, so the Group's total comprehensive income was EUR 7.9 (5.4) million.

January–December 2024

The Group's continuing earnings grew by 1.6% to EUR 40.5 (39.9) million during 2024. Continuing earnings in the Private Asset Management segment grew by 3.3% as the fundraising for the Taaleri SolarWind III Fund progressed, but continuing earnings in the Garantia segment remained at the level of the comparison period, amounting to EUR 13.6 million. In the Garantia segment, the insurance service result increased by 4.8% compared to the previous year, mainly due to a reduction in insurance service expenses, although net finance income and expense increased due to changes in discount rates.

Performance fees recognised for the 2024 financial year amounted to EUR 1.8 (1.5) million. The majority of the performance fees were recognised based on management estimates from the Taaleri SolarWind I Fund, whose exit preparations were initiated. The Group's net income from investment operations was excellent at EUR 28.2 (25.0) million, of which EUR 15.0 (16.5) million was from the Private Asset Management segment, EUR 11.9 (4.7) million from the Garantia segment and EUR 1.4 (3.8) million from the Other group.

The net income from investment operations for the 2024 financial year includes, among other items, EUR 14.1 million in yet-to-be-realised considerations and EUR 11.9 million recognised through profit or loss from Garantia's investment performance, which, at fair value, reached 10.3%. The unrealised considerations recognised as income in 2024 consist of an EUR 8.3 million additional income from last year's sale of a renewable energy project development portfolio and an EUR 5.8 million additional income from renewable energy development activities carried out in Texas between 2018 and 2021. Management considers the realisation of these considerations to be probable, and therefore they were recognised as income in the financial year 2024. The Group's income grew by 6.3% to EUR 70.5 (66.3) million in the financial period ended.

The Group's operating expenses totalled EUR 32.5 (34.5) million in the financial period ended, including EUR 15.2 (16.1) million of personnel costs and EUR 6.0 (6.6) million of fee and commission expenses. The Group's operating profit was EUR 38.0 (31.9) million, corresponding to 53.9% (48.1) of income.

In the Group's consolidated IFRS income statement, income grew by 10.6% to EUR 72.6 (65.6) million. The Group's profit for the period was EUR 32.5 (26.5) million and comprehensive income items were EUR 3.0 (1.9) million, consisting mainly of changes in fair value, so the Group's total comprehensive income was EUR 35.5 (28.5) million.

Balance sheet, investments, and financing

At the end of the financial period, Taaleri Group's balance sheet total was EUR 291.9 (307.9) million. At the end of the review period, the Group's cash and cash equivalents totalled EUR 19.6 (38.3) million. The parent company distributed EUR 28.2 million in dividends during the financial year and redeemed its EUR 15.0 million Tier 2 bond in October. The liquidity position remained strong.

Taaleri's investments at the end of the financial period were EUR 209.4 (228.4) million, representing 71.8% (74.2) of the consolidated balance sheet total. Of the investments, EUR 154.6 (160.6) million consisted of Garantia's investment portfolio, EUR 36.1 (32.3) million of direct investments in the Private Asset Management segment and EUR 18.7 (35.5) million of non-strategic investments. At the end of the review period, the Group's accrued income included unrealised performance fees, based on management estimates, totalling EUR 15.9 (14.2) million, and other unrealised considerations of EUR 14.1 (0.0) million. The unrealised considerations consist of sales price receivables recognised as income in 2024 but still conditional as of the balance sheet date. Of the unrealised but recognised considerations, EUR 8.3 million relates to the sale of renewable energy business's development portfolio and EUR 5.8 million to renewable energy development activities conducted in Texas between 2018 and 2021.

Taaleri also has unrecognised contingent receivables based on agreements, including from the sale of Taaleri Forest Fund III, announced on 26 June 2023. Taaleri records contingent receivables if they are likely to be realised.

The liabilities of the Group at the end of 2024 totalled EUR 76.5 (99.3) million, insurance contract liabilities were EUR 42.7 (45.6) million and interest-bearing liabilities were EUR 0.0 (14.9) million. Taaleri agreed on a EUR 30-million three-year credit facility during the financial year, intended for the company's general financing needs to support its strategy. The credit facility is subject to standard covenant conditions. The credit limit remained fully undrawn at the end of the financial period.

At the end of the financial period, Taaleri Group's equity was EUR 215.3 (208.6) million. The Group's equity ratio strengthened to 73.8% (67.8) and return on equity increased to 15.3% (13.0).

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. Following the transfer, 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. Taaleri sold a total of 69.1% of its shares in Aktia during 2024, generating cash flows of EUR 6.3 million.

The segment-specific income statements are presented on pages 33–34.

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 manages private equity funds that invest 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 35–36.

Private Asset Management, EUR million	10–12/2024	10–12/2023	Change, %	1–12/2024	1–12/2023	Change, %
Continuing earnings	7.1	6.7	6.1%	25.2	24.4	3.3%
Performance fees	1.8	-	100.0%	1.8	1.5	23.9%
Investment operations	5.5	6.0	-8.3%	14.9	16.5	-9.3%
Income	14.4	12.7	13.9%	42.0	42.3	-0.9%
Personnel costs	-3.3	-2.8	16.5%	-11.2	-11.6	-4.1%
Other costs	-5.1	-5.8	-12.7%	-14.8	-15.8	-6.5%
Operating profit	6.0	4.0	50.6%	16.1	14.9	7.6%
FTE, at the end of the period	87	82	6.1%	87	82	6.1%

Private Asset Management segment's direct investments, EUR million	31.12.2024	31.12.2023	Change, %
Investments and receivables, fair value	36.1	32.3	11.7%
Renewable energy	19.1	19.3	-1.1%
Real estate	0.0	0.2	-100.0%
Bioindustry	16.9	12.8	32.5%

Renewable energy

Renewable energy, EUR million	10–12/2024	10–12/2023	Change, %	1–12/2024	1–12/2023	Change, %
Continuing earnings	5.6	5.2	8.2%	20.0	18.1	10.2%
Performance fees	1.8	-	100.0%	1.8	-	100.0%
Investment operations	7.0	6.7	4.7%	16.7	17.2	-3.3%
Income	14.4	11.9	21.1%	38.4	35.4	8.6%
Personnel costs	-2.0	-1.5	33.7%	-6.7	-7.6	-12.2%
Other costs	-3.7	-4.6	-19.8%	-10.4	-11.4	-8.8%
Operating profit	8.6	5.7	50.8%	21.3	16.3	30.4%
FTE, at the end of the period	49	48	3.3%	49	48	3.3%
Assets under management, EUR billion	1.7	1.6	3.9%	1.7	1.6	3.9%

October–December 2024

The continuing earnings of the renewable energy business grew during the final quarter of the year by 8.2% to EUR 5.6 (5.2) million as the fundraising of the Taaleri SolarWind III Fund progressed. During the review period, performance fees of EUR 1.8 (0.0) million were recognised based on management estimates from the Taaleri SolarWind I Fund, whose exit preparations were initiated.

Net income from investment operations was EUR 7.0 (6.7) million, EUR 5.8 million of which is connected to renewable energy development activities carried out in Texas between 2018 and 2021. Taaleri received the first portion of the sale price for the project in 2023, and when announcing the transaction, noted that the sale agreement included the possibility of an additional income if certain conditions are met. The amount of the additional income is USD 6.0 million, or approximately EUR 5.8 million, and it was fully recognised during the 2024 financial year. Income from the renewable energy business grew by 21.1% to EUR 14.4 (11.9) million.

Operating expenses in the review period totalled EUR 5.8 (6.2) million, of which fee and commission expenses were EUR 1.1 (1.1) million and personnel costs were EUR 2.0 (1.5) million. The increase in personnel costs is mainly explained by the growth in variable personnel cost provisions. Other operating expenses included EUR 0.3 (1.3) million in recharged expenses, for which the corresponding income was recognised in the net income from investment operations, as well as EUR 0.7 (1.4) million in written-down project expenses. Operating profit for the renewable energy business in the review period was EUR 8.6 (5.7) million, corresponding to a profit margin of 59.9% (48.1).

The renewable energy business continued its fundraising for the Taaleri SolarWind III Fund and, by the final quarter of the year, the fund's commitments had increased to EUR 481 million. The fund also continued to actively develop its project portfolio, and its first energy storage project was completed in Lempäälä. The Taaleri SolarWind II Fund focused on the high-quality and efficient operation of the wind farms and photovoltaic solar parks already in production. The exit process continued in the final quarter of the year for the Taaleri Wind II and Taaleri Wind III Funds, which are in the final stages of their life cycles.

January–December 2024

The continuing earnings of the renewable energy business grew in the financial period ended by 10.2% to EUR 20.0 (18.1) million, mainly driven by the progress of fundraising for the Taaleri SolarWind III Fund, which held its first closing in 2023. Performance fees of EUR 1.8 (0.0) million were recognised for the financial period based on management estimates from the Taaleri SolarWind I Fund, whose exit preparations have begun.

Net income from investment operations in the business was EUR 16.7 (17.2) million, with approximately half of this amount in both periods coming from the gain on the sale of the project development portfolio to the Taaleri SolarWind III Fund. The net income from investment operations for the 2024 financial period included EUR 5.8 million from renewable energy development activities carried out in Texas between 2018 and 2021. Taaleri received the first portion of the sale price for the project, EUR 5.5 million, in 2023, and when announcing the transaction, it was noted that the sale agreement included the possibility of an additional income if certain conditions are met. The amount of the additional income is USD 6.0 million, or approximately EUR 5.8 million, and it was fully recognised during the 2024 financial year. Additionally, the net income from investment operations included EUR 1.1 (-0.1) million from changes in the fair value of direct renewable energy investments in the Private Asset Management segment, as well as EUR 1.6 (2.9) million in income from rechargeable expenses related to renewable energy projects, with corresponding costs recognised in the operating expenses. Income from the renewable energy business grew in the financial period by 8.6% to EUR 38.4 (35.4) million.

Operating expenses in the financial period totalled EUR 17.1 (19.0) million, of which fee and commission expenses were EUR 4.3 (4.2) million and personnel costs EUR 6.7 (7.6) 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 1.6 (2.9) million in recharged expenses, for which the corresponding income was recognised in the net income from investment operations, as well as EUR 0.7 (1.4) million in written-down project expenses. Operating profit for the renewable energy business grew in the financial period ended to EUR 21.3 (16.3) million, corresponding to a profit margin of 55.4% (46.2).

The renewable energy business continued fundraising during the 2024 financial period 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 2024 financial year, the total commitments for the fund amounted to EUR 481 million. Several investors are still conducting due diligence on the fund, and fundraising will continue through 2025. The development of the Taaleri SolarWind III Fund's project development portfolio continued throughout the year, and the fund made the decision to invest, among other things, in a 154-megawatt wind power project in Serbia. By the end of the financial period, construction decisions had been made for the fund's three projects. The Taaleri SolarWind II Fund, on the other hand, focused on the high-quality and efficient operation of the wind farms and photovoltaic solar parks already in production during the financial period. Preparations to exit the Taaleri Wind II and Taaleri Wind III Funds continued, and we actively engaged in sales negotiations.

Other private asset management

Other private asset management, EUR million	10-12/2024	10-12/2023	Change, %	1-12/2024	1-12/2023	Change, %
Continuing earnings	1.5	1.5	-1.0%	5.2	6.2	-16.5%
Performance fees	0.1	-	100.0%	0.1	1.5	-94.3%
Investment operations	-1.6	-0.7	108.7%	-1.7	-0.8	>100.0%
Income	0.0	0.8	-94.0%	3.6	7.0	-48.8%
Personnel costs	-1.3	-1.3	-3.7%	-4.4	-4.0	11.4%
Other costs	-1.4	-1.2	15.2%	-4.4	-4.4	-0.6%
Operating profit	-2.6	-1.7	51.2%	-5.2	-1.4	>100.0%
FTE, at the end of the period	37	34	10.1%	37	34	10.1%
Assets under management, EUR billion	1.0	1.0	-0.8%	1.0	1.0	-0.8%

October–December 2024

Continuing earnings from Taaleri's bioindustry, real estate and other businesses fell in the fourth quarter by 1.0% to EUR 1.5 (1.5) million. The decrease in continuing earnings was partly due to the decrease in mandated fees for the real estate business, but more significantly to Taaleri's share of the profit of WasteWise Group, which is consolidated in the bioindustry business as an associated company.¹ Performance fees of EUR 0.1 (0.0) million were recognised during the review period from the exit of Taaleri Varustamo Ky's investments.

During the review period, EUR -1.7 (-0.8) million worth of changes in the fair value of Taaleri's direct investments reported under the Private Asset Management segment were recorded in the net income from investment operations of Other private asset management. Income from the bioindustry, real estate and other businesses fell to EUR 0.0 (0.8) million in the quarter ended.

Operating expenses in Other private asset management totalled EUR 2.6 (2.5) million, including EUR 0.5 (0.5) million in fee and commission expenses and EUR 1.3 (1.3) million in personnel costs. The personnel costs included EUR 0.2 (0.4) million in variable personnel costs. Operating profit (loss) from Taaleri's Other private asset management businesses was EUR -2.6 (-1.7) million.

In addition to driving value creation in the investee companies of the Taaleri Bioindustry I Fund and supporting the ramp-up and commercialisation of funded projects, the bioindustry business focused on identifying and analysing new potential investments, while advancing several preliminary investment negotiations during the review period. Taaleri Bioindustry I Fund made its fifth investment during the review period in the Dutch recycling concrete processor C2CA.

The bioindustry business also continued the completion of the torrefied biomass plant in Joensuu and preparations to start the production line ramp-up during the review period. In addition, the bioindustry business continued an international project to explore the potential for torrefied biomass production in Canada.

The real estate business continued to structure the new closed-end fund product and formulate this investment strategy in the final quarter, and also planned and prepared for future fundraising. Additionally, the business negotiated new partnerships and, after the review period, agreed on a strategic partnership with a large Finnish pension insurer (Keva). The business also engaged in financing negotiations within existing products during the review period to ensure the continuity of the funds' operations.

January–December 2024

Continuing earnings from Taaleri's bioindustry, real estate and other businesses fell in the financial period ended by 16.5% to EUR 5.2 (6.2) million. The decrease in continuing earnings was partly due to the slight decrease in mandated fees for the real estate business and private equity fund management fees, but more significantly to Taaleri's share of the profit of WasteWise Group, which is consolidated into the bioindustry business as an associated company.¹ Performance fees of EUR 0.1 million were recognised for the exit of Taaleri Varustamo Ky's investments during the 2024 financial year. The performance fees of EUR 1.5 million in the comparison period came from the sale of Taaleri Forest Fund III.

A total of EUR -2.0 (-0.9) million worth of changes in the fair value of Taaleri's direct investments reported under the Private Asset Management segment were recorded in the net income from investment operations of Other private asset management. The income from the bioindustry, real estate and other businesses fell to EUR 3.6 (7.0) million during the financial period.

¹ Taaleri's share of WasteWise Group's profit for the period is consolidated into 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 into the continuing earnings of the bioindustry business in segment reporting.

Operating expenses in Taaleri's bioindustry, real estate and other businesses totalled EUR 8.8 (8.4) million, including EUR 1.7 (2.3) million in fee and commission expenses and EUR 4.4 (4.0) million in personnel costs. The increase in personnel costs is mainly due to an increase in the number of staff in the businesses. The operating result for Taaleri's other private asset management decreased to EUR -5.2 (-1.4) million during the financial period. The development of the operating result compared to the comparison period was particularly affected by negative changes in the fair value of Taaleri's direct investments in the Private Asset Management segment recognised in 2024, as well as higher performance fees recognised in the comparison period.

The bioindustry business continued its ramp-up and the necessary growth investments during the financial period. The business focused on value creation in Taaleri Bioindustry I Fund portfolio companies, supporting the ramp-up, financing arrangements and commercialisation of financed projects. The business explored several new potential target companies for the fund and made its fourth and fifth investments in the Finnish growth company eniferBio and the Dutch recycling concrete processor C2CA.

The bioindustry business also continued the construction project of the torrefied biomass plant in Joensuu and prepared for the planned start of the production line ramp-up. The business promoted a potential international torrefied biomass production project in the form of a project development company established 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 to the investment activities themselves. 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 recruitment. The current product portfolio was optimised by exiting the only investment in Taaleri Rauma Housing Fund IV during the financial period. Additionally, the business negotiated and reorganised the financing arrangements for the funds it manages and agreed on a strategic partnership with a large Finnish pension insurer (Keva) after the turn of the financial year.

Taaleri's private equity funds in a table

Renewable energy, EUR million	Founded	Product	Business area	AUM Q4 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	173	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	202	Invested
Taaleri SolarWind II	2019	Private equity fund	Renewable energy	290	Invested
Taaleri SolarWind III ²	2023	Private equity fund	Renewable energy	439	Fundraising
Managed accounts	2019-	Managed accounts	Renewable energy	54	Invested
Renewable energy total				1,714	
Other private asset management, EUR million	Founded	Product	Business area	AUM Q4 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	43	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	170	Invested
Taaleri Housing Fund VIII Ky	2021	Private equity fund	Real estate	95	Investing period
Managed accounts	2021-	Managed accounts	Real estate	325	Investing period
Real estate total				681	
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				138	
Other private asset management total				984	
Taaleri's Private Asset Management segment total, EUR million				2,698	

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 31 December 2024, the total commitments of the Taaleri SolarWind III Fund were EUR 481 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

Garantia is a non-life insurance company specialised in credit risk insurance. The company was founded in 1993. Garantia offers easy and cost-effective guarantee and credit risk insurance solutions for consumers, corporates and lenders. The company's business consists of insurance and investment operations.

Garantia, EUR million	10-12/2024	10-12/2023	Change, %	1-12/2024	1-12/2023	Change, %
Insurance service result	3.3	2.7	22.6%	14.2	13.5	4.8%
Insurance revenue	4.5	4.6	-3.6%	18.9	19.0	-0.6%
Insurance service expenses	-1.1	-1.8	-41.2%	-4.3	-4.9	-12.4%
Net expenses from reinsurance contracts	-0.1	-0.1	-24.6%	-0.4	-0.5	-27.8%
Net finance income and expense	-0.2	0.1	n/a	-0.6	-0.0	>100.0%
Net income from investment operations	2.2	1.4	55.4%	11.9	4.7	>100.0%
Other income	0.0	0.0	32.8%	0.0	0.0	22.8%
Income	5.3	4.2	26.2%	25.5	18.3	39.3%
Personnel costs	-0.5	-0.5	-4.7%	-1.1	-1.4	-19.8%
Other costs	0.0	0.0	38.8%	-0.1	-0.1	31.0%
Operating profit	4.8	3.7	30.4%	24.3	16.8	44.3%
FTE, at the end of the period	21	19	10.5%	21	19	10.5%

Garantia	10-12/2024	10-12/2023	Change, %	1-12/2024	1-12/2023	Change, %
Claims ratio (IFRS), %	-9.3%	17.6%	-26.9%-p.	-0.9%	4.5%	-5.4%-p.
Expense ratio (IFRS), %	33.0%	21.2%	11.8%-p.	23.8%	21.5%	2.3%-p.
Reinsurance ratio (IFRS), %	2.5%	3.2%	-0.7%-p.	2.0%	2.7%	-0.7%-p.
Combined ratio (IFRS), %	26.2%	42.0%	-15.8%-p.	24.9%	28.7%	-3.8%-p.
Return on investments at fair value, %	1.1%	3.0%	1.8%-p.	10.3%	6.9%	3.4%-p.
Net income from investment operations						
Recognised in in PL, MEUR	2.2	1.4	55.4%	11.9	4.7	>100.0%
Recognised in OCI, MEUR	-0.4	3.2	n/a	3.6	5.7	-36.8%
Total net income from investment operations, MEUR	1.8	4.6	-60.9%	15.5	10.4	49.0%

The total returns on Garantia's investment portfolio are recorded partly in the profit and loss and partly in other comprehensive income. The majority of changes in the fair value of the portfolio's debt instruments are recorded in other comprehensive income, while some are recognised through profit or loss. Changes in the fair value of fund investments, interest and dividend income, as well as realised gains and losses on disposals, are recognised through profit or loss.

Garantia	31.12.2024	31.12.2023	Change, %
Investment portfolio, fair value including accrued interest ³ , MEUR	158.1	164.0	-3.6%
Shares and funds	27.7	14.4	92.2%
Private equity funds	5.0	5.2	-4.2%
Real estate property funds	2.4	2.3	6.0%
Debt instruments, fair value through PL	27.5	35.2	-22.0%
Debt instruments, fair value through OCI	94.1	105.3	-10.7%
Cash and cash equivalents	1.4	1.5	-5.9%
Guaranty insurance portfolio, MEUR	1,679	1,749	-4.0%
Solvency ratio, %	262.7%	245.7%	17.0%-p.
Credit rating (S&P)	A-	A-	-

October–December 2024

Garantia's income in the fourth quarter was EUR 5.3 (4.2) million. The increase in income was a result of improved net investment income and insurance service result.

Insurance service result increased 22.6% from the corresponding period and stood at EUR 3.3 (2.7) million. Insurance revenue remained somewhat at the level of the comparison period at EUR 4.5 (4.6) million. Insurance service expenses decreased 41.2% and stood at EUR 1.1 (1.8) million. The decrease was mainly a result of changes to cashflow estimates of incurred claims. The combined ratio strengthened to 26.2% (42.0) in the fourth quarter as a result of decreased insurance service expenses.

³ In Taaleri Group's consolidated balance sheet, the accrued interest on Garantia's debt instruments is presented under Accrued income and prepayments.

Total net income from investment operations decreased from the corresponding period and amounted to EUR 1.8 (4.6) 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 2.2 (1.4) million and the changes in fair values in other comprehensive income amounted to EUR -0.4 (3.2) million. The personnel costs not recognised in insurance service result amounted to EUR 0.5 (0.5) million and other costs to EUR 0.0 (0.0) 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 4.8 (3.7) million. The result at fair value before tax was EUR 4.4 (6.9) million.

January–December 2024

During the year 2024, Garantia continued the development of the residential mortgage guarantee business. In its corporate guarantee business, Garantia strengthened the offering for guarantees aimed at medium sized and corporates and developed new structured credit risk insurance products in for the international credit risk insurance market.

Garantia's income in the fiscal year 2024 increased by 39.3% and amounted to EUR 25.5 (18.3) million. The increase in income was especially a result of higher net investment income recognised in profit and loss compared to the corresponding period last year.

Insurance service result increased 4.8% and amounted to EUR 14.2 (13.5) million. Insurance revenue remained somewhat at the level of the corresponding period at EUR 18.9 (19.0) million. Combined ratio strengthened compared to the corresponding period and stood at 24.9% (28.7).

Total net income from investment operations was excellent and amounted to EUR 15.5 (10.4) million. It was divided into net income from investment operations recognised in profit and loss amounting EUR 11.9 (4.7) million and to changes in fair values in other comprehensive income amounting to EUR 3.6 (5.7) million. Increase in the total net income from investment operations was driven by decreased interest rate expectations and strong performance in the stock market.

The personnel costs not recognised in insurance service result amounted to EUR 1.1 (1.4) million and other costs to EUR 0.1 (0.1) million. These costs 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 24.3 (16.8) million. The result at fair value before tax was EUR 27.9 (22.5) million.

Insurance operations

Garantia's insurance revenue in 2024 remained at the level of the comparison period and amounted to EUR 18.9 (19.0) million. Guarantee insurance exposure decreased by 4.0% and stood at EUR 1,679 (1,749) million at the end of the fiscal year.

Insurance service expenses decreased to EUR 4.3 (4.9) million in 2024. The decrease was mainly a result of changes to cashflow estimates of incurred claims. Claims ratio in 2024 ended up being negative at -0.9% (4.5). Expense ratio slightly weakened to 23.8% (21.5). A single material claim related to a corporate exposure was incurred during the fiscal year. However, there was no negative effect on profit and loss thanks to full cover by counter-collateral. Based on full cover by counter-collaterals, an insurance contract asset has been recorded in the balance sheet at the end of the financial year.

Net expenses from reinsurance contracts amounted to EUR 0.4 (0.5) million during the 2024 fiscal year. Reinsurance ratio stood at 2.0% (2.7).

Garantia's combined ratio improved from corresponding period and was 24.9% (28.7) in 2024. The profitability of insurance operations was very good.

Of the total guarantee insurance exposure, EUR 1,404 (1,397) million, or 84% (80), was made up of consumer exposure and EUR 275 (352) million, or 16% (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 lenders.

Most of the consumer exposure is made up of the residential mortgage guarantee portfolio, which saw no material changes with regards to its risk position in 2024. The portfolio is well-diversified with respect to counterparties, geographical location of collateral properties and time of underwriting. In addition, the creditworthiness of the 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. Decreased purchasing power of consumers, 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 last two years. 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 guarantee 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 37.0% (31.1), and the share of exposures rated BB+...BB- made up 30.2% (40.2) of all rated corporate exposures. The share of exposures with weak ratings of C+ or lower came down to 2.1% (2.8).

The principal industry sectors in the corporate portfolio were manufacturing at 17.3% (19.1), waste collection and water supply 17.2% (10.9), wholesale trade at 14.6% (20.8), construction at 13.9% (12.3), financial and insurance services at 12.7% (11.7) and services at 10.5% (4.6). The shares of other industry sectors were all less than 10%.

Investment operations

Total net income from investment operations in 2024 was excellent and stood at EUR 15.5 (10.4) million. Net income from investment operations recognised in profit and loss amounted to EUR 11.9 (4.7) million and the changes in fair values in other comprehensive income amounted to EUR 3.6 (5.7) million. Hence, the return on investments at fair value was 10.3% (6.9).

The market environment of investment operations developed favourably during the fiscal year 2024. Stock prices rose, market rates decreased, and credit spreads narrowed. Especially the decrease in interest rate expectations and strong returns in stock market increased the total net income from investment operations. The S&P 500 Index, which describes the performance of the US equity market, which is central to the global economy, returned 25.0% during the year including dividends. The 12-month Euribor rate, commonly used as a reference rate for mortgages in Finland, ended 2024 at 2.5%, approximately one percentage point lower than at the end of 2023.

At the end of the review period, the fair value of Garantia's investment portfolio was EUR 158.1 (164.0) million. In addition to accumulated investment returns and insurance cashflow, the value of the investment portfolio was affected by the EUR 15.0 million dividend payment to the parent company in the first quarter, as well as corporate income tax paid.

In investment operations, the overall risk level has been moderately increased during 2024 by increasing the allocation of listed equity index funds and by increasing the duration of the bond portfolio. At the end of the fiscal year, fixed-income investments made up 77.8% (86.6), equity & private equity investments 20.7% (12.0) and real estate investments 1.5% (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 69.4% (66.0). The modified duration of the fixed-income investments was 3.2 (2.4).

Credit rating

On 12 December 2024, Standard & Poor's Global Ratings (S&P) affirmed Garantia Insurance Company's credit rating at A- with stable outlook⁴.

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 end of the financial period 2024, Taaleri's non-strategic investments totalled EUR 18.7 (35.5) million. The most significant single exit during the financial period occurred from the repayment of the sale price receivable for a real estate project in Canada, which released cash flows totalling EUR 10.7 million. The repayment of the sale price receivable did not have any impact on the result. Additionally, Taaleri sold a total of 69.1% of its shares in Aktia during 2024, generating cash flows of EUR 6.3 million. The Group investments are presented in further detail under segment information on pages 35–36.

Other, EUR million	10-12/2024	10-12/2023	Change, %	1-12/2024	1-12/2023	Change, %
Continuing earnings	0.2	0.4	-38.8%	1.7	1.9	-11.7%
Performance fees	-	-	-	-	-	-
Investment operations	0.0	0.4	-99.7%	1.4	3.8	-64.1%
Income	0.2	0.8	-69.5%	3.1	5.7	-46.4%
Personnel costs	-0.5	-0.7	-27.2%	-2.9	-3.1	-5.1%
Other costs	-1.2	-0.9	31.5%	-2.4	-2.5	-1.2%
Operating profit	-1.5	-0.8	81.2%	-2.3	0.1	n/a
FTE, at the end of the period	21	17	20.8%	21	17	20.8%

⁴ 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	31.12.2024	31.12.2023	Change, %
Investments and receivables, fair value	18.7	35.5	-47.3%
Real estate development	12.8	22.7	-43.3%
Other investments	5.9	12.9	-54.3%

October–December 2024

In the last quarter of the year, the income of the Other group totalled EUR 0.2 (0.8) million, consisting of continuing earnings of EUR 0.2 (0.4) million and net income from investment operations of EUR 0.0 (0.4) million.

Operating expenses were EUR 1.7 (1.6) million, of which personnel costs amounted to EUR 0.5 (0.7) million. The Other group's operating profit (loss) in the last quarter of the year was EUR -1.5 (-0.8) million.

January–December 2024

In the 2024 financial year, the income of the Other group was EUR 3.1 (5.7) million, consisting of continuing earnings of EUR 1.7 (1.9) million and net income from investment operations of EUR 1.4 (3.8) million. The net income from investment operations for the Other group was composed of EUR 0.7 (0.6) million from dividends on shares in Aktia Bank Plc and EUR 0.8 (-0.7) million from the equity method consolidation result of Taaleri's associate company, Turun Toriparkki Oy. The net income from investment operations in the comparison period was also affected by changes in the fair value of the non-strategic investment portfolio, with the most significant positive value change of EUR 3.3 million recognised from Turun Toriparkki Oy due to its successful refinancing.

Operating expenses in the financial period 2024 were EUR 5.4 (5.6) million, including personnel costs of EUR 2.9 (3.1) million. The operating profit of the Other group in the financial period was EUR -2.3 (0.1) million.

Sustainability

Focus areas in 2024

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

Progress Q4/2024

- New climate change mitigation investment in Taaleri Bioindustry I Fund
- More detailed description of Taaleri's value chain.
- Update on Taaleri's materiality assessment of sustainability issues
- Development of sustainability reporting and processes for private equity funds
- Taaleri's personnel survey results and actions taken
- Taaleri's personnel training

Sustainable investments in line with the EU Taxonomy

The fifth investment made by the Taaleri Bioindustry I Fund, announced in November, is in the Dutch recycling concrete processor C2CA Technology B.V. The company's operations are in line with the EU's sustainability classification system, the EU Taxonomy. C2CA's activities contribute significantly to the EU's climate goals, as the company enables the complete recycling of end-of-life concrete and reduces emissions by 20% to 30% compared to the use of traditional concrete. The Taaleri Bioindustry I Fund applies Article 9 of the EU Sustainable Finance Disclosure Regulation (SFDR), meaning it makes only sustainable investments.

As of the end of the 2024 financial year, 72% of the assets under management⁵ were invested in climate change mitigation projects in accordance with the EU Taxonomy. Increasing the number and proportion of sustainable investments in line with the EU Taxonomy is a strategic goal for us.

Good insights provided by active participation in personnel survey

Our annual personnel survey helps us monitor employee perspectives on working conditions, equality and opportunities, as well as other work-related rights. The survey is conducted anonymously using an external provider's platform. It provides insights into employee experiences, job engagement and potential risks to work capacity.

⁵ This share does not account for mandates.

We analysed the results of the personnel survey during the final quarter of the year. The response rate for the autumn personnel survey rose to an impressive 93%. Strengths identified included responsibility, supervisory experience, community spirit and collaboration. The company's eNPS score remained high at 30 (down from 38 the previous year).

Extensively personnel training

During the final quarter of the year, we organised several sustainability-themed training sessions and events for our personnel. Some of these were mandatory and applied to the entire Group. They covered topical issues such as emissions trading, artificial intelligence and the management of conflicts of interest. Additionally, we organised the second employee induction programme of the year, which included internal training on Taaleri's business, risk management and operating principles.

We also enhanced our sustainability expertise through recruitment. In our recruitment process, we filled the position of ESG Controller who will work across the Group.

Proactive use of new sustainability reporting obligations to develop sustainability management and disclosures

During the final quarter of the year, we continued our preparations for the EU's new sustainability reporting obligations (CSRD and ESRS). Taaleri must meet the CSRD obligations for the first time in the reporting for the 2025 financial year. The proactive preparatory work is based on Taaleri's strategic goals and supports sustainability management in addition to ensuring the compliance of reporting.

The materiality assessment of sustainability themes updated in 2024 aims to follow the double materiality principle outlined in the ESRS standards. The 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. The results of the preliminary materiality assessment will be published in Taaleri Plc's 2024 Annual Report.

In addition to the gradual development of the disclosures in the Annual Report, we refined our sustainability management processes towards practices that align with the latest expectations and made plans for their more systematic management in the future. In identifying areas for improvement, we make use of external assessments, which also support our preparation for the mandatory verification of sustainability information in the management report for 2025.

In addition, we continued to implement and promote other sustainability projects on our agenda in the final quarter of the year. The topics that are among the focus areas of sustainability in 2024 are described in more detail in the first interim statement of the year (Taaleri Plc Q1 2024, pp. 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.

Changes in Group structure

During the financial year 2024, Taaleri Private Equity Funds Ltd increased its holding in Taaleri Asuntorahasto VIII GP Oy, and at the end of the period, Taaleri's ownership in the company was 84.0 (80.0) percent. Taaleri Investments Ltd, on the other hand, established a subsidiary in Canada during the period and owns 100.0 percent of the share capital of the established company Taaleri Biocoal Canada Development Ltd. The company has been established as part of Taaleri's bioindustry business and is preparing torrefied biomass production in Canada.

During the period, management companies and project companies, which are part of Taaleri's private asset management business, have also been established, acquired, sold and dissolved. Some of the management and project companies have minority shareholders that are key personnel in Taaleri's private asset management business.

Taaleri's personnel

The number of employees (full-time equivalent) in the Group at the end of the financial year 2024 was 129 (118). The number of employees in the Private Asset Management segment was 87 (82) and in the Garantia segment 21 (19). The number of employees in the Other group was 21 (17). 96% (96) of the personnel were employed in Finland.

Taaleri Group's personnel costs in the final quarter totalled EUR 4.3 (4.1) million, consisting of fixed personnel costs of EUR 3.3 (3.0) million and variable personnel costs of EUR 1.0 (1.1) million. Taaleri Group's personnel costs for the entire 2024 financial year totalled EUR 15.2 (16.1) million, consisting of fixed personnel costs of EUR 11.9 (11.5) million and variable personnel costs of EUR 3.3 (4.7) 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.

Taaleri launched three new incentive schemes during 2024, two of which starts in the beginning of 2025. The objective of the plans is to align the interests of the employees and Taaleri shareholders by strengthening the culture of ownership and creating a long-term equity interest for the employees and executives and, thus, to increase the company value in the long

term as well as to drive performance, to retain employees and to offer the employees with competitive performance-based compensation.

Below are listed the main terms of the new share-based incentive schemes launched in 2024. Further information on previously launched 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 reporting period

Share-based incentive plan for CFO

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 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.

Performance Share Plan 2025–2029 (starting at the beginning of 2025)

Taaleri announced on 12 December 2024, that the Board of Directors of Taaleri Plc has resolved to establish a new performance share plan for the company's employees and executives.

The Performance Share Plan 2025–2029 consists of three performance periods, covering the financial years 2025–2027, 2026–2028 and 2027–2029 respectively. The Board of Directors will resolve annually on the commencement and details of a performance period. The potential rewards from the plan will be paid after the end of each performance period.

In the plan, the target group has an opportunity to earn Taaleri shares based on performance. The performance criteria of the first performance period are tied to Average Continuing Earnings during the years 2025–2027 and Absolute Total Shareholder Return (TSR).

The value of the rewards to be paid on the basis of the first performance period corresponds to a maximum total of 200,000 shares of Taaleri Plc, including also the proportion to be paid in cash. The target group in the performance period 2025–2027 consists of approximately 15 key employees, including some members of the Executive Management Team, excluding the CEO.

The Executive Management Team member must hold 50 per cent of the received shares, until the value of the Executive Management Team member's total shareholding in Taaleri equals to 50 per cent of their annual base salary for the calendar year preceding the payment of the reward. Such number of Taaleri shares must be held as long as the membership in the Executive Management Team continues.

STI Share Conversion Plan 2025–2026 (starting at the beginning of 2025)

Taaleri announced on 12 December 2024, that the Board of Directors of Taaleri Plc has resolved to establish a new share conversion plan for the company's employees and executives.

The Short-Term Incentive (STI) Share Conversion Plan 2025–2026 offers the Taaleri personnel a possibility to convert a certain proportion of the cash reward earned from the company's short-term incentive plan into Taaleri shares. The converted reward from the short-term incentive plan will be multiplied with the reward multiplier. The reward multiplier is 1.4.

The possible reward from the STI Share Conversion Plan will be paid after a 12-month vesting period. The number of shares available to be earned is dependent on the short-term incentive plan, achieved performance in the short-term incentive plan, participation to STI Share Conversion Plan, and Taaleri share price at the end of the short-term incentive plan.

Shares and share capital

Taaleri's share on Nasdaq Helsinki

1-12/2024	No of shares traded	Total value EUR	High EUR	Low EUR	Average EUR*	Last EUR
TAALA	6,340,692	57,530,670	10.90	7.85	9.07	8.03

* 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 financial year 2024, the company had 15,806 (11,382) shareholders.

On 31 December 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 the financial 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 31 December 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, raw material price trends and availability, supply chains, as well as companies' and investors' willingness to invest.

The monetary policy easing implemented by central banks over the past year has increased consumer confidence and supported economic growth. Inflation remains above target levels. Prolonged inflation and rising raw material costs impact project development expenses and cost base of the funds' investees. 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 short term 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. 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 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. The progress and commercialisation of projects in the Private Asset Management segment also depend on customers' attitudes and priorities regarding sustainability themes. The 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 consist 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 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 announced on 9 January 2025, that Taaleri Plc's CEO Peter Ramsay has resigned on 9 January 2025, and the company's Board of Directors has appointed the company's CFO Ilkka Laurila as the new CEO as of 9 January 2025.

At the same time, Elina Lintuala was appointed Interim CFO of Taaleri Plc and member of the Executive Management Team as of 9 January 2025.

Taaleri announced on 29 January 2025, that Taaleri Real Estate and Keva, Finland's largest pension insurer, have established a joint venture with the aim of investing a total of EUR 300 million in high-quality build-to-rent residential development projects in Finland's growth centres.

Helsinki, 12 February 2025
Taaleri Plc
Board of Directors

Additional info

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

Interim CFO Elina Lintuala, +358 40 573 8849, elina.lintuala@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 12 February 2025 at 11:00 a.m. EET at Event Venue Stage located at Itämerentori 2, Helsinki. The webcast can be followed online at <https://taaleri.events.inderes.com/q4-2024>. 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 2.7 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 Financial Statements Bulletin

Taaleri's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. This Financial Statements Bulletin has been prepared in accordance with IAS 34. The Financial Statements Bulletin is based on the audited Financial Statements of 2024. The auditor's report has been issued on 12 February 2025. The Financial Statements Bulletin has been published in Finnish and English. The Finnish Financial Statements Bulletin is official and is used if there is a discrepancy between the language versions. All figures in the Financial Statements Bulletin have been rounded and consequently the sum of individual figures can deviate from the presented sum figure.

The accounting policies of the Financial Statements Bulletin 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 Financial Statements Bulletin have been calculated on the basis of the Group's segment reporting, unless otherwise stated.

	10-12/2024	10-12/2023	1-12/2024	1-12/2023
Income, EUR 1,000	20,568	18,178	72,579	65,629
Operating profit (-loss), EUR 1,000	9,400	6,904	38,110	31,921
- as percentage of income	45.7%	38.0%	52.5%	48.6%
Net profit for the period, EUR 1,000	8,436	5,027	32,486	26,546
- as percentage of income	41.0%	27.7%	44.8%	40.4%
Basic earnings per share, EUR	0.23	0.14	1.00	0.81
Diluted earnings per share, EUR	0.23	0.14	0.97	0.79
Basic total comprehensive income earnings per share, EUR	0.22	0.16	1.10	0.88
Return on equity % (ROE) ¹⁾	16.0%	9.7%	15.3%	13.0%
Return on equity at fair value % (ROE) ¹⁾	15.0%	10.4%	16.7%	13.9%
Return on assets % (ROA) ¹⁾	11.4%	6.6%	10.8%	8.7%
Cost/income ratio	55.2%	60.3%	48.9%	54.3%
Price/earnings (P/E) ¹⁾	8.5	15.6	8.1	11.1
FTE (full-time equivalents), at the end of the period	129	118	129	118
Equity ratio -%	73.8%	67.8%	73.8%	67.8%
Net gearing -%	-9.1%	-11.2%	-9.1%	-11.2%
Equity/share, EUR	7.40	7.29	7.40	7.29
Dividend or distribution of funds /share, EUR ²⁾	-	-	0.50	1.00
Dividend or distribution of funds / earnings, % ²⁾	-	-	50.2%	123.1%
Effective dividend yield, % ²⁾	-	-	6.2%	11.1%
Loan receivables, EUR 1,000	5,741	5,142	5,741	5,142
Number of shares at the end of period ³⁾	28,196,253	28,285,593	28,196,253	28,285,593
Average number of shares ³⁾	28,196,253	28,304,221	28,201,586	28,305,267
Share average price, EUR	8.14	8.63	9.07	10.23
- highest price, EUR	8.48	9.39	10.90	12.94
- lowest price, EUR	7.85	8.27	7.85	8.27
- closing price, EUR	8.03	8.99	8.03	8.99
Market capitalisation, EUR 1,000 ³⁾	226,416	254,287	226,416	254,287
Shares traded, thousands	977	634	6,341	2,749
Shares traded, %	3%	2%	22%	10%

1) Annualised

2) Distribution of funds EUR 0.50 per share for the financial year 2024 represents Board of Directors' proposal for a dividend for the result of the financial year 2024

3) 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	10-12/2024	10-12/2023	1-12/2024	1-12/2023
Insurance service result	3,292	2,686	14,198	13,549
Insurance revenue	4,458	4,627	18,902	19,010
Insurance service expenses	-1,054	-1,792	-4,328	-4,942
- of which incurred claims	256	-308	-841	-1,197
- of which other insurance administrative expenses	-1,200	-912	-3,646	-3,248
- of which losses on onerous contracts	19	-760	98	-471
- of which changes in liability of incurred claims	141	256	915	813
- of which insurance acquisition costs	-270	-67	-856	-839
Net expenses from reinsurance contracts	-113	-149	-375	-520
Net finance income and expense from insurance	-217	82	-614	-14
Net income from investment operations	2,224	1,431	11,875	4,738
Other income	12	9	45	37
Income	5,311	4,209	25,505	18,310
Personnel costs	-490	-514	-1,140	-1,422
Other expenses	-28	-20	-82	-62
Operating profit	4,793	3,675	24,283	16,826
Claims ratio (IFRS), %	-9.3%	17.6%	-0.9%	4.5%
Expense ratio (IFRS), %	33.0%	21.2%	23.8%	21.5%
Reinsurance ratio (IFRS), %	2.5%	3.2%	2.0%	2.7%
Combined ratio (IFRS), %	26.2%	42.0%	24.9%	28.7%
Return on investments at fair value, %	1.1%	3.0%	10.3%	6.9%
Investment portfolio, fair value, EUR million	158	164	158	164
Insurance exposure, EUR million	1,679	1,749	1,679	1,749
Solvency ratio (S2), % ¹⁾	262.7%	245.7%	262.7%	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.

Calculation of key figures

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	Note	1.10.-31.12.2024	1.10.-31.12.2023	1.1.-31.12.2024	1.1.-31.12.2023
Fee and commission income	1	9,586	7,312	30,076	27,654
Net income from insurance	2	5,299	4,200	25,459	18,273
Insurance service result		3,292	2,686	14,198	13,549
Net finance expenses from insurance contracts		-217	82	-614	-14
Net income from investment operations		2,224	1,431	11,875	4,738
Net gains or net losses on trading in securities and foreign currencies	3	-930	-824	-1,262	-989
Income from equity investments	4	52	-40	8,971	9,388
Interest income	5	224	340	1,178	1,925
Other operating income	6	6,336	7,192	8,158	9,378
Total income		20,568	18,178	72,579	65,629
Fee and commission expense		-1,961	-2,013	-7,529	-8,252
Administrative expenses					
Personnel costs		-4,445	-4,155	-15,520	-16,409
Other administrative expenses		-1,597	-1,805	-5,617	-5,789
Depreciation, amortisation and impairment of tangible and intangible assets		-227	-230	-879	-472
Other operating expenses		-2,829	-2,539	-5,033	-5,114
Expected credit losses from financial assets measured at amortised cost	9	-2	-567	130	-607
Impairment losses on loans and other receivables		-22	-	-22	-
Share of associates' profit or loss		-86	35	1	2,935
Operating profit		9,400	6,904	38,110	31,921
Interest and other financing expenses		-250	-248	-932	-1,224
Income tax expense		-714	-1,629	-4,692	-4,150
Profit for the period		8,436	5,027	32,486	26,546
Consolidated statement of comprehensive income		1.10.-31.12.2024	1.10.-31.12.2023	1.1.-31.12.2024	1.1.-31.12.2023
Profit for the period		8,436	5,027	32,486	26,546
Items that may be reclassified to profit or loss					
Translation differences		27	-108	112	-83
Changes in the fair value reserve		-444	3,245	3,643	5,655
Income tax		89	-649	-729	-1,131
Items that may be reclassified to profit or loss in total		-328	2,488	3,026	4,442
Items that may not be reclassified to profit or loss					
Changes in the fair value reserve		-215	-2,654	-74	-3,126
Income tax		43	531	15	625
Items that may not be reclassified to profit or loss in total		-172	-2,123	-59	-2,501
Total comprehensive income for the period		7,936	5,393	35,453	28,487
Profit for the period attributable to:					
Owners of the parent company		6,626	4,085	28,064	22,985
Non-controlling interests		1,811	942	4,422	3,562
Total		8,436	5,027	32,486	26,546
Total comprehensive income for the period attributable to:					
Owners of the parent company		6,126	4,450	31,031	24,925
Non-controlling interests		1,811	942	4,422	3,562
Total		7,936	5,393	35,453	28,487
Earnings per share for profit attributable to the shareholders of the parent company		1.10.-31.12.2024	1.10.-31.12.2023	1.1.-31.12.2024	1.1.-31.12.2023
Basic earnings per share, profit for the period		0.23	0.14	1.00	0.81
Diluted earnings per share, profit for the period		0.23	0.14	0.97	0.79

Consolidated quarterly income statement

EUR 1,000	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Fee and commission income	9,586	6,792	7,065	6,633	7,312
Net income from insurance	5,299	6,777	4,691	8,693	4,200
Insurance service result	3,292	3,449	3,456	4,002	2,686
Net finance expenses from insurance contracts	-217	-158	-141	-99	82
Net income from investment operations	2,224	3,486	1,376	4,789	1,431
Net gains or net losses on trading in securities and foreign currencies	-930	-341	-1,027	1,036	-824
Income from equity investments	52	8,310	765	-156	-40
Interest income	224	227	350	377	340
Other operating income	6,336	455	798	569	7,192
Total income	20,568	22,220	12,640	17,152	18,178
Fee and commission expense	-1,961	-1,866	-1,789	-1,914	-2,013
Administrative expenses					
Personnel costs	-4,445	-3,673	-3,471	-3,931	-4,155
Other administrative expenses	-1,597	-1,158	-1,578	-1,285	-1,805
Depreciation, amortisation and impairment of tangible and intangible assets	-227	-224	-188	-239	-230
Other operating expenses	-2,829	-506	-966	-733	-2,539
Expected credit losses from financial assets measured at amortised cost	-2	-2	-13	147	-567
Impairment losses on loans and other receivables	-22	-	-	-	-
Share of associates' profit or loss	-86	-95	-228	410	35
Operating profit	9,400	14,695	4,408	9,607	6,904
Interest and other financing expenses	-250	-228	-224	-230	-248
Income tax expense	-714	-1,361	-758	-1,858	-1,629
Profit for the period	8,436	13,107	3,425	7,519	5,027

Consolidated statement of comprehensive income	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Profit for the period	8,436	13,107	3,425	7,519	5,027
Items that may be reclassified to profit or loss					
Translation differences	27		27	57	-108
Changes in the fair value reserve	-444	2,691	1,056	340	3,245
Income tax	89	-538	-211	-68	-649
Items that may be reclassified to profit or loss in total	-328	2,153	872	329	2,488
Items that may not be reclassified to profit or loss					
Changes in the fair value reserve	-215	-124	-46	310	-2,654
Income tax	43	25	9	-62	531
Items that may not be reclassified to profit or loss in total	-172	-99	-37	248	-2,123
Total comprehensive income for the period	7,936	15,161	4,259	8,096	5,393

Profit for the period attributable to:

Owners of the parent company	6,626	10,926	3,109	7,403	4,085
Non-controlling interests	1,811	2,181	315	115	942
Total	8,436	13,107	3,425	7,519	5,027

Total comprehensive income for the period attributable to:

Owners of the parent company	6,126	12,980	3,944	7,980	4,450
Non-controlling interests	1,811	2,181	315	115	942
Total	7,936	15,161	4,259	8,096	5,393

Consolidated balance sheet

Assets, EUR 1,000	Note	31.12.2024	31.12.2023
Receivables from credit institutions	7, 8	19,623	38,302
Receivables from the public and general government	7, 8	5,741	5,142
Shares and units	7, 8	36,984	38,708
Participating interests	7, 8, 13	12,884	12,884
Insurance assets	7, 8	158,523	160,875
Insurance contract assets		3,730	-
Reinsurance contract assets		155	325
Investments		154,638	160,551
Intangible assets		574	572
Goodwill		347	347
Other intangible assets		227	225
Tangible assets		1,842	2,406
Owner-occupied properties		1,452	2,022
Other tangible assets		390	384
Other assets		12,325	17,163
Accrued income and prepayments		35,741	26,742
Deferred tax assets		7,617	5,116
		291,855	307,911

Liabilities and equity, EUR 1,000	Note	31.12.2024	31.12.2023
Liabilities		76,524	99,265
Insurance contract liabilities		42,676	45,616
Other liabilities		4,238	4,944
Accrued expenses and deferred income		17,341	17,327
Deferred tax liabilities		12,268	16,491
Subordinated debt	10	-	14,886
Equity capital	11	215,332	208,646
Share capital		125	125
Reserve for invested unrestricted equity		18,831	18,831
Fair value reserve		-8,407	-11,262
Translation difference		52	-59
Retained earnings or loss		170,097	175,516
Profit or loss for the period		28,064	22,985
Non-controlling interest		6,570	2,511
		291,855	307,911

Consolidated statement of cash flows

EUR 1,000	1.1.-31.12.2024	1.1.-31.12.2023
Cash flow from operating activities:		
Operating profit (loss)	38,110	31,921
Depreciation	877	610
Change in goodwill	1	-138
Other adjustments		
Changes in fair value of investments	-23,613	-8,546
Other adjustments	150	-945
Interest and other financing expenses	-919	-806
Cash flow before change in working capital	14,606	22,096
Change in working capital		
Increase (-)/decrease (+) in loan receivables	-351	-670
Increase (-)/decrease (+) in current interest-free receivables	11,513	-24
Increase (+)/decrease (-) in current interest-free liabilities	-1,849	-10,673
Cash flow from operating activities before financial items and taxes	23,920	10,729
Direct taxes paid (-)	-13,410	-4,335
Cash flow from operating activities (A)	10,510	6,394
Cash flow from investing activities:		
Investments in tangible and intangible assets	-123	-871
Investments in subsidiaries and associated companies net of cash acquired	234	2,502
Other investments	16,104	2,970
Cash flow from investing activities (B)	16,216	4,601
Cash flow from financing activities:		
Changes in share-based incentives	-	442
Transactions with non-controlling interests	-9	1,404
Decrease in subordinated debt	-15,000	-
Payments to acquire entity's shares	-833	-175
Dividends paid and other distribution of profit		
To parent company shareholders	-28,196	-19,814
To non-controlling shareholders	-1,366	-1,366
Cash flow from financing activities (C)	-45,404	-19,510
Increase/decrease in cash and cash equivalents (A+B+C)	-18,678	-8,515
Cash and cash equivalents at beginning of period	38,302	46,817
Cash and cash equivalents at end of period	19,623	38,302
Net change in cash and cash equivalents	-18,678	-8,515

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		2,855		112	28,064	31,031	4,422	35,453
Earnings for the period					28,064	28,064	4,422	32,486
Other comprehensive income items		2,855		112		2,967		2,967
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					530	530		530
Transactions with non-controlling interests							-9	-9
Other					96	96	-180	-84
31.12.2024	125	-8,407	18,831	52	198,161	208,762	6,570	215,332
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		2,023		-83	22,985	24,925	3,562	28,487
Earnings for the period					22,985	22,985	3,562	26,546
Other comprehensive income items		2,023		-83		1,940		1,940
Distribution of profit					-21,601	-21,601	-771	-22,372
Dividend EUR 0.70/share					-19,814	-19,814		-19,814
Distribution of profit for subgroup					-1,787	-1,787	-771	-2,558
Purchase of own shares					-175	-175		-175
Share-based payments payable as equity					435	435		435
Transactions with non-controlling interests					1,636	1,636	118	1,754
Other					-8	-8	3	-5
31.12.2023	125	-11,262	18,831	-59	198,500	206,134	2,511	208,646

Segment information, earnings 1.10.–31.12.2024

1.10.–31.12.2024, EUR 1,000	Continuing operations					Total
	Private Asset Management	Renewable energy	Other private asset management	Garantia	Other	
Continuing earnings	7,105	5,589	1,516	3,087	248	10,441
Performance fees	1,845	1,760	85	-	-	1,845
Investment operations	5,465	7,018	-1,554	2,224	1	7,689
Total income	14,415	14,368	47	5,311	250	19,975
Fee and commission expense	-1,617	-1,088	-529	-	-5	-1,622
Personnel costs	-3,308	-2,048	-1,260	-490	-531	-4,329
Direct expenses	-3,399	-2,593	-806	-28	-1,151	-4,577
Depreciation, amortisation, and impairment	-51	-28	-23	-	6	-45
Impairment losses on loans	-	-	-	-	-24	-24
Operating profit	6,040	8,610	-2,570	4,793	-1,454	9,378
Operating profit, %	41.9%	59.9%	neg	90.2%	neg	47.0%

1.10.–31.12.2023, EUR 1,000

Continuing earnings	6,698	5,167	1,531	2,777	406	9,881
Performance fees	-	-	-	-	-	-
Investment operations	5,957	6,701	-744	1,431	413	7,801
Total income	12,655	11,868	787	4,209	819	17,682
Fee and commission expense	-1,616	-1,083	-533	-	-42	-1,658
Personnel costs	-2,840	-1,532	-1,308	-514	-729	-4,084
Direct expenses	-3,572	-2,950	-622	-20	-862	-4,454
Depreciation, amortisation, and impairment	-51	-28	-23	-	13	-38
Impairment losses on loans	-565	-565	-	-	-2	-567
Operating profit	4,010	5,710	-1,700	3,675	-803	6,882
Operating profit, %	31.7%	48.1%	neg	87.3%	neg	38.9%

Reconciliations

Reconciliation of total income, EUR 1,000	1.10.–31.12.2024	1.10.–31.12.2023
Total income of segments	19,975	17,682
Share of associates' profit or loss allocated to total income of segments	86	-35
Transit items eliminated in segment reporting	507	531
Consolidated total income	20,568	18,178

Reconciliation of operating profit, EUR 1,000	1.10.–31.12.2024	1.10.–31.12.2023
Total earnings of segments before taxes and NCI	9,378	6,882
IFRS 16 Leases ¹⁾	21	23
Consolidated operating profit	9,400	6,904

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.–31.12.2024

1.1.–31.12.2024, EUR 1,000	Continuing operations					Total
	Private Asset Management	Renewable energy	Other private asset management	Garantia	Other	
Continuing earnings	25,187	19,977	5,210	13,629	1,700	40,516
Performance fees	1,845	1,760	85	-	-	1,845
Investment operations	14,936	16,656	-1,720	11,875	1,355	28,166
Total income	41,967	38,392	3,575	25,505	3,055	70,527
Fee and commission expense	-5,964	-4,260	-1,704	-	-33	-5,996
Personnel costs	-11,158	-6,717	-4,441	-1,140	-2,926	-15,224
Direct expenses	-8,589	-6,061	-2,528	-82	-2,563	-11,233
Depreciation, amortisation, and impairment	-136	-73	-63	-	-23	-159
Impairment losses on loans	-71	-	-71	-	180	109
Operating profit	16,050	21,282	-5,232	24,283	-2,310	38,024
Operating profit, %	38.2%	55.4%	neg	95.2%	neg	53.9%

1.1.–31.12.2023, EUR 1,000

Continuing earnings	24,374	18,132	6,242	13,572	1,926	39,872
Performance fees	1,489	-	1,489	-	-	1,489
Investment operations	16,471	17,226	-755	4,738	3,770	24,979
Total income	42,335	35,359	6,976	18,310	5,695	66,340
Fee and commission expense	-6,495	-4,226	-2,269	-	-81	-6,576
Personnel costs	-11,634	-7,647	-3,987	-1,422	-3,084	-16,140
Direct expenses	-8,694	-6,644	-2,050	-62	-2,401	-11,157
Depreciation, amortisation, and impairment	-29	45	-74	-	54	25
Impairment losses on loans	-565	-565	-	-	-41	-607
Operating profit	14,918	16,322	-1,404	16,826	142	31,885
Operating profit, %	35.2%	46.2%	neg	91.9%	2.5%	48.1%

Reconciliations

Reconciliation of total income, EUR 1,000	1.1.–31.12.2024	1.1.–31.12.2023
Total income of segments	70,527	66,340
Share of associates' profit or loss allocated to total income of segments	-1	-2,935
Transit items eliminated in segment reporting	2,053	2,224
Consolidated total income	72,579	65,629

Reconciliation of operating profit, EUR 1,000	1.1.–31.12.2024	1.1.–31.12.2023
Total earnings of segments before taxes and NCI	38,024	31,885
IFRS 16 Leases ¹⁾	86	36
Consolidated operating profit	38,110	31,921

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	Fair value	Holding
Investment type		31.12.2024	31.12.2024	31.12.2024
Renewable energy investments				
Truscott Gilliland East Wind	Shares and participations	10,973	10,804	7.0%
Taaleri SolarWind II	Shares and participations	2,713	3,434	0.9%
Taaleri SolarWind III	Shares and participations	1,975	2,012	1.1%
Bioindustry investments				
Fintoil Oy	Shares and participations	8,069	9,870	39.6%
WasteWise Group Oy	Shares and participations	3,650	2,902	33.7%
WasteWise Group Oy	Loan	500	500	-
Taaleri Biocoal Development Ky	Shares and participations	1,500	1,398	12.4%
Other investments		7,446	5,132	
Total Private Asset Management segment's direct investments		36,826	36,051	

Non-strategic investments EUR 1,000		Purchase price	Fair value	Holding
Investment type		31.12.2024	31.12.2024	31.12.2024
Real estate development investments				
Sepos Oy	Shares and participations	2,834	679	30.0%
Sepos Oy	Loan	2,102	2,165	-
Turun Toriparkki Oy	Shares and participations	8,503	8,904	39.3%
Other investments				
Aktia Bank Plc	Shares and participations	3,092	2,776	0.4%
Alisa Bank Plc	Shares and participations	5,460	2,553	10.2%
Other investments		6,436	1,656	
Total non-strategic investments		28,428	18,733	

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	

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1 Fee and commission income

1.1.-31.12.2024, EUR 1,000	Private Asset Management	Renewable energy	Other private asset management	Garantia	Other	Total
Continuing earnings	27,482	21,262	6,221	-	748	28,231
Performance fees	1,845	1,760	85	-	-	1,845
Total	29,327	23,022	6,306	-	748	30,076

1.1.-31.12.2023, EUR 1,000	Private Asset Management	Renewable energy	Other private asset management	Garantia	Other	Total
Continuing earnings	25,396	18,611	6,785	-	769	26,165
Performance fees	1,489	-	1,489	-	-	1,489
Total	26,885	18,611	8,274	-	769	27,654

During the financial year 2024, a total of EUR 1.8 (1.5) million in performance fees has been recorded in the income statement, of which EUR 1.8 (0.0) million is based on management's estimate and remains unrealised as of the balance sheet date. Taaleri had a total of EUR 15.9 million (31 December 2023: EUR 14.2 million) in unrealised performance fees recorded under fee and commission income as of 31 December 2024.

2 Net income from insurance

EUR 1,000	1.1.-31.12.2024	1.1.-31.12.2023
Insurance revenue		
Amounts relating to changes in liabilities for remaining coverage		
CSM recognized for services provided	11,581	12,324
Change in risk adjustment for non-financial risk for risk expired	2,069	1,934
Expected incurred claims	1,769	1,995
Expected other insurance service expenses	2,301	2,291
Premium experience adjustments	542	-74
Recovery of insurance acquisition cash flows	640	540
Insurance revenue total	18,902	19,010
Insurance service expenses		
Incurring claims	-841	-1,197
Changes in liabilities for incurred claims	915	813
Incurring other insurance service expenses	-3,646	-3,248
Losses on onerous contracts	98	-471
Insurance acquisition cash flows	-856	-839
Insurance service expenses total	-4,328	-4,942
Net expenses from reinsurance contracts	-375	-520
Insurance service result	14,198	13,549
EUR 1,000	1.1.-31.12.2024	1.1.-31.12.2023
Net finance income and expense from insurance		
Net finance income and expense from insurance	-633	-33
Interest accreted to insurance contracts	-730	-284
Effect of changes in financial assumptions through P/L	-7	58
Other	104	193
Net finance expenses from reinsurance contracts	19	20
Interest accreted to reinsurance contracts	19	19
Other	-	1
Net finance income and expense from insurance	-614	-14

Net finance income and expenses from insurance amounted to EUR -0.6 (-0.0) million and the total return from the company's investments at fair value amounted to EUR 15.5 (10.4) million.

EUR 1,000	1.1.-31.12.2024	1.1.-31.12.2023
Net income from investment operations		
Financial assets at fair value through other comprehensive income	2,998	893
Interest income	3,003	2,373
Profit or loss from sales	-354	-896
Others	350	-585
- of which change in expected credit loss	350	-585
Financial assets at fair value through profit or loss	8,877	3,845
Financial assets that need to be measured at fair value through profit or loss	8,877	3,845
Interest income	1,150	1,204
Change in fair value	7,322	1,980
From dividends	63	478
Profit or loss from sales	214	258
Others	128	-76
Net income from insurance investment operations	11,875	4,738
Net income from insurance total	25,459	18,273

3 Net gains or net losses on trading in securities and foreign currencies

Net gains or net losses on trading in securities, EUR 1,000	1.1.-31.12.2024	1.1.-31.12.2023
From financial assets measured at fair value through profit or loss		
Financial assets that need to be measured at fair value through profit or loss	-1,855	-446
Total	-1,855	-446

Net gains or net losses on trading in securities and foreign currencies, EUR 1,000	1.1.-31.12.2024	1.1.-31.12.2023
Net gains or net losses on trading in securities by type		
From shares and units	-1,855	-446
Sales profit and loss	-631	939
Changes in fair value	-1,224	-1,385
Net gains or net losses on trading in securities, total	-1,855	-446
Net gains or net losses on trading in foreign currencies	593	-543
Total	-1,262	-989

4 Income from equity investments

EUR 1,000	1.1.-31.12.2024	1.1.-31.12.2023
From financial assets recognised at fair value in profit or loss	817	415
Dividend income	682	419
Profit or loss from divestments	-4	-4
Profit sharing from limited partnerships	140	-
From group companies	8,153	8,973
Profit or loss from divestments	8,153	8,973
Total	8,971	9,388

Income from divestments of group companies in the financial years 2024 and 2023 consist mainly of the sale of the subsidiary Taaleri Development Holdings Sarl. Further information on the sale is provided in Note 13 Sale of subsidiary.

5 Interest income

EUR 1,000	1.1.-31.12.2024	1.1.-31.12.2023
From receivables from credit institutions	633	216
From receivables from the public and general government	539	1,707
Other interest income	6	2
Total	1,178	1,925

Interest income does not include profits from financial assets, which value is reduced.

6 Other operating income

EUR 1,000	1.1.-31.12.2024	1.1.-31.12.2023
Billed expenses recorded as income	2,296	3,550
Income from Private Asset Management segment's projects	5,775	5,503
Other income	86	325
Total	8,158	9,378

The income accumulated from the projects in the Private Asset Management segment during the financial years 2023 and 2024 are related to renewable energy development activities carried out in Texas between 2018 and 2021. Taaleri received the first part of the project's sale price in 2023 and, when announcing the transaction, stated that the sales agreement included the possibility of additional income subject to certain conditions. The amount of additional income is USD 6.0 million, or approximately EUR 5.8 million, and it was fully recognised in the financial year 2024. As of the balance sheet date, some uncertainties remain regarding the additional income, but management considers its realisation to be highly probable.

7 Classification of financial assets and liabilities

Financial assets and liabilities 31.12.2024, EUR 1,000

Financial assets	Amortised cost	At fair value through other comprehensive income		At fair value through profit or loss		Total	Fair value
		Equity instruments ²⁾	Others	Equity instruments	Others		
Receivables from credit institutions ¹⁾	19,623					19,623	19,623
Receivables from the public and general government	3,928				1,813	5,741	5,741
Shares and units		2,693		34,291		36,984	36,984
Insurance assets, investments			92,733	34,187	27,719	154,638	154,638
Other financial assets						46,212	
Financial assets total	23,551	2,693	92,733	68,478	29,532	263,199	
Participating interests						12,884	
Other than financial assets						15,772	
Assets in total 31.12.2024						291,855	

Financial liabilities	At fair value through profit or loss	Other liabilities	Total	Fair value
Other financial liabilities		17,436	17,436	
Financial liabilities total	-	17,436	17,436	
Other than financial liabilities			59,087	
Liabilities in total 31.12.2024			76,524	

Financial assets and liabilities 31.12.2023, EUR 1,000

Financial assets	Amortised cost	At fair value through other comprehensive income		At fair value through profit or loss		Total	Fair value
		Equity instruments ²⁾	Others	Equity instruments	Others		
Receivables from credit institutions ¹⁾	38,302					38,302	38,302
Receivables from the public and general government	3,824				1,318	5,142	5,142
Shares and units		2,768		35,941		38,708	38,708
Insurance assets, investments			104,123	29,935	26,493	160,551	160,551
Other financial assets						42,226	
Financial assets total	42,126	2,768	104,123	65,876	27,811	284,930	
Participating interests						12,884	
Other than financial assets						10,097	
Assets in total 31.12.2023						307,911	

Financial liabilities	At fair value through profit or loss	Other liabilities	Total	Fair value
Subordinated debt		14,886	14,886	15,154
Other financial liabilities		16,392	16,392	
Financial liabilities total	-	31,278	31,278	
Other than financial liabilities			67,987	
Liabilities in total 31.12.2023			99,265	

¹⁾ The carrying amount of these receivables are seen as the best estimate of their fair values.

²⁾ At the time of initial recognition of an equity instrument, the management may make an irrevocable choice concerning a procedure according to which changes in fair value are recognised in other comprehensive income and will not later be recycled to profit or loss. In this case, dividends received are recognised in profit or loss, but changes in fair value, foreign exchange rate gains and losses as well as sales gains and losses are recognised in other comprehensive income. This group includes limited partner contributions to such limited partnerships related to Taaleri's private asset management business that are not actual private equity fund investments, as well as equity investments in companies that are not considered to be closely related to the Group's strategy. On 31 December 2024, the fair value of equity instruments that are specifically valued at fair value through other comprehensive income items was EUR 2.7 (31 December 2023: 2.8) million. The investments belonging to the group have not produced dividend income in the financial periods presented. During the presented financial periods, no investments belonging to the group have been sold or otherwise written off the balance sheet.

8 Fair value of financial instruments

Fair value of assets 31.12.2024, EUR 1,000	Level 1	Level 2	Level 3	Fair value total
Receivables from credit institutions		19,623		19,623
Receivables from the public and general government		4,899	842	5,741
Shares and units	5,329	807	30,849	36,984
Insurance assets	147,243		7,396	154,638
Total	152,571	25,329	39,087	216,987

Fair value of liabilities 31.12.2024, EUR 1,000	Level 1	Level 2	Level 3	Fair value total
Subordinated debt	-	-	-	-
Total	-	-	-	-

Fair value of assets 31.12.2023, EUR 1,000	Level 1	Level 2	Level 3	Fair value total
Receivables from credit institutions		38,302		38,302
Receivables from the public and general government		4,345	797	5,142
Shares and units	11,868		26,840	38,708
Insurance assets	153,071		7,480	160,551
Total	164,939	42,647	35,118	242,703

Fair value of liabilities 31.12.2023, EUR 1,000	Level 1	Level 2	Level 3	Fair value total
Subordinated debt	-	15,154	-	15,154
Total	-	15,154	-	15,154

Fair value hierarchy

Level 1: Fair values are based on the prices quoted on the active market on identical assets or liabilities.

Level 2: Fair values are based on information other than quoted prices included within level 1 that are observable for the asset or liability, either directly (from prices) or indirectly (derived from prices). When measuring the fair value of these instruments, Taaleri Group uses generally accepted valuation models whose information is based to a significant degree on verifiable market information.

Level 3: Fair values are based on information concerning an asset or liability, which is not based on verifiable market information. Level 3 assets are mainly valued at a price received from an external party or, if no reliable fair value is available/determinable, at purchase price.

Assets classified at level 3

Assets categorised within level 3 consist of unquoted shares in private equity funds, other stocks, and share units. Shares in private equity funds are mainly measured at the latest fair value received from the management company. Unquoted stocks are valued either at the latest trading price used on the unregulated market, at the book value of the entity subject to the investment, using the cash flow-based return value method, or if it is estimated that the fair value cannot be determined with sufficient accuracy, at the acquisition cost.

Reconciliation of assets categorised within level 3, EUR 1,000	1.1.-31.12.2024	1.1.-31.12.2023
Fair value January 1	35,118	37,417
Purchases	7,564	3,603
Sales and deductions	-2,565	-4,905
Change in fair value - income statement	-1,025	-797
Change in fair value - comprehensive income statement	-4	-200
Fair value at end of period	39,087	35,118

Unrealised gains or losses attributable to fair value measurements of assets or liabilities categorised within level 3 held at the end of the reporting period recognised in profit or loss, EUR 1,000	1.1.-31.12.2024	1.1.-31.12.2023
Net income from insurance	77	237
Net gains or net losses on trading in securities and foreign currencies	-1,102	-1,034
Total	-1,025	-797

9 Impairment losses on receivables

EUR 1,000	Amortised cost	At fair value through other comprehensive income ¹⁾	Total
ECL 1.1.2024	1,862	875	2,737
Additions due to initial issue and purchases	5	81	86
Deductions due to derecognitions	-206	-746	-952
Changes in risk parameters	-1,569	315	-1,255
Recognised in profit or loss	-1,771	-350	-2,120
ECL 31.12.2024	91	525	617

EUR 1,000	Amortised cost	At fair value through other comprehensive income ¹⁾	Total
ECL 1.1.2023	1,255	290	1,545
Additions due to initial issue and purchases	53	64	117
Deductions due to derecognitions	-11	-47	-58
Changes in risk parameters	565	568	1,133
Recognised in profit or loss	607	585	1,192
ECL 31.12.2023	1,862	875	2,737

¹⁾ Expected credit losses from financial assets measured at fair value through other comprehensive income all pertain to the insurance business, and therefore the expected credit loss has been recognised in net income from insurance investment operations. For further information, please see Note 2 Net income from insurance.

EUR 1,000	1.1.-31.12.2024	1.1.-31.12.2023
Received payments related to loans that have been written-off	-	-
Change in ECL	1,771	-607
Realized credit losses	-1,640	-
Expected credit losses from financial assets measured at amortised cost recognised in profit or loss	130	-607

10 Subordinated debts

EUR 1,000	31.12.2024	31.12.2023
Tier 2 bond	-	14,886
Total	-	14,886

On 18 October 2019 Taaleri Plc issued Tier 2 notes totalling EUR 15 million. The Tier 2 Notes constituted a subordinated debt instrument, which was included in the Tier 2 capital referred to in Article 63 of Regulation (EU) No 575/2013 of the European Parliament and of the Council. The notes was due to mature in ten years and bore a fixed interest rate of 5.0 per cent until 18 October 2024, and then onwards EUR 5-year mid-swap rate plus 5.33 per cent. The terms and conditions of the Notes included a call option after five years from the issuance and the company was also entitled to an early repayment before the call option under certain preconditions provided in the terms and conditions of the Notes. Taaleri exercised its right to redeem the Notes early in October 2024.

11 Equity capital

Share capital

The company's share capital on 31 December 2024 was EUR 125,000 and the amount of shares 28,196,253. The company's shares do not have a nominal value. Trading in Taaleri Plc's shares are traded on the Nasdaq Helsinki main market. The shares' trading code is "TAALA" and ISIN code FI4000062195. All shares issued have been paid for in full. The Group uses share-based incentive schemes. The company has not issued convertible bonds or other than the above-mentioned special rights.

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.

12 Investments in subsidiaries

Changes in subsidiary shareholdings 1.1.–31.12.2024

During the period, Taaleri Private Equity Funds Ltd increased its holding in Taaleri Asuntorahasto VIII GP Oy, and at the end of the period, Taaleri's ownership in the company was 84.0 (80.0) percent. Taaleri Investments Ltd, on the other hand, established a subsidiary in Canada during the period and owns 100.0 percent of the share capital of the established company Taaleri Biocoal Canada Development Ltd. The company has been established as part of Taaleri's bioindustry business and is preparing torrefied biomass production in Canada.

During the period, management companies and project companies, which are part of Taaleri's private asset management business, have also been established, acquired, sold and dissolved. Some of the management and project companies have minority shareholders that are key personnel in Taaleri's private asset management business.

Changes in subsidiary shareholdings 1.1.–31.12.2023

During the period, Taaleri Plc and Taaleri Investments Ltd sold part of their holdings in Taaleri Energia Ltd to key personnel in the renewable energy business. The Taaleri Group's joint ownership of Taaleri Energia Ltd and its subgroup decreased to 76.2 (79.4) percent. In addition, Taaleri Oyj's shareholding in Taaleri Real Estate Ltd changed during the period, when Taaleri Plc first sold and later in the period acquired company's shares from key persons in the real estate business. At the end of the period, Taaleri Plc owned 100.0 (80.0) per cent of Taaleri Real Estate Ltd.

During the period, Taaleri Energia Holdings Sarl sold all the shares it owned in Taaleri Energia Development Holdings Sarl, Global Evenor SL and Global Berserker SL. The transactions were carried out as part of the sale of the project development portfolio built for the Taaleri SolarWind III fund.

During the financial year 2023, management companies and project companies, which are part of Taaleri's private asset management business, have also been established, acquired, sold and dissolved. Some of the management and project companies have minority shareholders that are key personnel in Taaleri's private asset management business.

Effects on the equity attributable to owners of the parent of any changes in its ownership interest in a subsidiary that do not result in a loss of control, EUR 1,000	1.1.-31.12.2024	1.1.-31.12.2023
From an addition to the share owned in subsidiaries	-	-
From a reduction in the share owned in subsidiaries, without loss of control	-	1,636
Net effect on equity	-	1,636

There is not a material non-controlling interest in the group.

13 Sale of the subsidiary

Description of the sale of a subsidiary: Taaleri Energia Development Holdings Sarl

On July 5, 2023, Taaleri announced that the Taaleri SolarWind III Fund acquired a renewable energy project development portfolio from Taaleri Energia in connection with the first closing of the fund. In the transaction, Taaleri Energia Holdings Sarl, a subsidiary in the Taaleri Group, sold the shares of Taaleri Energia Development Holdings Sarl, which it fully owned and which was consolidated as a subsidiary to the Taaleri Group. In connection with the transaction, Taaleri Group recorded a total of EUR 8.3 million capital gain from the sale of the subsidiary in June 2023. The purchase price was revised in the third quarter of 2023, and the amount of capital gain recorded until 31.12.2023 was a total of EUR 8.9 million.

The capital gain recorded in the financial year 2023 was based on a partial and realised purchase price. 50% of the total consideration is conditional on the progress of the projects sold to the fund in the project development portfolio. In the deed of sale, it is agreed that if a certain number of projects progress to the construction phase, and a certain part of these projects are in the Central or Eastern European Economic Area, a conditional portion of the purchase price will be realised to be paid. According to management's assessment at the balance sheet date of 2023, the realisation of the conditional purchase price was not likely, which is why the conditional portion was not recorded in 2023.

The projects in the acquired portfolio have proceeded according to plan during 2024, and the management considers the realisation of the earn-out related to the transaction as likely. Taaleri recognised the conditional portion of the purchase price in the third quarter of 2024. The earn-out will be paid later once all related conditions have been fulfilled.

Details of the sale of the subsidiary: Taaleri Energia Development Holdings Sarl

Sale of the subsidiary, EUR 1,000	1.1.-31.12.2024	1.1.-31.12.2023
The consideration received in cash, the first 50% of the purchase price	-	8,269
A conditional consideration recorded under receivables, representing the remaining 50% of the purchase price	8,309	-
Total disposal consideration	8,309	8,269
Carrying amount of net assets sold	-	-676
Gain on sale before income tax	8,309	8,945
Income tax expense on gain	-	-
Gain on sale after income tax	8,309	8,945

14 Investments in associated companies

Changes in associated company shareholdings 1.1.–31.12.2024

On 31 December 2024 Taaleri had ten associated companies: Taaleri Datacenter Ky, Sepos Oy, Turun Toriparkki Oy, Hernesaaren Kehitys Oy, Munkkiniemi Group Oy, Fintoil Oy, Taaleri SolarWind II SPV, Taaleri SolarWind III SPV, Masdar Taaleri Generation, and WasteWise Group Oy. None of these is considered material to the Group.

During the period, Taaleri Investments Ltd made an additional investment in Fintoil Oy by participating in Fintoil's share issue, which increased Taaleri's shareholding in Fintoil Oy to 39.6 (24.0) percent. Taaleri's ownership in WasteWise Group Oy was diluted during the period to 33.7 (34.1) percent, while its ownership in Hernesaaren Kehitys Oy increased to 37.2 (33.3) percent due to changes in the number of shares outstanding in these companies.

Other associated companies, with the exception of Fintoil Oy, have been consolidated into the Group using the equity method. Regarding the capital investment made in Fintoil Oy, a decision has been made to value the associated company at fair value with effect on profit and loss in accordance with IFRS 9.

During the period, from the results of the review period of the associated companies and other changes in their equity, a total of EUR 0.0 million has been consolidated into the Group and presented in the line item Share of the result of associated companies. Associated companies have no discontinued operations, and no items of comprehensive income that would have been consolidated into the Group.

Changes in associated company shareholdings 1.1.–31.12.2023

On 31 December 2023 Taaleri had ten associated companies: Taaleri Datacenter Ky, Sepos Oy, Turun Toriparkki Oy, Hernesaaren Kehitys Oy, Munkkiniemi Group Oy, Fintoil Oy, Taaleri SolarWind II SPV, Taaleri SolarWind III SPV, Masdar Taaleri Generation, and WasteWise Group Oy. None of these is considered material to the Group.

During the period, Taaleri Investments Ltd participated with EUR 2.3 million in the financing round of Turun Toriparkki Oy, but due to the new investors who joined the company, Taaleri's ownership in Turun Toriparkki Oy was diluted to 39.3 (59.2) percent.

WasteWise Group Oy's convertible bond previously held by Taaleri Investments Ltd, was converted into company's shares during the financial year, and in addition Taaleri Sijoitus Oy made a EUR 2.5 million additional investment in the company. Taaleri's shareholding in the company grew to 34.1 per cent with the additional investment, and from this point on, the company has been consolidated into the Taaleri Group as an associated company.

After Taaleri Energia Holdings Sarl sold all the shares it owned in Taaleri Energia Development Holdings Sarl, Domerel Nieruchomo ci Sp.z, which had previously been an associated company to Taaleri Group, also left the group.

Other associated companies, apart from Fintoil Oy, have been consolidated into the Group using the equity method. Regarding the capital investment made in Fintoil Oy, a decision has been made to value the associated company at fair value with effect on profit and loss in accordance with IFRS 9.

During 2023, from the results of the review period of the associated companies and other changes in their equity, a total of EUR 2.9 million was consolidated into the Group and presented in the line item Share of the result of associated companies. Associated companies have no discontinued operations, and no items of comprehensive income that would have been consolidated into the Group.

15 Conditional liabilities and contingent liabilities

Commitments not recognised as liabilities, EUR 1,000	31.12.2024	31.12.2023
Total gross exposures of guaranty insurance	1,679,148	1,749,104
Guarantees ¹⁾	-	1,875
Investment commitments	14,207	11,830
Total	1,693,355	1,763,009

¹⁾ Taaleri provided a guarantee amounting to EUR 1.9 million to an external party outside the Group in 2023. A full counter-guarantee was received for the liability; however, the original guarantee has been included in the table above. As of the end of the 2024 financial year, the liability has expired.

At the end of the reporting period, Taaleri Plc had a long-term credit facility agreement of EUR 30.0 million, which remained fully undrawn. Garantia had a credit facility agreement of EUR 0.2 million, which remained fully undrawn at the end of the reporting period. Unused credit facilities are not included in the table above.

Taaleri has signed the Net Zero Asset Managers (NZAM) initiative, in which Taaleri, both as a company and for Taaleri's assets under management, commits to the goal of net zero greenhouse gas emissions by 2050 in accordance with the Paris Climate Agreement. Taaleri's interim target is to manage 75% of the assets under management in accordance with the initiative by 2030. Taaleri will report annually on the progress. Liabilities related to the initiative are not included in the table above.

16 Related party disclosures

The parent company and its subsidiaries and associated companies belong to the Group's related parties. Related parties also include the members of the Board of Directors and the Executive Management Team as well as their related parties.

The following belong to the company's related parties:

- Someone who, by virtue of shareholding, options or convertible bonds has or may have at least 20 percent of the company's stocks or shares, or the voting rights attached to them, or a corresponding shareholding or voting right in an organisation belonging to the Group, or in an organisation exercising control in the company, unless the significance of the company that is the subject of ownership is minor in terms of the whole Group.
- A member and deputy member of the Board of Directors, CEO and Deputy CEO, and somebody in a similar position in a company as referred to in point 1.
- The children and spouse of someone as referred to in point 2, or someone in a marital relationship with that person.
- An organisation and foundation in which an above-mentioned person, either alone or with another person, has control as specified in Chapter 1, Paragraph 5 of the Accounting Act.

Business transactions made with the company and companies belonging to the Group have been carried out on terms equivalent to those that prevail in arm's length transactions. Companies belonging to the Group are listed in the financial statements of the parent company.

Related party transactions with associated companies and related parties, EUR 1,000

1.1.-31.12.2024	Sales	Purchases	Receivables	Liabilities
Associated companies	664	-	2,415	-
Other related parties	-	3	-	-
1.1.-31.12.2023	Sales	Purchases	Receivables	Liabilities
Associated companies	646	-	2,307	-
Other related parties	15	10	15	-

TAALERI

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