

25 January 2023 at 11:00

Solidium Oy's half-year report for July-December 2022:

- Solidium's return on equity holdings was 7.6 per cent for the six-month period and -9.0 per cent for the full calendar year 2022.
- Solidium's net asset value increased by EUR 0.2 billion and was EUR 7.4 billion at the end of the period.

Solidium's CEO Reima Rytsölä's comments:

"The return on Solidium's equity holdings (7.6 per cent) was relatively good when considering the challenging environment. The share prices fluctuated a lot in the beginning of the review period, as the market's inflation and interest rate expectations changed. Towards the end of the year the stock market was in an uptrend as the reported inflation figures were somewhat lower compared to market expectations. Also, the companies' results were in general better than what the weakened economic sentiment and consumer confidence implied.

During the review period Solidium increased its stake in Nokian Tyres. The divestment of the operations in Russia and the investment into a new factory in Romania clarifies the company's direction and we believe it has good prospects for building the business on a new basis.

In September we announced that we had arranged the State's bridge financing to Fortum. The procedure chosen and the way in which it was implemented were exceptional, as were the circumstances where electricity prices and Fortum's collateral needs had soared to record high levels. In accordance with the arrangement terms, Solidium received rights to subscribe new shares in Fortum after the first loan tranche was drawn. Solidium transferred these rights to its owner as a capital repayment.

During the review period Solidium also paid EUR 307 million to the State as dividends."

SOLIDIUM'S HOLDINGS**Development of holdings and key indicators**

The value of Solidium's all holdings was EUR 8,345 million on 31 December 2022 (EUR 7,807 million on 30 June 2022 and EUR 9,274 million on 31 December 2021). The return on all holdings was 9.3 per cent over the review period of six months, and -7.0 per cent for the last twelve months. More detailed information on the investment key indicators are attached.

Equity holdings

The value of Solidium's equity holdings was EUR 7,934 million on 31 December 2022 (EUR 7,401 million on 30 June 2022 and EUR 8,968 million on 31 December 2021). The total return of Solidium's equity holdings was 7.6 per cent during the review period and -9.0 per cent for the last twelve months.

Money market investments

Solidium's money market investments amounted to EUR 26 million on 31 December 2022 (EUR 405 million on 30 June 2022 and EUR 306 million on 31 December 2021). The return on money market investments was 0.3 per cent during the review period and -0.3 per cent for the past twelve months.

Corporate loans

Solidium had EUR 350 million loan receivables from Fortum Corporation on 31 December 2022.

Participation in nomination boards

A central aspect of Solidium's corporate governance model is to actively influence the composition of the boards of directors of the portfolio companies. Solidium actively participated in the work of the nomination boards responsible for preparing board elections. Solidium pursues board compositions which best serve the needs of the companies and the goal of shareholder value creation.

Solidium's representatives have served as the Chair of the shareholders' nomination boards of Elisa, Konecranes, Metso Outotec, Nokian Tyres, Outokumpu, Tietoevry and Valmet, and as members of the shareholders' nomination boards of Anora, Kemira, and Stora Enso. The nomination boards prepare the proposals related to the selection and remuneration of the board members for the 2023 Annual General Meetings.

In accordance with Solidium's strategy, the long-term objective is to have a seat in the board of each portfolio company. After the Annual General Meetings in the spring of 2022, this was the case in eight of Solidium's portfolio companies, as investment director Annareetta Lumme-Timonen was elected to Anora's board of directors, investment director Pauli Anttila was elected to Konecranes' board of directors and investment director Petter Söderström was elected to Outokumpu's board of directors, all of them as new members. The then CEO Antti Mäkinen continued to serve in the boards of directors of Metso Outotec and Stora Enso. In addition, among the members of Solidium's Board of Directors, Aaro Cantell continued as a board member in Valmet, Jannica Fagerholm as a board member in Sampo, and Timo Ahopelto as a board member in Tietoevry.

Share transactions

During the review period, Solidium bought Nokian Tyres shares for approximately EUR 10 million. Following the transaction, Solidium's holding in Nokian Tyres increased from 9.4 per cent to 10.1 per cent.

SOLIDIUM OY'S EVENTS

Annual General Meeting

Solidium's Annual General Meeting was held in Helsinki on 28 October 2022. The Annual General Meeting adopted the company's financial statements for the financial year 1 July 2021–30 June 2022 and discharged the members of the Board of Directors and the CEO from liability. In accordance with the Board's proposal, the Annual General Meeting decided on a profit distribution of EUR 307 million to the owner. The number of the members of the Board of Directors was resolved to be seven (7). For a term ending at the end of the next Annual General Meeting, Jouko Karvinen was elected as the new Chair. The following persons were re-elected to the Board of Directors: Aaro Cantell (Vice-Chair), Timo Ahopelto, Jannica Fagerholm, Jukka Ohtola and Laura Raitio as Board members. Suvi Haimi was elected as a new Board member. Harri Sailas and Marjo Miettinen had announced that they are not continuing in the Board of Directors of Solidium anymore.

Dividend and capital repayment

During the review period Solidium paid to the Finnish State EUR 307 million as dividend. In addition, Solidium transferred its right to subscribe 8,970,000 new shares in Fortum Corporation worth EUR 133 million as capital repayment to the State of Finland. The capital repayment was distributed from the reserve for invested non-restricted equity on 23 November 2022.

This half-year report is available at <https://www.solidium.fi/en/half-year-report/>

Attachment: Solidium's holdings as of 31 December 2022

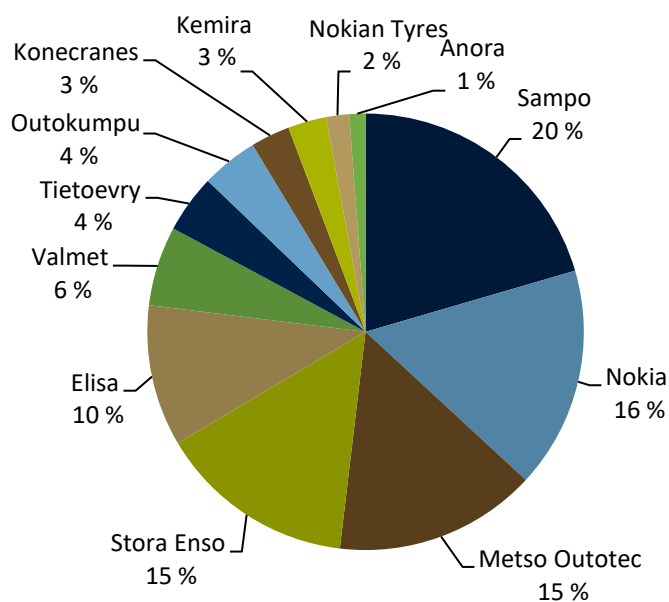
Solidium Oy

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Solidium is a limited liability company wholly owned by the State of Finland. Its mission is to strengthen and stabilise Finnish ownership in nationally important companies and increase the value of its holdings in the long term. Through its stakes, Solidium is a minority owner in twelve listed companies: Anora, Elisa, Kemira, Konecranes, Metso Outotec, Nokia, Nokian Tyres, Outokumpu, Sampo, Stora Enso, Tietoevry and Valmet. The market value of Solidium's total investments is approximately 8.7 billion euros. Further information: <https://www.solidium.fi/en/>.

ATTACHMENT: SOLIDIUM'S HOLDINGS AS OF 31 DECEMBER 2022
BREAKDOWN OF EQUITY HOLDINGS

	EUR million
All equity holdings	7,934.5
Anora	96.4
Elisa	831.1
Kemira	226.2
Konecranes	230.1
Metso Outotec	1,186.9
Nokia	1,302.4
Nokian Tyres	134.4
Outokumpu	334.9
Sampo	1,624.7
Stora Enso	1,157.5
Stora Enso A	870.9
Stora Enso R	286.6
Tietoevry	341.0
Valmet	469.0

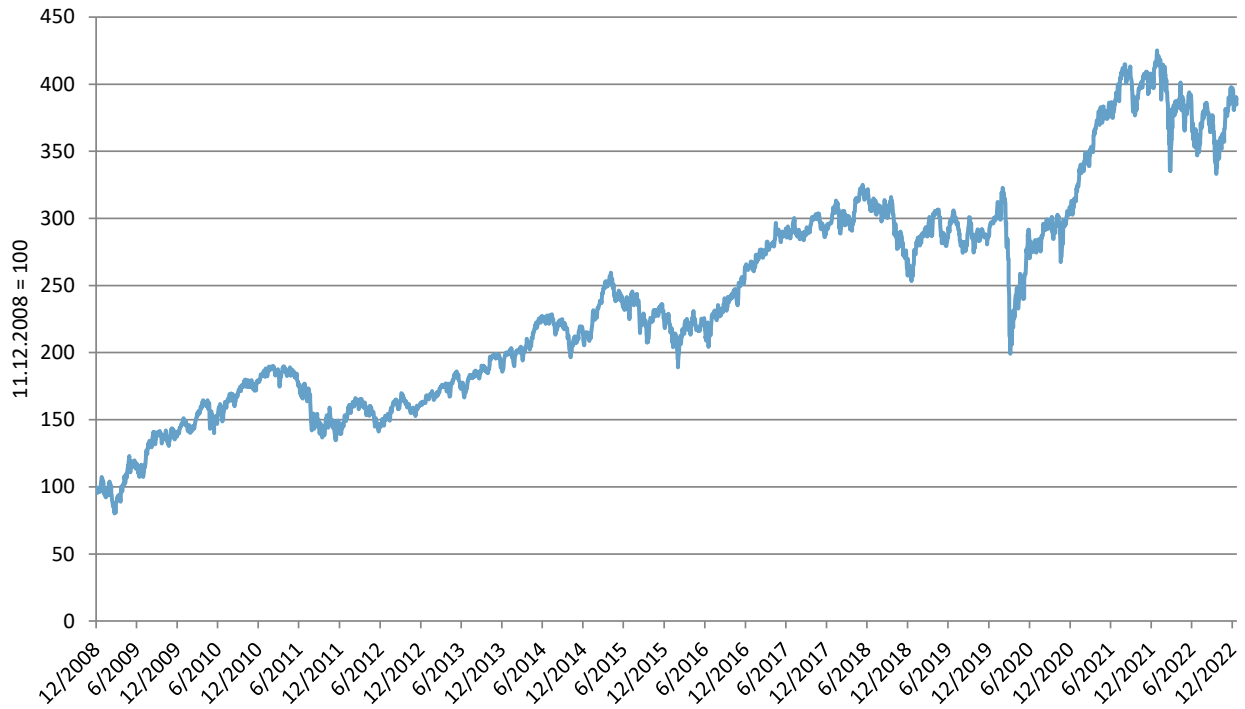

RETURNS OF SOLIDIUM'S HOLDINGS

	6 months	12 months	5 years	From the establishment of Solidium *
Return of total investments, %	9.3 %	-7.0 %	5.4 %	10.2 %
Return of equity holdings, %	7.6 %	-9.0 %	5.1 %	10.3 %

(Over-12-month returns are annualized)

* Solidium was established 11.12.2008

DEVELOPMENT OF THE RETURN OF THE HOLDINGS



Includes equity holdings, money market investments, and corporate loans. Solidium was established 11.12.2008

RETURNS OF THE COMPANIES OWNED BY SOLIDIDIUM, PEER COMPANIES AND THEIR BENCHMARK INDICES

	6 months	12 months	5 years	10 years
Anora	-5 %	-28 %	n/a	n/a
<i>Peer companies</i>	4 %	-24 %	n/a	n/a
<i>N Food, Beverage and Tobacco Index</i>	3 %	0 %	n/a	n/a
Elisa	-8 %	-5 %	13 %	17 %
<i>Peer companies</i>	-26 %	-22 %	-1 %	4 %
<i>DJ STOXX 600 Telecom. Index</i>	-16 %	-14 %	-3 %	3 %
Kemira	25 %	12 %	10 %	7 %
<i>Peer companies</i>	0 %	-20 %	-2 %	7 %
<i>FTSE EUROFIRST 300 Chemicals Index</i>	1 %	-20 %	3 %	6 %
Konecranes	29 %	-14 %	-2 %	5 %
<i>Peer companies</i>	8 %	-11 %	-1 %	6 %
<i>Vinx Industrial Goods and Services Index</i>	11 %	-19 %	10 %	11 %
Metso Outotec	37 %	6 %	8 %	1 %
<i>Peer companies</i>	22 %	-8 %	3 %	5 %
<i>Bloomberg Europe Mach.-Div. Index</i>	13 %	-31 %	2 %	5 %
Nokia	-2 %	-21 %	4 %	7 %
<i>Peer companies</i>	12 %	-22 %	5 %	7 %
<i>STOXX Europe 600 Tech. Index</i>	6 %	-28 %	7 %	11 %
Nokian Tyres	-8 %	-70 %	-20 %	-7 %
<i>Peer companies</i>	-4 %	-29 %	-10 %	-1 %
<i>STOXX Europe 600 Autos & Parts</i>	8 %	-14 %	1 %	8 %
Outokumpu	20 %	-11 %	-7 %	-3 %
<i>Peer companies</i>	10 %	-24 %	-1 %	10 %
<i>Bloomberg Europe Steel Index</i>	15 %	-29 %	-10 %	-3 %
Sampo	18 %	22 %	8 %	13 %
<i>Peer companies</i>	2 %	3 %	11 %	15 %
<i>OMX Nordic Financials Index</i>	11 %	-20 %	8 %	12 %
Stora Enso	-12 %	-16 %	3 %	13 %
<i>Peer companies</i>	2 %	-17 %	5 %	15 %
<i>Bloomberg W. For. Prod. & Paper Index</i>	-2 %	-19 %	-1 %	6 %
Tietoenvy	16 %	2 %	5 %	11 %
<i>Peer companies</i>	-16 %	-35 %	9 %	18 %
<i>BE500 Computer Service Index</i>	-12 %	-33 %	5 %	11 %
Valmet	7 %	-31 %	13 %	n/a
<i>Peer companies</i>	26 %	13 %	11 %	n/a
<i>Bloomberg Europe Mach.-Div. Index</i>	13 %	-31 %	2 %	n/a

The returns are calculated in local currency for the company's most liquid share class and benchmark index, and the gross dividends are reinvested in the company's shares (if available). Over-12-month returns are annualised. The total return to Solididium may differ from the company's share return due to transactions, taxes, and because Solididium has not reinvested the dividends received, but has paid them to its owner, the Finnish State. Peer companies' return is the median of the peer companies. Data source: Bloomberg and Nasdaq