

20 January 2022 at 10:00

Solidium Oy's half-year report for July-December 2021:

- Solidium's return on equity holdings was 7.9 per cent for the six-month period and 33.5 per cent for the full calendar year 2021
- Solidium's net asset value decreased by EUR 0.4 billion due to capital repayment and dividend, and was EUR 8.3 billion at the end of the period

Solidium's CEO Antti Mäkinen's comments:

"The calendar year 2021 return on Solidium's equity investments was excellent (33.5 per cent) and we beat our benchmark indexes clearly. In the first half of 2021, the stock market was very strong and stable, but in the second half of 2021 the volatility increased considerably. Big discussion topics were, among other things, the Omicron variant of the coronavirus, changes in inflation and interest rates, and the rotation between growth and value stocks. Despite the turbulence, we ended up with a good return on the equity investments in the review period (7.9 per cent).

We continued our long-term sustainability work. We conducted sustainability analyses of our holdings and presented the findings to them. During the review period, Solidium's Board of Directors approved a new long-term sustainability program for the time period 2022-2026. Based on this new program, Solidium will in the future put even more focus on the sustainability aspects that have a financial impact. Our target is that our holdings outperform their peers also from a sustainability point of view.

As a result of the share disposals during the review period 1.7.-31.12.2021, Solidium's ownership decreased in Outokumpu from 18.9 per cent to 15.5 per cent and in Sampo from 8.0 per cent to 6.0 per cent. In addition to these share transactions, significant changes occurred in our portfolio during the review period as we distributed all of our SSAB shares (6.3 per cent of SSAB's shares) to the Finnish State as a capital repayment and as we received all Anora shares owned by the Finnish State (19.4 per cent of Anora's shares). At the end of the review period Solidium started acquiring more shares in Nokian Tyres and as a result of these share purchases, that continued until mid-January, Solidium's ownership in Nokian Tyres increased from 8.8 per cent to 9.4 per cent.

A significant portion of the transaction proceeds were used to a EUR 500 million capital repayment to the Finnish State. In addition to this, Solidium paid EUR 368 million as a dividend to its owner."

SOLIDIUM'S HOLDINGS

Development of holdings and key indicators

The value of Solidium's all holdings (equity holdings and money market investments) was EUR 9,274 million on 31 December 2021 (EUR 9,593 million on 30 June 2021 and EUR 7,841 million on 31 December 2020). The return on all holdings was 7.5 per cent over the review period of six months, and 32.2 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 8,968 million on 31 December 2021 (EUR 9,024 million on 30 June 2021 and EUR 7,620 million on 31 December 2020). The total return of Solidium's equity holdings was 7.9 per cent during the review period and 33.5 per cent for the last twelve months. During the six-month period the best returns were generated by Nokia whereas the return of Metso Outotec was the weakest.

Money market investments

Solidium's money market investments amounted to EUR 306 million on 31 December 2021 (EUR 569 million on 30 June 2021 and EUR 222 million on 31 December 2020). The return of money market investments was 0.0 per cent during the review period and 0.3 per cent for the past twelve months.

During the review period Solidium paid to the Finnish State EUR 368 million as dividend and EUR 500 million as capital repayment. In addition, Solidium's all shares in SSAB AB, worth approximately EUR 271 million, were transferred to the Finnish State as capital repayment. During the review period, all the Anora Goup Plc shares owned by the Finnish State, worth approximately EUR 143 million, were transferred to Solidium.

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 chairman of the shareholders' nomination boards of Elisa, Metso Outotec, Nokian Tyres, Outokumpu, TietoEVRY and Valmet, and as members of the shareholders' nomination boards of Anora, Kemira, Konecranes, and Stora Enso. The nomination boards prepare the proposals related to the selection and remuneration of the board members for the 2022 Annual General Meetings.

According to Solidium's strategy the objective for Solidium is to have a representative in the board of each portfolio company. Currently Solidium's CEO Antti Mäkinen is a member of the board of Metso Outotec and the chairman the board of Stora Enso. In addition, Solidium's board member Aaro Cantell is a member of the board of Valmet, Timo Ahopelto is a member of the board of TietoEVRY, and Jannica Fagerholm is a member of the board of Sampo.

As it looks now, Solidium will year 2022 get two new seats in the boards of its portfolio companies. Outokumpu's nomination board proposes that in the Annual General Meeting of 2022, Solidium's Investment Director Petter Söderström would be elected as a new member to Outokumpu's board. Also, Anora's nomination board proposes that in the Annual General Meeting of 2022, Solidium's Investment Director Annareetta Lumme-Timonen would be elected as a new member to Anora's board.

Share transactions

In November 2021 Solidium sold Sampo shares for approximately EUR 498 million. The proceeds were used mainly to a capital repayment to the State. Following the transaction, Solidium's holding in Sampo decreased from 8.0 per cent to 6.0 per cent.

During the review period, Solidium also sold Outokumpu shares for approximately EUR 86 million. Following the the transaction, Solidium's holding in Outokumpu decreased from 18.9 per cent to 15.5 per cent.

At the end of the review period, Solidium started acquiring more shares in Nokian Tyres. As a result of these share purchases, that continued until mid-January, Solidium's ownership in Nokian Tyres increased from 8.8 per cent to 9.4 per cent. The aggregated amount of these share purchases was approximately EUR 29 million.

SOLIDIUM OY'S EVENTS

Annual General Meeting

Solidium's Annual General Meeting was held in Helsinki on 28 October 2021. The Annual General Meeting adopted the company's financial statements for the financial year 1 July 2020–30 June 2021 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 368 million to the owner. For a term ending at the end of the next Annual General Meeting, the following persons were re-elected to the Board of Directors: Harri Sailas (Chairman), Aaro Cantell (Vice-Chairman), and Timo Ahopelto, Janica Fagerholm, Marjo Miettinen and Laura Raitio as Board members. Jouko Karvinen and Jukka Ohtola were elected as new Board members.

Capital repayment and share transfers

On 14 September 2021 the State of Finland resolved that Solidium will transfer all its shares in SSAB AB worth EUR 271 million as capital repayment to the State of Finland. Consequently, Solidium's holding in SSAB decreased from 6.3 per cent to 0.0 per cent and Solidium's number of votes from 8.0 per cent to 0.0 per cent.

On 17 November 2021 the State of Finland resolved that Solidium would transfer EUR 500 million to the State as a capital repayment. The capital repayment was paid from the reserve for invested non-restricted equity on 19 November 2021.

On 25 November 2021, the State of Finland transferred all of its 13,097,481 Anora Group Plc shares, which correspond to 19.4 per cent of Anora's share capital, to Solidium Oy. The

transfer value of the Anora shares equalled the closing price in public trading on 24 November 2021 on NASDAQ OMX Helsinki: EUR 10.90 per share. As a result of the transfer, Solidium's shareholders' equity was increased by a sum equal to the total market value of the shares: approximately EUR 143 million.

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

Attachment: Solidium's holdings as of 31 December 2021

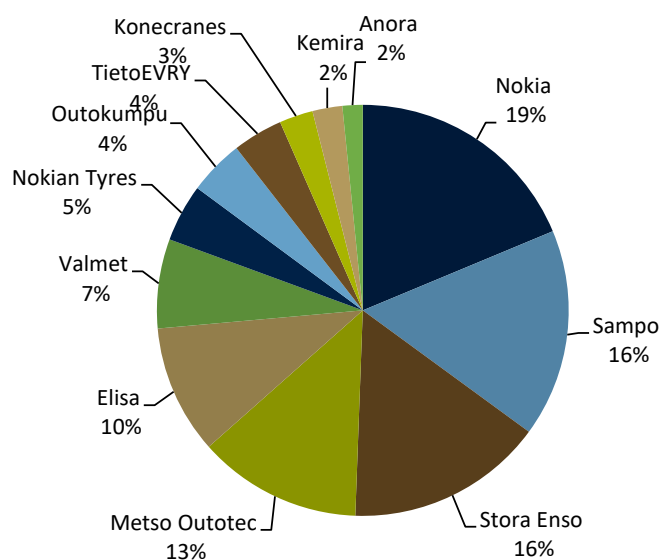
Solidium Oy

Further information: Antti Mäkinen, CEO, tel. +358 (0)50 561 1501

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 9,3 billion euros. Further information: www.solidium.fi.

ATTACHMENT: SOLIDIUM'S HOLDINGS AS OF 31 DECEMBER 2021
BREAKDOWN OF HOLDINGS

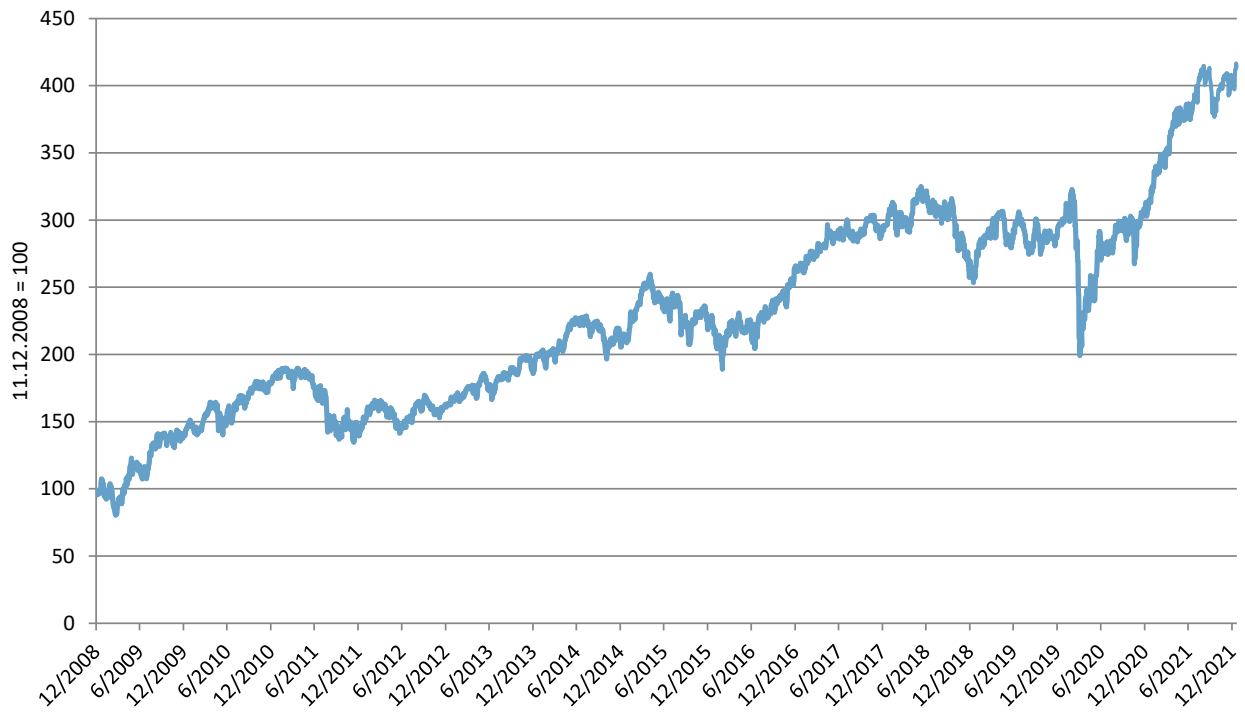
	EUR million
All equity holdings	8,967.9
Anora	142.2
Elisa	909.4
Kemira	210.4
Konecranes	237.1
Metso Outotec	1,154.3
Nokia	1,677.8
Nokian Tyres	406.3
Outokumpu	389.4
Sampo	1,466.3
Stora Enso	1,391.8
Stora Enso A	1,040.1
Stora Enso R	351.7
TietoEVRY	353.3
Valmet	629.7
Money mkt.inv.	305.8


RETURNS OF SOLIDIUM'S HOLDINGS

	6 months	12 months	5 years	From the establishment of Solidium **
Return of total investments, % *	7.5 %	32.2 %	9.4 %	11.6 %
Return of equity holdings, %	7.9 %	33.5 %	9.8 %	11.9 %

(Over-12-month returns are annualized)

* Includes equity holdings and money market investments. ** Solidium was established 11.12.2008

DEVELOPMENT OF THE RETURN OF THE HOLDINGS

Includes equity holdings and money market investments. 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	11%	16%	n/a	n/a
<i>Peer companies</i>	8%	22%	n/a	n/a
<i>N Food, Beverage and Tobacco Index</i>	-2%	17%	n/a	n/a
Elisa	8%	25%	17%	19%
<i>Peer companies</i>	2%	14%	6%	4%
<i>DJ STOXX 600 Telecom. Index</i>	-1%	16%	0%	5%
Kemira	2%	7%	7%	9%
<i>Peer companies</i>	9%	7%	12%	14%
<i>FTSE EUROFIRST 300 Chemicals Index</i>	3%	17%	10%	12%
Konecranes	-1%	25%	5%	14%
<i>Peer companies</i>	-3%	27%	8%	13%
<i>Vinx Industrial Goods and Services Index</i>	11%	39%	18%	16%
Metso Outotec	-4%	17%	15%	2%
<i>Peer companies</i>	5%	18%	10%	7%
<i>Bloomberg Europe Mach.-Div. Index</i>	6%	25%	17%	12%
Nokia	23%	77%	6%	7%
<i>Peer companies</i>	21%	46%	15%	8%
<i>STOXX Europe 600 Tech. Index</i>	12%	35%	18%	17%
Nokian Tyres	0%	20%	3%	8%
<i>Peer companies</i>	3%	40%	-6%	12%
<i>STOXX Europe 600 Autos & Parts</i>	2%	29%	7%	13%
Outokumpu	9%	71%	-7%	-6%
<i>Peer companies</i>	12%	38%	5%	13%
<i>Bloomberg Europe Steel Index</i>	8%	42%	0%	0%
Sampo	14%	33%	6%	15%
<i>Peer companies</i>	13%	35%	13%	16%
<i>OMX Nordic Financials Index</i>	17%	49%	14%	18%
Stora Enso	5%	5%	13%	18%
<i>Peer companies</i>	0%	11%	7%	20%
<i>Bloomberg W. For. Prod. & Paper Index</i>	-3%	2%	8%	10%
TietoEVRY	6%	7%	6%	15%
<i>Peer companies</i>	16%	17%	18%	23%
<i>BE500 Computer Service Index</i>	18%	37%	18%	20%
Valmet	3%	66%	26%	n/a
<i>Peer companies</i>	0%	24%	15%	n/a
<i>Bloomberg Europe Mach.-Div. Index</i>	6%	25%	17%	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 Solidium may differ from the company's share return due to transactions, taxes, and because Solidium 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