

TAALERI

Q3

Taaleri Plc Interim Statement

1 January–30 September 2022

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Taaleri's continuing earnings in the third quarter of the year grew by 14.2% and operating profit more than tripled due to a completed exit

July–September 2022

- Continuing earnings grew by 14.2% to EUR 10.5 (9.2) million. The Private Asset Management segment's continuing earnings grew by 10.1% to EUR 5.3 (4.8) million and the Strategic Investments segment's continuing earnings by 13.7% to EUR 4.4 (3.9) million.
- Performance fees were EUR 6.5 (0.0) million, and net income from investment operations was EUR 9.9 (3.1) million.
- Income more than doubled to EUR 26.9 (12.3) million as a result of performance fees and net income from investment operations.
- Operating profit more than tripled and was EUR 18.5 (4.9) million, corresponding to 68.6% of income.
- The assets under management in the Private Asset Management segment grew by 10.9% to EUR 2.5 (31 December 2021: 2.2) billion.
- Earnings per share were 0.53 (0.11) EUR.

January–September 2022

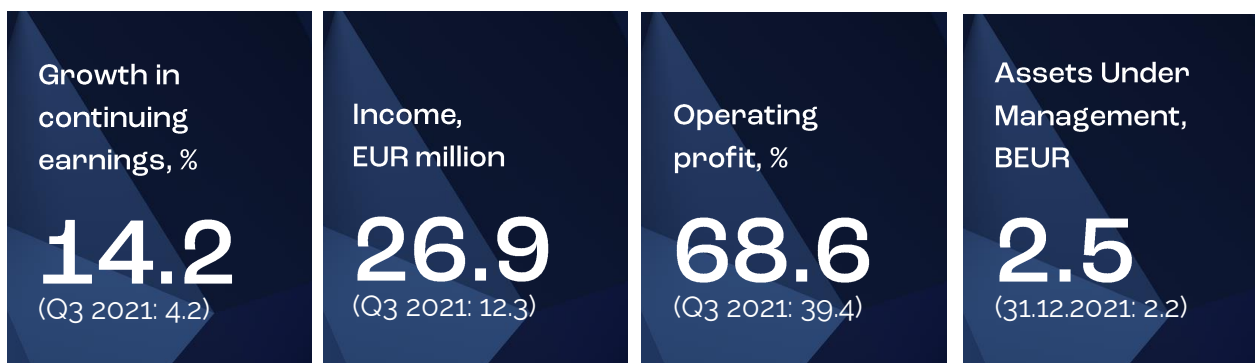
- Continuing earnings grew by 0.4% to EUR 29.4 (29.3) million. The Private Asset Management segment's continuing earnings grew by 2.3% to EUR 15.0 (14.7) million, and the Strategic Investments segment's continuing earnings grew by 2.1% to EUR 12.3 (12.1) million.
- Performance fees were EUR 7.0 (0.8) million, and net income from investment operations was EUR 9.5 (10.2) million.
- Income grew by 13.9% to EUR 45.9 (40.3) million.
- Operating profit was EUR 20.2 (16.1) million, corresponding to 44.1% of income.
- Earnings per share were 0.48 (4.38) EUR.

This Interim Statement has not been prepared in accordance with IAS 34. The Interim Statement is unaudited. Unless otherwise stated, the figures in parentheses in the Interim Statement refer to the corresponding period of the previous year. See page 19 for further information of the accounting policies of this Interim Statement.

Key figures

Group key figures	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	1-12/2021
Earnings key figures							
Continuing earnings, MEUR	10.5	9.2	14.2	29.4	29.3	0.4	40.7
Income, MEUR	26.9	12.3	118.7	45.9	40.3	13.9	69.7
Operating profit, MEUR	18.5	4.9	280.7	20.2	16.1	25.4	30.8
Operating profit, %	68.6	39.4		44.1	40.0		44.2
Profit for the period in consolidated income statement, MEUR	15.4	3.2	>100.0	14.2	124.1	-88.5	136.1
Return on equity*, %	32.5	5.8		8.9	93.7		75.0
Balance sheet key figures							
Equity ratio, %	67.8	67.5		67.8	67.5		72.1
Other key figures							
Cost/income ratio excluding investment operations	50.8	84.2		72.4	85.2		77.9
Cost/income ratio	32.1	63.0		57.3	63.6		58.3
Full-time personnel in continuing operations, at the end of the period	107	107	0.0	107	107	0.0	104
Assets under management in Private Asset Management segment, BEUR	2.5	2.1		2.5	2.1		2.2
Guaranty insurance portfolio, BEUR	1.8	1.7		1.8	1.7		1.7

* Annualised



Review by CEO Peter Ramsay

In the third quarter of 2022, we continued to promote our strategy that focuses on renewable energy, real estate and bioindustry. Both the private asset management business and Garantia's guaranty insurance operations developed well, and the Group's continuing earnings increased by 14%. Our operating profit was EUR 18.5 million, corresponding to a profit margin of 67%. Operating profit was increased by a profit of EUR 14.0 million recognized from the sale of Ficolo Ltd and the related exit of Taaleri Datacenter Ky.

Operationally, we progressed according to plan in the third quarter despite the changes and uncertainties in the operating environment. Our strategy works well also in the current situation. Europe's desire to break away from Russian gas, oil and coal will increase the demand for renewable energy and for bioindustry products, which in the long term will support our private asset management business.

The Private Asset Management segment's continuing earnings grew by 10% and the operating profit grew by 56% to EUR 7.0 million due to the performance fee connected to the exit of Taaleri Datacenter Ky.

During the third quarter, the renewable energy business focused on advancing projects of the Taaleri SolarWind II fund that were in the construction phase and on preparations for the Taaleri SolarWind III fund announced yesterday. The fund is the seventh Taaleri product to comply with Article 9 of the EU Sustainable Finance Disclosure Regulation. The future project flow of SolarWind III is based on our project development portfolio, which included 17 projects at the end of the review period. Our goals for the new fund are ambitious: we are aiming to double the size of Taaleri SolarWind II, which was around EUR 350 million.

The real estate business carried out several acquisitions in the third quarter, both for Aktia's special investment funds in its portfolio management and for the Taaleri Housing Fund VIII and Taaleri Rental Home funds, which invest in rental housing. In September, Taaleri Housing Fund VIII carried out a significant portfolio transaction worth approximately EUR 85 million for three residential properties.

The first fund of the bioindustry business, Taaleri Bioindustry I, reached a size of over EUR 100 million in its second round of funding and continues fundraising backed up by strong demand. The fund's anchor investor, the Finnish Climate Fund, made an additional EUR 5 million investment in the fund in accordance with its option. The tall oil refinery of Taaleri's associated company Fintoil, which is reported under bioindustry business, was launched in September, and its start of operations has proceeded as planned. The first batches of high-quality distilled tall oil have already been delivered to customers.

In the Strategic Investments segment, Garantia's net income from insurance operations increased by 14% from the corresponding period to EUR 4.4 million. Garantia's net income from investment operations recovered from the particularly weak previous quarter, and operating profit was EUR 4.3 million. Once again, the combined ratio describing the profitability of insurance operations was excellent at 29.0%.

Sustainable development is at the heart of Taaleri's strategy. We are a pioneer among private asset management operators, as we already manage eight funds that comply with either Article 8 or Article 9 of the EU's Sustainable Finance Disclosure Regulation (SFDR). This has required, and will continue to require, ambitious goals, strong sustainability expertise and a strong commitment to the sustainability of funds. We also signed the Net Zero Asset Managers (NZAM) initiative, in which we, both as a company and for our assets under management, commit to the goal of net zero greenhouse gas emissions by 2050 in accordance with the Paris Climate Agreement. Our interim target is to manage 75% of the assets under management in accordance with the initiative by 2030. We will report annually on our progress starting next year, and we will ambitiously assess opportunities to accelerate the timetable to reach our net zero target.

Outlook and financial targets

Taaleri does not publish a short-term outlook. However, the company has set itself targets related to growth, profitability and return on invested capital.

Taaleri's long-term targets include:

- Continuing earnings growth at least 15 per cent
- Operating profit at least 25 per cent of income
- Return on equity at least 15 per cent.

The company's goal is to distribute to its shareholders at least 50 per cent of the profit for the financial year as well as the capital that the company does not need for growth investments or to fulfil its targets for solvency.

Operating environment and market prospects

Development of the global economy and of the capital markets is surrounded by a high degree of uncertainty. The higher prices of energy and consumables caused by the war in Ukraine and by the COVID-19 pandemic have accelerated inflation with extraordinary force. This has prompted central banks to tighten monetary policy considerably, which has increased the likelihood of a recession. In terms of the supply of energy, Europe is also facing a difficult winter.

In our view, demand for alternative asset classes will remain strong, as they offer the opportunity to diversify risks and smooth out returns. Any possible recession can, however, affect the willingness of some customer groups to invest in long-term, illiquid products. Sustainability and impact will continue to be very important requirements for investors. Furthermore, the EU's Sustainable Finance Regulation, among other factors, guides both investors and financial actors towards sustainable investments. Taaleri has no business operations or investments in Russia or in Ukraine, and the changed geopolitical situation has not had any direct impact on our business. Europe's desire to break away from Russian energy sources and to increase its self-sufficiency will strengthen the operating environment for renewable energy and bioindustry, in particular.

In the renewable energy business, the war in Ukraine, higher interest rates and accelerating inflation all increase the costs of project development and project construction while the higher energy prices yield more profits from wind farms and solar farms. The war in Ukraine has had no real impact on investor views on the investment opportunities provided by renewable energy.

In our view, demand for alternative asset classes will remain strong, as they offer the opportunity to diversify risks and smooth out returns.

In the real estate business, the rise in interest rates has caused uncertainty in the market. Rising interest rates may pose challenges both for the implementation of new investments and for renegotiation of existing debt financing, especially for highly leveraged operators. A slowdown can be seen in new starts in housing construction, especially due to the slowdown in owner-occupied housing. Due to the slowdown in consumer trade, rental investors with good financial standing may be able to purchase properties in more attractive locations in the coming quarters. The rental rates of housing improved during the third quarter and rents increased slightly compared to the same time last year. The basic foundations supporting real estate investments, such as urbanisation, are still seen as strong in the Finnish real estate market, and a large amount of new capital is expected to flow into real estate investments in the near future.

For the bioindustry business, the trends remained good. The war in Ukraine may affect the timetables and costs of potential target companies and of the near-future projects of investments, owing to developments such as the poor availability of some raw materials. Sustainability, ESG-consciousness and self-sufficiency, particularly in energy production, will continue to be at the core of the operating environment in future. In the operating environment of Taaleri associated company Fintoil's biorefinery in Hamina, which was launched in the third quarter, the rise in the prices of raw materials levelled out, but the refining margins of tall oil refining narrowed slightly.

The operating environment and market situation of Garantia Insurance Company Ltd's insurance business were negatively impacted in the early part of the year compared to last year. The war in Ukraine, accelerated inflation and sharply rising market interest rates weakened consumer confidence and dampened the housing market, but so far these changes have not affected the insurance business of the company during the review period. The creditworthiness of the company's consumer and corporate customers remained good, and no material changes occurred in the risk position of the guaranty insurance portfolio. The investment market was challenging in the early part of the year and, due to the rise in market interest rates and the widening of risk premiums, the changes in the fair values of fixed-income investments were negative.

Financial result

Continuing earnings, income, and operating profit

Group, EUR million	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	1-12/2021
Continuing earnings	10.5	9.2	14.2%	29.4	29.3	0.4%	40.7
Private Asset Management	5.3	4.8	10.1%	15.0	14.7	2.3%	20.1
Strategic Investments	4.4	3.9	13.7%	12.3	12.1	2.1%	17.6
Other	0.7	0.5	62.8%	2.0	2.5	-19.4%	3.0
Income	26.9	12.3	118.7%	45.9	40.3	13.9%	69.7
Private Asset Management	12.6	4.3	191.8%	23.7	14.8	59.9%	31.0
Strategic Investments	6.1	6.6	-7.7%	5.2	20.9	-75.3%	30.3
Other	8.3	1.4	>100.0%	17.1	4.6	>100.0%	8.4
Operating profit	18.5	4.9	280.7%	20.2	16.1	25.4%	30.8
Private Asset Management	7.0	-0.2	n/a	6.3	0.1	>100.0%	7.5
Strategic Investments	4.9	5.2	-5.9%	1.6	17.1	-90.7%	24.4
Other	6.6	-0.1	n/a	12.4	-1.0	n/a	-1.0

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 28–29.

July–September 2022

The Group's continuing earnings grew by 14.2% to EUR 10.5 (9.2) million in the review period. The Private Asset Management segment's continuing earnings grew by 10.1% and the Strategic Investments segment's continuing earnings by 12.3%. The Group's net income from investment operations was EUR 9.9 (3.1) million, of which EUR 1.6 (2.7) million was from the Strategic Investments segment and 7.5 (1.0) from the Other group.

A transaction concerning the shares of Ficolo Ltd owned by Taaleri's co-investment and associated company Taaleri Datacenter Ky took place in July. Taaleri Group recognized a total profit of EUR 14.0 million from the sale, of which EUR 6.5 million was recognized as a performance fee in the Private Asset Management segment and EUR 7.5 million was consolidated as income from the associated company into net income from investment operations in the Other group. Due to the successful exit, the Group's income grew to EUR 26.9 (12.3) million.

The Group's operating expenses totalled EUR 6.1 (5.6) million, of which personnel costs were EUR 4.0 (3.6) million and fee and commission expenses were EUR 2.4 (1.8) million. A total of EUR 0.8 million in non-recurring expenses were recognized for non-recurring income in the review period. Other operating expenses remained at the level of the comparison period. Due to performance fees, the Group's operating profit excluding net income from investment operations was EUR 8.6 (1.8) million, corresponding to 50.4% (19.1) of income excluding investment operations. The Group's operating profit was EUR 18.5 (4.9) million, corresponding to 68.6% (39.4) of income.

In the consolidated income statement, which applies the IFRS 5 standard, the income from continuing operations grew by 50.6% to EUR 19.9 (13.2) million. Net income from insurance operations totalled EUR 5.5 (5.7) million, which included EUR 4.4 (3.9) million in net income from guaranty insurance operations and EUR 1.1 (1.8) million in net income from investment operations. Return on investment at fair value from insurance operations was 0.0% (1.1). In the consolidated income statement, profit from continuing operations was EUR 15.4 (3.2) million, profit from discontinued operations was EUR 0.0 (0.0) million, profit for the period was EUR 15.4 (3.2) million, and the Group's total comprehensive income was EUR 12.6 (3.1) million.

January–September 2022

The Group's continuing earnings grew by 0.4% to EUR 29.4 (29.3) million. The Private Asset Management segment's continuing earnings grew by 2.3% and the Strategic Investments segment's continuing earnings by 2.1%. The continuing earnings for the comparison period included EUR 0.9 million in non-recurring fees from the final closing of the Taaleri SolarWind II fund as well as management fees from Taaleri Housing Fund VI, which was sold in July 2021.

A total of EUR 7.0 (0.8) million of performance fees were recognized during the review period from the exit of the Taaleri Datacenter Ky co-investment in July and from the exit of the Taaleri Daycare Properties fund in March. Net income from investment operations was EUR 9.5 (10.2) million, of which EUR 7.5 million was from an associated company in the form of consolidated profit after the sale of the shares of Ficolo Ltd by Taaleri Datacenter Ky. EUR 6.7 million was from the earn-out of the Finsilva holding sold in 2016 and EUR -7.2 (8.8) was from the Strategic Investments segment. The majority of the loss recognized from the investment operations of the Strategic Investments segment was due to unrealized fair-value changes totalling EUR -8.8 (5.3) million. The Group's income grew in the review period to EUR 45.9 (40.3) million.

The Group's operating profit was EUR 20.2 (16.1) million, corresponding to 44.1% of income. The Group's operating expenses totalled EUR 25.7 (24.2) million, of which personnel costs were EUR 12.4 (12.0) million and fee and commission expenses were EUR 5.9 (5.5) million. The Group's operating profit excluding net income from investment operations was EUR 10.7 (5.9) million, corresponding to 29.4% (19.7) of income excluding investment operations.

In the consolidated income statement, which applies the IFRS 5 standard, income from continuing operations fell by 3.5% to EUR 40.9 (42.4) million. Net income from insurance operations totalled EUR 7.1 (19.5) million, consisting of net income from guaranty insurance operations of EUR 12.3 (12.0) million and net income from investment operations of EUR -5.2 (7.5) million. Return on investment at fair value from insurance operations was -11.0% (5.2). In the consolidated income statement, profit from continuing operations was EUR 14.2 (9.2) million, profit from discontinued operations was EUR 0.0 (114.9) million, profit for the period was EUR 14.2 (124.1) million, and the Group's total comprehensive income was EUR 0.4 (124.9) million.

Balance sheet, investments, and financing

At the end of the review period, the Group's cash and cash equivalents totalled EUR 46.5 (53.3) million, and Taaleri Group's balance sheet total was EUR 288.0 (318.7) million. The investments were EUR 198.2 (221.5) million, corresponding to 68.8% (69.5) of the Group's balance sheet total. The liabilities of the Group totalled EUR 92.7 (89.0) million, of which insurance liabilities were EUR 43.8 million, deferred tax liabilities were EUR 16.2 million and interest-bearing liabilities were EUR 14.9 (14.9) million.

In the second quarter, EUR 34.0 million in dividends was paid to the Taaleri shareholders, and Taaleri Group's equity at the end of September was EUR 195.2 (229.7) million. The Group's equity ratio remained strong at 67.8% (72.1), and the Group's annualised return on equity during the period of January–September stood at 8.9% (93.7), with the comparison period including the profit from the sale of the wealth management operations.

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 Strategic Investments, which includes Garantia. The group Other presents Group's non-strategic investments, Taaleri Kapitaali and Group operations not included in the business segments.

The segment-specific income statements are presented on pages 28–29.

Private Asset Management

In reporting, the Private Asset Management segment is divided into Renewable energy and Other private asset management. Renewable energy includes Taaleri Energia, which develops and invests in industrial-scale wind and solar power projects. It also manages investments throughout their lifecycle. The other areas within Private Asset Management include Taaleri's real estate, bioindustry 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.

Private Asset Management, EUR million	7–9/2022	7–9/2021	Change, %	1–9/2022	1–9/2021	Change, %	1–12/2021
Continuing earnings	5.3	4.8	10.1%	15.0	14.7	2.3%	20.1
Performance fees	6.5	0.0	100.0%	7.0	0.8	>100.0%	11.4
Investment operations	0.7	-0.5	n/a	1.7	-0.7	n/a	-0.5
Income	12.6	4.3	191.8%	23.7	14.8	59.9%	31.0
Operating profit	7.0	-0.2	n/a	6.3	0.1	>100.0%	7.5
Allocation of financing expenses	-0.4	-0.6	-30.0%	-1.4	-1.6	-13.3%	-2.3
Profit before tax	6.6	-0.8	n/a	4.9	-1.5	n/a	5.2
Full-time personnel, at the end of the period	70	68	2.9%	70	68	2.9%	67

Private Asset Management segment's investments, EUR million	30.9.2022	31.12.2021	Change, %
Investments and receivables, fair value	28.7	33.1	-13.1%
Renewable energy	19.7	15.9	24.1%
Real estate	0.2	6.5	-97.4%
Bioindustry	8.6	6.8	27.0%
Other investments	0.3	3.9	-93.4%

Group investments supporting the core business and the development of the businesses reported under 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 page 30.

Renewable energy

Renewable energy, EUR million	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	1-12/2021
Continuing earnings	3.7	3.6	3.8%	10.8	11.1	-2.5%	15.2
Performance fees	0.0	0.0	0.0%	0.0	0.8	-100.0%	6.2
Investment operations	0.8	-0.0	n/a	1.9	-0.0	n/a	0.6
Income	4.5	3.6	26.2%	12.7	11.9	6.7%	22.0
Operating profit	1.5	0.8	89.0%	2.5	2.3	11.8%	7.6
Allocation of financing expenses	-0.3	-0.4	-21.1%	-1.0	-1.1	-11.9%	-1.5
Profit before tax	1.2	0.4	187.7%	1.5	1.2	33.9%	6.1
Full-time personnel, at the end of the period	41	36	12.5%	41	36	12.5%	36
Assets under management, EUR billion	1.4	1.1		1.4	1.1		1.2

July–September 2022

Continuing earnings from the renewable energy business grew by 3.8% to EUR 3.7 (3.6) million. Income from the renewable energy business grew by 26.2% to EUR 4.5 (3.6) million as a result of the positive changes in exchange rates that affected the net income from investment operations. Operating expenses totalled EUR 3.0 (2.8) million, of which fee and commission expenses were EUR 1.1 (1.0) million and personnel costs were EUR 1.5 (1.2) million. Operating profit for the renewable energy business was EUR 1.5 (0.8) million, corresponding to 33.5% (22.4) of income.

During the review period, the renewable energy business focused on advancing the Taaleri SolarWind II fund's projects in the construction phase in Finland, Spain, Lithuania and Croatia. In the review period, three new projects were successfully added to Taaleri Energia's project development portfolio, which accelerates the launch of the Taaleri SolarWind III fund. In addition, during the review period, Taaleri Energia refinanced the Čibuk wind farm in Serbia, an investment of the Taaleri SolarWind I fund. With 57 GE turbines, Čibuk 1 is the largest wind farm in Serbia, and the new financing totals approximately EUR 205 million. The current energy market situation has raised Taaleri's estimates of the future performance fees from the wind funds. Taaleri is currently evaluating the amount of the performance fee of Taaleri Wind II fund in the current situation.

January–September 2022

Continuing earnings from the renewable energy business decreased by 2.5% to EUR 10.8 (11.1) million, with the comparison period including EUR 0.9 million in non-recurring fees from the final closing of the Taaleri SolarWind II fund, but income increased by 6.7% to EUR 12.7 (11.9) million. Performance fees in the review period were EUR 0.0 (0.8) million and net income from investment operations was EUR 1.9 (-0.0) million. Operating expenses totalled EUR 10.1 (9.6) million, of which fee and commission expenses were EUR 3.4 (3.1) million and include a non-recurring expense of EUR 0.2 million from the buying out of the management fee profit sharing agreements of the Taaleri Wind II and Taaleri Wind III funds. Personnel costs totalled EUR 4.7 (4.4) million, of which fixed personnel costs were EUR 3.3 (3.1) million and variable personnel costs were EUR 1.3 (1.2) million. Operating profit for the renewable energy business in January–September was EUR 2.5 (2.3) million, corresponding to 20.0% (19.1) of income.

During the review period, the renewable energy business focused on advancing the Taaleri SolarWind II fund's projects that are in the construction phase and on operating the completed projects of all its funds. The Taaleri SolarWind II fund's projects in the construction phase in Finland, Spain, Croatia and the United States progressed according to plan during the review period, and the Escalade wind farm in Texas entered production. In Lithuania, construction was on hold as a result of one turbine falling, but the work was resumed after the investigation process with the power plant supplier was completed. In December 2021, Taaleri announced that Taaleri Energia had secured EUR 44 million in funding for wind and solar power project development. The building of the project development portfolio has started as planned, and the portfolio included 17 projects at the end of the review period. The aim of the renewable energy business is to increase the project development portfolio to some 25–30 projects.

Other private asset management

Other private asset management, EUR million	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	1-12/2021
Continuing earnings	1.6	1.3	27.8%	4.2	3.6	17.0%	4.9
Performance fees	6.5	0.0	100.0%	7.0	0.0	>100.0%	5.2
Investment operations	-0.1	-0.5	-90.6%	-0.2	-0.7	-70.4%	-1.2
Income	8.1	0.7	>100.0%	11.0	2.9	274.5%	9.0
Operating profit	5.5	-1.0	n/a	3.8	-2.2	n/a	-0.2
Allocation of financing expenses	-0.1	-0.2	-46.9%	-0.4	-0.5	-16.4%	-0.7
Profit before tax	5.4	-1.2	n/a	3.3	-2.7	n/a	-0.9
Full-time personnel, at the end of the period	29	32	-9.4%	29	32	-9.4%	31
Assets under management, EUR billion	1.1	1.0		1.1	1.0		1.0

July–September 2022

Continuing earnings from Taaleri's real estate, bioindustry and other businesses in the third quarter grew by 27.8% to EUR 1.6 (1.3) million. A transaction concerning the shares of Ficolo Ltd owned by Taaleri's co-investment and associated company Taaleri Datacenter Ky took place in July, and a performance fee of EUR 6.5 million were recognized for the transaction. Due to a performance fee, the income of Other private asset management grew to EUR 8.1 (0.7) million. In line with its strategy, Taaleri is investing in the growth of the private asset management business, and this is reflected on a front-loaded basis in the increase in the number of employees and personnel costs. The operating expenses of Other private asset management totalled EUR 2.6 (1.7) million, of which personnel costs amounted to EUR 1.0 (0.8) million and fee and commission expenses to EUR 1.1 (0.6) million. The increase in fee and commission expenses during the review period is due to expenses related to recognized performance fees. Operating profit from Taaleri's real estate, bioindustry and other businesses was EUR 5.5 (-1.0) million.

The real estate business carried out several acquisitions in the third quarter, both for Aktia's special investment funds in its portfolio management and for its own private equity funds. Taaleri Housing Fund VIII carried out a significant portfolio transaction worth approximately EUR 85 million for three residential properties in September. In addition, the Taaleri Rental Home fund acquired in September two rental residential properties to be constructed.

The fundraising of the first private equity fund of the bioindustry business, Taaleri Bioindustry I, continued very well during the review period. The fund reached a size of over EUR 100 million in its second round of funding, and the fund's anchor investor, the state-owned special-assignment company Finnish Climate Fund, made an additional EUR 5.0 million investment in the fund in accordance with its option. The Fintoil tall oil refinery, which is reported under bioindustry business, was opened in September, and its start of operations has proceeded as planned. The first batches of high-quality distilled tall oil have already been delivered to customers.

January–September 2022

Continuing earnings from Taaleri's real estate, bioindustry and other businesses grew in January–September by 17.0% to EUR 4.2 (3.6) million, with the comparison period including management fees from Taaleri Housing Fund VI, which was sold in July 2021. A total of EUR 7.0 (0.0) million of performance fees were recognized during the review period from the Taaleri Datacenter Ky co-investment after its exit of Ficolo Ltd and from the sale of the Taaleri Daycare Properties fund units in March. Income nearly quadrupled to EUR 11.0 (2.9) million due to the performance fees. In line with its strategy, Taaleri is investing in the growth of the private asset management business, and this is reflected on a front-loaded basis in the increase in the number of employees and personnel costs. The operating expenses of Other private asset management totalled EUR 7.3 (5.1) million, of which personnel costs amounted to EUR 3.4 (2.1) million and fee and commission expenses to EUR 2.2 (2.0) million. The operating expenses include a EUR 0.3 million write-down of goodwill as a result of the winding up of the infrastructure business. Operating profit in January–September was EUR 3.8 (-2.2) million.

In the review period, the real estate business carried out a sale of Taaleri Daycare Properties fund units and made new investments both in Aktia's special mutual funds that are portfolio-managed by the real estate business and in Taaleri's own closed private equity funds. The investment activity of Taaleri Housing Fund VIII, which invests in rental housing, was launched during the past year, and the first investments of the fund are a 76-unit rental property to be built in Kirstinpuisto, Turku, and three rental properties with a total of 313 energy-efficient housing units to be built in the Helsinki Metropolitan Area.

The first private equity fund of the bioindustry business, Taaleri Bioindustry I, reached the size of over EUR 100 million in its second round of funding, which was completed in the third quarter. In March, Taaleri made a EUR 1.0 million seed investment in the Finnish company Nordtreat, which manufactures environmentally friendly and non-toxic flame retardants. The investment in Nordtreat opens up investment opportunities for Taaleri Bioindustry I, which is in the fundraising phase.

During the review period, the bioindustry business launched more detailed planning works for Joensuu Biocoal Oy, a bioindustry plant to be built in Joensuu as a co-investment project. The decision to invest in this torrefied biomass plant was made in January. Additionally, Fintoil, Taaleri's associated company, concluded a significant sales contract with the Swiss company VARO Energy in June, and Fintoil's tall oil refinery started operations in September. The start of operations of the refinery proceeded as planned.

Taaleri's private equity funds in a table

Renewable energy, EUR million	Founded	Product	Business area	AUM Q3 2022	Stage of the fund
Taaleri SolarWind II	2019	Private equity fund	Renewable energy		Investing period
Taaleri Wind Fund II Ky	2014	Private equity fund	Renewable energy		Invested
Taaleri Wind Fund III Ky	2016	Private equity fund	Renewable energy		Invested
Taaleri SolarWind I Ky	2016	Private equity fund	Renewable energy		Invested
Taaleri SolarWind II Feeder Fund Ky	2019	Feeder fund	Renewable energy		Investing period
Taaleri Wind Fund IV Ky	2019	Co-investment fund	Renewable energy		Investing period
Managed accounts	2019-	Managed accounts	Renewable energy		Invested
Renewable energy total				1,357	
Other private asset management, EUR million	Founded	Product	Business area	AUM Q3 2022	Stage of the fund
Taaleri Real Estate Development Fund Ky	2015	Private equity fund	Real estate		Invested
Taaleri Forest Fund III Ky	2014	Private equity fund	Real estate		Invested
Taaleri Housing Fund IV Ky	2010	Private equity fund	Real estate		Invested
Taaleri Multifunctional Properties Ky	2018	Private equity fund	Real estate		Investing period
Taaleri Property Fund I Ky	2015	Private equity fund	Real estate		Invested
Taaleri Property Fund II Ky	2016	Private equity fund	Real estate		Invested
Taaleri Rental Home Ky	2016	Private equity fund	Real estate		Investing period
Taaleri Housing Fund VIII Ky	2021	Private equity fund	Real estate		Fundraising
Managed accounts	2021-	Managed accounts	Real estate		Investing period
Real estate total				798	
Taaleri Biorefinery Ky	2020	Co-investment	Bioindustry		Investing period
Joensuu Biocoal	2021	Co-investment	Bioindustry		Fundraising
Taaleri Bioindustry I Ky	2021	Private equity fund	Bioindustry		Fundraising
Bioindustry total				155	
Other funds total				161	
Other private asset management total				1,114	
Taaleri's Private Asset Management segment total, EUR million				2,471	

The assets under management of the Private Asset Management segment reported by Taaleri Group are assets that generate continuing earnings and include both 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.

Strategic Investments

The Strategic Investments segment includes Garantia Insurance Company Ltd., an insurance company specializing in guaranty insurance, and the shares in Aktia Bank Plc, which Taaleri received as part of the transaction amount as a result of the sale of the wealth management operations.

Strategic Investments, EUR million	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	1-12/2021
Continuing earnings	4.4	3.9	13.7%	12.3	12.1	2.1%	17.6
Performance fees	-	-	-	-	-	-	-
Investment operations	1.6	2.7	-39.2%	-7.2	8.8	n/a	12.7
Income	6.1	6.6	-7.7%	5.2	20.9	-75.3%	30.3
Operating profit	4.9	5.2	-5.9%	1.6	17.1	-90.7%	24.4
Allocation of financing expenses	-0.5	-0.6	-25.0%	-1.4	-1.3	9.6%	-1.8
Profit before tax	4.4	4.5	-3.2%	0.2	15.8	-99.0%	22.6
Full-time personnel, at the end of the period	19	22	-13.6%	19	22	-13.6%	22

Garantia

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

Garantia, EUR million	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	1-12/2021
Net income from guaranty insurance operations	4.4	3.9	13.5%	12.3	12.0	2.2%	17.6
- of which Earned premiums, net	4.6	4.0	15.0%	12.5	12.2	3.0%	17.9
- of which Claims incurred, net	-0.1	-0.1	>100.0%	-0.2	-0.1	75.6%	-0.3
Net income from investment operations	1.1	1.8	-40.3%	-5.2	7.5	n/a	10.3
Other income	0.0	0.0	>100.0%	0.0	0.0	-62.8%	0.0
Income	5.5	5.7	-3.5%	7.2	19.5	-63.4%	27.9
Operating expenses	-1.2	-1.4	-14.4%	-3.6	-3.8	-6.0%	-5.9
Operating profit	4.3	4.3	0.0%	3.6	15.7	-77.3%	22.0
Allocation of financing expenses	-0.5	-0.6	-25.0%	-1.4	-1.3	9.6%	-1.8
Profit before tax	3.9	3.7	4.2%	2.2	14.4	-85.1%	20.2
Return on investments at fair value, %	-1.1	-0.1	>100.0%	-12.9	0.5	n/a	-1.0
Result at fair value before tax	2.8	3.6	-22.5%	-10.7	14.9	n/a	19.3
Full-time personnel, at the end of the period	19	22	-13.6%	19	22	-13.6%	22

Garantia	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	1-12/2021
Claims ratio, %	2.7%	1.4%	0.3%-p.	1.8%	1.1%	0.7%-p.	1.7%
Expense ratio, %	26.3%	35.4%	-9.1%-p.	28.6%	31.3%	-2.7%-p.	33.1%
Combined ratio, %	29.0%	36.8%	-7.8%-p.	30.4%	32.4%	-2.0%-p.	34.8%
Return on investments at fair value, %	0.0%	1.1%	-1.1%-p.	-11.0%	5.2%	n/a	6.1%

Garantia	30.9.2022	31.12.2021	Change, %
Investment portfolio, fair value, MEUR	152	170	-11.1%
Guaranty insurance portfolio, MEUR	1,799	1,695	6.1%
Solvency ratio, %	245.5%	219.2%	26.3%-p.
Credit rating (S&P)	A-	A-	-

July–September 2022

Garantia's income in July–September 2022 was EUR 5.5 (5.7) million. The net income from guaranty insurance operations increased by 13.5% from the period of comparison and amounted to EUR 4.4 (3.9) million. The increase resulted from growth in premiums earned and a sustained low level of claims. Earned premiums increased mainly as a result of growing residential mortgage guaranty exposure. The decrease in overall income was affected by the net income from investment operations that decreased to EUR 1.1 (1.8) million. During the review period, net income from investment operations recovered from an exceptionally weak second quarter.

Operating expenses were EUR 1.2 (1.4) million, of which personnel expenses were EUR 0.6 (0.9) million. The operating profit was EUR 4.3 (4.3) million. The result at fair value before tax was EUR 2.8 (3.6) million. The combined ratio was 29.0% (36.8).

January–September 2022

Garantia's income in January–September 2022 was EUR 7.2 (19.5) million. The net income from guaranty insurance operations increased by 2.2% from the period of comparison and amounted to EUR 12.3 (12.0) million. The net income from guaranty operations was driven up by increasing premiums earned and a sustained low level of claims incurred. Income was reduced by the net income from investment operations, that decreased to EUR -5.2 (7.5) million, of which unrealized fair value changes amounted to EUR -6.2 million. During the review period, net income from investment operations was exceptionally weak due to pronounced increases in market interest rates, widening credit spreads and declining equity prices.

Operating expenses were EUR 3.6 (3.8) million, of which personnel expenses were EUR 2.1 (2.5) million. The operating profit was EUR 3.6 (15.7) million. The result at fair value before tax was EUR -10.7 (14.9) million. The combined ratio was 30.4% (32.4).

Insurance operations

Garantia's earned premiums decreased by 3.0% in January–September 2022 compared to the corresponding period last year and amounted to EUR 12.5 (12.2) million. The growth in earned premiums was especially attributable to growing exposure amounts in residential mortgage guaranties.

Gross guaranty insurance exposure grew by 6.1% in the beginning of the year and amounted to EUR 1,799 (1,695) million at the end of September. The amount of consumer exposures in the portfolio increased and the amount of corporate exposures decreased, according to the company's strategy. Of the total guaranty insurance exposure at the end of September, EUR 1,310 (1,130) million, or 73% (67), was made up of consumer exposure and EUR 489 (565) million, or 27% (33) of corporate exposure. The consumer exposure includes residential guarantees and rent guarantees. The corporate exposure includes corporate loan guarantees, commercial bonds, and other business-related guarantees.

Claims incurred in January–September amounted to EUR 0.2 (0.1) million. Claims ratio was 1.8% (1.1), and the ratio of claims, as a percentage of the guaranty insurance exposure¹, was 0.03% (0.02). The level of claims incurred in the review period remained low.

The expense ratio decreased in January–September to 28.6% (31.3) and the combined ratio stood at 30.4% (32.4).

Investment operations

Net income from investment operations amounted to EUR -5.2 (7.5) million in the review period, and mainly consisted of interest income, fair value changes and realized losses. The change in the fair value of investment assets recognized in comprehensive income before taxes was EUR -12.9 (0.5) million. Hence, net investment income at fair value totalled EUR -18.0 (7.9) million, resulting in a return of -11.0% (5.2). The development of the financial markets was exceptionally weak in the review period. Fixed-income investments saw impairments due to rising interest rates and widening credit risk spreads, and equity markets declined. At the end of September, the fair value of the investment portfolio was EUR 152 (170) million. The reduction in the value of investment assets was mainly a result of negative changes in fair value and the EUR 15.0 million dividend paid to the parent company in the review period.

Risk position

The principal risks associated with Garantia's operations are the credit risks arising from insurance operations, and the market risks incurred in investment operations.

The risk position of Garantia's guaranty insurance operations has remained stable. Of the company's total gross guaranty insurance exposure of EUR 1,799 (1,695) million in the end of September, EUR 1,310 (1,130) million, or 73% (67), was made up of consumer exposures, and EUR 489 (565) million, or 27% (33), of corporate exposures. In consumer exposures the company's underwriting risk relates to the credit risk of households. In corporate exposures underwriting risk relates to the credit risk of companies and other organisations.

Regarding the risk position of the consumer exposure, the most central factor is the company's residential mortgage guarantee portfolio. There have been no material changes in the risk position of this portfolio. The portfolio is well diversified by counterparty, geographical location of collateral property and underwriting year. The creditworthiness of the counterparties in the portfolio is very good on average. The credit risks of the portfolio are also managed through an excess-of-loss type portfolio reinsurance arrangement.

At the end of September, the share of corporate exposures rated BB- or better made up 75.0 per cent (78.4) of corporate exposures. The share of exposures with investment grade ratings of AAA..BBB- amounted to 22.5 per cent (20.6) of all rated corporate exposures. The share of exposures with weak ratings of C+ or lower decreased from the levels seen in the beginning of the year and stood at 2.9% (3.9). The creditworthiness of the corporate counterparties in the company's guaranty insurance portfolio has remained good on average, although the consequences of the war in Ukraine, inflation and rising interest rates have negatively impacted the economic outlook of some individual corporate counterparties.

The principal industry sectors in the corporate portfolio were manufacturing at 26.3% (28.3), construction at 20.5% (25.6), trade at 17.2% (10.4), and water and waste management at 10.2% (7.1). The shares of other industry sectors were all less than 10% each.

Helsinki District Court has, through a ruling made on 31st October 2022, rejected an insurance claim-related complaint brought up against Garantia. The amount of the claim was EUR 5 million, with added penalty interest and legal expenses. The claim concerned a pension fund, a guaranty insurance customer of Garantia, that was placed in liquidation in 2011, and subsequently declared bankrupt in 2018. The ruling is not final yet.

In investment operations, investment allocation was kept conservative, as in previous years, and the share of fixed income investments was increased. At the end of September, fixed income investments (incl. cash & bank balances) made up 87.7% (83.2), equity & private equity investments 11.2% (15.9) and real estate investments 1.1% (0.9) of the investment portfolio (incl. cash, bank balances and accrued interest). 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 fixed income investments

¹ The ratio of claims as a percentage of total guaranty insurance exposure is based on Garantia's FAS accounts, where claims expense also includes operating expenses attributable to claims handling. The total guaranty insurance exposure figure used is that from the end of the review period.

also include bond funds that invest in government debt securities. The proportion of investment grade-rated fixed income investments was 70.9% (73.4). The modified duration of the fixed-income investments was 2.7 (3.9).

Credit rating

On 11 October 2021, Standard & Poor's Global Ratings (S&P) confirmed Garantia Insurance Company's credit rating as A- with a stable outlook². There have been no changes in the credit rating or the outlook since.

Shareholding in Aktia Bank Plc

In addition to Garantia, the Strategic Investments segment includes the shares in Aktia Bank Plc, which Taaleri received as part of the transaction amount as a result of the sale of the wealth management operations.

Shareholding in Aktia Bank Plc, EUR million	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	1-12/2021
Continuing earnings	-	-	-	-	-	-	-
Performance fees	-	-	-	-	-	-	-
Investment operations	0.5	0.8	-36.9%	-2.0	1.3	n/a	2.4
Income	0.5	0.8	-36.9%	-2.0	1.3	n/a	2.4
Operating profit	0.5	0.8	-36.9%	-2.0	1.3	n/a	2.4
Profit before tax	0.5	0.8	-36.9%	-2.0	1.3	n/a	2.4

July-September 2022

Taaleri's shareholding in Aktia Bank Plc was received on 30 April 2021 as part of the transaction amount as a result of the sale of the wealth management operations. In July-September the shareholding produced EUR 0.5 (0.8) million positive change in fair value. The closing price for Aktia's share at the end of the review period was EUR 9.67 (31.12.2021: 12.28) and the market value of the shareholding was EUR 9.4 (12.0) million.

January-September 2022

Taaleri's shareholding in Aktia Bank Plc was received on 30 April 2021 as part of the transaction amount as a result of the sale of the wealth management operations. In January-September the shareholding produced EUR -2.5 (1.3) million change in fair value and EUR 0.5 (0.0) million of dividends.

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. On 30 September 2022, Taaleri's non-strategic investments totalled EUR 30.0 (23.7) million. The increase in the portfolio during the review period is mainly due to the transfer of real estate and other investments from the Private Asset Management segment's investments to non-strategic investments amounting EUR 8.2 million and the capitalization of Fellow Bank Plc amounting EUR 2.5 million. The Group investments are presented in further detail under segment information on page 30.

Other, EUR million	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	1-12/2021
Continuing earnings	0.7	0.5	62.8%	2.0	2.5	-19.4%	3.0
Performance fees	-	-	-	-	-	-	-
Investment operations	7.5	1.0	>100.0%	15.1	2.1	>100.0%	5.4
Income	8.3	1.4	>100.0%	17.1	4.6	269.1%	8.4
Operating profit	6.6	-0.1	n/a	12.4	-1.0	n/a	-1.0
Profit before tax	7.3	0.8	>100.0%	14.5	-0.1	n/a	0.7
Full-time personnel, at the end of the period	18	17	5.9%	18	17	5.9%	15

Non-strategic investments, EUR million	30.9.2022	31.12.2021	Change, %
Investments and receivables, fair value	30.0	23.7	26.7%
Real estate	19.0	12.9	47.9%
Other investments	11.0	10.8	1.5%

July-September 2022

In third quarter of the year, the income of the Other group totalled EUR 8.3 (1.4) million, consisting of continuing earnings of EUR 0.7 (0.5) million and net income from investment operations of EUR 7.5 (1.0) million. A transaction concerning the shares of

² The credit rating concerns the company's Issuer Credit Rating (ICR), Financial Strength Rating (FSR) and Financial Enhancement Rating (FER).

Ficolo Ltd owned by Taaleri's co-investment and associated company Taaleri Datacenter Ky took place in July. Taaleri Group recognized a total profit of EUR 14.0 million from the transaction, of which EUR 7.5 million was consolidated as income from the associated company into net income from investment operations in the Other group. Taaleri also continued to exit non-strategic investments with small disposals.

The operating expenses were EUR 1.7 (1.5) million, including EUR 1.0 (0.7) million of personnel costs. The Other group's operating profit in the review period was EUR 6.6 (-0.1) million.

January–September 2022

In January–September, the income of the Other group totalled EUR 17.1 (4.6) million, of which the continuing earnings were EUR 2.0 (2.5) million. Net income from investment operations was EUR 15.1 (2.1) million. The majority of the net income from investment operations was EUR 7.5 million of income from the sale of Ficolo Ltd's shares by an associated company consolidated into the Taaleri Group and from the earn-out of EUR 6.7 million received for the Finsilva holding sold in 2016. During the review period, Taaleri continued to exit non-strategic investments.

The operating expenses were EUR 4.7 (5.7) million, including EUR 2.4 (3.0) million of personnel costs. External interest and other financing expenses decreased to EUR 0.7 million (2.0). The Other group's operating profit in the review period was EUR 14.5 (-0.1) million.

Sustainability

Focuses in 2022

- We set concrete climate targets and developing impact measurement more broadly
- We continue the integration of sustainability work into business and reporting
- We promote the wellbeing at work of Taaleri employees
- We commit significant partners to Taaleri's sustainability goals

Progress Q3/2022

- We continued our businesses' and AIFM-specific work to prepare for the new obligations of the Sustainable Finance Disclosure Regulation and Taxonomy Regulation.
- We conducted an extensive climate, sustainability risk and human rights analysis for the Group.
- We developed tools to take sustainability factors and risks into account in the development of new fund products and investments.
- We published a new personnel policy and updated internal guidelines to promote equality and non-discrimination and to prevent inappropriate behaviour.
- We submitted Taaleri's emission reduction targets for evaluation by the NZAM organization.
- We signed a statement in support of TCFD reporting.

In the third quarter of the year, we emphasized the preparation of the new obligations of the EU's SFDR in our sustainability work. We further developed data collection processes to measure and monitor sustainability impacts. We commissioned a report from an external party on the compliance of our operations with the disclosure obligation, and we supplemented the statements and reports required by the disclosure obligations on the basis of the report. Taaleri already manages eight private equity funds that comply with either Article 8 or Article 9 of the SFDR.

We updated and developed business-specific internal and external guidelines and policies relating to sustainability and the management of climate and sustainability risks and sustainability impacts. We launched an extensive risk assessment related to climate, sustainability and human rights across the entire Group. We started updating our sustainability risk policies based on the key observations identified in the assessment. These policies will be updated and published on our website by the end of the year.

We published the Group's new personnel policy and internal guidelines for the promotion of equality and non-discrimination and the prevention of inappropriate behaviour, for example.

We submitted Taaleri's net zero greenhouse gas emission targets and planned emission reduction measures for our Scope 1, 2 and 3 emissions for evaluation by the NZAM organization. In addition, we carried out more detailed studies on Taaleri's indirect emissions. We also signed a public disclosure of our support in promoting climate-related risk reporting and transparency in accordance with the TCFD.

Annual General Meeting 2022

Taaleri Plc's Annual General Meeting was held on 6 April 2022 in Helsinki.

Decisions of Taaleri Plc's Annual General Meeting

The General Meeting adopted the financial statements for the 2021 financial period, granted the members of the Board of Directors and the CEO discharge from liability and approved 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 1.20 per share be paid based on the balance sheet adopted for the financial year ended 31 December 2021. The dividend was paid to shareholders who on the dividend record date of 8 April 2022 were entered as shareholders in the company's shareholder register held by Euroclear Finland Ltd. The dividend was paid on 20 April 2022.

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 annual remuneration as follows:

- Chairperson of the Board EUR 55,000 per year
- Deputy Chairperson of the Board EUR 41,000 per year
- Chairperson of the Audit Committee EUR 41,000 per year
- Member of the Board EUR 35,000 per year

The General Meeting decided that the members of the Audit Committee will be paid a meeting-specific fee of EUR 1,000 to the Chairperson of the Audit Committee and EUR 500 to all other members of the Audit Committee.

The annual remuneration will cover the entire term of office and Committee work.

The Annual General Meeting decided additionally that travel and accommodation expenses of the members are paid against invoices when the meeting of the Board of Directors and the Committees takes place outside members' domicile.

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

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

Current members of Board of Directors, Elina Björklund, Petri Castrén, Juhani Elomaa, Hanna Maria Sievinen and Tuomas Syrjänen, were re-elected to the Board of Directors. Further, Jouni Takakarhu was elected as a new member of the Board.

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 a deputy chairperson.

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 announced 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 company.

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

The General Meeting decided to authorize 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 repurchased 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 25 March 2021.

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 2023.

This authorisation cancels the authorisation regarding the share issue issued at the General Meeting on 25 March 2021.

The maximum ratio between fixed and variable components of remuneration

The General Meeting decided that a maximum ratio limit of 200% concerning the ratio between fixed and variable components of remuneration as decided by the General Meeting on 28 February 2017 will not be applied to employees of Taaleri Plc or its subsidiaries.

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

Hanna Maria Sievinen, Petri Castrén and Jouni Takakarhu 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, Tuomas Syrjänen 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.

Taaleri's personnel

The number of full-time employees in the Group's continuing operations at the end of the review period was 107 (107). The number of full-time employees in the Private Asset Management segment was 70 (68) and in the Strategic Investments segment 19 (22). The number of full-time employees in the Other group was 18 (17). 95% (97) of the personnel were employed in Finland.

Taaleri Group's personnel costs in July–September were EUR 4.0 (3.6) million, of which fixed personnel costs were EUR 2.6 (2.5) million. In January–September, Taaleri Group's personnel costs were EUR 12.4 (12.0) million, of which fixed personnel costs were EUR 9.0 (8.7) million.

The Board of Directors of Taaleri Plc decided on 6 April 2022, to launch a new stock option plan directed to the CEO of the company. The company has a weighty financial reason for the issue of stock options, since the stock options are intended to form part of the incentive and commitment program for the CEO. The purpose of the stock options is to encourage the CEO to

work on a long-term basis to increase the shareholder value. The purpose of the stock options is also to retain the CEO at the company. The share subscription price for stock options 2022A, 2022B, and 2021C is the trade volume weighted average quotation of the share on Nasdaq Helsinki Ltd during 7 April—9 May 2022, which is EUR 11.02. The dividends and capital returns paid will be deducted from the share subscription price.

The theoretical market value of the stock options is approximately 530,000 euros in total:

- stock option 2022A; EUR 1.4713 per option,
- stock option 2022B; EUR 1.8251 per option, and
- stock option 2022C; EUR 1.9982 per option.

During the first half of the year, Taaleri launched an employee share savings plan, and 75 percent of Taaleri employees signed up for the program. The objective of the share savings plan is to offer the Group's employees the opportunity to invest a part of their regular salary in the company's shares. By encouraging employees to purchase and own the company's shares, the company aims to strengthen the link between Taaleri's shareholders and employees.

Changes In Taaleri's management

On 1 July 2022, Taaleri Plc announced the appointment of Pasi Erlin as the new Group's General Counsel and member of the Executive Management Team. He took up his position on 12 September 2022.

Shares and share capital

Taaleri's share on Nasdaq Helsinki

1-9/2022	No of shares traded	Total value EUR	High EUR	Low EUR	Average EUR*	Last EUR
TAALA	4,859,184	55,888,456	14.82	9.10	11.50	9.16

* Volume weighted average

Taaleri's share has been listed on Nasdaq Helsinki, among mid-cap companies, since 2016. The trading code is TAALA. On 30 September 2022, the company possessed 45,000 (45,000) treasury shares. At the end of the review period, the company had 9,607 (7,695) shareholders.

On 30 September 2022, Taaleri Plc's shareholders' equity was EUR 125,000.00 and the company had 28,350,620 registered shares.

Share price development

The chart represents the price development of Taaleri's share since listing from April 20, 2013, to September 30, 2022.



Capital adequacy

On October 29, 2021, the Financial Supervision Authority decided that the Taaleri Group would no longer fall within the scope of the Act on the Supervision of Financial and Insurance Conglomerates (RaVa) after the sale of its wealth management operations.

Taaleri Private Equity Funds Ltd and Taaleri Energia Funds Management Ltd are licensed as alternative fund managers by the Financial Supervisory Authority. Garantia Insurance Company Ltd is an insurance company operating under the supervision of the Finnish Financial Supervisory Authority. Taaleri Plc's operations are regulated especially by the requirements of a listed company, and Garantia is mainly responsible for meeting the requirements set by the Insurance Companies Act in the Taaleri Group.

Solvency according to the Insurance Companies Act (Solvency II)

Garantia's solvency strengthened during the beginning of the year. The company's basic own funds amounted to EUR 111.0 (117.0) million at the end of September. Solvency capital requirement was EUR 45.2 (53.4) million. The solvency ratio, or the ratio of basic own funds to the solvency capital requirement, was 245.5 per cent (219.2).

In the first half of the year, basic own funds decreased due to the comprehensive loss reported for the period and due to decreased fair values of investment assets. The solvency capital requirement decreased as a consequence of diminished capital requirements for market risk and a reduction in the capital add-on. The decrease in the capital requirement for market risk was mainly attributable to the decreased value of investment assets and allocation changes made in the investment portfolio.

Garantia's solvency capital requirement has included a capital add-on set by the Financial Supervisory Authority as of 30 June 2018. The Financial Supervisory Authority reassesses the capital add-on at least annually. Most recently, The Financial Supervisory Authority, through a decision made on 17 June 2022, reset Garantia's capital add-on at EUR 11.7 (15.6) million. The new capital add-on has been applied from 30 June 2022 onwards. The Financial Supervisory Authority considers the company's own economic capital requirement for underwriting risk, when assessing the amount of the capital add-on.

Solvency II capital adequacy regulations do not fall within the sphere of statutory audit, and hence the Solvency II figures have not been audited.

Short term risks and concerns

The Russian invasion of Ukraine in late February increased uncertainty in the operating environment. Since Taaleri has no business operations or investments in Russia or Ukraine, the changed geopolitical situation does not have a direct impact on our business. However, the war may increase the country risk in Finland and cause uncertainty among investors. The strong transition to renewable energy may intensify competition in project development and, in turn, increase costs. Interest rates have risen, risk premiums have increased, and inflation has accelerated. This has prompted central banks to tighten monetary policy considerably, which has increased the likelihood of a recession. The impact of the pandemic is expected to diminish as COVID-19 restrictions have been lifted despite the spread of new variants.

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 and the success of the cooperation with Aktia. Profit development is also influenced by the realization 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. Garantia's risk position is described in more detail on page 11.

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 risks and risk management are described in more detail in Note 39 on pages 86–96 of the 2021 financial statements, which is attached to the 2021 annual report.

Material events after the financial period

No material events after the financial period.

Helsinki, 4 November 2022

Taaleri Plc

Board of Directors

Additional info

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

CFO Minna Smedsten, +358 40 700 1738, minna.smedsten@taaleri.com

Head of Communications and IR Siri Markula, +358 40 743 2177, siri.markula@taaleri.com

Webcast presentation for analysts, investors and media

An analyst, investor and media conference will be held in English by CEO Peter Ramsay and CFO Minna Smedsten on November 4, 2022, at 11:30 EET at Hotel Kämp, Symposium room, Pohjoisesplanadi 29, Helsinki. The event is in English. The webcast can be followed online at: <https://taaleri.videosync.fi/results-q3-2022>. The event will be recorded and available later on Taaleri's investor pages at www.taaleri.com/investors/reports-and-presentations.

Taaleri in brief

Taaleri is a Nordic investment and asset manager with an emphasis on renewable energy and other alternative investments. We channel capital towards economically profitable undertakings that have a lasting positive impact on the environment and society. We combine capital with talent, expertise, entrepreneurship, and a bold sense of purpose. We are 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 be a Nordic forerunner in alternative investments focusing on sustainability.

Taaleri has two business segments: Private Asset Management and Strategic Investments. Private Asset Management consists of renewable energy, real estate and bioindustry businesses. The Strategic Investments segment includes Garantia Insurance Company Ltd.

Taaleri has EUR 2.5 bn of assets under management in its private equity funds and co-investments. The company has approximately 120 employees. Taaleri Plc is listed on Nasdaq Helsinki.

www.taaleri.com

Accounting policies of the Interim Statement

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

The accounting policies of the Interim Statement are substantially the same as those presented in Taaleri's financial statements for 2021, except for the amendments to IFRS standards that came into force on 1 January 2022 or later. The revised standards and interpretations do not have a material impact on the reported result or financial position.

New and revised standards to be applied later: IFRS 17

IFRS 17 Insurance Contracts was issued on 18 May 2017, was endorsed by the EU on 19 November 2021 and the standard will become applicable on 1 January 2023. The IFRS 17 was issued as replacement for IFRS 4 Insurance Contracts. The overall objective of IFRS 17 is to provide better information on the financial position and profitability of insurance companies. The purpose is to increase the transparency and improve the comparability of financial statements. The accounting in IFRS 17 differs in principle from both the calculation methods under IFRS 4, and the calculation methods under Solvency II, used by Insurance companies to calculate capital adequacy, resulting in mutually different valuations of Insurance liabilities in the frameworks. IFRS 17 harmonizes the accounting for insurance liabilities and the application of local accounting policies will no longer be allowed. Under IFRS 17 the measurement of the insurance liability will be at fair value.

Taaleri intends to apply the general model in accordance with IFRS 17 (Building Block Approach, BBA) in the valuation of all insurance contracts, and to divide the insurance contracts into four portfolios according to the product groups applied in its business. The portfolio division is based on the similarity of the risks and the fact that the contracts are managed jointly. According to the preliminary assessment, Taaleri intends to apply a modified retrospective approach to the majority of its insurance contracts and a full retrospective approach to some groups of insurance contracts granted in the past few years. Taaleri intends to apply a fair value approach to one portfolio of insurance contracts for a small number of contracts granted before 2018.

The standard is applied retrospectively to financial periods starting on or after January 1, 2023, with the transition date being January 1, 2022. Each group of insurance contracts are valued as if IFRS 17 had always applied. The negative net difference arising from the valuation of groups of insurance contracts at the time of transition is recognized in equity. The implementation of the standard is not expected to have a significant impact on the group's profit for the period. Taaleri will publish the adjusted figures of the opening balance sheet of January 1, 2022, in connection with the 2022 Financial Statements Bulletin.

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 5, and the result of discontinued operations is reported separately from income and expenses from continuing operations. The key figures for the comparison periods have been adjusted accordingly. The key figures regarding the consolidated income statement presented in the explanatory part of this Interim Statement have been calculated on the basis of the Group's segment reporting, unless otherwise stated.

	7-9/2022	7-9/2021	1-9/2022	1-9/2021	1-12/2021
Income, EUR 1,000	19,914	13,221	40,881	42,384	72,629
Operating profit (-loss), EUR 1,000	18,480	4,867	20,273	14,099	28,785
- as percentage of income	92.8%	36.8%	49.6%	33.3%	39.6%
Segments' operating profit excluding investment operations, EUR 1,000	8,572	1,760	10,691	5,921	13,234
- as percentage of segments' income	50.4%	19.1%	29.4%	19.7%	25.4%
Net profit for the period, EUR 1,000	15,367	3,153	14,226	124,055	136,126
- as percentage of income	77.2%	23.8%	34.8%	292.7%	187.4%
Basic earnings per share, EUR	0.53	0.11	0.48	4.38	4.81
Diluted earnings per share, EUR	0.52	0.11	0.47	4.29	4.71
Return on equity % (ROE) ¹⁾	32.5%	5.8%	8.9%	93.7%	75.0%
Return on equity at fair value % (ROE) ¹⁾	26.6%	5.7%	0.2%	94.3%	74.8%
Return on assets % (ROA) ¹⁾	22.1%	4.0%	6.3%	55.7%	46.4%
Cost/income ratio	33.5%	64.2%	58.9%	64.1%	58.9%
Cost/income ratio excluding investment operations	52.1%	84.8%	73.4%	91.3%	80.7%
Price/earnings (P/E) ¹⁾	4.3	21.7	14.3	1.7	2.3
Full-time employees, at the end of the period	107	107	107	107	104
Equity ratio -%	67.8%	67.5%	67.8%	67.5%	72.1%
Net gearing -%	-16.1%	-27.1%	-16.1%	-27.1%	-16.7%
Equity/share, EUR	6.89	7.80	6.89	7.80	8.14
Dividend or distribution of funds /share, EUR ²⁾	-	-	-	1.00	2.20
Dividend or distribution of funds / earnings, %	-	-	-	22.8%	45.8%
Effective dividend yield, %	-	-	-	10.1%	19.6%
Loan receivables, EUR 1,000	6,270	5,491	6,270	5,491	6,021
Conglomerate's capital adequacy ratio, % ³⁾	-	378.7%	-	378.7%	-
Number of shares at the end of period ⁴⁾	28,305,620	28,305,620	28,305,620	28,305,620	28,305,620
Average number of shares ⁴⁾	28,305,620	28,305,620	28,305,620	28,305,620	28,305,620
Share average price, EUR	9.90	10.75	11.50	10.05	10.15
- highest price, EUR	10.88	11.80	14.82	12.50	12.50
- lowest price, EUR	9.10	9.76	9.10	7.80	7.80
- closing price, EUR	9.16	9.90	9.16	9.90	11.20
Market capitalization, EUR 1,000 ⁴⁾	259,279	280,226	259,279	280,226	317,023
Shares traded, thousands	553	1,378	4,859	6,775	7,826
Shares traded, %	2%	5%	17%	24%	28%

1) Annualized.

2) Distribution of funds EUR 2.20 per share for the financial year 2021 is distributed as follows: Decision of the Annual General Meeting on the dividend for the result of the financial year 2021 EUR 1.20 per share and an additional dividend and return of capital of EUR 1.00 per share distributed in the summer of 2021.

3) According to the decision of the Financial Supervisory Authority on 29 October 2021, Taaleri no longer forms a RaVa conglomerate, and Taaleri no longer reports the conglomerate's solvency ratio. Investment services business is no longer part of Taaleri Group starting 1.5.2021 and therefore Taaleri does not report its financing sector capital adequacy anymore.

4) Reduced by own shares acquired.

Insurance operations key figures

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

EUR 1,000	7-9/2022	7-9/2021	1-9/2022	1-9/2021	1-12/2021
Net income from insurance	4,430	3,903	12,310	12,042	17,561
Earned premiums, net	4,553	3,959	12,536	12,171	17,865
Claims incurred, net	-124	-55	-227	-129	-304
Other income	14	5	12	32	44
Net income from investment operations	1,094	1,833	-5,165	7,471	10,315
Operating expenses	-1,199	-1,401	-3,580	-3,811	-5,907
Allocation of financing expenses	-475	-633	-1,425	-1,300	-1,775
Profit before tax	3,864	3,707	2,151	14,434	20,237
Change in fair value of investments	-1,055	-81	-12,862	458	-967
Profit before tax at fair value	2,809	3,626	-10,711	14,892	19,270
Combined ratio, %	29.0%	36.8%	30.4%	32.4%	34.8%
Claims ratio, %	2.7%	1.4%	1.8%	1.1%	1.7%
Expense ratio, %	26.3%	35.4%	28.6%	31.3%	33.1%
Return on investments at fair value, %	0.0%	1.1%	-11.0%	5.2%	6.1%
Solvency ratio (S2), % ¹⁾	245.5%	248.4%	245.5%	248.4%	219.2%
Insurance exposure, EUR million	1,799	1,707	1,799	1,707	1,695

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

Key figures accounting principles

Basic earnings per share, EUR

$$\frac{\text{Profit or loss attributable to ordinary shareholders of the parent company}}{\text{Weighted average number of ordinary shares outstanding - repurchased own shares}}$$

Diluted earnings per share, EUR

$$\frac{\text{Profit or loss attributable to ordinary shareholders of the parent company}}{\text{Weighted average number of ordinary shares outstanding + dilutive potential ordinary shares - repurchased own shares}}$$

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.

Segments' operating profit excluding investment operations, % of segments' income

$$\frac{(\text{Segments' operating profit} - \text{segments' investment operations}) \times 100}{(\text{Segments' income} - \text{segments' investment operations})}$$

Return on equity (ROE), %

$$\frac{\text{Profit for the period} \times 100}{\text{Total equity (average of the beginning and end of the year)}}$$

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, %

$$\frac{\text{Fee and commission expense} + \text{interest and other financing expense} + \text{administrative expenses} + \text{depreciation} + \text{other operating expenses}}{\text{Total income} + \text{share of associates' profit or loss}}$$

Cost/income ratio, % excluding investment operations	$\frac{\text{Fee and commission expense} + \text{interest and other financing expense} + \text{administrative expenses} + \text{depreciation} + \text{other operating expenses}}{\text{Fee and commission income} + \text{net income from guaranty insurance operations} + \text{interest income} + \text{other operating income}}$
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, %	$\frac{\text{Dividend/share} \times 100}{\text{Price of share at the end of the period}}$
Conglomerate's capital adequacy ratio, %	$\frac{\text{Conglomerate's total capital base}}{\text{Conglomerate's minimum requirement of total capital base}}$
Total capital in relation to risk-weighted items	$\frac{\text{Total Capital (TC)}}{\text{Risk-weighted items (Total risk)}}$
Common equity tier in relation to risk-weighted items	$\frac{\text{Common Equity Tier (CET1)}}{\text{Risk-weighted items (Total risk)}}$
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, %	Claims ratio, % + Expense ratio, %
Claims ratio, %	$\frac{\text{Claims incurred, net} \times 100}{\text{Earned premiums, net}}$ This key figure is calculated after the share of the reinsurers.
Expense ratio, %	$\frac{\text{Operating expenses} \times 100}{\text{Earned premiums, net}}$ This key figure is calculated after the share of the reinsurers.
Solvency ratio (S2), %	$\frac{\text{Basic own funds} \times 100}{\text{Solvency capital requirement (SCR)}}$

Consolidated income statement

EUR 1,000	1.7- 30.9.2022	1.7- 30.9.2021	1.1- 30.9.2022	1.1- 30.9.2021
Fee and commission income	12,689	5,355	24,441	15,568
Net income from insurance	5,524	5,736	7,145	19,512
From guaranty insurance operations	4,430	3,903	12,310	12,042
From investment operations	1,094	1,833	-5,165	7,471
Net gains or net losses on trading in securities and foreign currencies	1,410	3,157	6,361	4,193
Income from equity investments	-78	-1,361	1,766	1,578
Interest income	318	309	1,048	1,087
Other operating income	50	26	120	446
Total income	19,914	13,221	40,881	42,384
Fee and commission expense	-2,633	-2,052	-6,878	-4,058
Administrative expenses				
Personnel costs	-4,174	-3,676	-12,702	-13,447
Other administrative expenses	-1,290	-1,258	-4,200	-3,415
Depreciation, amortisation and impairment of tangible and intangible assets	-211	-207	-980	-583
Other operating expenses	-596	-642	-2,393	-3,019
Expected credit losses from financial assets measured at amortised cost	181	16	155	-2,260
Impairment losses on loans and other receivables	-	-	-	-638
Share of associates' profit or loss	7,289	-536	6,389	-866
Operating profit	18,480	4,867	20,273	14,099
Interest and other financing expenses	-210	-304	-698	-2,090
Income tax expense	-2,902	-1,411	-5,349	-2,856
Profit from continuing operations	15,367	3,153	14,226	9,153
Discontinued operations				
Profit from discontinued operations (attributable to owners of the parent company)	-	-	-	114,902
Profit for the period	15,367	3,153	14,226	124,055
Consolidated statement of comprehensive income	1.7- 30.9.2022	1.7- 30.9.2021	1.1- 30.9.2022	1.1- 30.9.2021
Profit for the period	15,367	3,153	14,226	124,055
Items that may be reclassified to profit or loss				
Translation differences	35	24	113	47
Changes in the fair value reserve	-1,055	-81	-12,862	458
Income tax	211	16	2,572	-92
Items that may be reclassified to profit or loss in total	-809	-41	-10,176	413
Items that may not be reclassified to profit or loss				
Changes in the fair value reserve	-2,478	-	-3,727	481
Income tax	496	-	47	-96
Items that may not be reclassified to profit or loss in total	-1,983		-3,680	385
Total comprehensive income for the period	12,576	3,112	369	124,853
Profit for the period attributable to:				
Owners of the parent company	15,081	3,226	13,579	124,091
Non-controlling interests	286	-74	647	-36
Total	15,367	3,153	14,226	124,055
Total comprehensive income for the period attributable to:				
Owners of the parent company	12,290	3,186	-277	124,889
Non-controlling interests	286	-74	647	-36
Total	12,576	3,112	369	124,853
Earnings per share for profit attributable to the shareholders of the parent company	1.7- 30.9.2022	1.7- 30.9.2021	1.1- 30.9.2022	1.1- 30.9.2021
Basic earnings per share, continuing operations	0.53	0.11	0.48	0.32
Diluted earnings per share, continuing operations	0.52	0.11	0.47	0.32
Basic earnings per share, discontinued operations	0.00	0.00	0.00	4.06
Diluted earnings per share, discontinued operations	0.00	0.00	0.00	3.97
Basic earnings per share, profit for the period	0.53	0.11	0.48	4.38
Diluted earnings per share, profit for the period	0.52	0.11	0.47	4.29

Consolidated quarterly income statement

EUR 1,000	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Fee and commission income	12,689	5,662	6,089	16,642	5,355
Net income from insurance	5,524	102	1,519	8,363	5,736
From guaranty insurance operations	4,430	4,008	3,872	5,519	3,903
From investment operations	1,094	-3,906	-2,354	2,844	1,833
Net gains or net losses on trading in securities and foreign currencies	1,410	6,157	-1,206	3,845	3,157
Income from equity investments	-78	586	1,258	585	-1,361
Interest income	318	333	397	388	309
Other operating income	50	44	26	421	26
Total income	19,914	12,883	8,084	30,245	13,221
Fee and commission expense	-2,633	-2,125	-2,120	-4,267	-2,052
Administrative expenses					
Personnel costs	-4,174	-4,363	-4,164	-7,227	-3,676
Other administrative expenses	-1,290	-1,681	-1,229	-1,880	-1,258
Depreciation, amortisation and impairment of tangible and intangible assets	-211	-559	-210	-205	-207
Other operating expenses	-596	-1,130	-667	-1,596	-642
Expected credit losses from financial assets measured at amortised cost	181	-20	-6	25	16
Impairment losses on loans and other receivables	-	-	-	-11	-
Share of associates' profit or loss	7,289	-566	-334	-398	-536
Operating profit	18,480	2,439	-646	14,686	4,867
Interest and other financing expenses	-210	-232	-257	-272	-304
Income tax expense	-2,902	-2,124	-322	-2,343	-1,411
Profit for the period	15,367	83	-1,225	12,071	3,153

Consolidated statement of comprehensive income	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Profit for the period	15,367	83	-1,225	12,071	3,153
Items that may be reclassified to profit or loss					
Translation differences	35	57	21	24	24
Changes in the fair value reserve	-1,055	-7,016	-4,791	-1,425	-81
Income tax	211	1,403	958	285	16
Items that may be reclassified to profit or loss in total	-809	-5,556	-3,812	-1,116	-41
Items that may not be reclassified to profit or loss					
Changes in the fair value reserve	-2,478	-1,243	-6	-40	-
Income tax	496	-450	1	8	-
Items that may not be reclassified to profit or loss in total	-1,983	-1,693	-4	-32	-
Total comprehensive income for the period	12,576	-7,166	-5,041	10,923	3,112

Profit for the period attributable to:

Owners of the parent company	15,081	34	-1,536	11,997	3,226
Non-controlling interests	286	50	311	74	-74
Total	15,367	83	-1,225	12,071	3,153

Total comprehensive income for the period attributable to:

Owners of the parent company	12,290	-7,215	-5,352	10,849	3,186
Non-controlling interests	286	50	311	74	-74
Total	12,576	-7,166	-5,041	10,923	3,112

Income is presented as gross figures, except for gains or losses on trading in securities and foreign currencies, which are presented as net figures to give a fair presentation of the operations.

Consolidated balance sheet

Assets, EUR 1,000	30.9.2022	31.12.2021
Receivables from credit institutions	46,522	53,255
Receivables from the public and general government	6,270	6,021
Shares and units	46,042	41,546
Assets classified as held for sale	-	5,246
Participating interests	6,010	8,889
Insurance assets	146,864	168,973
Insurance assets	763	3,119
Investments	146,101	165,854
Intangible assets	356	711
Goodwill	347	696
Other intangible assets	9	15
Tangible assets	590	1,149
Owner-occupied properties	248	746
Other tangible assets	342	403
Other assets	13,665	13,669
Accrued income and prepayments	18,139	16,921
Deferred tax assets	3,494	2,343
	287,953	318,723

Liabilities, EUR 1,000	30.9.2022	31.12.2021
Liabilities	92,725	88,975
Liabilities to the public and general government	310	-
Insurance liabilities	43,791	39,421
Other liabilities	1,633	3,318
Accrued expenses and deferred income	15,971	14,172
Deferred tax liabilities	16,154	16,580
Derivative contracts	-	630
Subordinated debt	14,866	14,854
Equity Capital	195,228	229,747
Share capital	125	125
Reserve for invested non-restricted equity	18,831	18,831
Fair value reserve	-15,255	-1,285
Translation difference	95	-18
Retained earnings or loss	177,746	76,694
Profit or loss for the period	13,579	136,088
Non-controlling interest	106	-687
	287,953	318,723

Consolidated statement of cash flows

EUR 1,000	1.1.-30.9.2022	1.1.-30.9.2021
Cash flow from operating activities:		
Operating profit (loss)	20,273	14,099
Depreciation	632	583
Change in goodwill	348	-
Other adjustments		
Changes in fair value of investments	4,940	-7,689
Other adjustments	224	68
Interest and other financing expenses	-131	-2,090
Cash flow before change in working capital	26,287	4,971
Change in working capital		
Increase (-)/decrease (+) in loan receivables	-2,029	1,022
Increase (-)/decrease (+) in current interest-free receivables	-1,462	93
Increase (+)/decrease (-) in current interest-free liabilities	265	24,759
Cash flow from operating activities before financial items and taxes	23,061	30,845
Direct taxes paid (-)	-1,282	-2,847
Cash flow from operating activities from continuing operations	21,779	27,998
Cash flow from operating activities from discontinued operations	-	115,339
Cash flow from operating activities (A)	21,779	143,337
Cash flow from investing activities:		
Investments in tangible and intangible assets	-67	-516
Investments in subsidiaries and associated companies net of cash acquired	8,140	-668
Other investments	-2,842	-4,441
Cash flow from investing activities from continuing operations	5,231	-5,625
Cash flow from investing activities from discontinued operations	-	-382
Cash flow from investing activities (B)	5,231	-6,007
Cash flow from financing activities:		
Changes in synthetic options	283	-1,157
Transactions with non-controlling interests	33	-
Decrease in debt securities issued to the public	-	-35,000
Decrease in non-current liabilities	-	-15,000
Dividends paid and other distribution of profit		
To owners of the parent company	-33,967	-37,363
To non-controlling shareholders	-93	-228
Cash flow from financing activities from continuing operations	-33,744	-88,749
Cash flow from financing activities from discontinued operations	-	-
Cash flow from financing activities (C)	-33,744	-88,749
Increase/decrease in cash and cash equivalents (A+B+C)	-6,733	48,581
Cash and cash equivalents at beginning of period	53,255	25,786
Cash and cash equivalents at end of period / Group	46,522	74,368
Net change in cash and cash equivalents	-6,733	48,581

Changes in group equity capital

	Share capital	Fair value reserve	Reserve for invested non-restricted equity	Translation differences	Retained earnings	Total	Non-controlling interests	Equity total
2022, EUR 1,000								
31.12.2021	125	-1,285	18,831	-18	212,782	230,435	-687	229,747
Changes to previous periods *)					-1,196	-1,196		-1,196
1.1.2022	125	-1,285	18,831	-18	211,586	230,435	-687	228,551
Total comprehensive income for the financial period		-13,970		113	13,579	-277	647	369
Earnings for the period					13,579	13,579	647	14,226
Other comprehensive income items		-13,970		113		-13,856		-13,856
Distribution of profit					-33,967	-33,967	-93	-34,060
Dividend of EUR 1.20/share					-33,967	-33,967		-33,967
Distribution of profit for subgroup						-	-93	-93
Share-based payments payable as equity					283	283		283
Transactions with non-controlling interests					-110	-110	240	130
Other					-46	-46		-46
30.9.2022	125	-15,255	18,831	95	191,326	195,122	106	195,228
2021, EUR 1,000								
1.1.2021	125	-864	35,814	-89	99,215	134,202	-1,134	133,068
Total comprehensive income for the financial period		751		47	124,107	124,905	-36	124,869
Earnings for the period					124,107	124,107	-36	124,071
Other comprehensive income items		751		47		798		798
Distribution of profit			-16,983		-20,380	-37,363	-228	-37,591
Dividend EUR 0.72/share					-20,380	-20,380		-20,380
Return of capital EUR 0.60/share			-16,983			-16,983		-16,983
Distribution of profit for subgroup						-	-228	-228
Share-based payments payable as equity					-1,177	-1,177		-1,177
Transactions with non-controlling interests							635	635
Other					1	1	-5	-4
30.9.2021	125	-113	18,831	-42	201,767	220,709	-769	219,940

*) Changes to previous periods include exchange rate adjustments of balance sheet items.

Segment information, earnings 1.7.–30.9.2022

1.7.-30.9.2022, EUR 1,000	Continuing operations					Total
	Private Asset Management	Renewable energy	Other private asset management	Strategic Investments	Other	
Continuing earnings	5,334	3,714	1,620	4,444	742	10,520
Performance fees	6,492	-	6,492	-	-	6,492
Investment operations	748	798	-50	1,611	7,540	9,898
Total income	12,574	4,512	8,062	6,054	8,282	26,910
Fee and commission expense	-2,232	-1,114	-1,118	-9	-141	-2,383
Personnel costs	-2,454	-1,471	-983	-613	-981	-4,048
Direct expenses	-874	-415	-460	-574	-545	-1,993
Depreciation, amortisation, and impairment	-6	-3	-3	-3	-6	-15
Impairment losses on loans	-	-	-	-	-2	-2
Operating profit	7,008	1,510	5,498	4,856	6,606	18,470
Operating profit, %	55.7%	33.5%	68.2%	80.2%	79.8%	68.6%
Interest expenses	-8	-7	-1	-	-195	-203
Allocation of financing expenses	-408	-300	-108	-475	883	-
Profit before tax	6,592	1,203	5,389	4,381	7,294	18,267
Change in fair value of investments	41	41	-	-1,055	-2,478	-3,492
Profit before taxes and NCI	6,633	1,244	5,389	3,326	4,816	14,775

1.7.-30.9.2021, EUR 1,000

Continuing earnings	4,846	3,578	1,267	3,909	456	9,210
Performance fees	-	-	-	-	-	-
Investment operations	-537	-4	-533	2,651	977	3,092
Total income	4,309	3,574	735	6,560	1,433	12,302
Fee and commission expense	-1,598	-1,016	-583	-100	-121	-1,820
Personnel costs	-1,985	-1,220	-765	-905	-720	-3,610
Direct expenses	-897	-527	-370	-393	-731	-2,021
Depreciation, amortisation, and impairment	-20	-12	-8	-3	7	-15
Impairment losses on loans	-	-	-	-	16	16
Operating profit	-192	799	-991	5,159	-115	4,852
Operating profit, %	neg	22.4%	neg	78.6%	neg	39.4%
Interest expenses	-1	-1	-	-	-284	-284
Allocation of financing expenses	-583	-380	-203	-633	1,217	-
Profit before tax	-776	418	-1,194	4,526	817	4,567
Change in fair value of investments	-	-	-	-81	-	-81
Profit before taxes and NCI	-776	418	-1,194	4,445	818	4,487

Reconciliations

Reconciliation of total income, EUR 1,000	1.7.-30.9.2022	1.7.-30.9.2021
Total income of segments	26,910	12,302
Share of associates' profit or loss allocated to total income of segments	-7,289	536
Transit items eliminated in segment reporting	475	383
Transfer of impairments to investment operations	-183	-
Consolidated total income	19,914	13,221

Reconciliation of operating profit, EUR 1,000	1.7.-30.9.2022	1.7.-30.9.2021
Total earnings of segments before taxes and NCI	14,775	4,487
Change in fair value of investments	3,492	81
Interest and other financing expenses (excl. IFRS 16)	210	304
IFRS 16 Leases ¹⁾	3	-4
Consolidated operating profit	18,480	4,867

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

Segment information, earnings 1.1.–30.9.2022

1.1.-30.9.2022, EUR 1,000	Continuing operations					Total
	Private Asset Management	Renewable energy	Other private asset management	Strategic Investments	Other	
Continuing earnings	15,046	10,806	4,240	12,322	2,011	29,379
Performance fees	6,992	-	6,992	-	-	6,992
Investment operations	1,651	1,856	-206	-7,163	15,061	9,548
Total income	23,689	12,662	11,027	5,159	17,072	45,919
Fee and commission expense	-5,569	-3,393	-2,176	-4	-290	-5,863
Personnel costs	-8,024	-4,673	-3,351	-2,050	-2,353	-12,428
Direct expenses	-3,429	-2,056	-1,373	-1,519	-2,021	-6,970
Depreciation, amortisation, and impairment	-366	-8	-358	-8	-18	-393
Impairment losses on loans	-	-	-	-	-28	-28
Operating profit	6,301	2,531	3,769	1,578	12,361	20,239
Operating profit, %	26.6%	20.0%	34.2%	30.6%	72.4%	44.1%
Interest expenses	-12	-11	-1	-	-655	-666
Allocation of financing expenses	-1,404	-978	-426	-1,425	2,829	-
Profit before tax	4,885	1,543	3,342	153	14,535	19,573
Change in fair value of investments	119	119	-	-12,862	-3,727	-16,470
Profit before taxes and NCI	5,004	1,662	3,342	-12,709	10,808	3,103

1.1.-30.9.2021, EUR 1,000

Continuing earnings	14,706	11,081	3,625	12,074	2,496	29,276
Performance fees	811	797	14	-	-	811
Investment operations	-703	-9	-694	8,795	2,129	10,221
Total income	14,814	11,869	2,945	20,869	4,625	40,307
Fee and commission expense	-5,148	-3,147	-2,001	-100	-299	-5,546
Personnel costs	-6,505	-4,360	-2,145	-2,488	-2,977	-11,970
Direct expenses	-2,469	-1,531	-939	-1,206	-2,335	-6,011
Depreciation, amortisation, and impairment	-49	-32	-17	-16	6	-60
Impairment losses on loans	-534	-535	-	-	-45	-579
Operating profit	108	2,265	-2,157	17,058	-1,024	16,142
Operating profit, %	0.7%	19.1%	neg	81.7%	neg	40.0%
Interest expenses	-2	-2	-	-	-2,035	-2,038
Allocation of financing expenses	-1,620	-1,110	-510	-1,300	2,920	-
Profit before tax	-1,514	1,153	-2,667	15,758	-140	14,105
Change in fair value of investments	-	13	-13	458	481	939
Profit before taxes and NCI	-1,514	1,165	-2,680	16,216	341	15,043

Reconciliations

Reconciliation of total income, EUR 1,000	1.1.-30.9.2022	1.1.-30.9.2021
Total income of segments	45,919	40,307
Share of associates' profit or loss allocated to total income of segments	-6,389	866
Transactions between continuing and discontinued operations ¹⁾	-	-2,061
Transit items eliminated in segment reporting	1,534	954
Transfer of impairments to investment operations	-183	2,318
Consolidated total income	40,881	42,384

Reconciliation of operating profit, EUR 1,000	1.1.-30.9.2022	1.1.-30.9.2021
Total earnings of segments before taxes and NCI	3,103	15,043
Change in fair value of investments	16,470	-939
Interest and other financing expenses (excl. IFRS 16)	698	2,090
IFRS 16 Leases ²⁾	2	-9
Transactions between continuing and discontinued operations ¹⁾	-	23
Direct costs related to the sale of the discontinued operations ³⁾	-	-2,109
Consolidated operating profit	20,273	14,099

¹⁾ Intra-group income and expenses between discontinued and continuing operations have been eliminated in the consolidated income statement. In segment reporting, income and expenses between discontinued and continuing operations are presented as transactions outside the Group. The chosen presentation will improve the comparability of segment reporting in the coming years.

²⁾ The division of lease expense to depreciation and interest expense according to IFRS 16 Leases -standard is not applied in the segment reporting.

³⁾ Direct costs related to the sale of the discontinued operations have been allocated to discontinued operations in segment reporting.

Further information is provided below on Taaleri Group's own balance sheet investments, the fair value of which exceeds EUR one million 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. Taaleri's shareholding in Aktia Bank Plc is strategic for Taaleri's business and is presented as part of Strategic Investments segment together with Garantia. Non-strategic investments are presented as part of the Other group.

Private Asset Management segment's investments, EUR 1,000		Investment type	Purchase price 30.9.2022	Fair value 30.9.2022	Holding 30.9.2022
Renewable energy investments					
Truscott Gilliland East Wind	Shares and participations		10,973	11,724	7.0%
Taaleri SolarWind II	Shares and participations		2,194	2,194	0.9%
Taaleri Debt Ky	Shares and participations		3,000	3,000	15.0%
Masdar Taaleri Generation d.o.o.	Shares and participations		50	50	50.0%
Masdar Taaleri Generation d.o.o.	Loan		1,250	1,275	-
Bioindustry investments					
Fintoil Oy	Shares and participations		3,000	3,000	24.0%
Tracegrow Ltd	Shares and participations		1,992	2,184	7.9%
Nordtreat Ltd	Shares and participations		1,000	1,000	12.1%
WasteWise Ltd	Loan		1,047	1,074	-
Strategic investments, EUR 1,000					
	Investment type		Purchase price 30.9.2022	Fair value 30.9.2022	Holding 30.9.2022
Aktia Bank Plc	Shares and participations		10,000	9,424	1.3%
Non-strategic investments EUR 1,000					
	Investment type		Purchase price 30.9.2022	Fair value 30.9.2022	Holding 30.9.2022
Real estate investments					
TT Canada RE Holdings Corporation	Loan		6,729	10,560	-
Sepos Oy	Shares and participations		2,834	2,800	30.0%
Sepos Oy	Loan		1,502	1,536	-
Turun Toriparkki Oy	Shares and participations		5,907	2,897	58.3%
Other investments					
Fellow Bank Plc	Shares and participations		5,460	5,274	17.3%
Taaleri Telakka Ky	Shares and participations		3,430	1,558	16.1%
Taaleri Infra I Ky	Shares and participations		1,950	1,812	50.0%

Private Asset Management segment's investments, EUR 1,000	Investment type	Purchase price 31.12.2021	Fair value 31.12.2021	Holding 31.12.2021
Renewable energy investments				
Truscott Gilliland East Wind	Shares and participations	10,973	9,916	7.0%
Taaleri SolarWind II	Shares and participations	2,085	2,085	0.9%
Taaleri Debt Ky	Shares and participations	1,300	1,300	15.0%
Masdar Taaleri Generation d.o.o.	Shares and participations	1,174	1,174	50.0%
Real estate investments				
Sepos Oy	Shares and participations	2,500	2,534	30.0%
Sepos Oy	Loan	1,675	1,737	-
Turun Toriparkki Oy	Shares and participations	3,502	1,682	48.2%
Bioindustry investments				
Fintoil Oy	Shares and participations	3,025	3,025	24.2%
Tracegrow Ltd	Shares and participations	1,992	1,992	7.9%
Other investments				
Taaleri Infra I Ky	Shares and participations	1,950	1,881	50.0%
Strategic investments, EUR 1,000				
	Investment type	Purchase price 31.12.2021	Fair value 31.12.2021	Holding 31.12.2021
Aktia Bank Plc	Shares and participations	10,000	11,968	1.4%
Non-strategic investments EUR 1,000				
	Investment type	Purchase price 31.12.2021	Fair value 31.12.2021	Holding 31.12.2021
Real estate investments				
Taaleri Datacenter Ky (Ficolo)	Shares and participations	2,900	2,910	22.6%
TT Canada RE Holdings Corporation	Loan	6,729	9,195	-
Other investments				
Inderes Plc	Shares and participations + Derivative contract	150	1,259	3.1%
Fellow Finance Plc	Shares and participations	2,974	5,246	25.7%
Taaleri Telakka Ky	Shares and participations	3,430	1,620	16.1%
Betolar Plc	Shares and participations	808	2,063	1.7%

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.

TAALERI

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