KEMIJOKI

FINANCIAL STATEMENTS 2024

> "Finland is pursuing large-scale industrial investments, which require the availability of renewable electricity, reasonable pricing, and proper security of supply."

WATER RUNS, POWER FLOWS

Hydropower continues to play a strong role in aligning the significant change in the electricity system and the electricity market.

Kemijoki Oy was established in 1954. Throughout these seven decades, our operating environment has been marked by change, which has been particularly exceptional and powerful in recent years. Even in the midst of changes, we are characterised by a long-term view in all sections of our operations. In 2024, we produced 4,410 GWh of electricity, which is about a third of Finland's hydropower. The amount corresponds to the annual electricity consumption of approximately 620,000 four-person households.

Finland and Europe in the middle of an energy transition

Society and people's everyday lives continue to be digitalised and electrified. At the same time, we are battling against climate change and biodiversity loss. Furthermore, there is a war in Europe that sets additional demands on national security of supply and preparedness. Geopolitics has an impact on the comprehensive security in Finland, the energy sector, and Kemijoki Oy.

Clean electricity is a prerequisite for Finland's low-carbon prosperity. Transmission system operator Fingrid forecasts that Finland's electricity consumption will as much as double by 2035, with the growth taking place especially in industry, heating, and transport.

Finland is pursuing large-scale industrial investments, which require the availability of renewable electricity, reasonable pricing, and proper security of supply. Fluctuations in electricity production and prices are a recurring phenomenon during the transformation of the production structure. In terms of its scale, hydropower is the most significant form of electricity production and storage that can balance these fluctuations in electricity production and prices.

Our strategic choices

Our strategy includes four key choices: sustainability, competitiveness, availability, and increasing hydropower capacity. They are supported by our ground rules: joy, community, courage, and responsibility.

Sustainability is a part of our everyday life. We continued to implement our ambitious biodiversity programme. We revised our forest management targets to increase both natural values and carbon sinks.

In addition to existing measures to meet fisheries obligations, we continued our voluntary efforts to restore migratory fish stocks. For example, the restoration work carried out in the Runkausjoki river system has produced good results. Preparations to create a migration solution toward Ounasjoki are underway at the Taivalkoski and Ossauskoski power plants. The Petäjäskoski power plant will be the next in line.

We want to be a forerunner in safety matters related to hydropower. We invest in projects that increase operational reliability and safety. Regarding occupational safety, our goal is to be a zero-accident workplace. However, last year was unfortunately poor in terms of occupational safety. During the year, we organised trainings with our partners to have an impact on safety culture and attitudes. We are aware of cybersecurity risks and continuously develop our data security.

> "Our strategy includes four key choices: sustainability, competitiveness, availability, and increasing hydropower capacity."

During 2024, we continued preparing for the European Corporate Sustainability Reporting Directive (CSRD) requirements.

We develop our competitiveness in a cost-effective way. Securing the operating conditions for the future of hydropower is the basis for the long-term nature of our operations. All our planning is founded on cost-effectiveness. The operation and maintenance of power plants, as well as correctly timed investments, are crucial. We continuously evaluate the competitiveness, significance, and risks of our partnerships.

Based on the public debate, the confidence in and permanence of permits for new projects are matters that raise concerns for both us and other parties investing in Finland. We develop our operations based on the needs of society and the electricity markets. This should be taken into account when granting permits.

We maintain high availability. In 2025, Kemijoki Oy's investments will increase almost threefold from the long-term level. To maintain high availability and operational reliability, a good one-third of the investments are directed to machinery damage repair projects. The transition in the electricity market and the simultaneous transformation of the electricity system set new kinds of requirements and offer new opportunities for success for technology, our personnel, and the power plant network.

We increase our hydropower capacity. With electricity produced by hydropower and water stored in lakes, we respond to the needs of society and the electricity system. Kemijoki Oy boldly promotes nationally significant large-scale energy storage and pumped storage power projects.

We have studied the environmental impacts of the pumped-storage power plant at Ailangantunturi in Kemijärvi and continue to discuss extensively with local stakeholders. It is only natural that the topic raises questions and concerns. We consider it important to make science-based information transparently available and to discuss things openly. We are a local operator and share a long history with the area surrounding Kemijärvi.

We celebrated our 70th anniversary with our stakeholders

During our anniversary year, we organised a diverse set of festivities together with our stakeholders. With the anniversary donation money granted by the Annual General Meeting, we commissioned a public artwork for the Valajaskoski power plant and implemented a scholarship programme for the educational institutions in our operating areas. We organised events such as the open seminar series and local public events. What is more, the "Kekkonen and Kemijoki" documentary film described the history of power plant construction.

We are always on duty

As the river flows on, we, too, go boldly and continuously forward as a company, business, employer, and corporate citizen. I want to express special thanks both to our staff and to everyone who works with us for their forward-looking and innovative approach. Kemijoki Oy is excellently positioned to succeed amid the ever-accelerating, rapid change.

Tuomas Timonen
CEO

REPORT OF THE BOARD OF DIRECTORS AND FINANCIAL STATEMENTS 2024

CONTENTS

REPORT OF THE BOARD OF DIRECTORS

Kemijoki Oy is a so-called Mankala company. The main purpose of Kemijoki Oy is to produce electricity responsibly and cost-efficiently for its shareholders. An annual report has been compiled on the Company and its operations in 2024.

Production and investments

The ongoing energy transition continues to mark the public debate. Electricity consumption is growing more slowly than anticipated, while weather-dependent production continues to increase rapidly. Traditional fuel-based electricity and heat production is being eliminated from the market and more and more heat is being produced with electric boilers. Balancing production and consumption is more demanding than ever, increasing the need for regulating capacity and demand-side flexibility.

In 2024, the Company's hydropower plants produced a total of 4,410 GWh of electricity, representing 31 per cent of the hydropower electricity produced in Finland. In a long-term comparison, the production level was a little below average. Water reservoirs maintained their energy level during the year. The fill level of water reservoirs was 64 per cent at the end of the year, which is approximately 15 per cent below the average fill level in 1996–2023.

In the spring of 2024, the SWE (Snow Water Equivalent) was below average level in mid-April. Correspondingly, the volume of spring floods was lower than average. The spring floods lasted 30 days, which is one day longer than average. In Rovaniemi, the flood peak was reached on 21 May 2024. The water level and flow rate remained well below the damage limit.

During the year, we were able to continue our electricity production and power plant refurbishments in accordance with our long-term plans. The total availability of power plants affecting production was 91.57 per cent. The availability taking into account unexpected interruptions caused by disturbances was 97.92 per cent. Production breaks that had the largest impact on availability were caused by the damage repair and refurbishment of Ossauskoski machinery 1, maintenance and damage repair of the inlet pipe gates of Petäjäskoski machinery 1, damage repair of Kurkiaska, and refurbishment of Ossauskoski machinery 3.

During 2024, the company refurbished several different sites by, for example, replacing the electricity system at Inkeroinen and refurbishing the facade of the Seitakorva power plant, the power plant and regulating dam bridges at the Taivalkoski power plant as a joint project with the Lapland ELY Centre, one dam gate at the Vanttauskoski power plant, and a draft tube and the timber drafting monolith bridges at the Pankakoski power plant.

Investments totalled EUR 25.3 million in 2024.

Finances

Kemijoki Oy operates on a principle of self-sufficiency; hence, financial key figures shall be evaluated based on the Mankala principle. The Company's main financial goal is to develop its competitiveness cost-effectively.

The expense structure and operational expenses developed according to plan except for additional taxes. In its financial statements for 2023, the Company made a write-down as a result of the termination of the Sierilä power plant project. The tax authorities refused to approve the write-down to be deducted in the taxation of 2023, as a result of which the company made a profit and was ordered to pay a total of nearly EUR 6 million in taxes and tax increases. Real estate taxes accounted for the single most significant expenditure, amounting to EUR 20.8 million. Other operating income from mainly rental income totalled EUR 2.3 million.

The Company's loan portfolio totalled EUR 440 million at the end of 2024. The Company's long-term loans amounted to EUR 333 million. A total of EUR 175 million of new long-term loans were taken out during the year. At the end of the year, the Company's short-term loans amounted to EUR 106.7 million. Short-term financing and liquidity management have been arranged by way of a commercial paper programme and credit limit arrangements. The Company's liquidity remained good. The average interest rate for financing was 3.08 per cent at the end of the year. The hedging rate of the loan portfolio was 65 per cent at the end of the year.

At the end of the year under review, the balance sheet total was EUR 505.5 million. The Company's equity ratio was 10.2 per cent.

Administration and management

In addition to valid legislation and the Articles of Association, Kemijoki Oy follows the principles of sound corporate governance. Kemijoki Oy's administration and decision-making are guided by the Articles of Association, the hydropower production sharing agreement among A-series shareholders, strategy and budget of the Company's operations, operating principles, and the rules of procedure of its administrative bodies. The Company also complies, where applicable, with the Corporate Governance Code approved by the Finnish Securities Market Association unless the Articles of Association provide otherwise.

The highest decision-making body of the company is the Annual General Meeting. The Annual General Meeting was held on 27 March 2024.

The Company has a Supervisory Board, whose duty is to supervise the administration of the Company, led by the Board of Directors and the CEO, and to instruct the Board in far-reaching and important matters of principle, as well as to comment on the financial statements. The Supervisory Board has at least six and at most eleven members. The Chair of the Board of Directors and the CEO participate in the meetings of the Supervisory Board.

Until the Annual General Meeting, the Supervisory Board had ten members: Johanna Ojala-Niemelä (Chair), Miko Bergbom (Vice Chair), Ari Henriksson, Juha Hänninen, Markus Lohi, Krista Mikkonen, Juha Mäkelä, Merja Paavola, Sara Seppänen, and Maiju Westergren.

At the Annual General Meeting, the number of members of the Supervisory Board was confirmed as eleven. The Annual General Meeting elected Johanna Ojala-Niemelä as Chair of the Supervisory Board and Juha Hänninen, Markus Lohi, Krista Mikkonen, Juha Mäkelä, Merja Paavola, Sara Seppänen, Stefan Sundman, Ulla-Kirsikka Vainio, and Maiju Westergren as members. Miko Bergbom was elected as Vice Chair. Suvi Salomaa attends the Supervisory Board meetings as an invited employee representative of Kemijoki Oy's upper clerical employees.

The Supervisory Board held three meetings in 2024.

Kemijoki Oy's Board of Directors is in charge of the administration and organisation of the Company's activities in compliance with legislation and the Articles of Association. The Board of Directors has at least six and at most eight members.

Until the Annual General Meeting, the Board of Directors had seven members: Simon-Erik Ollus (Chair), Tapio Korpeinen (Vice Chair), Mikael Lemström, Katariina Sillander, Anne Simolinna, Olli Sirkka, and Timo Virikko. At the Annual General Meeting, the number of members of the Board of Directors was confirmed as seven. The Annual General Meeting elected Mikael Lemström as Chair of the Board of Directors and Katariina Sillander, Anne Simolinna, Tuomo Sinisalmi, Olli Sirkka, and Timo Virikko as members. One seat was left vacant. After the Annual General Meeting, the Board of Directors elected Timo Virikko as Vice Chair at its organising meeting on 5 April 2024.

The Board of Directors held twelve meetings in 2024, and the average attendance at the meetings was 97 per cent. The Board of Directors evaluates its own activities on an annual basis, which was also the case in 2024.

Until the Annual General Meeting, the Remuneration Committee of the Board of Directors included Simon Erik-Ollus as Chair and Tapio Korpeinen and Katariina Sillander as members. At its organising meeting on 5 April 2024, the Board of Directors elected Mikael Lemström as Chair of the Remuneration Committee and Katariina Sillander and Olli Sirkka as members. On 12 June 2024, the Remuneration Committee of the Board of Directors was changed into the Remuneration and Sustainability Committee of the Board of Directors. On 10 October 2024, the Board of Directors elected Katariina Sillander as the Committee Chair. The Remuneration and Sustainability Committee of the Board of Directors held six meetings in 2024.

At its meeting on 8 February 2024, the Board of Directors established an Investment Committee to prepare the pumped-storage power plant project, electing Mikael Lemström as Chair and Tapio Korpeinen, Timo Virikko, and Tuomas Timonen as members. At its organising meeting on 5 April 2024, the Board of Directors elected Mikael Lemström as Chair of the Investment Committee and Anne Simolinna, Timo Virikko, and Tuomas Timonen as members.

Key figures for the parent company 2020–2024

	2020	2021	2022	2023	2024
Turnover MEUR	62.3	63.6	68.7	96.5	92.6
Other operating income MEUR	1.9	2.4	2.9	1.6	2.3
Operating expenses excl. real estate tax MEUR	40.2	42.4	47.1	67.4	55.4
Real estate tax MEUR	18.7	18.4	19.0	20.5	20.8
Salaries and benefits paid to personnel MEUR	4.0	4.0	4.4	4.9	5.3
Profit/loss for the financial period MEUR	0.8	0.8	0.8	0.8	0.8
Balance sheet total MEUR	490.6	494.1	508.4	523.7	507.6
Gross investments MEUR	17.5	20.0	21.6	19.9	25.3
Research and development MEUR	0.1	0.3	1.1	1.3	1.07
Equity ratio %	10.5	10.4	10.2	9.9	10.16%
Personnel at the end of the year	39	39	42	42	48

The Investment Committee of the Board of Directors held seven meetings in 2024.

Supported by the Management Team, CEO Tuomas Timonen is responsible for the Company's operations and implementation of strategy.

The Annual General Meeting elected KPMG Oy Ab, a company of Authorised Public Accountants, as Kemijoki Oy's auditor, with Heidi Hyry, APA, as the principal auditor. This is her first year in holding the position.

Kemijoki Oy's internal audits and notification channel are outsourced to BDO Oy. The assessments and notifications are reported to the Board of Directors, which approves the internal audit plan. In 2024, the focus of the interim audit included financial and HR processes, payroll and remuneration management and systems, including management bills, as well as sustainability and biodiversity.

The Company has a contract signed by the water owners in November 2002 for the usage and recording of the Company's shareholder electricity.

The Company's Operations Committee included nine members in 2024. The Operations Committee held five meetings in 2024 with CEO Tuomas Timonen as Chair.

Risk management

The goal of risk management is to ensure the continuity and development of the Company's operations and to support the Company in achieving its strategic and financial goals. The Board of Directors reviews the Company's risk management guidelines and related instructions annually. The CEO is responsible for the proper organisation of risk management according to the guidelines of the Board's risk management policy.

In 2024, the Company applied an updated risk management process, where the risk evaluations are scheduled so that the internal risk evaluations provide source information for the company's ERM process taking place at the end of the year. In 2024, the Company updated its comprehensive business risk assessment made in the previous year.

The key risks for the Company involve changes in the regulatory environment that could be harmful for the operating conditions of hydropower, such as legislative amendments and their ambiguity, related changes in obligations as well as increasing tax-like expenses. Risks related to legislative changes were assessed to have increased, as were the growth in replacement investments due to the maturing mass of property as well as property risks due to equipment damage. The cyber risk was assessed to have remained unchanged but still significant.

The Board has addressed the key risks related to the Company's activities and their management. The Company's most important property, the power plants and dams, has been insured according to the insurance policy approved by the Board of Directors. Systematic maintenance of power plants and dams as well as the constant development of operating processes are used as safeguards against risks. A fire or a major machine breakdown at a power plant or a dam rupture could cause substantial property damages as well as significant losses due to interruptions.

The Company manages financial risks according to the financing policy approved by the Board of Directors. The importance of sustainability has grown in the financial market. The Company has created a framework for sustainable financing based on ICMA's (International Capital Markets Association) recommendations.

An independent third-party assessor has deemed the framework to be credible and in line with the Green Bond Principles 2021 and Green Loan Principles 2021 as well as to promote the UN Sustainable Development Goals (SDG). The Company is preparing to report in accordance with the EU's taxonomy regulation and Corporate Sustainability Reporting Directive (CSRD). For Kemijoki Oy, the direct reporting obligation pursuant to the taxonomy regulation and CSRD will begin on 1 January 2025 and apply to the reports published in 2026.

Environmental risks are managed according to the environmental management system. Risks associated with personnel and management are taken into account in long-term competence and personnel development and succession planning. Risks associated with the Company's data security are managed through appropriate technical solutions, regular testing and practicing, and especially by increasing the awareness of personnel as well as through training and instructions. The Company's operations comply with the requirements of the NIS2 Cybersecurity Directive.

Corporate responsibility

The Company's Board of Directors is in charge of the strategic management and supervision of corporate responsibility according to the Board of Directors' rules of procedure. The Board of Directors approves Kemijoki Oy's corporate responsibility programme, operating guidelines and principles, and reviews and approves the corporate responsibility report published annually. The corporate responsibility goals and their achievement are reported to the Annual General Meeting each year. Corporate responsibility covers the Company's environmental topics and responsibilities.

The key themes of the company's corporate responsibility for 2024–2028 are "flexible and renewable hydropower", "vibrant local nature and communities", and "flourishing and talented team".

The CEO, supported by the Management Team, is responsible for the goals of the Company's corporate responsibility strategy and the results of the corporate responsibility programme. The CEO reports on the progress of corporate responsibility activities to the Board of Directors on a regular basis. The Management Team is tasked with decision-making related to the implementation of the corporate responsibility programme as well as securing sufficient resources for it and monitoring its progress. Corporate responsibility matters are discussed in accordance with the Management Team's rules of procedure and the annual operating plan. The personnel deals with matters related to corporate responsibility in the context of interim reports and, if necessary, through current themes.

The general operating practices of the Company are determined by the Code of Ethics. Our Code of Ethics includes rules for equal treatment, anti-bribery and anti-corruption guidelines, and the Company's commitment to respecting human rights, among other things. Suspicions or reports of violations of our Code of Ethics principles can be reported through an online notification channel, which is managed by internal auditor BDO Oy.

The Company continued to prepare for CSRD reporting. The Company will compile a sustainability report in accordance with the regulation as part of the Report of the Board of Directors for 2025, which will be published in 2026.

Kemijoki Oy conducted a double materiality assessment, where the Company examined impacts, risks, and opportunities in the value chain from environmental, social, and governance (ESG) perspectives. The results of the double materiality assessment gave an overall picture of the material ESRS standards for Kemijoki Oy. The Company conducted a gap analysis comparing the key reporting requirements of the essential disclosure requirements with the existing sustainability reporting, programmes, policies, and guidelines of Kemijoki Oy.

The Company has implemented a corporate responsibility licence, which is a digital learning environment. This is a fixed-period licence to be completed by the Board of Directors, Supervisory Board, and the entire personnel of Kemijoki Oy, the employees of the Company's contracting partners as well as some of Kemijoki Oy's stakeholders. The licence is valid for three years. In 2024, the Company updated its licence to comply with the new corporate responsibility programme. The updated corporate responsibility licence has been completed a total of 92 times. The corporate responsibility licence was published as the Company's commitment to the Society's Commitment to Sustainable Development 2050 initiative.

The Association for Finnish Work has awarded the Key Flag Symbol for the energy produced by Kemijoki Oy and the expertise related to hydropower production.

The goals and measures of Kemijoki Oy's corporate responsibility are reported in more detail in the annual report and GRI index, which are available in Finnish on the Company's website.

Hydropower is a significant form of renewable electricity production, and it plays a central role in curbing climate change. In addition to its positive qualities, hydropower has environmental impacts which stem from the construction of new power plants, the regulating operation of existing power plants, and the regulation of waterways. To reduce environmental impacts, EUR 5.6 million was used for environmental management in 2024. Fisheries obligations accounted for EUR 3.4 million, and voluntary activities related to migratory fish accounted for EUR 1.1 million of this sum.

The role of Voimalohi Oy, jointly owned by Kemijoki Oy and PVO-Vesivoima Oy, was strengthened in the development and implementation of measures for migratory fish restoration. The aim is for Voimalohi Oy to become a leading expert in restoring migratory fish populations in regulated rivers in Finland.

The Company actively participates in the work of the Kemijoki and Lieksanjoki migratory fish groups coordinated by the Regional Council of Lapland to promote voluntary migratory fish projects.

The voluntary migratory fish collaboration in the Kemijoki and Ounasjoki river area advanced according to the action plan. Kemijoki Oy's most significant project is preparing a dam bypass solution for migratory fish at the Taivalkoski power plant. In January 2022, the Company submitted a permit application to the Regional State Administrative Agency for Northern Finland concerning a fishway planned for the Taivalkoski power plant. A public notice on the permit application was issued in June 2023.

During the permit process, the Company will continue preparing the fishway project at Taivalkoski. The Company has established a monitoring group for the project consisting of representatives from Lapland's Centre of Economic Development, Transport and the Environment, Ministry of Agriculture and Forestry, the Regional Council of Lapland, municipalities and towns along the river, fishery regions, Lapland's leisure fishers, and local joint property management and village associations, as well as Natural Resources Institute Finland and Voimalohi Oy representatives as expert members. The group's mission is to tighten cooperation around the planning and implementation of the fishway, ensure proper interaction, and act as a channel for views and feedback regarding the fishway.

In August 2023, the monitoring group decided to expand its operations with respect to advancing the next migratory solutions at power plants below Rovaniemi. As a first step, a feasibility study of the Ossauskoski power plant's migratory solution was completed in 2024, with the result that the monitoring group will be expanded to include stakeholders in the area affected by the Ossauskoski plant. Next in line will be the launch of a feasibility study of the Petäjäskoski power plant's migratory solution in 2025.

Key activities in 2024 included the continued use of the Fishheart and Satelliittisydän systems at Taivalkoski, the feasibility study of the Ossauskoski power plant's migratory solution, monitoring the results of the refurbishment of the Runkausjoki downriver habitat with exploratory electrofishing, planning future habitat refurbishments, the multi-year research project tracking the results of the salmon spawn and fry stocking in the Ounasjoki water area, a telemetry study tracking downstream migration by the river stretch below Rovaniemi, as well as spawn and fry stockings. The Company participates in the planning of the Sateenvarjo IV project to enhance migratory fish in regulated rivers, which is organised by the Natural Resources Institute Finland. The project will be launched in 2025.

In Lieksanjoki, the migratory fish cooperation continued to focus on the smolt trapping device installed at the Pankakoski power plant, which was in use during downstream migration. We aim to improve the trapping efficiency of the device with a guide fence solution, which was built in late 2024.

On 29 July 2024, the Regional State Administrative Agency of Northern Finland issued a decision on the application by the Lapland's Centre for Economic Development, Transport and the Environment (ELY Centre) for changing Kemijoki's fisheries obligations. The decision was appealed to the Vaasa Administrative Court by both the Company and the fisheries authorities as well as a number of other parties. The application had been pending since March 2017.

Kemijoki Oy's pension fund is a closed supplementary pension fund. The pension fund's investment activities follow the established investment policy and sustainable investment principles. The Board of Directors of the pension fund monitors the implementation of the principles. The investments are made securely, profitably, and sustainably. The pension fund's investment portfolio has a very moderate return/risk positioning and a low sustainability risk. The pension fund operates in accordance with the requirements of the Digital Operational Resilience Act (DORA) of the European Parliament and the Council of Europe.

Personnel

At the end of the year (31 December 2024), the Company employed 49 persons. The Company recruited seven people who started in their positions during 2024. One contract is fixed-term. The absence due to sickness rate for personnel in 2024 was 1.3, which is slightly higher than in the previous year (0.9).

The Board of Directors monitors the development and events related to occupational safety in every meeting as part of the CEO's review and arranges a detailed hearing when necessary. Kemijoki Oy recorded a total of nine accidents during 2024. Occupational safety was adversely affected by one fatal accident involving a partner contractor, as well as one accident involving a Kemijoki Oy employee and two accidents involving partner employees, which resulted in days of absence due to sickness.

The service providers did not have any accidents in our projects during the year. Factoring in outsourced operations, Kemijoki Oy's accident frequency rate (LTIF) was 12.3.

Bonus and incentive systems

Kemijoki Oy uses a performance bonus system for both management and personnel. The Board of Directors approves the principles of the performance bonus system. Performance bonuses for both personnel and management and the factors determining them comply with the guidelines on remuneration of company management and key personnel provided in the Finnish Government Resolution on State Ownership Steering Policy. The realisation of the bonus and incentive systems are reported to the Annual General Meeting annually.

The performance bonus system supports the attainment of the Company's financial and operational goals and applies similarly to everyone employed by the Company. Employees may also be rewarded with a bonus for exceptionally good performance that produces added value for the Company.

The targets for 2024 included measures related to cost-effectiveness, performance, and corporate responsibility, with an actual result of 41.01 per cent of the full performance bonus target.

The Board of Directors decides on the remuneration of the CEO and the Management Team as well as on the performance bonuses of all Company employees. The compensation paid to the CEO and the Management Team consists of a basic salary and a performance bonus.

The compensation paid to the CEO is determined based on the Company's performance bonus system. The amount of performance bonus payable depends on how well the Company's financial and operational targets are attained, and it is no more than 40 per cent of the fixed annual salary. The performance bonus is paid to the CEO until the end of their contract in accordance with the criteria approved by the Board of Directors.

The Company's CEO has signed an executive agreement that includes no pension benefits. The retirement age of the CEO is based on the current pension legislation. If the Company discontinues the CEO's contract, the CEO will be paid a separate compensation equal to six months' salary in addition to six months' severance pay.

The criteria for the performance bonus for the Management Team are set by the Board of Directors and are based on how well the Company's operational and financial targets are attained. The amount of performance bonus paid is no more than 30 per cent of the fixed annual salary.

The fees payable to the members of the Supervisory Board and the Board of Directors are determined at the Annual General Meeting.

Outlook for the near future

In accordance with its strategy, Kemijoki Oy will continue its long-term work to promote sustainability and biodiversity, develop competitiveness, maintain high availability, and increase its hydropower capacity. The refurbishments of power plants and replacement and environmental investments will continue according to plan.

The Ailangantunturi pumped-storage power plant project is proceeding. The Environmental Impact Assessment (EIA) procedure, launched in 2024, will continue until summer 2025. During the process, different stakeholders have an opportunity to give statements and affect the evaluation of environmental impacts. Assessments related to other possible pumped-storage projects will continue.

In 2025, the Company will make more investments than in previous years. The largest investments will be directed at damage repair and refurbishment of Valajaskoski machinery 1, refurbishment of Ossauskoski machinery 2 and 3, the replacement of Taivalkoski's main transformers and machine voltage switching station, and the new fish farming hall of the Ossauskoski fish farm.

The Company's voluntary migratory fish work will continue in accordance with the action plan approved in the strategy and guided by the Company's biodiversity programme. Creating the migratory route to Ounasjoki is the Company's most significant investment.

Proposal for distribution of profit

The total sum of distributable profit available to the Company amounted to EUR 9,613,718.43 as of 31 December 2024. After the end of the financial year, no changes have taken place that would have a significant effect on the Company's operations. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.34 per share, as stated in the Articles of Association, be paid to the B-series shares, amounting to EUR 794,575.92.

The Annual General Meeting for 2025 will be held on 27 March 2025 at 9 a.m. in Helsinki.

Espoo, 11 February 2025

Kemijoki Oy

FINANCIAL STATEMENTS
31 DECEMBER 2024

PROFIT AND LOSS ACCOUNT

	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Turnover	**92,627,789.25**	**96,534,250.76**
Other operating income	2,324,704.24	1,602,445.23
Materials and services		
Materials, supplies	-3,397,897.16	-3,417,437.42
External services	-21,124,550.59	-21,629,590.23
Personnel expenses	-4,806,305.73	-4,549,769.15
Depreciation, amortisation and value adjustments	-17,861,739.74	-29,338,685.81
Other operating expenses	-28,994,443.16	-28,933,769.78
Profit (loss)	**18,767,557.11**	**10,267,443.60**
Financial income and expenses	-12,305,947.63	-9,246,829.43
Profit/loss before appropriations and taxes	**6,461,609.48**	**1,020,614.17**
Appropriations		
Change in depreciation (+ increase / - decrease)	0.00	0.00
Income taxes	-5,667,033.56	-226,038.25
Profit for the financial period	**794,575.92**	**794,575.92**

BALANCE SHEET

	31 Dec 2024	31 Dec 2023
ASSETS		
Fixed assets		
Intangible assets	25,672,705.94	26,331,573.06
Tangible assets	468,467,973.29	460,376,973.22
Investments	368,594.20	368,930.58
	494,509,273.43	**487,077,476.86**
Current assets		
Long-term receivables	22,735.00	22,735.00
Short-term receivables	10,727,879.32	29,129,452.88
Cash in hand and in bank	601,422.60	7,424,463.04
	11,352,036.92	**36,576,650.92**
Total assets	**505,861,310.35**	**523,654,127.78**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity		
Share capital	41,285,753.60	41,285,753.60
Contingency fund	693,754.63	693,754.63
Invested unrestricted equity fund	6,972,602.00	6,972,602.00
Retained earnings	1,846,540.51	1,846,540.51
Profit for the financial period	794,575.92	794,575.92
	51,593,226.66	**51,593,226.66**
Obligatory provisions	**355,054.46**	**352,989.00**
Liabilities		
Long-term liabilities	333,148,148.14	322,719,298.28
Short-term liabilities	120,764,881.09	148,988,613.84
	453,913,029.23	**471,707,912.12**
Total equity and liabilities	**505,861,310.35**	**523,654,127.78**

CASH FLOW STATEMENT

EUR 1,000	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
Cash flow from operating activities		
Profit (loss) before extraordinary items	6,462	1,021
Adjustments:		
Planned depreciation	17,862	29,339
Other non-cash flow items	2	30
Financial income and expenses	12,306	9,247
Profits from sales of assets	0	0
Other adjustments	-328	-23
Cash flow before change in working capital	**36,303**	**39,613**
Change in working capital		
Increase (+)/ decrease (-) of short-term business receivables without interest	18,402	-17,403
Increase (+)/ decrease (-) of short-term loans without interest	-4,913	-15,491
Operating cash flow before financing items and taxes	**49,792**	**6,720**
Interest and charges paid from other operating financing expenses	-12,127	-8,843
Dividends received	5	3
Interests received from operating activities	82	46
Direct paid taxes	-5,650	-240
Cash flow before extraordinary items	32,101	-2,313
Cash flow from operating activities (A)	**32,101**	**-2,313**

EUR 1,000	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
Cash flow from investments		
Investments in tangible and intangible assets	-25,299	-19,886
Proceeds from disposal of tangible and intangible assets	333	27
Proceeds from disposal of investments	0	0
Entry of long-term security deposit	0	0
Proceeds from disposal of shares in subsidiaries and associated undertakings	0	0
Cash flow from investments (B)	**-24,966**	**-19,859**
Cash flow from financing activities		
Withdrawals of long-term loans	175,000	90,000
Repayments of long-term loans	-178,772	-126,935
Withdrawals of short-term loans	55,893	97,257
Repayments of short-term loans	-65,285	-30,000
Sale of own shares		
Dividends paid and other distribution of profit	-795	-795
Cash flow from financing activities (C)	**-13,959**	**29,527**
Change in liquid assets (A+B+C) increase (+) / decrease (-)	**-6,823**	**7,355**
Liquid assets at the beginning of the financial period	7,424	69
Liquid assets at the end of the financial period	**601**	**7,424**

ACCOUNTING POLICIES 2024

Extent of the financial statements

The financial statements have been compiled in accordance with the Finnish Accounting Act and valid rules and regulations governing accounting in Finland.

Fixed assets

Fixed assets have been entered in the balance sheet at their original acquisition cost as the direct acquisition and cost price from which depreciation according to plan has been deducted. Depreciation according to plan has been calculated according to straight-line depreciation based on the economic impact of the item. The depreciation plan corresponds to that of the previous year.

Entry of financial instruments

Financial instruments are entered at acquisition cost. Derivative instruments are for hedging and are intended to be retained to maturity. The cash flow from financial instruments will be realised at the same time as the cash flow from the instruments below. The exchange difference and amortized interest of derivatives have been entered in the financial statements. The fair value of hedging derivative contracts is presented in the notes to the financial statements as an off-balance sheet item. The negative fair value of derivative contracts is recorded in the profit and loss account on the balance sheet date for the hedging instruments whose terms and conditions are not fully consistent with the hedged risk.

Financial assets

Financing securities have been entered at acquisition cost.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2024

	2024	2023
TURNOVER BREAKDOWN		
Electricity sales	72,869,754.30	76,252,681.56
Additional services related to electricity production	19,758,034.95	20,281,569.20
Other	0.00	0.00
Total	**92,627,789.25**	**96,534,250.76**
OTHER OPERATING INCOME		
Proceeds from the disposal of fixed assets	328,338.38	24,360.00
Rents received	1,213,223.28	1,244,779.62
Sale of services	30,632.51	51,760.55
Other	752,510.07	281,545.36
Total	**2,324,704.24**	**1,602,445.53**
NUMBER OF EMPLOYEES		
Personnel at the end of the year		
Clerical employees	48	42
Other employees	0	0
Total	**48**	**42**
PERSONNEL EXPENSES		
Wages and compensation	3,999,103.35	3,796,239.26
Pension expenses	683,002.53	596,268.72
Other social security expenses	124,199.85	157,261.17
Total	**4,806,305.73**	**4,549,769.15**
MANAGEMENT SALARIES AND COMPENSATION		
Supervisory Board, Board of Directors and CEO	**409,971.00**	**402,780.00**
PERSONNEL EXPENSES CAPITALISED UNDER FIXED ASSETS	**476,937.58**	**395,480.65**
DEPRECIATION AND VALUE ADJUSTMENTS		
Amortisation on intangible assets	877,692.75	951,989.66
Depreciation on tangible assets		
Buildings and structures	2,372,786.40	2,254,152.21
Hydraulic structures	2,456,540.64	2,345,282.51
Machinery equipment	10,661,647.99	9,666,956.73
Depreciation of non-current assets to be written down according to plan	0.00	1,481,138.12
Depreciation on advance payments	1,493,071.96	12,639,166.58
Total	**17,861,739.74**	**29,338,685.81**

	2024	2023
OTHER OPERATING EXPENSES		
Rents	78,014.91	89,335.21
Leasing rents	356,225.21	270,561.33
Real estate taxes	20,751,065.22	20,469,377.19
Other	7,809,137.82	8,104,496.05
Total	**28,994,443.16**	**28,933,769.78**
FINANCIAL INCOME AND EXPENSES		
Dividend income		
From others	5,235.50	2,902.00
Interest received		
Other interest received		
From others	82,031.61	46,623.06
Financial income total	**82,031.61**	**46,623.06**
Interest paid		
To group companies	0.00	0.00
To others	-12,336,366.95	-9,249,098.49
Interest paid total	**-12,336,366.95**	**-9,249,098.49**
Other financial income		
From others		
Other financial expenses	-56,847.79	-47,256.00
Financial income and expenses total	**-12,305,947.63**	**-9,246,829.43**
CHANGE IN DEPRECIATION DIFFERENCE		
Other long-term costs	-315,806.76	-1,032,896.03
Buildings and constructions	1,411,277.93	1,523,636.35
Hydraulic structures	1,602,723.37	-2,123,751.78
Machinery and equipment	-2,698,194.54	1,633,011.46
Total	**0.00**	**0.00**
INCOME TAXES		
Income taxes on ordinary operating activities	**5,667,033.56**	**226,038.25**

Estimated taxes have not been included in the profit and loss account or balance sheet. The estimated tax liability resulting from the difference in the book value of the fixed assets in the balance sheet and tax-deductible net expenditure was a total of EUR 4.05 million in 2024.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2024

Intangible and tangible assets

	Acquisition cost	Increase	Decrease	Accumulated depreciation	Balance sheet value 31 Dec 2024
Intangible assets					
Other long-term expenses	69,584,691.48	218,825.63	0.00	44,130,811.17	25,672,705.94
Tangible assets					
Land and water areas	42,844,864.82	874,734.59	4,861.62		43,714,737.79
Buildings and constructions	161,746,656.40	7,428,325.17		75,498,701.69	93,676,279.88
Hydraulic structures	210,940,328.06	1,211,941.04		110,308,850.67	101,843,418.43
Machinery and equipment	466,330,040.55	17,090,907.73	0.00	271,823,753.20	211,597,195.08
Advance payments and ongoing acquisitions	20,655,413.92	25,333,298.99	28,352,370.80		17,636,342.11
Total	**902,517,303.75**	**51,939,207.52**	**28,357,232.42**	**457,631,305.56**	**468,467,973.29**
Shares and holdings	**368,930.58**	**0.00**	**336.38**	**0.00**	**368,594.20**
Total	**972,470,925.81**	**52,158,033.15**	**28,357,568.80**	**501,762,116.73**	**494,509,273.43**

Write-downs related to the termination of the Sierilä power plant project are included in the decrease of other ongoing acquisitions (1.49M€) for 2024.

Machinery and equipment directly serving electricity production	2024	2023
Underpreciated part of acquisition cost as at 31 Dec	182,631,647.79	174,944,868.68

Planned depreciation periods	
Other long-term expenses	mainly 80 years
Power plant buildings	80 years
Other buildings and constructions	20–60 years
Hydraulic structures	80 years
Principal power plant units	40 years
Other machinery and equipment	10–30 years
Fixtures and vehicles	5 years

Calculation on distributable equity 31 Dec	2024	2023
Retained earnings	1,846,540.51	1,846,540.51
Profit for the financial period	794,575.92	794,575.92
Invested unrestricted equity fund	6,972,602.00	6,972,602.00
Total	**9,613,718.43**	**9,613,718.43**

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2024

INVESTMENTS	SHARES		
	Group companies	Other	Total
Acquisition cost as at 1 Jan 2024	168,187.92	200,742.66	368,930.58
Decrease (+) / Increase (-)	0.00	-336.38	-336.38
Acquisition cost as at 31 Dec 2024	168,187.92	200,406.28	368,594.20
Book value as at 31 Dec 2024	**168,187.92**	**200,406.28**	**368,594.20**

SHARES AND HOLDINGS	Group interest %
Shares in associated undertakings owned by parent company	
Voimalohi Oy, Kemi	50.0

SALARIES AND COMPENSATION PAID TO THE SUPERVISORY BOARD, BOARD OF DIRECTORS AND CEO OF KEMIJOKI OY IN 31 JANUARY 2024 - 31 DECEMBER 2024	Salaries and fringe benefits	Incentive pay	Total
Chairman of the Supervisory Board	6,000		6,000
Deputy Chairman of the Supervisory Board	1,800		1,800
Members of the Supervisory Board	11,500		11,500
Chairman of the Board of Directors	34,200		34,200
Deputy Chairman of the Board of Directors	23,400		23,400
Members of the Board of Directors	77,520		77,520
CEO	223,511	32,040	255,551
Total	**377,931**	**32,040**	**409,971**

FEES PAID BY KEMIJOKI OY TO THE AUDITOR	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
Audit fees	**46,291**	**44,968**
Other fees	**85,817**	**38,846**

	2024	2023
ITEMISATION OF RECEIVABLES		
Short-term		
Accounts receivable	9,728,361.60	28,761,633.59
Receivables from associated undertakings	691,036.57	355,983.81
Other receivables	41,579.43	0.00
Prepayments and accrued income	266,901.72	8,295.20
Total	**10,727,879.32**	**29,125,912.60**
SUBSTANTIAL ITEMS INCLUDED IN PREPAYMENTS AND ACCRUED INCOME		
Income tax	0.00	0.00
Other	238,604.38	2,122.14
Total	**238,604.38**	**2,122.14**

SHARE CAPITAL BY SHARE TYPE	Number of shares	31 Dec 2024 nominal value	Number of shares	31 Dec 2023 nominal value
Hydropower shares (A-series, 1 vote)	105,956	1,790,656.40	105,956	1,790,656
Monetary shares (B-series, 1 vote)	2,336,988	39,495,097.20	2,336,988	39,495,097
Total	**2,442,944**	**41,285,753.60**	**2,442,944**	**41,285,754**

Hydroelectric shares entitle shareholders to purchase the electric power produced by the company.
Monetary shares entitle to receive dividend.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2024

	2024	2023
CHANGES IN SHAREHOLDERS' EQUITY		
Share capital as at 1 Jan	41,285,753.60	41,285,753.60
Share capital as at 31 Dec	**41,285,753.60**	**41,285,753.60**
Contingency fund as at 1 Jan	693,754.63	693,754.63
Contingency fund as at 31 Dec	**693,754.63**	**693,754.63**
Invested unrestricted equity fund as at 1 Jan	6,972,602.00	6,972,602.00
Invested unrestricted equity fund as at 31 Dec	**6,972,602.00**	**6,972,602.00**
Retained earnings as at 1 Jan	2,641,116.43	2,641,116.43
Distribution of dividend	-794,575.92	-794,575.92
Used by the Board of Directors for general purposes	0	0
Retained earnings as at 31 Dec	**1,846,540.51**	**1,846,540.51**
Profit for the financial period	794,575.92	794,575.92
Total shareholders' equity	**51,593,226.66**	**51,593,226.66**
Distributable funds	**9,613,718.43**	**9,613,718.43**
ACCUMULATED APPROPRIATIONS		
Accumulated depreciation difference		
Other long-term expenses	10,053,901.76	10,363,415.57
Buildings and constructions	22,327,011.55	20,915,733.62
Hydraulic structures	8,032,555.16	6,429,831.79
Machinery and equipment	-40,413,468.47	-37,708,980.98
Deferral		
Total	**0.00**	**0.00**

	2024	2023
OBLIGATORY PROVISIONS		
Pension provision	322,989.00	322,989.00
Restoration of natural food ponds	32,065.46	30,000.00
Total	**355,054.46**	**352,989.00**
LONG-TERM LIABILITIES		
Long-term debts		
Loans from financial institutions	333,148,148.14	322,719,298.28
Bonds	0.00	0.00
Total	**333,148,148.14**	**322,719,298.28**
Debts due in five years or more		
Loans from financial institutions	**33,333,333.00**	**37,037,037.00**
SHORT-TERM LIABILITIES		
Bonds	0.00	0.00
Loans from financial institutions	64,990,311.71	78,771,929.82
Advances received	0.00	0.00
Accounts payable	8,773,828.64	9,320,831.03
Other loans	42,963,739.53	56,572,068.89
Accruals and deferred income	4,023,038.53	4,325,506.45
Total	**120,750,918.41**	**148,990,336.19**
SUBSTANTIAL ITEMS INCLUDED IN ACCRUALS AND DEFERRED INCOME		
Salaries, including social security cost	1,134,580.64	1,014,292.42
Interest	1,868,755.15	1,603,302.66
Real estate tax	0.00	0.00
Other	1,019,702.74	1,707,911.37
Total	**4,023,038.53**	**4,325,506.45**

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2024

	2024	2023
SECURITY GIVEN AND CONTINGENT LIABILITIES		
Contingent and other liabilities		
Guarantees		
On own behalf	1,944,333.41	3,777,666.74
On behalf of associated undertakings	14,000.00	14,000.00
On behalf of others		
Leasing agreements		
Amounts payable during the current financial period	194,138.63	144,583.43
Amounts payable during the following financial periods	134,089.03	130,150.09
Residual value liabilities		
Total	**2,286,561.07**	**4,066,400.26**
Derivative contracts		
Interest rate derivatives		
Market value	-1,596,978.00	5,038,692.00
Value of underlying asset	265,000,000.00	335,000,000.00
Not entered as income	-1,800,690.00	3,775,634.00

All derivative contracts have been made to hedge loans against changes in interest rates in accordance with the financing policy approved by the Board of Directors. Interest rate swaps are used to change the variable interest rate of the loan to be hedged to a fixed rate. The hedged loans and their hedging derivative contracts are inversely congruent. The negative fair value of derivatives is recorded in the profit and loss account on the balance sheet date for the derivative contracts which have been made for hedging purposes but whose terms and conditions are not fully consistent with the hedged risk. The amortised interest of derivatives is recorded in the financial statements. The 12-month interest flow risk calculated for derivatives and interest-bearing loans on 31 December 2024 is EUR -1.2 million and the duration is 2.2 years.

Other financial liabilities not entered in the balance sheet

VAT LIABILITY ON PROPERTIES

The company is obliged to revise the VAT deductions made on real estate investments completed between 2015 and 2024 if the taxable use of those properties decreases during the review period. The maximum liability is EUR 7,928,214.83, and the final year of the review is 2033.

RETIREMENT OBLIGATIONS

The uncovered obligation is booked as an obligatory pension provision. The retirement obligation is partly covered with a voluntary pension insurance. The company's other retirement obligations have been insured in external pension insurance companies and in Kemijoki Oy's pension fund.

PROPOSAL FOR DISTRIBUTION OF PROFIT BY THE BOARD OF DIRECTORS

The total sum of distributable profit available to the parent company amounts to EUR 9,613,718.43.

No significant changes have taken place in the company's financial position since the end of the financial year. The company's liquidity is good and in the view of the Board of Directors, the proposed distribution does not jeopardise the company's solvency.

The Board of Directors shall propose to the General Meeting that

a dividend of EUR 0.34 per share, as stated in the Articles of Association, be paid to the

B series shares not owned by the company at the moment	794,575.92 €
to be transferred to retained earnings	8,819,142.51 €
	9,613,718.43 €

Espoo, 11 February 2025

Mikael Lemström

Katariina Sillander

Anne Simolinna

Tuomo Sinisalmi

Olli Sirkka

Timo Virikko

Tuomas Timonen
CEO

AUDITOR'S SIGNATURE

An audit report has been given today.

Oulu, 11 February 2025

KPMG Oy Ab

Heidi Hyry
APA

This document is an English translation of the Finnish auditor's report. Only the Finnish version of the report is legally binding.

AUDITOR'S REPORT

To the Annual General Meeting of Kemijoki Oy

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Kemijoki Oy (business identity code 0192171-7) for the year ended 31 December, 2024. The financial statements comprise the balance sheet, income statement, cash flow statement and notes.

In our opinion, the financial statements give a true and fair view of the company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the company or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Reporting Requirements

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed, we conclude that there is a material misstatement of the report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

Other statements

We support that the financial statements should be adopted. The proposal by the Board of Directors regarding the distributable funds is in compliance with the Limited Liability Companies Act. We support that the Members of the Board of Directors, the Administrative Board and the Managing Director should be discharged from liability for the financial period audited by us.

Oulu, 11 February 2025

KPMG OY AB

Heidi Hyry
Authorised Public Accountant, KHT

STATEMENT BY THE SUPERVISORY BOARD

The Supervisory Board of Kemijoki Oy has examined the Company's financial statements for 2024, as well as the report by its Board of Directors, the proposal by the Board of Directors for the use of distributable funds and the audit report, all of which the Supervisory Board finds acceptable. The Supervisory Board recommends that the financial statements be adopted, and agrees with the proposal of the Board of Directors as to the manner of distributing profit.

The Supervisory Board hereby states that the instructions given by it have been followed and that it has received the information needed for carrying out its duties from the Board of Directors of the Company and from the CEO.

Helsinki, 6 March 2025

Johanna Ojala-Niemelä **Miko Bergbom**

Markus Lohi **Juha Hänninen**

Juha Mäkelä **Krista Mikkonen**

Sara Seppänen **Merja Paavola**

Stefan Sundman **Ulla-Kirsikka Vainio**

Maiju Westergren

KEMIJOKI

KEMIJOKI OY
PL 8131, Valtakatu 11, 96101 Rovaniemi
www.kemijoki.fi

telephone: +358 20 703 4400
email: firstname.lastname(at)kemijoki.fi