



Financial Review 2025

Grow Together.

Tesi

Tesi

Tesi is a state-owned venture capital and private equity (VC & PE) company with an industrial policy mission to boost economic growth and renewal and to promote investments. We develop the VC & PE market and promote the growth and international expansion of Finnish companies by investing in VC & PE funds, and also directly in companies. We strengthen domestic ownership.

Our goal is to increase the market supply of private growth capital to Finnish companies by offering supplementary financing. We are a market-driven investor: we co-invest with private investors on the same terms as them, and we mainly act as a minority investor and owner. Our operations must be both economically profitable in the long term and also impactful, in other words we aim for economic returns and a positive societal impact through our investments.

We operate as a counter-cyclical investor and target our investments especially at the market bottlenecks we have identified at any given time. It is essential to our operations that we adapt our activities to match market conditions and the prevailing situation.

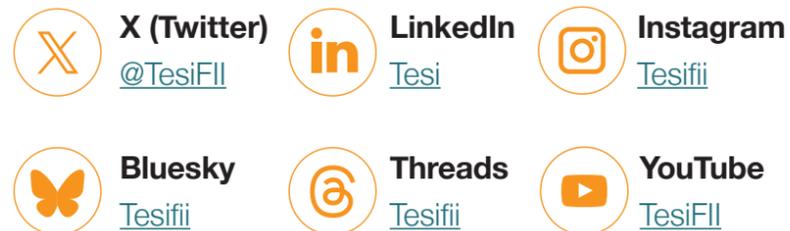
We also develop the market by sharing market insights, promoting sustainability, and building cooperation networks.

With our renewed mission, we will now make larger individual investments than earlier. These are made in new industrial projects, scaleup companies, and larger domestic VC & PE funds. The purpose of the reform is to provide an added boost to Finland's growth.

Annual Report 2025

Tesi's (Finnish Industry Investment Ltd's) Annual Report comprises four sections. All sections of the Annual Report are available in Finnish and English and can be downloaded from Tesi's website tesifi.fi.

- **Business Overview:**
Strategy, value creation, investment operations, and sustainability
- **Financial Review:**
Board of Directors' report and Financial Statements
- **Corporate Governance Statement:**
Corporate governance, internal control and risk management systems
- **Remuneration Report:**
Remuneration principles; remuneration of the Board of Directors, Management Team and CEO



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Tesi's Annual Report 2025 consists of four sections. This is the Financial Review, which covers Board of Directors' report and Financial Statements.

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In the following texts, tables, and graphs, certain numbers have been rounded to even values. Consequently, they may not always align perfectly with the total sum of the more precise figures.

Report by the Board of Directors

BUSINESS ENVIRONMENT

The main features of 2025 were tit-for-tat disputes in trade policy, volatility in investment markets, and the ascendancy of tech companies. Growth in different economic regions was moderate despite the escalation of trade policy disagreements and the resulting increase in trade barriers. As in previous years, the Eurozone continued to develop more slowly than the USA or China. Sluggish growth was mainly concentrated in services. Industrial activity has remained subdued, although the prolonged contraction in output appears to have ended. Although consumer confidence in the eurozone remains weak, private consumption has recovered to some extent, supported by stronger purchasing power and employment buoyancy. The recovery of the eurozone economy, and particularly of its investment sector, will have a positive impact on Finland's export prospects.

Finland's economy continued along its tortuous path, with GDP remaining at the previous year's level. Although inflation and interest rates have fallen, growth in

private consumption was held back by a weakened labour market and fragile consumer confidence. Exports have developed in two ways: exports of goods have increased, while exports of services have slowed. Productive investments continued to decline slightly, partly due to slack housing construction. Public finances are deeply in deficit, and Finland's indebtedness continues to grow. Finland's budget deficit is now 3.7% of GDP, while the country's debt-to-GDP ratio exceeded 88% in 2025. The large defence investments planned for coming years will hamper efforts to reduce this deficit and to significantly dampen Finland's rising indebtedness.

The inclusion of the USA in today's geopolitical uncertainty has highlighted the need to improve Europe's internal cohesion and self-sufficiency in areas such as defence, critical technology and energy supply. Finland also needs to improve its ability to finance large industrial and high-tech scale-up projects. There is a clear need to increase the sizes of Finnish funds and to channel private capital into the local growth company market.

According to the Finnish Private Equity and Venture Capital Barometer, which describes the sentiment in growth financing markets, the general atmosphere is neutral. However, both the fundraising and exit markets are expected to develop positively. According to the Finnish Venture Capital Association statistics, EUR 400 million was invested in Finnish startups in the first half of the year. Sizeable investments towards the end of the year are estimated to have raised the total amount for 2025 to some EUR 1.5 billion, indicating a record year. In the autumn, new investments were announced by Oura, which raised the largest ever funding round in Finland (MEUR 777), and IQM Quantum Computers, which raised the fifth largest round (MEUR 275).

TESI'S ROLE

Tesi has an industry-focused mission aimed at promoting economic growth, innovation, and investments: the company advances Finland's venture capital and private equity (VC & PE) market and promotes the growth and international expansion of Finnish

There is a clear need to increase the sizes of domestic funds and to channel private capital into the growth company market.

companies. Tesi's objective is to increase the availability of private capital by offering financing to supplement it. In line with its mandate, Tesi invests as a minority investor, hand-in-hand with private investors and on the same terms and conditions as them. As a 100% state-owned investment company, Tesi's operations are based on Finnish laws, decrees, and ownership steering by the Prime Minister's Office.

Tesi strengthens the growth financing of Finnish companies in three ways: by investing in VC & PE funds; by making direct investments in startups and growth companies; and by channelling private capital and EU funding into Finnish companies. Tesi also manages the assets of Finnish institutional investors

in the KRR funds-of-funds, which invest in VC & PE funds that finance the growth of Finnish companies.

Tesi's operations must be economically profitable over the long term. Tesi aims for a market-based return on its investments and always has an exit plan prepared for its investments. Tesi's retained earnings have surpassed one billion euros, which has been, or will be, re-invested in the market.

Tesi wants to be a responsible player and leave a positive impact on the society. Tesi's aim is to maximise its impact by creating value in VC & PE funds and in its portfolio companies, while through its operations promoting the sustainable business development of Finnish companies. This impact is greater than the sum of euros invested when taking into account the amount of private capital channelled into the market alongside Tesi's investment activities, the growth of new high-productivity business ecosystems, new jobs created, and increased tax revenue in Finland. Tesi has systematically integrated sustainability into its investment activities, both in terms of the environment and of societal responsibility and good governance. In addition, Tesi produces sustainability tools and market information and makes them available to Finland's VC & PE industry and Finnish companies.

TESI'S NEW STRATEGY

In Finland's Government Programme, it was decided to concentrate the Finnish state's venture capital investment activities in Tesi. Accordingly, in the Finnish government's spending limits discussion in spring 2024 it was decided to capitalise Tesi with additional EUR 300 million. Tesi will use this increased investment capacity to promote Finland's economic growth, innovation, and investments.

Tesi's new investment strategy, approved in spring 2025, will strengthen Tesi's role as a market-driven minority investor. Alongside its own investment activities, Tesi plans to leverage significant amounts of both national and international funding into Finnish growth companies, new industrial sectors, and VC & PE funds. Tesi also strengthens domestic ownership

Tesi boosts the commercialisation, scaling and exporting of globally competitive innovations by investing in domestic startups and growth companies.

through its activities.

Tesi boosts the commercialisation, scaling and exporting of globally competitive innovations by investing in domestic startups and growth companies. Tesi also promotes clean transition by investing in new industrial projects. Tesi also continues its

Key elements of Tesi's updated strategy are:

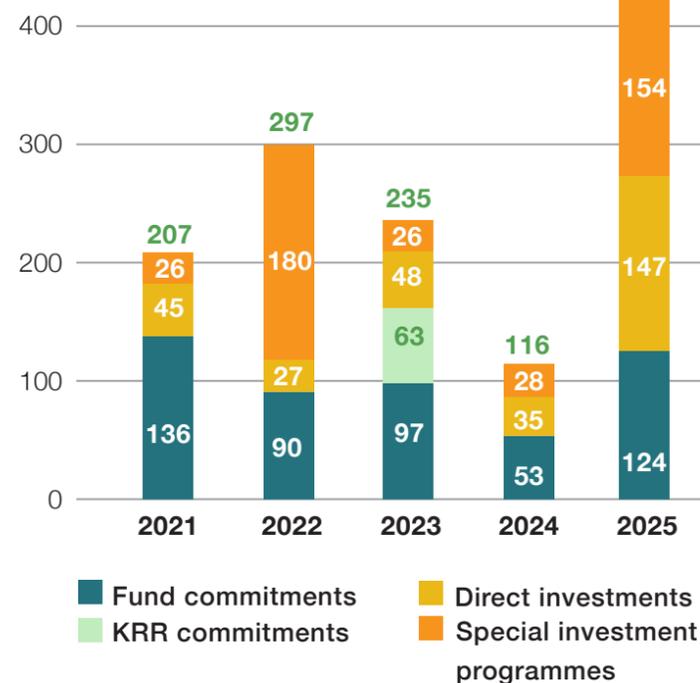
- The size of direct investments increases. New tasks now include financing industrial-scale investments and significantly larger growth investments in the scalable growth of tech companies.
- Fund investment activities become more selective in developing Finland's VC & PE market. Tesi will play an active role in building new, high-quality, international-scale funds in Finland to strengthen the availability of private VC & PE financing. The investment strategy does not categorically exclude any types of funds.
- The investment allocation will be adjusted according to market conditions and needs. Tesi will continue to make VC & PE investments on market terms on the same conditions as private investors.

RESTRUCTURING

In line with Finland's Government Programme, the state's venture capital investment activities were streamlined by centralising them in Tesi. As a result, the operations of the Finnish Climate Fund (Ilmasto-rahasto Oy) and Oppiva Invest Oy ceased and their assets, debts and liabilities were transferred to Tesi in the mergers implemented on 31 May 2025. Additionally, Business Finland Venture Capital Ltd was split so that its market-based venture capital investments were transferred to Tesi while any investments involving state aid remained in the company, which was transferred to Tesi's ownership and renamed Industrial Subsidy Ltd (Teollisuustuki Oy). In this restructuring, VC investments amounting to a fair value of EUR 102 million and their related unpaid commitments totalling EUR 143 million were transferred to Tesi. A total of EUR 407 million in liquid assets was also transferred to Tesi.

Industrial Subsidy Ltd manages investments involving state aid and implements its investments only when commissioned by Finland's Ministry of Economic Affairs and Employment. Tesi has no right to the company's funds, and Tesi is not permitted to finance the company's operations. For these reasons, the company is not included in the consolidated financial statements.

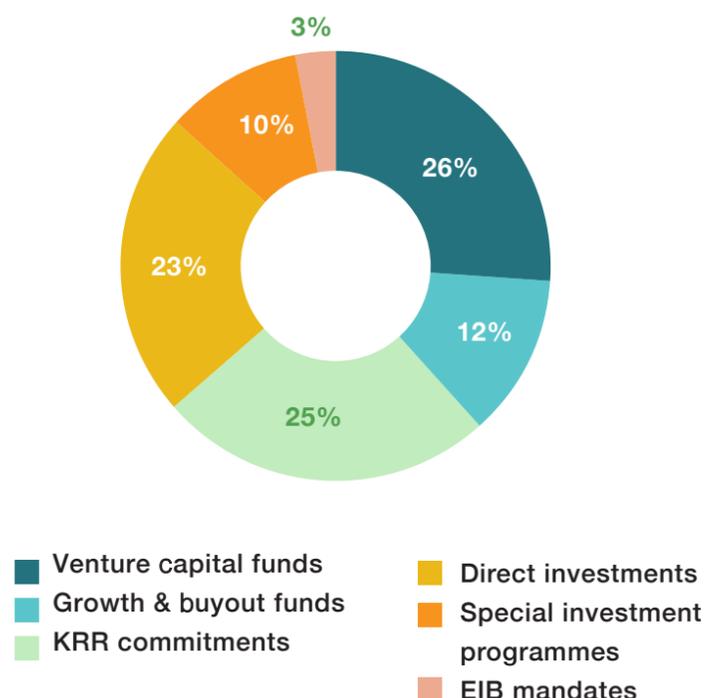
Investments made and commitments given by Tesi, MEUR



INVESTMENT OPERATIONS

Tesi's goal is to contribute to the growth of Finland's new internationally competitive growth sectors. The focus is on thematic entities that are strategically important for Finland, such as deep tech, health & life sciences, defence technology and clean transition, as well as software and services. However, Tesi may

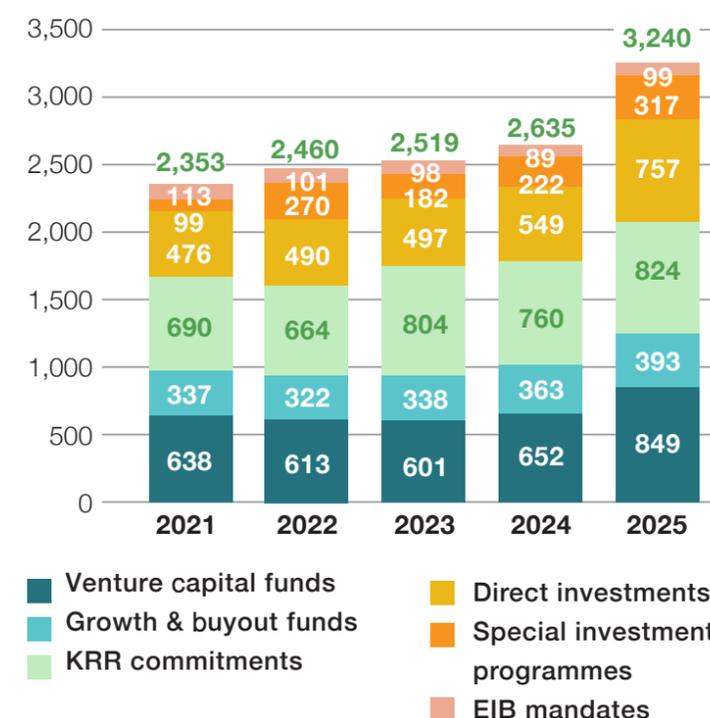
Tesi's investments under management 31 Dec 2025, 3,240 MEUR



also invest in high-potential companies outside these themes because, in principle, Tesi's operations are not subject to predefined sectoral or thematic restrictions.

In 2025, Tesi made investments and investment commitments amounting to EUR 425 million (116). Of these, fund commitments accounted for EUR 124 (53) million, direct investments in normal operations for

Tesi's investments under management, MEUR



EUR 147 (35) million, and follow-on investments under special investment programmes outside normal operations for EUR 154 (28) million.

At the end of 2025, the company's investments under management amounted to EUR 3.2 (2.6) billion. Tesi was directly, or indirectly through its portfolio funds, an owner in 576 (546) Finnish companies.

VC & PE funds and direct investments

Tesi invests in both Finnish and in international VC & PE funds that supplement the availability of domestic financing. In Finnish funds, Tesi is usually an anchor investor. The goal is to increase the size of Finnish funds to better match the international scale. Tesi aims to fulfil its role by strengthening the transformation and growth of the market and by investing in new teams.

In the case of international funds, Tesi invests especially in those that also invest in Finnish startups and growth companies and that co-invest with Finnish funds. The objective of Tesi's international fund investments is also to collect international benchmark information and build a network for the development of the Finnish VC & PE market.

Tesi makes direct minority investments in Finnish unlisted startups and growth companies, and also finances the growth of significant industrial enterprises focusing on Finland. When making the first-round investment Tesi already looks ahead to subsequent financing rounds, and makes follow-on investments together with other co-investors. Tesi is an active VC & PE investor, using its own networks and expertise to benefit the companies and funds in its portfolio. Investments are made hand-in-hand and on equal terms with private investors.

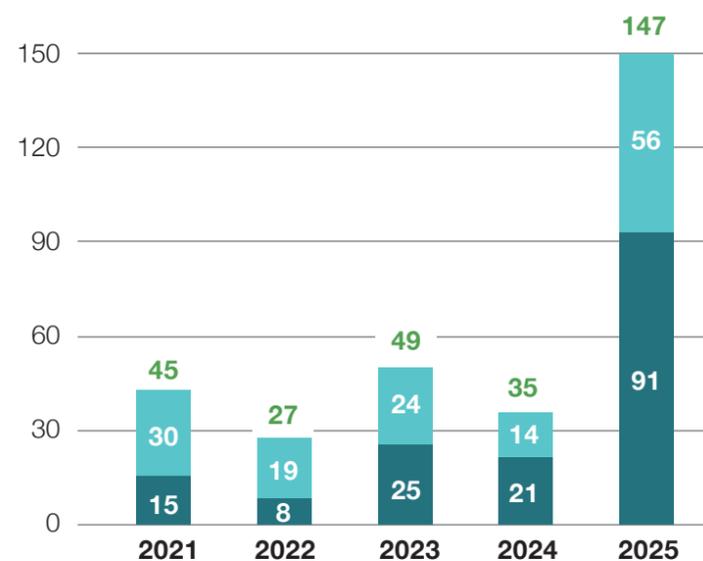
TESI'S FUND INVESTMENT OPERATIONS	2025	2024
Commitments to VC & PE funds, MEUR	85	28
Commitments to Finnish VC & PE funds, no.	4	3
Commitments to international VC & PE funds, no.	1	1
Commitments to growth- and buyout funds, MEUR	39	25
Commitments to Finnish growth- and buyout Finnish funds, no.	2	2
Commitments to international growth- and buyout funds, no.	0	2
Total commitments at end of year, MEUR	124	53
Total commitments at end of year, no.	7	8

TESI'S DIRECT INVESTMENT ACTIVITIES	2025	2024
Direct initial investments, normal operations, MEUR	56	14
Direct initial investments, normal operations, no.	9	4
Direct follow-on investments, normal operations, MEUR	91	21
Direct follow-on investments, normal operations, no.	18	13
Follow-on investments in special investment programmes (SIP), MEUR	154	28
Follow-on investments in special investment programmes (SIP), no.	7	3
Total investments at end of year, MEUR	301	63
Total investment at end of year, no.	34	20

TESI'S INVESTMENT PROGRAMMES	2025	2024
Total SIP investments and commitments, no.	99+4*	63+2*
Total SIP investments and commitments, MEUR	491	337
Total returns from SIPs at end of year, MEUR	241	108
EFSI follow-on investments during year, no.	0	1
EFSI follow-on investments during year, MEUR	0	0
EGF follow-on investments during year, no.	0	1
EGF follow-on investments during year, MEUR	0	2

* Two fund investments made from COVID 19-era programmes. In the restructuring under Tesi's special investment programmes, two funds were transferred from the Finnish Climate Fund and altogether 36 direct investments from the Finnish Climate Fund and Oppiva Invest.

Tesi's direct first-round and follow-on investments* 2021–2025, MEUR



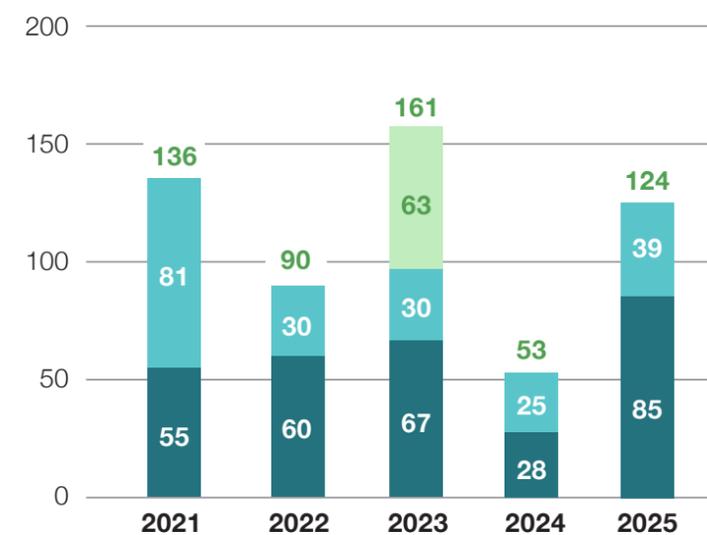
■ Direct initial investments
■ Direct follow-on investments

* normal investment operations, excl. COVID 19-era special investment programmes

KRR funds-of-funds

In addition to investments made from Tesi's balance sheet, Tesi also manages the KRR funds-of-funds (KRR I–V), in which the capital from Finnish pension, insurance and investment companies has been raised. The KRR funds-of-funds invest in Finnish VC & PE funds. The model for the KRR concept has proven to be highly successful over the last 17 years, while also having a positive impact on Finland's national economy. During 2009–2025, the KRR funds-of-funds have

Tesi's fund commitments, MEUR



■ Funds-of-funds (KRR)
■ Growth & buyout funds
■ Venture capital funds

given commitments to altogether 53 funds. These funds, in turn, have accelerated the growth and international expansion of 494 Finnish companies. Altogether over four billion euros of private capital has been channelled into the market through the KRR concept.

EU's market-based financing mechanisms

Tesi manages two market-driven, co-financing programmes created with the European Investment Bank

(EIB): the EFSI programme launched in 2018, and the EGF programme launched in 2022. Both programmes are EUR 100 million in size, with one-half of their financing coming from the EIB and one-half from Tesi. Of the EUR 200 million of the joint programmes, EUR 107 million had been invested in 11 companies by the end of 2025.

Exits

In 2025, Tesi received returns from its normal operations amounting to EUR 181 (152) million. Of these, returns from funds amounted to EUR 124 (67) million, while returns from dividends, earnouts and exits totalled EUR 57 (86) million. Proceeds from exits will form the basis for Tesi's investment activities in the coming years. Tesi exited from 18 (14) of its investments during the year, including 3 (6) companies that filed for bankruptcy.

Number of investees at end of year

Tesi invests in Finnish companies through both Finnish and international VC & PE funds and also makes direct investments hand-in-hand with private investors. Owing to the international nature of the VC & PE market, Tesi's investment portfolio also includes foreign companies owned through funds. At the end of 2025, Tesi's investment portfolio comprised altogether 1,463 (1,303) companies. Of these, 1,328 (1,197) were investments via

funds and 135 (106) were direct investments in companies. Of the portfolio companies 576 (546) were Finnish. Tesi invested EUR 1,517 (1,116) million, or 76% (68%) of Tesi's invested capital, in these companies. Correspondingly, 887 (757) were international portfolio companies, in which Tesi invested EUR 491 (523) million, representing 24% (32%) of invested capital.

Altogether 448 (434) of the portfolio companies of Finnish funds were Finnish and 290 (255) were foreign. Correspondingly, 30 (10) of the portfolio companies of international investment funds were Finnish and 560 (498) foreign. Tesi's international fund investments are mainly venture capital funds, which typically have broad-based portfolios of early-stage companies. The number of companies in these portfolios is very high, but the amount of capital invested per company is low. Tesi's holding in these international funds is much smaller than its typical holding in Finnish funds.

Channelling international capital, expertise and networks

Tesi develops Finland's VC & PE market by also investing in funds based outside Finland. Since the VC & PE industry is strongly international, it is essential for the formation of expertise, networks and investor syndicates that fund investment activities extend beyond Finland's borders.

GROUP'S FINANCIAL PERFORMANCE

Consolidated profit

Net profit for the fiscal year was EUR 178 (165) million. The profit derived mainly from gains in VC & PE investments realised during the year, EUR 75 (40) million, and EUR 133 (153) million in changes in fair value of investments, recognised in line with IFRS principles.

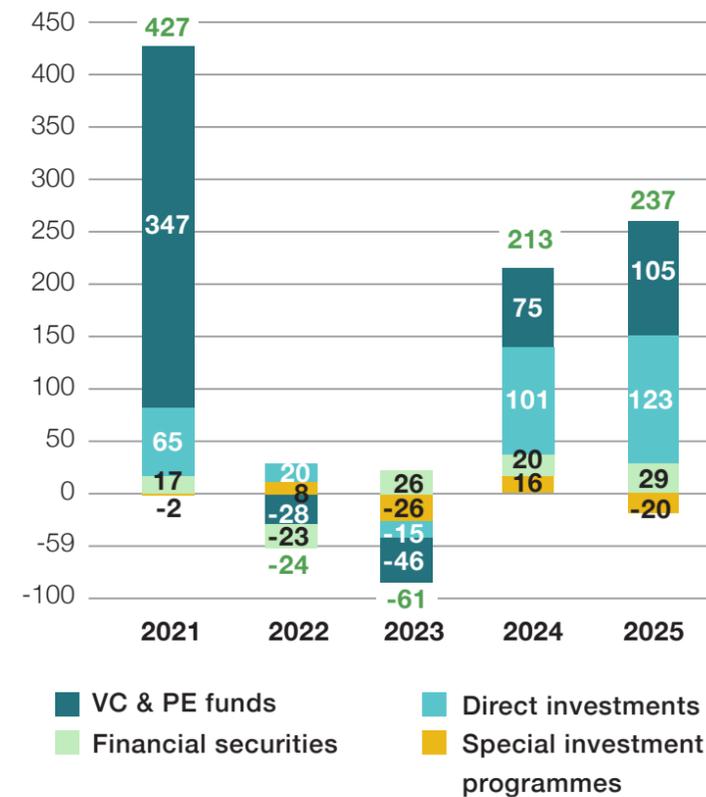
The Group's net profit for 2025 was altogether EUR 237 (213) million. Net gains from VC & PE funds totalled EUR 105 (75) million while net gains from direct VC & PE investments were EUR 123 (101) million. In particular, higher valuations of investees contributed to net gains.

Net losses from Tesi's special investment programmes amounted to EUR -20 (16) million. Other operating income includes net gains from financial securities recognised as income amounting to MEUR 29 (20). Operating expenses rose to EUR 18 (16.6) million because of growth in operations and Tesi's development efforts. Expenses per balance sheet total were 0.6% (0.6%). Operating profit was EUR 220 (198) million.

Balance sheet and financial position

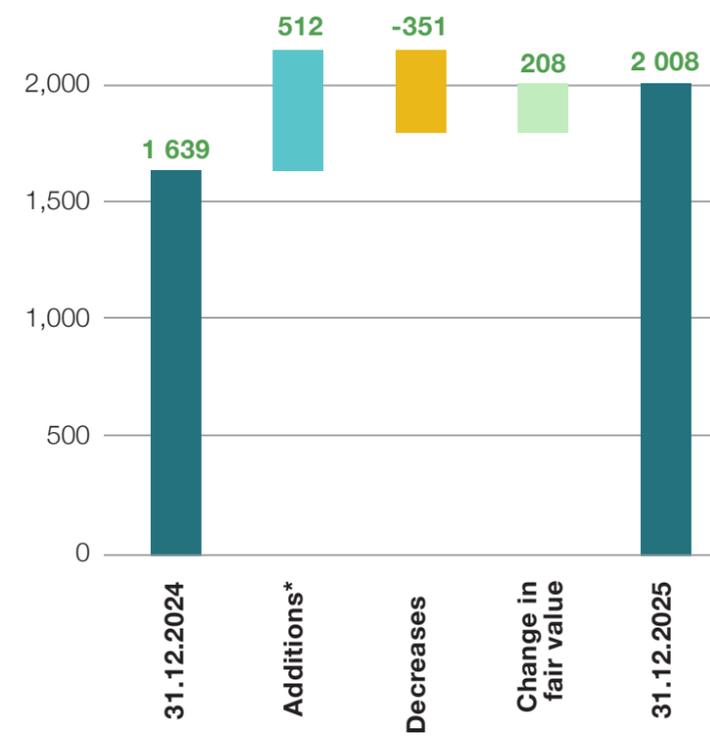
Tesi's financial assets increased during the financial year as a consequence of an additional capitalisation of EUR 100 million by the Finnish state and liquid

Net gains, MEUR



assets transferred in restructuring. Non-current assets were EUR 2,092 (1,704) million at the end of the fiscal year. Of these, EUR 2,008 (1,639) million consisted of VC & PE investments recognised at fair value in the statement of comprehensive income. Of the investments at the end of the fiscal year, EUR 1,031 (891)

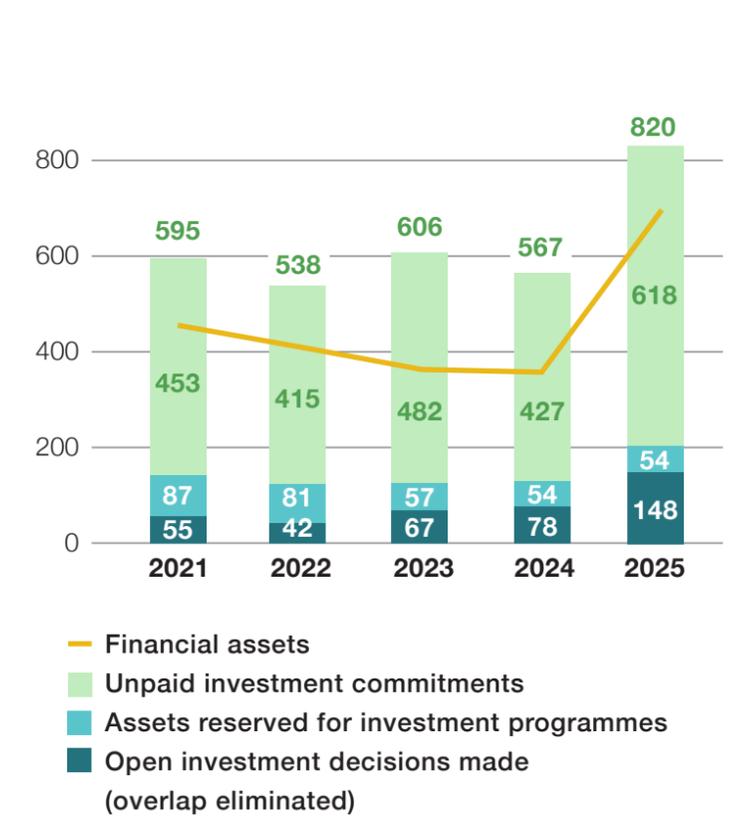
Change in VC & PE investments 1.1.2025–31.12.2025, MEUR



* Includes investments transferred in restructuring

million were in VC & PE funds, EUR 711 (534) million were in direct investments, and EUR 266 (215) million were in special investment programmes. The fair value of VC & PE investments rose by EUR 388 (210) million during the year. More detailed information about the determination of fair value is given in [Note 4](#) of the

Financial assets and unpaid commitments 2021–2025, MEUR



Notes to the consolidated financial statements.

The figure for current assets, EUR 657 (372) million, includes financial securities of EUR 634 (315) million recognised at fair value in the statement of comprehensive income. The figure for non-current assets also includes EUR 24 (27) million in financial securities.

Financial securities consist of fixed-income investments EUR 489 (259) million, listed equity investments EUR 145 (56) million, and other investments EUR 24 (27) million.

As part of its industrial policy mission, Tesi participated in the acquisition of its portfolio company Valmet Automotive Plc in the summer. Tesi used EUR 121 million of its liquid assets to acquire a majority shareholding in Valmet Automotive and Valmet's subsidiary Ioncore, bringing them under the ownership and control of the Finnish state. As a result of the acquisition, Tesi exceptionally distributed a total of EUR 167 million to its owner during fiscal year 2025, including Tesi's previous ownership of Valmet Automotive.

Financial securities safeguard continuity in the company's investment operations and its ability to meet unpaid investment commitments. At the end of 2025, unpaid investment commitments totalled EUR 618 (435) million, including EUR 52 (8) million in commitments to Tesi's special investment programmes. Unpaid investment commitments consist almost entirely of commitments given to VC & PE funds with an average payment period of over four years. Investment decisions made by the company's Board of Directors but not implemented by year's end amounted to EUR 148 (78) million. The Group's balance sheet total on 31 December 2025 was EUR 2,750 (2,077) million.

Shareholders' equity grew to EUR 2,571 million as a result of the company's net profit of EUR 178 (165) million for the fiscal year. The Group's equity ratio was 93.5% (94.1%). The Group did not hold any interest-bearing liabilities at the end of the financial year.

Risks and risk management

Tesi's operations are governed by a special law and a government decree relating to it, which define the company's main principles for risk-taking. Tesi's mission is to promote the development of Finland's VC & PE market as well as the growth and international expansion of Finnish companies. The company's operations therefore involve bearing higher than usual risks in certain geographic areas and specific sectors. The company's investment activities must nevertheless be managed as a whole in a way that ensures investments are adequately diversified and that does not legally jeopardise the primary obligation for profitable operation over the long term.

Tesi has a risk management policy, confirmed by the Board of Directors, that sets out the principles for risk management, specifies risk definitions and risk classifications, and also defines the main roles and divisions of responsibilities as well as the monitoring and reporting procedures. The goal for risk management is to ensure that risks borne by the company are commensurate with its risk-bearing ca-

pability. The aim is to ensure that the risks attached to the company's business operations are identified and assessed, that the company responds to those risks, and that they are managed and monitored. The Board of Directors confirms the company's strategy and action plan, in which the priorities and targets for different investment allocations are specified. In order to reduce risks, investments are deconcentrated to different allocation classes, different industries, and also distributed geographically, while taking into account the company's social mission. As a rule, the Board approves investment decisions exceeding five million euros and supervises the implementation of investments. The Board of Directors has authorised Tesi's Management Team to make other investment decisions with certain provisos.

Tesi's main risks are related to private equity and

venture capital investments, and to financial securities. Both of these involve various investment risks, namely; valuation risks, market risks, liquidity risks, financing risks, credit risks, currency exchange risks, interest risks and other investment risks, such as risks relating to corporate responsibility.

The value of VC & PE investments at the end of the fiscal year amounted to MEUR 2,008 (1,639). Investments are subject to the risks stated above that, if they were realised, could substantially affect the future value of the investments. At the end of 2025, the value concentration of the five largest portfolio companies was approx. 39% (30%) of the fair value of all VC & PE investments. The table on the previous page presents the possible euro-denominated impacts of relative changes in valuations on the value of the VC & PE investment portfolio.

IMPACT OF CHANGES IN VALUE OF VC & PE INVESTMENTS ON INVESTMENT PORTFOLIO (2,008 MEUR)

Direct investments (fair value 977 MEUR)	Fund investments (fair value 1,031 MEUR) change in value				
	0%	-5%	-10%	-15%	-20%
0%	0	-52	-103	-155	-206
-10%	-98	-149	-201	-252	-304
-20%	-195	-247	-299	-350	-402
-30%	-293	-345	-396	-448	-499
-40%	-391	-442	-494	-545	-597

Rising interest rates and lower expectations of returns from VC & PE investments depress investment valuations, the impact of which typically delays existing plans. Furthermore, a climate of higher interest rates, combined with other market uncertainties, complicates the fundraising of VC & PE funds.

The risks related to each private equity and/or venture capital investment are managed by predictive construction of the deal flow, careful analysis in the screening phase of an investment, participating through board work in the business development of portfolio companies, proactive interaction with managers of VC & PE funds, and positive action in the exit phase.

Managing financing risks ensures that the company always has adequate financing available for its business operations (i.e. for unpaid investment commitments). The company's liquidity and cash flows are continuously monitored. When preparing new investments, the effect of the investments on liquidity and financial position is taken into account. Most of the company's cash flows and investments are denominated in euros.

Investments in financial securities are diversified and made at the selected risk level in compliance with the investment policy confirmed by the company's Board of Directors. Investments in financial securities aim to ensure adequate assets for VC &

PE investing and other payment transactions. Investments in financial securities are spread mainly between investments in fixed-income funds, investments in equity funds, and alternative investments. The market volatility of financial securities is regularly monitored. The counterparty risk attached to investing in financial securities is managed with a thorough partner selection procedure.

Other risks to which Tesi is exposed include strategic risks, operational risks, including hazard risks, as well as responsibility and reputational risks attached to both Tesi's own operations and those of its investees. Strategic risks are managed by regularly evaluating the company's operations in relation to the business environment and to stakeholders' expectations. Operational risks are managed by good corporate governance and internal instructions, and these risks are covered by, inter alia, sound supervisory work and interaction, and by providing for personnel expertise and wellbeing, as well as with appropriate procedures, processes and insurances.

The responsible operation of companies and investors is subject to increasingly more detailed public scrutiny nowadays. The operations of portfolio funds and companies may also have a significant indirect impact on Tesi's reputation and on investment valuations. In Tesi, a sustainability assessment is made of portfolio companies as part of the due diligence

processes preceding an investment decision, and the development of responsibility aspects is regularly monitored as a part of the processes for managing and overseeing investees. Read more about sustainability aspects in the [Business Overview](#) part of Tesi's Annual Report. More detailed information about risks and risk management is given in [Note 3](#) of the Notes to the consolidated financial statements. Risk management is also described in Tesi's [Corporate Governance Statement](#).

CORPORATE GOVERNANCE

Group structure

The Group's subsidiaries, all wholly-owned by the parent company, are FEFSI Management Oy, Tesi Fund Management Oy, Tesi Industrial Management Oy, EAKR-Aloitusrahassto Oy, Teollisuustuki Oy, and Tesi AIFM Oy, and also Arctic Marine Technology Group Oy (Aker Arctic*, Bluetech), in which Tesi has an 80% holding through its subsidiary Tesi Industrial Management Oy.

AIFM licence

In December, Tesi applied to Finland's Financial Supervisory Authority for the AIFM+ (Alternative Investment Fund Manager) licence required by Finnish law, as the amount of off-balance-sheet capital under

Tesi's management has reached the threshold of EUR 500 million required for obtaining an AIFM licence. The licence also allows Tesi to offer portfolio management, asset management, and investment advice compliant with Finland's Act on Investment Services, as well as ancillary services compliant with Finland's Act on Alternative Investment Fund Managers. Tesi estimates that the licence will be granted during 2026. AIFM-licensed activities will be organised in a separate subsidiary, as the AIFM company cannot engage in activities other than those subject to AIFM authorisation.

MEMBERS	TERM OF OFFICE 2025
Andreas Tallberg, Chair	1 Jan–31 Dec
Tiina Korhonen, Vice Chair	1 Jan–31 Dec
Päivi Arminen	20 March–31 Dec
Mia Folkesson	1 Jan–31 Dec
Minna Helppi	1 Jan–20 March
Anniina Heinonen	1 Jan–20 March
Juha Ketola	20 March–31 Dec
Olli Kärkkäinen	1 Jan–31 Dec
Lassi Noponen	1 Jan–31 Dec

* Changed to Railotech at the time of publication

Organisation and development of operations

Tesi's CEO is Pia Santavirta (LL.M., born 1976). The parent company employed an average 59 (57 in 2024) people in permanent positions during the fiscal year. Seven (5) new employees were recruited to permanent positions during the fiscal year. Three (2) permanent employees left Tesi during the fiscal year. At year's end, 22 (21) women and 41 (38) men were permanent Tesi employees. Altogether 6 (4) people were employed on fixed-term contracts. During 2025, 12 (9) trainees worked at Tesi.

The Board of Directors convened 12 (13) times in 2025, and attendance was 95% (98%). Find out more about committee memberships in Tesi's [Corporate Governance Statement](#).

Tesi conducts personal development interviews twice a year. Venture capital and private equity investing and Tesi's strategic objectives require solid expertise. Tesi's employee experience has remained at an excellent level, and an extensive personnel survey shows that Tesi's eNPS (employees' willingness to recommend Tesi as an employer) has risen to 60 – even higher than the excellent figure of 55 achieved in 2024. Read more about personnel statistics in the [Business Overview](#).

Tesi's remuneration is intended to promote achievement of the company's strategic objectives, to increase value, and to boost the company's societal and economic impact. Remuneration also guides and

motivates personnel and commits them to the company. Tesi's remuneration is guided by the government resolutions of Finland's Council of State regarding state ownership policy. Salaries and emoluments in 2025 totalled EUR 8.5 (7.6) million. More details about remuneration practices are given in the company's [Remuneration Report](#).

Shares and share capital

The company has one class of share and 43,160 shares. The share capital is 438,992,200 euros.

PROPOSAL FOR DISTRIBUTION OF FUNDS

The parent company's distributable funds (according to FAS financial statements) on 31 December 2025 amounted to EUR 1,219,759,876.21. In line with the company's dividend policy, the Board proposes to the Annual General Meeting that no dividend be distributed for fiscal year 2025. The company's financial resources will be targeted at VC & PE investments that boost the growth and international expansion of Finnish companies and promote the development of Finland's VC & PE market.

EVENTS AFTER THE FISCAL YEAR

Tesi has continued its normal investment operations in 2026. Read about investment announcements on Tesi's website [tesi.fi](https://www.tesi.fi).

PROSPECTS

Moderate economic growth is forecast for 2026 in Finland, the USA, and more widely across the world. The International Monetary Fund (IMF) expects Finland's GDP to grow by 1.5 per cent next year, the USA's by 2.1 per cent, and global GDP by 3.1 per cent. Geopolitical risks and concerns about an AI bubble continue to create uncertainty in equity markets. The decline in interest rates in Europe is expected to end as high employment increases the risk of inflation. The economic outlook for Europe has improved, partly due to higher demand in the internal market, but AI investments are also expected to support growth.

Finland's development is expected to follow trends in the rest of Europe, although the country's employment rate is clearly lagging behind Western Europe's. The Bank of Finland predicts that GDP growth will accelerate to 0.8% in 2026. Households' purchasing power will strengthen, and private consumption will start to rise. Exports are growing and companies investing more, despite the prevailing economic uncertainty. Inflation will remain below 2% over the next few years, and employment will gradually improve. However, Finland's public finances will remain in deficit and the country's debt ratio will remain high. Employment is improving slowly, but structural challenges, such as an ageing population and low productivity, limit long-term development and the Finnish state's ability

to maintain the current welfare state. Finland needs more successful companies and new high-growth sectors, as well as more investment in research, product development, and innovation.

The results of Tesi's growth company pulse published in early 2026 indicate a distinct easing of uncertainty in the SME sector. In companies' own estimates, 2025 was seen as a turning point for the better: growth in net sales is accelerating and order books have generally strengthened. This is in line with the macroeconomic picture: the moderation of inflation and the normalisation of cost pressures reinforce demand and improve prospects, despite the stringent investment environment and tough financing conditions.

Tesi expects its investment activities to remain at a high level, broadly in line with last year. Tesi will continue to invest in new, innovative startups and, in particular, increase investments in the best Finnish growth companies in their scaling phase. Tesi also strengthens the building of growth ecosystems. Additionally, Tesi invests in new industrial-scale projects that utilise clean energy and promote the green transition. Tesi also acts as a developer of the VC & PE market. The aim is to improve the availability of private capital in the market and to strengthen domestic ownership through fund investments.

Key Figures

KEY FIGURES, GROUP	IFRS 2025	IFRS 2024	IFRS 2023	IFRS 2022	IFRS 2021
Profit / loss for the fiscal year, MEUR	177.9	164.9	-50.7	-26.0	337.6
Shareholders' equity, MEUR	2,571	1,953	1,788	1,929	1,755
Balance sheet total, MEUR	2,750	2,077	1,893	2,055	1,890
Unpaid commitments, MEUR	618	435	492	429	470
Investments at acquisition price, MEUR	1,533	1,226	1,120	1,081	841
Investments at acquisition price and commitments, MEUR	2,151	1,661	1,612	1,510	1,311
Investments at book value, MEUR	2,008	1,639	1,429	1,529	1,367
Ratio of investments & commitments to shareholder's equity	1.0	1.1	1.1	1.0	1.0
New investments and commitments in fiscal year, MEUR	425	116	235.0	296.7	206.5
Return on equity	7.9%	8.8%	-2.7%	-1.4%	21.3%
Equity ratio	93.5%	94.1%	94.5%	93.9%	92.9%
Investments under management, MEUR	3,240	2,635	2,519	2,460	2,352
Expenses per investments under management	0.6%	0.6%	0.5%	0.5%	0.4%
Permanent personnel, average	59	57	51	48	44
Salaries and fees for the fiscal year, MEUR	8.5	7.6	6.6	5.8	5.0
Number of fund investments	137	118	114	111	109
Number of funds-of-funds	5	5	5	4	4
Funds, number of portfolio companies	1,328	1,197	1,194	1,060	993
Parent company, number of direct portfolio companies	122	91	100	104	94
EAKR Aloitusrahasto Oy, number of portfolio companies	11	13	19	22	23
Tesi Industrial Management Oy, number of portfolio companies	2	2	2	2	2
Number of portfolio companies, total	1,463	1,303	1,315	1,188	1,112
of which Finnish portfolio companies	576	546	556	497	491
of which international portfolio companies	887	757	759	691	622



IFRS consolidated financial statements

2025

Consolidated statement of comprehensive income

EUR THOUSANDS	NOTE	2025	2024
Net gains from VC & PE funds	5	104,617	75,202
Net gains from direct VC & PE investments	5	123,250	101,370
Net gains from special investment programmes	5	-19,878	16,225
Net gains from investments, total		207,989	192,798
Net gains from financial securities		29,023	19,974
Income from fund management		1,765	2,326
Other operating income, total		30,788	22,300
Employee benefit costs	6	-9,994	-8,990
Depreciation and impairment		-295	-436
Other operating expenses	7	-8,034	-7,217
Operating profit / loss		220,454	198,455
Financial income		1,195	2,548
Financial expenses		-358	-255
Profit / loss before income tax		221,291	200,748
Income tax	8	-43,416	-35,825
Profit / loss for the financial year		177,875	164,923
Total comprehensive income for the financial year		177,875	164,923
Profit for the financial year attributable to:			
Shareholders of the parent company		177,875	164,923

Consolidated statement of financial position

EUR THOUSANDS	NOTE	31 Dec 2025	31 Dec 2024
ASSETS			
Non-current assets			
VC & PE investments			
VC & PE funds	4	1,030,766	890,590
Direct VC & PE investments	4	711,394	534,117
Special investment programmes	4	265,798	214,633
VC & PE investments, total		2,007,958	1,639,340
Intangible and tangible assets	9	1,148	1,588
Deferred tax assets	11	59,185	36,216
Financial securities	4	23,999	27,093
Non-current assets, total		2,092,290	1,704,237
Current assets			
Receivables		607	2,615
Financial securities	4	633,729	314,647
Cash & cash equivalents		23,114	55,015
Current assets, total		657,450	372,278
Assets, total		2,749,740	2,076,515

EUR THOUSANDS	NOTE	31 Dec 2025	31 Dec 2024
EQUITY AND LIABILITIES			
Equity attributable to the shareholders of parent company			
Share capital		438,992	438,992
Share premium account		215,855	215,855
Invested unrestricted equity fund		832,334	274,500
Retained earnings		905,482	859,040
Profit for the financial year		177,875	164,923
Shareholders' equity, total	10	2,570,539	1,953,310
Liabilities			
Non-current liabilities			
Lease liabilities		575	979
Deferred tax liabilities	11	154,902	118,243
Non-current liabilities, total		155,477	119,222
Current liabilities			
Accounts payable and other liabilities	12	23,725	3,983
Current liabilities, total		23,725	3,983
Liabilities, total		179,202	123,205
Equity and liabilities, total		2,749,740	2,076,515

Consolidated statement of changes in equity

EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF PARENT COMPANY

EUR THOUSANDS	Share capital	Share premium account	Invested unrestricted equity fund	Retained earnings	Shareholders' equity, total
1 Jan 2024	438,992	215,855	274,500	859,040	1,788,387
Profit for the financial year				164,923	164,923
Total comprehensive income for the financial year				164,923	164,923
Transactions with owners in their capacity as owners					
Shareholders' equity 31 Dec 2024	438,992	215,855	274,500	1,023,963	1,953,310

EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF PARENT COMPANY

EUR THOUSANDS	Share capital	Share premium account	Invested unrestricted equity fund	Retained earnings	Shareholders' equity, total
1 Jan 2025	438,992	215,855	274,500	1,023,963	1,953,310
Profit for the financial year				177,875	177,875
Total comprehensive income for the financial year				177,875	177,875
Transactions with owners in their capacity as owners*			606,837		606,837
Dividends paid and returns of capital			-49,003	-118,481	-167,484
Shareholders' equity 31 Dec 2025	438,992	215,855	832,334	1,083,357	2,570,539

*During the year, the owner implemented corporate restructuring whereby Oppiva Invest Oy and Ilmastorahasto Oy were merged with Finnish Industry Investment Ltd. Business Finland Venture Capital Ltd was split so that its market-based capital investments were transferred to Tesi while the venture capital investments involving state aid remained in the company, which was transferred to Tesi's ownership and renamed Industrial Subsidy Ltd.

Consolidated statement of cash flows

EUR THOUSANDS	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Capital calls paid to VC & PE funds	-114,054	-108,488
Cash flows received from VC & PE funds	123,934	66,882
Direct VC & PE investments paid	-147,481	-35,144
Repayments of direct VC & PE investments and sales proceeds	48,841	83,140
Investments paid under special investment programmes	-153,654	-28,237
Cash flows received from investments under special investment programmes	3,372	1,630
Interest received from VC & PE investments	5,716	17
Dividends received from VC & PE investments	2,528	2,376
Cash flow from VC & PE investments, total	-230,797	-17,823
Payments for financial securities	-778,564	-101,000
Sales proceeds from financial securities	611,208	127,721
Payments received from other operating income	2,163	2,577
Payments made for operating expenses	-15,503	-16,187
Cash flow from operating activities before taxes	-411,492	-4,712
Direct taxes paid	-4,387	-17,498
Cash flow from operations (A)	-415,879	-22,210

EUR TUHATTA	2025	2024
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for tangible and intangible assets	0	-5
Cash flow from investing activities (B)	0	-5
CASH FLOW FROM FINANCING ACTIVITIES		
Invested unrestricted equity fund	100,000	0
Impact of restructuring	283,204	0
Interest received	774	2,869
Cash flow from financing activities (C)	383,979	2,869
Change in cash & cash equivalents (A+B+C) increase (+)/decrease (-)	-31,901	-19,346
Cash & cash equivalents at beginning of period	55,015	74,361
Cash and cash equivalents at end of period	23,114	55,015

Notes to the accounts

1. Summary of significant accounting policies

GENERAL INFORMATION ABOUT THE GROUP

Finnish Industry Investment Ltd (“Tesi”, “the Company”) is a state-owned investment company whose mission is to develop Finland’s venture capital and private equity (VC & PE) market, profitably and on market terms, by co-investing in VC & PE funds and Finnish growth companies together with private investors. Tesi has an industry-focused mission aimed at promoting economic growth, innovation, and investments.

Tesi strengthens the growth financing of Finnish companies in three ways: by investing in VC & PE funds; by making direct investments in startups and growth companies; and by channelling private capital and EU funding into Finnish companies. Alongside its own investment operations, Tesi manages the off-balance-sheet KRR funds-of-funds created with Finnish institutional investors, which invest in VC & PE funds that finance the growth of Finnish companies. Tesi manages two market-driven, co-financing programmes created with the European Investment Bank (EIB).

Tesi’s operations must be commercially profitable over the long term. Tesi aims for a market-based return on its investments over the long term and always has an exit plan prepared for its investments.

Since 1995, Tesi has made VC & PE investments amounting to over three billion euros. Tesi currently has investments in almost 1,500 companies, either directly or through investment funds. The continuity and growth of Tesi’s investment activities have been secured with internal financing and with special-purpose capitalisation from the Finnish state. Tesi is domiciled in Helsinki, Finland, and the address of its registered office is Porkkalankatu 1, 00180 Helsinki, Finland. Copies of the consolidated financial statements are available at the above address, as well as on Tesi’s website www.tesi.fi. Tesi’s Board of Directors, at their meeting on 6 March 2026, authorised the publication of these financial statements. According to Finland’s Limited Liability Companies Act, the Annual General Meeting has the power to amend the financial statements.

ACCOUNTING POLICIES

Tesi’s consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and they comply with IAS and IFRS standards, as well as SIC and IFRIC interpretations effective as from 31 Dec 2025, and are endorsed for application in the European Union. In the

Finnish Accounting Act, and regulations issued by virtue of it, “IFRS” refers to standards and interpretations that have been endorsed by the European Parliament and Council of the European Union in accordance with the procedure defined in EU regulation (EC) No 1606/2002. The Notes to the financial statements also meet the requirements of the Finnish accounting legislation and company law that are complementary to the requirements in the IFRS.

The primary measurement basis applied in the preparation of the financial statements is fair value, which is generally used for measuring almost all financial assets. Other items are measured at cost or at amortised cost. The figures in the accounts are presented in euros, which is Tesi’s operational currency. The figures are given in thousands of euros, unless otherwise stated.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. The most significant estimates and judgments are disclosed under accounting policies, in [Note 2. Critical accounting estimates and judgments](#).

NEW AND UPDATED STANDARDS APPLICABLE IN FISCAL YEAR 2025

IFRS standards, and amendments to them, published by the closing date have not had any substantial impact on the Group’s profit for the fiscal year, financial position, or presentation of the financial statements.

NEW AND UPDATED STANDARDS APPLICABLE IN FUTURE FISCAL YEARS

The IASB has published a new standard – IFRS 18 Presentation and Disclosure in Financial Statements – which replaces the IAS 1 Presentation of Financial Statements standard. The main new requirements of IFRS 18 are as follows:

- In the statement of income, income and expenses are classified into three new categories: operating, financing and investing, as well as two new subtotals. “Operating profit or loss” and “Profit or loss before financing and income tax”.
- Management-defined performance measures must now be disclosed in the notes to the financial statements. These are subtotals of income and expenses that are used in public communications to present management’s view

of the Company's financial performance.

- Presentation of items in the financial statements based on amplified general requirements for aggregation and disaggregation of information. Furthermore, those companies that present their operating expenses by function in the statement of income are required to present new disclosures of certain expenses in the notes to the accounts.

The standard will enter into force as from 1st January 2027, and Tesi has started to assess its impact on the Company's consolidated financial statements.

ACCOUNTING POLICIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Subsidiaries are companies over which the Group has control. Control arises when the Group has existing rights, from its involvement with the investee, that give it the ability to direct the activities that affect the investee's returns, or is entitled to variable returns and has the ability to use its power over the investee to affect the amount of the investee's returns. Acquired subsidiaries are combined with the consolidated financial statements on the date the Group receives control, and the assigned subsidiaries, until the date that control ceases. All the Group's internal transactions, receivables, liabilities and unrealised gains, as well as its internal distribution of profit, are eliminated in the

consolidated financial statements.

Teollisuustuki Oy (Industrial Subsidy Ltd), a wholly-owned subsidiary of Finnish Industry Investment Ltd, manages investments that include state aid. The Company's operations are governed by Finland's Act on the State-owned Company Named Teollisuustuki Oy (11/2025), and it makes its investments only when commissioned by Finland's Ministry of Economic Affairs and Employment. Finnish Industry Investment Ltd has no right to the company's funds, and is not permitted to finance the company's operations. For these reasons, the company is not included in the consolidated financial statements at all.

ACCOUNTING POLICY FOR INVESTMENT ENTITIES

Tesi's management has determined that Tesi meets the definition of an investment entity in IFRS 10 Consolidated Financial Statements. Therefore, Tesi records the investees under its control at fair value through profit or loss, except for operating subsidiaries whose operations relate to investment activities, or which provide investment management services, unless those subsidiaries themselves meet the criteria for an investment entity.

In other words, the subsidiaries combined with the consolidated financial statements are companies that produce fund management services, and which are regarded as an extension of the parent company's

business operations. Investment entities to be recognised at fair value through profit or loss are subsidiaries through which Tesi makes its own investments. The Group's subsidiaries and their treatment in consolidated financial statements are specified in more detail in [Note 15](#).

Tesi also recognises investees in which it has significant influence at fair value through profit or loss.

ITEMS DENOMINATED IN FOREIGN CURRENCY

Business transactions in foreign currencies are recorded at the equivalent amounts of the operational currency at the rates of exchange valid on the transaction date. Exchange rate differences are charged or credited to the income statement. Realised and unrealised exchange rate differences arising from VC & PE investments and financial securities recognised at fair value through profit or loss are recorded as a part of their change in fair value. Exchange rate differences relating to cash & cash equivalents are presented as financial income or expenses in the income statement.

FINANCIAL ASSETS

Recognition and measurement of financial assets

Tesi's financial assets are VC & PE investments, financial securities, and cash & cash equivalents. Financial assets are classified, per the business model followed in the Group's financial assets management

and based on their contractual cash flow attributes, into groups that determine their valuation principles. Financial assets are classified into financial assets recognised at fair value through profit or loss, financial assets recognised at fair value in other items of comprehensive income, and financial assets measured at amortised cost. At the time of publication, the Group only had financial assets recognisable at fair value through profit or loss. All purchases and sales of financial assets are recognised on the transaction date.

Financial assets are derecognised when the rights to receive cash flows from financial assets have expired or have been transferred to another party so that the risks and rewards have been transferred.

Financial assets at fair value through profit or loss

Venture capital and private equity investments as well as financial securities are classified at initial recognition explicitly as financial assets to be recognised at fair value through profit or loss, because they are managed and their performance is monitored by Tesi on the basis of fair value (application of the 'fair value option'). VC & PE investments are in most cases non-current investments and are presented in the statement of financial position under non-current assets. Financial securities consist mainly of investments in fixed-interest funds and equity funds, which are presented under current assets because of their nature and purpose.

Financial assets are initially recognised at fair value. Transaction costs are recorded as expenses immediately. After initial recognition, financial assets are measured at fair value at each reporting date, and both realised and unrealised changes in fair value are recognised in profit or loss in the accounting period in which they arise. The net movements in the fair value of VC & PE investments are presented in the income statement under “Net gains from venture capital and private equity investments”, and the movements in the fair value of financial securities are presented under “Net gains from financial securities”. Interest income and dividend income are included in the net change in fair value. The basis for determination of fair value is disclosed in [Note 4. Determination of fair value](#).

Cash and cash equivalents

Cash and cash equivalents comprise cash and on-demand deposits.

FINANCIAL LIABILITIES

In addition to liabilities arising from leasing and rental agreements, Tesi has minor amounts of current financial liabilities (accounts payable), which are classified for measurement at amortised cost. Financial liabilities are presented in the statement of financial position as current liabilities if they fall due within 12 months from the last day of the reporting period.

TANGIBLE AND INTANGIBLE ASSETS

Tangible assets comprise machinery and equipment as well as leasehold improvements, and they are carried in the balance sheet at cost less accumulated depreciation with any impairment losses. Tangible assets are depreciated over their useful lives using the straight-line method. The estimated useful lives by class of assets are as follows:

- Machinery and equipment 3–5 years
- Leasehold improvements 5–10 years

Intangible assets include intangible rights consisting of computer software. Intangible assets with a definite useful life are recognised at cost less accumulated amortisation. Intangible assets are amortised over their useful lives on a straight-line basis. The estimated useful life of software is five years.

Tangible assets also include leases, in which Tesi is lessee, as right-of-use assets according to IFRS 16. Right-of-use assets are depreciated over their contract periods.

Impairment of tangible and intangible assets

The Group assesses on the final date of each reporting period whether there are indications of impairment on any asset. If indications are detected, the amount recoverable from that asset is estimated. An impairment loss is charged when the carrying amount of an individual asset is higher than the amount recoverable from it. An impairment loss is charged to the income statement.

RECEIVABLES

Receivables consist mainly of deferred expenses and accrued income.

LEASES

IFRS 16 leases

IFRS 16 requires lessees to recognise the lease agreements on the balance sheet as lease liabilities and right-of-use assets related to them. There are two transition provisions that relate to either short-term contracts in which the lease term is 12 months or less, or to low value items i.e. assets of value about EUR 5,000 or less. Tesi has applied the latter provision both at the point of transition and in subsequent fiscal years.

EMPLOYEE BENEFIT COSTS

Tesi's pension plans are classified as defined contribution plans. Under a defined contribution plan, the Company pays, into publicly or privately administered pension insurances, contributions that may be mandatory and contractual. Tesi has no obligations to make any payments apart from these contributions. The contributions paid are recorded as employee benefits when they are due. Contributions paid in advance are recognised as an asset to the extent that a cash refund or a reduction of future payments is available.

All the Company's personnel are included in the bonus scheme. In 2019, the Company's personnel established a personnel fund in which they can invest the bonuses they earn from the Company's bonus scheme.

INCOME TAXES

The income tax charge in the income statement includes both current and deferred tax. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. The amount is adjusted by any taxes relating to prior periods.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that are enacted or substantively enacted at the balance sheet date and that are expected to be applied when the related deferred tax asset is realised or the deferred tax liability settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed annually and assessed in relation to the group's ability to generate sufficient taxable profit in the future. Deferred tax liabilities are entered in full.

2. Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that have an effect on the amounts reported in the consolidated financial statements and in the Notes. Actual outcomes may differ from these estimates. Furthermore, judgment is needed in the application of accounting policies. Estimates and assumptions made by management are based on historical experience and forecasts for the future, and are continually evaluated.

APPLICATION OF THE INVESTMENT ENTITY EXCEPTION

Tesi's management has determined that Tesi is an investment entity as defined in IFRS 10, because it meets the criteria of an investment entity. Tesi's business mission is to invest solely for returns from capital appreciation and investment income. Although the objective of Tesi's operations is also the development of, and support for, business activity in Finland, this objective is pursued solely by means of investing in venture capital & private equity, and thus the Company's earnings are obtained from capital appreciation and other investment income. Venture capital & pri-

ate equity funds have, by nature of the funds and the life cycle model, an exit strategy for their investments. There is also a documented exit strategy for each direct investment. Management monitors the development of investments on the basis of fair values, and fair values are determined at least once in every six months. According to assessment by the management, the following characteristics support the classification of Tesi as an investment entity: It has more than one investment, and its investments are mainly in the form of equity holdings. An investment entity ordinarily has more than one investor. Tesi's principal investor is the Finnish state, representing the interests of a wider group of investors. Furthermore, Tesi manages funds in which pension funds and the European Investment Bank are acting as investors. These organisations are unrelated to Tesi, which is also one of the typical characteristics of an investment entity.

DETERMINATION OF FAIR VALUE

The most critical area in the financial statements that involves uncertainty relating to estimates and assumptions is the determination of the fair value of VC & PE investments. Because of the degree of uncertainty in-

involved in the measurement and the stability of values of non-liquid such investments, the fair values are not necessarily representative of the price that would be obtained from the realisation of the investments. The fair values of investments are described in more detail in [Note 4. Determination of fair value](#).

INCOME TAXES

Deferred tax assets and liabilities are recognised for temporary differences arising between the carrying amounts of assets and liabilities in the balance sheet and their tax bases. The most significant temporary differences relate to the difference between the fair value and tax bases of VC & PE investments and financial securities. Other temporary differences arise, for example, from tax losses carried forward, for which the Company assesses opportunities for utilisation against future taxable profits. Assumptions about the future used in this assessment involve uncertainty relating to matters such as the exit values of investments, the timing of the exits and final tax impacts. More information is presented in [Note 8. Income Taxes](#) and in [Note 11. Deferred taxes](#).

3. Risk management

GENERAL INFORMATION AND AREAS OF RISK

The Company has a risk management policy, confirmed by the Board of Directors, which sets out the principles for the Company's risk management, risk definitions and risk classifications, as well as defining the main roles and divisions of responsibilities, and the monitoring and reporting procedures. The goal for risk management is to ensure that risks borne by the Company are commensurate with its risk-bearing capability. Exposure to risk is managed by carefully planning investment operations and by managing investments. The objective of risk management is to ensure that the risks attached to the Company's business operations are identified and assessed, that the Company responds to those risks, and that they are managed and monitored. Risk management supports achievement of the goals set for profitability and impact in the Company's strategy and action plan.

The Company's Board of Directors confirms the Company's strategy and action plan, in which the targets for different investment allocation classes are specified. In order to reduce risks, investments are deconcentrated to different allocation classes, different industries, different stages of development of investees, different time perspectives and also geographically, particularly with regard to investments in financial securities. Operative management is respon-

sible for preparing and implementing investments. The Board approves investment decisions exceeding EUR 5 million and supervises the implementation of investments. In the case of direct investments, investment decisions exceeding EUR 30 million are addressed by Finland's Cabinet Economic Policy Committee before a decision is made. The Board of Directors has authorised Tesi's Management Team to make other investment decisions with certain provisos.

The Company's audit and risk committee is tasked with monitoring and supervising the Company's risk management and supporting development of risk management. Tesi's risk management is assessed by independent consultants in line with its internal auditing plan.

Tesi's main risks are related to private equity and venture capital investments, and to financial securities. Both of these involve various investment risks, namely; valuation risks, market risks, liquidity risks, financing risks, credit risks, currency exchange risks, interest risks and other investment risks, such as risks relating to corporate responsibility. The most significant uncertainty regarding the accuracy of the Company's financial statements relates to the inclusion of different investment risks in the measurement of VC & PE investments (valuation risk). The process for the determination of fair values of VC & PE investments

Distribution of fair values of financial assets and cash & cash equivalents

MEUR	31 Dec 2025	%	31 Dec 2024	%
VC & PE funds	1,048	39%	898	33%
Venture capital	559	21%	484	19%
Later stage	278	10%	245	9%
Funds-of-funds	194	7%	162	6%
SIP funds	17	1%	8	0%
Direct VC & PE investments	960	36%	741	28%
Venture capital	566	21%	361	13%
Later stage	145	5%	173	6%
Special investment programmes (SIP)	249	9%	207	8%
Financial securities	658	24%	342	13%
Fixed-income funds	489	18%	259	10%
Equity funds	145	5%	56	2%
Other investments	24	1%	27	1%
Cash and cash equivalents	23	1%	55	2%
Total	2,689	100%	2,036	100%

Special investment programmes include the equity investments of Ilmastorahasto Oy, Oppiva Invest Oy and Business Finland Venture Capital Oy which were transferred to the Company in the restructuring implemented on 31 May 2025, and also the COVID 19-era special investment programmes.

is separately described in [Note 4. Determination of fair value](#). The table on the previous page shows the fair values of the Company's investment allocation at 31 Dec 2025 and 31 Dec 2024.

At the end of 2025, the value concentration of the five largest portfolio companies was approx. 39% of the fair value of all VC & PE investments (30% at 31 Dec 2024).

Other risks to which Tesi is exposed include strategic risks, operational risks, including hazard risks, as well as responsibility and reputational risks attached to both Tesi's own operations and those of its investees. Strategic risks are managed by regularly evaluating the Company's operations, the business environment, and stakeholders' expectations. Operational risks are managed by good corporate governance and internal instructions, and these risks are covered by, inter alia, sound supervisory work and interaction, and by providing for personnel expertise and wellbeing, as well as with appropriate procedures, processes and insurances. Tesi's own corporate responsibility and reputational risks are also managed through good corporate governance. The corresponding risks of investees are managed by evaluating the risks at the investment screening stage and by actively monitoring the development of investees' corporate responsibility over the investment period.

Tesi's internal control is an independent and auto-

nous precautionary function aimed at examining and assessing, from the perspective of risk, the Company's management and governance processes as well as the effectiveness and impact of management and governance processes.

BUSINESS RISK ATTACHED TO VENTURE CAPITAL AND PRIVATE EQUITY INVESTMENTS

The Company's VC & PE investments, whether through funds or as direct investments, are mainly made in unlisted companies in their startup and growth phases. The development of the value of these small and medium-sized portfolio companies is often affected by company-specific risks rather than by the general market risk described in the following paragraph.

The operations of companies that are in the starting phase, companies in the venture capital allocation, typically generate negative cash flows. These companies often pursue strong international growth based on new innovations and/or revenue generation models and enabled by risk capital financing from venture capital and private equity investors. It is characteristic of high-risk venture capital investments that not all starting-phase portfolio companies succeed because of the realisation of risks relating to technology, business models, strategies, commercialisation, competitors, key personnel or obtaining further financing.

Companies in the growth phase allocation have nor-

mally achieved positive profitability, and the aforementioned risks relating to the venture phase are typically lower. However, active ownership by VC & PE investors aimed at creating value clearly raises the target level of business growth strategies of these companies through, for example, stronger internationalisation, structural arrangements, new capital investments or well-considered utilisation of debt leverage and thus increases the companies' overall risk profile. Furthermore, the development of the macroeconomic environment has, on average, a more direct impact on the business activities of more mature companies.

The responsible operation of companies and investors is nowadays being subjected to increasingly more detailed public scrutiny. The operations of portfolio funds and companies may also have a significant indirect impact on Tesi's reputation and on investment valuations. In Tesi, a sustainability assessment is made of portfolio companies as part of the due diligence processes preceding an investment decision, and the development of responsibility aspects is regularly monitored as a part of the processes for managing and overseeing investees. Read more about sustainability aspects in the [Business Overview part of Tesi's Annual Report](#).

Business risks attached to VC & PE investments also comprise the counterparty risk for Tesi's co-investors, which refers to uncertainties relating to individual

co-investors in situations such as follow-on financing of portfolio companies. The management of this co-investor risk is emphasised in Tesi's operating model as it always co-operates with private investors such that in any individual financing case, private investments cover at least 50% of the financing.

Tesi manages the investment-specific risks relating to its VC & PE investment targets through predictive generation of deal flow, careful analysis in the screening phase, selective choosing of investees and co-investors, monitoring of investments, active interaction towards managers of VC & PE funds, administrative participation in the development of the business activities of direct portfolio companies, and active participation in the exit phase of investments.

LIQUIDITY RISK

Liquidity risk management ensures that the Company has adequate funding available for its VC & PE investment activities (unpaid commitments). The development of cash flows related to the Company's liquidity, financial securities and VC & PE investments is continuously monitored. In addition, liquidity scenarios are applied to prepare for different market situations. When preparing the action plan, the effect of the investments on liquidity and financial position in different scenarios is taken into account. The ratio of liquid assets to unpaid investment commitments (liquidity ratio) is also

monitored on an ongoing basis, and risk limits have been set for the liquidity ratio.

Investments in financial securities are made at the selected risk level in compliance with the investment policy confirmed by the Company's Board of Directors. Investments in financial securities aim to ensure adequate assets for private equity investing and other payment transactions. Operative management is responsible for investment operations within limits set by the existing investment plans.

Investments in financial securities are spread mainly between investments in short-term and long-term fixed-interest funds as well as investments in equity funds. The market volatility of financial securities is regularly monitored. The counterparty risk attached to investing in financial securities is managed with a thorough partner selection procedure.

As at 31 December 2025, the fair value of the Company's cash and cash equivalents and financial securities amounted to EUR 681 million (397 in 2024), and the amount of unpaid investment commitments was EUR 618 (435) million. Unpaid commitments consist almost entirely of commitments to funds with an average payment period of over four years. Investment decisions made by the Board of Directors but not implemented by 31 Dec 2025 amounted to EUR 148 (78) million.

MARKET RISK

Market risk refers to the impact of general market fluctuations (such as stock market, bond market and currency market fluctuations) in the value and value trends of investments. Besides the direct exposure to market risk relating to the Company's investments based on financial securities, general market fluctuations may also have an indirect impact on the fair values of direct portfolio companies and funds in the Company's VC & PE allocation.

Rising interest rates and lower expectations of returns from VC & PE investments depress investment valuations, the impact of which typically delays existing plans. Investors can also lose their appetite for VC & PE investment in relation to other higher-risk asset classes when higher interest rates make many conventional asset classes with a lower risk-return ratio more attractive investments. Furthermore, a climate of higher interest rates, combined with other market uncertainties, hampers the fundraising of VC & PE funds.

Market risks are mitigated by spreading the investments between different allocation classes (different market risk categories) for both the Company's financial securities and VC & PE investments. Furthermore, important methods of risk management to mitigate general cyclical fluctuations for VC & PE investments include a time-driven diversification of investments, acquisition of non-cyclic target companies, avoidance

of over-aggressive debt structures and the continuing development of target companies.

The fair value of fixed-income investments included in financial securities as at 31 December 2025 was EUR 490 million. The market risks that affect the value of fixed-income investments consist of the risks associated with changes in general market interest rates and also of the spread risk. The computational weighted duration of fixed-interest investments at 31 December 2025 was 1.8 years, and a hypothetical increase in the general interest rate level by one percentage point would decrease the fair value of the Company's fixed-income investments by an estimated amount of

EUR 9 million.

The fair value of equity investments included in financial securities as at 31 Dec 2025 was EUR 143 million. A decrease of 10% in share prices would decrease the value of equity investments by EUR 14 million.

Most of the Company's cash flows and investments are denominated in euros. The Company does not hedge its currency risks.

The table below presents the distribution of all VC & PE investments, financial securities and cash & cash equivalents by currency, and also a sensitivity analysis of the currency risk if a currency were to change by 10% against the euro. When examining the sensitivity

31 Dec 2025	EURO MEUR	USD MEUR	SEK MEUR	GBP MEUR	Others MEUR	TOTAL MEUR
VC & PE funds	922	80	35	6	5	1,048
Direct VC & PE investments	948	2			11	960
Financial securities and cash & cash equivalents	573	60	5	13	30	681
Total	2,443	142	40	19	46	2,689
Sensitivity analysis						
Impact of 10% change in exchange rate on profit		13	4	2	4	22
Unpaid commitments to VC & PE funds	602	15	1	0	0	618

analysis, it should be noted that currency-denominated fair values of VC & PE funds are presented in euro amounts equivalent to the reporting currency of the fund. The direct effect on profit or loss caused by a change in the exchange rate is calculated based on these, assuming no variation in other factors. Funds can also make investments denominated in other currencies than the reporting currency. Furthermore, variations in exchange rates can also have an effect on the fair value of fund investments if exchange rates impact the profit or loss of portfolio companies and their valuations.

Additionally, when examining the Company's currency risks, the Company's unpaid currency-denominated investment commitments to VC & PE funds should be taken into account.

CREDIT RISK

The Company's objective is to manage credit risk by actively monitoring the risk-return ratio and also to ensure through regular reporting that the risk management policy is adhered to.

The credit risk for the Company's VC & PE investments is mainly related to direct investments made in portfolio companies by using debt instruments. These are typically fixed-interest mezzanine instruments. The fair value of debt instruments included in direct investments at 31 Dec 2025 was EUR 232 million,

representing some 12% of the total fair value of these investments.

The Company's objective is to manage the aforementioned risk/reward ratio of credit risks through active monitoring of investments and by typically participating in board work to develop the business of direct portfolio companies. The Company's risks are reported regularly to the audit and risk committee and to the Board of Directors. Credit risk relating to financial securities arises from investments in publicly-quoted fixed-interest funds, such as government and corporate bonds.

The Company's objective is to manage the credit risk of financial securities by investing in very dispersed fixed-interest funds, so the credit risk relating to individual governments, industries or enterprises is relatively small. The asset management of financial securities is outsourced to asset managers whose performance is evaluated monthly. Asset management contracts are subjected to competitive bidding on a regular basis.

CAPITAL MANAGEMENT AND INVESTMENT RETURNS

The Company is financed by equity. The Company has a dividend policy, according to which it separately returns in full to its owner any proceeds from special investment programmes that were capitalised by its

owner. Proceeds from other investment operations are mainly re-invested in line with the investment strategy approved by the Board of Directors. Final decisions on any payment of dividends or capital returns, however, are made by the Annual General Meeting.

Debt leverage is used in the financing structures of some portfolio companies but not in the Company's portfolio VC & PE funds at fund level. The Company

is not subject to any specific solvency requirements, but it has internally set risk limits for the ratio of unpaid commitments to liquid assets (maximum), and to the ratio of the aggregate amount of liquid assets and the fair value of VC & PE investments to unpaid commitments (minimum). Liquid assets comprise financial securities and cash & cash equivalents.

The Company's goal, set out in Finnish legislation,

Gains before taxes from Tesi's investment activities and Company's expenses 2016-2025 (gains = changes in fair value)

ALLOCATION / FINANCIAL YEAR	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total 2016-2025
Gains from VC & PE investments (MEUR)	46	69	90	65	226	411	-0.2	-87	193	208	1,219
Gains from financial securities (MEUR)	17	18	-14	39	4	17	-23	26	20	29	132
Total, (MEUR)	63	87	75	103	230	427	-23.5	-61	213	237	1,352
Gains from VC & PE investments (%)*	9.3%	12.7%	15.4%	9.8%	26.2%	34.4%	-0.01%	-5.88%	13%	11%	11.5%
Gains from financial securities (%)*	4.1%	4.2%	-3.3%	9.6%	1.0%	4.2%	-5.6%	7.0%	5.8%	5.8%	3.2%
Total	6.9%	9.0%	7.5%	9.7%	18.4%	26.8%	-1.3%	-3.3%	11.3%	10.2%	9.2%

* Percentages for gains of allocations are calculated by dividing the gain for the year by the average capital invested. Capital invested is calculated as an average of the fair values at the start and end of the year.

is to be profitable over the long term. The below table contains the Company's investment returns (fair value changes) before taxes and operating costs from its VC & PE investments and financial securities allocations for the financial years 2016–2025. As the Company's investments are long-term by nature, the Company's financial performance is also better evaluated over a longer time period.

In line with Finland's Government Programme, the state's capital investment activities were streamlined by centralising them in Tesi. As a result, the operations of Ilmastorahasto Oy and Oppiva Invest Oy ceased and their assets, debts and liabilities were transferred to Tesi in the mergers implemented on 31 May 2025. Additionally, Business Finland Venture Capital Ltd was split so that its market-based capital investments were transferred to Tesi while the capital investments involving state aid remained in the company, which was transferred to Tesi's ownership and renamed Teollisuustuki Oy. In the restructuring, VC & PE investments amounting to EUR 102 million in fair value and their related unpaid commitments totalling EUR 143 million were transferred to Tesi. A total of EUR 407 million in liquid assets was also transferred to Tesi.

4. Determination of fair value

BASIS FOR DETERMINATION OF FAIR VALUE FOR VC & PE INVESTMENTS

In accordance with industry practice, the Private Equity and Venture Capital Valuation Guidelines (IPEVG) are applied in the determination of the fair value of the Company's VC & PE investments. Due to the nature of these typically illiquid investments, the determination of their fair value requires Tesi's management to use judgment and make estimates.

According to the fundamental principle of IPEVG, fair value reflects the price that would be received in an orderly arm's length transaction on an active market between hypothetical participants on the measurement date. Accordingly, fair value does not reflect the price that would be received in a so-called forced sale. Fair value measurement uses either one most suitable valuation technique or several complementary methods that are widely recognised in the industry. When determining fair values, the Company pays special attention to the estimated future profitability and business risks attached to the portfolio companies, especially relating to the financial condition of the companies.

INVESTMENTS IN VC & PE FUNDS

The starting point for the determination of the fair values of the Company's investments in VC & PE funds, i.e. the fair values of the holdings in the funds, are the latest available values reported by fund managers (so-called net asset value or NAV). Fund managers derive the values for the holdings from the fair values determined by the fund in accordance with IPEVG for its investments in target companies, adding/deducting any other assets/liabilities of the fund. The determination of the fair values of holdings in the funds excludes unpaid fund commitments relating to the holdings, to which the Company is legally committed together with other investors of the funds.

Holdings in funds are typically more illiquid financial instruments than direct venture capital or private equity investments. The Company's fundamental investment strategy is not to buy or sell holdings in funds during the term of the funds.

The measurement of the holdings in funds may deviate from the amounts reported by fund managers, if the fair value reported by the managers is not consid-

ered to reflect the real fair value of the investments or if the reported fair value refers to a different point of time. Deviation from the value reported by the fund manager is always based on fair value testing performed by the Company. Fair value is always tested for funds classified to a risk listing determined by the Company. The risk listing comprises those funds whose investment operations have, according to a risk review performed, not developed as originally estimated and the results of whose investment operations are expected to clearly fall short of the targets set previously.

DIRECT VC & PE INVESTMENTS

The determination of the fair value of the Company's direct VC & PE investments is based on either one valuation technique regarded as the most suitable or on a combination of several complementary methods. The techniques applied comply with IPEVG and include recent transactions in the portfolio companies' own instruments, valuation multiples of peer companies and discounted cash flows. Both the selection of tech-

niques and the actual valuation performed by using the techniques requires substantial use of estimates and judgment by the management of the Company.

The fair values of the Company's investments in debt instruments are typically estimated through the viewpoint of the value of the portfolio companies' businesses (fair value without liabilities, i.e. enterprise value), because, in the Company's VC & PE investments, debt instruments are often an integral part of the total investment in the portfolio companies together with the Company's investments in equity instruments.

FAIR VALUE DETERMINATION PROCESS FOR VC & PE INVESTMENTS

Fair values of the Company's VC & PE investments are determined by the investment teams designated as responsible for them. Thereafter, valuation proposals prepared by investment teams are assessed within a separate risk management function before the valuations are introduced to the Management Group for approval. After the Management Team, the valuations are processed by the audit and risk committee and then passed to the Board of Directors for approval.

FAIR VALUE HIERARCHY FOR FINANCIAL ASSETS MEASURED AT FAIR VALUE

Tesi's VC & PE investments include a minor amount of quoted equity securities. Investments in VC & PE funds classified as financial securities are quoted, their market prices are observable and there is an active secondary market for the fund units. The fair values of all other equity and debt investments as well as investments in VC & PE funds are determined using valuation techniques that to a significant degree rely on company-specific, unobservable inputs.

Fair value hierarchy and related input levels are defined by IFRS 13 as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

At the highest level in the fair value hierarchy are quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1 inputs), and at the lowest level are unobservable inputs (level 3 inputs). A quoted price in an active market is the most reliable evidence of fair value and it shall, as a rule, be used in the determination of fair value whenever available.

When the inputs to be used to measure the fair value of an asset or a liability are categorised within different levels of the fair value hierarchy, the item is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The tables below show an analysis of the hierarchy of fair value measurements.

EUR THOUSANDS	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
2025				
VC & PE funds				
Venture capital			558,669	558,669
Later stage			277,626	277,626
Funds-of-funds			194,471	194,471
Direct VC & PE investments				
Venture capital	2,266		563,874	566,140
Later stage	47,431		97,823	145,254
Special investment programmes				
Venture capital	6,741		59,900	66,641
Later stage	1,141		198,016	199,157
Financial securities				
Fixed-income funds	488,853			488,853
Equity funds	144,830			144,830
Other investments	24,044			24,044
Total	715,307	0	1,950,379	2,665,686

Direct VC & PE investments comprise equity investments MEUR 513 and debt investments MEUR 30.
Special investment programmes include equity investments MEUR 59 and debt investments MEUR 155.
Special investment programmes include the equity investments of Ilmastorahasto Oy, Oppiva Invest Oy and Business Finland Venture Capital Oy, which were transferred to the company in the restructuring implemented on 31 May 25, and also the COVID 19-era special investment programmes. The content of investments is specified in more detail in [Note 3. Risk management](#)

EUR THOUSANDS	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
2024				
VC & PE funds				
Venture capital			483,967	483,967
Later stage			244,658	244,658
Funds-of-funds			161,965	161,965
Direct VC & PE investments				
Venture capital	2,801		358,676	361,477
Later stage	11,970		160,670	172,640
Special investment programmes				
Venture capital			27,066	27,066
Later stage	1,171		186,397	187,567
Financial securities				
Fixed-income funds	258,622			258,622
Equity funds	56,025			56,025
Other investments	27,093			27,093
Total	357,682	0	1,623,398	1,981,080

Direct VC & PE investments comprise equity investments MEUR 438 and debt investments MEUR 45.
Special investment programmes include equity investments MEUR 19 and debt investments MEUR 153.
The content of investments is specified in more detail in [Note 3. Risk management](#)

Changes in level 3 financial assets measured at fair value:

EUR THOUSANDS	1 Jan 2025	Total gains and losses recognised in income statement	Additions	Decreases	31 Dec 2025
INVESTMENT CLASS					
VC & PE funds					
Venture capital	483,967	47,818	92,980	-66,096	558,669
Later stage	244,658	27,229	50,914	-45,176	277,626
Funds-of-funds	161,965	29,570	15,003	-12,066	194,471
Direct VC & PE investments					
Venture capital	358,676	78,953	132,620	-6,375	563,874
Later stage	160,670	29,620	14,485	-106,952	97,823
Special investment programmes					
Venture capital	27,066	-4,904	40,510	-2,772	59,900
Later stage	186,397	-13,361	155,832	-130,851	198,016
Total	1,623,398	194,926	502,343	-370,288	1,950,379
Change in unrealised gains and losses recognised in income statement under net gains from VC & PE investments for Level 3 assets held at the end of period:					133,295

EUR THOUSANDS	1 Jan 2024	Total gains and losses recognised in income statement	Additions	Decreases	31 Dec 2024
INVESTMENT CLASS					
VC & PE funds					
Venture capital	411,187	50,420	49,200	-26,840	483,967
Later stage	205,976	27,221	38,789	-27,328	244,658
Funds-of-funds	156,619	-2,439	20,499	-12,713	161,965
Direct VC & PE investments					
Venture capital	303,120	105,777	26,920	-77,141	358,676
Later stage	163,490	-5,677	7,494	-4,637	160,670
Special investment programmes					
Venture capital	27,487	-561	643	-503	27,066
Later stage	143,399	16,492	27,602	-1,097	186,397
Total	1,411,278	191,233	171,148	-150,260	1,623,398
Change in unrealised gains and losses recognised in income statement under net gains from VC & PE investments for Level 3 assets held at the end of period:					152,620

Sensitivity analysis for level 3 financial assets

INVESTMENT CLASS	Fair value 31 Dec 2025 EUR thousands	Valuation model	Non-observable input or implicit valuation parameters	Applied input or implicit valuation parameters (weighted average)	Change in measurement if input changes +/- 20%
VC & PE funds					
Venture capital	558,669	Fair value	Values reported by fund management companies +/- adjustments made as a result of value testing made by the Company*		111,734
Later stage	277,626				55,525
Funds-of-funds	194,471				38,894
Direct VC & PE investments					
Venture capital	563,874	Portfolio company instrument transactions / Peer groups	Valuation multiples**	EV/Net sales 2025 (7.1x)	70,112
Later stage	97,823			EV/EBITDA 2025 (6.0x)	12,965
Special investment programmes					
Venture capital	59,900	Fair value	Values are determined with various methods (EV-based, credit risk assessment, and valuations of external management companies) depending on the instruments.		11,980
Later stage	198,016				39,603

INVESTMENT CLASS	Fair value 31 Dec 2024 EUR thousands	Valuation model	Non-observable input or implicit valuation parameters	Applied input or implicit valuation parameters (weighted average)	Change in measurement if input changes +/- 20%
VC & PE funds					
Venture capital	556,746	Fair value	Values reported by fund management companies +/- adjustments made as a result of value testing made by the Company*		111,349
Later stage	283,340				56,668
Funds-of-funds	167,311				33,462
Direct VC & PE investments					
Venture capital	414,231	Portfolio company instrument transactions / Peer groups	Valuation multiples**	EV/Net sales 2024 (8.3x)	53,548
Later stage	157,850			EV/EBITDA 2024 (6.3x)	18,196
Special investment programmes					
Venture capital	26,645	Fair value	Values are determined with various methods (EV-based, credit risk assessment, and valuations of external management companies) depending on the instruments.		5,329
Later stage	229,395				45,879

* Fair value testing of VC & PE funds performed by the Company resulted in a fair value that was, in total, MEUR 25 lower than the values reported by fund management companies as at 31 December 2024.

** The weighted EV-based valuation multiple calculations include only the impact from those portfolio companies to which applying multiples as a valuation metric is reasonable. For example, in the venture capital allocation, the impacts of those portfolio companies which generate still only very limited net sales and of later-stage portfolio companies with negative EBITDA are not included.

Note. EV = Enterprise Value; EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortisation.

4.1 VC & PE funds

COMPANY	DOMICILE	HOLDING %	ORIGINAL INVESTMENT COMMITMENT EUR
Alder II AB	Sweden	6.6%	9,731,887
Antler Nordic Fund II AB	Sweden	10.4%	10,000,000
Armada Fund V Ky	Helsinki	4.8%	10,000,000
Armada Fund VI Ky	Helsinki	7.2%	10,000,000
Armada Mezzanine Fund IV Ky	Helsinki	4.9%	5,000,000
Atomico IV (Guernsey), L.P.	Guernsey	5.3%	6,626,612
Atomico V SCSp	Luxembourg	0.6%	4,450,774
Balderton Capital V, L.P.	Delaware, USA	3.1%	6,831,892
Balderton Capital VI, S.L.P.	Luxembourg	2.3%	7,448,300
Blume Equity Fund I SCSp	Luxembourg	5.2%	10,000,000
Butterfly Venture Fund IV Ky	Helsinki	26.6%	10,000,000
CapMan Buyout IX Fund A L.P.	Guernsey	3.4%	10,000,000
CapMan Buyout VIII Fund A L.P.	Guernsey	2.8%	10,000,000
CapMan Buyout X Fund B Ky	Helsinki	13.9%	10,000,000
CapMan Buyout XI SCSp	Luxembourg	10.5%	20,000,000
CapMan Equity VII A L.P.	Guernsey	6.4%	10,000,000
CapMan Growth Equity Fund 2017 Ky	Helsinki	3.5%	3,000,000
CapMan Growth Equity Fund II Ky	Helsinki	4.1%	4,000,000
CapMan Growth Equity Fund III Ky	Helsinki	3.8%	5,000,000
Clean Future Fund Ky	Helsinki	35.4%	780,000
Cloudberry VC Fund 1 Ky	Helsinki	50.0%	14,100,000
Conor Technology Fund I Ky	Espoo	40.0%	8,000,000
Conor Technology Fund II Ky	Espoo	20.0%	10,000,000

COMPANY	DOMICILE	HOLDING %	ORIGINAL INVESTMENT COMMITMENT EUR
Creandum III LP	Guernsey	5.6%	7,500,000
Creandum IV, L.P.	Guernsey	4.4%	8,000,000
Creandum V, L.P.	Guernsey	1.9%	5,000,000
Creandum VI (E) AB	Sweden	7.0%	5,000,000
DevCo Partners I Ky	Helsinki	5.6%	28,950,000
DevCo Partners III Ky	Helsinki	2.8%	5,000,000
DN Capital - Global Venture Capital III LP	Jersey	2.1%	3,000,000
European Angels Fund S.C.A. SICAR - Finland	Luxembourg	50.0%	11,050,000
EduImpact Fund Ky	Helsinki	27.1%	15,000,000
Environmental Technologies Fund 3, L.P.	United Kingdom	3.0%	5,547,235
Environmental Technologies Fund 4 LP	United Kingdom	1.8%	5,000,000
EQT Ventures (No. 1) SCSp	Luxembourg	1.8%	7,500,000
Evli Private Capital Fund I Ky	Helsinki	17.7%	10,000,000
Evolver Fund I Ky	Mariehamn	18.6%	10,000,000
Evolver Fund II Ky	Mariehamn	7.8%	5,000,000
EW1 Venture Fund Ky	Kangasala	35.6%	400,000
Failup Fund I Ky	Helsinki	42.8%	15,000,000
Finnish Impact Film Fund Ky	Helsinki	18.5%	2,500,000
Folmer Equity Fund II Ky	Helsinki	16.1%	10,000,000
Gorilla Capital Fund III Ky	Helsinki	43.9%	20,000,000
Gorilla Kiihdytys 2012 Ky	Helsinki	44.6%	500,000
GOS Private Debt I Ky	Helsinki	33.3%	5,000,000

COMPANY	DOMICILE	HOLDING %	ORIGINAL INVESTMENT COMMITMENT EUR
Greencode I Ky	Espoo	43.1%	25,000,000
Hadean Capital II AS	Norway	4.2%	5,000,000
HealthCap IX E AB	Sweden	5.0%	5,000,000
Heartcore Capital Fund I K/S	Denmark	7.5%	7,044,897
Icebreaker Fund II Ky	Helsinki	14.2%	14,175,000
Innovestor Kasvurahasto I Ky	Helsinki	19.7%	16,358,492
Innovestor Life Science Fund Ky	Helsinki	22.5%	20,000,000
Intera Fund III Ky	Helsinki	4.0%	10,000,000
Intera Fund IV Ky	Helsinki	3.0%	10,000,000
Inventure Fund II Ky	Helsinki	11.5%	8,000,000
Inventure Fund III Ky	Helsinki	8.6%	10,000,000
Inventure Fund IV Ky	Helsinki	6.6%	10,000,000
Inventure Fund Ky	Helsinki	24.2%	9,850,000
IPR.VC Fund II Ky	Helsinki	15.5%	10,000,000
IPR.VC Fund III Ky	Helsinki	14.4%	15,000,000
Juuri Rahasto I Ky	Helsinki	6.1%	5,000,000
Juuri Rahasto II Ky	Helsinki	8.0%	10,000,000
Kanssasijoitusrahasto I Ky	Helsinki	100.0%	30,000,000
Karma Ventures II SCSp	Luxembourg	5.0%	5,000,000
Kasvurahastojen Rahasto II Ky	Helsinki	46.2%	60,000,000
Kasvurahastojen Rahasto III Ky	Helsinki	40.0%	60,000,000
Kasvurahastojen Rahasto IV Ky	Helsinki	37.1%	65,000,000
Kasvurahastojen Rahasto Ky	Helsinki	40.0%	54,000,000
Kasvurahastojen Rahasto V Ky	Helsinki	31.7%	63,300,000
Korona Fund IV Ky	Helsinki	6.3%	5,000,000

COMPANY	DOMICILE	HOLDING %	ORIGINAL INVESTMENT COMMITMENT EUR
Leo Capital Europe Fund I Ky	Helsinki	50.0%	5,423,000
Life Sciences Partners 6 C.V.	Netherlands	1.0%	5,000,000
Life Sciences Partners III B.V.	Netherlands	13.8%	10,000,000
Life Sciences Partners IV B.V.	Netherlands	21.8%	10,000,000
Life Sciences Partners V C.V.	Netherlands	2.0%	5,000,000
Lifeline Ventures Fund I Ky	Helsinki	20.9%	6,000,000
Lifeline Ventures Fund III Ky	Helsinki	17.5%	10,000,000
Lifeline Ventures Fund IV Ky	Helsinki	7.7%	10,000,000
Lifeline Ventures Fund VI SCSP	Luxembourg	11.8%	50,000,000
LSP Health Economics Fund 2 C.V.	Netherlands	5.5%	10,000,000
MAKI.VC Fund I Ky	Helsinki	12.5%	10,000,000
MAKI.VC Fund II Ky	Helsinki	15.0%	15,000,000
MAKI.VC Fund III Ky	Helsinki	12.2%	10,000,000
MAM Growth Equity Fund II Ky	Helsinki	3.6%	5,000,000
MB Equity Fund V Ky	Helsinki	3.2%	7,500,000
MB Equity Fund VI Ky	Helsinki	11.6%	20,000,000
Midinvest Fund II Ky	Jyväskylä	25.6%	15,000,000
MVM IV LP	United Kingdom	3.4%	6,627,198
NATO Innovation Fund SCSp SICAV-SIF - NATO Sub-Fund 1	Luxembourg	3.2%	33,350,000
Nest Capital 2015 Fund Ky	Helsinki	10.0%	10,000,000
Nest Capital Fund III Ky	Helsinki	9.2%	10,000,000
NFT.VC Fund II Ky	Helsinki	25.0%	10,000,000
Northzone VII L.P.	Jersey	3.0%	7,500,000
Northzone VIII L.P.	Jersey	2.9%	10,000,000
Northzone IX L.P.	Jersey	1.1%	5,000,000

COMPANY	DOMICILE	HOLDING %	ORIGINAL INVESTMENT COMMITMENT EUR
NSI Nordic Science I Ky	Helsinki	22.4%	10,000,000
Open Ocean Fund 2015 Ky	Espoo	6.3%	5,000,000
Open Ocean Fund 2020 Ky	Helsinki	12.8%	15,000,000
Open Ocean Fund Three Ky	Espoo	11.2%	5,000,000
Open Ocean Opportunity Fund I Ky	Helsinki	12.8%	3,000,000
Pale Blue Dot I Equity AB	Sweden	8.6%	5,000,000
Pale Blue Dot II (E) AB	Sweden	7.4%	5,000,000
Power Fund II Ky	Vaasa	23.9%	15,000,000
Power Fund III Ky	Vaasa	13.0%	10,000,000
PROfounders Capital III-A SCSp	Luxembourg	6.5%	5,000,000
Royal Majestics Fashion & Design Fund I Ky	Helsinki	38.6%	745,000
Saari I Ky	Helsinki	26.2%	11,000,000
Saari II Ky	Helsinki	17.7%	10,000,000
Sentica Buyout IV Ky	Helsinki	8.0%	10,000,000
Sentica Buyout V Ky	Helsinki	8.1%	15,000,000
Sentica Kasvurahasto II Ky	Helsinki	23.7%	10,000,000
Sponsor Fund IV Ky	Helsinki	5.0%	10,000,000
Sponsor Fund V Ky	Helsinki	5.0%	10,000,000
Superhero Opportunity Fund 2022 Ky	Helsinki	25.0%	2,000,000
Superhero Venture Fund 2020 Ky	Helsinki	25.0%	9,600,000
Superhero Venture Fund 2024 Ky	Helsinki	25.0%	10,000,000
TCEE Fund IV SCA SICAR	Luxemburg	13.5%	15,000,000
UB Forest Industry Green Growth Fund I LP	Helsinki	8.7%	10,000,000

COMPANY	DOMICILE	HOLDING %	ORIGINAL INVESTMENT COMMITMENT EUR
Usaldusfond Trind Ventures Fund II	Viro	9.1%	5,000,000
Vaaka Partners Buyout Fund II Ky	Helsinki	6.7%	10,000,000
Vaaka Partners Buyout Fund III Ky	Helsinki	5.3%	12,000,000
Vendep Capital Fund II Ky	Helsinki	20.9%	7,500,000
Vendep Capital Fund III Ky	Espoo	14.3%	10,000,000
Vendep Capital Fund IV Ky	Espoo	9.8%	5,500,000
Vendep Startup Rahasto I Ky	Espoo	40.0%	2,000,000
Verdane Capital IX (E) AB	Ruotsi	5.7%	9,797,657
Verdane Capital VIII K/S	Tanska	3.0%	6,860,750
Verdane Capital X (E) AB	Ruotsi	2.8%	4,787,209
Verdane Edda (E) AB	Ruotsi	10.9%	10,015,624
Verdane Edda II (E) AB	Ruotsi	2.9%	5,000,000
Verdane Idun I (E) AB	Ruotsi	4.2%	5,000,000
Verdane Idun II (D2) AB	Ruotsi	1.1%	5,000,000
Verso Fund II Ky	Helsinki	9.9%	5,000,000
Verso Fund III Ky	Helsinki	15.0%	15,000,000
Virta Sijoituspooli I Ky	Helsinki	48.5%	4,000,000
Virta Sijoituspooli II Ky	Helsinki	29.6%	10,000,000
Voima Ventures Fund III Ky	Helsinki	5.0%	4,847,500
Voland Technology Growth Fund I Ky	Helsinki	17.6%	10,000,000
			1,557,699,027

Under the provisions of paragraph 3 of Chapter 2 Section 9 of Finland's Accounting Ordinance, some of the information (funds' financial statements) referred to in paragraph 1 of Chapter 2 Section 9 is not presented.

In the case of a fund where holdings in it have been sold, the ownership at the closing date of the corresponding part of the investment commitment is presented as the original investment commitment.

4.2 Direct VC & PE investments

PORTFOLIO COMPANY NAME	OWNERSHIP %
3 Step IT Group Oy	7.1%
Algorithmic Inc.	5.8%
Aranda Pharma Oy **	3.8%
Arctial Group Oy	13.8%
Arctic Marine Technology Group Oy *	79.8%
Aurealis Therapeutics AG **	12.2%
Avenue Biosciences Holding, Inc.	6.5%
BC Platforms AG	12.9%
BCBM Holding Oy	19.1%
Blastr Green Steel AS	3.3%
BMH Technology Oy	24.8%
Bone Index Finland Oy **	3.4%
Cajo Technologies Oy **	7.3%
Carbo Culture Oy	5.9%
DataCrunch Oy	5.3%
Dispelix Oy	16.5%
Elcoline Group Oy	12.1%
Endev Oy	14.9%
EniferBio Oy	4.6%
Finnforel Oy	18.2%
Fira Oy	4.5%
Flow Technologies Oy	6.6%
Foamit Oyj	4.7%
GISGRO Oy **	20.2%
GRK Infra Oyj	6.9%

PORTFOLIO COMPANY NAME	OWNERSHIP %
Hedera Dx SA	11.5%
Helsinki International Schools Group Oy	21.2%
HVR Cardio Oy	15.3%
ICEYE Oy	5.1%
IQM Finland Oy	13.0%
IXI Eyewear Oy	11.2%
Lamor Corporation Oyj	7.1%
Lapwall Oyj	2.0%
Liikennevirta Oy	8.2%
Loihde Oyj	4.8%
Measur Oy	1.4%
Meeat Food Tech Ltd	18.2%
Mekitec Oy	14.9%
Midaxo Oy	22.0%
Nanol Technologies Ab Oy **	0.6%
NestAI Oy	5.7%
Newlcon Oy	4.5%
Nordic Ren-Gas Oy	1.3%
Nordic Rescue Group Oy	25.8%
Norsepower Oy Ltd **	15.1%
Norsk E-Fuel AS	6.4%
Nosto Solutions Oy	10.0%
Onego Bio Ltd	6.6%
Optomed Oyj	2.8%
Oura Health Oy	3.5%

PORTFOLIO COMPANY NAME	OWNERSHIP %
Oy Sisu Auto Ab	24.4%
Pesmel Oy	2.1%
Primex Pharmaceuticals Oy **	4.9%
Rauma Marine Constructions Oy *	21.3%
Rester Oy	22.6%
Rocsole Oy **	4.9%
Ruokaboksi Finland Oy	19.5%
Saltex Holding Oy	11.0%
Savroc Oy **	17.1%
Solnet Green Energy Oy	13.4%
Steady Energy Oy	4.6%
Swappie Oy	5.9%
TactoTek Oy	3.1%
Tamturbo Oyj **	2.8%
TILT Biotherapeutics Oy	5.6%
Unikie Oy	7.7%
UpCloud Oy	7.1%
Vaadin Oy	21.5%
Valoo Oy	4.9%
Vapaus Bikes Finland Oy	4.3%
Varjo Technologies Oy	4.3%
Vexlum Oy	7.2%
Wirepas Oy	9.5%

* Ownership through Tesi Industrial Management Oy.

** Ownership through EAKR-Aloitusrahoitus Oy

4.3 Investments under special investment programmes

VC & PE funds

COMPANY	DOMICILE	OWNERSHIP %	ORIGINAL INVESTMENT COMMITMENT EUR
Cactos Fleet Finland Ky	Muhos	14.0%	4,910,891
Capman Special Situations I Ky	Helsinki	13.5%	10,550,000
Nordia Kasvu Ky	Helsinki	29.7%	3,150,000
Taaleri Bioindustry Fund I Ky	Helsinki	14.0%	15,000,000
			33,610,891

Direct VC & PE investments

PORTFOLIO COMPANY NAME	OWNERSHIP %
3DBear Oy *	-
ADE Animations Designs & Effects Oy *	-
Aiwo Digital Oy *	-
Altum Technologies Oy *	-
Alvar Pet Oy	7.0%
Annie Advisor Oy *	-
Aurelia Turbines Oy *	-
Aurora Propulsion Technologies Oy *	-
Basemark Oy	5.9%
Betolar Oyj *	-
Breaks Finland Oy *	-
Brella Oy *	-
Cloudpoint Oy *	-
Dataspace Europe Oy *	-
Eduhub Oy *	-

PORTFOLIO COMPANY NAME	OWNERSHIP %
Elstor Oy *	-
Emberion Oy	12.2%
Filtrabit Oy *	-
Four Ferries Oy *	-
Fuzu Oy *	-
Geyser Batteries Oy *	-
Gubbe Sydänystävä Oy *	-
Haltian Oy	3.6%
Hycamite TCD Technologies Oy *	-
Iiwari Tracking Solutions Oy	2.4%
Infrakit Group Oy *	-
INNOMOST Oy *	-
Integrify Oy *	-
Joensuu Biocoal Oy *	-
Koherent Oy *	-
Lamor Recycling Oy *	-
Leadership as a Service Company Oy *	-
Lentävä liitutaulu Oy *	-
Liveto Group Oy *	-
Lyfta Oy *	-
Magsort Oy *	-
Measur Oy	10.0%
Mekitec Oy *	-
Meriaura Oy *	-

PORTFOLIO COMPANY NAME	OWNERSHIP %
Mevea Oy *	-
Monidor Oy *	-
Naava Group Oy	0.3%
Not a Hotel Venture Limited (Bob W)	3.0%
ONEiO Cloud Oy	4.5%
P2X Solutions Oy *	-
Playvation Oy *	-
Qridi Oy *	-
Quantitative Heat Oy *	-
ReceiptHero Oy *	-
Resand Oy *	-
Rocsole Oy	0.2%
Seaber Oy	6.4%
Secapp Oy *	-
Singa Oy *	-

PORTFOLIO COMPANY NAME	OWNERSHIP %
Solar Foods Oyj	5.8%
Suomen Koodikoulu Oy *	-
TactoTek Oy	7.4%
TimeGate Instruments Oy *	-
Twice Commerce Oy	2.0%
Uute Scientific Oy *	-
Valpas Enterprises Oy	4.6%
Volare Oy *	-
WasteWise Oy *	-
Wellness Foundry Holding Oy	7.6%

* Debt instrument, no ownership

Investments had been made from the Stabilisation programme in altogether 7 portfolio companies by the end of 2025. Owing to contractual confidentiality, only the aggregated data of the programme is reported.

5. Net gains from VC & PE investments

EUR THOUSANDS	2025	2024
VC & PE funds		
Venture capital	47,818	50,420
Later stage	27,229	27,221
Funds-of-funds	29,570	-2,439
Direct VC & PE investments		
Venture capital	78,418	107,904
Later stage	44,831	-6,533
Special investment programmes		
Venture capital	-6,540	-553
Later stage	-13,338	16,778
Total	207,989	192,798
Net gains from VC & PE investments consist of changes in fair value:		
Realised	74,999	39,817
Unrealised	132,990	152,980
Total	207,989	192,798

Net gains from VC & PE investments comprise realised and unrealised changes in fair value, including interest income and dividend income from direct investments.

6. Employee benefit costs

EUR THOUSANDS	2025	2024
Salaries and fees	8,494	7,649
Pension expenses	1,228	1,105
Other personnel expenses	273	235
Total	9,994	8,990
Average number of personnel employed by the company during the financial year	59	57
MANAGEMENT TEAM		
Salaries and other short-term employee benefits	1,628	1,654
Total	1,628	1,654
CEO		
Salaries and other short-term employee benefits	354	310
Total	354	310
Emoluments for Board of Directors	197	173

The Board of Directors decides on the pay principles, total pay and bonus scheme for the CEO and other members of the parent company's Management Team. The company's Management Team comprised the CEO and on average eight other members during the financial year.

All the company's personnel were included in the bonus scheme during fiscal year 2025. At the end of 2019, the company's personnel established a personnel fund in which they can invest the bonuses they earn from the company's bonus scheme.

The pension plan for the CEO complies with the Finnish Employee Pension Act. The CEO has a 6-month period of notice in addition to which the individual is, under certain conditions, entitled to a reimbursement equivalent to 6 months' salary.

7. Other operating expenses

EUR THOUSANDS	2025	2024
Other employee benefit costs	1,009	703
Travel and hospitality expenses	174	149
External services	3,737	3,804
Other expenses	3,114	2,560
Total	8,034	7,217

Other operating expenses include auditors' fees by type of services provided:

EUR THOUSANDS	2025	2024
Audit fees	54	57
Tax advice	46	0
Services based on other legislation	30	19
Other services	34	5
Total	164	81

8. Income tax

EUR THOUSANDS	2025	2024
Current income tax for the financial year	-23,827	-16,028
Adjustments relating to previous years	-1,462	4,149
Deferred taxes *)		
Temporary differences originated and reversed	-18,126	-23,946
Income tax presented in the income statement	-43,416	-35,825

*) A more detailed specification of deferred taxes is given in [Note 11](#)

Reconciliation between income tax expense and tax calculated at the domestic tax rate of 20%.

EUR THOUSANDS	2025	2024
Profit before taxes	221,291	200,748
Tax calculated at domestic tax rate	-44,258	-40,150
Income not subject to tax	599	472
Expenses not deductible for tax purposes	-109	-23
Difference between net income from VC & PE funds and taxable income	1,814	-273
Adjustments relating to previous years	-1,462	4,149
Income tax presented in the income statement	-43,416	-35,825

9. Intangible and tangible assets

The carrying amount of tangible and intangible assets at 31 Dec 2025 was EUR 1,148 thousand (1,588 in 2024). This includes EUR 1,066 thousand of items classified as non-current assets as per IFRS 16 (1,471 in 2024). Depreciation and amortisation charged according to plan for 2025 was EUR 295 thousand (436 in 2023).

10. Notes concerning shareholders' equity

EUR THOUSANDS	Share capital (no.)	Share capital	Share premium account	Invested unrestricted equity fund	Retained earnings	Profit / loss for the period	Total
31 Dec 2024	43,160	438,992	215,855	274,500	859,040	164,923	1,953,310
31 Dec 2025	43,160	438,992	215,855	832,334	905,482	177,875	2,570,539

Changes during the fiscal year are presented in the calculation of changes in the Group's shareholders' equity.

Finnish Industry Investment Ltd has one class of share and each share carries entitlement to a dividend. Each share entitles the right to one vote at the Annual General Meeting. The shares have no nominal value. All the shares issued are fully paid up.

11. Deferred taxes

EUR THOUSANDS	Changes in fair values of VC & PE funds	Changes in fair values of direct investments	Changes in fair values of financial securities	Other items	Total
Deferred tax assets					
1 Jan 2024	4,433	33,097	475	0	38,004
Recognised in income statement	-1,150	-294	-344	0	-1,788
31 Dec 2024	3,282	32,802	132	0	36,216
Recognised in invested unrestricted equity fund 31 May 2025*	1,544	10,366	0	0	11,910
Recognised in income statement	756	10,394	-91	0	11,058
31 Dec 2025	5,582	53,562	40	0	59,185

EUR THOUSANDS	Changes in fair values of VC & PE funds	Changes in fair values of direct investments	Changes in fair values of financial securities	Total
Deferred tax liabilities				
1 Jan 2024	49,880	42,261	3,944	96,085
Recognised in income statement	10,746	10,376	1,037	22,158
31 Dec 2024	60,626	52,637	4,980	118,243
Recognised in invested unrestricted equity fund 31.5.2025*	5,573	0	1,902	7,475
Recognised in income statement	7,188	23,126	-1,130	29,184
31 Dec 2025	73,387	75,763	5,752	154,902

*Includes the deferred taxes arising from the equity investments and financial securities of Ilmastorahasto Oy, Oppiva Invest Oy and Business Finland Venture Capital Oy, which were transferred to the company in the restructuring implemented on 31.5.25.

12. Current liabilities

EUR THOUSANDS	2025	2024
Accounts payable	525	452
Accruals relating to employee benefits	3,091	2,736
Tax liabilities	19,824	0
Other	284	795
Total	23,725	3,983

13. Commitments

Outstanding commitments at end of year

EUR THOUSANDS	2025	2024
VC & PE funds	520,674	411,772
Portfolio companies	45,849	14,985
Special investment programmes	51,515	7,856
Total	618,039	434,614

14. Related parties

The Company is wholly owned by the Finnish state. Parties related to the Group also include the parent company and the subsidiaries specified in [Note 15](#). Related parties also comprise the members of the Board of Directors, CEO and other members of the Management Team as well as their close family members, including the controlling legal persons of the aforementioned people.

Salaries and fees of management are disclosed in [Note 6. Employee benefit costs](#) and also in more detail in the [Remuneration Report](#).

As at 31 Dec 2025, the company had no investment commitments to its subsidiaries.

15. Subsidiaries

The following table presents the parent company and companies in which the Group has control at 31.12.2025:

Parent	Country of registration	Nature of business	Holding by parent (%)	Holding by Group (%)	Treatment in consolidated financial statements
Finnish Industry Investment Ltd	Finland	VC & PE investment			
Subsidiaries					
Tesi Fund Management Oy	Finland	Management company	100%	100%	Consolidated
FEFSI Management Oy	Finland	Management company	100%	100%	Consolidated
Tesi AIFM Oy	Finland	Alternative investment fund management	100%	100%	Consolidated
Teollisuustuki Oy	Finland	1)	100%	100%	Not included
EAKR-Aloitusrahasto Oy	Finland	VC & PE investment	100%	100%	At fair value through profit or loss
Tesi Industrial Management Oy	Finland	VC & PE investment	100%	100%	At fair value through profit or loss
Arctic Marine Technology Group Oy	Finland	2)		79.8%	At fair value through profit or loss

1) Teollisuustuki Oy manages investments involving state aid. The company's operations are governed by Finland's Act on the State-owned Company Named Teollisuustuki Oy (11/2025), and it makes its investments only when commissioned by Finland's Ministry of Economic Affairs and Employment.

Finnish Industry Investment Ltd has no right to the company's funds, and is not permitted to finance the company's operations. For these reasons, the company is not included in the consolidated financial statements at all.

2) Company specialised in the design of, and technical consultation for, icebreakers and other vessels operating in Arctic areas.

16. Events after the financial year

Tesi has continued its normal investment operations in 2026. Published investment news is available on Tesi's website tesi.fi.

Signatures for the Board of Directors' Report and Financial Statements

Helsinki, 6 March 2026

Andreas Tallberg
Chair

Tiina Korhonen

Päivi Arminen

Mia Folkesson

Juha Ketola

Olli Kärkkäinen

Lassi Noponen

Pia Santavirta
CEO

AUDITOR'S NOTE

Auditor's Report has been issued today.

Helsinki, 6 March 2026.

KPMG Oy Ab
Audit firm

Marcus Tötterman
Authorised Public Accountant, KHT

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 FINNISH INDUSTRY INVESTMENT LTD

Report on the Audit of the Financial Statements

OPINION

We have audited the financial statements of Finnish Industry Investment Ltd (business identity code 1007806-3) for the year ended 31 December, 2025. The financial statements comprise the consolidated balance sheet, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information, as well as the parent company's balance sheet, income statement, statement of cash flows and notes.

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU
- the financial statements give a true and fair view of the parent 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 parent company and of the group companies 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 consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and 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 parent company's and the group'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 parent company or the group 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 parent company's or the group'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 parent company's or the group'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 parent company or the group 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We

are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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 and the information included in the Annual Report but does not include the financial statements or our auditor's report thereon.

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. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions.

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 compliance with the applicable provisions.

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

Helsinki 6 March 2026

KPMG OY AB

Audit Firm

Marcus Tötterman

Authorised Public Accountant, KHT

A photograph of a person and a child painting a mural on a wall. The person is wearing a plaid shirt and jeans, and the child is wearing a white shirt and jeans. The mural features a large, stylized figure. The scene is set in a bright, open space with a light-colored floor and wall. The image has a teal color overlay.

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