

SOK CORPORATION

FINANCIAL STATEMENTS AND EXECUTIVE BOARD REPORT ON OPERATIONS 1 JAN–31 DEC 2024

SOK CORPORATION'S FINANCIAL STATEMENTS AND EXECUTIVE BOARD REPORT ON OPERATIONS 2024

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EXECUTIVE BOARD REPORT ON OPERATIONS

Development of the operating environment

In 2024, geopolitical tensions in particular overshadowed re-emerging economic growth and continued to cause global uncertainties. For the same reasons, the volatility of the operating environment will continue in 2025. However, the outlook for the Finnish economy is improving slightly, although growth at the European level is still relatively slow.

Finland entered 2024 in a recession. Rising prices and interest rates had reduced the purchasing power of households for a long time. Although private consumption was on the rise in the early part of the year, growth remained subdued throughout the year. Consumer confidence remained at a very low level throughout the year, and the VAT increases introduced by the government as economic adjustment measures added to the burden on purchasing power. As the year progressed, weaker employment also increased consumer uncertainty. Positive signals in the economy included a slowdown in inflation and a continued decline in interest rates, which contributed to an improvement in purchasing power.

According to Statistics Finland, consumer prices in Finland increased by 1.6 per cent on average in 2024. The rise in consumer prices slowed down markedly during 2024. In the autumn, however, the change in the general VAT rate increased the prices of several goods and services. VAT increases will continue in 2025. The Ministry of Finance estimates that changes in indirect taxation will directly accelerate inflation by a total of around 0.9 percentage points in 2024–2026. In its December forecast, the Ministry of Finance estimates that inflation in Finland will continue to slow down to slightly over 1 per cent in 2025. Inflation is expected to rise to just over 1.5 per cent in 2026 and 2027.

According to the Ministry of Finance, Finland's GDP decreased by 0.3 per cent in 2024. The decline in inflation and interest rates is expected to support consumption and investment in the current year. GDP growth is projected to accelerate to 1.6 per cent in 2025 and 1.5 per cent in 2026 and 2027.

Through its subsidiaries, SOK engages in the supermarket trade and the travel and hospitality business in Estonia and in the travel and hospitality business in Finland.

Like in the retail trade, growth in the travel and hospitality sector is slowed down by consumers' weaker purchasing power and insufficient demand. Finland is increasingly competing with other Nordic countries for European and US tourists. The first half of 2024 showed that Finnish tourism is growing, but it has not recovered at the same pace as in the other Nordic countries.

According to Eesti Pank's latest economic report, the Estonian economy will turn to slight growth in 2025, and GDP is expected to grow by 1.6 per cent. Growth is supported by a recovery in foreign demand, an increase in export volumes, and an increase in domestic consumption as interest rates fall. However, inflation remains relatively high at 4.3 per cent, as tax increases and seasonal increases in energy costs raise the price level. However, consumers' purchasing power is estimated to increase slightly with a slight increase in real income. In the labour market, the unemployment rate is projected to fall slightly in 2025, with average wages expected to increase by 5.9 per cent.

While the Estonian economy is expected to benefit from a decline in interest rates and a recovery in exports, global uncertainty may slow down growth. The impact of the economic recovery on the supermarket trade is uncertain. As the economy is expected to recover slowly, the positive business impacts may be limited in 2025.

S Group's performance 1 January – 31 December 2024

S Group comprises cooperatives and SOK Corporation along with its subsidiaries. In 2024, S Group's retail sales excluding VAT were EUR 14,288 million, with an increase of 0.6 per cent from the previous year.

S Group's retail sales excluding taxes by business area	EUR million	+/- % from previous year
Prisma*	4,793	+2.9
S-market	4,664	+3.2
Sale	790	+1.8
Alepa	443	-0.8
Other supermarket trade	34	-19.1
Supermarket trade total*	**10,724**	**+2.7**
Service station stores and fuel sales	2,032	-6.4
Department stores and speciality goods sales	270	+0.2
Travel and hospitality business*	818	+0.5
Automotive trade and accessories	408	-14.8
Other	36	-1.5
S Group total*	**14,288**	**+0.6**

*Including retail sales in Estonia.

At the end of December, S Group had 2,036 outlets (2,007 in December 2023). There were 19 regional and six local cooperatives.

In 2024, a total of 121,866 new co-op members joined the cooperatives participating in the Bonus system. The

total number of co-op members at the end of the year was 2,653,271. Cash benefits have been paid to the co-op members in accordance with the table below:

Cash benefits paid to co-op members, EUR million	31 Dec 2024	31 Dec 2023	Change
Bonuses	453	449	4
Payment method benefit	15	14	1
Interest on cooperative capital	2	3	-1
Return of surplus	66	64	1
Total	**535**	**530**	**5**

S Group's investments (including the investments of S Group's joint ventures) amounted to EUR 938 million (659 million) in the previous year).

S Group's combined non-consolidated result before appropriations and taxes showed a profit of EUR 586 million. The profit was EUR 474 million in the previous year.

The cooperatives' combined result before appropriations and taxes showed a profit of EUR 495 million (EUR 401 million in the previous year). SOK Corporation's result before taxes (IFRS) showed a profit of EUR 91 million (EUR 73 million in the previous year).

Financial development

SOK's operations

Suomen Osuuskauppojen Keskuskunta (SOK) is the parent entity of SOK Corporation. SOK Corporation consists of SOK and its subsidiaries.

In accordance with its statutes, SOK is the central organisation of S Group, promoting and developing the operations of the cooperatives and other organisations belonging to S Group, and managing and supervising the Group's overall resources for maximum efficiency while monitoring the operations and seeing to the interests of S Group and its segments.

SOK is responsible for S Group's overall strategic management. Its tasks are to provide S Group companies with chain management, co-op membership and marketing services, as well as other group and corporate services and development activities related to these services and other activities of S Group. Services central to S Group's operations also include procurement and assortment services.

Through its subsidiaries, SOK offers a diverse range of services to its co-op members in S Group. Furthermore, SOK engages in the supermarket trade and the travel and hospitality business in Estonia through its subsidiaries.

SOK Corporation's financial development 1 January – 31 December 2024

SOK Corporation's net sales for 1 January – 31 December 2024 were EUR 9,327.7 million, showing an increase of 3.4 per cent from the previous year. Sales increased by EUR 305.6 million. Foreign operations accounted for EUR 2.4 per cent (2.7%) of net sales, or EUR 225.4 million.

SOK Corporation's operating profit (IFRS) was EUR 115.0 million (102.5 million).

The following key indicators describe SOK Corporation's financial position and result.

SOK Corporation	31 Dec 2024	31 Dec 2023	31 Dec 2022
Net sales, EUR million	9,327.7	9,022.1	8,434.0
Operating profit/loss, EUR million	115.0	102.5	24.8
Operating profit, %	1.2	1.1	0.3
Return on equity, %	11.3	10.7	-0.1
Equity ratio, %	26.0	24.1	21.3

SOK Corporation's operating revenue and operating result (FAS) by business area (segment)

SOK Corporation's operating revenue and operating result are divided into the retail and wholesale business areas in accordance with operational monitoring. In addition, the operating result of the banking operations is under operational monitoring. The operating result differs from the official IFRS operating result, with the difference being equal to the non-recurring items and IFRS items.

	Net sales, EUR million	Change, EUR million	Operating revenue, EUR million	Change, EUR million
Supermarket trade	207.6	-13.7	-2.4	0.7
Travel and hospitality business	224.6	-1.6	-6.6	-0.6
Procurement and service business	8,935.0	320.5	20.8	-0.4
Real estate business	85.6	0.3	17.4	-2.2
Result from banking			66.1	7.1
Elimination for the retail and wholesale and other items	-125.1	0.0	-4.4	-1.1
SOK Corporation, total	**9,327.7**	**305.6**	**90.9**	**3.5**

* S-Bank's associated company result is the result after taxes.

Financing

The Group's financing position has remained stable. The extension options included in the EUR 160 million committed revolving credit facilities were exercised in the early part of the year. The validity of the facilities was extended by one year, taking into account the diversification and maturity targets in accordance with the Group's financial policy.

SOK Corporation's interest-bearing liabilities amounted to EUR 1,140.4 million at the end of December (1,104.2 million). Of the interest-bearing liabilities, EUR 1,036.7 million are lease liabilities compliant with IFRS 16 (1,025.2 million). Gearing was 122.8 per cent (126.7%), and SOK Corporation's equity ratio was 26.0 per cent (24.1%).

At the end of December, SOK Corporation's liquid assets amounted to EUR 189.6 million (224.6 million). In addition, the Group had unused long-term committed credit facilities of EUR 320.0 million (320.0 million) and overdraft facilities of EUR 57.0 million (57.0 million). A liquidity buffer and credit facilities are in place to prepare for fluctuations in working capital and financing for future investments. No back-up credit facilities were used during the financial period, and there were no breaches concerning their terms.

Investments and divestments

SOK Corporation's non-current asset procurement, or investments in fixed assets, amounted to EUR 139.5 million (51.5 million). The most significant investments were related S-Bank's capitalisation, information systems and hotel and terminal properties.

Sales of non-current assets amounted to EUR 1.5 million in the review period (2.4 million).

Personnel

SOK Corporation's average number of personnel in full-time equivalents was 5,555 in January–December 2024 (5,372). At the end of December, SOK Corporation had 6,228 (5,999) employees.

A total of 36 per cent of the personnel, or 2,220 employees, worked for SOK, and 64 per cent, or 4,008 employees, for the subsidiaries. At the end of the review period, 14 per cent of SOK Corporation's personnel, or 878 employees, were working abroad.

Compared with the end of the previous year, SOK Corporation's number of personnel increased by 229 (+3.8%).

Salaries and remuneration for 2024 amounted to EUR 305.0 million (275.9 million).

Development of business areas

Supermarket trade

SOK Corporation's supermarket trade is conducted by AS Prisma Peremarket in Estonia. The supermarket trade covers 13 Prisma stores in Estonia. Of these stores, nine are in Tallinn or its neighbouring areas, two in Tartu, one in Narva, and one in Rapla. Eight of the Prisma stores are hypermarkets, and five are supermarkets.

The net sales of SOK Corporation's supermarket trade amounted to EUR 207.6 million. Net sales decreased by 6.2%, while the operating result improved year-on-year but remained loss-making. The decrease in net sales was caused by the closure of one store and the weak demand caused by the long-term increase in the cost of living in Estonia. Investments totalled EUR 2.8 million. The most significant investment was related to a new online sales platform solution.

Overall, the year in the supermarket trade was weaker than expected. The retail market volume in Estonia fell for the third consecutive year. In particular, the market for the consumer goods trade decreased markedly, contributing to the attractiveness of hypermarkets. On 1 January 2024, the VAT rate in Estonia was increased by two percentage points to 22 per cent, which had a negative impact on demand throughout the year.

Estonia's VAT rate is expected to increase again in 2025. Combined with inflation, the tax increase raises prices, which weakens consumers' purchasing power. Consequently, sales are expected to increase only nominally. Volumes are expected to remain at the 2024 level or even decrease slightly.

Travel and hospitality business

SOK Corporation's travel and hospitality business is conducted by Sokotel Oy in Finland and AS Sokotel in Estonia.

In the early part of the year, in the travel and hospitality business, the small number of major events and the difficult general economic situation were reflected in sales development indices. The decline in purchasing power affected accommodation and restaurant operations, with consumers and businesses being more cautious in their decisions. The recovery of international travel continued to be modest and affected the market in the Helsinki metropolitan area in particular. Demand was still very strongly based on domestic tourists. The demand environment in the travel and hospitality business was challenging in January–April. During May, demand began to recover, and sales developed favourably from June onwards, with the exception of September, which was challenging throughout the market.

The net sales and operating result of SOK's hotel business decreased year-on-year, with the operating result showing a loss. The renovation projects at Original Sokos Hotel Vantaa and Radisson Blu Royal, during which these hotels were closed, significantly contributed to the decline in net sales and the operating result. The new Solo Sokos Hotel Pier 4, which opened at the end of August, has had a positive impact on net sales during the second half of the year. The net sales of SOK's hotel business totalled EUR 224.6 million. Net sales decreased by 0.7 per cent from the previous year. The operating result was EUR -6.6 million, showing a decrease of EUR 0.6 million from the previous year. However, it is positive that Sokotel Oy has outperformed the market in hotel operations. The market share is estimated to have remained unchanged as a whole in both the Finnish and Estonian hotel business. Investments totalled EUR 10.7 million, of which EUR 10.6 million was related to Finland. The most significant investments were made in the opening of Solo Sokos Hotel Pier 4 and Original Sokos Hotel Vantaa.

Procurement and service business

The procurement and service business comprises procurement services for groceries and consumer goods provided by SOK's procurement operations, logistics services provided by Inex Partners Oy, procurement and logistics services provided by Meira Nova Oy in the

HoReCa business, and other services provided by SOK Corporation primarily to S Group's units. Net sales generated by other services provided to S Group's units include chain fees and income from administrative services.

Net sales from the procurement and service business totalled EUR 8,935.0 million (8,614.5 million). Net sales increased by 3.7 per cent from the previous year. The operating result of the procurement and service business was EUR 21.5 million, which was better than in the previous year.

In 2024, investments in the procurement and service business totalled EUR 22.2 million. The investments consisted mainly of information system purchases.

Real estate business

Net sales from the real estate business consist of rental and property service income from properties owned by SOK Corporation. SOK Corporation's property portfolio consists mainly of properties used by S Group.

Net sales from the real estate business totalled EUR 85.6 million (85.3 million). The operating result of the real estate business showed a profit. Investments in the real estate business in 2024 totalled EUR 3.7 million. The largest investments were related to hotel properties and regional distribution or logistics terminals.

Development of associated companies and joint ventures

Among the associated companies engaging in business operations within SOK Corporation, the most significant is S-Bank Plc, which operates in the banking sector.

S-Bank's balance sheet increased to EUR 13.2 billion from EUR 10.1 billion in the previous year. The total funds on deposit grew by 14.7 per cent year-on-year to EUR 9.4 billion at the end of December (EUR 8.2 billion). Lending grew by 36.5 per cent and was EUR 9.5 billion at the end of December (EUR 6.9 billion). S-Bank Group's capital adequacy ratio was 21.4 per cent (18.8%). At the end of December, S-Bank Group's operating result was EUR 165.2 million (EUR 147.4 million).

The IFRS-adjusted share of the result for the financial period corresponding to SOK Corporation's shareholding (49.99%) was EUR 66.1 million. S-Bank is owned by SOK and S Group's regional cooperatives.

Net sales of fuel procurement company North European Oil Trade were around EUR 6,285 million during the 2024 financial period. The Group's net sales decreased by 15.1 per cent from the previous year.

The decline in sales is partly explained by changes in the world market price of oil products, as well as the impact of the sharp reduction in Sweden's distribution obligation on the sale of biofuels.

SOK's shareholding in North European Oil Trade Oy is 50.77 per cent. Because of the shared controlling interest based on the associated company agreement, the company is treated as a joint venture using the equity method.

In addition to S-Bank and North European Oil Trade Oy, SOK Corporation's other associated companies and joint ventures include the Mylly shopping centre in Raisio and the inter-Nordic purchasing company Coop Trading A/S, among others.

The total impact of SOK Corporation's associated companies and joint ventures on SOK Corporation's result was EUR 68.7 million (58.1 million).

Changes in group structure

No significant changes in the group structure have occurred during 2024.

Management and future outlook

Administration and changes in the administration

Hannu Krook is Chair of SOK's Executive Board and the CEO of SOK. In addition to the CEO, the other members of the Board are: Nermin Hairedin, Managing Director; Katri Harra-Salonen, Board professional; Antti Heikkinen; Managing Director; Veli-Matti Liimatainen, Managing Director; Harri Miettinen, Managing Director; Antti Määttä, Managing Director; Juha Riikola, Managing Director: and Reima Loukkola, Managing Director, as a new member as of 1 January 2025. On 31 December 2024, Managing Director Kim Biskop resigned from SOK's Board of Directors.

In April 2024, Timo Santavuo, Attorney, was elected as Chair of SOK's Supervisory Board; Jarkko Rautaoja, Managing Director, was elected as the first vice-chair; and Tapio Finér, Managing Director, was elected as the second vice-chair.

The auditor for this financial period is KPMG Oy Ab, Authorised Public Accountants, with APA Jukka Rajala as the principal auditor.

SOK's CEO is assisted by SOK's Corporate Management Team in the management of SOK Corporation. The Corporate Management Team consists of: Arttu Laine, Deputy CEO and Executive Vice President, S Group Chain Management, Procurement and Logistics; Jorma Vehviläinen, Executive Vice President, CFO, SOK Finance and Administration; Hanne Lehtovuori, Executive Vice President, HR; Sebastian Nyström, Executive Vice President, Loyalty, IT & Digital Development; Jari Annala, Executive Vice President, SOK Business; Päivi Anttikoski, Executive Vice President, CMO, Marketing, Communications and Public Affairs; Maria Timgren, Executive Vice President, Strategy; and as of 1 January 2025 Anu Tuomola, Executive Vice President, Legal Affairs. On 31 December 2024, Seppo Kuitunen, Executive Vice President, Legal Affairs, resigned from SOK's Corporate Management Team. Sustainability and internal audit are under the direct supervision of the Group CEO.

Risk management at SOK Corporation

SOK Corporation implements risk management in accordance with risk management principles and risk management policy approved by the SOK Executive Board. Risk management is closely related to the planning and management of the Group's business operations. Risk management is part of day-to-day decision-making, operational monitoring and internal control, and is integrated into the Group's management process.

SOK Corporation's risk management policy describes the purpose, objectives, key implementation methods and responsibilities of the Group's risk management. Through risk management procedures, SOK and its subsidiaries aim to anticipate and control risk factors that affect the achievement of goals, as well as their business continuity, compliance and reputation, and exploit the opportunities arising from uncertainties in business operations.

SOK Corporation's risk model examines risks comprehensively, taking into account long-term risks, strategic risks and operational risks, as well as compliance, sustainability and development risks.

Long-term risks are uncertainties that may affect the Group's long-term plans and targets, but whose exact impact or likelihood is difficult to predict and over which the Group has little control. Identifying and monitoring these uncertainties are key in the Group's strategic planning and risk management.

Strategic risks are related to strategic targets and choices and strategy implementation. These risks include both business opportunities and the possibility of a negative outcome. Identifying and managing strategic risks are key aspects of the Group's management process.

Operational risks consist of different types of risks that are generally preventable or insurable, or the residual risk is at an acceptable level. Operational risks are related to the Group's day-to-day operations and strategy implementation that may affect our ability to deliver services or products to our customers in an efficient and high-quality manner.

Sustainability risks are related to our ability to respond to changes in the operating environment in the long and short term, as well as to anticipate and ensure the ethics, sustainability and good governance of our own operations and value chain, and the impacts on the environment, people and society, for example.

Compliance risks are related to compliance with legal and regulatory requirements in all our operations and their development.

Development risks are related to the implementation of the strategy and can be manifested either in strategic choices or in the operational implementation of projects implementing the strategy or in system development.

Long-term risks (10 years) and strategic risks (3–5 years), as well as opportunities, are reviewed annually by the SOK Corporate Management Team as part of the strategy process. The SOK Executive Board processes and confirms strategic risks and the measures used to control them. Operational, compliance and sustainability risks are assessed annually in the short term (1–2 years), as part of the operational planning process. Development risks are assessed and mitigated as part of the management of projects.

Key risks and uncertainties

SOK Corporation is exposed to risks that may arise from the Group's strategic choices or operating activities or unforeseen changes in the external or internal operating environment of SOK Corporation and S Group. Based on S Group's internal division of work, there is a significant dependency between SOK and the regional cooperatives, meaning that the spillover effects of SOK's or regional cooperatives' risks may extend to the S Group level if a risk is materialised. Because of this dependency, significant risks are shared by the parties.

The most significant risks that may materially impact the Group's business operations and financial and non-financial performance are described below. However, other risks that the Group is not currently aware of, or that are not currently considered to be significant, may also become significant in the future. This challenge is met through the systematic identification and assessment of new and growing risks in operating environment analyses and regular risk analyses.

Long-term risks

In the long term, the most significant risks are related to the development and pace of key change themes and trends, as well as to the assessment of their impacts in all business areas. These themes and trends include changes in consumption habits and working life, the development of technologies and ecosystems, as well as the impact of developments in demographics, migration and tourism on business operations. Ensuring future competitiveness requires that the Group responds to the identified changes in a timely manner and can also take full advantage of the opportunities they offer.

Strategic risks

Significant uncertainties remain in the global operating environment. The forecasts for the Finnish economy for 2025 indicate moderate growth, and consumers' purchasing power is expected to increase. The development of purchasing power and consumer caution have an impact on the outlook for the consumer goods trade and the travel and hospitality trade in particular. Both domestic and international travel are showing signs of recovery, but have not yet returned to pre-pandemic levels. With the increased regulations, the timely consideration, assessment and management of compliance risks are key factors in achieving cost-effective change solutions. The Group is actively monitoring and assessing the uncertainties related to the operating environment and their impacts and is preparing for and responding to changes based on the assessments.

Ensuring the competitiveness of S Group's grocery trade is a key task for SOK Corporation as competition intensifies and costs increase. Identifying the benefits and exploiting the opportunities of digitalisation are essential factors for success in competition and in achieving cost-effective solutions in all sectors. Challenges in the availability and retention of personnel have decreased in the Group's operations, but competition for experts will not ease as the financial situation improves. S Group has several projects in progress to manage the risk factors mentioned above.

SOK Corporation's financing and the management of financing risks are centralised within the SOK Treasury unit. The Group has a financial and funding policy confirmed by the SOK Executive Board that defines principles for the management of financing risks and the permissible maximum amounts for financing risks. In addition, numerical targets have been set for the different sub-areas of financing to ensure that financing is sufficient, balanced and affordable under all circumstances. The management of financing risks is described in more detail in the notes to the consolidated financial statements.

Operational risks

The risks and impacts of system projects are assessed at SOK Corporation as early as in the investment planning phase by carrying out a risk assessment and preparing a plan for reducing the risks, for example. Risks and their management are assessed throughout the projects. The balance sheet values of system investments are regularly assessed and potential write-offs are implemented in accordance with the relevant regulations.

SOK is mainly responsible for the procurement and logistics of the entire S Group. Potential supply chain and business disruptions and risks related to the management of supplier dependencies and cost-effectiveness are part of business continuity and disruption recovery management. They require broad-based preparedness.

SOK Corporation's role as a significant service provider for S Group's organisations and as a personal data processor requires the active development of information and cybersecurity in order to prevent information security and data protection risks. For example, data breaches, data leaks, denial-of-service attacks and malware can, if materialised, lead to a violation of customer privacy, financial losses, reputational damage and loss of trust. In order to manage risks, information security and data protection risks are evaluated regularly, as part of the maintenance, development and deployment of new services and systems. Our information security requirements determine the required level of security for our suppliers, the implementation of which is monitored through audits if necessary. In addition, information security and data protection risks are managed by ensuring that practices, policies and guidelines are up-to-date and followed, and by ensuring training and induction for personnel.

Compliance risks

Compliance risks are associated with changing and increasing legislation and government regulation. Key regulatory requirements include sustainability and corporate responsibility, fuels and electric vehicle charging, data processing and transfer, and reporting on legal compliance.

Sustainability risks

Sustainability risks related to SOK Corporation's business are identified and analysed by business area. Key sustainability themes and the related risks and opportunities, as well as their significance for business operations, were identified when preparing the sustainability programme. The risks are reviewed from the perspective of regulation, the physical operating environment, changes in consumer behaviour and reputation. The most significant risks related to human rights include violations of human rights in global supply chains and any shortcomings in ethical operating methods and transparency. Key environmental risks are related to climate change and deteriorating biodiversity, as well as their impact on the Group's own operations and on the supply chains. S Group has identified climate and nature risks which, if they materialise, may have considerable financial effects on SOK Corporation's and S Group's operations. Increasing regulation requires changes in business operations and leads to additional costs. Extreme weather phenomena, water shortages and land use changes, as well as an increase in these phenomena, may affect the availability of products and cause disruptions in logistics and the network of locations. Sustainability risks are addressed in the Group through the targets and measures included in S Group's sustainability programme.

Risk reporting

Risk reporting aims to provide as transparent, comprehensive and consistent a picture as possible of the significance of different risk areas for SOK Corporation's and S Group's business operations. Risk reporting enables the comparison of the Group's risk position and risk appetite, as well as decision-making on the necessary risk management measures to change risk levels.

Risks are reported to the Corporate Management Team, the Executive Board and the Audit Committee of the Supervisory Board, and to the management of the Group companies and units. The Group's risk management function is responsible for compiling and reporting risk information.

Sustainability

SOK Corporation implements the S Group-level "Together we make Finland a better place to live" sustainability programme, which describes S Group's strategic ambition and creates a framework for S Group's sustainability work until 2030. SOK's Sustainability unit is in charge of the development, management and reporting of sustainability. S Group's objective is to lead the way in corporate

sustainability in all of its business areas. Work related to sustainability is managed jointly with the business management at the Group level.

The priorities in sustainability work will also be affected by increasing EU-level sustainability regulations in the coming years. S Group's climate work is committed to science-based ambitious emission reduction targets in its own operations. S Group's climate work is being managed well, as it is currently rated A- in the international CDP rating.

S Group has invested in renewable electricity production, and its fifth wind farm was completed in Luvia in Eurajoki at the end of 2024. When completed, the newest wind farm will cover around 20 per cent of the retail group's electricity needs. The project is a continuation of S Group's long-term investments in increasing its own renewable electricity production. During the last ten years, S Group has been one of the largest domestic developers of wind power production, and has invested nearly EUR 600 million in wind power. We will also continue to invest in solar power plants in our locations, which can from time to time cover the entire electricity demand of the property on a sunny summer day, when the electricity demand of the stores' refrigeration equipment is at its highest. There are more than 130,000 solar panels in connection with our more than 260 locations.

Over the past few years, S Group has built a nationwide charging network for electric cars. At the end of 2024, there were more than 350 stations, with a total of around 2,300 charging points. ABC Charging is Finland's largest high-power charging network.

To promote biodiversity, S Group has conducted a study of its operations' natural footprint, meaning the adverse impacts of its operations on biodiversity. The study was conducted by the University of Jyväskylä's School of Resource Wisdom (JYU.Wisdom). The interim report of the project, which will continue until the end of 2025, indicates that food accounts for the largest portion of S Group's natural footprint, with fuel accounting for the second largest portion. These are also the retail group's largest business areas.

S Group has developed its water stewardship work, identified its water risks and emphasised the importance of sustainable water use in its sustainability work. S Group is a member of the Alliance for Water Stewardship (AWS), a cooperation network for businesses, NGOs and public-sector operators. S Group participates in the Impact Accelerator cooperation project on sustainable water use in the Huelva and Doñana regions in southern Spain, coordinated by the network. The project is the first of its kind in Europe. It aims to increase cooperation between food producers and food chain operators in the area and to improve their understanding of actions that affect their shared water resources, and find solutions for water challenges. The first pilot phase of the project is complete. In the first phase, a water catchment analysis and farm-specific analyses were completed to identify the necessary measures. The second phase for the implementation of the measures will begin in 2025, in which S Group will be involved. In addition, S Group supports the John Nurminen Foundation's work to reduce nutrient loads to the sea in both coastal and continental areas.

S Group is committed to the UN Global Compact initiative and supports its ten principles related to human rights, labour, the environment and anti-corruption.

S Group supports the work of human rights organisations in accordance with accepted human rights principles and the principles of sustainability cooperation. The focus has been on the themes of equity, non-discrimination and equality and the organisations and stakeholders that promote these.

SOK Corporation's HR policy describes the common principles of HR work and states that a good workplace community belongs to everyone. The HR policy states that the law, agreements, ethical principles, policies and common guidelines are complied with in matters concerning our personnel. Diversity in workplace communities is valued, as well as employee involvement and equality. The company-specific HR rules, which are included in induction training for new employees, help to act in accordance with the guidelines in everyday life, and support the equal treatment of employees. Inappropriate, discriminatory or unequal treatment is not tolerated. Zero tolerance is supported by clear language, reporting channels, investigation procedures and support models. Everyone is encouraged to address any undesirable behaviour and promote a well-functioning and productive workplace community through their own behaviour. The results of the workplace community surveys are monitored and are on a good level. Continuous learning and improvement are encouraged.

S Group and the Finnish Red Cross's joint collection to aid those suffering from the crisis in Ukraine started in the spring of 2022. Thanks to customers' contributions, around EUR 1.7 million had been collected for the Finnish Red Cross's Disaster Relief Fund by the end of 2024. S Group has also donated goods to Ukrainians who have come to Finland. In addition, S Group has employed some of the Ukrainians in Finland.

The annual Sustainable Brand Index, the largest such study in Europe, assesses consumers' views of the sustainability of brands. In 2024, consumers viewed S Group as the most sustainable daily consumer goods brand in Finland, and ABC, S-market, Sokos Hotels and S-Bank were all leaders in sustainability in their own sectors. In T-Media's 2024 Trust & Reputation survey, S Group was the fifth most reputable company in Finland among the general public. The study measures companies' reputation in eight areas: sustainability, governance, management, finance, innovativeness, interaction, products and services, and employer image. S Group's reputation is good in all these areas, excellent in finance. S Group's overall reputation score in the study was 3.83, the best result in S Group's measurement history.

The results and objectives of S Group's sustainability work are described in more detail in the annual review and sustainability review, which was published in March 2025 and is available at www.s-ryhmä.fi.

Outlook for the current year

The economic outlook for 2025 is challenging, and there are still many uncertainties. In Finland, the recession seems to be over, and the economy is recovering, although growth is still slow. Slower inflation, lower interest rates and better purchasing power are expected to increase household income and strengthen consumption. Corporate investment is also expected to start growing this year. Economic adjustment measures will continue, and VAT increases will be directly reflected in private consumption. The growth in consumption is also curbed by weaker employment.

SOK Corporation's operating profit is expected to decrease in 2025 from the previous year. The decline in the operating profit is affected by investments, which are markedly higher than in the previous year, and by other input in business development. The operating profit is affected by the economic trend, the development of inflation and consumers' purchasing power, the development of the travel and hospitality business particularly in international travel, and S-Bank's performance.

In SOK Corporation's travel and hospitality trade, the expectations for the growth of demand in the early part of the year are better than in the previous year. The net sales of hotels are expected to develop favourably through a higher average price and a higher occupancy rate. In the restaurant business, demand is also expected to grow compared with the previous year. We expect demand in the travel and restaurant business to pick up and sales to increase as consumer confidence in the economy strengthens, supported by improved purchasing power and lower interest rates. However, a new additional burden on the industry was brought by an increase in the VAT on accommodation from 10 per cent to 14 per cent from the beginning of 2025. Despite challenging times, the travel and restaurant sector has been renewed and diversified, and Finland is expected to become an increasingly interesting tourist destination.

In terms of procurement and service operations, no significant operational and structural changes are seen compared with the previous year. Service operations are expected to continue at the previous year's level. The volume development of procurement operations is dependent on the development of S Group's sales.

Executive Board's proposal on the distribution of SOK's distributable surplus

SOK's distributable surplus is EUR 603,735,331.76 (the surplus for the financial year is EUR 13,502,112.50). The Executive Board proposes that EUR 14,408,587.73 be paid as interest on cooperative capital and that EUR 20,000.00 be transferred to the Supervisory Board's contingency fund and that EUR -926,475.23 be left on the surplus account for the previous financial years.

No significant changes have occurred in SOK's financial position since the end of the financial period.

Helsinki, 11 February 2025

SUOMEN OSUUSKAUPPOJEN
KESKUSKUNTA (SOK)
Executive Board

CONSOLIDATED FINANCIAL STATEMENTS, IFRS

Consolidated income statement, IFRS

EUR million	Note	1 Jan -31 Dec 2024	1 Jan -31 Dec 2023
Revenue	1	9,327.7	9,022.1
Other operating income	2	2.1	2.5
Materials and services		-8,391.3	-8,124.0
Employee benefit expenses	3	-370.6	-339.4
Depreciation and impairment losses	4	-183.7	-166.8
Other operating expenses	5	-337.8	-353.2
Share of results of associated companies and joint ventures (+/-)	14	68.8	61.3
Operating profit/ -loss		**115.0**	**102.5**
Financial income and expenses (+/-)	7	-24.0	-26.2
Share of results of associated companies and joint ventures (+/-)	14	-0.1	-3.2
Result before taxes		**90.9**	**73.1**
Income taxes (+/-)	9	-7.8	-3.9
Result for the period		**83.1**	**69.2**
Attributable to:			
Owners of the parent		83.1	69.2
		83.1	**69.2**

Statement of other comprehensive income

EUR million	Note	1 Jan -31 Dec 2024	1 Jan -31 Dec 2023
Result for the period		83.1	69.2
Other comprehensive income:			
Items that may be reclassified subsequently to profit			
Exchange differences on translating foreign operations		-1.5	-4.0
Cashflow hedges	9	1.3	0.8
Comprehensive income items of associated companies and joint ventures		3.1	6.1
Other comprehensive income for the period, net of tax		2.9	2.9
Total comprehensive income for the period		**86.0**	**72.1**
Total comprehensive income for the period attributable to:			
Owners of the parent		86.0	72.1
		86.0	**72.1**

Consolidated statement of financial position, IFRS

EUR million	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Non-current assets			
Property, plant and equipment	10	1,204.8	1,205.8
Investment properties	11	22.1	23.9
Goodwill and intangible assets	12	93.0	96.9
Interests in associated companies and joint ventures	14	519.2	368.4
Non-current financial assets	15	44.0	42.7
Deferred tax assets	16	25.0	26.2
Non-current assets, total		**1,908.1**	**1,764.0**
Current assets			
Inventories	17	246.7	231.0
Trade receivables and other current non-interest-bearing receivables	18	638.0	668.1
Cash and cash equivalents	19	187.3	221.0
Current assets, total		**1,072.0**	**1,120.1**
Assets of non-current assets held for sale		**14.2**	**14.2**
Assets, total		**2,994.3**	**2,898.2**
EQUITY AND LIABILITIES			
Equity			
Cooperative capital	20	172.0	172.0
Restricted reserves	20	15.8	11.4
Invested non-restricted equity reserve		75.6	66.0
Retained earnings		511.9	444.9
Equity attributable to the the owners of the parent		**775.3**	**694.3**
Equity, total		**775.3**	**694.3**
Non-current liabilities			
Non-current interest-bearing liabilities	21	917.5	906.8
Non-current non-interest-bearing liabilities	22	11.5	11.9
Deferred tax liabilities	16	5.0	4.8
Non-current liabilities, total		**934.0**	**923.5**
Current liabilities			
Current interest-bearing liabilities	21	222.9	197.3
Current non-interest-bearing liabilities	22	229.9	194.5
Trade payables	22	829.1	873.6
Provisions	23	0.1	5.4
Tax liabilities for the financial year		1.4	5.1
Current liabilities, total		**1,283.5**	**1,276.0**
Liabilities of non-current assets held for sale		**1.5**	**4.5**
Equity and liabilities, total		**2,994.3**	**2,898.2**

Consolidated statement of cash flows, IFRS

EUR million	Note/ Reference	1 Jan -31 Dec 2024	1 Jan -31 Dec 2023
BUSINESS OPERATIONS			
Operating profit/ -loss		115.0	102.5
Adjustments to operating profit/ -loss	(A)	114.9	107.7
Change in working capital	(B)	9.8	70.6
Cash flow from business operations before financing and taxes		**239.7**	**280.8**
Increase (-) / decrease (+) in current receivables	18	0.0	0.3
Other financial expenses	7	-0.0	-0.1
Other financial income	7	0.3	0.3
Income taxes paid	9	-10.8	-1.4
Cash flow from business operations		**229.2**	**280.0**
INVESTMENTS			
Divested shares in subsidiaries net of cash held by subsidiary			0.6
Investments in shares	14. 15	-1.5	
Investments in tangible assets	10	-124.3	-38.6
Investments in intangible assets	12	-13.7	-13.0
Sale of other fixed assets	10. 12	1.5	1.7
Dividends received from investments	7	8.2	6.8
Cash flow from investing activities		**-129.8**	**-42.4**
FINANCING			
Proceeds from new long-term liabilities	21	5.0	
Increase (+) / decrease (-) in short-term liabilities	21	19.7	31.7
Payments of lease liabilities		-150.4	-141.5
Interest paid	7	-7.7	-9.3
Interest received	7	4.5	3.8
Interest paid on the cooperative capital		-15.2	
Other changes in equity	20	9.6	21.0
Cash flow from financing		**-134.4**	**-94.3**
Change in cash and cash equivalents		**-35.0**	**143.3**
Cash and cash equivalents at the beginning of the year	19	**224.6**	**81.3**
Change in cash and cash equivalents		**-35.0**	**143.3**
Cash and cash equivalents at the end of the period	19	**189.6**	**224.6**
Adjustments to operating profit/ -loss	(A)		
Gains (-) and losses (+) from sales of fixed assets		-1.7	-1.3
Depreciation and impairment losses		183.7	166.8
Other non-cash income and expenses		-67.2	-57.9
		114.9	**107.7**
Change in working capital	(B)		
Change in trade and other receivables		32.0	20.8
Change in inventories		-15.6	21.1
Change in non-interest-bearing liabilities		-6.5	28.7
		9.8	**70.6**

Consolidated statement of changes in equity, IFRS

EUR million	Equity attributable to the owners of the parent								
	Cooperative capital	Fair value reserve	Other restricted reserves	Invested non-restricted equity reserve	Translation differences	Retained earnings	**Total**	Non-controlling interests	**Equity, total**
Equity									
1 Jan 2023	172.0	-14.0	18.5	45.0	-13.8	388.9	**596.6**	0.9	**597.5**
Total comprehensive income		6.9			-4.0	69.2	**72.1**		**72.1**
Interest on cooperative contributions							**0.0**		**0.0**
Other changes*			0.0	21.0		4.7	**25.7**	-0.9	**24.8**
31 Dec 2023	**172.0**	**-7.1**	**18.5**	**66.0**	**-17.8**	**462.7**	**694.3**	**0.0**	**694.3**
1 Jan 2024	172.0	-7.1	18.5	66.0	-17.8	462.7	**694.3**	0.0	**694.3**
Total comprehensive income		4.4			-1.5	83.1	**86.0**		**86.0**
Interest on cooperative contributions						-15.2	**-15.2**		**-15.2**
Other changes**			-0.0	9.6		0.6	**10.2**		**10.2**
31 Dec 2024	**172.0**	**-2.7**	**18.5**	**75.6**	**-19.3**	**531.2**	**775.3**	**0.0**	**775.3**

*Includes a EUR 4.9 million adjustment of the North European Oil Trade Oy group's associated company result after the final result for 2022 was confirmed.
**Includes a EUR 0.8 million adjustment of the North European Oil Trade Oy group's associated company result after the final result for 2023 was confirmed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Basic information

According to SOK's rules, the SOK Group is called SOK Corporation. SOK Corporation consists of Suomen Osuuskauppojen Keskuskunta (SOK) and its subsidiaries. SOK's domicile is Helsinki and its registered office address is Fleminginkatu 34, FI-00510 Helsinki, Finland.

SOK's objective is to create competitive advantages for S Group's business operations. SOK carries out this objective by developing and guiding S Group's strategies, value chain and chain operations together with the co-operatives. SOK meets S Group's needs by providing shared services that increase competitive advantages and by carrying out business operations in Finland and Estonia that provide synergy and financial added value to S Group.

A copy of the consolidated financial statements is available at the web address www.s-ryhma.fi/en.

Accounting policies applied to the consolidated financial statements

Accounting policy basis

The consolidated financial statements have been drafted in accordance with the International Financial Reporting Standards (IFRS), which are approved for use in the European Union, and following the IAS and IFRS standards and the SIC and IFRIC interpretations valid on 31 December 2024. International Financial Reporting Standards refer to the standards and their interpretations approved for application in the EU in accordance with the procedure stipulated in EU regulation No 1606/2002 and embodied in the Finnish Accounting Act and statutes enacted under it.

The financial statement data is presented in millions of euros, and the data is based on original acquisition costs unless otherwise specified. SOK's financial period is the calendar year. The figures in parentheses refer to the corresponding period in 2023, unless otherwise stated.

All the presented figures are rounded, which is why some total sums of the individual figures may deviate from the totals presented. The key figures have been calculated using exact values.

Operating environment

In 2024, geopolitical tensions in particular overshadowed re-emerging economic growth and continued to cause global uncertainties. For the same reasons, the volatility of the operating environment will continue in 2025. However, the outlook for the Finnish economy is improving slightly, although growth at the European level is still relatively slow.

According to Statistics Finland, consumer prices in Finland increased by 1.6 per cent on average in 2024. The rise in consumer prices slowed down markedly during 2024. In its December forecast, the Ministry of Finance estimates that inflation in Finland will continue to slow down to slightly over 1 per cent in 2025.

In terms of sustainability, the most significant risks related to human rights include violations of human rights in global supply chains and any shortcomings in ethical operating methods and transparency. Key environmental risks are related to climate change and deteriorating biodiversity, as well as their impact on the Group's own operations and on the supply chains.

S Group's climate work is committed to science-based ambitious emission reduction targets in its own operations. S Group's climate work is being managed well, as it is currently rated A- in the international CDP rating.

New and amended standards and interpretations adopted in the 2024 financial period

The IAS/IFRS standard and interpretation amendments applied during the 2024 financial period did not have any significant impact on the consolidated financial statements. SOK has not applied any new or amended standard before the date of its entry into effect.

Use of estimates

The preparation of the financial statements in compliance with the IFRS calls for making estimates and for judgement in applying accounting policies. The estimates are based on the management's best judgement on the date of the financial statements, but it is possible that the actual outcome will differ from the estimates made. Any changes to the estimates and assumptions are recorded for the financial period during which the estimate or assumption is corrected.

The factors of uncertainty regarding essential assumptions and estimates for the future that may cause a risk of the carrying value of assets or liabilities changing

significantly within the next financial period are related to the measuring of fair value, impairment tests, deferred tax assets and provisions of level three financial instruments.

For significant business arrangements, the Group will use an external advisor for the evaluation of the fair value of tangible and intangible assets, and for the purpose of these valuations, comparisons have been made regarding the market prices of equivalent assets.

Estimates are also used in impairment testing in which the recoverable monetary amount from the operations of the business entity being tested is based on value in use calculations or on the fair value less expenses incurred by sales.

The assumptions and essential uncertainty factors related to the evaluation of the fair value of financial instruments are described further in note 25. Fair values and carrying amounts of financial assets and liabilities. The presenting of lease agreements is described in particular in notes 10. Tangible assets and 21. Interest-bearing liabilities. Deferred taxes and provisions are described in further detail in notes 16. Deferred taxes and 23. Provisions.

Consolidation policies

The consolidated financial statements include the parent cooperative society and all subsidiaries where the parent cooperative society has control. Control is defined as the Group having the right to make orders regarding the company's finances and operational principles to benefit from its operations. During the financial period, there were subsidiaries in Finland, Estonia and Russia. Real estate companies in Russia are presented as assets held for sale in the financial statements.

Acquired subsidiaries are included in the financial statements with an acquisition method whereby the separately identifiable assets and liabilities of the acquired company are valued at their fair value at the time of acquisition. The goodwill is recorded as the amount of the total of the consideration paid, shares of non-controlling interests in the acquired company and the previously owned share that exceeds the fair value of the net assets acquired. The costs related to the acquisition, excluding costs of external capital, are recognised as expenses.

Joint ventures where the Group has joint control and associated companies where the Group's ownership of the number of votes is 20–50 per cent and where the Group has significant influence, but not control, have been combined using the equity method. A share equivalent to the Group's ownership of the changes recognised in joint ventures' and associated companies' other items of comprehensive income has been recognised in the Group's other items of comprehensive income. If the Group's share of the losses of a joint venture or associated company exceeds the carrying value of investment, the investment is recognised in the balance sheet with zero value, and no excess losses are recognised unless the Group has obligations related to the joint ventures or associated companies. The result share of a joint venture or associated company acquired for investment purposes is presented below the operating profit. Conversely, the result of joint ventures and associated companies serving the Group's actual business operations are presented before the operating profit.

Companies acquired or established during the financial year are combined in the consolidated financial statements starting from the date of acquisition or establishment. Sold subsidiaries, joint ventures and associated companies are combined in the consolidated financial statements until the date when the control, joint control or significant influence ends. Changes of ownership in a subsidiary company that do not lead to a loss of controlling interest are treated as transactions concerning the shareholders' equity.

The Group's internal business transactions, receivables, liabilities, non-realised profit margins and internal profit distribution have been eliminated from the consolidated financial statements. The profit or loss and the total comprehensive income for the financial period are distributed to the parent company's owners and non-controlling interests. Non-controlling interests are initially valued at their proportional share of the separately identifiable net assets of the acquired entity at the time of acquisition. Non-controlling interest is presented as its own item in the Group's equity.

Joint-stock real estate companies are combined (for the assets and liabilities that a shareholder is liable for) as a joint function by share of ownership for each item.

Net sales and result policies

SOK Corporation's net sales consists of the cooperative societies' invoicing related to goods procurement, SOK's centrally-produced shared services and the retail trade of SOK's subsidiaries. The sales to the cooperative societies are carried out through invoicing. The retail trade primarily consists of cash and credit card sales. Typical customer agreements concerning the sales of products form one performance obligation.

Sales gains are recognised at an amount to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer Sales gains are recognised as revenue when the customer obtains control over the goods or service. The customer obtains control when they can direct the use of the goods or service and obtain the benefit associated with the use. SOK Corporation's net sales are primarily generated by through the sale of goods, where the performance obligations are clearly identifiable from customer agreements and orders. The sale of goods is recognised as revenue at a point in time when the control of the products is transferred to the customer in accordance with the delivery terms and conditions. The sales of services are primarily recognised as revenue at the as the service is provided.

The transaction price includes considerations that change often, such as volume and cash discounts and marketing support. The changing considerations are measured by using the method of the most probable value unless they have not been realised yet at the end of the reporting period. Sales gains adjusted by indirect taxes and foreign exchange differences from currency-denominated sales are presented as net sales.

Subsidies

Subsidies received from the state or other parties are recognised in the profit and loss account when the costs related to the subject of the subsidy are recognised as expenses. Subsidies related to the acquisition of tangible and intangible assets are deducted from the carrying value of the assets in question. These subsidies are recognised within the economic life of the asset.

Other income from business operations

Items presented as other income from business operations consist of income not related to sales from the actual business operations, such as the sales income from fixed assets, income from the divestment of business operations, income from damages and received subsidies and benefits that were not granted for financing a specific investment or participating in a specific expense.

Employee benefits

Pension plans are categorised as defined-benefit and defined-contribution plans. Defined-contribution plans involve fixed payments to separate companies without a legal or constructive obligation to provide additional payments if the recipient of the payments cannot pay the pension benefits in question. All plans that do not correspond to this definition are categorised as defined-benefit plans.

Payments to contribution-based plans are recognised as expenses in the profit and loss account of the financial period they are allocated to. Costs arising from defined-benefit pension plans are recognised as expenses for the persons' time in employment, based on calculations made by qualified actuaries. Liabilities or receivables following from defined-benefit plans are recognised in the balance sheet at the liability's present value less the fair value of the pension plans on the closing date. Items related to re-determining the net liability of the benefit plan are recognised in other comprehensive income items for the financial period when they are generated. SOK Corporation did not have defined-benefit pension plans in the 2024 financial year.

Expenses based on prior work performance are recognised as expenses through profit or loss in the earliest of the following: when the plan was changed or reduced, or when the related restructuring expenses are recognised, or when the benefits related to the termination of an employment relationship are recognised. Based on the duration of their employment relationships, personnel accumulate seniority and age benefits. A seniority and age provision is recognised in the seniority and age benefit.

Operating profit

According to SOK's view, the operating profit is a significant subtotal. The operating profit is not defined in the IFRS standards, so SOK has defined it as follows. The operating profit consists of net sales and other operating income after the deduction of the financial period's material, equipment and asset purchases, external services, employee benefit expenses, depreciation and amortisation expenses, potential impairment of tangible and intangible assets, and other operating expenses, and after the addition or deduction of the result of joint ventures and associated companies serving the Group's actual business operations. All items of the profit and loss account not listed above are presented below the operating profit.

Currency exchange rate differences and changes to the fair value of derivatives are included in operating profit if they are from items related to business operations; otherwise, such items are recognised as financial income and expenses.

Income taxes

The profit and loss account's income taxes include taxes calculated on the basis of the taxable profit of the financial period, corrections to the taxes of the previous financial periods and the changes in deferred taxes. However, the tax effect of items recognised directly in equity or comprehensive income is recorded in the respective items. The period's income taxes are calculated with the tax basis valid on the date of the financial statements for each country.

Deferred tax liabilities and assets are calculated based on the temporary differences between the accounting and taxation. Deferred taxes have not been calculated for goodwill in such cases where the goodwill is not tax-deductible. The most significant temporary differences are due to the differences between the carrying values and taxation values of tangible fixed assets and investment properties (lease agreements, depreciation difference, the Group's internal profit margins and sales gains), fair value valuations and unused taxable losses. The undistributed profit assets of foreign subsidiaries are not recognised as deferred tax liabilities if the profit distribution is unlikely in the foreseeable future. Deferred taxes are calculated with the tax basis valid on the date of the financial statements or, if the tax basis changes, with the tax basis that is approved in practice by the end of the reporting period.

The consolidated balance sheet includes the aforementioned foreign subsidiaries' undistributed profit assets, excluding deferred tax liabilities in full, deferred tax assets to the extent that is likely to be able to be utilised for future taxable income. The recognition criteria are assessed on the last day of each reporting period.

Based on a preliminary analysis prepared by SOK Corporation, the minimum tax regulation for large groups (OECD Pillar II) is not expected to have a material impact on the Group's tax expense.

Goodwill and intangible assets

The goodwill from combining businesses consists of the difference of the compensation paid at fair value and the identifiable acquired net assets at fair value at the time of acquisition. No depreciations are recognised for the goodwill values, and they are instead tested annually for impairment. The goodwill is allocated to the units generating cash flow. The goodwill of joint ventures and associated companies is included in the acquisition expenses of the investment.

Intangible assets include software licences and copyrights. Intangible assets are valued at the original acquisition cost and depreciated on a straight-line basis over their financial period of effect. SOK Corporation has no intangible assets with an unlimited economic life.

Depreciation periods of intangible assets:	**Years**
Software licences	3–5
Other intangible assets	3–10

Tangible fixed assets

Tangible fixed assets are valued on the basis of the accumulated depreciation and possible impairments deducted from the original acquisition cost.

Tangible fixed assets are depreciated on a straight-line basis based on their estimated useful lives. No depreciations are made for land areas.

Depreciation periods of tangible fixed assets:	**Years**
Buildings	15–35
Light structures and building equipment	5–15
Office and storage equipment	5–10
Storage, maintenance and processing machines	5–10
Restaurant and hotel equipment	3–10
Retail store equipment	3–7
Motor vehicles and servers	3–5
Modernisation costs of premises	3–10

The depreciations of tangible fixed assets are concluded when the tangible fixed asset is classified as an asset held for sale. The divestment and decommissioning gains or losses from tangible fixed assets are recognised in other income or losses from business operations.

Impairment

The carrying values of intangible or tangible fixed assets are evaluated annually to determine any indications of impairment. If indications of impairment are found, the asset's recoverable value is determined. The recoverable value is also evaluated annually for the following assets regardless of any indications of impairment: goodwill, finite intangible assets and intangible assets with an unlimited economic life. An impairment loss is recognised if the balance sheet value of the asset or unit generating cash flow exceeds its recoverable value. The impairment loss is recognised in the profit and loss statement.

The impairment loss of a unit generating cash flow is allocated first to reduce the goodwill allocated to the unit generating cash flow and then equally to reduce the unit's other assets.

The recoverable amount is determined as the higher of either fair value, less costs to sell or value in use. When determining the value in use, estimated future cash flows are discounted against the current value based on the discount rates reflecting the average fixed-capital costs before taxes of the unit generating cash flow.

A previously recognised impairment loss is cancelled if there are changes to the values used to determine the recoverable value. An impairment loss may be cancelled up to the amount that would have been determined as the carrying value of the asset less impairments if impairments had not been recognised for it in the previous years. Impairment losses for goodwill will not be cancelled. The impairment testing of goodwill is described in further detail in note 13. Impairment testing of goodwill.

Lease agreements

The Group as the lessee:

A lease is an agreement or a part of an agreement giving the right to use an identifiable asset during a defined period of time in exchange for a defined consideration, thereby giving the right to control the use of the asset for a fixed term.

Lease agreements are entered in the balance sheet in compliance with IFRS 16, Leases, as a right-of-use asset and as a corresponding lease liability. Fair value or a lower present value of future lease payments is recognised at the start of the lease period in the tangible fixed assets or investment properties in the balance sheet (more information on investment properties below) and any obligations resulting from the agreement in interest-bearing liabilities. Payable lease payments are distributed into interest expenses and repayment of the lease liability. Interest expenses are recognised in the profit and loss statement during the lease period such that the remaining liability maintains an equal interest rate percentage. Assets acquired through a lease agreement are subject to depreciations and possible impairment losses. Depreciations are recognised over the depreciation periods of the Group's fixed assets, or over the lease period, if shorter.

The Group does not separate service contract components from actual lease agreement components. A lease agreement component and the related service contract component are treated as a single lease agreement component.

Lease agreements with a term of 12 months or less or lease agreements of low value are not entered in the balance sheet.

When calculating the present value of leases, the discount rate primarily applied is the interest rate implicit in the lease agreement or the lessee's incremental borrowing rate, which describes the interest rate the lessee would pay if borrowing the funds needed for purchasing the asset at the date of the lease agreement with similar securities.

The balance sheet values of right-of-use assets are regularly assessed, and potential write-offs are implemented according to the relevant regulations.

Options for continuation are not taken into account unless a binding decision has been made regarding them. The basic principle is that exercising the option for continuing the lease is not considered probable before the Board of Directors has approved proposal of the business line to continue the agreement. The options for continuation will therefore be taken into account when a binding decision regarding them has been made by the Board of Directors or another decision-making body.

The Group as the lessor:
As the lessor, SOK Corporation classifies agreements as either financial leases or operating leases according to whether the risks and rewards incidental to the ownership of the asset subject to the agreement have been substantially transferred. For financial leases, the lessor recognises a receivable corresponding to its net investment in the lease and equal to the total current value of lease payments to be received and unguaranteed residual value. If the lease is classified as an operating lease, the lessor recognises the object on its balance sheet. Lease agreements in which SOK Corporation is the lessor have been classified as operating leases.

Investment properties

Investment properties are properties used by business operations outside the Group that the Group owns primarily to produce rental income and/or an increase in the property's value. Investment properties are valued at the acquisition price less the accumulated depreciation and any impairments on the basis of the same policies as properties recognised as tangible fixed assets.

The fair value of investment properties is determined through both a market-value based valuation carried out by an external property valuer and self-valuation of the yield value of the property. Rental income from investment properties is recognised in net sales.

Inventories

Inventories are valued at the acquisition cost or the net realisable value, if lower. The acquisition cost is determined using the FIFO or weighted average cost method, and it includes all direct costs resulting from the acquisition. The net realisable value is the estimated sales price in normal business operations, less any estimated costs incurred in completing the product and the estimated necessary costs for concluding the sale.

Financial assets and liabilities

Financial assets are included in the following balance sheet items: non-current financial assets, sales receivables and other current non-interest-bearing receivables, current interest-bearing receivables, short-term investments and cash assets.

Non-current financial assets consist of shares, capital loan receivables, other non-current loan receivables and non-current sales receivables. Sales receivables and other current non-interest-bearing receivables recognised as financial assets include sales receivables, derivative receivables and accrued income in the financial items. Current interest-bearing receivables consist of money market investments and other current receivables. Cash assets consist of cash and highly liquid receivables from credit institutions.

Financial liabilities are included in the following items: non-current interest-bearing liabilities, non-current non-interest-bearing liabilities, current interest-bearing liabilities, current non-interest-bearing liabilities and trade payables.

Non-current interest-bearing liabilities consist entirely of lease agreement liabilities. Non-current, non-interest-bearing liabilities recognised as financial liabilities include non-current trade payables. Current interest-bearing liabilities consist of current lease agreement liabilities and other current liabilities. Current non-interest-bearing liabilities recognised as financial liabilities include derivative liabilities and accrued costs related to the financial items.

SOK Corporation recognises financial assets and liabilities on the balance sheet, using the settlement date basis. Financial assets and liabilities that are not later measured at fair value with profit impact are measured at their original fair value with direct acquisition costs included.

Financial assets are classified at amortised cost, fair value through items of other comprehensive income or fair value to be measured later through profit and loss. Financial liabilities are classified at amortised cost by means of the effective interest method to be measured later or at fair value to the measured through profit and loss.

Derivative contracts to which hedge accounting is not applied as well as shares and participations are classified as financial assets or liabilities measured at fair value through profit and loss. Financial assets and liabilities measured at fair value with profit impact are measured at fair value on the date of the financial statements. The change in fair value is recorded in the profit and loss statement, so the income or costs for the financial period is recorded as the difference between the value of the financial instruments measured at fair value on the date of the financial statements and the carrying value of the previous financial statements. If a financial instrument

measured at fair value was acquired during the financial period, the income or costs of the financial period is recorded as the difference between the value of the financial instrument on the date of the financial statements and the acquisition cost. The fair value of publicly traded investments is defined on the basis of their market values. Investments that are not publicly quoted are measured at acquisition cost if their fair values cannot be reliably determined.

The changes in the fair value of derivative contracts have been recognised through profit or loss, with the exception of hedge accounting. The realised and non-realised profits and losses of derivative contracts concluded to protect purchases and trade payables are recognised as purchases. Realised and non-realised gains and losses of other derivatives measured at fair value through profit or loss are recognised in financial income and financial expenses, respectively.

Financial assets held in order to collect cash flows and sales gains based on agreement are classified as financial assets measured at fair value through items of other comprehensive income. In addition, the cash flows of the aforementioned agreements are only payments of interest on the capital and the remaining capital amount. The change in fair value is recognised through other comprehensive income in the fair value reserve of equity. When a financial instrument is sold, the accrued change in fair value is recognised in equity as a reclassification for the result with the accrued interest and sales gains or losses. The financial statements do not include other financial assets measured at fair value through other items of comprehensive income.

Financial assets that are held in order to collect cash flows based on agreement and the cash flows of which are only payments of interest on the capital and the remaining capital amount are classified as financial assets measured at amortised cost. The transaction costs of financial assets measured at amortised cost are included in the amortised cost calculated by means of the effective interest method and amortised through profit and loss over the exercise period of the receivable. After the original recognition, the agreements are measured at amortised cost by means of the effective interest method.

All financial liabilities, with the exception of derivative liabilities, are classified for measurement at amortised cost by means of the effective interest method. Items to be measured at amortised cost are entered on the balance sheet at their nominal value when the fair value of the balance sheet date equals the nominal value. If the capital received for the liability is less or more than the nominal value of the liability, the liability is recorded in the amount received for it. The difference between the nominal value and acquisition cost of the liability recognised as income or costs for the financial period is allocated and recognised as an addition or deduction to the acquisition cost of the liability. The difference between the nominal value and acquisition cost, a liability-related remuneration cost or other cost that is part of the liability-related interest expenses is allocated over the exercise period of the liability by means of the effective interest method.

The fair value of a financial instrument is determined based on the publicly listed prices on the active market, or by means of valuation methods commonly accepted in the market. The fair values of interest rate swaps have been determined by discounting future cash flows to the present by using the market rates of the balance sheet date. The fair values of currency forwards have been determined by measuring the forward contracts at the forward rate of the balance sheet date. Financial assets and liabilities measured at fair value have been measured using average rates.

Impairment of financial assets

A deductible item concerning losses is recognised for expected credit losses on guarantee contracts and financial assets that are measured at amortised cost or at fair value through items of other comprehensive income. The recognition is performed through profit and loss for financial assets and guarantee contracts to be measured at amortised cost. A deductible item concerning losses from the financial assets to be measured at fair value through items of other comprehensive income is recognised in items of other comprehensive income without deducting the book value of the financial asset item.

If the credit risk related to the financial instrument has not considerably increased after the original recognition, the deductible item is calculated for 12 months, corresponding to the expected credit losses. The factors describing the credit loss risk of the remaining exercise period were used for calculating the deductible item of financial assets of less than 12 months' duration. If the credit risk related to the financial instrument in question has considerably increased after the original recognition, the deductible item to be recognised is an amount that corresponds to the expected credit losses for the entire agreement validity period. If it is observed on a reporting date to be reviewed later that the credit risk has no longer increased compared to the original situation, the deductible item will, going forward, be recognised for 12 months, corresponding to the expected credit losses.

Currency-denominated items

The consolidated financial statements are presented in euros, which is the operating and presentation currency of the Group's parent cooperative society.

Transactions in foreign currencies are recorded in euros based on the transaction date's exchange rate. At the end of the financial period, any open foreign currency-denominated monetary items have been converted to euros based on the exchange rate listed by the European Central Bank on the last day of the financial period, and the exchange rate differences have been recognised with profit impact. Non-monetary items have been valued based on the transaction date's exchange rate.

As the ECB has suspended the quotation of the exchange rate of the Russian rouble in euro for the time being, the EUR/RUB WM exchange rate quoted by LSEG has been used.

Exchange rate differences resulting from the valuation of sales receivables are recognised in net sales, and exchange rate differences resulting from the valuation of trade payables are recognised as expenses above operating profit. Exchange rate gains and losses for other balance sheet receivables are recognised in financial income and, similarly, such gains and losses for other payables are recognised in financial expenses.

Figures concerning the results and financial position of the Group's foreign companies are originally handled in the respective operating environment's currency. The profit and loss statements of foreign subsidiaries have been converted to euros based on the average exchange rate of the financial period, while the balance sheets have been converted based on the exchange rate of the date of the financial statements. Any exchange rate difference resulting from the conversion of profit and loss statement items and other items of comprehensive income based on the average exchange rate or the conversion of balance sheet items based on the exchange rate of the date of the financial statements, or any translation difference resulting from exchange rate changes for the elimination of subsidiaries' acquisition costs and equity has been recognised as its own item in other items of comprehensive income. When a foreign subsidiary, associated company or joint venture is sold, the accrued translation difference is recognised with profit impact as part of sales gains or losses.

Hedge accounting

The Group applies hedge accounting according to the IFRS to some of the currency derivatives used for hedging the Group's goods purchases. In these, only the exchange rate risk is being hedged. The hedge accounting model used is cash flow hedging.

The Group has derivative contracts outside of hedge accounting which, according to the Group's financial policy, are effective financial hedging instruments, but hedge accounting under IFRS 9 is not applied to them.

Payable equity interest and dividends

The equity interest and dividends paid by the Group are recognised as equity deductions for the financial period where the owners approved the equity interest or dividend to be paid.

Cooperative capital

Cooperative capital consists of the total amount of co-op contributions from the cooperative societies to Suomen Osuuskauppojen Keskuskunta. The number of cooperative society shares is determined by the number of members and annual purchases of each cooperative society.

Reservations

A reservation is recognised when the Group has a legal or constructive obligation resulting from a prior transaction, the payment obligation is likely to materialise and the amount of the obligation can be reliably estimated. Compensation related to the obligation paid by a third party is recognised in the balance sheet as a receivable when it can be considered certain. The reservation amounts are evaluated on each financial statement date and amended to reflect the best estimate at the time of review.

Reservations may be related to matters such as underutilised premises, guarantee reservations and the reorganisation of operations.

Assets held for sale and discontinued operations

Assets under a phase-out plan and groups of assets where the recoverable amount consists primarily of the sale of the asset and not its continued use are classified as assets held for sale. An asset or group of assets classified as held for sale is measured at carrying value or fair value, if lower, less any expenses resulting from selling the asset, and the depreciation of such assets is discontinued. Assets held for sale and liabilities related to them are presented in the balance sheet as separate from the assets and liabilities of continuing operations starting from the date when they have been classified as held for sale. The reference year's data will not be reclassified.

A discontinued operation is a separate and significant business operation that has been divested (or permanently decommissioned) or it has been classified as held for sale. The result of discontinued operations will be presented on its own line on the profit and loss statement after the result of continuing operations. The reference year's profit and loss statement data will also be corrected in the same way.

Standards and interpretations published by the IASB taking effect later

IFRS 18 Presentation and Disclosure in Financial Statements (not adopted by the EU) will enter into force at the beginning of 2027. It will replace the current IAS 1 Presentation of Financial Statements standard. IFRS 18 deals with the presentation of financial statements, the information to be presented and the presentation of notes to the financial statements. The most significant changes to the standard are related to:

- The structure of the income statement and the mandatory subtotals
- The requirement to present notes concerning certain management-defined performance measures
- Expanded criteria for the aggregation and disaggregation of information, concerning both the main calculations and notes to the financial statements.

The preliminary assessment is that other standards and interpretations that have been published and will enter into force later are not relevant for the Group.

Assets held for sale

FSTP Real Estate Oy and its subsidiaries in Russia, OOO Otel plus, OOO Itis 2 and OOO Karelia are classified as assets held for sale. Statements related to the sale of the real-estate companies are ongoing. The companies in question are included in the real estate business segment. Associated company Kauppakeskus Mylly Group is also classified as assets held for sale.

The effect of sale on the Group's financial position

EUR million	31 Dec 2024	31 Dec 2023
Tangible assets*	0.1	10.5
Intangible assets	0.0	0.0
Interests in associated companies and joint ventures	11.7	
Deferred tax assets	0.0	0.0
Trade receivables and other current non-interest-bearing receivables	0.1	0.1
Cash and cash equivalents	2.3	3.6
Deferred tax liabilities	-0.1	-0.1
Current non-interest-bearing liabilities	-1.3	-4.3
Assets and liabilities, total	**12.7**	**9.7**
Net cash disposed of with the discontinued operation	2.3	3.6
Cash flow effect	**2.3**	**3.6**

*Includes EUR 10.9 million euro writedowns of fixed assets.

1. Segment information

For reporting to top management, SOK Corporation's operations are divided into five business segments. The segments are based on business areas.

SOK Corporation's segments to be reported are

Supermarket trade

SOK Corporation carries on supermarket trade in Estonia via its subsidiary. AS Prisma Peremarket has nine Prismas in Tallinn, two in Tartu, one in Narva and one in Rapla.

Travel industry and hospitality business

SOK Corporation's travel industry and hospitality business is carried on by Sokotel Oy in Finland and AS Sokotel in Estonia. SOK Corporation's hotels operate under the brands Sokos Hotels, Radisson Blu Hotels and Radisson Red Hotels. In Finland, Sokotel Oy operates 14 Sokos hotels, seven Radisson Blu hotels and one Radisson Red hotel. In Tallinn, Original Sokos Hotel Viru serves with its restaurants.

Real estate business

SOK real estate division's main responsibility is ensuring revenue and value development of SOK Corporation's real estate portfolio. The revenue of the real estate segment consists of rental income and service charges from SOK Corporation's business functions and from other tenants.

Procurement and services business

Inex Partners Oy offers logistics services for grocery, consumer goods and speciality goods supplied to the retail chains. Meira Nova Oy provides purchasing and logistics services for groceries supplied to locations in the HoReCa sector.

The aim of the service functions provided by SOK Corporation is to develop operational models and processes that generate the maximum added value for the S Group's businesses. The service units develop and maintain business models that increase the competitiveness of the entire S Group, and produce cost-effective services for the S Group. The joint service functions cover all the S Group's service functions that can be organised centrally to yield cost savings and/or a qualitative improvement in operations.

Banking

S-Bank's mission is to provide competitive basic banking services for the S-Group's customer-owners. The supermarket bank will strengthen customer loyalty whilst achieving savings in operating costs. S-Bank Group's result SOK Corporation's share of the consolidated result of the S-Bank Group is reported as banking operations. is reported as banking operations.

Segment reporting principles within SOK Corporation and reconciliation with the IFRS financial statements

The items to be included in the reporting to SOK Corporation's top management are revenue, operating result, operational result, investments, divestments and working capital. Management reporting is based on Finnish accounting legislation and on the principles of management accounting. Each segment is reported with intra-segment items eliminated. For example, revenue from the Procurement and services business has been stated eliminating the revenue between the companies in the Procurement and services business segment. Revenue in management reporting is reconciled with the IFRS revenue for continuing operations in the accounts. Financial accounting revenue for both continuing and discontinued operations is external revenue from which all of SOK Corporation's internal items have been eliminated. The differences between management reporting and financial accounting revenue are not material.

In calculating the operating result, valuations in accordance with Finnish accounting legislation are used. The income and expenses according to the matching principle are allocated to the segment. Reconciliation of the operating result with the result before taxes from continuing operations in compliance with IFRS shows those items which fall outside the operational result. These are, among others, financial income and expenses, gains and losses on the sale of property, plant and equipment as well as non-recurring costs from discontinuing operations.

In SOK Corporation's management reporting, assets are not allocated or reported on.

31 Dec 2024 EUR million	Supermarket trade	Travel industry and hospitality business	Procurement and services business	Real estate business	Banking	Internal eliminations and other	**Management reporting, total**
Revenue	207.6	224.6	8,935.0	85.6		-125.1	**9,327.7**
Group internal sales to other segments		0.8	134.4	19.0		1.8	**156.0**
Operating result	-2.4	-6.6	20.8	17.4	66.1	-4.4	**90.9**
Depreciation	-4.5	-11.1	-19.5	-18.7		-0.7	**-54.5**
Investments	2.8	10.7	22.2	3.7	100.0		**139.5**
Divestments	0.0	0.0	0.5	0.0		1.0	**1.5**

31 Dec 2023 EUR million							
Revenue	221.3	226.2	8,614.5	85.3		-125.1	**9,022.1**
Group internal sales to other segments	0.0	0.8	138.8	19.7		1.5	**160.8**
Operating result	-3.1	-6.0	21.2	19.7	59.0	-3.4	**87.5**
Depreciation	-4.5	-11.2	-15.2	-12.0		-1.0	**-43.9**
Investments	4.5	5.7	17.0	24.4			**51.5**
Divestments	0.2	0.5	0.9	0.8			**2.4**

EUR million	2024	2023
Reconciliation of the revenue		
Management reporting revenue to be reported	9,327.7	9,022.1
Revenue IFRS	**9,327.7**	**9,022.1**
Reconciliation of the result		
Operating result of the segments to be reported	90.9	87.5
Items excluded from the operating result within SOK Corporation:		
Financial income and expenses (FAS)	4.2	-1.0
Gains and losses on the sale of property, plant and equipment	1.1	0.7
Other operating income and expenses*	-0.1	-5.9
Changes in provisions	4.5	0.0
Valuation gains and losses on derivatives	1.3	0.2
Compensation for damages received	0.0	0.8
Impairment losses on tangible and intangible assets	-10.9	-3.5
IFRS adjustments	-0.2	-5.6
Profit before taxes for the period IFRS	**90.9**	**73.1**
* Year 2023 includes the closing costs of the store location and write-downs of unfinished project.		
Additional data at SOK Corporation level, external income		
Sales to S Group	8,347.9	8,068.8
Other sales in Finland	754.4	712.8
Foreign	225.4	240.6
Total	**9,327.7**	**9,022.1**
Additional data at SOK Corporation level, external income by segment		
Supermarket trade	207.6	221.3
Travel industry and hospitality business	224.6	226.2
Procurement and services business	8,809.9	8,489.4
Real estate business	85.6	85.3
Total	**9,327.7**	**9,022.1**
Additional information at SOK Corporation level, fixed assets		
Finland	1,286.1	1,289.0
Foreign	33.9	37.6
Total	**1,319.9**	**1,326.7**

2. Other operating income

EUR million	2024	2023
Gains on sale of tangible and intangible assets and real estate companies	1.6	1.3
Other income	0.5	1.2
Total	**2.1**	**2.5**

3. Employee benefit expenses

EUR million	2024	2023
Salaries and remuneration	305.0	275.9
Pension expenses, defined contribution plan	53.8	49.7
Other personnel expenses	11.9	13.8
Total	**370.6**	**339.4**

Average number of personnel	2024	2023
	6,423	**6,156**

The average number of personnel has been calculated as the average number of personnel at the end of each quarter.

4. Depreciation and impairments

EUR million	2024	2023
Depreciation		
Property, plant and equipment		
Buildings and structures	138.2	131.7
Machinery and equipment	18.9	18.4
Other property, plant and equipment	0.3	0.3
Intangible assets		
Other intangible assets	13.3	9.2
Investment properties	2.3	1.5
Total	**173.1**	**161.1**
Impairments		
Property, plant and equipment		
Land and water areas		0.0
Buildings and structures	10.5	5.5
Machinery and equipment	0.4	0.2
Other property, plant and equipment		0.0
Intangible assets		
Other intangible assets	-0.2	0.0
Total	**10.7**	**5.7**
Depreciation and impairments, total	**183.7**	**166.8**

5. Other operating expenses

EUR million	2024	2023
Rental expenses	16.4	27.8
Marketing expenses	6.0	6.5
Administrative expenses	20.1	16.8
Equipment and supplies	174.3	177.1
Property maintenance expenses	42.7	45.6
Other business expenses	24.6	26.8
Research and development costs	53.6	52.6
Total	**337.8**	**353.2**

6. Auditor's fees

EUR million	2024	2023
Audit fees	0.2	0.3
Other services	0.0	0.1
Total	**0.3**	**0.4**

7. Financial income and expenses

EUR million	2024	2023
Financial income		
Interest income from loans and receivables	6.3	3.3
Dividend income	3.1	3.7
Gains on derivatives held for trading	0.0	0.0
Other financial income	0.8	1.0
Total	**10.2**	**8.1**
Financial expenses		
Interest expenses on lease liability	27.8	29.2
Interest expenses on financial liabilities measured at amortised cost	6.1	5.1
Other financial expenses	0.3	0.1
Total	**34.2**	**34.3**
Financial income and expenses, total	**-24.0**	**-26.2**

8. Financial instrument items recognised in the income statement

EUR million	2024	2023
In other operating income		
Capital gain on shares and participations	0.9	0.5
In purchases of materials and services		
Net exchange differences on trade payables	0.0	0.2
Net expense on derivatives held for hedging purposes and subject to hedge accounting	1.3	0.2
In financial income and expenses		
Net profit from shares and participations	0.1	0.7
Interest income on receivables, cash and liquid assets	6.3	4.6
Net exchange differences on receivables, cash and liquid assets	0.0	-1.2
Net income from derivatives held for hedging purposes	0.0	0.0
Interest expenses on other financial liabilities	-33.4	-33.3
Net expenses total	**-24.8**	**-28.4**

Summary in IFRS 9 categories	2024	2023
Financial assets at amortized cost	6.3	3.4
Financial assets and liabilities at fair value through profit or loss	1.8	-0.2
Financial liabilities valued at amortized cost	-33.5	-33.2
Derivative contracts subject to hedge accounting measured at fair value through profit or loss	0.6	1.6
Net expenses total	**-24.8**	**-28.4**

Net expenses from derivatives held for trading, which has been recognised in purchases of materials and services, consists of derivatives that have been taken out to hedge purchases but to which hedge accounting has not been applied.

The expenses for liabilities measured at amortised cost also include guarantee commission expenses.

9. Income taxes

EUR million	2024	2023
Taxes based on taxable income for the financial year	-6.6	-6.0
Taxes from previous financial years	0.0	0.0
Withholding taxes on foreign interest income	-0.0	-0.1
Change in deferred taxes	-1.2	2.2
Total	**-7.8**	**-3.9**

Reconciliation between tax expense in the income statement and taxes calculated at the valid Corporation's tax rate in Finland:

EUR million	2024	2023
Profit before taxes	90.9	73.1
Taxes according to the tax rate of the parent company	-18.2	-14.6
Effect of different tax rates in foreign subsidiaries	-1.5	-0.8
Tax-free income	1.3	0.8
Non-deductible expenses	-1.7	-0.6
Unrecognized deferred tax assets from tax losses	-0.0	-0.1
Taxes on share of results of associates and joint ventures	13.7	11.6
Taxes for previous financial years	0.0	0.0
Other items	-1.4	-0.2
Taxes in the income statement	**-7.8**	**-3.9**

Taxes related to other comprehensive income items

2024

EUR million	Before tax	Tax effect	After tax
Cashflow hedges	1.3	0.3	1.6
Total	**1.3**	**0.3**	**1.6**

2023

EUR million	Before tax	Tax effect	After tax
Cashflow hedges	0.8	0.2	1.0
Total	**0.8**	**0.2**	**1.0**

10. Property, plant and equipment

2024 EUR million	Land and water areas	Buildings and structures	Machinery and equipment	Other tangible assets	Construction in progress and advance payments	Total
Acquisition cost						
Acquisition cost, 1 Jan	28.9	2,176.9	211.0	7.1	3.2	**2,427.1**
Translation differences	-0.0	-3.0	-0.2			**-3.2**
Increases	1.9	131.9	9.4		14.4	**157.7**
Decreases		-2.8	-2.6			**-5.4**
Transfer between items	0.2	3.2	9.3		-9.2	**3.4**
Transfer to assets held for sale *	-0.1	-15.7	-1.0			**-16.7**
Acquisition cost, 31 Dec	**30.9**	**2,290.5**	**225.9**	**7.1**	**8.4**	**2,562.9**
Accumulated depreciation						
Accumulated depreciation, 1 Jan	-0.2	-1,051.6	-155.7	-3.2		**-1,210.7**
Translation differences		1.4	0.1			**1.5**
Accumulated depreciation on deducted and transferred items		0.7	2.0			**2.7**
Depreciation for the period		-138.1	-18.9	-0.3		**-157.3**
Impairments		-10.5	-0.4			**-10.9**
Transfer to assets held for sale *		15.7	1.0			**16.7**
Accumulated depreciation, 31 Dec	**-0.2**	**-1,182.4**	**-172.0**	**-3.6**	**0.0**	**-1,358.0**
Carrying amount, 1 Jan	**28.7**	**1,125.3**	**55.2**	**3.9**	**3.2**	**1,216.4**
Carrying amount, 31 Dec	**30.8**	**1,108.2**	**53.9**	**3.6**	**8.4**	**1,204.8**

* Three real estates and their parent company are presented in assets held for sale.

Assets under a finance lease are included in the cost of property, plant and equipment as follows:

2024 EUR million	Buildings and structures	Machinery and equipment	Total
Acquisition cost, 1 Jan	1,515.0	53.9	**1,568.9**
Increases	129.9	6.9	**136.9**
Decreases	-2.1	-0.6	**-2.6**
Depreciation for the period	-113.7	-7.2	**-121.0**
Accumulated depreciation, 1 Jan	-626.8	-25.0	**-651.8**
Carrying amount, 31 Dec	**902.3**	**28.1**	**930.4**

2023 EUR million	Land and water areas	Buildings and structures	Machinery and equipment	Other tangible assets	Construction in progress and advance payments	Total
Acquisition cost						
Acquisition cost, 1 Jan	28.3	2,088.6	199.0	6.7	37.3	**2,359.9**
Translation differences	-0.0	-5.1	-0.3			**-5.4**
Increases		77.9	11.9	0.0	22.6	**112.4**
Decreases	-0.0	-32.8	-6.1	-0.0		**-39.0**
Transfer between items	0.6	48.3	6.6	0.4	-56.7	**-0.7**
Transfer to assets held for sale *	-0.1	-18.7	-1.2			**-19.9**
Acquisition cost, 31 Dec	**28.8**	**2,158.2**	**209.8**	**7.1**	**3.2**	**2,407.2**
Accumulated depreciation						
Accumulated depreciation, 1 Jan	-0.2	-916.5	-142.7	-2.9		**-1,062.3**
Translation differences		1.4	0.1			**1.5**
Accumulated depreciation on deducted and transferred items	0.0	0.4	5.3	0.0		**5.7**
Depreciation for the period		-131.4	-18.4	-0.3		**-150.1**
Impairments	-0.0	-5.5		-0.0		**-5.5**
Transfer to assets held for sale *		8.9	0.5			**9.4**
Accumulated depreciation, 31 Dec	**-0.2**	**-1,042.7**	**-155.2**	**-3.2**	**0.0**	**-1,201.3**
Carrying amount, 1 Jan	**28.2**	**1,172.1**	**56.3**	**3.8**	**37.3**	**1,297.6**
Carrying amount, 31 Dec	**28.7**	**1,115.5**	**54.5**	**3.9**	**3.2**	**1,205.8**

* Three real estates and their parent company are presented in assets held for sale.

Assets under a finance lease are included in the cost of property, plant and equipment as follows:

2023 EUR million	Buildings and structures	Machinery and equipment	Total
Acquisition cost, 1 Jan	1,480.3	45.3	**1,525.5**
Increases	66.9	9.2	**76.1**
Decreases	-32.2	-0.5	**-32.8**
Depreciation for the period	-113.5	-7.1	**-120.6**
Accumulated depreciation, 1 Jan	-513.3	-17.9	**-531.2**
Carrying amount, 31 Dec	**888.2**	**28.9**	**917.1**

11. Investment properties

EUR million	2024	2023
Acquisition cost		
Acquisition cost, 1 Jan	85.6	90.8
Increases	0.0	0.0
Decreases	-0.0	-5.4
Transfer between items	0.5	0.3
Acquisition cost, 31 Dec	**86.0**	**85.6**
Accumulated depreciation		
Accumulated depreciation, 1 Jan	-61.7	-64.7
Accumulated depreciation on deducted and transferred items	-0.0	4.6
Depreciation for the period	-2.3	-1.5
Accumulated depreciation, 31 Dec	**-63.9**	**-61.7**
Carrying amount, 1 Jan	**23.9**	**26.0**
Carrying amount, 31 Dec	**22.1**	**23.9**
Fair value	**78.5**	**79.2**

According to IFRS 13, investment properties are classified at fair value hierarchy level 3. Items whose fair value has been determined using input data about an asset or liability that is not based on observable market data are included in hierarchy level 3.

The fair value of investment properties is partly based on assessments made by external specialists and partly on company's own assessments. The value of self-assessed real estates is based on market value, which is determined by the basis of transactions completed before the assessment time and the prevailing market situation. Fair value is determined every six months and reported in connection with the official reporting.

12. Goodwill and intangible assets

2024 EUR million	Goodwill	Intangible rights	Construction in progress and advance payments	Total
Acquisition cost				
Acquisition cost, 1 Jan	9.8	167.2	47.3	**224.3**
Translation differences		-0.3		**-0.3**
Increases		0.2	12.8	**13.0**
Decreases		-7.3		**-7.3**
Transfer between items		11.9	-15.8	**-3.9**
Transfer to assets held for sale *		-1.7		**-1.7**
Acquisition cost, 31 Dec	**9.8**	**170.0**	**44.3**	**224.1**
Accumulated amortisation				
Accumulated amortisation and impairment, 1 Jan	-1.6	-125.8		**-127.4**
Translation differences		0.3		**0.3**
Accumulated depreciation on deducted and transferred items		7.3		**7.3**
Depreciation for the period		-13.3		**-13.3**
Impairments		0.2		**0.2**
Transfer to assets held for sale *		1.7		**1.7**
Accumulated amortisation, 31 Dec	**-1.6**	**-129.6**	**0.0**	**-131.2**
Carrying amount, 1 Jan	**8.2**	**41.4**	**47.3**	**96.9**
Carrying amount, 31 Dec	**8.2**	**40.4**	**44.3**	**93.0**

2023 EUR million	Goodwill	Intangible rights	Construction in progress and advance payments	Total
Acquisition cost				
Acquisition cost, 1 Jan	9.8	172.7	45.2	**227.7**
Translation differences		-0.5		**-0.5**
Increases		0.4	5.4	**5.8**
Decreases		-9.1		**-9.1**
Transfer between items		3.7	-3.2	**0.5**
Transfer to assets held for sale *		-2.0		**-2.0**
Acquisition cost, 31 Dec	**9.8**	**165.2**	**47.3**	**222.3**
Accumulated amortisation				
Accumulated amortisation and impairment, 1 Jan	-1.6	-126.2		**-127.8**
Translation differences		0.5		**0.5**
Accumulated depreciation on deducted and transferred items		9.1		**9.1**
Depreciation for the period		-9.2		**-9.2**
Transfer to assets held for sale *		2.0		**2.0**
Accumulated amortisation, 31 Dec	**-1.6**	**-123.8**	**0.0**	**-125.4**
Carrying amount, 1 Jan	**8.2**	**46.5**	**45.2**	**99.9**
Carrying amount, 31 Dec	**8.2**	**41.4**	**47.3**	**96.9**

During years 2024–2023 the carrying amount of other intangible rights mainly consist of ICT licences and software.

*Three real estates and their parent company are presented in assets held for sale.

13. Impairment testing of goodwill

Goodwill has been allocated to SOK Corporation's cash-generating units or to groups of cash-generating units as follows:

EUR million	2024	Discount rate, % 2024	2023	Discount rate, % 2023
Sokos Hotels chain	7.4	6.2	7.4	8.1
LB Kiel Tampere Ab / Kiinteistö Oy Hotelli Tammer	0.8		0.8	
Total	**8.2**		**8.2**	

Apart from goodwill, SOK Corporation does not have other intangible assets with an indefinite economic life.

SOK Corporation's cash-generating units are defined for the level below the business segment. As a rule, a cash-generating unit is a legal company. For the Travel industry and hospitality business, goodwill is monitored and tested at the chain level.

Impairment losses

In the 2023–2024 financial statements no impairment losses of goodwill were recognised.

Testing and sensitivity analysis

In impairment testing, the recoverable amount for the business is based on value-in-use calculations. Value in use has been calculated on the basis of estimated discounted cash flows. The projected cash flows are based on financial plans which have been approved by management and cover a five-year-period. The cash flows after this period have been extrapolated using a 2% growth rate which, according to the estimate, does not exceed the long-term actual growth rate of the business areas. The discount rate applied is the weighted average cost of capital (WACC) that is determined by sector and by country, taking into account the special risks associated with the unit. The required return is based on the average capital structure for the sector and a sector-specific beta.

The main variables in impairment testing are the discount rate, the EBITDA margin (%) as well as the growth rate after the five-year forecasting period. In assessing the goodwill of the Sokos Hotels chain, a possible foreseeable change in any of the key variables does not lead to a situation that would result in the need to recognise an impairment loss.

14. Shares in associated companies and joint ventures

EUR million	2024	2023
Carrying amount, 1 Jan	368.4	304.9
Share of result for the period	68.7	58.1
Dividends received	-10.1	-5.6
Increases/decreases	104.0	11.0
Transfers between items	-11.7	
Carrying amount, 31 Dec	**519.2**	**368.4**

Most significant associated companies

Among the associated companies engaging in business operations within SOK Corporation, the most significant is S-Bank Plc., which operates in the banking sector and belongs to S Group. S-Bank provides the members of the cooperative enterprises with services in daily banking, and its product range consists of current accounts and savings accounts, funds and asset management services, consumer credits and secured loans, international credit or debit cards as well as an online bank and a mobile bank.

Financial information summary of the essential associated companies

	S-Bank Plc	
EUR million	**2024**	**2023**
Current assets	4,025.1	3,140.7
Non-current assets, total	9,224.5	6,918.4
Current liabilities	10,612.5	8,417.3
Non-current liabilities	1,659.5	992.5
Revenue[1)]	306.9	274.5
Result for the financial year	132.1	118.0
Other comprehensive income for the financial year	3.1	6.1
Reconciliation of the associated company's financial information with the balance sheet value recognised by the Group		
Net assets of the associated company	977.6	649.3
Group ownership, %	50	50
Group's share of the net assets	488.8	324.6
Other adjustments	8.4	8.4
Associated company's balance sheet value in the consolidated balance sheet	**497.2**	**333.0**

Other associated companies

2024 EUR million	**Assets**	**Liabilities**	**Revenue**	**Result**	**Share holding %**
Coop Trading A/S	8.2	1.7	17.9	-0.6	25
Others	5.3	0.4	1.8	-0.1	

2023 EUR million	**Assets**	**Liabilities**	**Revenue**	**Result**	**Share holding %**
Coop Trading A/S	10.9	2.8	15.5	0.6	25
Others	5.0	0.2	1.2	-0.3	

[1)] S-Bank Plc's net interest income has been presented as revenue.

Most significant joint ventures

North European Oil Trade Oy (NEOT) is a fuel procurement company jointly owned by SOK Corporation and St1 Nordic Oy. NEOT's task is to procure and deliver fuel to its owners at an as competitive a price as possible. Contingent liabilities related to joint ventures are presented in note 28.

Financial information summary of the essential joint ventures

	North European Oil Trade Oy	
EUR million	**2024**	**2023**
Current assets	923.5	1,041.2
Cash and cash equivalents included in current assets	23.0	30.4
Non-current assets	2.7	2.8
Current liabilities	881.4	1,002.9
Financial liabilities included in current liabilities	311.9	423.8
Revenue	6,285.3	7,408.9
Reconciliation of the joint ventures financial information with the balance sheet value recognised by the Group		
Net assets of the joint venture	44.8	41.2
Group ownership, %	51	51
Group's share of the net assets	22.8	20.9
Other adjustments	-1.5	-0.5
Joint ventures balance sheet value in the consolidated balance sheet	**21.2**	**20.4**

Other joint ventures

2024 EUR million	**Assets**	**Liabilities**	**Revenue**	**Result**	**Share holding %**
Kauppakeskus Mylly Oy	128.8	105.2	4.0	0.8	50

2023 EUR million	**Assets**	**Liabilities**	**Revenue**	**Result**	**Share holding %**
Kauppakeskus Mylly Oy	131.2	101.7	22.9	4.5	50

SOK Corporation owns 50.8 per cent of North European Oil Trade Oy. SOK Corporation executes shared controlling interest in the company with ST1, based on the shareholder agreement, so the company is treated as a joint venture.

All associated companies and joint ventures of the SOK Corporation are unlisted.

S-Bank and Kauppakeskus Mylly were consolidated as Groups.

15. Non-current financial assets

Other financial assets EUR million	2024	2023
Shares and participations		
Carrying amount, 1 Jan	40.5	40.8
Increases	1.5	-0.0
Decreases	-0.3	-0.3
Carrying amount, 31 Dec	**41.7**	**40.5**

Shares and participations include shares in unlisted companies. Unlisted shares are stated at cost if their fair values cannot be obtained reliably. For now, according to the company's view, the fair value of equity investments corresponds to their book value.

Loans and receivables EUR million	2024	2023
Receivables from associated companies and joint ventures		
Capital loan receivables	0.6	0.6
Non-current loan receivables		
Other non-current receivables	1.7	1.6
Loans and other receivables total	**2.3**	**2.2**
Non-current financial assets, total	**44.0**	**42.7**

16. Deferred taxes

Changes in deferred taxes in 2024 Deferred tax assets EUR million	1 Jan 2024	Recognised in the income statement	Items recognised in the statement of comprehensive income	Foreign exchange differences	Transfer to assets held for sale	31 Dec 2024
Confirmed losses	0.0	0.0				**0.1**
Provisions and impairment losses	1.1	-1.1				**0.0**
Internal margin on inventories and property, plant and equipment	1.8	0.2				**2.0**
Lease liabilities	205.1	-5.9				**199.2**
Other items	1.1	0.1	-0.1			**1.2**
Total	**209.2**	**-6.6**	**-0.1**			**202.5**

Deferred tax liabilities EUR million						
Cumulative depreciation difference	2.0	-0.1				**1.9**
Business combinations	0.8					**0.8**
Fair value reserve	0.0	0.2				**0.2**
Retained earnings of Estonian companies	1.9	0.2				**2.2**
Lease liabilities	183.0	-5.6				**177.4**
Other items	0.0	-0.1	0.2			**0.1**
Total	**187.7**	**-5.3**	**0.2**			**182.6**

Changes in deferred taxes in 2023 Deferred tax assets EUR million	1 Jan 2023	Recognised in the income statement	Items recognised in the statement of comprehensive income	Foreign exchange differences	Transfer to assets held for sale	31 Dec 2023
Confirmed losses	0.0	-0.0				**0.0**
Provisions and impairment losses	1.2	-0.1				**1.1**
Internal margin on inventories and property, plant and equipment	1.8	-0.0				**1.8**
Lease liabilities	217.3	-12.2				**205.1**
Other items	3.2	-1.8	-0.2			**1.1**
Total	**223.5**	**-14.1**	**-0.2**			**209.2**

Deferred tax liabilities **EUR million**						
Cumulative depreciation difference	1.5	0.5				**2.0**
Business combinations	0.8					**0.8**
Fair value reserve	0.0					**0.0**
Retained earnings of Estonian companies	3.1	-1.2				**1.9**
Lease liabilities	198.4	-15.5				**183.0**
Other items	0.0					**0.0**
Total	**203.8**	**-16.1**				**187.7**

The Group had EUR 18.3 million (40.0 million) of confirmed losses, for which no deferred tax assets have been recognised.

With regard to confirmed losses for which deferred tax assets have been recognised, the group has sufficient tax planning measures in place for using the losses.

17. Inventories

EUR million	2024	2023
Raw materials and consumables	1.7	1.5
Supplies	241.5	228.1
Other inventories	3.4	1.5
Total	**246.7**	**231.0**

18. Trade receivables and other current non-interest-bearing receivables

EUR million	2024	2023
Trade receivables	585.9	614.4
Non-interest-bearing loan and other receivables	21.1	28.9
Derivative assets	2.4	0.1
Prepayments and accrued income in financial items	-0.1	0.3
Transer to Assets held for sale	-0.1	-0.1
Other prepayments and accrued income	28.7	24.4
Trade receivables and other current non-interest-bearing receivables, total	**638.0**	**668.1**

Material items included in other prepayments and accrued income		
Personnel expenses	0.4	0.3
Purchase related	25.4	22.2
Others	3.0	1.9
Other prepayments and accrued income, total	**28.7**	**24.4**

19. Cash and cash equivalents

EUR million	2024	2023
Cash on hand and deposits	189.6	224.6
Transer to Assets held for sale	-2.3	-3.6
Cash on hand and deposits, total	**187.3**	**221.0**

20. Equity

EUR million	2024	2023
Cooperative capital, 1 Jan	172.0	172.0
Cooperative capital, 31 Dec	**172.0**	**172.0**

Cooperative capital consists of the cooperative contributions paid to Suomen Osuuskauppojen Keskuskunta (SOK) for participations in the cooperative enterprises. The number of participations in a cooperative enterprise is determined on the basis of the number of the members and annual purchases of the cooperative enterprises.

Restricted reserves

Fair value reserve

The fair value reserve includes changes in the fair values of derivative instruments used to hedge available-for-sale investments and cash flow as well as a share of change in S-Bank's fair value reserve. Value of the reserve is EUR -2.7 million (-7.1 million). The share of S-Bank's fair value reserve is EUR -3.4 million (-6.6 million).

Reserve fund

The reserve fund comprises the portion of non-restricted equity that can be transferred under the cooperative's statutes. Value of the fund is EUR 18.5 million (18.5 million).

Supervisory Board's Disposal fund

The Supervisory Board decides on the use of its disposal fund. Value of the fund is EUR 0.0 million (0.1 million).

Non-restricted reserves

Invested non-restricted equity reserve

According to new cooperative rules of Suomen Osuuskauppojen Keskuskunta the increases of cooperative capital paid by cooperative enterprises are booked into invested non-restricted equity reserve. Value of the reserve is EUR 75.6 million (66.0 million).

21. Interest-bearing liabilities

Non-current interest-bearing liabilities EUR million	2024	2023
Lease liabilities	912.5	906.8
Other non-current interest-bearing liabilities	5.0	
Non-current interest-bearing liabilities, total	**917.5**	**906.8**

Current interest-bearing liabilities EUR million	2024	2023
Lease liabilities	124.2	118.3
Other current interest-bearing liabilities	98.7	79.0
Current interest-bearing liabilities, total	**222.9**	**197.3**

Lease liabilities EUR million	2024	2023
Lease liabilities – present value of minimum lease payments:		
In one year	124.2	118.3
After one year	912.5	906.8
Present value of minimum lease payments, total	**1,036.7**	**1,025.2**

EUR million	2024	2023
Interest on lease liabilities	27.8	27.8
Short term and low value leases		
Amount of short-term leases	1.2	1.1
Amount of long-term leases	0.4	0.7
Short term and low value leases total	**1.7**	**1.7**

The lease period shown in the agreement is shown for accounting; the options for continuation are not taken into account unless a binding decision has been made regarding them. The basic principle is that exercising the option for continuing the lease cannot be considered likely before the Board of Directors has approved business operations' proposal to continue. The options for continuation will therefore be taken into account when a binding decision regarding them has been made by the Board of Directors or another decision-making body. The agreements on logistics centres and terminals do not include separate options; instead, the use and terms and conditions of any continuation agreements will be separately agreed.

	2024	2023
Income from subleasing right-of-use assets	**34.4**	**36.9**

Leases mainly consist of real estate leases.

22. Non-interest-bearing liabilities

EUR million	2024	2023
Non-current non-interest-bearing liabilities	11.5	11.9
Non-current non-interest-bearing liabilities, total	**11.5**	**11.9**
Trade payables, total	**829.1**	**873.6**
Advances received	15.3	12.2
Current liabilities	37.8	38.8
Derivative financial instruments	0.0	1.1
Accruals and deferred income	176.8	142.4
Current non-interest bearing liabilities, total	**229.9**	**194.5**
Material items included in current accruals and deferred income		
Personnel expenses	85.8	83.4
Financing items	0.3	0.2
Accruals of S-publications	69.5	42.5
Others	21.2	16.4
Current accruals and deferred income, total	**176.8**	**142.4**

23. Provisions

EUR million	Unprofitable lease agreements	Other provisions	Total
Provisions, 1 Jan 2024	4.9	0.5	**5.4**
Provisions used	-0.5	-0.0	**-0.5**
Cancelled provisions	-4.3	-0.5	**-4.8**
Provisions, 31 Dec 2024	**0.1**	**0.0**	**0.1**

Breakdown of provisions	
Current	0.1

EUR million	Unprofitable lease agreements	Other provisions	Total
Provisions, 1 Jan 2023	5.5	0.5	**5.9**
Increases in provisions		0.5	**0.5**
Provisions used	-0.6	-0.5	**-1.0**
Provisions, 31 Dec 2023	**4.9**	**0.5**	**5.4**

Breakdown of provisions	
Current	5.4

Other provisions includes short term costs related to interruption damage and termination of lease agreements.

24. Operating leases

Group as lessor
Minimum lease payments on non-cancellable operating leases:

EUR million	2024	2023
In one year	7.1	8.8
In one to five years	26.8	27.8
Over five years	0.5	0.4
Total	**34.4**	**36.9**

25. Fair values of financial assets and liabilities

FINANCIAL ASSETS	2024				2023			
		Fair value				Fair value		
EUR million	Carrying amount	Level 2	Level 3	Total	Carrying amount	Level 2	Level 3	Total
Financial assets measured at fair value through profit and loss								
Shares and participations	1.8		1.8	1.8	2.0		2.0	2.0
Trade receivables and other current non-interest-bearing receivables								
Derivative assets	1.4	1.4		1.4	0.1	0.1		0.1
Hedge accounting derivatives								
Trade receivables and other current non-interest-bearing receivables								
Derivative assets	1.0	1.0		1.0	0.0	0.0		0.0
Financial assets to be measured at amortised cost								
Non-current loan and other receivables	2.2	2.3		2.3	2.2	2.1		2.1
Non current trade receivables	0.0	0.0		0.0				
Trade receivables and other current non-interest-bearing receivables								
Trade receivables	585.9	585.9		585.9	614.4	614.4		614.4
Non-interest-bearing loan and other receivables	17.6	17.6		17.6	22.3	22.2		22.2
Prepayments and accrued income in financial items	0.3	0.3		0.3	0.7	0.7		0.7
Current interest-bearing receivables								
Cash and liquid assets	189.2	189.6		189.6	224.2	224.6		224.6
Financial assets, total	**799.4**	**798.1**	**1.8**	**799.9**	**865.9**	**864.0**	**2.0**	**866.1**

Movements of items in Level 3 measured at fair value on recurring basis in the balance sheet

EUR million	2024	2023
Opening balance, 1 Jan	2.0	2.3
Purchases	0.1	
Sales	-0.4	-0.0
Fair value changes recognised in the income statement	0.1	-0.3
Closing balance	**1.8**	**2.0**

The fair value hierarchy level to which an item measured at fair value has been classified in its entirety is determined based on the lowest level inputs that are significant for the entire item in question, measured at fair value. The significance of the input has been estimated in its entirety in relation to the item in question measured at fair value. The moment of transfers between different levels of the fair value hierarchy is determined by the end of the review period.

Fair values on hierarchy level 1 are based on the quoted prices of completely identical asset items or liabilities in an active market. In 2023 and 2024, there were no Level 1 financial instruments.

The fair values of level 2 instruments are to a significant extent based on inputs other than quoted prices included in level 1. However they are based on information that is observable for the said asset item either directly or indirectly. In determining the fair value of these instruments, the Group uses generally accepted valuation models in which the input is to a significant extent based on verifiable market information.

The fair values of level 3 instruments are based on inputs concerning the asset item or liability which are not based on verifiable market information. Level 3 includes EUR 1.8 million of unquoted shares (2.0 million), for which the fair value equals the carrying amount.

FINANCIAL LIABILITIES	2024				2023			
		Fair value				Fair value		
EUR million	Carrying amount	Level 2	Level 3	Total	Carrying amount	Level 2	Level 3	Total
Financial liabilities measured at fair value through profit and loss								
Current non-interest-bearing liabilities								
Derivative liabilities	0.0	0.0		0.0	0.5	0.5		0.5
Hedge accounting derivatives								
Current non-interest-bearing liabilities								
Derivative liabilities	0.0	0.0		0.0	0.5	0.5		0.5
Financial liabilities to be measured at amortised cost								
Non-current interest-bearing liabilities								
Other non-current interest-bearing liabilities	5.0	5.2		5.2				
Non-current non-interest-bearing liabilities								
Trade payables	0.0	0.0		0.0				
Other non-interest-bearing liabilities	0.2	0.2		0.2	0.3	0.3		0.3
Current interest-bearing liabilities	98.7	98.8		98.8	79.0	79.0		79.0
Current non-interest-bearing liabilities								
Accruals and deferred expenses	0.3	0.3		0.3	0.2	0.2		0.2
Trade payables	829.1	829.1		829.1	873.6	873.6		873.6
Financial liabilities, total	**933.3**	**933.5**	**0.0**	**933.5**	**954.2**	**954.2**	**0.0**	**954.2**

The table does not include lease liabilities of carrying amount EUR 1,044.1 million (1,034.2 million).

26. Management of financial risks

SOK's business involves financial risks such as currency, interest rate, liquidity and credit risks. The management of finance and financial risks has been centralised within SOK's Treasury unit. SOK Corporation follows a Finance and treasury policy as well as risk management instructions that are established by SOK's Executive Board. These define the principles of managing financial risks and the permissible maximum amounts for financial risks. In addition, numerical targets have been set for the different subareas of financing with the aim of being able to ensure the sufficiency, balance and affordability of financing in all conditions.

SOK Corporation uses derivatives mainly to hedge against financial risks. Trading in derivatives for other than hedging purposes is done only within the risk limits approved by SOK's Executive Board.

Currency risk

A currency risk means an uncertainty in SOK Corporation's cash flow, result and balance sheet caused by changes in exchange rates.

SOK Corporation's net sales is generated entirely from sales denominated in euros. The most significant currency risks are related to procurement transaction risks. The target is to minimise the uncertainty caused by the currency risk of an open position, nevertheless taking the hedging costs into account.

Transaction risks related to business operations consist of liabilities and receivables denominated in foreign currencies and projected cash flows. Currency risk is managed by hedging balance sheet items and future cash flows to the extent that it is not possible to pass on changes in exchange rates to sales prices. The Group's centralized financial unit is responsible for managing currency risk and hedging transaction risks with currency derivatives if necessary.

The financing of the subsidiaries is arranged in the functional currency of each company. The translation risk associated with the invested equity financing in foreign subsidiaries is reduced by hedging the capitals to the extent that a 20 per cent exchange rate change would cause a decline of more than 0.6 percentage points in SOK Corporation's equity ratio.

Outstanding derivative contracts

	Value of the underlying asset		Fair value	
EUR million	**2024**	**2023**	**2024**	**2023**
Forward exchange contracts				
Hedge accounting is applied	24.4	25.2	1.0	-0.5
Hedging contracts, no hedge accounting	35.0	26.4	1.4	-0.5
Total	**59.4**	**51.6**	**2.4**	**-1.0**

Currency sensitivity analysis

EUR million	**2024**	**2023**
Position exposed to risk		
USD	57.2	45.9
Other currencies	11.9	14.2
Total	69.2	60.1
Effect on the income statement		
Appreciation of EUR, 10%	-4.5	-3.5
Depreciation of EUR, 10%	4.5	3.5
Effect on equity		
Appreciation of EUR, 10%	-2.4	-2.5
Depreciation of EUR, 10%	2.4	2.5

The currency sensitivity analysis shows the effect on SOK Corporation's profit/loss or equity of a 10% appreciation or depreciation in the euro against other currencies on closing day. Other variables are asssumed to remain constant. The calculation includes receivables and liabilities denominated in foreign currencies and currency derivatives. The calculation does not include probable purchases denominated in foreign currencies. The effect on the income statement and equity is shown without the effect of taxes.

Hedge accounting

SOK Corporation applies hedge accounting to derivatives hedging highly probable future purchases. The hedge accounting model used is cash flow hedge. The purpose of hedge accounting is to hedge against the currency risk in currency-denominated purchases.

Hedge accounting is applied to derivatives which are effective for the risk being hedged and meet the conditions set for hedge accounting in the IFRS9 standard. For hedging is used forward exchange contracts. The hedging relationship between the hedging derivative and the hedged item as well as the risk management objectives related to hedging are documented when the hedging begins.

The efficiency of the hedge is assessed at the beginning of the hedging relationship and during the hedge so that the hedge is extremely efficient throughout. The efficient portion of hedging is recognised in the fair value reserve.

Changes recognised in Group equity from cash flow hedge

EUR million	2024	2023
Opening balance, 1 Jan	-0.6	-1.6
Profits and losses from valuing at fair value	1.0	-0.6
Amount included in the income statement	0.6	1.6
Closing balance, 31 Dec	**1.0**	**-0.6**

Items recognised in equity are shown without the effect of taxes.

Changes in value recognised in equity are recognised in the income statement in the period during which the hedged cash flows are recognised in the income statement, the derivative matures or the hedge accounting prerequisites are no longer met.

Interest rate risk

The interest rate risk means an uncertainty in SOK Corporation's cash flow, result and balance sheet caused by changes in market rates.

SOK Corporation's objective in the management of the interest rate risk is to reduce or eliminate the negative effect of the change in market rates on the Corporation's cash flows, result and balance sheet, nevertheless taking the costs of hedging into account.

When measuring the interest rate risk of SOK Corporation, only external interest-bearing items are taken into account, including lending, borrowing and derivatives.

The target is that a linear change in the market interest rate of one percentage point does not lead to an increase in net financial expenses that exceeds 1 percent of the planned EBITDA (not IFRS) for each year.

Interest rate sensitivity analysis

EUR million	2024	2023
Floating rate net debt	-188.1	-224.1
Fixed interest net debt	1,141.1	1,113.7
Total	953.0	889.6
Effect on the income statement		
1.0 percentage point increase	1.1	1.6
1.0 percentage point decrease	-1.1	-1.6
Effect on equity		
1.0 percentage point increase	0.0	0.0
1.0 percentage point decrease	0.0	0.0

The sensitivity of interest expenses to changes in market interest rates is assessed by a calculation in which market interest rates are assumed to change permanently by one percentage point and the amount of net debt to remain unchanged for the next 12 months. The changes are presented without tax effect.

Liquidity risk

SOK Corporation's liquidity risk is managed by keeping the cash reserve at a level that secures the Corporation's liquidity also in unexpected situations. In addition, liquidity and refinancing risks are sought to be minimized through a balanced maturity distribution of loans and funding limits.

The cash reserve includes liquid assets tradeable on the secondary market as well as such bank account funds in Finland or abroad that are available on the same day. In addition to the available funds, unused overdraft limits are also taken into consideration. The targeted size of the cash reserve is EUR 130.0 million.

At the end of December, SOK Corporation had liquid assets of EUR 189.6 million (224.6 million). EUR 2.3 million (2.3 million) of the liquid assets was deposited in Russian bank accounts and there are restrictions for access to the entire group's use. The amount of committed credit facilities on December 31, 2024 was EUR 320.0 million (320.0 million).

The credit facilities are unsecured, but their terms contain covenants. The financial covenants used in all credit facility agreements are equity ratio excluding lease liabilites and interest cover ratio. The maximum amount of lease liabilities is also limited. The credit facilities have not been used during the financial year and there have been no breaches on the conditions of the covenants.

SOK Corporation also has uncommitted overdraft limits of EUR 57.0 million (57.0 million) and a commercial paper programme of EUR 250.0 million (250.0 million). At the end of 2024 EUR 0.0 million (0.0 million) of the commercial paper programme was in use.

Maturity analysis of SOK Corporation's agreement-based cash flows from financial liabilities and derivative contracts

	2024				2023			
EUR million	**< 1 year**	**1–5 years**	**> 5 years**	**Total**	**< 1 year**	**1–5 years**	**> 5 years**	**Total**
Non-current interest-bearing liabilities								
Lease liabilities	155.8	575.2	536.0	1,266.9	150.0	524.5	552.7	1,227.2
Other interest-bearing liabilities	99.7	5.4		105.1	79.5			79.5
Non-interest-bearing liabilities								
Trade payables	829.1	0.0		829.1	873.6	0.0		873.6
Other non-interest-bearing liabilities	0.0	0.2	0.0	0.2	0.0	0.3	0.0	0.3
Off-balance liabilities								
Nominal value of guarantee liabilities *	136.1			136.1	166.5			166.5
Non-derivative financial liabilities	**1,220.7**	**580.7**	**536.0**	**2,337.4**	**1,269.6**	**524.8**	**552.7**	**2,347.2**
Derivatives liabilities	0.0			0.0	1.0			1.0
Derivatives assets	-2.6			-2.6	-0.1			-0.1
Derivative contracts, total	**-2.6**	**0.0**	**0.0**	**-2.6**	**0.9**	**0.0**	**0.0**	**0.9**
Total	**1,218.1**	**580.7**	**536.0**	**2,334.8**	**1,270.5**	**524.8**	**552.7**	**2,348.0**

* Cash flows on guarantee liabilities have been presented with a term of less than 1 year, although it is unlikely that they will be realized.

Credit risk

Credit risk is the risk that a counterparty to a contract will default on its obligations to the SOK Corporation or that a change in the counterparty's creditworthiness will affect the market value of the financial instruments it issues.

The maximum amount of SOK Corporation's credit risk corresponds to the total carrying amount of financial assets in Note 25 of EUR 799.4 million (865.9 million) plus a nominal value of EUR 136.1 million (166.5 million) in guarantees and a maximum of EUR 5.0 million in credit commitments (5.0 million).

Guarantee commitments which increase SOK Corporation's credit risk are presented in Note 28. The guarantee liabilities include guarantees issued on behalf of the S Group and companies related to the S Group. Realisation of the credit risks of the guarantees is improbable.

Management of financial credit and counterparty risk

The credit risk of financial instruments is managed by entering into agreements only with financially solid counterparties approved by SOK's Board of Directors, within the limits approved by the Board of Directors. SOK Corporation's liquidity is invested in the money and foreign exchange markets productively, but avoiding unnecessary risks.

SOK Corporation has not netted its financial assets and liabilities. However, some derivative contracts are subject to an agreement according to which the derivatives could be netted in case of bankruptcy.

Management of business related credit risk

SOK's units and subsidiaries are responsible for their own credit risks. Credit decisions are made in accordance with the credit risk management guidelines defined in writing for each unit or subsidiary.

Of the Group's trade receivables, EUR 502.0 million (524.3 million) came from SOK's owner cooperatives.

Aging of trade receivables

EUR million	2024	2023
Not fallen due	582.8	610.7
1–30 days past due	2.5	2.5
31–90 days past due	0.4	0.7
Over 90 days past due	0.2	0.5
Total	**585.9**	**614.4**

SOK Corporation used credit insurance to reduce the credit risk of trade receivables. The value of the insured trade receivables was EUR 21.0 million (22.0 million), for which the maximum compensation is EUR 4.0 million (4.0 million) per insurance period.

Trade receivables do not include impaired receivables.

Expected credit losses on receivables

EUR million	2024	2023
Opening balance, 1 Jan	-2.8	-2.6
Change in financial year	-0.4	-0.2
Closing balance, 31 Dec	**-3.2**	**-2.8**

Expected credit losses on receivables under IFRS 9 are recognized in sales and loan receivables, counterparties to bank accounts and issued guarantees. The expected credit losses on trade receivables are based on actual credit losses and on the amount of receivables outstanding at the balance sheet date and the estimated probability of credit losses. For other items, expected credit losses are based on the counterparties' credit ratings and the probability of credit losses in the ratings. Short-term bank deposits do not include expected credit risk on the basis of credit ratings. Expected credit losses on long-term receivables have been calculated using the probability of credit loss over the next 12 months, as the credit risk has not increased significantly since the original issue. The expected credit losses on money market investments have been calculated using credit risk factors in accordance with the remaining term of the agreement, as the outstanding agreements are short-term.

Most of the expected credit losses consist of guarantee exposures granted on behalf of associates. These are unlikely to be realized.

27. Related party transactions

SOK Corporation's related parties include the subsidiaries, joint ventures, the associated companies, CEO and his deputy, SOK's Corporate Management Team, SOK's Executive Board and Supervisory Board and their family members. SOK Corporation is maintaining related parties register. Regional cooperatives are not included in to SOK Corporation's related parties by the standard IAS 24 Related Party Disclosures.

Paid Management employee benefit expenses **EUR million**	**2024**	**2023**
CEO and SOK's Corporate Management Team salaries and remuneration	4.1	4.2
SOK's Executive Board and Supervisory Board salaries and remuneration	0.6	0.6
CEO and SOK's Corporate Management Team supplementary pension costs	0.6	1.2
Total	**5.3**	**5.9**

Management's pension commitments: SOK's Chief Executive Officer, members of the executive board in an emplyment relationship and the Corporate Management Team as well as other management, which complies with the criteria of pension policy are entitled to an additional pension insurance, where the retirement age is 60–63 years.

Related-party loans to the subsidiaries, joint ventures as well as associates have been granted for financing normal business operations. Loans have not been granted to the management of SOK Corporation's related parties in 2023–2024. Nor have conditional items or other commitments been granted on the behalf of key employees. Persons belonging to management, including their related parties, are not in a material business relationship with SOK Corporation.

Transactions and balances with associated companies and joint ventures: **EUR million**	**2024**	**2023**
Sales	35.0	27.0
Purchases	21.8	0.6
Financial income and expenses	0.1	
Trade and other receivables	0.6	1.9
Trade payables and other liabilities	3.1	0.0

28. Securities and contingent liabilities

EUR million	2024	2023
Other securities provided		
Pledges	0.1	0.1
Mortgages	1.5	3.4
Guarantees	2.5	2.5
Total	**4.1**	**5.9**
Securities given on behalf of others' debt		
Guarantees for debt of joint ventures	107.3	139.7
Other securities given on behalf of others		
Pledges for liabilities of joint ventures	0.5	0.5
Guarantees for liabilities of joint ventures	23.7	20.4
Total	**24.2**	**20.8**
Other liabilities		
Letter of credit liabilities	0.5	0.0

The guarantees granted consist mainly of the guarantees on behalf of joint venture North European Oil Trade Oy and its subsidiary North European Oil Trade AB on a loan and other liabilities of 83.9 million (114.4 million) and of the guarantees on behalf of joint venture Kauppakeskus Mylly Oy on a loan of EUR 47.7 million (46.1 million).

Other financial liabilities:

The Group is obligated to audit valued added tax depreciations it has made on a property investment if the taxable use of the property decreases during the auditing period. The maximum amount of the responsibility is EUR 21.8 million (25.3 million).

Other contingent liabilities:

Commitments in accordance with the shareholder agreement to be responsible for the S-Voima Oy's commitments

The shareholders are responsible for S-Voima Oy's liabilities in accordance with the Mankala principle. According to this principle, SOK's responsibility for S-Voima's expenses – including loan repayments, interest and depreciation – is determined based on the amount of energy used by the shareholder as concerns electricity sold on the market, proportionate to the series of shares owned by the shareholder as concerns wind power, and based on solar energy plants built for properties managed by the shareholder as concerns solar power.

Commitments related to the financing of North European Oil Trade Oy

Regarding North European Oil Trade Oy's syndicated revolving credit facility SOK has given an off-take commitment to the financing banks. In the off-take commitment, SOK has committed to purchase at market price 22 per cent of the liquid fuel stocks of NEOT Group pledged at any given time as collateral for the syndicated revolving credit facility.

Additionally SOK has pledged to provide loan funding. SOK has at 31 December 2024 the following open commitments: to provide EUR 5.0 million (5.0 million) conditional subordinated loan to North European Oil Trade Oy.

29. Subsidiaries and associated companies

Companies owned by SOK Corporation and SOK 31.12.2024	Country	SOK Corporation´s shareholding %	SOK Corporation´s votingrates %	SOK´s share-holding %
Group companies				
Commercial				
AS Sokotel	Estonia	100	100	
Inex Partners Oy	Finland	100	100	100
Inex Export Oy	Finland	100	100	100
Jollas-Opisto Oy	Finland	100	100	100
Meira Nova Oy	Finland	100	100	100
Prisma Peremarket AS	Estonia	100	100	
Reila Palvelut Oy	Finland	100	100	100
SOK-Liiketoiminta Oy	Finland	100	100	100
Sokotel Oy	Finland	100	100	100
SOK Fund Management Oy	Finland	100	100	
FSTP Real Estate Oy	Finland	100	100	99
SOK Retail Int Oy	Finland	100	100	
S-Business Oy	Finland	100	100	100
S-Yrityspalvelu Oy	Finland	100	100	100
S-Verkkokauppa Oy	Finland	100	100	100
Commercial, 15 companies				
Real-estate companies, 27 companies				
Total Group companies, 42 companies				
Joint ventures				
Kauppakeskus Mylly Oy	Finland	50	50	50
Kiinteistö Oy Kuloisten Kauppakeskus	Finland	50	50	
Raision Miro Oy	Finland	50	50	50
North European Oil Trade Oy*	Finland	51	50.8*	51
Total joint ventures, 4 companies				

* Due to the shared controlling interest based on the associated company agreement, the company is treated as a joint venture using the equity method.

Associated companies				
Asunto Oy Kauniaisten Kirkkomäki	Finland	39	39	39
Coop Trading A/S	Denmark	25	25	25
Hälyttävä Oy	Finland	46	46	46
Keskuskorttelin Huolto Oy	Finland	32	32	32
S-Pankki Oyj*	Finland	50	50	50
S-Asiakaspalvelu Oy	Finland	50	50	
FIM Kiinteistö Oy	Finland	50	50	
S-Pankki Rahastoyhtiö Oy	Finland	50	50	
S-Pankki Vaikuttavuusijoitukset Oy	Finland	50	50	
S-Pankki Kiinteistöt Oy	Finland	50	50	
FIM Infrastructure Mezzazine Debt Fund GP Oy	Finland	50	50	
FIM Private Debt Fund I GP Oy	Finland	50	50	
FIM SIB Oy	Finland	50	50	
FIM Infrastructure Mezzanine Debt Fund III GP Oy	Finland	50	50	
S-Pankki Vaikuttavuus I GP Oy	Finland	50	50	
Total associated companies, 15 companies				

*S-Bank Plc is treated as an associate company of SOK Group with 49.99 percent shareholding.

30. Events after the balance sheet date

The Group does not have any essential events after the balance sheet date.

SOK CORPORATION KEY RATIOS 2020–2024

	2024	2023	2022	2021	2020
Revenue, EUR million	**9,327.7**	9,022.1	8,434.0	7,796.6	7,600.4
Operating profit, EUR million	**115.0**	102.5	24.8	19.7	-2.6
% of revenue	**1.2**	1.1	0.3	0.3	0.0
Profit/loss before taxes, EUR million	**90.9**	73.1	4.9	-12.1	-36.5
% of revenue	**1.0**	0.8	0.1	-0.2	-0.5
Return on equity, %	**11.3**	10.7	-0.1	-3.1	-4.7
Return on investment, %	**6.7**	6.1	2.3	1.3	0.1
Equity ratio, %	**26.0**	24.1	21.3	21.2	21.1
Gearing, %	**122.8**	126.7	178.6	191.1	189.9
The average number of the personnel, converted to full-time	**5,555**	5,372	5,864	5,648	5,788
Non-interest-bearing liabilities, EUR million	**1,071.9**	1,084.4	1,060.8	997.3	967.4

CALCULATION OF KEY RATIOS

Return on equity, % = $\frac{\text{Profit/loss after financial items – income taxes}}{\text{Equity, average}}$ x 100 %

Return on investment, % = $\frac{\text{Profit/loss after financial items + interest and other financial expenses}}{\text{Total assets – non-interest-bearing liabilities – provisions, average}}$ x 100 %

Equity ratio, % = $\frac{\text{Total equity}}{\text{Total assets – advances received}}$ x 100 %

Gearing, % = $\frac{\text{Interest-bearing liabilities – cash and cash equivalents}}{\text{Total equity}}$ x 100 %

The average number of the personnel, converted to full-time

The average number of personnel and the number converted to full-time equivalents has been calculated as the average number of personnel at the end of each quarter.

PARENT COMPANY FINANCIAL STATEMENT, FAS

Income statement, FAS

EUR million	Note	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Net turnover		8,401.9	8,109.4
Other operating income	2	0.2	0.3
Materials and services			
Materials, consumables and goods			
Purchases during the financial period		-7,605.9	-7,323.2
Changes in inventories		13.3	-15.6
External services		-316.5	-310.3
		-7,909.1	**-7,649.0**
Personnel costs	3		
Wages, salaries and fees		-162.0	-140.5
Other social security expenses		-33.2	-32.1
		-195.2	**-172.6**
Depreciation and impairment charges	4	-17.0	-12.4
Other operating expenses	5	-253.0	-256.4
OPERATING PROFIT/ -LOSS		**27.7**	**19.3**
Financial income and expense	6	-7.1	13.0
RESULT BEFORE APPROPRIATIONS AND TAXES		**20.7**	**32.2**
Appropriations			
Changes in depreciation difference		-0.3	-0.6
Group Contribution		-2.3	-0.9
Income taxes	7	-4.5	-4.9
RESULT FOR THE FINANCIAL PERIOD		**13.5**	**25.8**

Balance sheet, FAS

EUR million	Note	31 Dec 2024	31 Dec 2023
NON-CURRENT ASSETS			
Intangible assets	8		
Intangible rights		45.0	46.0
Other intangible assets		4.1	3.3
Advance payments		48.4	50.7
		97.6	**100.0**
Tangible assets	9		
Land and water areas		2.7	0.6
Buildings and constructions		0.3	0.0
Machinery and equipment		2.2	1.0
Other tangible assets		0.6	0.6
Advance payments and constructions in progress		0.2	0.5
		6.0	**2.7**
Investments	10		
Investments in group companies		431.6	456.8
Receivables from group companies		233.5	236.2
Investments in participating interest companies		298.5	197.1
Other investments and holdings		1.2	1.4
Other receivables		0.6	0.6
		965.4	**892.1**
Total non-current assets		**1,068.9**	**994.7**
CURRENT ASSETS			
Inventories			
Finished products		205.7	192.4
Other inventories		0.0	0.0
Advance payments		3.4	1.4
		209.2	**193.8**
Non-current receivables			
Other receivables		1.6	1.5
Current receivables	11		
Accounts receivables		521.2	550.4
Receivables from group companies		35.1	50.0
Receivables from associated companies		2.5	1.9
Other receivables		0.5	11.4
Prepayments and accrued income		28.7	23.1
		588.0	**636.7**
Cash and equivalents		178.9	213.2
Total current assets		**977.7**	**1,045.2**
Total assets		**2,046.6**	**2,040.0**

Balance sheet, FAS

EUR million	Note	31 Dec 2024	31 Dec 2023
Member's funds	12		
Member's capital		172.0	172.0
Other reserves			
Reserve for invested unrestricted equity		75.6	66.0
Fair value reserve		1.0	-0.6
Legal reserve		18.5	18.5
Supervisory Board's disposal fund		0.0	0.1
Retained earnings		590.2	579.7
Result for the financial period		13.5	25.8
		870.8	**861.3**
Appropriations			
Accumulated depreciation difference		6.8	6.5
Provisions			
Other provisions	13	0.1	5.4
LIABILITIES			
Non-current liabilities			
Other liabilities		5.2	0.3
Current liabilities	14		
Advance payments		10.0	9.2
Accounts payables		716.4	740.3
Liabilities to group companies		170.2	196.0
Liabilities to participating interest companies		3.1	1.1
Other liabilities		127.4	108.2
Accruals and deferred income		136.6	111.6
		1,163.7	**1,166.4**
Total liabilities		**1,168.9**	**1,166.8**
Total members' funds and liabilities		**2,046.6**	**2,040.0**

Cashflow statement, FAS

EUR million	Reference	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
BUSINESS OPERATIONS			
Operating profit/ -loss		27.7	19.3
Adjustments to operating profit/loss	1	9.8	12.0
Change in working capital	2	35.6	23.0
Cash flow from operating activities before taxes and interests		**73.2**	**54.2**
Increase (-) / decrease (+) in current receivables		9.9	-10.0
Other financial expenses		-8.3	-7.8
Other financial income		7.3	3.2
Income taxes paid		-9.2	-1.3
Cash flow from other operating activities		**72.9**	**38.4**
INVESTMENTS			
Investments in tangible and intangible assets		-19.8	-13.8
Investments in other shares and holdings		-102.1	-90.0
Issued loans		-82.7	-23.1
Proceeds from sale of tangible and intangible assets			0.8
Proceedings from other investments		0.4	
Repayments from loan receivables		85.5	163.0
Received interests from investments		7.1	8.0
Received dividends from investments		13.2	9.3
Cash flow arising from investing activities		**-98.6**	**54.0**
FINANCING			
Proceeds from new long-term liabilities		5.0	
Change in short-term loans		-7.0	55.9
Change in members' capital		9.6	21.0
Interest paid on members' capital		-15.2	
Change in members' capital		-0.0	-0.0
Change in group contributions		-0.9	-24.0
Cash flow arising from financial acitivities		**-8.6**	**52.9**
Change in cash and equivalents		**-34.2**	**145.4**
Cash and cash equivalents at beginning of period		**213.2**	**67.8**
Change in cash and equivalents at end of period		**178.9**	**213.2**
Adjustments to operating profit/ -loss	1		
Gain and losses from fixed assets		0.1	-0.1
Depreciations and amortisations		17.0	12.4
Other non-cash items		-7.2	-0.3
		9.8	**12.0**
Change in working capital	2		
current receivables, non-interest bearing		44.0	-28.5
Change in inventories		-15.3	19.7
Current liabilities, non-interest bearing		6.9	31.9
		35.6	**23.0**

NOTES TO FINANCIAL STATEMENTS

1. Accounting policies

SOK Corporation's financial statements have been prepared in compliance with the Finnish Accounting Standards (FAS).

Non-current assets and depreciations

Intangible and tangible assets are initially recognised at historical cost and they are subsequently measured at historical cost less depreciation and impairment losses. The assets are depreciated over their estimated useful life using the straight-line method and starting from the capitalisation month. The estimated useful lives are as follows:

Lightweight structures and equipment in buildings	5–15
Buildings	20–35
Machinery and equipment	3–10
Motor vehicles and servers	3–5
Other tangible and intangible assets	by Business Tax Act

Investments

Shares and participations under investments are measured at fair value in compliance with the alternative method allowed under the FAS, section 5, Article 2a in case the fair value is reliable measured. If the fair is not reliably measured, the investments are stated as original cost less any impairment losses.

Inventories

Inventories are stated, using the weighted average price method, at lower of direct purchase cost, replacement cost and probable selling price.

Financial assets and liabilities

Financial instruments are recognised, using an alternative method, as allowed in section 2a, Chapter 5 of the Accounting Act, at fair value in accordance with the International Financial Reporting Standards (IFRS).

Financial assets are classified at amortized cost, fair value through items of other comprehensive income or fair value to be measured through profit and loss. Financial liabilities are classified at amortized cost by means of the effective interest method to be measured or at fair value to the measured through profit and loss.

The fair value of a financial instrument is determined on the basis of prices quoted in active markets or by using measurement methods that are generally applied in the markets. The fair values of interest rate swaps has been determined by discounting future cash flows to the present by using the market rates of the balance sheet date. The fair values of currency forwards has been calculated by measuring the forward contracts at the forward rate of the balance sheet date.

Foreign currency transactions

Foreign currency transactions are recorded in euros using the rate of exchange at the date of transaction. Foreign currency receivables and payables have been translated into euros using the rate of exchange at the balance sheet date. Exchange rate differences are recognised in income statement.

As the ECB has suspended the quotation of the exchange rate of the Russian rouble in euro for the time being, the EUR/RUB WM exchange rate quoted by LSEG has been used.

Derivative contracts and hedge accounting

Derivative contracts are used mainly for hedging purposes. SOK applies hedge accounting according to IFRS to some of the currency derivatives used for hedging Group goods purchases. In these, only the exchange rate risk is being hedged. The hedge accounting model used is cash flow hedging. SOK has derivative contracts outside of hedge accounting which, according to the Corporation's financial policy, are effective economic hedging instruments but to which hedge accounting in accordance with the IFRS 9 standard is not applied.

Pension plans

Personnel's statutory pension provision is organised through pension insurance companies and the voluntary supplementary pension provision is either insured or kept at SOK's own risk. The management is in the scope of the supplementary pension provision. Pension costs are recognised as expense in the income statement.

Future expenses and losses

Future expenses and losses include items committed to under agreements or otherwise but not yet realised are recorded either as mandatory provision or as accrued liabilities in balance sheet. Changes in accrued liabilities and provisions are recognised as expense in income statement. Losses from the Group's underutilised premises are included in mandatory provisions.

Income taxes

Income tax includes the income tax payments for the period calculated based on the profit for the period, and taxes payable for prior periods, or tax refunds. Deferred taxes are not included in SOK's income statement and balance sheet. Unrecognised deferred taxes are disclosed in note 7.

Terminology

In SOK's financial reporting, the term 'result' is primarily used to describe the financial performance of the co-operative. Secondarily, the terms 'profit' or 'loss' are used where 'result' does not fit the context. The terms 'surplus' and 'deficit' may be used if it is necessary to present a link with a provision of the Co-operatives Act or the rules of the cooperative.

EUR million	2024	2023
2. Other operating income		
Gain and losses from sale of tangible and intangible assets	0.1	-0.1
Other	0.1	0.4
Total	**0.2**	**0.3**

3. Personnel expenses		
Salaries and remuneration	162.0	140.5
Pension expenses	28.9	26.9
Other personnel expenses	4.3	5.2
Total	**195.2**	**172.6**
The average number of personnel is counted as weighted average number on the quarter basis.		
Average amount of personnel	2,191	2,060

Salaries and remunerations paid to management		
SOK's Chief Executive Officer and Board of Directors	1.2	1.2
Members of the Supervisory Board	0.3	0.3
Total	**1.5**	**1.5**

Management's pension commitments

Management's pension commitments: SOK's Chief Executive Officer and the Corporate Management Team are entitled to retire at the age of 60–63.

4. Depreciations and impairments charges		
Depreciations according to plan	17.0	12.4
Impairment charges		0.0
Total	**17.0**	**12.4**

Depreciation principles are disclosed under the chapter accounting principles. Depreciations' detalizations on asset types are disclosed in notes 8–10.

5. Operating expenses		
Rents and property expenses	40.0	44.0
ICT	184.6	184.0
Administration and marketing expenses	17.1	13.3
Other operating expenses	11.2	15.0
Total	**253.0**	**256.4**

Other operating expenses contain auditors' fee		
Audit	0.2	0.2
Other services	0.0	0.1
Total	**0.2**	**0.3**

EUR million	2024	2023
6. Financial income and expenses		
Income from non-current investments		
Income from investments in associated companies	13.1	8.6
Income from other non-current investments		
From group companies	6.9	7.7
From others	0.2	0.7
Other interest and financial income		
From group companies	0.5	0.6
From others	6.6	3.9
Financial income total	**27.2**	**21.6**
Impairment charges from non-current investments	-25.8	
Interest and other financial expenses		
For the same group companies	-3.4	-3.7
For others	-5.1	-4.8
Interest and other financial expenses total	**-8.5**	**-8.6**
Financial income and expenses total	**-7.1**	**13.0**

7. Income taxes		
Income taxes for the financial period	4.5	4.9
Income for previous financial periods	0.0	0.0
Total	**4.5**	**4.9**
Deferred tax receivables		
Other provision	0.0	1.1
Deferred tax liabilities		
Accumulated depreciation difference	1.4	1.3

Deferred taxes are not included to the balance sheet.

EUR million

8. Intangible assets

31 Dec 2024	Intangible rights	Other intangible assets	Advance payments	Total
Acquisition cost at 1 Jan	133.5	16.7	50.7	**200.9**
Increases	0.1	0.0	15.3	**15.5**
Decreases	-6.3			**-6.3**
Transfers	14.2	1.5	-17.5	**-1.8**
Acquisition cost at 31 Dec	**141.5**	**18.3**	**48.4**	**208.2**
Accumulated depreciation at 1 Jan	87.5	13.4		**100.9**
Decreases and transfers	-6.3			**-6.3**
Depreciation for the financial year	15.3	0.7		**16.0**
Accumulated depreciations at 31 Dec	**96.5**	**14.1**	**0.0**	**110.7**
Book value at 31 Dec	**45.0**	**4.1**	**48.4**	**97.6**

31 Dec 2023	Intangible rights	Other intangible assets	Advance payments	Total
Acquisition cost at 1 Jan	129.4	16.6	48.4	**194.4**
Increases	0.4		12.6	**13.0**
Decreases	-6.0	-0.6		**-6.5**
Transfers	9.7	0.7	-10.4	**0.0**
Acquisition cost at 31 Dec	**133.5**	**16.7**	**50.7**	**200.9**
Accumulated depreciation at 1 Jan	82.5	13.0		**95.6**
Decreases and transfers	-6.0	-0.5		**-6.5**
Depreciation for the financial year	10.9	0.9		**11.8**
Accumulated depreciations at 31 Dec	**87.5**	**13.4**	**0.0**	**100.9**
Book value at 31 Dec	**46.0**	**3.3**	**50.7**	**100.0**

9. Tangible assets

31 Dec 2024	Land and water areas	Buildings and constructions	Machinery and equipment	Total
Acquisition cost at 1 Jan	0.6	1.5	9.4	**11.6**
Increases	1.9		0.2	**2.1**
Decreases			-0.2	**-0.2**
Transfers	0.2	0.3	1.9	**2.4**
Acquisition cost at 31 Dec	**2.8**	**1.8**	**11.3**	**15.9**
Accumulated impairment charges 1 Jan	0.1			**0.1**
Accumulated impairments 31 Dec	**0.1**	**0.0**	**0.0**	**0.1**
Accumulated depreciation at 1 Jan	0.0	1.5	8.4	**9.9**
Decreases and transfers			-0.2	**-0.2**
Depreciations for the financial year		0.0	0.9	**0.9**
Accmuated depreciations as at 31 Dec	**0.0**	**1.5**	**9.1**	**10.6**
Book value at 31 Dec	**2.7**	**0.3**	**2.2**	**5.2**

EUR million

31 Dec 2023	Land and water areas	Buildings and constructions	Machinery and equipment	Total
Acquisition cost at 1 Jan	0.7	1.5	9.1	**11.3**
Increases			0.1	**0.1**
Decreases	-0.0	-0.0	-0.1	**-0.1**
Transfers			0.2	**0.2**
Acquisition cost at 31 Dec	**0.6**	**1.5**	**9.4**	**11.6**
Accumulated impairment charges 1 Jan	0.1			**0.1**
Accumulated impairments 31 Dec	**0.1**	**0.0**	**0.0**	**0.1**
Accumulated depreciation at 1 Jan		1.5	7.9	**9.4**
Decreases and transfers		0.0	-0.1	**-0.1**
Depreciations for the financial year		0.0	0.6	**0.6**
Accmuated depreciations as at 31 Dec	**0.0**	**1.5**	**8.4**	**9.9**
Book value at 31 Dec	**0.6**	**0.0**	**1.0**	**1.6**

31 Dec 2024	Other tangible assets	Advance payments and constructions in progress	Total
Acquisition cost at 1 Jan	0.6	0.5	**1.1**
Decreases		0.2	**0.2**
Transfers		-0.5	**-0.5**
Acquisition cost at 31 Dec	**0.6**	**0.2**	**0.8**
Accumulated impairment charges 1 Jan	0.0		**0.0**
Accumulated impairments 31 Dec	**0.0**	**0.0**	**0.0**
Book value at 31 Dec	**0.6**	**0.2**	**0.8**

31 Dec 2023	Other tangible assets	Advance payments and constructions in progress	Total
Acquisition cost at 1 Jan	0.6	0.2	**0.9**
Decreases		0.4	**0.4**
Transfers		-0.2	**-0.2**
Acquisition cost at 31 Dec	**0.6**	**0.5**	**1.1**
Accumulated impairment charges 1 Jan	0.0		**0.0**
Accumulated impairments 31 Dec	**0.0**	**0.0**	**0.0**
Book value at 31 Dec	**0.6**	**0.5**	**1.1**

EUR million

10. Investments

31 Dec 2024	Investments in group companies	Receivables from group companies	Investments in participating interest companies	Total
Acquisition cost as at 1 Jan	472.6	236.2	197.1	**905.9**
Increases	0.6	10.6	101.4	**112.6**
Decreases		-13.3		**-13.3**
Acquisition cost as at 1 Jan	**473.2**	**233.5**	**298.6**	**1,005.2**
Accumulated impairments 1 Jan	15.8		0.1	**15.9**
Impairments	25.8			**25.8**
Accumulated impairments 31 Dec	**41.6**	**0.0**	**0.1**	**41.7**
Book value 31 Dec	**431.6**	**233.5**	**298.5**	**963.5**

31 Dec 2023	Investments in group companies	Receivables from group companies	Investments in participating interest companies	Total
Acquisition cost as at 1 Jan	383.5	376.0	197.1	**956.7**
Increases	90.0	11.9		**101.9**
Decreases	-0.9	-151.8		**-152.7**
Acquisition cost as at 1 Jan	**472.6**	**236.2**	**197.1**	**905.9**
Accumulated impairments 1 Jan	15.8		0.1	**15.9**
Accumulated impairments 31 Dec	**15.8**	**0.0**	**0.1**	**15.9**
Book value 31 Dec	**456.8**	**236.2**	**197.1**	**890.0**

31 Dec 2024	Other investments and shares	Other receivables from others	Total
Acquisition cost as at 1 Jan	1.5	0.6	**2.1**
Increases	0.1		**0.1**
Decreases	-0.4		**-0.4**
Fair value	0.1		**0.1**
Acquisition cost as at 31 Dec	**1.3**	**0.6**	**1.9**
Accumulated impairments 1 Jan	0.0	0.0	**0.0**
Increases	0.0		**0.0**
Accumulated impairments 31 Dec	**0.0**	**0.0**	**0.0**
Book value 31 Dec	**1.2**	**0.6**	**1.8**

31 Dec 2023	Other investments and shares	Other receivables from others	Total
Acquisition cost as at 1 Jan	1.0	0.6	**1.6**
Decreases	-0.0		**-0.0**
Fair value	0.5		**0.5**
Acquisition cost as at 1 Jan	**1.5**	**0.6**	**2.1**
Accumulated impairments 1 Jan	0.0	0.0	**0.0**
Increases			
Accumulated impairments 31 Dec	**0.0**	**0.0**	**0.0**
Book value 31 Dec	**1.4**	**0.6**	**2.0**

EUR million	2024	2023
11. Current receivables		
Receivables from group companies		
Accounts receivables	8.2	8.8
Loan receivables		10.0
Others	10.8	7.8
Prepayments and accrued income	16.1	23.4
Total	**35.1**	**50.0**
Receivables from participating interest companies		
Accounts receivables	2.5	1.9
Total	**2.5**	**1.9**
Material items included in accrued receivables and income		
Personnel expenses	0.1	0.0
Financial items	2.7	0.7
Others	0.2	0.1
Purchase related	25.4	22.2
Taxes	0.4	
Total	**28.7**	**23.1**
12. Member's funds		
Restricted equity		
Member's capital 1 Jan	172.0	172.0
Member's capital 31 Dec*	**172.0**	**172.0**
Fair value reserve 1 Jan	-0.6	-1.6
Cash flow hedge		
Fair value changes for the financial period	1.0	-0.6
Amount excluded from equity to income statement	0.6	1.6
Käyvän arvon rahasto 31 Dec	**1.0**	**-0.6**
Legal reserve at 1 Jan	18.5	18.5
Legal reserve at 31 Dec	**18.5**	**18.5**
Total restricted equity	**191.4**	**189.8**
Non-restricted equity		
Reserve for invested unrestricted equity 1 Jan	66.0	45.0
Increases	9.6	21.0
Reserve for invested unrestricted equity 31 Dec	**75.6**	**66.0**
Supervisory Board's disposal fund 1 Jan	0.1	0.0
Increases	0.0	0.0
Decreases	-0.0	-0.0
Supervisory Board's disposal fund 31 Dec	**0.0**	**0.1**

EUR million	2024	2023
Retained earnings 1 Jan	**605.5**	**579.7**
Transfer to supervisory board's disposal fund	-0.0	-0.0
Interest to member's funds	-15.2	
Retained earnings 31 Dec	**590.2**	**579.7**
Result for the financial period	**13.5**	**25.8**
Total non-restricted equity	**679.4**	**671.5**
Total member's fund	**870.8**	**861.3**
Distributable funds 31 Dec		
Reserve for invested unrestricted equity	75.6	66.0
Fair value reserve	0.0	-0.6
Retained earnings	590.2	579.7
Result for the financial period	13.5	25.8
Total	**679.3**	**670.8**

*Member's capital consist of cooperative payments paid by cooperative societies to SOK. The number of a cooperative society's shares is determined based on the total amount of cooperative memberships and the amount of the annual purchases. As of 31 December 2024 the number of cooperative societies were 25 (25) and number of society shares were 469 664 (450 461).

13. Provisions		
Partially used premises	0.1	4.9
Other provisions		0.5
Total	**0.1**	**5.4**

Changes in provisions are recorded under other operating expenses in income statement.

14. Short-term liabilities		
Liabilities to group companies		
Trade payables	17.3	19.5
Other liabilities	148.2	170.1
Accruals and deferred income	4.6	6.4
Total	**170.2**	**196.0**
Liabilities to participating interest companies		
Trade payables	3.1	1.1
Total	**3.1**	**1.1**
Material items included in accruals and deferred income		
Personnel expenses	50.4	48.6
Financial items and derivatives	0.3	1.2
Others	86.0	61.8
Total	**136.6**	**111.6**

EUR million	2024	2023
15. Related party transactions		
Material related party transactions for the financial period		
Sale of goods	72.4	79.2
Sale of services	52.1	45.7
Rental income	36.0	32.6
Total	**160.5**	**157.5**
Purchase of goods	281.0	274.6
Purchase of services	243.8	246.2
Total	**524.8**	**520.8**
16. Securities, contingent liabilities and other liabilities		
Pledges given and contingent liabilities		
Other securities provided		
Pledges	0.1	0.1
Mortgages		1.9
Total	**0.1**	**1.9**
Securities given on behalf of Group companies		
Pledges	0.0	0.0
Guarantees	61.0	63.3
Total	**61.0**	**63.3**
Securities given on behalf of others' debt		
Guarantees for debt of joint ventures	107.3	139.7
Other securities given on behalf of others		
Pledges for liabilities of joint ventures	0.5	0.5
Guarantees for liabilities of joint ventures	23.7	20.4
Total	**24.2**	**20.8**
Other liabilities		
Letters of credit liabilities	0.5	
Rental liabilities		
Maturity within one year	7.2	8.4
Maturity in more than one year	34.9	41.9
Total	**42.0**	**50.3**
Leasing liabilities		
Maturity within one year	9.7	9.5
Maturity in more than one year	13.2	14.0
Total	**22.9**	**23.5**

Other financial liabilities

SOK is obligated to audit valued added tax depreciations it has made on a property investment if the taxable use of the property decreases during the auditing period. The maximum amount of the responsibility is EUR 0.2 million (0.2 million).

Other contingent liabilities

Commitments in accordance with the shareholder agreement to be responsible for the S-Voima Oy's commitments

The shareholders are responsible for S-Voima Oy's liabilities in accordance with the Mankala principle. According to this principle, SOK's responsibility for S-Voima's expenses – including loan repayments, interest and depreciation – is determined based on the amount of energy used by the shareholder as concerns electricity sold on the market, proportionate to the series of shares owned by the shareholder as concerns wind power, and based on solar energy plants built for properties managed by the shareholder as concerns solar power.

Commitments related to the financing of North European Oil Trade Oy

Regarding North European Oil Trade Oy's syndicated revolving credit facility SOK has given an off-take commitment to the financing banks. In the off-take commitment, SOK has committed to purchase at market price 22 per cent of the liquid fuel stocks of NEOT Group pledged at any given time as collateral for the syndicated revolving credit facility.

Additionally SOK has pledged to provide loan funding. SOK has at 31 December 2024 the following open commitments: to provide EUR 5.0 million (5.0 million) conditional subordinated loan to North European Oil Trade Oy.

Risk Management and derivative contract

SOK's finance and funding policy and risk management guideline are approved by SOK's Executive Board. They define risk management principals and threshold levels. Derivatives are used only for hedging purposes.

Foreign currency risks relates to purchases' transactional risk. The purpose of the hedging is to minimize the uncertainty of the open position's foreign currency risk taking into the account the expense of the hedging.

SOK applies hedging to derivatives to hedge highly probable future purchases and the applied model is cash flow hedging. The effective portion of the hedging is recorded in fair value fund under the equity.

Derivatives	Nominal amount		Fair value	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Forward exchanges, hedge accounting	24.4	25.2	1.0	-0.5
Forward exchanges, no hedge accounting	34.1	25.5	1.4	-0.4
Total	**58.5**	**50.7**	**2.4**	**-1.0**

All derivatives are due within one year.

EXECUTIVE BOARD'S PROPOSAL FOR THE DISTRIBUTION OF SOK'S DISTRIBUTABLE SURPLUS

	€
Profit indicated in the income statement	13,502,112.50
Profit for the previous financial years	590,233,219.26
Total	603,735,331.76

The Executive Board proposes that the profit for the financial year of EUR 13,502,112.50 be used as follows:

- distributed as interest on cooperative contributions paid by the cooperative enterprises by the beginning of the financial period	14,408,587.73
- transferred to the Supervisory Board's disposal fund	20,000.00
- left in the retained earnings account	-926,475.23

Providing that the Cooperative Meeting approves the above proposal, SOK's capital and reserves will be:

Cooperative capital	172,001,000.00
Fair value reserve	953,253.09
Legal reserve	18,473,154.85
Invested non-restricted equity reserve	75,581,000.00
Supervisory Board's disposal fund	67,634.97
Profit for the previous financial years	589,306,744.03
Total	856,382,786.94

Helsinki,
11 February 2025

Hannu Krook

Nermin Hairedin

Katri Harra-Salonen

Antti Heikkinen

Veli-Matti Liimatainen

Reima Loukkola

Harri Miettinen

Antti Määttä

Juha Riikola

AUDITOR'S REPORT

To the members of Suomen Osuuskauppojen Keskuskunta

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Suomen Osuuskauppojen Keskuskunta (business identity code 0116323-1) for the year ended December 31, 2024. The financial statements comprise the consolidated balance sheet, income statement, 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 cooperative'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 performance, financial position 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 cooperative'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 cooperative 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 cooperative'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 cooperative 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 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 cooperative'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 cooperative'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 cooperative 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. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in 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 report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

Helsinki, March 21, 2025

KPMG OY AB

Jukka Rajala
Authorized Public Accountant, KHT

STATEMENT BY THE SUPERVISORY BOARD

According to Clause 1 of Subsection 1 of Section 13 of the SOK Corporation's statutes, the Supervisory Board has today inspected the financial statements and consolidated financial statements prepared by the Executive Board for 2024 and has familiarised itself with the auditors report.

The Supervisory Board proposes that the cooperative meeting confirm the financial statements and the consolidated financial statements and that the Executive Board's proposal concerning the distributable equity be approved.

Helsinki, 27 March 2025

SUOMEN OSUUSKAUPPOJEN
KESKUSKUNTA

On behalf of the Supervisory Board

Timo Santavuo
Chairman

Anu Tuomola
Secretary

In its meeting on 27 March 2025, the Supervisory Board of SOK Corporation approved these financial statements for publication. According to the Finnish Cooperatives Act, the Annual Cooperative Meeting can approve or reject the financial statements in the ordinary Council of Representatives' meeting to be held after the publication of the financial statements. The ordinary Council of Representatives' meeting may also decide on amending the financial statements.



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