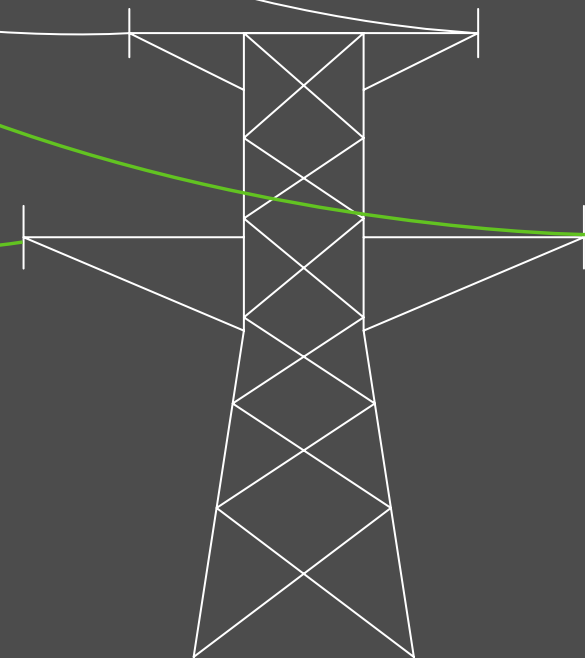


CARUNA OY

# Financial Statements and Operating and Financial Review

31 December 2022

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# Contents

Operating and financial review .....	3
Formulas for key figures .....	8
Profit and loss statement.....	9
Balance sheet .....	10
Cash flow statement.....	11
Notes .....	12
Signatures to the financial statements and operating and financial review .....	27
Auditor's note .....	27
List of ledgers.....	28

# The Board's Operating and Financial Review for 2022

Caruna Oy is a part of Caruna Group (Caruna). Caruna Oy is engaged in regulated electricity distribution network operations and high-voltage electricity distribution network operations on the electricity networks it owns. The company is a distribution network and high-voltage distribution network company, as referred to in the Electricity Market Act, within its area of responsibility.

## KEY EVENTS DURING THE FINANCIAL PERIOD

Caruna Oy has steadily gained new customers in recent years. The total number of customers was 488 (484) thousand at the end of 2022.

Caruna's operating environment deteriorated in 2022 due to the extraordinary tightening measures taken by the regulator in the middle of the regulatory period and a general increase in costs due to the energy crisis triggered by the Ukraine war. The war in Ukraine has not had a direct financial impact on Caruna's business. The indirect impacts have been significantly higher raw material, electricity and construction costs and a shortage of components.

In November, the cost rises prompted the company to announce increases to the prices as of 1 January 2023. The post-tax prices for

Caruna Oy's customers will increase by an average of approximately 3.9 per cent.

During the year, the electricity supply volume in the distribution network decreased to 6.5 (7.0) TWh. The electricity supply volume on the high-voltage distribution network also decreased to 2.5 (2.6) TWh. The reliability of supply rate was 99.98 (99.98) per cent in 2022.

Caruna's CFO, Jyrki Tammivuori, was appointed CEO of the company on 13 May 2022. Jyrki Tammivuori was the company's acting CEO from 23 March to 12 May 2022. Tomi Yli-Kyyny was the company's CEO until 23 March 2022. The company's SVP People, Public Affairs & Regulation, Noora Neilimo-Kontio, was appointed as Caruna's CFO and deputy CEO on 13 June 2022.

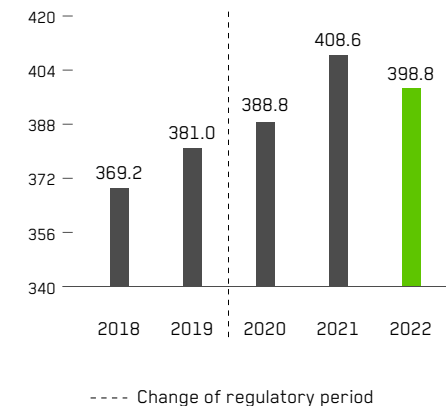
## FINANCIAL DEVELOPMENT

Caruna Oy's net sales in 2022 amounted to EUR 398.8 (408.6) million. Net sales decreased by EUR 9.8 million (2.4 per cent) year-on-year due to lower distribution volumes. Caruna Oy's net sales comprises of electricity distribution sales and connection fees. The electricity distribution sales decreased by EUR 16.5 million to the comparison year. The Ukraine war caused the energy crisis which sparked the energy prices in 2022. As a result, energy consumption decreased especially during the second half of the year. The decrease in electricity consumption decreased Caruna Oy's electricity distribution sales by EUR 12.6 million. Year 2022 was colder than the comparison year which lowered Caruna Oy's net sales by EUR 3.9 million.

Connection fees increased by EUR 6.7 million year-on-year to EUR 18.1 million. In 2022, a very large number of new connection points was connected to Caruna's network, the largest of which was the connection for the Murtotuuli wind farm.

## NET SALES

EUR million



Variable costs, consisting of grid losses and transmission costs, were EUR 72.2 (73.4) million. The challenging geopolitical situation raised electricity market prices during 2022 increasing the cost of grid losses by EUR 8.2 million compared to 2021. Caruna Oy hedged its purchases of grid losses in 2022 by entering into physical power purchase agreements.

The grid service fees were EUR 9.5 million lower than in the comparison period. Lower supply volumes in the distribution network and the high-voltage distribution network reduced the grid service fees. In addition, the transmission system operator Fingrid did not charge distribution system operators for grid service fees in December.

Operating expenses, including external services, employee costs and other operating expenses, were EUR 61.0 (64.9) million, which is EUR 3.9 million lower than in the comparison period. The reasons for the increase in expenses

included the introduction of Datahub, the Energy Authority network licence fee and wage increases under collective agreements compared to the previous year. Less fault repair and stand-by work reduced expenses, which was due to the number of storms. In addition, measures to increase efficiency and productivity reduced other operating expenses.

Depreciation, amortisation and impairment charges amounted to EUR 82.0 (85.8) million. Depreciation, amortisation and impairment charges also include scrapping costs arising from dismantling overhead lines in a total amount of EUR 6.0 (7.7) million.

The company's operating profit was EUR 188.1 (191.1) million, and the loss for the financial period was EUR 1.0 (2021: loss of 3.0) million.

The company paid a group contribution of EUR 118.7 (135.0) million to its parent company, Caruna Networks Oy.

## FINANCIAL KEY FIGURES

	2022	2021	2020
Net sales (EUR million)	398.8	408.6	388.8
Operating profit (EUR million)	188.1	191.1	172.2
Operating profit (% of net sales)	47.2	46.8	44.3
Loss for the period (EUR million)	-1.0	-3.0	-7.1
Investments (EUR million)	102.4	104.6	121.9
Return on equity (%)	26.8	28.7	26.7
Equity ratio (%)	32.2	30.6	30.8

## BUSINESS ACTIVITIES

Caruna Oy has approximately 80,400 kilometres of electricity network in its operating area of South, Southwest and West Finland, and in the regions of Koillismaa and Satakunta. Caruna Oy has steadily gained new customers in recent years. The total number of customers was 488 (484) thousand at the end of 2022. A total of 1,700 (2,000) new connection contracts were signed.

Caruna's operating environment deteriorated in 2022 due to the extraordinary tightening measures taken by the regulator in the middle of the regulatory period and a general increase in costs due to the energy crisis triggered by the Ukraine war.

The costs of raw materials, electricity and construction rose substantially. Electricity

network construction costs rose by more than 10 per cent, and the costs of energy losses increased by over 30 per cent in 2022 compared with the previous year. Also, a shortage of components forced changes to the timetables of electricity network projects. In November, the cost rises prompted the company to announce increases to the prices as of 1 January 2023. The post-tax prices for Caruna Oy's customers will increase by an average of approximately 3.9 per cent.

In January 2022, the energy industry brought an appeal to the Market Court concerning the Energy Authority's (EA) changes to its regulatory methods midway through the regulatory period. The common view in the industry is that the authority did not have sufficient legal grounds to

make the changes and did not have the independence required by EU directives when the changes were prepared and implemented.

The reliability of the electricity supply is measured by the System Average Interruption Duration Index (SAIDI). The average interruption time in Caruna Oy's electricity distribution (SAIDI) was 114 (97) minutes per customer in 2022, and the reliability of the electricity supply was 99.98 (99.98) per cent. The System Average Interruption Frequency Index (SAIFI) was 2.2 (1.9) interruptions per customer.

The number of small-scale solar energy producers increased by 16,600 (10,300) in 2022.\*

The construction work on an internal network and the customer's own transmission line to the Murtotuuli wind farm was completed in spring 2022. Murtotuuli includes 21 separate power plants with a total output of 133 MVA. The wind farm is in Posio. The customer connection was commissioned in July.

The construction work on an internal network and the customer's own transmission line to the Rustari wind farm in Kurikka was completed in the spring. Rustari includes eight separate power plants with a total output of 45 MVA. The power plant was connected to Caruna's network in September.

In September, Caruna and Ruda Solpark Ab made an agreement to connect a solar farm to the electricity grid in Kemiönsaari. The solar

farm is the first of its kind to connect to Caruna's medium-voltage network. The solar power plant will be built in a field containing 3,600 solar panels. In the future, the solar power plant should produce 1.98 MWp of electricity.

The drafts of Caruna's development plan for the electricity distribution network were on display for customers in the spring 2022. Customers gave feedback on plans for adopting electric cars and solar panels, the opportunity for flexible electricity consumption, and customers' views on the reliability of the existing network and the necessary development. The final development plans and customer feedback summaries were published on Caruna's website in August.

**Fewer electricity network construction projects were started than planned due to the rise in cost levels and challenges in component availability**

The company aims to modernise its electricity network over the long term in line with the needs of its customers and the energy transition. In the coming years, this will require investments in electricity network development and capacity increases, especially in the high-voltage electricity network.

Electricity networks are a key enabler of the energy transition. Society will become even more dependent on electricity as emissions

are reduced and digitalisation progresses. The growing demand for electricity will be met with renewable energy, which will require continuous investments in the electricity system to ensure sufficient capacity.

The 110 kV Leppiniemi switching substation was built in Oulunjoki as part of the large-scale development measures on the main grid and distribution network in the Oulunjoki region. At the same time, 14 kilometres of high-voltage transmission lines were modernised, having reached the end of their life cycles. Fortum's 149 MW hydroelectric power station in Pyhäkoski was transferred from the transmission system operator Fingrid onto Caruna's 110 kV electricity network at the end of 2022.

The Local Cable Projects continued in Central Uusimaa, Häme, Southwest Finland, Satakunta, Ostrobothnia and Koillismaa. The old low-voltage overhead lines in built-up areas will be replaced by new underground cable networks. Approximately 1,500 kilometres of new electricity network lines will be built in conurbations between 2022 and 2025.

In addition, Caruna is building 35 kilometres of new underground power cable and fibre optic network lines in collaboration with fibre-optic company Koillisnet and the City of Kuusamo. The joint construction will provide local residents and businesses with a reliable electricity network and fast internet connections.

Planning and construction work continued on some projects to renovate the distribution networks in the Southwest Finland and Ostrobothnia regions. The aim is to modernise overhead lines that have reached the end of their life cycles. Approximately 2,600 kilometres of new electricity network lines will be built between 2022 and 2024.

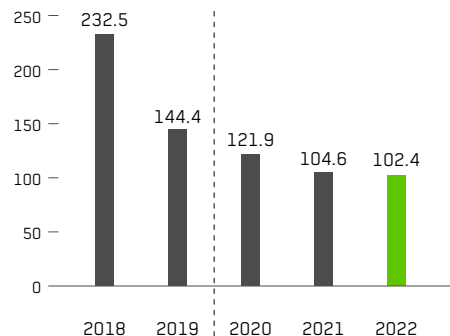
Caruna Oy's investments amounted to EUR 102.4 (104.6) million. In 2022. Construction and raw material costs increased in 2022. It was necessary to postpone electricity network modernisation projects until the years ahead due to the rises in costs and challenges in component availability. As a result of the above, investments in 2022 were EUR 2.2 million lower than in the comparison year.

In 2022, investments were targeted at urban areas where the customer benefits from investments are significant due to the large number of customers.

Development of the network in sparsely populated areas is continued based on age and condition.

## INVESTMENTS

EUR million



--- Change of regulatory period

## RESEARCH AND DEVELOPMENT

No research and development expenditure was recorded for the financial period. The expenses in the comparison years of 2021 and 2020 were EUR 0.2 million and EUR 0.2 million, respectively. In the comparison years of 2021 and 2020, research and development expenditure amounted to 0.27 and 0.25 per cent of operating expenses, respectively.

## PERSONNEL

Caruna Oy employed an average of 198 (2021: 238 and 2020: 247). At the end of the year, there were 185 (2021: 218 and 2020: 241). During the financial year, the company paid EUR 13.6 (2021: 14.8 and 2020: 14.5) million in wages and salaries.

Caruna Group conducted change negotiations in spring 2022. As a result of the negotiations, the employment contracts of 20 people at Caruna Oy ended.

More information on employees can be found in the corporate responsibility section of Caruna Group's annual report published at [caruna.fi/en](http://caruna.fi/en).

## RISKS

Risk management is a part of Caruna's internal control system, and Caruna regularly assesses the strategic, operational and financial risks facing the Group. Risk management strives to ensure that any risks affecting the Group's business operations are identified, managed and monitored. The Group has taken out appropriate insurance policies that provide comprehensive cover for its operations.

### Strategic risks

Strategic risks include, among others, regulatory risk, that is, harmful and negative impacts on the regulatory environment, challenges in the

operating environment, and the availability of financing and competent resources.

### Operational risks

The most significant risks to operations are related to abnormal weather conditions, supplier risk and safety. For example, abnormal weather conditions may affect the reliability of the distribution network. The key means of preventing interruptions are to replace overhead lines with underground cables, manage forests near overhead lines, and develop remote network control. Information security threats increased in 2022. Caruna's activities have adjusted to this change in the operating environment. The operational risks are described in more detail in Caruna's annual report [caruna.fi](http://caruna.fi).

### Financial risks

#### Liquidity risk

As part of Caruna Group, Caruna Oy utilises the corporation's committed credit limits and other credit facilities that it can use to balance liquidity in addition to funds from operations.

#### Credit risk

Caruna Group's policies determine the credit rating requirements for customers and derivative financial instrument counterparties, as well

as the investment transaction principles. Caruna Oy's customers can have supply or connection contracts including a collateral or advance payment to cover any contractual amounts that remain outstanding. Collateral hedges against potential credit losses, and the accumulation of credit losses is closely monitored. Credit losses amounted to EUR 0.4 (0.5) million in 2022.

#### Price risk

If needed, price risks related to loss of electricity purchases are hedged by signing physical electricity purchase agreements.

## STATEMENT ON CHANGES IN SHAREHOLDERS' EQUITY

Caruna Oy's share capital amounts to EUR 2.0 million. The company strengthened the invested unrestricted equity fund by EUR 10 million. At the end of the financial period, the company's Invested unrestricted equity fund contained EUR 88.4 million. The company has no subordinated loans as defined in the Limited Liability Companies Act.

## GOVERNANCE

### General meetings

Caruna Oy's Annual General Meeting was held on 24 March 2022. The meeting approved the financial statements for 2021, adopted the company's income statement and balance sheet, and discharged the members of the Board of Directors and the CEO from liability. The meeting decided not to pay a dividend. Caruna Oy held an Extraordinary General Meeting on 14 November 2022. The Extraordinary General Meeting decided on amendments to the Articles of Association.

### Board of Directors

The General Meeting appoints the members of the Board of Directors for a term of office commencing at the Annual General Meeting and ending at the next Annual General Meeting.

The Board convened 12 times during the financial period. At the end of 2022, Caruna Oy's Board of Directors consisted of Matti Ruotsala (Chair), James Adam, Jouni Grönroos, Kerron Lezama (until 15 December 2022), Fredrik Lundeborg and Laura Tarkka. The deputy members were Filip Szopa (from 24 March 2022) and Charles Thomazi.

### Auditors

At Caruna Oy's Annual General Meeting 2022, audit firm Deloitte Oy was elected as auditor.

Jonas Vuorela, Authorised Public Accountant, was the auditor with principal responsibility.

### SHARES AND OWNERSHIP

The company has 470,671 shares, each carrying an equal right to a dividend and to the company's assets. Each share entitles its holder to one vote at a General Meeting.

### KEY EVENTS AFTER THE FINANCIAL PERIOD

In relation to the appeal that the energy industry brought to the Market Court in January 2022 concerning the Energy Authority's changes to the regulatory methods midway through the regulatory period, the Market Court decided in February to seek a preliminary ruling from the Court of Justice of the European Union (CJEU) concerning the authority's independence. If the CJEU decides to consider a preliminary ruling, the process will take about one year longer.

### ESTIMATE OF PROBABLE FUTURE DEVELOPMENTS

Caruna Oy operates as part of Caruna Group and within the framework of the electricity distribution industry in a regulated operational environment. Caruna Networks Oy will continue to operate as the parent company, offering administrative services to the other companies in the Group, along with other services to support electricity distribution for customers and partners. The

operations are expected to continue in accordance with normal business principles and conditions.

Since 2013, Caruna Oy has systematically implemented a large-scale investment programme to improve the security of supply. The focus of network development will shift to enabling the energy transition when the security of supply criteria has been satisfied. Annual investments will increase as the energy transition progresses in response to customer needs. The Energy Authority continued developing the regulatory model that will enter into force in 2024 with the aim of achieving effective regulation that supports society.

The continuation of the war in Ukraine has changed the energy system's production structure. This makes it difficult to ensure sufficient electricity production in Finland at all times. Caruna Oy takes care of electricity distribution for its customers who are critical to the security of supply. If there is a shortage of electricity production, Caruna Oy manages electricity shortage evenly among its customers.

As a result of the energy crisis following the war in Ukraine, Caruna Oy's purchasing costs for grid losses will increase in 2023 compared to 2022. In 2022, the increase in the market price of electricity was not reflected in Caruna Oy's results due to successful hedging. No such hedging benefit is expected in 2023. Investment costs are expected to rise further in 2023, which

will have an impact on initiating new investments. Cost increases are expected to level off in the long term. Caruna Oy aims to offer reasonable pricing, despite the significant changes taking place in the operating environment.

The electricity network is being developed in the most cost-effective way based on life-cycle costs, for example, by examining the opportunities to use battery storage facilities and demand-side management to cover rapidly changing customer requirements. As a pioneer, Caruna aims to promote the increase of renewable energy production in society and the electrification of transport in order to achieve Finland's carbon neutrality goals by 2035. The electricity network will be developed into a reliable platform on which these solutions can be rapidly and efficiently deployed.

### BOARD OF DIRECTORS' PROPOSAL FOR DIVIDEND DISTRIBUTION

Caruna Oy's distributable unrestricted equity was in total EUR 21,907,855.60. The company's loss for the financial period was EUR 1,011,687.62. The Board of Directors proposes to the Annual General Meeting that no dividend be paid for 2022 and that the loss for the period be transferred to retained earnings.

## Formulas for key figures

Key figure	Formula
Operating profit-%	$\frac{\text{Operating profit} \times 100}{\text{Net sales}}$
Return on equity-%	$\frac{(\text{Profit/Loss before taxes} - \text{taxes}) \times 100}{\text{Equity (average for the period)}}$
Equity ratio-%	$\frac{\text{Equity} \times 100}{\text{Total assets}}$
	Connection fees and accumulated depreciation differences less deferred tax liabilities are added to equity when calculating the figures.
SAIDI	$\frac{\text{Average duration of customer interruptions by their total number}}{\text{Total number of customers}}$
SAIFI	$\frac{\text{Total number of customers interrupted by an outage}}{\text{Total number of customers}}$
The reliability of supply rate	$\frac{\text{SAIDI}}{\text{Minutes/Year}}$



## Profit and loss statement

EUR	Note	1 January 2022– 31 December 2022	1 January 2021– 31 December 2021
<b>Net sales</b>	3	<b>398,823,588.57</b>	<b>408,587,665.67</b>
Capitalised own work		1,293,142.80	1,022,267.83
Other operating income	4	3,169,595.38	5,554,658.05
Materials and supplies	5	-97,863,385.44	-100,587,532.19
Personnel expenses	6	-16,130,740.45	-17,842,643.60
Depreciation and impairment	7	-82,023,322.20	-85,750,566.20
Other operating expenses	8	-19,174,397.58	-19,851,284.61
<b>Operating profit</b>		<b>188,094,481.08</b>	<b>191,132,564.95</b>
Finance income and costs	9	-27,224,541.47	-28,563,247.26
<b>Profit before appropriations and taxes</b>		<b>160,869,939.61</b>	<b>162,569,317.69</b>
Appropriations	10	-161,864,929.48	-165,482,662.86
Income taxes	11	-16,697.72	-43,468.10
<b>Loss for the period</b>		<b>-1,011,687.59</b>	<b>-2,956,813.27</b>

## Balance sheet

EUR	Note	31 December 2022	31 December 2021
<b>ASSETS</b>			
<b>Non-current assets</b>	12		
Intangible assets		39,399,551.69	37,021,765.20
Tangible assets		1,628,747,717.10	1,611,358,137.86
Investments		48,721.68	48,721.68
<b>Total non-current assets</b>		<b>1,668,195,990.47</b>	<b>1,648,428,624.74</b>
<b>Current assets</b>			
Current receivables	13	228,931,799.28	208,657,649.69
Cash and cash equivalents	14	40,300,000.00	41,000,000.00
<b>Total current assets</b>		<b>269,231,799.28</b>	<b>249,657,649.69</b>
<b>Total assets</b>		<b>1 937 427 789.75</b>	<b>1 898 086 274.43</b>

EUR	Note	31 December 2022	31 December 2021
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	15		
Share capital		2,000,000.00	2,000,000.00
Other reserves			
Invested distributable equity fund		88,387,669.09	78,387,669.09
Retained earnings (cumulative loss)		-65,468,125.87	-62,511,312.60
Loss for the financial year		-1,011,687.59	-2,956,813.27
<b>Total equity</b>		<b>23,907,855.63</b>	<b>14,919,543.22</b>
<b>Appropriations</b>	16	<b>446,869,643.92</b>	<b>403,704,714.44</b>
<b>Liabilities</b>			
Non-current liabilities	18	1,242,715,131.84	1,252,942,510.84
Current liabilities	19	223,935,158.36	226,519,505.93
<b>Total liabilities</b>		<b>1,466,650,290.20</b>	<b>1,479,462,016.77</b>
<b>Total equity and liabilities</b>		<b>1,937,427,789.75</b>	<b>1,898,086,274.43</b>

## Cash flow statement

EUR	1 January 2022– 31 December 2022	1 January 2021– 31 December 2021
<b>Cash flows from operating activities</b>		
Net profit before appropriations and taxes	160,869,939.61	162,569,317.69
Finance income and costs	27,224,541.47	28,563,247.26
Adjustments to operating profit:		
Depreciation and impairment	82,023,322.20	85,750,566.20
Gains on sale of fixed assets	-119,422.95	-114,976.03
<b>Changes in working capital</b>		
Increase/decrease in trade and other current receivables	12,037,719.96	2,903,759.18
Increase/decrease in current liabilities	-25,873,517.38	-1,870,988.46
<b>Changes in working capital total</b>	<b>-13,835,797.42</b>	<b>1,032,770.72</b>
Interest and other finance costs paid	-27,369,462.65	-28,773,178.66
Interest received	114,357.50	99,903.33
Income taxes paid	51,870.91	31,284.88
<b>Cash flows from operating activities</b>	<b>228,959,348.67</b>	<b>249,158,935.39</b>

EUR	1 January 2022– 31 December 2022	1 January 2021– 31 December 2021
<b>Cash flows from investments</b>		
Purchase of tangible and intangible items	-95,113,187.00	-104,562,992.08
Proceeds from sale of tangible and intangible assets	684,165.00	562,195.00
Proceeds from sale of shares	-	252.28
Change in cash pool account	-230,326.67	-83,158,390.59
<b>Cash flows from investments</b>	<b>-94,659,348.67</b>	<b>-187,158,935.39</b>
<b>Cash flows from financing activities</b>		
Repayment of non-current borrowings	-135,000,000.00	-60,000,000.00
<b>Cash flows from financing activities</b>	<b>-135,000,000.00</b>	<b>-60,000,000.00</b>
<b>Net increase in cash and cash equivalents</b>	<b>-700,000.00</b>	<b>2,000,000.00</b>
Cash and cash equivalents as at 1 Jan	41,000,000.00	39,000,000.00
Cash and cash equivalents as at 31 Dec	40,300,000.00	41,000,000.00

# Notes

## 1. Accounting principles

The financial statements of Caruna Oy have been prepared in accordance with Finnish Accounting Standards and other regulation and legislation governing preparing of financial statements.

### 1.1 NET SALES

The revenue includes mainly income from transmission and distribution of electricity. The revenue from distribution of electricity is recognised at delivery.

Energy Authority regulates the price charged from customers for the distribution of electricity in Finland. Any over or under income decided by the regulatory body is credited or charged over the next two years in the future to the customer using the electricity connection at that time.

The fees paid by a customer when connected to the electricity network are recognised as revenue in net sales. Connection fees paid by customers when connected to the electricity network before 2003 are refundable in Finland if the customer should ever disconnect the initial

connection. These connection fees have not been recognised in the income statement and are included in other non-current liabilities in the balance sheet.

### 1.2 REASONABLENESS OF THE PRICING OF NETWORK SERVICE

The Finnish Energy Authority confirms principles for the pricing of transmission services and supervises the reasonableness of the pricing of network service. The length of the supervision period is four years. The current supervision period includes years 2020-2023. The decisions are issued after the end of each supervision period. Energy Authority confirms the possible over/under income with a separate supervision decision. Over income and possible interest need to be considered in pricing in the following supervision period and under income could be considered in pricing decisions during the eight following years with the conditional decision from Energy Authority in 2019.

### 1.3 OTHER OPERATING INCOME

Proceeds from sales of assets and activities outside normal operations is reported in other operating income. This includes recurring items such as rental income and customer-based services. Customer-based services include e.g. relocation fees, connections and metering in construction sites, installation of new meters, connections, and disconnections.

### 1.4 OUTAGE FEES

Outage fees to customers, in compliance with the Electricity Market Act, for disruptions in electricity distribution lasting longer than 12 hours are recorded as other operating expenses in the statement of profit or loss.

### 1.5 FOREIGN CURRENCY ITEMS

Transactions in foreign currencies are recorded at the exchange rates prevailing at the transaction dates. Foreign currency receivables and liabilities are converted into euros using the exchange rates prevailing on the balance sheet date. Exchange rate differences arising from operations are recorded to adjust income or costs in the profit and loss statement depending on the nature of the item in question. Exchange rate differences arising from financial items are recorded in the finance income and costs in the profit and loss statement.

### 1.6 BASIS OF MEASUREMENT OF NON-CURRENT ASSETS

Property, plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Both intangible and tangible assets are depreciated according to plan over the assets' useful life.

#### Depreciation periods

Buildings and structures	20-40 years
Transmission and distribution network	15-40 years
Other machinery and equipment	3-12 years
Wayleave compensations	35 years
Intangible assets	5-10 years

Research and development costs are recognised as an expense in the year in which they are incurred.

Wayleave compensations are one-time compensations paid to the landowners on harm and damage caused by Caruna Oy's electricity network and equipment. Caruna Oy records the paid compensations to the intangible assets in the balance sheet and depreciates them in 35 years.

### **1.7 INCOME TAXES**

Income taxes recognised in the profit or loss statement includes both taxes from reporting period and possible adjustment to prior periods.

Deferred taxes are provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised.

Deferred tax is calculated using the tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxes are not recorded in the profit and loss statement or balance sheet but rather presented in the notes.

### **1.8 PENSIONS**

The pension coverage for employees is provided through insurance policies taken out with a pension institution. The statutory pension expenses are recognised as expenses in the year they are incurred.

### **1.9 PROVISIONS**

Provisions are recognised when Caruna Oy has a present obligation (legal or constructive) because of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are recognised as an expense in the statement of profit or loss.

## 2. Group information

Caruna Oy is consolidated in Suomi Power Networks TopCo B.V. group's sub group Caruna Networks Oy. Caruna Networks Oy owns 100 % of Caruna Oy's shares.

Suomi Power Networks TopCo B.V. and Caruna Networks Oy prepare consolidated financial statements according to IFRS. The financial statements are available at the companies' head offices. Suomi Power Networks TopCo B.V. has a registered office in Luna Arena, Herikerbergweg

112, 1101 CM Amsterdam, The Netherlands. Caruna Networks Oy has a registered office in Upseerinkatu 2, Espoo, Finland.

The shareholders of Caruna Oy through Suomi Power Networks TopCo B.V. are the international infrastructure investors KKR (40 per cent), Ontario Teachers' (40 per cent) and the Swedish pension insurance company AMF (12.5 per cent) and the domestic pension insurance company Elo (7.5 per cent).

## 3. Net sales

EUR	2022	2021
<b>Distribution sales</b>		
Distribution network	352,714,309.57	368,166,535.96
High-voltage network	27,847,239.76	28,984,304.10
<b>Total</b>	<b>380,561,549.33</b>	<b>397,150,840.06</b>
<b>Connection fees</b>		
Distribution network	12,108,550.85	10,285,396.47
High-voltage network	6,016,897.44	1,151,429.14
<b>Total</b>	<b>18,125,448.29</b>	<b>11,436,825.61</b>
Other net sales	136,590.95	-
<b>Total</b>	<b>398,823,588.57</b>	<b>408,587,665.67</b>

## 4. Other operating income

EUR	2022	2021
Customer based services and relocation of connections	1,342,071.18	1,662,670.75
Income from sale of scrapped material	891,827.13	1,694,776.68
Rental income	501,728.67	597,922.28
Proceeds from sales of fixed assets	119,422.95	114,976.03
Other	314,545.45	1,484,312.31
<b>Total</b>	<b>3,169,595.38</b>	<b>5,554,658.05</b>

Other items include non-recurring contractual arrangements in comparison year 2021.

## 5. Materials and supplies

EUR	2022	2021
<b>Raw materials and consumables</b>		
Grid service fees	-44,513,841.32	-53,984,069.17
Grid losses	-27,640,936.02	-19,440,253.08
<b>Total</b>	<b>-72,154,777.34</b>	<b>-73,424,322.25</b>
External services	-25,708,608.10	-27,163,209.94
<b>Total</b>	<b>-97,863,385.44</b>	<b>-100,587,532.19</b>

Grid service fees include grid services fees from the Transmission Network company Fingrid. The grid service fees vary based on the distributed electricity volume. Fingrid did not charge any grid

service fees in December 2022.

Caruna covers grid losses in the electricity network by buying electricity from the markets. The challenging geopolitical situation has

increased electricity market prices during 2022 which increased grid losses by EUR 8,2 million compared to 2021. Caruna Oy hedged its elec-

tricity purchases by making physical electricity purchase agreements.

## 6. Personnel and other personnel related expenses

### PERSONNEL EXPENSES

EUR	2022	2021
Wages and salaries	-13,569,374.77	-14,765,093.32
Indirect personnel expenses		
Pensions	-2,033,013.08	-2,431,785.23
Other personnel expenses	-528,352.60	-645,765.05
<b>Total</b>	<b>-16,130,740.45</b>	<b>-17,842,643.60</b>

	2022	2021
Average number of personnel during the financial year	198	238

Change negotiations were held in Caruna companies in spring 2022. As a result, jobs were ended from 20 employees in Caruna Oy.

## 7. Depreciation and impairment

EUR	2022	2021
Depreciation according to plan	-76,016,765.59	-78,077,016.39
Scrappings	-6,006,556.61	-7,673,549.81
<b>Total</b>	<b>-82,023,322.20</b>	<b>-85,750,566.20</b>

## 8. Other operating expenses

EUR	2022	2021
Rents	-416,018.98	-453,116.28
Other services	-7,766,166.01	-9,783,152.06
Other expenses	-10,992,212.59	-9,615,016.27
<b>Total</b>	<b>-19,174,397.58</b>	<b>-19,851,284.61</b>

### AUDITOR'S FEES, DELOITTE OY, AUDIT FIRM

EUR	2022	2021
Audit fees	-56,000.00	-75,000.00
<b>Total</b>	<b>-56,000.00</b>	<b>-75,000.00</b>

## 9. Finance income and costs

EUR	2022	2021
Other interest and finance income	128,060.96	99,989.76
<b>Total finance income</b>	<b>128,060.96</b>	<b>99,989.76</b>
<b>Other finance costs</b>		
Group companies	-27,315,775.96	-28,647,221.88
Others	-36,826.47	-16,015.14
<b>Total finance costs</b>	<b>-27,352,602.43</b>	<b>-28,663,237.02</b>
<b>Total</b>	<b>-27,224,541.47</b>	<b>-28,563,247.26</b>

## 10. Appropriations

EUR	2022	2021
Group contribution given	-118,700,000.00	-135,000,000.00
Difference between depreciation according to plan and tax depreciation	-43,164,929.48	-30,482,662.86
<b>Total</b>	<b>-161,864,929.48</b>	<b>-165,482,662.86</b>

## 11. Income taxes

EUR	2022	2021
Income taxes from group contributions	23,740,000.00	27,000,000.00
Income taxes from ordinary activities	-23,756,697.72	-27,043,468.10
<b>Total</b>	<b>-16,697.72</b>	<b>-43,468.10</b>

## 12. Non-current assets

EUR	Intangible rights	Way leaves	Other non-current expenditure	Total
Acquisition cost 1 Jan 2022	1 056 447,28	36 220 125,45	51 542 073,91	88 818 646,64
Transfers	-	1 340 411,34	8 056 161,51	9 396 572,85
Disposals	-	-108 220,24	-1 834 519,80	-1 942 740,04
<b>Acquisition cost 31 Dec 2022</b>	<b>1 056 447,28</b>	<b>37 452 316,55</b>	<b>57 763 715,62</b>	<b>96 272 479,45</b>
Accumulated amortisation and impairment 1 Jan 2022	-609,251.03	-9,575,977.35	-41,611,653.06	-51,796,881.44
Accumulated amortisation relating to disposals and transfers	-	108,220.24	1,834,519.80	1,942,740.04
Depreciation for the period	-59,424.96	-1,018,282.38	-4,606,283.33	-5,683,990.67
Write-downs	-	-61,716.56	-1,273,079.13	-1,334,795.69
<b>Accumulated amortisation and impairment 31 Dec 2022</b>	<b>-668,675.99</b>	<b>-10,547,756.05</b>	<b>-45,656,495.72</b>	<b>-56,872,927.76</b>
<b>Carrying amount 31 Dec 2022</b>	<b>387,771.29</b>	<b>26,904,560.50</b>	<b>12,107,219.90</b>	<b>39,399,551.69</b>
Carrying amount 31 Dec 2021	447,196.25	26,644,148.10	9,930,420.85	37,021,765.20



**TANGIBLE ASSETS**

EUR	Land	Buildings	Machinery and equipment	Transmission and distribution network	Prepayments and construction in progress	Total
Acquisition cost 1 Jan 2022	4,292,523.87	24,227,345.28	11,234,775.80	2,380,272,167.39	42,336,950.75	2,462,363,763.09
Additions	-	-	-	-	102,355,430.11	102,355,430.11
Transfers	-	1,706.02	1,522,901.74	88,506,502.86	-99,427,683.60	-9,396,572.98
Disposals	-1,605.76	-	-852,082.79	-8,441,383.89	-	-9,295,072.44
<b>Acquisition cost 31 Dec 2022</b>	<b>4,290,918.11</b>	<b>24,229,051.30</b>	<b>11,905,594.75</b>	<b>2,460,337,286.36</b>	<b>45,264,697.26</b>	<b>2,546,027,547.78</b>
Accumulated amortisation and impairment 1 Jan 2022	-	-11,182,947.46	-6,932,157.51	-832,890,520.26	-	-851,005,625.23
Accumulated depreciation relating to disposals and transfers	-	-	288,946.50	8,441,383.89	-	8,730,330.39
Depreciation for the period	-	-998,423.60	-1,374,149.85	-67,960,201.47	-	-70,332,774.92
Write-downs	-	-	-576.98	-4,671,183.94	-	-4,671,760.92
<b>Accumulated amortisation and impairment 31 Dec 2022</b>	<b>-</b>	<b>-12,181,371.06</b>	<b>-8,017,937.84</b>	<b>-897,080,521.78</b>	<b>-</b>	<b>-917,279,830.68</b>
<b>Carrying amount 31 Dec 2022</b>	<b>4.290.918.11</b>	<b>12.047.680.24</b>	<b>3.887.656.91</b>	<b>1.563.256.764.58</b>	<b>45.264.697.26</b>	<b>1.628.747.717.10</b>
Carrying amount 31 Dec 2021	4.292.523.87	13.044.397.82	4.302.618.29	1.547.381.647.13	42.336.950.75	1.611.358.137.86
Carrying amount of machinery and equipment used for production						
<b>31 Dec 2022</b>						<b>1.563.256.764.58</b>
31 Dec 2021						1.547.381.647.13

## INVESTMENTS

EUR	Other shares and interests	Total
Acquisition cost 1 Jan 2022	48,721.68	48,721.68
Disposals	-	-
<b>Acquisition cost 31 Dec 2022</b>	<b>48,721.68</b>	<b>48,721.68</b>
Carrying amount 31 Dec 2022	48,721.68	48,721.68
Carrying amount 31 Dec 2021	48,721.68	48,721.68

## OTHER SHARES AND INTERESTS

Company name	Registered office	No of shares	Carrying amount
Asunto Oy Keskilohja	Lohja	14	4,613.73
Asunto Oy Laurintorni	Lohja	7	4,271.97
Asunto Oy Linnaistenkuja	Lohja	51	7,689.56
Asunto Oy Nummelan Väinämöisentie	Vihti	8	1,702.06
Asunto Oy Suurlohjankatu 18-22	Lohja	8	3,417.57
Kiinteistö Oy Jumpinpelto	Merikarvia	25	4,204.70
Kiinteistö Oy Kimitobacken	Kemiö	240	4,036.51
Kiinteistö Oy Suulivainio	Merikarvia	15	2,522.82
Kiinteistö Oy Tammitori	Lohja	50	15,891.75
Salon Golfkeskus Oy	Salo	1	370.01
Kiinteistö Oy Alavuden Säästökeskus	Alavus	14	1.00
Karjaan Puhelin Oy	Karjaa	330	-
<b>Total</b>			<b>48,721.68</b>

EUR	2022	2021
Total non-current assets	1,668,195,990.47	1,648,428,624.74

## 13. Current receivables

EUR	2022	2021
Trade receivables	90,333,866.73	101,804,332.96
Other receivables	129,450.67	-
<b>Prepayments and accrued income</b>		
Income tax receivables	40,304.26	108,872.89
Insurance prepayments	99,758.05	-
Indirect personnel expenses	0.00	972.54
Other prepayments and accrued income	522,996.78	860,436.92
<b>Prepayments and accrued income total</b>	<b>663,059.09</b>	<b>970,282.35</b>
<b>Receivables from group companies</b>		
Trade receivables	17,068.23	475,118.00
Other receivables from group companies		
Cash pool account	137,788,354.56	105,407,916.38
<b>Receivables from group companies total</b>	<b>137,805,422.79</b>	<b>105,883,034.38</b>
<b>Total current receivables</b>	<b>228,931,799.28</b>	<b>208,657,649.69</b>

Cashpool receivables of EUR 137,788,354.56 (105,407,916.38) are part of the group cash pool arrangements and the company's option to

reclaim these resources is limited to other cash pool account balances by other group companies.

## 14. Cash and cash equivalents

EUR	2022	2021
OP Corporate Bank Plc	40,300,000.00	41,000,000.00

## 15. Equity

EUR	2022	2021
<b>Restricted equity</b>		
Share capital 1 Jan	2,000,000.00	2,000,000.00
Share capital 31 Dec	2,000,000.00	2,000,000.00
<b>Total restricted equity</b>	<b>2,000,000.00</b>	<b>2,000,000.00</b>
<b>Unrestricted equity</b>		
Invested distributable equity fund 1 Jan	78,387,669.09	73,387,669.09
Additions for invested distributable equity fund	10,000,000.00	5,000,000.00
Invested distributable equity fund 31 Dec	88,387,669.09	78,387,669.09
Retained earnings 1 Jan	-65,468,125.87	-62,511,312.60
Retained earnings 31 Dec	-65,468,125.87	-62,511,312.60
Loss for the period	-1,011,687.59	-2,956,813.27
<b>Total unrestricted equity</b>	<b>21,907,855.63</b>	<b>12,919,543.22</b>
<b>Total equity</b>	<b>23,907,855.63</b>	<b>14,919,543.22</b>

### DISTRIBUTABLE UNRESTRICTED EQUITY

EUR	2022	2021
Invested distributable equity fund	88,387,669.09	78,387,669.09
Retained earnings	-65,468,125.87	-62,511,312.60
Loss for the period	-1,011,687.59	-2,956,813.27
<b>Total</b>	<b>21,907,855.63</b>	<b>12,919,543.22</b>

## 16. Appropriations

EUR	2022	2021
Accumulated depreciation difference	446,869,643.92	403,704,714.44

## 17. Deferred tax liabilities

Euroa	2022	2021
From appropriations	89,373,928.78	80,740,942.89
From timing differences and temporary differences	1,063,932.11	3,191,795.83
<b>Total</b>	<b>90,437,860.89</b>	<b>83,932,738.72</b>

Deferred tax liabilities are only recognised in group accounts.

## 18. Non-current liabilities

EUR	2022	2021
Liabilities to group companies		
Loans from group companies	1,001,050,000.00	1,011,050,000.00
Connection fees	241,638,354.77	241,892,510.84
Other non-current liabilities	26,777.07	-
<b>Total non-current liabilities</b>	<b>1,242,715,131.84</b>	<b>1,252,942,510.84</b>

### MATURITY OF NON-CURRENT LIABILITIES

EUR	2022
2023	-
2024	-
2025	-
2026	-
2027 and later	1,242,715,131.84
<b>Total</b>	<b>1,242,715,131.84</b>

## 19. Current liabilities

Euroa	2022	2021
Trade payables	18,928,954.59	35,414,870.51
Other current liabilities	40,910,333.64	40,455,363.78
<b>Accrued expenses</b>		
Accrued employee expenses	4,349,167.33	4,037,824.45
Advance payments	1,411,825.39	4,958,664.99
Other accrued expenses and deferred revenue	10,392.84	36,138.59
<b>Accrued expenses total</b>	<b>5,771,385.56</b>	<b>9,032,628.03</b>
<b>Liabilities to group companies</b>		
Trade payables	1,703,999.25	451,765.11
Other current liabilities	195,007.80	558,948.81
Cash pool account	32,150,111.51	-
Group contribution liability	118,700,000.00	135,000,000.00
Accrued expenses		
Accrued interest expenses	5,575,366.01	5,605,929.69
<b>Liabilities to group companies total</b>	<b>158,324,484.57</b>	<b>141,616,643.61</b>
<b>Total current liabilities</b>	<b>223,935,158.36</b>	<b>226,519,505.93</b>
Non-interest-bearing liabilities	433,450,178.69	468,412,016.77
Interest-bearing liabilities	1,033,200,111.51	1,011,050,000.00
<b>Total</b>	<b>1,466,650,290.20</b>	<b>1,479,462,016.77</b>

## 20. Commitments and contingent liabilities

EUR	2022	2021
<b>Operating lease liability</b>		
Payable during one year	-	7,880.48
Payable later than one year	-	41,830.54
<b>Total</b>	<b>-</b>	<b>49,711.02</b>
<b>Other leases</b>		
Payable during one year	279,222.41	279,250.00
Payable later than one year	1,482,146.34	1,482,292.76
<b>Total</b>	<b>1,761,368.75</b>	<b>1,761,542.76</b>
<b>Other commitments</b>		
Pledges and other assets given on behalf of group companies		
Floating charges	2,220,000,000.00	2,220,000,000.00
Pledges given	2,600,316,894.80	2,611,219,318.38
Mortgages	16,338,598.35	17,336,921.69
<b>Total</b>	<b>4,836,655,493.15</b>	<b>4,848,556,240.07</b>

Caruna Oy has given guarantees and security for the obligations of other group companies as well as Caruna Networks B.V. and Suomi Power B.V. under the finance documents. This guarantee and security liability has expressly not been assumed by Caruna Oy to the extent such assumption would constitute unlawful distribution of assets within the meaning of Chapter 13, Section 1 of

the Finnish Companies Act, unlawful financial assistance within the meaning of Chapter 13, Section 10 of the Finnish Companies Act or be otherwise in breach of any other applicable mandatory provisions of Finnish law.

The cash pool accounts of the group and other bank accounts have been pledged as mortgage for loans.

### CAPITAL COMMITMENTS

EUR	2022	2021
Property, plant and equipment	237,117,194.96	155,779,997.42
<b>Total</b>	<b>237,117,194.96</b>	<b>155,779,997.42</b>

### OTHER PURCHASE COMMITMENTS

EUR	2022	2021
Electricity purchase commitments	35,177,147.68	7,558,064.53
<b>Total</b>	<b>35,177,147.68</b>	<b>7,558,064.53</b>

## REAL ESTATE INVESTMENTS

The company has made real estate investments defined in VAT legislation. Related review periods, VAT included in the investment, VAT deducted

from the construction cost and amount subject to annual review are presented in the table below.

### 10 YEAR REVIEW PERIOD

EUR	2014	2015	2016	2017	2018	2019	2020	2021	2022
Last review period	2023	2024	2025	2026	2027	2028	2029	2030	2031
Cost on real estate investment (net)	36,554,028.44	76,907,654.34	130,153,862.54	161,447,212.19	182,990,724.88	117,401,701.45	99,429,039.32	85,727,566.57	70,090,152.43
VAT on real estate investment	8,772,966.83	18,457,837.04	31,236,927.01	38,747,330.93	43,917,773.97	28,176,408.35	23,862,969.44	20,574,615.98	16,821,636.58
Net of VAT	8,772,966.83	18,457,837.04	31,236,927.01	38,747,330.93	43,917,773.97	28,176,408.35	23,862,969.44	20,574,615.98	16,821,636.58
Amount on annual review	877,296.68	1,845,783.70	3,123,692.70	3,874,733.09	4,391,777.40	2,817,640.83	2,386,296.94	2,057,461.60	1,682,163.66
Contingent liability subject to review 31 Dec 2022	877,296.68	3,691,567.41	9,371,078.10	15,498,932.37	21,958,886.99	16,905,845.01	16,704,078.61	16,459,692.78	15,139,472.92
(Left at 31 Dec 2022)	(1/10)	(2/10)	(3/10)	(4/10)	(5/10)	(6/10)	(7/10)	(8/10)	(9/10)

### Contingent liability subject to review

Contingent liability subject to review 31 Dec 2022	116,606,850.87
Contingent liability subject to review 31 Dec 2021	144,247,938.59

## 21. Related party transactions

Group's related parties include subsidiaries, board of directors, CEO, members of the managements team and family members of these

all before mentioned. There were no significant transactions with persons included in the related parties.

## 22. Information required by Electricity Market Act

Yhtiö toimii sähkömarkkinalain tarkoittamana The company operates as a holder of a network as defined in Electricity Market Act.

### **DIFFERENTIATED OPERATIONS**

The degree of the company operations that are not related to network operations is so low, that they have not been differentiated. Below is presented profit and loss statement and balance sheet for network operations as required by the Electricity Market Act.

## PROFIT AND LOSS STATEMENT FOR NETWORK OPERATION

(in EUR thousands)	1 January 2022- 31 December 2022	1 January 2021- 31 December 2021
<b>NET SALES</b>	<b>398,824</b>	<b>408,588</b>
Work performed for own use	1,293	1,022
Other operative income	3,050	5,440
Proceeds of sale of investments	119	115
<b>Materials and supplies</b>		
Raw materials and consumables		
Purchases during the period		
Loss electricity	-27,641	-19,440
External services		
Fees paid for grid and network services	-44,514	-53,984
Other external services	-29,406	-30,849
<b>Personnel expenses</b>		
Wages and salaries	-13,569	-14,765
Social security expenses		
Pension expenses	-2,033	-2,432
Other social security expenses	-528	-646
<b>Depreciation and impairment</b>		
Depreciation according to plan		
On electricity network assets	-72,839	-77,305
On other non-current assets	-9,185	-8,446

(in EUR thousands)	1 January 2022- 31 December 2022	1 January 2021- 31 December 2021
<b>Other operating expenses</b>		
Rental expenses	-417	-454
Other expenses	-15,060	-15,711
<b>Operating profit</b>	<b>188,094</b>	<b>191,133</b>
<b>Finance income and costs</b>		
Other interest income and other finance income		
From others	114	100
Interest expense and other finance costs		
To group companies	-27,315	-28,647
To others	-23	-16
<b>Profit before appropriations and taxes</b>	<b>160,870</b>	<b>162,570</b>
<b>Appropriations</b>		
Group contributions	-118,700	-135,000
Change in depreciation difference		
Change in depreciation difference on electricity network assets	-39,791	-28,189
Change in depreciation difference on other non-current assets	-3,374	-2,294
Income taxes	-17	-43
<b>Loss for the period</b>	<b>-1,012</b>	<b>-2,956</b>



## BALANCE SHEET FOR NETWORK OPERATION

(in EUR thousands)	31 December 2022	31 December 2021
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets		
Intangible assets of electricity network	30,024	28,120
Other intangible assets	9,376	8,902
Tangible assets		
Tangible assets of electricity network	1,492,194	1,479,056
Other tangible assets	91,289	89,965
Prepayments and constructions in progress	45,265	42,337
Investments	48	48
<b>Total non-current assets</b>	<b>1,668,196</b>	<b>1,648,428</b>
<b>CURRENT ASSETS</b>		
Receivables		
Current receivables		
Cash pool receivables	137,788	105,408
Receivables from others	91,144	103,250
Cash and cash equivalents	40,300	41,000
<b>Total current assets</b>	<b>269,232</b>	<b>249,658</b>
<b>Total Assets</b>	<b>1,937,428</b>	<b>1,898,086</b>

(in EUR thousands)	31 December 2022	31 December 2021
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	2,000	2,000
Other reserves	88,388	78,388
Retained earnings (loss)	-65,468	-62,512
Loss for the period	-1,012	-2,956
<b>Total equity</b>	<b>23,908</b>	<b>14,920</b>
<b>Appropriations</b>		
Depreciation difference	446,870	403,705
<b>Liabilities</b>		
Non-current liabilities		
Non-current interest-bearing liabilities		
Amounts owed to group companies	1,001,050	1,011,050
Non-current interest-free liabilities		
Refundable connection fees	241,638	241,892
Liabilities to others	27	204
Current liabilities		
Current interest-bearing liabilities		
To group companies		
Cash pool liabilities	32,150	-
Current interest-free liabilities		
To group companies	127,183	141,139
To others	64,602	85,176
<b>Total liabilities</b>	<b>1,466,650</b>	<b>1,479,461</b>
<b>Total equity and liabilities</b>	<b>1,937,428</b>	<b>1,898,086</b>

## KEY FIGURES FOR NETWORK OPERATION

	2022	2021
Average number of personnel during the period	198	238
<b>Investments (capitalisations) (EUR thousand):</b>		
Net investments of electricity network		
Intangible assets	4,282	1,568
Tangible assets	83,598	105,106
Other intangible assets	5,115	2,123
Other tangible assets	6,487	9,360
<b>Investments total</b>	<b>99,482</b>	<b>118,157</b>
Return on investments %:	12.8	13.8

The key figure is calculated in accordance with the decision nr 79/2005 9§ issued by the Ministry of Trade and Industry. The decision guides calculation of key figures regarding differentiated operations within the electricity business.

Formula for calculation:

$$\frac{(\text{Profit before appropriations and taxes} + \text{interest income and other finance income}) \times 100}{(\text{Total assets} - \text{interest-free liabilities} + \text{leases on electricity network}) (\text{average on beginning and end of the reporting period})}$$

The amount of interest included in the rents paid for electricity network is not available, therefore interest is not included in the interest expenses in the numerator.

## Signatures to the financial statements and operating and financial review

Espoo, 8 March 2023

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Matti Ruotsala  
*Chairman of the Board*

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James Adam  
*Member of the Board*

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Jouni Grönroos  
*Member of the Board*

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Fredrik Lundeborg  
*Member of the Board*

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Laura Tarkka  
*Member of the Board*

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Jyrki Tammivuori  
*Managing Director*

## Auditor's note

An auditor's report based on the audit performed has been issued today.

Espoo, 8 March 2023

Deloitte Oy  
Audit Firm

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Jonas Vuorela  
APA

## List of ledgers, types of vouchers and their archiving methods

	Method
Financial statements and operating and financial review.....	Bound book
Note vouchers.....	Electronically
Balance specifications.....	Electronically
Accounting documents	
Income statement and balance sheet .....	Electronically
General ledger .....	Electronically
Journal.....	Electronically
Supporting ledgers	
Trade debtors ledger .....	Electronically
Trade creditors ledger .....	Electronically
Payroll accounting .....	Electronically
Fixed Assets .....	Electronically
Commitments .....	Electronically
Voucher types	
Bank vouchers .....	Electronically
Adjusting journal entries .....	Electronically
Trade debtors ledger .....	Electronically
Trade creditors ledger .....	Electronically
Payroll vouchers .....	Electronically
Fixed assets voucherst.....	Electronically
Vouchers for travel expenses .....	Electronically

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