# INFRASTRUCTURE FOR PEOPLE


## FINANCIAL STATEMENTS 2024

DESTIA

A COLAS COMPANY

# REPORT OF THE BOARD OF DIRECTORS AND FINANCIAL STATEMENTS 2024

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# REPORT OF THE BOARD OF DIRECTORS 2024

Destia is Finland's largest infrastructure service company and part of the international Colas Group, which is owned by the diversified services group Bouygues. Destia designs, builds, and maintains essential transport and energy infrastructure, such as power grids, bridges, roads, and railways, making it a significant player in terms of security of supply. The company's extensive service offering also includes telematics and lighting solutions, comprehensive services for managing infrastructure assets and electric and smart traffic, as well as solutions for the evolving needs of cities.

Destia's customers include government organisations, municipalities, cities, and industrial and business companies.

Destia's diverse expertise is encapsulated by its unique sense of infrastructure. It emerges from the special skills, attitudes, and ways of thinking of each Destia employee, as well as the ability to leverage and understand the benefits of digitalisation for the benefit of customers and society. With its sense of infrastructure, Destia creates infrastructure for people.

## OPERATING ENVIRONMENT

The year 2024 was marked by geopolitical tensions. Russia continued its war of aggression in Ukraine and, in cooperation with China, Iran, and North Korea, sought to destabilise the US-led world order and achieve its expansion goals. The crisis in the Middle East escalated. Due to Russia's cyber, hybrid, and information operations, the line between war and peace blurred. Espionage, sabotage, vandalism, and terrorism continued.

Destia actively assessed change scenarios in the operating environment and their impact on business. The company improved its preparedness and conducted a related exercise.

Destia's market was stable. In 2024, Destia bid major projects that are valued at over EUR 20 millon for a total value of EUR 2.4 billion. This bid volume consists of the total value of major projects offered by Destia's various businesses. The tender volume for major projects was the highest in Destia's history.

Large international customers bring a new level of requirements, especially related to contract models (FIDIC) and sustainability themes. These developers direct their procurements with an emphasis on work safety and quality without neglecting the importance of price.

Destia and its competitors pursue growth in green transition investments. The weak economic situation in building construction increased competition in the infrastructure sector.

## ORDER BACKLOG AND THE MOST SIGNIFICANT NEW ORDERS

The order backlog, which spread over several years, amounted to EUR 756.5 million (634.7) at the end of December. The order backlog does not include Destia's shares in the alliance agreements for the Vantaa Light Rail and the Helsinki Urban Development and Light Rail Program, which are expected to be included in the order backlog after the development phases of the projects are completed, during the years 2025-2027. During the financial period, 17 road maintenance contracts began in Finland, seven of which are under Destia's responsibility. Destia's market share of the road maintenance contracts of the Finnish Transport Infrastructure Agency is 38%.

**Significant new contracts signed in 2024:**

- Pre-construction of data centers in Uusimaa in Kirkkonummi and Vihti
- Espoo Rail Line, area contract 3, between Koivuhovi and Espoo center
- Construction of a cable connection from Fingrid's Espoo and Framnäs substations to the data center to be built in Kirkkonummi
- Track maintenance, area 4, 2024–2029
- National road 4 Konginkangas-Kalaniemi project
- Road maintenance contracts for 2024–2029: Raisio, Iisalmi, Kuusamo, Kitee, Äänekoski, Kokkola, and for 2024–2030 Pori
- Construction of border fence for the Finnish Border Guard
- The alliance agreements for the Vantaa Light Rail and the Helsinki Urban Development and Light Rail Program

## FINANCIAL PERFORMANCE

Destia's revenue decreased by 1.6% from 2023, amounting to EUR 630.5 million (640.6).

The Group's other operating income for the financial period was EUR 3.1 million (2.7). This mainly includes gains from the sale of fixed assets and real estate, insurance and damage compensation and rental income from properties.

The Group's operating profit for the financial period was EUR 19.9 million (20.3), and the comparable operating profit was EUR 26.0 million (23.6), which was the best in the company's history. The operating profit for the financial period includes items affecting comparability related to the change of ownership.

The Group's income taxes for the financial period were EUR 3.7 million (4.0).

| **KEY FIGURES (IFRS)** EUR million | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| Revenue | 630.5 | 640.6 | 603.4 | 574.8 | 563.8 |
| Operating profit for the period | 19.9 | 20.3 | 17.5 | 21.1 | 14.7 |
| % of revenue | 3.2 | 3.2 | 2.9 | 3.7 | 2.6 |
| Operating profit for the period, comparable | 26.0 | 23.6 | 20.0 | 21.5 | 16.2 |
| % of revenue | 4.1 | 3.7 | 3.3 | 3.7 | 2.9 |
| Result for the period | 16.0 | 16.2 | 13.1 | 17.4 | 15.7 |
| % of revenue | 2.5 | 2.5 | 2.2 | 3.0 | 2.8 |
| Return on equity, % | 24.3 | 27.3 | 23.1 | 26.8 | 22.0 |
| Equity ratio, % *) | 29.0 | 29.9 | 28.4 | 32.1 | 32.5 |
| Return on investment % | 24.8 | 28.5 | 25.1 | 26.8 | 15.8 |
| Net gearing (Gearing)% | -46.8 | -89.7 | -50.3 | -30.9 | -21.8 |
| Personnel, average | 1,768 | 1,744 | 1,675 | 1,647 | 1,691 |
| Occupational accidents resulting in absence from work **) | 6.3 | 6.3 | 6.1 | 6.5 | 13.1 |
| Order backlog at the end of the reporting period | 756.5 | 634.7 | 663.2 | 754.7 | 708.6 |

*) In 2024 accounts receivables and accounts payables have been netted against advances received and given. The comparison period has been adjusted, but not previous years.
**) Occupational accidents per million working hours.

## FINANCIAL POSITION AND CASH FLOW

Destia's total assets at the end of the financial period were EUR 255.7 million (245.7). Return on investment (ROI) was 24.8% (28.5%), the equity ratio was 29.0% (29.9%), and the net gearing was -46.8% (-89.7%). The Group's cash reserves decreased from record high at the end of the previous year, and the cash reserves according to the balance sheet were EUR 53.6 million (75.7) at the end of the financial period.

Cash flow for the financial period consisted of cash flow from operating activities of EUR +3.1 million (+50.5), cash flow from investing activities of EUR -5.6 million (-2.4), and cash flow from financing activities of EUR -19.7 million (-13.5). The weaker cash flow from operating activities was due to normal seasonal fluctuations in project business. Investments were higher than in the previous year, mainly due to corporate and business acquisitions made during the year. Dividends paid in the spring were also higher than the comparison year. The cash flow during the year included normal seasonal fluctuations for the business.

The Group has access to a EUR 150 million commercial paper program, which was unused at both the balance sheet date and the comparison period, and a short-term EUR 10 million bank credit facility, which was entirely unused. To secure its liquidity, the company has also entered into revolving credit facilities of EUR 30 million in total, which were entirely undrawn at the balance sheet date. At the end of the reporting period, the amount of interest-bearing debt was EUR 21.9 million (18.5), which was entirely lease liabilities. Of the lease liabilities, 38.0% (37.6) were short-term and 62% (62.4) were long-term. The Group's net interest-bearing debt at the end of the reporting period was EUR -31.7 million (-57.2).

## SHARES, SHARE CAPITAL AND EQUITY

The registered share capital of Destia Oy is EUR 17.0 million, and the number of shares is 680,000. The company is 100% owned by Colas SA.

## INVESTMENTS

The Group's gross investments during the financial period totaled EUR 21.5 million (14.6), or 3.4% (2.3%) of revenue. The investments include EUR 10.6 million lease contract investments according to IFRS16 investments (11.4). Around 70% of the lease contract investments in accordance with IFRS16 come from equipment investments, and the rest are related to real estate lease agreements. The acquisitions of a subsidiary and a business had an impact of approximately EUR 6 million on gross investments. The rest of the gross investments are mainly equipment investments.

## PERSONNEL

The Group's average number of personnel during the financial period was 1,768 (1,744). At the end of December, the number of personnel was 1,751 (1,700), of whom 1,615 (1,551) were permanent and 136 (149) were fixed-term employees. Due to the seasonal nature of the business, the number of personnel varies throughout the year and is highest in the summer when Destia employs many trainees. Personnel expenses in 2024 were approximately EUR 3 million higher than the previous year, amounting to EUR 130.3 million (127.4), relatively only one percentage point higher than the comparison year, at 21% (20%) of revenue.

We monitor employee satisfaction through quarterly pulse surveys. The key performance indicators from the personnel surveys include the employee Net Promoter Score (eNPS), which was 46 (44) in 2024, and the PeoplePower rating, which remained at the AA=Good level (AA) in 2024. Based on this rating, Destia was recognised as the most inspiring workplace in Finland for the fifth time.

We want to offer Destia's employees a work environment that fosters continuous learning and development. In addition to actively sharing knowledge and internal training opportunities, we work closely with educational institutions in the field. The foundation of all our activities and the choices we make at work are our shared values – fairness, togetherness, renewal and success – as well as our leadership promise.

Destia aims to be a desired employer among infrastructure students and professionals. In 2024, Destia employed a total of 257 trainees. We also offer dozens of thesis opportunities to our trainees each year. A total of 43 people were hired from the trainee pipeline, either in permanent or fixed-term positions. In addition, Destia hired 156 permanent professionals.

Destia was again the main partner of Oikotie's Responsible Workplace campaign in 2024. As part of the collaboration, the company participated for the fourth time in the Responsible Workplace survey. The survey measured how the principles of a responsible employer, such as non-discrimination and investment in supervisor work, are realised at Destia from the employees' perspective. For the third consecutive year, Destia ranked first in the survey in the category of organisations with over a thousand employees. The sustainability index score was 4.07 on a scale of 1–5 (4.03).

The accident frequency rate remained at the previous year's level of 6.3, with the target being below three. Destia's overall goal is always a zero-accident worksite. Following the explosion accident at the Laakso Joint Hospital project in Helsinki on August 9, 2024, Destia tightened its guidelines and practices, especially related to blasting safety. It is of utmost importance for the company to ensure the safety of its own and subcontractors' personnel, as well as other people on and near the project sites.

Safety management has been improved with the Colas Group's safety culture development program, which focuses on preventive safety work. During 2024, the safety routines of the supervisors reached over 8,700 recorded routines. By actively keeping safety in focus, we aim to have a safety-oriented workforce that can consider safety in all situations. More attention has also been paid to risk assessment by starting risk banks formed by service lines, aimed at improving risk identification before new projects begin.

## ORGANISATIONAL STRUCTURE AND MANAGEMENT

Destia's organisation consists of four divisions and group functions supporting them. The divisions are Road and Consulting Services, Energy and Industrial Services, Rail and Urban Services, and Maintenance Services. Destia's business operations are supported by the following group functions: Finance, IT, Legal, and Real Estate; Human Resources; and Business Development.

Road and Consulting Services covers road and street construction, bridges, infrastructure, urban and traffic planning, and infrastructure asset management.

Energy and Industrial Services offers renewable energy solutions in areas such as solar and wind power construction, power grid and substation construction, distribution and industrial networks, and their maintenance as well as construction services.

Rail and Urban Services include railway construction and maintenance, urban and alliance construction, foundation and rock engineering as well as aggregates and circular economy.

Maintenance Services offers a wide range of services for around-the-year maintenance of traffic routes, gravel roads, bridges, and traffic environments. Winter maintenance is Destia's special expertise, supported by the Winter Maintenance Management Centre run jointly by Destia and the Finnish Meteorological Institute.

Destia's management team in 2024 consisted of:

- Tero Kiviniemi, CEO, Chair
- Kari Alavillamo
- Annu Karttunen
- Sanna Karvonen
- Mikko Möttönen, until November 1, 2024
- Juhani Nummi
- Tuomas Räinä, interim director from November 1 to December 31, 2024
- Tapio Salo
- Seppo Ylitapio
- Jere Keskinen, member of the extended management team
- Seppo Kopsa, member of the extended management team
- Mikko Mäkelä, member of the extended management team
- Pasi Nurminen, member of the extended management team

Destia appointed Jere Keskinen as the new head of the Road and Consulting Services division and a member of the management team, effective January 1, 2025. Until Jere's start, Tuomas Räinä served as the interim head of the Road and Consulting Services division and a member of the management team from November 1 to December 31, 2024. At the same time, Destia decided to streamline its management structure by discontinuing the extended management team as of January 1, 2025.

Destia's CEO Tero Kiviniemi was nominated in December 2024 as the General Manager of Colas Northern Europe as of January 1, 2025. He also continues as the CEO of Destia.

## DECISIONS OF GENERAL MEETINGS

The Annual General Meeting of Destia Oy, held on February 16, 2024, confirmed the company's financial statements for 2023 and discharged the members of the Supervisory Board, the Board of Directors, and the CEO from liability for the financial year January 1 to December 31, 2023. The General Meeting decided, in accordance with the Board's proposal, to distribute a total of EUR 12,500,000.00 in dividends for the financial period ending December 31, 2023.

The Annual General Meeting re-elected Francis Grass as Chair of the Supervisory Board and re-elected Aurélien Courson and Aurélien Delavenne as members.

The Supervisory Board meeting on February 16, 2024, decided that the number of Board members would be four and re-elected Tero Kiviniemi as Chair of the Board. Kari Alavillamo, Sanna Karvonen, and Tapio Salo were re-elected as Board members. According to the Articles of Association, no remuneration is paid to the Board members.

The Annual General Meeting re-elected the audit firm PricewaterhouseCoopers Oy as Destia Oy's auditor for the financial period 2024. Markku Katajisto, Authorised Public Accountant (KHT), continues as the auditor with principal responsibility.

## LITIGATION AND DISPUTES

There are a total of three significant ongoing contract-related legal disputes related to normal business operations, one of which was initiated during 2024.

The management does not expect the outcomes of the aforementioned cases to have a material effect on the Group's financial position. Provisions have been made for legal proceedings and similar disputes to the extent that the Group considers them to be reliably assessable, material, and necessary.

## SHORT-TERM RISKS AND UNCERTAINTIES

Destia classifies risks as market and operating environment risks, operational risks, personnel risks, financial and funding risks, and damage risks.

The geopolitical crisis and changes in the operational environment create uncertainty and highlight several significant risks. Potential disruptions and disturbances in supply chains must be anticipated. With the green transition and international clients entering the market, it is essential to ensure the capability for sustainable development. Expertise in contract management and change management processes in international contract models is emphasised.

As a result of the geopolitical crisis, investments in the green transition may be postponed. The Finnish government is investing in preparedness and resilience, financial investments related to the development of sustainability may be less than expected.

Managing environmental risks, social and administrative responsibility, and ESG risks are emphasised. Minor deviations support the company's reputation management and employer image. Managing, developing, and training supply chain sustainability and sustainability expertise are central in the near future.

Risks and economic fluctuations affecting the operational environment are managed with a balanced business portfolio.

A unified corporate culture and people are part of risk management. Regarding personnel risks, it is essential to ensure the competence, motivation, and number of personnel in relation to strategic goals.

The most significant operational risks are related to project management, disciplined adherence to agreed methods, and maintaining a comprehensive project status overview.

Destia has invested in reliable and materially relevant financial reporting, which is a prerequisite for identifying and assessing financial risks.

Destia manages financial risks related to the Group's financing in accordance with the treasury policy. The objective of financial risk management is to ensure the Group's liquidity and refinancing and to minimise the adverse effects of changes in financial markets on the Group's results, cash flow, and balance sheet.

Key factors in managing Destia's damage risks are proactive project management procedures, investments in quality, occupational safety, environmental considerations, and ensuring adequate insurance coverage.

## RESEARCH AND DEVELOPMENT

Research and development costs were EUR 1.0 million (1.0). In addition, IT development costs were EUR 1.2 million (1.4). Destia is committed to being a pioneer in utilising technology in its industry. It actively seeks to renew industry practices in collaboration with its customers and other stakeholders.

To address the challenges of a rapidly changing world, Destia invests in the continuous development of work methods and practices, particularly by leveraging the opportunities and solutions offered by digitalisation. Although development work is carried out practically in conjunction with service delivery, it is organised in a project-based manner and centrally managed. This approach enables efficient and consistent development activities that support Destia's goal of being at the forefront of technology utilisation in its industry. Each business division has its own development manager and service development team, ensuring that the utilisation of technology and innovations is seamlessly integrated into all company functions and processes.

Destia has received external funding for R&D projects from Business Finland, the Finnish Transport Infrastructure Agency, and Centres for Economics, Development, Transport and the Environment. In addition to funding numerous theses, Destia's R&D activities sponsor the professorship of infrastructure digitalisation established at Tampere University and the activities of the buildingSMART Finland collaboration forum for information modeling.

## SUSTAINABILITY

Sustainability and quality are integrated into all levels of Destia's operations: the company's values, objectives, strategies, and management, as well as the daily work of projects. As Finland's largest infrastructure company, Destia plays a significant role in creating functional and sustainable operational environments and entire living environments. Destia's operations have significant impacts on society, the environment, and our stakeholders. Destia aims to be a sustainable leader that creates sustainably profitable business, is environmentally friendly, safe, inspiring, and successful workplace, and a sustainable construction industry operator and developer of corporate responsibility.

Destia implements sustainability as part of the Colas Group's ACT sustainability program, which consists of eight commitments. The commitments cover various aspects of sustainability, each including multiple sub-projects. In 2024, Destia made excellent progress in all commitments.

In 2024, EcoVadis rated Destia's sustainability at the bronze level. EcoVadis is an internationally recognised organisation that assesses companies' sustainability based on criteria related to the environment, working conditions, human rights, and sustainable procurement. The assessment is based on leading ethical standards such as the Global Reporting Initiative, the UN Global Compact initiative, and the ISO 26000 standard. The EcoVadis rating provides a comprehensive view of the company's sustainability activities and helps to identify areas for improvement.

Through its sustainability work, Destia is committed to the UN's Sustainable Development Goals. Additionally, Destia is committed to promoting fundamental principles related to human rights, labor, the environment, and anti-corruption through its operations. Furthermore, Destia takes part in the Ahlström Collective Impact (ACI) responsibility initiative, which aims to focus strategic investments to selected UN Sustainable Development Goals through UNICEF Finland.

Destia has applied for Science Based Targets approval for its sustainability targets, which confirms science-based emission reduction targets.

The carbon footprint of the built environment and its maintenance is significant. In 2021, Destia announced its commitment to be carbon neutral in terms of its own emissions by 2030 and climate positive by 2035. Additionally, it aims to reduce our indirect emissions by 30 percent by 2030.

The year 2024 was successful in many ways in terms of sustainability, with a 35.5 percent reduction in direct emissions compared to the baseline year 2020. During the year, Destia made many successful changes to achieve its sustainability targets. All purchased electricity is produced by wind power. The company has also increased the use of both renewable fuels and electric vehicles. To support environmental responsibility, Destia developed methods for calculating and monitoring direct and indirect emissions and updated the equipment strategy during 2024.

Destia also take responsibility for developing and maintaining Finland's security of supply. The company is actively involved in the activities of the Construction Pool under the National Emergency Supply Agency and works closely with the defense sector, for example in preparedness preparedness construction.

## STRATEGY

Changes in the operational environment are increasingly unpredictable. Destia strengthens its resilience against these changes with a balanced business portfolio. The business areas to be strengthened are primarily energy and industrial construction and the maintenance of transport infrastructure. Destia is committed in promoting the green transition, which it estimates to be a significant opportunity for the entire country.

Destia improves its profitability primarily by moving towards a more refined direction in the value chain. Improving productivity shortens project lead times. Project and contract management and procurement capabilities are enhanced. Increasing the number of private customers requires improving customer understanding and developing customer relationship management.

Customer-centricity, sense of infrastructure, smart production, and sustainability, as well as inspiring leadership, create Destia's competitive advantages. In 2024, Destia continued to develop corporate culture and value-based leadership. Strategic development was structured into three development programs: Forerunner in productivity, Sustainable leader and Growth builder.

The foundation of success lies in competent and appropriately sized personnel who share the company's values and are led according to the leadership promise. The societal significance of work as a motivational factor is emphasised. As a designer, builder, and maintainer of functional infrastructure, Destia enables the green transition and creates conditions for industrial investments while employing and fulfilling societal obligations.

Destia prepares for the realisation of the weakest scenarios with a regularly maintained plan, the functionality and development needs of which are assessed through continuous situational awareness and exercises. The main goal of business continuity is to secure cash flow.

## EVENTS AFTER THE FINANCIAL YEAR

There have been no significant events in the company after the end of the financial year.

## OUTLOOK FOR 2025

The development of the operational environment continues to be driven by urbanisation, technological development, climate change, and the depletion of natural resources. Geopolitical tensions will continue in 2025, and the company must prepare for various scenarios.

A record-high order backlog at the end of 2024 provides a good starting point for the coming years.

In the macroeconomy, Destia expects fragile growth. The deficit in Finland's public finances forces continued adjustment measures, debt is growing, and the ability to stimulate is limited. The expectation is that the GDP will grow moderately, inflation can be controlled, and interest rates continue to decline. Finland's unemployment will remain at a challenging level. Geopolitical tensions will maintain uncertainty and the need for preparedness.

International customers bring new business opportunities and requirements. For example, global players in the energy sector and digitalisation set new requirements for contract models (FIDIC) and sustainability themes. Public administration customers aim to increase competition and reform contract models to control price levels. Promoting sustainable development in their projects is partially limited. The market for building contractors, especially residential construction, is expected to improve only in the latter part of 2025.

The public market is stable in the established business areas with road construction as well as road and rail maintenance markets remaing stable. The green transition investments are expected to enable growth particularly in wind, solar, and hybrid projects.

Destia's efforts to improve project management, growth strategy in selected service areas, customer work, and systematic preparation for various disruptions provide a relatively good foundation for the company's growth and continuous improvement in profitability in 2025 as well.

## BOARD'S PROPOSAL FOR THE USE OF DISTRIBUTABLE FUNDS

Destia Oy's profit for the financial year according to Finnish accounting legislation was EUR 15,589,279.81, which is proposed to be recorded in the retained earnings account. Destia Oy's distributable funds total EUR 28,003,801.34.

The Board of Directors of Destia Oy proposes to the Annual General Meeting that dividends of EUR 12,500,000 be distributed for the financial year ending on December 31, 2024.

There have been no significant changes in the company's financial position since the end of the financial year. The company's solvency is good and in the board's view, the proposed distribution of profits does not endanger the company's solvency.

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, IFRS

| EUR 1,000 | Note | 1 Jan–31 Dec 2024 | 1 Jan–31 Dec 2023 |
|---|---|---|---|
| **REVENUE** | 2 | **630,537** | **640,636** |
| Other operating income | 4 | 3,059 | 2,655 |
| Materials and services | 3 | -422,657 | -438,410 |
| Employee related expenses | 7 | -130,303 | -127,386 |
| Depreciation and impairment | | -14,837 | -14,468 |
| Other operating expenses | 4 | -45,930 | -42,719 |
| **OPERATING PROFIT** | | **19,870** | **20,308** |
| Financial income | 9 | 1,409 | 1,132 |
| Financial expenses | 9 | -1,558 | -1,273 |
| **PROFIT BEFORE TAXES** | | **19,721** | **20,167** |
| Income taxes | 10 | -3,734 | -4,006 |
| **RESULT FOR THE PERIOD** | | **15,988** | **16,160** |
| **Other comprehensive income including tax effects** | | | |
| **Items that will not be reclassified to profit or loss** | | | |
| Items resulting from remeasurement of the defined benefits-based net liability (or asset item) | 20,27 | 440 | 90 |
| | | **440** | **90** |
| **Items that may be subsequently reclassified to profit or loss** | | | |
| Translation differences from foreign subsidiaries | | -1 | -1 |
| Equity investments | | | |
| | | -1 | -1 |
| Other comprehensive income net of tax | | 439 | 90 |
| **COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR** | | **16,427** | **16,250** |

Result for the period and comprehensive income for the period belongs to the parent company shareholders.

# CONSOLIDATED BALANCE SHEET, IFRS

| EUR 1,000 | Note | 31.12.2024 | 31.12.2023 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment and right-of-use assets | 11 | 61,019 | 58,349 |
| Goodwill | 13 | 23,322 | 19,596 |
| Other intangible assets | 15 | 1,984 | 2,129 |
| Other investments | 16 | 2,041 | 2,042 |
| Deferred tax assets | 20 | 290 | 1,094 |
| **Non-current assets, total** | | **88,657** | **83,210** |
| **Current assets** | | | |
| Inventory | 17 | 27,729 | 22,388 |
| Accounts and other receivables | 18 | 85,795 | 64,412 |
| Cash and cash equivalents | 19 | 53,558 | 75,724 |
| **Current assets, total** | | **167,082** | **162,524** |
| **ASSETS, TOTAL** | | **255,739** | **245,734** |

| EUR 1,000 | Note | 31.12.2024 | 31.12.2023 |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Equity attributable to equity holders of the parent company** | 21 | | |
| Share capital | | 17,000 | 17,000 |
| Translation differences | | -12 | -11 |
| Retained earnings | | 50,769 | 46,842 |
| **Equity attributable to equity holders of the parent company, total** | | **67,758** | **63,831** |
| **Non-current liabilities** | | | |
| Pension liabilities | 27 | 4,441 | 6,037 |
| Provisions | 28 | 6,161 | 6,892 |
| Lease liabilities | 22 | 13,557 | 11,545 |
| Other liabilities | | 5,940 | 3,482 |
| **Non-current liabilities, total** | | **30,099** | **27,957** |
| **Current liabilities** | | | |
| Accounts payable and other non-interest-bearing liabilities | 25 | 143,968 | 140,796 |
| Provisions | 28 | 5,610 | 6,197 |
| Lease liabilities | 22 | 8,304 | 6,954 |
| **Current liabilities, total** | | **157,881** | **153,946** |
| **EQUITY AND LIABILITIES, TOTAL** | | **255,739** | **245,734** |

Items for the comparison period Accounts and other receivables and Accounts payable and other non-interest-bearing liabilities have been adjusted. Receivables against which an advance has been received and liabilities against which an advance has been paid are netted against each other. Presented in this way, only advances for which payment has been received/made are shown as advances received/paid. The effect of the adjustment on the comparison figures is EUR 7.9 million on both sides of the balance sheet.

# CONSOLIDATED CASH FLOW STATEMENT, IFRS

| EUR 1,000 | 1 Jan–31 Dec 2024 | 1 Jan–31 Dec 2023 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Cash receipts from customers | 600,151 | 663,125 |
| Expenses paid to suppliers and personnel | -592,328 | -608,564 |
| Interest paid | -838 | -651 |
| Dividends received | 1 | 1 |
| Interest received | 1,409 | 1,131 |
| Other financial items | -718 | -697 |
| Tax paid | -4,580 | -3,810 |
| **Net operating cash flow** | **3,097** | **50,536** |
| | | |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Investments in intangible and tangible assets | -5,141 | -3,402 |
| Sale of intangible and tangible assets | 2,036 | 965 |
| Acquisition of subsidiaries less cash at the time of acquisition | -2,467 | 0 |
| **Net investment cash flow** | **-5,572** | **-2,438** |

| EUR 1,000 | 1 Jan–31 Dec 2024 | 1 Jan–31 Dec 2023 |
|---|---|---|
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Dividends paid | -12,500 | -6,997 |
| Payments of lease liabilities (-) | -7,190 | -6,538 |
| **Net financial cash flow** | **-19,690** | **-13,535** |
| | | |
| **Change in cash and cash equivalents** | -22,165 | 34,563 |
| Cash and cash equivalents at the beginning of the financial year | 75,724 | 41,160 |
| Effect of exchange rate changes | -1 | 0 |
| **Cash and cash equivalents at the end of the financial year** | **53,558** | **75,724** |

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, IFRS

## EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY

| EUR 1,000 | Share capital | Translation differences | Retained earnings | Total |
|---|---|---|---|---|
| **Equity 1 Jan 2024** | 17,000 | -11 | 46,842 | 63,831 |
| **Other comprehensive income** | | | | |
| Result for the period | | | 15,988 | 15,988 |
| Other comprehensive income: | | | | |
| Translation differences | | -1 | | -1 |
| Other investments | | | | |
| Items resulting from redefinition of the benefits-based net liability (or asset item) | | | 440 | 440 |
| **Comprehensive income for the financial year, total** | | -1 | 16,427 | 16,427 |
| **Transactions with group companies** | | | | |
| Dividend distribution, Colas SA | | | -12,500 | -12,500 |
| **Equity, total 31 Dec 2024** | **17,000** | **-12** | **50,769** | **67,758** |

## EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY

| EUR 1,000 | Share capital | Translation differences | Retained earnings | Total |
|---|---|---|---|---|
| **Equity 1 Jan 2023** | 17,000 | -10 | 37,589 | 54,578 |
| **Other comprehensive income** | | | | |
| Result for the period | | | 16,160 | 16,160 |
| Other comprehensive income: | | | | |
| Translation differences | | -1 | | -1 |
| Items resulting from redefinition of the benefits-based net liability (or asset item) | | | 90 | 90 |
| **Comprehensive income for the financial year, total** | | -1 | 16,251 | 16,250 |
| **Transactions with group companies** | | | | |
| Dividend distribution, Colas SA | | | -6,997 | -6,997 |
| **Equity, total 31 Dec 2023** | **17,000** | **-11** | **46,842** | **63,831** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Basic information about Destia Group

Destia is a Finnish infrastructure and construction service company that designs, builds and maintains essential transport and energy infrastructure, such as electricity networks, bridges, roads and railways. It is therefore an important operator from the point of view of security of supply. In addition, our extensive service range covers telematics and lighting solutions, comprehensive services for electric and smart traffic and infrastructure management, as well as solutions to the developing needs of cities. The Group mainly operates in Finland.

The Group's parent company is Destia Oy. The parent company's domicile is in Helsinki, and its registered address is Firdonkatu 2 T 151, 00520 Helsinki. Destia Oy is 100% owned by Colas SA, which is part of the BOUYGUES GROUP.

A copy of the Consolidated Financial Statements is available at www.destia.fi or from Destia Oy's head office at Firdonkatu 2 T 151, 00520 Helsinki.

On 24 February 2025, Destia Oy's Board of Directors authorised these financial statements for issue in their entirety. Under the Finnish Limited Liability Companies Act, shareholders may approve or reject the financial statements at the General Meeting held following their publication. The General Meeting may also take the decision to amend the financial statements.

## 1. ACCOUNTING PRINCIPLES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

### Basis of accounting

Destia Group's Consolidated Financial Statements were prepared in accordance with the International Financial Reporting Standards (IFRS), and the preparation abided by the International Accounting Standard (IAS) and IFRS as well as the interpretations by the Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) in force on 31 December 2024. IFRS refers to the accounting standards approved in the Finnish Accounting Act and provisions issued by virtue of it, to be adopted in the EU in accordance with the procedure regulated by the EU regulation (EC) no 1606/2002 and the subsequent interpretations. The notes to the Consolidated Financial Statements are also in line with the requirements of the Finnish accounting and Community legislation supplementing the IFRS.

The Consolidated Financial Statements were prepared under the historical cost convention, with the exception of financial assets and liabilities recognised at fair value through profit or loss. The Consolidated Financial Statements are presented in thousands of euros.

Preparing the Consolidated Financial Statements in accordance with IFRS accounting standards requires the Group's management to make certain estimates and have information relating to the decisions the management has taken. Information relating to these decisions, which are used in the application of the Group's accounting policies, and which significantly affect the amounts recognised in the financial statements, is given in the section entitled 'Accounting policies requiring management judgement and the main factors of uncertainty connected with the estimates made'. In its financial statements, the company has presented the matters that have had a fundamental impact on the company's financial position and financial performance.

## Basis of consolidation

### Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Intra-Group shareholdings are eliminated using the acquisition method. The consideration transferred, the acquired company's identifiable assets and liabilities are measured at fair value at the acquisition date. Expenses relating to the acquisition are recognised as costs. The consideration transferred does not include potential transactions treated separately from the acquisition. Their effect is accounted for through profit or loss at the time of the acquisition. Any contingent consideration is measured at its fair value at the acquisition date and is classed either as a liability or equity. Contingent consideration classed as a liability is measured at fair value at each reporting date, and the resulting profit or loss is recognised through profit and loss. Acquired subsidiaries are consolidated from the date the Group has acquired control and transferred subsidiaries until that control ceases. All the Group's internal commercial transactions, receivables, liabilities, unrealised gains and internal profit distribution are eliminated on consolidation. Unrealised losses are not eliminated if the loss is due to impairment. Changes to the parent company's share of ownership in the subsidiaries that do not lead to a loss of control are treated as equity accounted transactions.

**Joint arrangements**

Joint arrangements are arrangements in which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Joint arrangements are either a joint operation or a joint venture.

A joint venture is an arrangement in which the Group has rights to the net assets of the arrangement, whereas in a joint function, the Group has rights concerning the assets and obligations concerning the liabilities related to the arrangement. Destia Group's consortia are joint operations from which the Group has consolidated its own assets, liabilities, earnings, and costs, as well as its own share of joint assets, liabilities, earnings, and costs.

**Changes to items denominated in foreign exchange**

The results and financial position of the units in the Group are denominated in the currency of the unit's main operating environment ('functional currency'). The numbers in the Consolidated Financial Statements are presented in euros, which is both the functional and presentation currency of the Group's parent company.

**Commercial transactions denominated in foreign exchange**

Commercial transactions denominated in a foreign currency are converted to the functional currency at the rate on the date of the transaction. For practical reasons, a rate that roughly corresponds to the actual rate at the date of the transaction is often used. Monetary items denominated in a foreign currency are converted to the functional currency using the exchange rate at the balance sheet date. Non-monetary items denominated in a foreign currency, and which are measured at fair value, are converted to the functional currency using the exchange rates at the date on which fair value is measured. Otherwise, non-monetary items are measured at the exchange rate on the date of the transaction.

Gains and losses from commercial transactions denominated in a foreign currency and changes to monetary items are recorded through profit or loss. Exchange rate gains and losses from the business operations are included in equivalent items above operating profit.

**Conversion of the financial statements of foreign companies in the Group**

Items in the statement of comprehensive income including the income statements of foreign Group companies are converted to euros at the average rate for the period, while the numbers in the balance sheets are converted using the exchange rates at the balance sheet date. The translation of the result for the financial year and other comprehensive income at different rates in the income statement and balance sheet causes the translation difference to be recognised in equity in the balance sheet, the change in which is recognised in other comprehensive income. Translation differences arising from the elimination of the acquisition cost of foreign subsidiaries and the conversion of equity items accumulating after an acquisition are recognised in other comprehensive income. When a subsidiary is sold in whole or in part, the accumulated translation differences related to the subsidiary are recognised in the income statement at the time of sale as part of the profit or loss from sales.

## Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

A cost comprises the expenditure incurred directly from acquiring an item of property, plant and equipment, including the costs of dismantling or moving the asset based on the initial estimate, and of restoring the location to its original state, if the organisation has such an obligation. The costs of an asset that has been produced by the company itself include the cost of materials, direct costs relating to employee benefits and other direct costs of preparing the asset for its intended use. When the preparation of an asset for its intended purpose or sale requires considerable time, the direct borrowing costs of its acquisition, construction or production are capitalised as part of its acquisition costs.

If an asset consists of more than one part, and the lifespan of these parts vary in length, each part is accounted for as a separate commodity. In such cases, expenditure for the replacement of the part is capitalised and any book value remaining when that replacement takes place is derecognised. Expenditure incurred at a later date is included in the book value of a property, plant and equipment item only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the acquisition cost of the commodity can be reliably determined. Other repair and maintenance costs are recognised in the income statement as incurred.

Assets are depreciated during their estimated useful life on a straight-line basis. The exception to this is areas of soil, depreciation of which is calculated according to expected use. No depreciation is calculated for land because land is considered to have an indefinite useful life.

Estimated useful lives are as follows:

- Buildings: 10–40 years
- Machinery and equipment: 3–20 years
- Other items of property, plant and equipment: according to use

An asset's estimated residual value and its estimated useful life are reviewed at least at the end of each financial year and, where necessary, adjusted to reflect the changes in the expectations of its future economic benefit. When property, land or equipment is classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, the asset is no longer subject to depreciation. The gains and losses from the sale of decommissioned property, plant and equipment or their disposal are recognised in the income statement, in other operating income and selling losses in other operating expenses.

**Government grants**

Government/public subsidies are recorded through profit and loss when there is a reasonable assurance that they will be received. Subsidies that have been received as payments against already realised costs are recognised through profit or loss in the period in which the subsidy is received. Subsidies are presented in other operating income.

## Lease agreements

**Group as lessee**

The Group acts as a lessee and has leased mainly office and warehouse space, machinery and equipment as well as cars. According to the IFRS 16 Leases standard Destia Group recognises right-of-use assets and lease liabilities related to lease agreements on the balance sheet at the start of the lease period. The start of the lease period is the time when the leased asset is available to the lessee. Leases with a short term of lease or concerning an asset with a low value are an exception to this. The accounting of these is described below. When an agreement is created, the Group evaluates whether it is a lease agreement or includes a lease agreement. An agreement is a lease agreement, or it includes a lease agreement, if it transfers the right to control the use of a certain asset during a specified period of time in exchange for a consideration.

The term of lease covers the non-cancellable lease term as well as any periods covered by an option to extend the lease if it is considered reasonably certain that such an option will be exercised. If the lease period has not been defined as a certain length, the management evaluates the factual reasons affecting the creation of the contract when assessing the time when the termination of the lease contract is reasonably certain. The Group's open-end leases typically relate to buildings and machinery and equipment. The discount rate applied to the calculation of lease liability is specified using the interest rate on additional credit at lease commencement. Interest rate on additional credit is defined as the interest rate that the lessee would have to pay when borrowing for a similar period with similar securities an amount required to acquire an asset with the same acquisition cost as the right-of-use asset in a similar financial environment. The same discount rate is applied to lease agreements with similar characteristics. Starting from the financial year 2022, the Group has applied interest rate table provided by Colas SA. The nature of the leased asset, geographic location, currency and duration of the agreement are considered, when determining the interest rate of the additional credit of the agreement.

Lease liabilities are measured at the present value of the expected lease payments. Lease payments include fixed lease payments and the possible value of a purchase option if the decision to exercise the purchase option is reasonably certain. Later, the lease liability is measured at amortised cost using the effective interest rate method. A lease liability is remeasured when there is a change in future lease payments arising from a change in an index or price level, if the Group estimates that the amount expected to be payable under a residual value guarantee has changed, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or the adjustment is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. In some of Destia Group's lease agreements, the payment of lease is tied to an index, and some involve extension and termination options.

A right-of-use asset is initially measured at cost, comprising the amount of the initial measurement of the lease liability and any initial direct costs and restoration costs as well as any lease payments made at or before the commencement date less any lease incentives received (such as expenses the lessor will cover or take responsibility for).

After commencement of the lease agreement, right-of-use assets are measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated within their useful life or within the lease term, whichever is shorter.

Useful lives are defined similarly as those of the corresponding property, land and equipment. Right-of-use assets related to land areas are depreciated over the lease term. If the lease agreement transfers the ownership of the asset to the Group by the end of the lease term or if it includes a purchase option which will be exercised at the end of the lease term with reasonable certainty, the use-of-right asset will be depreciated over the useful life. A right-of-use asset is tested for impairment if there are indications of impairment, and any impairment loss is recognised through profit or loss.

The Group applies the practical expedient and does not recognise on the balance sheet right-of-use assets or lease liabilities for lease agreements with a short term or of a low value. Lease payments related to these agreements are recognised as expenses in the income statement over the term of lease. Short-term lease agreements are leases with a term of 12 months or less. Lease agreements of a low value involve an underlying asset with a low value or are insignificant from the business perspective.

**The Group as a lessor**
The Group's lease agreements are treated as operational lease agreements in accordance with IFRS 16. Assets let by the Group are included as property, plant, and equipment on the balance sheet. They are depreciated during their useful life in the same way as equivalent items of property, plant and equipment which are used by the Group. Revenue from lease agreements is recognised in the income statement on a straight-line basis over the period of the lease. The Group's activity as a lessor is low.

## Intangible assets

**Goodwill**
Goodwill is recognised at the amount by which the consideration transferred exceeds the Group's share of identifiable fair value net assets for an acquired company on the date it is acquired. No deprecation is recognised on goodwill (or any other intangible assets with indefinite useful lives); it is tested annually for potential impairment. For this purpose, goodwill is allocated to the relevant group of cash-generating units. Goodwill is measured at cost less accumulated impairment losses.

**Research and development expenditure**
Research expenditures are recognised through profit or loss in the financial year in which they are incurred. Development expenditures incurred from the planning of new or more advanced procedures and concepts is capitalised as intangible assets in the balance sheet from the time when they are technically feasible, can be commercially exploited and can be expected to generate probable future economic benefits. Capitalised development costs include the material, labour and testing costs which are directly incurred when preparing the commodity for its intended purpose. Previously expensed development costs are no longer recognised at a later date. Amortisation begins when the asset is available for use. Assets under development are tested annually for impairment. After initial recognition, capitalised development costs are measured at the cost less accumulated amortisation and impairment. The Group has no capitalised development costs on the balance sheet on the balance sheet date.

**Other intangible assets**
An intangible asset is entered on the balance sheet at its original acquisition cost, when the cost can be reliably determined and when it is likely that future significant benefit from the asset will flow to the Group.

Intangible assets with finite useful lives are amortised on a straight-line basis through profit or loss over their known or estimated useful life.

The estimated useful lives for other intangible assets are:

- Computer software: 5 years
- Other intangible rights: 5 years

## Inventory

Inventory is measured at the lower of acquisition cost or net realisable value. The acquisition cost is determined using the weighted average cost formula. The acquisition cost of finished goods and work in progress inventories consists of the raw materials, expenses incurred from direct work, other direct expenses, an appropriate share of the variable general costs of manufacture and fixed general costs at a normal level of activity. The net realisable value is the estimated selling price in the ordinary course of business less the costs necessary for completing the inventory and the estimated costs necessary for realising the revenue. Project related advance payments are recorded as advance payments in the inventory account group.

## Impairment of tangible and intangible assets

At the end of each reporting period, the Group assesses whether there are indications that an asset is impaired. If there is evidence of impairment, an estimate is made of the asset's recoverable amount. In addition, the impairment of the following is estimated each year: goodwill, intangible assets with an indefinite useful life and intangible assets in progress.

Evidence of impairment is examined for each cash-generating unit, i.e. at the lowest unit level, which is mainly independent of the other units and whose cash flows can be distinguished from the cash flows of equivalent units. The recoverable amount is the greater of the fair value of the asset less costs of sale or its value in use. The value in use is the present value of future net cash flows expected to be derived from an asset or cash-generating unit.

An impairment loss is recognised when the carrying amount of an asset is greater than its recoverable amount. An impairment loss is recognised directly through profit or loss. If the impairment loss is allocated to a group of cash-generating units, it is first applied to reduce the goodwill of the group of the cash-generating units. When an impairment loss is being recorded, the useful life of the asset being depreciated is re-assessed. An impairment loss for an asset, other than goodwill, is reversed if there has been a change in the values used to determine the recoverable amount on the asset. Impairment losses, however, cannot be reversed to the extent that the asset's carrying amount would be greater than if no impairment loss had been recognised. Under no circumstances can impairment losses recognised for goodwill be reversed.

## Employee benefits

**Pension obligations**

Pension schemes are classified as defined benefit plans or defined contribution plans. Under the defined contribution plan, the Group pays fixed contributions to a separate organisation. The Group has no legal or constructive obligation to increase contributions if the organisation in receipt of the contributions is unable to pay the relevant pension benefits. All schemes that do not fulfil these conditions are defined as benefit plans. Contributions made into defined contribution plans are recognised through profit or loss in the financial year in which the obligation arises.

The Group's obligations regarding defined benefit plans are calculated separately for each plan by using the projected unit credit method.

Pension expenses are recognised as costs on the basis of authorised actuarial calculations for the length of service of personnel. When the present value of a pension obligation is being calculated, the discount rate used is the return on high-quality bonds issued by companies, and if that is not available, the interest on state debentures. The maturity of bonds and debentures corresponds to the maturity of the pension obligation being calculated. The assets included in the pension plan measured at fair value at the end of reporting period.

An expense based on previous work performance is recorded when the amendment or reduction of the arrangement is realized or when the related restructuring expenses or benefits related to the termination of the employment are recorded.

## Provisions and contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are stated at the present value of the liability. Provisions are determined by discounting the expected future cash flows that reflect the current market assessment of the time value of the money and risks specific to the liability. If the Group expects a provision to be reimbursed by a third party, the reimbursement is recognised as a separate asset if it is virtually certain that the reimbursement will be received.

A warranty provision is recognised when a project covered under a guarantee clause is delivered. The amount of the warranty provision is based on an experience-based estimate of the guarantee costs likely to be incurred.

The Group recognises a provision for onerous contracts when the expected benefits to be derived from a contract are less than the direct costs of meeting the obligations under it.

A reorganisation provision is recognised when the Group has drawn up a detailed reorganisation plan and started to implement the plan or reported on the matter.

A provision associated with environmental obligations is recognised when the Group has an obligation based either on environmental legislation or the Group's principles of environmental responsibility and which relates to the decommissioning of a production plant, landscaping responsibilities, repairing environmental damage or moving equipment from one location to another. Any changes to estimates and assumptions applied are taken into account in the amount of provision in the period during which the estimates or assumptions are reassessed and in all the subsequent periods. Changes to obligations arising from changes in the estimated realisation and amount of costs, as well as changes arising from changes in the discount rate, are taken into account in the amount of the obligation. The Group measures an asset associated with an environmental obligation in accordance with the cost model. A corresponding adjustment is made to the carrying amount of fixed assets, or the adjustment is recorded in profit or loss, if the carrying amount of the fixed asset has been reduced to zero.

A contingent liability is a possible obligation arising as a result of past events and whose existence will be confirmed only when an uncertain event takes place not wholly within the control of the entity. Present obligations that are unlikely to require the fulfilment of a payment obligation, or the amount of which cannot be reliably estimated are also regarded as contingent liabilities. A contingent liability is presented in the Notes to the Financial Statements.

## Income tax for the current period and deferred taxes

Tax expenses comprise tax based on taxable income for the period and deferred tax. Income tax is recognised through profit or loss, except for taxes related to items recognised directly in equity or the comprehensive income, in which case tax is recognised in the relevant items. Tax for the current period is calculated using the income tax rate effective in each country. Deferred taxes are calculated on all temporary differences between the carrying amount and tax base. However, no deferred tax liability is recognised if it arises from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting profit nor taxable profit. Deferred tax assets and deferred tax liabilities are netted, when the Group has the legal right to net the income tax receivables and income tax liabilities and when the deferred tax receivables and deferred tax liabilities are related to income taxes collected by the same tax collector.

Deferred tax liability is recognised for investments in subsidiaries, except to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is not probable that the temporary difference will resolve in the foreseeable future.

The most significant temporary differences arise from the depreciation of property, plant and equipment, defined benefit pension plans, provisions and the measurement of derivative contracts at fair value.

Deferred taxes are calculated using the statutory tax rates or the tax rates which have been approved in practice by the end of reporting period. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the temporary difference can be utilised.

## Revenue recognition

Destia Group's revenue is derived from construction and maintenance projects, infrastructure design services, consulting projects and the sale of materials. Destia Group presents income from contracts with customers less indirect taxes in its revenue.

In accordance with IFRS 15 Revenue from Contracts with Customers, the Group recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. In recognising revenue, the Group applies a five-stage model to determine when, and at what amount, revenue is recognised. The model involves identifying the customer contract and its performance obligations, determining transaction prices, allocating transaction prices to performance obligations and recognising revenue. Revenue is recognised when the customer is determined to obtain control of the promised goods or services, either over time or at a point in time.

### *Destia's different types of income*

### *Construction contracts*

Destia Group provides road construction, foundation engineering and other construction services for its customers. Each construction contract is treated as a single performance obligation because Destia Group provides all-in contracts to customers, meaning that services are combined with other services promised in the agreement to establish a construction contract that represents the combined output. Construction work is carried out on the customer's land and on the basis of the customer's plans. Revenue from construction contracts is recognised over time during construction period, as the customer is considered to obtain control of the object of construction as the Group's performance creates it. In construction contracts, the asset created by the performance is not considered to have an alternative use, and the Group is considered to have a substantive right to receive payment for the performance obligation completed to date.

### *Maintenance projects*

Destia Group provides year-round maintenance contracts that cover the winter maintenance of traffic routes and the living environment, as well as the maintenance of gravel roads, bridges and the traffic environment in general. In regional maintenance contracts, the customer buys a customised bundle of services. The contracts are mainly treated as single performance obligations where the services provided by the Group are combined with other services promised in the contract to create a bundle of services or a series of distinct services that are substantially the same and that are transferred to the customer according to the same model. Revenue is recognised over time, as the customer is considered to obtain control of the service as the service is transferred.

### *Sale of aggregates*

Destia Group provides its customers with aggregates for road and rail construction, building construction, road maintenance, concrete and all types of surfacing. The Group also provides its customers with special products such as asphalt aggregates and track ballast. Aggregates are priced according to their quality and weight. The Group has annual agreements (framework agreements) with customers, under which the Group supplies aggregates based on individual orders by the customer. Revenue from the sale of aggregates is recognised at a point in time when control is transferred to the customer. The transfer of control is considered to occur when the goods are delivered to the customer's site or loaded on a vehicle at the Group's quarry.

***Consulting services***

Destia Group provides its customers with consulting services related to infrastructure planning and other consulting projects. Consulting services are subject to hourly pricing. Revenue from consulting services is recognised over time, when the service is delivered and control is transferred to the customer. Control is transferred to the customer when the Group has the right to payment for the service.

Destia's customer contracts that consist of multiple distinct performance obligations are projects that include the provision of both construction and maintenance services. Any additional work and alterations are treated as separate performance obligations if they form a separate performance obligation and their pricing is based on their separate selling prices. If this is not the case, the effect of additional work and alterations is added to the transaction price of the existing agreement in question, and it contributes to the progress towards satisfaction of the performance obligation. The effect is also recognised as revenue adjustment at the time of amendment of the agreement, in accordance with the effect accrued from the change.

Revenue and expenses for projects recognised over time are recognised based on progress when the Group can reasonably measure progress towards complete satisfaction of the performance obligation. Progress is measured for each project as the percentage of costs incurred to date compared with the total estimated costs of the project. The objective of measuring progress is to depict how the Group satisfies the performance obligation, when it transfers control of products or services to a customer.

The sale of materials is treated as a performance obligation satisfied at a point in time, in which case the revenue is recognised in accordance with the terms of delivery at the time of delivery, when the significant risks and rewards of ownership are transferred to the buyer.

The pricing of construction contracts and maintenance projects is based on all-in contract pricing. If a contract includes a variable consideration, it is recognised as revenue to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Destia Group applies the practical expedient permitted by IFRS 15 and does not adjust the amount of consideration for the effects of a significant financing component because, in project agreements and contracts, the timing of scheduled payments is considered to correspond to the progress towards the satisfaction of the performance obligation. The Group applies the terms of payment typical of its industry and does not use extended payment periods.

Expenses not recorded for unfinished projects are recorded as unfinished in inventories. If the Group produces a performance by transferring goods or services to a customer before the customer pays the consideration or the payment is due, the contract is presented in the financial statements under inventory (contract asset), except for the amounts presented under "Other receivables" or "Accounts receivables".

Accounts receivable and contract assets are assessed for impairment in accordance with IFRS 9. If a customer pays consideration or the Group has an unconditional right to an amount of consideration before Destia Group transfers a good or service to the customer, the contract is presented in the financial statements as a contract liability when the payment is made or the payment is due.

When the outcome of a contract cannot be estimated reliably, the contract costs are recognised as expenses in the period in which they are incurred, and revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable. If it is probable that the total expenditure incurred in completing the project will exceed the revenue from it, the expected loss is directly recognised as an expense.

The warranties associated with the Group's projects are warranties that do not form a separate performance obligation. Instead, a warranty provision pursuant to IAS 37 is recognised.

## Interest and dividends

Interest received is recognised using the effective interest rate method. Dividend income is recognised when the right to receive payment is established.

## Financial assets and liabilities

### Financial assets

Destia Group's financial assets are classified into the following categories, in accordance with IFRS 9 Financial Instruments: financial assets measured at amortised cost and financial assets measured at fair value through profit or loss. The classification of financial assets is based on the business model applicable to the asset and the contractual cash flow characteristics of the financial asset.

Purchases and sales of financial assets are recognised on the trade date, which is the date when the Group commits itself to purchase or sell an asset. At initial recognition, the Group measures a financial asset at its fair value and, in the case of a financial asset not measured at fair value through profit or loss, plus or minus the transaction costs that are directly attributable to the asset. Financial assets measured at fair value through profit or loss are recognised on the balance sheet at fair value on initial recognition and the transaction costs are recognised through profit or loss.

***Financial assets measured at amortised cost***

Financial assets are measured at amortised cost when the objective is to hold the asset until maturity in order to collect contractual cash flows. The cash flows associated with such assets consist exclusively of the principal and the interest on the remaining principal. After initial measurement, these financial assets are measured at amortised cost using the effective interest method and deducting any impairment. Impairment losses are recognised in the income statement.

The Group's financial assets measured at amortised cost consist of cash, trade receivables and other receivables that are non-derivative assets. The carrying amount of current trade receivables and other receivables is considered to correspond to their fair value. Trade receivables and other receivables are presented in the balance sheet as current assets if they are expected to be realised within 12 months of the end of the reporting period. A loss allowance for expected credit losses is recognised for trade receivables.

***Financial assets measured at fair value through profit or loss***

Financial assets measured at fair value through profit or loss include financial assets acquired to be held for trading, or financial assets that are, on initial recognition, designated as measured at fair value through profit or loss. The Group's financial assets measured at fair value through profit or loss consist of investments in shares and derivative instruments that are not subject to hedge accounting. Realised and unrealised gains and losses from changes in fair value are recognised through profit or loss.

If there are no quoted rates for the investments, the Group applies various valuation methods which include, for example, references to recent transactions between independent bodies, discounted cash flows or valuations for other similar instruments. Information obtained from the markets is generally used for valuations as opposed to using pricing factors determined by the Group itself, which are used as little as possible.

***Cash and cash equivalents***

Cash and cash equivalents comprise cash balances, call deposits and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. The items classified as cash and cash equivalents have a maturity of no more than three months from the time of acquisition.

***Derecognition of financial assets***

Financial assets are derecognised when the Group's contractual right to cash flows has ended, been transferred to another party or when the Group has transferred the significant risks and rewards of ownership outside the Group.

***Impairment of financial assets***

The Group applies the simplified approach for measuring expected credit losses for trade receivables measured at amortised cost and IFRS 15 contract assets. Expected credit losses are calculated using a provision matrix and recognised at an amount corresponding to the lifetime expected credit losses. Expected credit losses for trade receivables and contract assets are assessed based on historical information on credit losses and estimated future outlook.

In addition, the Group recognises definitive impairment on receivables if there is any objective evidence of the customer having financial difficulties or if payment is more than 90 days past due and the customer does not have an existing agreed plan in place for the payment of the receivables.

**Financial liabilities**

The Group's financial liabilities are classified as financial liabilities measured at amortised cost and financial liabilities measured at fair value through profit or loss. Financial liabilities are recognised at fair value on initial recognition. Transaction costs are included in the initial carrying amount of financial liabilities measured at amortised cost. Subsequently, financial liabilities, except for derivative financial liabilities, are measured at amortised cost using the effective interest rate method. Financial liabilities are classified in non-current and current liabilities. Financial liabilities are classified as current unless the Group has an unconditional right to defer settlement of the liability to at least 12 months of the end of the reporting period.

***Financial liabilities measured at amortised cost***

Financial liabilities measured at amortised cost are measured at amortised cost using the effective interest rate method. Borrowing costs are recognised as costs in the period in which they are incurred. Commissions associated with loan commitments are recognised as transaction costs to the extent that it is probable that the entire loan commitment or part of it will be drawn. In such a case, the commission is entered in the balance sheet until the loan is drawn. The commission associated with loan commitments is recognised as part of the transaction costs. If the loan commitment is unlikely to be drawn, the commission is recognised as an advance payment for a liquidity service and is amortised over the period of the loan commitment.

The Group's financial liabilities measured at amortised cost consist of interest-bearing loans, finance lease liabilities and non-interest-bearing liabilities, such as trade payables. Trade payables are classified as current liabilities in the balance sheet if they are due within 12 months of the end of the reporting period.

***Financial liabilities measured at fair value through profit or loss***

Financial liabilities measured at fair value through profit or loss consist of financial liabilities held for trading and financial liabilities initially classified as measured at fair value through profit or loss. On the reporting date, the Group had no financial liabilities measured at fair value through profit or loss.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the Group repays the liability to the creditor or is legally released from primary responsibility for the liability either by a legal process or by the creditor.

## Derivative financial instruments and hedge accounting

Derivatives are initially measured at fair value on the date when the Group signs the derivative and are subsequently measured at fair value. Gains and losses resulting from measurement at fair value are treated in the accounts in the way specified by the purpose of the derivative instrument.

At the end of the financial period or comparative period the Group did not have derivative instruments, where the hedge accounting principles under IFRS 9 would have been applied.

**Other hedging instruments where hedge accounting does not apply**

Even if certain hedging relationships meet the requirements of effective hedging set for the Group's risk management, hedge accounting is not applied to them. Such instruments include derivatives hedging a commodity risk in connection with operations. Changes to their fair values are recognised in income statement in material and services. In the balance sheet, these commodity risk derivatives are presented based on their maturity in current receivables or liabilities as current hedging instruments are short-term. The fair values for hedging instruments and changes in them are presented in note 28. Financial risk management. .

## Equity

Ordinary shares are presented as share capital.

## Operating profit

IAS 1 Presentation of Financial Statements does not define operating profit. The Group has defined it as follows: operating profit is the net sum obtained after adding other operating income to revenues and then deducting purchasing costs adjusted by the change in stocks of finished products and work in progress, the costs incurred for own-use manufacture, costs from employee benefits, depreciation, amortisation and any impairment losses, and other operating expenses. All other income statement items are presented under operating profit. Exchange rate differences and changes in the fair value of derivatives are included in operating profit if they arise from items connected with business operations; otherwise they are entered in financing items. In its tables and texts, the Group uses both the term 'operating result' and 'operating profit'.

## Key estimates and assumptions and accounting policies requiring judgement

The preparation of the Consolidated Financial Statements requires making estimates and assumptions regarding the future, and the actual outcomes may differ from the estimates.

The Group management makes decisions regarding the selection and application of accounting policies. This applies, in particular, to those cases in which the IFRS standards in effect provide the opportunity to choose between alternative accounting, valuation or presentation methods.

The estimates made in connection with preparing the financial statements reflect the best judgement of the management at the end of reporting period. These estimates are based on prior experience and assumptions regarding future developments, which are regarded as most likely at the reporting date, for example, to expected trends in the Group's economic operating environment in terms of revenue and costs. The Group regularly monitors the realisation of these estimates and assumptions and any changes to underlying factors with the business units through internal and external information sources. Any changes in estimates and assumptions are recognised in the financial statements of the period during which such adjustments are made.

The key assumptions regarding the future and the main sources of uncertainty at the end of reporting period, which pose a significant risk of resulting in a material adjustment to the carrying amounts of the Group's assets and liabilities within the next financial year, are given below. The Group management regards these particular areas of the financial statements as crucial. Application of these accounting policies requires the utilisation of significant estimates and assumptions.

***Impairment testing***

The Group performs annual impairment testing of goodwill, intangible assets in progress and intangible assets having an indefinite useful life. Indications of impairment are evaluated in the way described above in the accounting policies. The recoverable amounts of cash-generating units have been defined on the basis of value in use calculations. Preparation of these calculations involves the use of estimates.

***Revenue from contracts with customers***

Revenue recognition over time is based on estimates of the project's actual revenue and expenses as well as the reliable assessment of the project's progress towards satisfaction of the performance obligation. In order to produce reliable estimates, project costs are identified as accurately as possible. The assessment of revenue requires estimates of factors influencing the expected selling price to be received from the customer. Project revenue and expenses are recognised as revenue and expenses based on the passage of time, overall estimates related to the project and its progress towards satisfaction of the performance obligation. The recognition of revenue over time is based on estimates of expected revenue and expenses of the project and reliable measurement of project progress. If estimates change regarding the outcome of a project for which revenue is recognised over time, the recognised revenue and profit/loss are amended in the period in which the change can be estimated for the first time. Estimates pertaining to contractual bonuses and the timing of their recognition require reliable estimates and management judgement. Any loss expected from a construction contract is directly recognised as an expense.

***Employee benefits***

The factors used to calculate employee benefit obligations that require the management's assessment are connected, for example, to an estimate of the expected return on plan assets in defined benefit pension plans, determining the discount rate used to calculate the pension cost and obligation for the financial year, forecasting future trends in pay, the expected rise in pension costs, expected lengths of service of personnel, and inflation trends.

***Consortiums***

Destia implements projects also together with other parties through a working consortium. The management has assessed the nature of the consortium and concluded that they are joint activities to which the IFRS 11 standard applies. To define accounting treatment of these activities, Destia's management use judgement when assessing key elements of authority, like decision-making mechanisms, legal structure and financing of arrangements and their impact on consolidation.

***Provisions***

When recognising provisions, the management has to assess whether there is a legal or constructive obligation for which the payment is probable. In addition, the management has to assess the amount of the obligation and estimate the time when it is realised. The obligation is recognised as a provision in the financial statements in cases in which it can be measured reliably.

***Lease agreements***

The treatment of lease agreements under IFRS 16 requires using evaluations and assumptions by the management when assessing factors such as those related to the definition of the term of lease, concerning non-fixed-term lease agreements and lease agreements that involve termination and extension options. The determination of the discount rate also requires assessments by the management. These have an effect on the amounts of use-of-right assets and lease liabilities as well as the recognition of income and expenses on the income statement.

## New and amended accounting standards applied in the past financial period

In its Financial Statements, Destia Group has applied standards effective on 31 December 2024.

The consolidated financial statements have been prepared following the same principles as in 2023, except for the following new standards, interpretations, and amendments to existing standards, which the Group has applied starting 1 January 2024. The new and amended standards presented below did not have material impact on Destia Group's Consolidated Financial Statements.

***Amendments to IAS 1 Classification of liabilities as current or non-current:***

According to IAS 1, to classify liability as non-current, an entity must have the right to defer settlement of the liability for at least twelve months after the reporting period. The amendments introduce additional disclosure requirements on loans which contain covenants. The amendments shall be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

***Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback:***

The IASB has issued narrow-scope amendments to requirements for sale and leaseback transactions in IFRS 16 explaining how an entity accounts for a sale and leaseback after the date of the transaction. The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognizing any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

***Amendments to IAS 7 and IFRS 7 Supplier finance arrangements:***

The IASB has issued new disclosure requirements about supplier financing arrangements ('SFAs'), after feedback to an IFRS Interpretations Committee agenda decision highlighted that the information required by IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures falls short of meeting user information needs. The objective of the new disclosures is to provide information about SFAs that enable investors to assess the effects on an entity's liabilities, cash flows and the exposure to liquidity risk.

## New and amended accounting standards and interpretations to be applied in future financial periods

The Group has not yet applied the following revised standards and interpretations published by IASB. The Group will adopt them from the effective date of each amendment and interpretation or, if the effective date is not the first day of a financial period, from the start of the financial period following the effective date. The new and amended standards and interpretations presented below are not expected to have a material impact on Destia Group's Consolidated Financial Statements.

***IFRS 18 Presentation and Disclosure in Financial Statements***

IFRS 18 is a financial statement standard that addresses the presentation of financial statements and the information to be disclosed in financial statements. The new financial statement standard brings changes primarily to the presentation of the income statement. The most significant changes introduced by IFRS 18 relate to the structure of the income statement and mandatory subtotals, the requirement to disclose certain management-defined performance measures that are currently reported outside the financial statements, and expanded aggregation and disaggregation criteria that apply to both the primary statements and the notes to the financial statements. IFRS 18 replaces the existing IAS 1 standard, although many of the principles of IAS 1 have been retained with minor modifications. IFRS 18 does not affect the recognition or measurement of items in the financial statements, but it may change the "Operating profit or loss" currently reported by the company. Effective date is January 1, 2027 (not yet approved by the EU).

***IFRS 19 Subsidiaries without Public Accountability: Disclosures***

The new standard reduces disclosure requirements in the financial statements of subsidiaries. IFRS 19 is a voluntary IFRS financial statement standard that eligible subsidiaries can apply when preparing their own consolidated, separate, or individual financial statements. These subsidiaries will continue to apply the recognition, measurement, and presentation requirements of other IFRS financial statement standards, but they can replace the disclosure requirements of these standards with reduced disclosure requirements. Effective date is January 1, 2027 (not yet approved by the EU).

## 2. REVENUE

Destia Group applies IFRS 15 Revenue from Contracts with Customers standard, that defines revenue recognition policies. In accordance to IFRS 15, revenue is recognised when control of the product or service is transferred to the customer. Revenue recognition should reflect the consideration that the entity, based on the contract, expects to be entitled to. Revenue from Contracts with Customers is described in notes to the consolidated financial statements.

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **Revenue from customer contracts** | | |
| Other revenue | 49,116 | 47,674 |
| Projects | 581,421 | 592,963 |
| **Revenue, total** | **630,537** | **640,636** |

Destia Group's revenue from contracts with customers consist of infrastructure, design, construction and maintenance projects. Other revenue consist of services and material sales. Services consist of infrastructure planning and consultation projects. In addition to this, the Group has aggregate sales.

The largest customer groups whose income is at least 10% of the Group's total revenue are: the Centre for Economic Development, Transport and the Environment (ELY Centres) and the Finnish Transport Infrastructure Agency.

| Timing of the revenue recognition | 2024 | 2023 |
|---|---|---|
| Timing of the revenue recognition, at point in time | 22,618 | 18,546 |
| Timing of the revenue recognition, over the time | 607,919 | 622,090 |
| **Timing of the revenue recognition, total** | **630,537** | **640,636** |
| | | |
| **Transaction price allocated to the remaining obligation** | | |
| Transaction price allocated to the remaining obligation, within one year | 446,027 | 314,324 |
| Transaction price allocated to the remaining obligation, within 2-3 years | 248,291 | 241,935 |
| Transaction price allocated to the remaining obligation, after three years | 62,186 | 78,470 |
| **Transaction price allocated to the remaining obligation, total** | **756,504** | **634,729** |
| | | |
| **Contract assets and liabilities** | | |
| Contract assets, accrued income | 34,447 | 22,705 |
| Contract liabilities, prepayments | 21,615 | 32,100 |

| Changes in contract assets and liabilities<br>EUR 1,000 | 2024<br>Assets | Liabilities |
|---|---|---|
| Changes through projects started during the period (ongoing at the end of the financial period) | 18,532 | 5,454 |
| Changes through projects ended during the period (ongoing at the start of the financial period) | -6,183 | -7,893 |
| Changes through projects ongoing at the start and at the end of the financial period | -607 | -8,046 |

| Changes in contract assets and liabilities<br>EUR 1,000 | 2023<br>Assets | Liabilities |
|---|---|---|
| Changes through projects started during the period (ongoing at the end of the financial period) | 5,973 | 15,817 |
| Changes through projects ended during the period (ongoing at the start of the financial period) | -11,577 | -19,812 |
| Changes through projects ongoing at the start and at the end of the financial period | 4,289 | -6,563 |

Contract assets consist of percentage of completion receivables and contract liabilities consist of prepayments. Expected credit losses related to contract assets are covered in Note 18. Accounts and other receivables. Liabilities based on customer contracts for the comparison period, advance payments have been adjusted by EUR -8.0 million. Receivables against which an advance has been received and liabilities against which an advance has been paid are netted against each other. Presented in this way, only advances for which payment has been received/made are shown as advances received/paid.

## 3. MATERIALS AND SERVICES

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| Purchases during the financial year | 131,359 | 131,851 |
| Change in inventory | -1,247 | -1,879 |
| External services | 292,545 | 308,438 |
| **Materials and services, total** | **422,657** | **438,410** |

## 4. OTHER OPERATING INCOME AND EXPENSES

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| Profits from the sale of tangible and intangible assets | 1,609 | 738 |
| Rental income | 301 | 405 |
| Insurance and other indemnities received | 444 | 806 |
| Other income | 705 | 706 |
| **Other operating income, total** | **3,059** | **2,655** |

| | | |
|---|---|---|
| Voluntary personnel expenses | 6,991 | 6,378 |
| Travel expenses | 15,039 | 12,882 |
| IT-expenses | 8,798 | 8,865 |
| External services | 9,341 | 6,450 |
| Credit losses | 20 | -32 |
| Expenses relating to real estate | 1,794 | 2,222 |
| Other fixed expenses | 3,948 | 5,955 |
| **Other operating expenses, total** | **45,930** | **42,719** |

| | | |
|---|---|---|
| **Auditor's expenses** | | |
| Audit fees | 145 | 154 |
| Other services | 66 | 90 |
| **Auditor's expenses, total** | **211** | **244** |

## 5. INCOME AND EXPENSES RELATED TO LEASE AGREEMENTS

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **Other operating income** | | |
| Income from lease agreements | 301 | 405 |
| **Depreciation** | | |
| Depreciation of right-of-use assets | 7,331 | 6,690 |
| **Expenses on lease agreements** | | |
| Expenses on short term lease agreements | 10,681 | 10,815 |
| Expenses on lease agreements with an underlying asset with a low value | 5,346 | 4,916 |
| Contracts classified as low value assets can also be short term, but are presented in the item Expenses on lease agreements with an underlying asset with a low value. | | |
| **Financial income and expense** | | |
| Interest expense on lease agreements | 820 | 540 |

Outgoing cash flows arising from leases is provided in Note 22. Interest-bearing financial liabilities and maturity distribution for lease liabilities in Note 29. Financial risk management.

## 6. IMPAIRMENTS

No material impairments were recognised in 2024 and 2023. Goodwill impairment tests are covered in Note 14 Impairment tests.

## 7. EMPLOYEE BENEFITS

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| Wages and salaries | 109,129 | 105,922 |
| Pension expenses | 18,529 | 17,596 |
| Other personnel-related expenses | 2,644 | 3,868 |
| **Employee related expenses, total** | **130,303** | **127,386** |

Information about defined benefit pension arrangements is provided in Note 27. Pension obligations. Information about employee benefits to the management is provided in Note 31. Related party transactions.

| Average personnel | 2024 | 2023 |
|---|---|---|
| Blue-collar employees | 650 | 659 |
| White-collar employees | 1,118 | 1,085 |
| **Average personnel, total** | **1,768** | **1,744** |
| **Personnel at the end of the financial year** | **1,751** | **1,700** |

## 8. RESEARCH AND DEVELOPMENT EXPENSES

The total expenses relating to the Group´s research and development activities in 2024 were EUR 1.0 million (EUR 1.0 million). Development expenses have not met the recognition criteria for an intangible assets and the Group has not capitalised its development costs in the balance sheet.

## 9. FINANCIAL INCOME AND EXPENSES

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **Financial income** | | |
| Dividend income from other investments | 1 | 1 |
| Income from assets at amortised cost | 1,409 | 1,131 |
| **Total** | **1,409** | **1,132** |
| **Financial expenses** | | |
| Expenses from liabilities at amortised cost | 18 | 111 |
| Interest expense on lease agreements | 820 | 540 |
| Other financial expenses | 720 | 622 |
| **Total** | **1,558** | **1,273** |
| **Financial income and expenses, total** | **-148** | **-141** |

Additional information on financing is presented in section 29. Financial risk management.

## 10. INCOME TAXES

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| Tax based on taxable income for the period | 3,277 | 3,988 |
| Taxes from previous periods | -11 | -14 |
| Deferred taxes | 467 | 32 |
| **Income taxes, total** | **3,734** | **4,006** |

Comprehensive income items include EUR 110 thousand of deferred tax expense from defined benefit pension arrangements (EUR 23 thousand).

**Reconciliation of the tax expense and taxes calculated using the Group`s domestic tax rate (20%)**

| | | |
|---|---|---|
| **Result before taxes** | **19,721** | **20,167** |
| Taxes calculated using domestic tax rate | 3,944 | 4,033 |
| Different tax rates for foreign subsidiaries | -8 | 0 |
| Tax effect of tax-free items | -483 | -16 |
| Tax effect of non-deductible items | 321 | 50 |
| Deductible items (not included in the accounting profit) | -30 | -47 |
| Taxes from previous periods | -11 | -14 |
| **Income taxes, total** | **3,734** | **4,006** |

## 11. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

| EUR 1,000 | |
|---|---|
| Tangible assets | 39,575 |
| Right-of-use assets | 21,444 |
| **Carrying amount 31 Dec 2024** | **61,019** |

| | Land and water areas | Buildings and structures | Machinery and equipment | Other tangible assets | Advance payments and construction in progress | Total |
|---|---|---|---|---|---|---|
| Acquisition cost 1 Jan 2024 | 1,593 | 6,856 | 91,828 | 25,290 | | 125,567 |
| Corrections to the previous year*) | | | -3,676 | | | -3,676 |
| Additions | 113 | | 3,800 | 687 | 2,102 | 6,702 |
| Deductions | -203 | -478 | -2,469 | 64 | | -3,085 |
| Transfers between items | | | 173 | | -173 | |
| Acquisition cost on 31 Dec 2024 | 1,503 | 6,378 | 89,657 | 26,041 | 1,929 | 125,509 |
| Accumulated depreciation on 1 Jan 2024 | | -5,143 | -68,834 | -11,462 | | -85,439 |
| Corrections to the previous year*) | | | 3,676 | | | 3,676 |
| Accrued depreciation for deductions and transfers | | 387 | 2,289 | | | 2,676 |
| Depreciation for the period | | -164 | -5,787 | -895 | | -6,846 |
| Accumulated depreciation on 31 Dec 2024 | | -4,920 | -68,656 | -12,357 | | -85,933 |
| **Carrying amount 31 Dec 2024** | **1,503** | **1,458** | **21,001** | **13,684** | **1,929** | **39,575** |

| **Right-of-use assets** | Land and water areas | Buildings and structures | Machinery and equipment | Total |
|---|---|---|---|---|
| Acquisition cost 1 Jan 2024 | 67 | 7,742 | 10,413 | 18,221 |
| Changes during the period | 120 | 3,094 | 7,340 | 10,555 |
| Depreciation for the period | -60 | -3,265 | -4,006 | -7,331 |
| **Carrying amount 31 Dec 2024** | **126** | **7,571** | **13,747** | **21,444** |

*) Corrections to the previous year
The accumulated acquisition costs and accumulated depreciation presented in the notes have not corresponded to the fixed asset accounting in previous periods. The figures in the appendix have been corrected to correspond to the fixed asset accounting in 2024. No impact on income statement or balance sheet values.

## 2023

| EUR 1,000 | |
|---|---|
| Tangible assets | 40,128 |
| Right-of-use assets | 18,221 |
| **Carrying amount 31 Dec 2023** | **58,349** |

| | Land and water areas | Buildings and structures | Machinery and equipment | Other tangible assets | Advance payments and construction in progress | Total |
|---|---|---|---|---|---|---|
| Acquisition cost 1 Jan 2023 | 1,629 | 6,862 | 91,874 | 27,479 | | 127,845 |
| Additions | | 3 | 1,869 | 343 | 90 | 2,304 |
| Deductions | -36 | -9 | -2,005 | -2,531**) | | -4,582 |
| Transfers between items | | | 90 | | -90 | |
| Acquisition cost on 31 Dec 2023 | 1,593 | 6,856 | 91,828 | 25,290 | | 125,567 |
| Accumulated depreciation on 1 Jan 2023 | | -4,956 | -64,681 | -12,859 | | -82,496 |
| Accrued depreciation for deductions and transfers | | 9 | 1,814 | 2,254**) | | 4,077 |
| Depreciation for the period | | -196 | -5,967 | -858 | | -7,021 |
| Accumulated depreciation on 31 Dec 2023 | | -5,143 | -68,834 | -11,462 | | -85,439 |
| **Carrying amount 31 Dec 2023** | **1,593** | **1,713** | **22,994** | **13,828** | | **40,128** |

| **Right-of-use assets** | Land and water areas | Buildings and structures | Machinery and equipment | Total |
|---|---|---|---|---|
| Acquisition cost 1 Jan 2023 | 107 | 5,738 | 7,671 | 13,517 |
| Additions | 44 | 5,102 | 6,249 | 11,394 |
| Depreciation for the period | -85 | -3,098 | -3,507 | -6,690 |
| **Carrying amount 31 Dec 2023** | **67** | **7,742** | **10,413** | **18,221** |

**) Corrections to the previous year
Corrected deductions for the comparison year and accumulated depreciation for deductions for raw material (Other tangible assets). Correction of EUR 2,254 thousand on both rows. No impact on earnings and no impact on balance sheet values.

## 12. BUSINESS ACQUISITIONS

**Subsidiary acquisitions**

The group strengthened its electrification and safety device capabilities in the rail business by purchasing the entire share capital of Verkkoviikarit Oy on March 12, 2024. In the transaction, Verkkoviikarit Oy's operations were transferred in full to Destia, including the business, approximately 20 employees, equipment, and contracts. As a result of the transaction, Destia gained control of the company. The company has been fully consolidated into the Destia Group since March 1, 2024. Verkkoviikarit Oy has operated as a subcontractor for Destia in rail construction and maintenance and has experience with railways, trams, and metros. It also performs other electrical work and construction-related contracts. The company's CEO and other staff have continued in their roles after the acquisition. The company was merged into Destia Oy on October 31, 2024. The goodwill generated from the transaction was EUR 0.6 million. The goodwill is attributed to skilled personnel and other synergy benefits.

**Business acquisition**

On July 31, 2024, Destia strengthened its energy business by acquiring Rificum Oy's substation business. In the transaction, Rificum Oy's business transferred in full to Destia. The goodwill generated from the transaction amounted to EUR 3.1 million. The goodwill is attributed to the skilled personnel and other synergy benefits.

The fair values of the net assets at the acquisition date and the purchase prices of the subsidiary acquisition and business acquisition are presented in the table below.

| EUR 1,000 | 2024 |
|---|---|
| **Fair values at the time of acquisition** | |
| **Assets** | |
| Intangible assets | 113 |
| Tangible assets | 2,350 |
| Investments | |
| Inventory | |
| Accounts and other receivables | 336 |
| Cash and cash equivalents | 82 |
| **Total assets** | **2,882** |
| | |
| **Liabilities** | |
| Accounts payable and other liabilities | 1,182 |
| **Total liabilities** | **1,182** |
| | |
| **Net assets** | **1,700** |
| | |
| Goodwill on acquired business | 3,727 |
| Net assets | 1,700 |
| **Total acquisition cost** | **5,427** |

## 13. GOODWILL

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| Acquisition cost 1 Jan | 19,596 | 19,596 |
| Additions | 3,727 | |
| Acquisition cost 31 Dec | 23,322 | 19,596 |
| **Carrying amount 31 Dec** | **23,322** | **19,596** |

Additions during the financial year arose from the acquisition of Verkkoviikarit Oy and the business acquisition of Rificum.

## 14. IMPAIRMENT TESTS

| EUR million | 31.12.2024 | 31.12.2023 |
|---|---|---|
| Destia Group | 23.3 | 19.6 |

Impairment tests are performed annually on goodwill, by comparing the carrying amount of goodwill with the estimated value of its cash-generating units. In addition, impairment testing is performed whenever there are any indications of impairment.  An impairment loss is recognised if the carrying amount of the net assets allocated to a cash-generating unit is greater than the recoverable amount of the cash-generating unit. Based on the impairment testing performed at the end of the year, no impairment was recognised.

| EUR million | 31.12.2024 | 31.12.2023 |
|---|---|---|
| **Allocation of Goodwill to cash-generating units:** | | |
| Road and Consulting Services | 3.1 | 3.2 |
| Maintenance Services | 3.1 | 3.1 |
| Rail and Urban Services | 10.6 | 10.2 |
| Energy and Industrial Services | 6.4 | 3.1 |
| **Total** | **23.3** | **19.6** |

In 2023, the operations of the Urban Development and Consulting Services division were divided into the other divisions and the goodwill previously allocated to Urban Development and Consulting Services was reallocated also for the comparison period.

**The calculation of working values is based on the following key assumptions:**
Factors influencing the calculation of working value include the discount rate and growth percentages used for the extrapolation of cash flows after the forecast period. The cash flows used in the calculations are based on the annual forecast for the financial year 2024 and the strategy approved by the Board of Directors for the years 2025–2027. The cash flows for future financial years were extrapolated using a terminal growth rate of 1 %, which reflects both the expected average growth rate and the effect of inflation (2 %). In testing, the operating margin of the terminal year was normalised to correspond to the average of the above-mentioned years.

**Discount rate**
Discount rate used to discount cash flows is based on the weighted average cost of capital (WACC). The discount rate (before taxes) used in 2024: 7.9 % (10.1 %).

**Effects of changes in expectations**
Sensitivity analysis on Destia Group would not have implied a need for write-down, even if the long-term growth rate used in the testing had been 0 %. Lower growth rates would lead to lower values in use. Similarly, higher discount rates would yield a need for write-down only at unrealistically high levels. Also, a significant change in the operating profit of the forecast periods would not have caused the need for a write-down.
.

## 15. OTHER INTANGIBLE ASSETS

| EUR 1,000 | Intangible rights | Other intangible assets | Advance payments | Total |
|---|---|---|---|---|
| Acquisition cost 1 Jan 2024 | 978 | 8,843 | 74 | 9,895 |
| Corrections to the previous year *) | | 138 | | 138 |
| Additions | | 31 | 484 | 515 |
| Deductions | | -1,901 | | -1,901 |
| Transfers between items | | 344 | -344 | |
| Acquisition cost on 31 Dec 2024 | 978 | 7,454 | 214 | 8,646 |
| Accumulated amortisation on 1 Jan 2024 | -971 | -6,795 | | -7,766 |
| Corrections to the previous year *) | | -138 | | -138 |
| Accrued amortisation for deductions | | 1,901 | | 1,901 |
| Transfers between items | | | | |
| Amortisation for the period | -4 | -655 | | -660 |
| Accumulated amortisation on 31 Dec 2024 | -975 | -5,687 | | -6,662 |
| **Carrying amount 31 Dec 2024** | **2** | **1,768** | **214** | **1,984** |

| EUR 1,000 | Intangible rights | Other intangible assets | Advance payments | Total |
|---|---|---|---|---|
| Acquisition cost 1 Jan 2023 | 978 | 7,942 | 232 | 9,152 |
| Additions | | 79 | 810 | 890 |
| Deductions | | -147 | | -147 |
| Transfers between items | | 969 | -969 | |
| Acquisition cost on 31 Dec 2023 | 978 | 8,843 | 74 | 9,895 |
| Accumulated amortisation on 1 Jan 2023 | -894 | -6,262 | | -7,156 |
| Accrued amortisation for deductions | | 147 | | 147 |
| Transfers between items | | | | |
| Amortisation for the period | -77 | -680 | | -757 |
| Accumulated amortisation on 31 Dec 2023 | -971 | -6,795 | | -7,766 |
| **Carrying amount 31 Dec 2023** | **7** | **2,048** | **74** | **2,129** |

*) Corrections to the previous year
The accumulated acquisition costs and accumulated depreciation presented in the notes have not corresponded to the fixed asset accounting in previous periods. The figures in the appendix have been corrected to correspond to the fixed asset accounting in 2024. No impact on income statement or balance sheet values.

## 16. OTHER INVESTMENTS

| EUR 1,000 | 2024 Other investments | 2024 Other receivables | 2023 Other investments | 2023 Other receivables |
|---|---|---|---|---|
| Acquisition cost 1 Jan | 2,004 | 38 | 2,004 | 38 |
| Acquisition cost 31 Dec | 2,004 | 38 | 2,004 | 38 |
| **Carrying amount 31 Dec** | **2,004** | **38** | **2,004** | **38** |

## 17. INVENTORY

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| Materials and supplies | 18,107 | 16,861 |
| Advance payments | 9,622 | 5,527 |
| **Inventory, total** | **27,729** | **22,388** |

## 18. ACCOUNTS AND OTHER RECEIVABLES

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| Accounts receivables | 41,679 | 32,464 |
| Other receivables | 1,603 | 2,133 |
| Tax receivables | 957 | |
| Contract assets, accrued income | 34,445 | 22,704 |
| Other accrued income | 7,112 | 7,112 |
| **Accounts and other receivables, total** | **85,795** | **64,412** |

Contract assets and liabilities are described in Note 2. Revenue. The most significant other accrued income items consist of sales allocations EUR 6,563 thousand (EUR 6,427 thousand). The comparative period items Accounts receivable and Other receivables have been adjusted. Receivables against which an advance has been received and liabilities against which an advance has been paid are netted against each other. Presented in this way, only advances for which payment has been received/made are shown as advances received/paid. Accounts receivables were adjusted by EUR -8.0 million and other receivables by EUR +0.1 million.

**Expected credit losses and age distribution of accounts receivables**

| EUR 1,000 | 2024 | Impairment loss reservation | Expected credit losses, % | Net 2024 | 2023 | Impairment loss reservation | Expected credit losses, % | Net 2023 |
|---|---|---|---|---|---|---|---|---|
| **Contract assets** | 34,447 | -3 | 0.01 | 34,445 | 22,705 | -2 | 0.01 | 22,704 |
| **Accounts receivables** | 41,696 | -18 | | 41,679 | 32,469 | -5 | | 32,464 |
| Not past due | 39,862 | -3 | 0.01 | 39,859 | 29,555 | -3 | 0 | 29,552 |
| Due | | | | | | | | |
| Less than 30 days | 1,641 | -1 | 0.04 | 1,641 | 2,853 | -1 | 0.04 | 2,852 |
| 30-60 days | 77 | -1 | 1.05 | 76 | 34 | 0 | 1 | 33 |
| 61-90 days | 103 | -10 | 10.11 | 93 | 18 | -1 | 4.2 | 17 |
| More than 90 days | 12 | -3 | 20.68 | 10 | 9 | -1 | 6.8 | 9 |
| **Accounts receivables, total** | **41,696** | **-18** | | **41,679** | **32,469** | **-5** | | **32,464** |
| **Impairment loss reservation, total** | | **-20** | | | | **-7** | | |

At the balance sheet date, the maximum credit risk the Group is exposed to with regards to accounts receivables is equal to the balance sheet amount. No collateral is applied to the Group's accounts receivables. There are no significant credit risk concentrations within accounts receivables. The carrying amount of the accounts receivables is considered to be equal to their fair value at the balance sheet date.

The Group utilises provision matrix to determine expected credit losses on accounts receivables. The calculation of expected credit losses and other risks related to accounts receivables are described in Note 29. Financial risk management.

The Group has recorded credit losses from accounts receivables of EUR 22 thousand (EUR -32 thousand). As definitive credit losses the Group has recorded in total EUR 9 thousand and as a change of impairment loss reservation for accounts receivables and contract assets in total EUR 13 thousand (EUR 40 thousand and EUR -71 thousand).

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **Impairment loss reservation 1.1.** | 7 | 78 |
| Increase in provisions | 22 | |
| Expensed provisions | -9 | -40 |
| Reversals of unused provisions | | -32 |
| **Impairment loss reservation 31.12.** | **20** | **7** |

## 19. CASH AND CASH EQUIVALENTS

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| Cash in hand and at banks | 53,558 | 75,724 |
| **Cash and cash equivalents, total** | **53,558** | **75,724** |

Cash and cash equivalents in the cash flow statement correspond to those presented in the balance sheet. The balance sheet value of cash and cash equivalents best reflect the associated maximum exposure to credit risk.

## 20. DEFERRED TAX ASSETS AND LIABILITIES

### Movement in deferred tax assets 2024

| EUR 1,000 | 1 Jan 2024 | In income statement | In other comprehensive income | 31 Dec 2024 |
|---|---|---|---|---|
| Pension benefits | 1,207 | -209 | -110 | 888 |
| Provisions | 1,329 | -166 | | 1,163 |
| Other allocation differences | 83 | 16 | | 98 |
| Netting of deferred tax | -1,525 | -335 | | -1,860 |
| **Total** | **1,094** | **-694** | **-110** | **290** |
| Tax losses carried forward for which deferred tax assets have not been recorded | | | | 1,295 |

No deferred tax assets have been recorded for Destia Sverige AB's losses, which do not expire.

### Movement in deferred tax liabilities 2024

| Depreciation differences | 1 Jan 2024 | In income statement | In other comprehensive income | 31 Dec 2024 |
|---|---|---|---|---|
| Other allocation differences | 1,515 | 310 | | 1,825 |
| Netting of deferred tax | 10 | 24 | | 34 |
| Total | -1,525 | -335 | | -1,860 |
| **Yhteensä** | **0** | **0** | | **0** |

### Movement in deferred tax assets 2023

| EUR 1,000 | 1 Jan 2023 | In income statement | In other comprehensive income | 31 Dec 2023 |
|---|---|---|---|---|
| Pension benefits | 1,439 | -209 | -23 | 1,207 |
| Provisions | 1,292 | 37 | | 1,329 |
| Other allocation differences | 95 | -12 | | 83 |
| Netting of deferred tax | -1,678 | 152 | | -1,525 |
| **Total** | **1,148** | **-32** | **-23** | **1,094** |
| Tax losses carried forward for which deferred tax assets have not been recorded | | | | 1,307 |

No deferred tax assets have been recorded for Destia Sverige AB's losses, which do not expire.

### Movement in deferred tax liabilities 2023

| EUR 1,000 | 1 Jan 2023 | In income statement | In other comprehensive income | 31 Dec 2023 |
|---|---|---|---|---|
| Depreciation differences | 1,665 | -150 | | 1,515 |
| Other allocation differences | 13 | -2 | | 10 |
| Netting of deferred tax | -1,678 | 152 | | -1,525 |
| **Total** | **0** | **0** | | **0** |

## 21. EQUITY

| EUR 1,000 | Number of shares | Share capital | Translation differences |
|---|---|---|---|
| **1 Jan 2024** | 680,000 | 17,000 | -11 |
| Translation differences | | | -1 |
| **31 Dec 2024** | **680,000** | **17,000** | **-12** |

| EUR 1,000 | Number of shares | Share capital | Translation differences |
|---|---|---|---|
| **1 Jan 2023** | 680,000 | 17,000 | -10 |
| Translation differences | | | -1 |
| **31 Dec 2023** | **680,000** | **17,000** | **-11** |

**Information on shares and share capital**

Destia Oy has one share type. The number of shares is 680 thousand. The share capital of Destia Oy is EUR 17 million. The shares have no nominal value.

**Translation differences**

Translation differences include differences resulting from the translation of foreign subsidiaries.

## 22. INTEREST-BEARING FINANCIAL LIABILITIES

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| Lease liabilities | 13,557 | 11,545 |
| **Non-current interest-bearing financial liabilities, total** | **13,557** | **11,545** |
| Lease liabilities | 8,304 | 6,954 |
| **Current interest-bearing financial liabilities, total** | **8,304** | **6,954** |
| **Total cash outflow from leases** | **24,342** | **22,481** |

To secure liquidity, Destia has entered into long-term committed revolving credit facility arrangements of EUR 30 million in total with banks. EUR 15 million of the financial limit agreements expires in December 2027 and EUR 15 million in January 2027. This credit facility was fully undrawn at balance sheet date. In addition Destia has access to a EUR 150 million commercial paper programme and has a short-term bank credit facility of EUR 10 million. Neither was in use both on the balance sheet date and the comparison period.

## 23. BREAKDOWN OF FINANCIAL LIABILITIES BY CASH FLOW AND NON-CASH FLOWS (IAS 7)

**Changes in interest-bearing financial liabilities (IAS 7)**

| EUR 1,000 | 1 Jan 2024 | Cash flows | Non-Cash flow effect | 31 Dec 2024 |
|---|---|---|---|---|
| Lease liabilities | 18,499 | -7,190 | 10,552 | 21,861 |
| **Total** | **18,499** | **-7,190** | **10,552** | **21,861** |

**Changes in interest-bearing financial liabilities (IAS 7)**

| EUR 1,000 | 1 Jan 2023 | Cash flows | Non-Cash flow effect | 31 Dec 2023 |
|---|---|---|---|---|
| Lease liabilities | 13,728 | -6,538 | 11,309 | 18,499 |
| **Total** | **13,728** | **-6,538** | **11,309** | **18,499** |

## 24. GROUP'S CARRYING AMOUNT OF FINANCIAL ASSETS AND LIABILITIES

| EUR 1,000 | 2024 | 2023 | Fair value hierarchy |
|---|---|---|---|
| **Financial assets** | | | |
| **Financial assets measured at fair value through profit or loss** | | | |
| Shares and other investments | 2,004 | 2,004 | level 3 |
| **Assets at amortised cost** | | | |
| Accounts receivables and other receivables | 43,281 | 34,597 | |
| Cash and cash equivalents | 53,558 | 75,724 | |
| **Financial liabilities** | | | |
| **Financial liabilities measured at fair value through profit or loss** | | | |
| Other derivatives, no hedge accounting | 35 | 101 | level 2 |
| **Liabilities at amortised cost** | | | |
| Lease liabilities, interest-bearing | 21,861 | 18,499 | |
| Accounts payable | 46,977 | 42,447 | |

Financial assets do not contain accrued income and financial liabilities do not contain accrued liabilities. The carrying value equals the fair value.
The levels adopted in fair value accounting are:
Level 1: Exchange traded securities with quoted prices in active markets.
Level 2: Fair value determined by observable parameters.
Level 3: Fair value determined by non-observable parameters.

At level two, the determination of fair values is based on quoted market rates and prices, as well as discounted cash flows. Prices can also be based on secondary market prices of similar instruments.
The comparative period items Accounts receivable and other receivables and Accounts payable have been adjusted. Receivables against which an advance has been received and liabilities against which an advance has been paid are netted against each other. Presented in this way, only advances for which payment has been received/made are shown as advances received/paid. The effect of the adjustment on accounts receivables and other receivables for the comparison year is EUR -7.9 million and on accounts payables EUR +0.1 million.

## 25. ACCOUNTS PAYABLE AND OTHER NON-INTEREST-BEARING LIABILITIES

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| Accounts payable | 46,977 | 42,447 |
| Contract liabilities, prepayments | 21,615 | 32,100 |
| Other prepayments | 557 | 460 |
| Other liabilities | 24,858 | 18,576 |
| Tax liabilities based on the taxable income of the financial year | | 353 |
| Derivative liabilities | 35 | 101 |
| Accrued liabilities | 49,926 | 46,759 |
| **Accounts payable and other non-interest-bearing liabilities, total** | **143,968** | **140,796** |

The most significant items in accrued expenses are personnel expenses of EUR 28.9 million (EUR 30.5 million) and accruals for project completion expenses EUR 8.6 million (EUR 8.6 million). Debts based on customer agreements, advance payments adjusted to EUR 9.0 million (EUR 8.0 million) against unpaid trade receivables. The comparative period's items Accounts payables and Contract liabilities, prepayments have been adjusted. Receivables against which an advance has been received and liabilities against which an advance has been paid are netted against each other. Presented in this way, only advances for which payment has been received/made are shown as advances received/paid. The effect of the adjustment on the accounts payables of the comparison year was EUR +0.1 million, and on contract liabilities, prepayments EUR -8.0 million.

## 26. LONG-TERM INCENTIVE SCHEMES

The Group has three management long-term incentive schemes, for years 2022-2024, 2023-2025 and for years 2024-2026. The purpose of the schemes is to commit certain key persons to the company and offer them a competitive reward scheme. The Board of Directors decides on the long-term incentive scheme and the persons covered by it. The criteria for the long-term incentive schemes are the same for all people belonging to the scheme. These criteria apply to the whole Group and differ from the bonus scheme criteria. The earnings criterion of the programs is the company's value increase.

The scheme for 2022-2024 covers 57 persons, the scheme for 2023-2025 covers 54 persons and the scheme for 2024-2026 covers 60 persons. The potential remuneration accumulated in the earnings period will be paid in cash during the year following the end of the scheme.

## 27. PENSION OBLIGATIONS

In addition to the statutory pension insurance (TyEL), Destia Oy's has a defined benefit pension arrangement in place for those employees whose employment began before 1993. The additional pension is related to Destia Oy's period as a public utility. In connection with the incorporation of Destia, pension insurance was supplemented by acquiring additional pension insurance from a third party. The additional pension covers the level of pension earned before 1995 and the individual age of retirement between 60 and 65 years of age.

In the defined benefit pension plan, the amount of funds reflects the share of the obligations for which the insurance company is liable and this is calculated at the same discounted interest rate as the obligation. The assets included in the arrangement include 100% acceptable insurance policies. The company's liability is mainly the effect of the employee pension index on the obligation.

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| Expenses based on work performance during the period | 0 | 0 |
| Net interest | 214 | 225 |
| **Costs in the income statement** | **214** | **225** |
| Items resulting from redefinition | -550 | -113 |
| **Costs in the comprehensive income statement before taxes** | **-336** | **112** |
| | | |
| Present value of obligation | 22,374 | 22,932 |
| Fair value of assets included in the arrangement | -17,933 | -16,895 |
| **Net liability/asset on the balance sheet (-) 31 Dec** | **4,441** | **6,037** |
| | | |
| **Present value of the obligation at the beginning of the period** | **22,932** | **24,905** |
| Expenses based on work performance during the period | 0 | 0 |
| Interest expense | 873 | 821 |
| Actuarial profit (-)/loss (+) | | |
| from changes in financial assumptions | 335 | -2,436 |
| from changes in demographic assumptions | 0 | 76 |
| from experience-based changes | -256 | 1,024 |
| Fulfilling an obligation | | |
| Benefits paid | -1,510 | -1,458 |
| Company arrangements | | |
| **Present value of the obligation 31 Dec** | **22,374** | **22,932** |

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **Fair value of assets included in the arrangement at the beginning of the period** | **16,895** | **17,712** |
| Interest yield | 659 | 597 |
| Yield of assets included in the arrangement excluding item belonging to interest expenditure/yield | 629 | -1,224 |
| Fulfilling obligations | | |
| Benefits paid | -1,510 | -1,458 |
| Company arrangements | 1,260 | 1,269 |
| **Present value of the obligation 31 Dec** | **17,933** | **16,895** |
| | | |
| **Liabilities on the balance sheet at the beginning of the period** | **6,037** | **7,194** |
| Costs in the income statement | 214 | 225 |
| Payments made to arrangement | -1,260 | -1,269 |
| Redefinitions in items of other comprehensive income | -550 | -113 |
| **Liabilities on the balance sheet 31 Dec** | **4,441** | **6,037** |
| | | |
| **Actuarial assumptions** | | |
| Discounting interest rate, % | 3.38,% | 3.94,% |
| Pay rises, % | 3.00% | 2.00% |
| Pension rises, % | 2.24% | 2.65% |
| | | |
| **Sensitivity analysis** | | |
| The table below shows the effects on net liability of changes in assumptions | | |
| Discounting interest rate change +0.50% | -218 | -300 |
| Discounting interest rate change -0.50% | 238 | 328 |
| Change in pension rises +0.50% | 1,205 | 1,251 |
| Change in pension rises -0.50% | -1,143 | -1,186 |

When calculating sensitivity, it is assumed that other assumptions remain unchanged.

The duration based on the weighted average of the obligation is 11.0 years.

Destia Oy estimates that it will pay EUR 0.2 million to the benefits-based pension arrangement in 2025.

The defined benefit pension plan exposes the group to risks, the most significant of which is inflation risk. The plan's benefits are tied to the occupational pension index. Inflation and the general earnings index affect the occupational pension index. If the benefits increased by the index exceed the return on the plan's assets, the amount of the pension liability and the employer's insurance premiums to the insurance company will also increase.

## 28. PROVISIONS

| EUR 1,000 | Guarantee provisions | Environ-mental provisions | Other provisions | Total |
|---|---|---|---|---|
| **1 Jan 2024** | 3,298 | 6,249 | 3,542 | 13,089 |
| Increase in provisions | 777 | 54 | 1,836 | 2,667 |
| Expensed provisions | -727 | -80 | -1,444 | -2,252 |
| Reversals of unused provisions | -475 | -110 | -1,231 | -1,816 |
| Effect of time value on provisions | | 83 | | 83 |
| **31 Dec 2024** | **2,873** | **6,195** | **2,702** | **11,771** |

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| Non-current provisions | 6,161 | 6,892 |
| Current provisions | 5,610 | 6,197 |
| **Provisions, total** | **11,771** | **13,089** |

### Guarantee provisions

Guarantee provisions have been made to cover any obligations during the warranty period of contractual agreements. Provision is based on the experience of previous years.

### Environmental provisions

The Group has land areas that it is obliged to restore to their original condition.

Present value of estimated landscaping cost has been capitalised as part of the cost of the land areas and presented as a provision. The discounting factor used in determining the present value is 2.80% (3.39%) and inflation factor 2.00% (2.10%).

In addition, the Group has provisions for restoration of contaminated land areas. At the balance sheet date, there is a provision for one land area.

### Other provisions

Other provisions include dispute and litigation provisions of EUR 2.4 million (EUR 2.9 million) and provisions for onerous contracts EUR 0.2 million (EUR 0.3 million).

## 29. FINANCIAL RISK MANAGEMENT

In the normal course of business, the Group is exposed to a number of financial risks. The objective of the Group's financial risk management is to minimise the adverse effects of changes in the financial markets on the Group's earnings, cash flow and balance sheet. The primary types of financial risks are credit and liquidity risk, foreign exchange currency risk, interest rate risk and commodity risk.

### Credit risk

Destia Group's credit risk consists of the credit risk of accounts receivable related to the business operations and of the counterparty risk related to other financial instruments. The Group's credit risk is managed by the division controllers in accordance with instructions prepared by the Finance and Treasury unit. The management of the credit risk of accounts receivable aims to increase the amount of advances received and to assess the customer's creditworthiness in good time during the tendering process, enabling assessment of the collateral amount, the instrument and the eligibility of the collateral offered. The Group has no significant credit risk concentrations related to accounts receivable as the Group's customer base consists of a significant number of individual customers from both the private and public sectors.

The Group applies the simplified approach for measuring expected credit losses for trade receivables and contract assets. Expected credit losses are calculated using a provision matrix and recognised at an amount corresponding to the lifetime expected credit losses. When preparing the provision matrix, expected credit losses for trade receivables and contract assets are assessed based on experience and historical information on credit losses. Also, economic conditions and estimated future outlook are taken into consideration in evaluation. The Group updates its historical data evaluation and future estimates during each reporting period. The Group's Finance unit monitors the development of expected credit losses and changes in financial conditions on a regular basis as part of the Group's credit risk management.

The counterparty credit risk related to other financial instruments is generated when Destia invests assets in money market instruments offered by other companies, public organisations or financial institutions. The risk is related to the counterparty of the contract not being able to fulfil its contractual obligations. Counterparty credit risk is managed via counterparty limits. Counterparty limits are only determined for counterparties deemed to be solvent and have a good credit rating. Select counterparties are set maximum limits in euros and maximum maturity limits. The counterparty and counterparty limits are approved by the Group's Board of Directors.

The maximum amount of the Group´s credit risk corresponds to the carrying amount of financial assets at the end of the financial year.

The age distribution of accounts receivable is presented in Note 18. Accounts and other receivables.

### Liquidity risk

Liquidity risk management aims at ensuring that the Group is always able to fulfil its financial obligations. Annual cash flow forecasts are prepared for the next three years during strategy planning, and monthly forecasts are made for the next year during budgeting process. In addition, weekly and daily liquidity planning is implemented. In the long term, the aim is to secure liquidity by means of persistent, proactive financing arrangements and the establishment of long-term and short-term financial reserves. Additional information on Group's financing arrangements on note 22. Interest-bearing financial liabilities.

The following table shows the maturity distribution of the Group's financial liabilities. The amounts have not been discounted, and they include both interest payments and capital repayments.

| EUR 1,000<br>**31 Dec 2024** | Balance sheet value | Contractual based cash flows | Less than 1 year | 1-2 years | 2-3 years | 3-4 years | More than 4 years |
|---|---|---|---|---|---|---|---|
| **Maturity distribution of financial liabilities** | | | | | | | |
| Lease liabilities | 21,861 | -24,273 | -8,546 | -6,160 | -4,630 | -3,273 | -1,664 |
| Accounts payable and other liabilities | 46,977 | -46,977 | -46,977 | | | | |
| **Total** | **68,838** | **-71,250** | **-55,523** | **-6,160** | **-4,630** | **-3,273** | **-1,664** |
| **Maturity distribution of derivative liabilities** | | | | | | | |
| Commodity derivatives | 35 | -35 | -35 | | | | |
| **Total** | **35** | **-35** | **-35** | | | | |

| EUR 1,000<br>**31 Dec 2023** | Balance sheet value | Contractual based cash flows | Less than 1 year | 1-2 years | 2-3 years | 3-4 years | More than 4 years |
|---|---|---|---|---|---|---|---|
| **Maturity distribution of financial liabilities** | | | | | | | |
| Lease liabilities | 18,499 | -20,680 | -7,235 | -5,348 | -3,893 | -2,337 | -1,867 |
| Accounts payable and other liabilities | 42,447 | -42,447 | -42,447 | | | | |
| **Total** | **60,946** | **-63,127** | **-49,682** | **-5,348** | **-3,893** | **-2,337** | **-1,867** |
| **Maturity distribution of derivative liabilities** | | | | | | | |
| Commodity derivatives | **101** | **-101** | **-101** | | | | |
| **Total** | **101** | **-101** | **-101** | | | | |

### Foreign exchange rate risk

Foreign exchange rate risk refers to the uncertainty that profit and loss, balance sheet and cash flows are exposed to by the changes in foreign exchange rates. The international operations of Destia Group are minor, so the amounts affected by foreign exchange rate risk, or foreign exchange positions, are small and the foreign exchange rate risk is low.

Hedging operations are directed at cash flows and balance sheet items separately. Currency derivatives may only be used for hedging purposes. The Group does not apply IFRS 9 hedge accounting to currency hedging.

### Interest rate risk

The company has no significant financial assets or liabilities exposed to changes in interest rates, and therefore the Group is not exposed to significant interest rate risks.

**Commodity risk**

In its operations, Destia Group is exposed to commodity risk related to commodity price fluctuations. Destia's significant commodity risks are determined in connection with tendering and procurement. The necessary hedging procedures are planned on a project-specific basis through co-operation between the divisions and Finance and Treasury unit. The Group does not apply the hedge accounting principles under IFRS 9 to these commodity swaps.

Monthly rolling hedging of diesel is done for a period of 12 months as commodity swaps. At the end of the financial period the hedging rate for diesel was 31% from average yearly purchases. At balance sheet date the nominal value of hedging was EUR 909 thousand (EUR 980 thousand) and the fair value EUR -35 thousand (EUR -101 thousand).

The impact of diesel price changes on the Group's profit after taxes is estimated to be approximately EUR +-218 thousand based on the prices at the financial year closing date, if the price changes by +-10%.

**Management of capital**

The Group's equity consists of share capital, invested non-restricted equity fund and retained earnings. The aim is to keep the ratio of equity and debt capital at a healthy level and it has been managed together with Ahlström Capital and going forward together with Colas.

The purpose of enhancing Destia's use of capital is to speed up the incoming cash flow and slow down the outgoing cash flow. The efficient use of capital is ensured by efficient, safe and profitable investments or use of existing assets. Efficiency is also safeguarded by improving the terms of payment in contractual negotiations, by efficiently managing payment transactions with the help of cash flow forecasts, and by utilising an efficient bank account network and program as well as up-to-date accounts payable and receivable activities. All means of working capital management are used to reduce the capital tied to business.

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| Equity | 67,758 | 63,831 |
| Balance sheet total | 255,739 | 245,734 |
| Advances received | 22,172 | 32,560 |
| Equity ratio | 29.0% | 29.9% |

Items for the comparison period Accounts receivable and other receivables and Accounts payable and other non-interest-bearing liabilities have been adjusted. Receivables against which an advance has been received and liabilities against which an advance has been paid are netted against each other. Presented in this way, only advances for which payment has been received/made are shown as advances received/paid. The effect of the adjustment on the comparative figures is EUR 7.9 million on both sides of the balance sheet.

## 30. CONTINGENT LIABILITIES AND ASSETS

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **Guarantees and contingent liabilities** | | |
| Counter Obligations of bank guarantees related to contractual agreements | 132,344 | 122,961 |

The Group is committed to lease contracts related to machinery and equipment that will start during 2025. The duration of the contracts is from three to five years and the resulting liability is EUR 0.8 million. In addition the Group has purchase commitments related to fleet of EUR 2.3 millions in total.

### Disputes and litigation

The Group has on-going disputes related to projects, which have been provided for to the extent that the Group deems the disputes substantial and the claims justified.

## 31. RELATED PARTY TRANSACTIONS

The Group's related parties include its subsidiaries and Colas SA and its subsidiaries, joint ventures and associated companies

In addition, the related parties include members of the Board, members of the Supervisory Board and of the Management Team, including the President & CEO and their family members.

During the financial period there were following purchases from Colas Group companies:  Colas SA EUR 6.2 million, Colas Digital solutions EUR 1.6 million and Elektoline EUR 0.1 million. Sales to related parties during the financial period were EUR 0.1 million to Aximum. Destia Oy paid Colas SA dividends of EUR 12.5 million. In addition, at balance sheet date, there were EUR 25.1 million short-term deposits given to Colas SA and interest on the deposits during the year EUR 1.0 million in total.

The President and CEO and members of the extended Management Team belong to the management long-term incentive scheme, described in Note 26. Long-term incentive schemes.

**The Group´s parent company and subsidiary relations in the year 2024 were as follows:**

| Company | City | Country | Group´s share of ownership and votes % | Parent company´s share of ownership and votes % |
|---|---|---|---|---|
| **31 Dec 2024** | | | | |
| Destia Oy, parent company | Helsinki | Finland | 100 | 100 |
| Destia Oy, subsidiaries | | | | |
| Destia Eesti OÜ | | Estonia | 100 | 100 |
| Destia AS | | Norway | 100 | 100 |
| Destia Rail Oy | Helsinki | Finland | 100 | 100 |
| Destia Sverige AB | | Sweden | 100 | 100 |
| Destia International Oy | Helsinki | Finland | 100 | 100 |

In addition, consortia have been established for large and long-term projects, involving third parties. The parties have committed to joint and several liability for the obligations and liabilities of the consortia. At balance sheet date the ongoing consortia is Pulteri II. The subsidiaries Destia Nesta Oy and Zetasora Oy were merged into Destia International Oy and Finnroad was merged into Destia Oy in 2024. Destia Oy acquired the entire share capital of Verkkoviikarit Oy on March 12, 2024. Verkkoviikarit Oy was merged into Destia Oy on the 31st of October 2024.

**Management´s employee benefits:**

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| Salaries and other short-term employee benefits | 3,007 | 2,836 |
| Other long-term employee benefits | 1,302 | 1,090 |
| The amounts include extended management group, which has been put into service during 2022. | | |
| **Salaries and remuneration:** | | |
| President & CEO | 1,027 | 914 |
| **Remuneration:** | | |
| Members of the Board of Directors | | |

No remuneration has been paid to members of the Board or Supervisory Board during financial period 2024.

It has been agreed that the retirement age of the CEO is 62.

## 32. EVENTS AFTER THE END OF THE REPORTING PERIOD

Nothing to report.

# GROUP'S KEY FIGURES 2020-2024, IFRS

| EUR million | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| Revenue | 630.5 | 640.6 | 603.4 | 574.8 | 563.8 |
| Change from previous year, % | -1.6 | 6.2 | 5.0 | 2.0 | -1.1 |
| Operating profit for the period | 19.9 | 20.3 | 17.5 | 21.1 | 14.7 |
| % of revenue | 3.2 | 3.2 | 2.9 | 3.7 | 2.6 |
| Operating profit for the period, comparable **) | 26.0 | 23.6 | 20.0 | 21.5 | 16.2 |
| % of revenue | 4.1 | 3.7 | 3.3 | 3.7 | 2.9 |
| Result for the period | 16.0 | 16.2 | 13.1 | 17.4 | 15.7 |
| % of revenue | 2.5 | 2.5 | 2.2 | 3.0 | 2.8 |
| EBITDA, comparable 1) | 40.8 | 38.1 | 35.4 | 37.0 | 32.3 |
| % of revenue | 5.9 | 5.9 | 5.9 | 6.4 | 5.7 |
| Gross investments | 21.5 | 14.6 | 14.2 | 15.3 | 13.9 |
| % of revenue | 3.4 | 2.3 | 2.4 | 2.7 | 2.5 |
| Balance sheet total *** | 255.7 | 245.7 | 235.6 | 224.5 | 259.6 |
| Equity | 67.8 | 63.8 | 54.6 | 59.2 | 70.8 |
| Equity ratio, % 2) * | 29.0 | 29.9 | 28.4 | 32.1 | 32.5 |
| Net gearing (Gearing)% 3) | -46.8 | -89.7 | -50.3 | -30.9 | -21.8 |
| Interest-bearing liabilities | 21.9 | 18.5 | 13.7 | 13.1 | 24.9 |
| Return on equity, % 4) | 24.3 | 27.3 | 23.1 | 26.8 | 22.0 |
| Return on investment % 5) | 24.8 | 28.5 | 25.1 | 26.8 | 15.8 |
| Equity per share, EUR | 99.66 | 93.82 | 80.26 | 87.09 | 104.14 |
| Personnel, average | 1,768 | 1,744 | 1,675 | 1,647 | 1,691 |
| Occupational accidents resulting in absence from work | 6.3 | 6.3 | 6.1 | 6.5 | 13.1 |
| Order backlog at the end of the reporting period | 756.5 | 634.7 | 663.2 | 754.7 | 708.6 |
| Research and development expenses | 1.0 | 1.0 | 1.1 | 1.2 | 1.3 |
| % of other operating expenses | 2.3 | 2.4 | 3.0 | 3.1 | 3.7 |

Formulas:

1) Comparable operating profit + depreciation, amortisation and impairment losses. Not IFRS key figure. EBITDA adjusted by comparable items.

2) (Equity/(balance sheet total - advances received)*100

3) (Interest-bearing liabilities - cash and cash equivalents and held-to-maturity investments) / (equity)*100

4) (Result for the period/average equity)*100 (opening and closing balance)

5) (Result before taxes + interest costs and other financial expenses/ (invested capital average)*100 (balance sheet total - non-interest-bearing liabilities - provisions, opening and closing balance)

*) Deferred tax assets and deferred tax liabilities were offset for the first time in the financial statements for 2023. The key figures for 2022–2020 have been adjusted for comparability

**) ESMA's alternative key figure, not a key figure defined in accordance with IFRS. According to the company's management, the alternative key figures provide relevant and useful additional information to the users of the financial statements about the result of the Group's operations.

***) In 2024, accounts receivable and accounts payable were netted against received and given advances. The figures for the comparison year 2023 have been adjusted for comparability, but previous years have not been adjusted.

# INCOME STATEMENT, DESTIA OY, FAS

| EUR 1,000 | Note | 1 Jan–31 Dec 2024 | 1 Jan–31 Dec 2023 |
|---|---|---|---|
| **REVENUE** | 2 | **547,183** | **560,774** |
| Other operating income | 3 | **10,973** | **10,151** |
| **MATERIALS AND SERVICES** | | | |
| **MATERIALS, SUPPLIES, GOODS** | | | |
| Purchases during the financial year | | -121,488 | -125,485 |
| Change in inventory | | 1,284 | 1,746 |
| External services | | -261,039 | -277,024 |
| **Materials and services, total** | | **-381,242** | **-400,762** |
| **Employee related expenses** | | | |
| Wages and salaries | | -83,796 | -82,977 |
| Personnel costs | | | |
| Pension expenses | | -15,197 | -14,456 |
| Other personnel-related expenses | | -1,965 | -3,049 |
| **Employee related expenses, total** | | **-100,958** | **-100,482** |
| **Depreciation and impairment** | | | |
| Depreciation according to plan | | -7,158 | -7,429 |
| **Depreciation and impairment, total** | | **-7,158** | **-7,429** |
| Other operating expenses | 3 | **-47,290** | **-43,425** |
| **OPERATING PROFIT (-LOSS)** | | **21,509** | **18,826** |

| EUR 1,000 | Note | 1 Jan–31 Dec 2024 | 1 Jan–31 Dec 2023 |
|---|---|---|---|
| **FINANCIAL INCOME AND EXPENSES** | 4 | | |
| Financial income and expenses | | 2,462 | 2,725 |
| **Financial income and expenses, total** | | **2,462** | **2,725** |
| **PROFIT BEFORE APPROPRIATIONS AND TAXES** | | **23,971** | **21,551** |
| **APPROPRIATIONS** | | | |
| Change in depreciation difference | | -1,552 | 749 |
| Group contributions received | | | 4 |
| Group contributions granted | | -3,286 | -6 |
| **Total appropriations** | | **-4,839** | **746** |
| Income taxes | 5 | **-3,543** | **-3,861** |
| **PROFIT (LOSS) FOR THE PERIOD** | | **15,589** | **18,436** |

# BALANCE SHEET, DESTIA OY, FAS

| EUR 1,000 | Note | 31.12.2024 | 31.12.2023 |
|---|---|---|---|
| **ASSETS** | | | |
| | | | |
| **NON-CURRENT ASSETS** | | | |
| **INTANGIBLE ASSETS** | 6 | | |
| Intangible rights | | 2 | 7 |
| Goodwill | | 2,986 | |
| Other intangible assets | | 1,768 | 2,048 |
| Advance payments and construction in progress | | 214 | 74 |
| **Intangible assets, total** | | **4,970** | **2,129** |
| | | | |
| **TANGIBLE ASSETS** | 7 | | |
| Land and water areas | | 1,503 | 1,593 |
| Buildings and structures | | 1,458 | 1,713 |
| Machinery and equipment | | 21,001 | 22,994 |
| Other tangible assets | | 10,601 | 10,683 |
| Advance payments and construction in progress | | 1,929 | |
| **Tangible assets, total** | | **36,492** | **36,983** |
| | | | |
| **OTHER INVESTMENTS** | 8 | | |
| Investments in group companies | | 7,473 | 7,476 |
| Receivables from group companies | | | 100 |
| Other shares and investments | | 2,002 | 2,003 |
| Other receivables | | 38 | 38 |
| **Other investments, total** | | **9,514** | **9,616** |
| **NON-CURRENT ASSETS** | | **50,976** | **48,728** |

| EUR 1,000 | Note | 31.12.2024 | 31.12.2023 |
|---|---|---|---|
| **CURRENT ASSETS** | | | |
| **INVENTORY** | | | |
| Materials and supplies | | 18,012 | 16,728 |
| Advance payments | | 9,622 | 5,527 |
| **Inventory, total** | | **27,634** | **22,255** |
| | | | |
| **RECEIVABLES** | | | |
| Accounts receivables | | 35,371 | 25,600 |
| Receivables from group companies | 9 | 364 | 894 |
| Deferred tax assets | 12 | 1,019 | 1,233 |
| Other receivables | | 1,493 | 1,806 |
| Accrued income | 9 | 36,443 | 25,745 |
| **Receivables, total** | | **74,691** | **55,278** |
| Cash and cash equivalents | | **49,447** | **70,998** |
| **CURRENT ASSETS** | | **151,772** | **148,532** |
| **ASSETS** | | **202,747,** | **197,260** |

The comparison year's data was adjusted by EUR 7.9 million for accounts receivables and advance payments received and for other receivables and trade payables EUR 67 thousand on both sides of the balance sheet.

# BALANCE SHEET, DESTIA OY, FAS

| EUR 1,000 | Note | 31.12.2024 | 31.12.2023 |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **EQUITY** | 10 | | |
| Share capital | | 17,000 | 17,000 |
| Retained earnings | | 12,415 | 6,478 |
| Profit/loss for the period | | 15,589 | 18,436 |
| **Equity, total** | | **45,004** | **41,915** |
| **APPROPRIATIONS** | | | |
| Depreciation difference | | **9,127** | **7,575** |
| **MANDATORY PROVISIONS** | 11 | **7,836** | **9,313** |
| **LIABILITIES** | | | |
| **LONG TERM LIABILITIES** | | | |
| Other liabilities | | 2,739 | |
| Accrued liabilities | | 2,970 | 3,181 |
| **Long term liabilities, total** | | **5,709** | **3,181** |
| **SHORT TERM LIABILITIES** | | | |
| Prepayments received | | 22,134 | 32,560 |
| Trade payables | | 41,214 | 36,899 |
| Liabilities to group companies | 13 | 9,096 | 10,836 |
| Other liabilities | | 20,834 | 15,166 |
| Accrued expenses | 13 | 41,794 | 39,816 |
| **Short term liabilities, total** | | **135,071** | **135,277** |
| **LIABILITIES** | | **140,781** | **138,458** |
| **EQUITY AND LIABILITIES TOTAL** | | **202,747** | **197,260** |

The comparison year's data was adjusted by EUR 7.9 million for accounts receivables and advance payments received and for other receivables and trade payables EUR 67 thousand on both sides of the balance sheet.

# CASH FLOW STATEMENT, DESTIA OY, FAS

| EUR 1,000 | 1 Jan–31 Dec 2024 | 1 Jan–31 Dec 2023 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Cash receipts from customers | 525,978 | 587,374 |
| Cash paid to suppliers of goods/services and to personnel | -520,906 | -544,673 |
| **Net cash flow before financial items and taxes** | **5,072** | **42,701** |
| Interest paid on operating activities | -335 | -262 |
| Dividends received on operating activities | 1 | 1 |
| Interest received on operating activities | 1,342 | 1,031 |
| Other financial items from operating activities | -699 | -670 |
| Tax paid on operating activities | -4,648 | -3,420 |
| **Net cash flows from operating activities** | **734** | **39,382** |
| **CASH FLOWS FROM INVESTMENTS** | | |
| Investments in intangible and tangible assets | -5,141 | -3,402 |
| Sale of intangible and tangible assets | 1,890 | 965 |
| Acquisition of shares in subsidiaries | -2,661 | -4 |
| Repayments of intra-Group loan receivables | | 38 |
| **Net cash flows from investments** | **-5,912** | **-2,404** |

| EUR 1,000 | 1 Jan–31 Dec 2024 | 1 Jan–31 Dec 2023 |
|---|---|---|
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Increase in short-term intra-Group financing | 6,998 | 9,000 |
| Decrease in short-term intra-Group financing | -10,870 | -3,500 |
| Dividends paid | -12,500 | -6,997 |
| Group contribution paid and received | -1 | 15 |
| **Net cash flows from financing activities** | **-16,373** | **-1,482** |
| **Change in cash and cash equivalents** | **-21,551** | **35,496** |
| Cash and cash equivalents at the end of the financial period | 49,447 | 70,998 |
| Cash and cash equivalents 1.1. | 70,998 | 35,502 |
| | **-21,551** | **35,496** |

# DESTIA OY – NOTES TO THE FINANCIAL STATEMENTS

**Group information**
Destia Oy is 100% owned by Colas SA, which is part of the BOUYGUES GROUP. Destia Oy is parent company of Destia Group.

Destia Oy's Financial Statements for financial period 1st January to 31st December 2024 and comparison period 1st January to 31st December 2023 have been prepared in accordance with the Finnish accounting legislation.

## 1. NOTES TO THE PRESENTATION OF THE FINANCIAL STATEMENTS

**Items denominated in a foreign currency**
Commercial transactions denominated in a foreign currency are converted to the functional currency at the rate on the date of the transaction. Receivables and liabilities denominated in a foreign currency are converted to the functional currency using the exchange rate at the balance sheet date. Exchange rate differences arising from the valuation of receivables and liabilities are recognised in the income statement in income or expenses corresponding to the balance sheet item. The company uses the exchange rate from Bloomberg provided by Colas SA on 31 December 2024. The exchange rates on the balance sheet date 31 December 2024 were EUR/SEK 11.459 and EUR/USD 1.0389.

**Valuation of non-current assets**
Non-current assets are measured at cost. Acquisition cost includes variable costs on acquisition and manufacturing. Depreciation according to plan, calculated on the basis of the economic life of the asset, has been deducted from the acquisition cost. Depreciation on aggregates, recorded in other tangible assets, has been calculated as depreciation according to use.

**Valuation of inventory**
Inventory is measured at the lower of acquisition cost or net realisable or repurchase value. Acquisition cost includes variable costs incurred in purchasing and manufacturing.

**Financial assets**
Financial assets are valued at the lower of acquisition cost and probable transfer price.

# DESTIA OY – NOTES TO INCOME STATEMENT

**Derivatives**
Derivatives are initially measured at fair value on the date when the Group signs the derivative and are subsequently measured at fair value. Gains and losses resulting from measurement at fair value are treated in the accounts in the way specified by the purpose of the derivative instrument and recognized in the income statement in purchases during the financial year.
At the end of the financial period or comparative period the Group did not have derivative instruments, where the hedge accounting principles under IFRS 9 would have been applied.

**Provisions**
During the financial year, mandatory provisions have been released to the extent that expenses have been incurred to meet the obligations or when there has been change in the estimation in the provision. Guarantee provisions have been made for work that has been completed during the financial year and the amount of the landscaping provision for land areas has been revised to meet future obligations.

**Revenue recognition**
Revenue from long-term projects is recognised as revenue based on the stage of completion. Projects that last more than 3 months and have a value of more than EUR 100 thousand are considered to be long-term projects. The completion rate of long-term projects is defined as the ratio of the actual variable costs of the project to the estimated total variable costs of the project. The risks associated with long-term projects have been taken into account by applying the precautionary principle in revenue recognition. Expected losses have been recognised as expense in their entirety.

**Leasing**
In the financial statements, lease payments have been recognised as an annual expense in accordance with Finnish accounting legislation.

**Pensions**
Pension for the personnel is arranged by insurance in an external pension insurance company. Pension costs have been recognised as an expense in the year of accumulation.

**Research and development**
Expenditure on research and development is recognised as an expense in the year in which it is incurred.

**Basis for depreciation according to plan:**

| | Holding period | Rate of depreciation | Method of depreciation |
|---|---|---|---|
| **NON-CURRENT ASSETS** | | | |
| **Intangible assets** | | | |
| Intangible rights | 5 years | 20% | Straight-line |
| Goodwill | 10 years | 10 % | Straight-line |
| Other intangible assets | 5 years | 20% | Straight-line |
| **Tangible assets** | | | |
| Buildings and structures | 10-40 years | 2.5-10% | Straight-line |
| Machinery and equipment | 3-20 years | 5-33.3% | Straight-line, reducing balance method |
| Other tangible | Based on use or financial holding period, ten year in maximum | | Straight-line, according to use |

**Increased depreciation**
During the period from January 1, 2020, to December 31, 2024, a maximum depreciation of 50% allowed by the tax relief law has been made for newly acquired machinery and equipment in the 2024 financial year. The depreciations in the accounting have been made according to the depreciation plan for each fixed asset group in 2024 and the preceding financial years. In the 2024 financial year, a 50% depreciation has been made for machinery and equipment for tax purposes. In previous financial years, the maximum depreciation rates of 25% commonly accepted for tax purposes have been used.

# NOTES TO INCOME STATEMENT, DESTIA OY, FAS

## 2. REVENUE

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **BREAKDOWN OF REVENUE** | | |
| Revenue by stage of completion | 495,320 | 512,460 |
| Other revenue | 51,863 | 48,314 |
| **Revenue, total** | **547,183** | **560,774** |
| Amount recognised as revenue in the current and previous financial years by the stage of completion for long-term projects, but not handed over to customers. | **785,821** | **873,190** |
| **Amount not recorded as income from long-term projects** | **618,930** | **495,369** |
| **Change in mandatory provisions for long-term projects** | **686** | **-561** |

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **OTHER OPERATING EXPENSES, TOTAL** | | |
| Rental expenses | 5,637 | 5,094 |
| Voluntary personnel expenses | 6,439 | 6,207 |
| Travel expenses | 11,121 | 9,623 |
| Telecommunications and IT-expenses | 9,943 | 9,977 |
| Other expenses | 14,150 | 12,525 |
| **Other operating expenses, total** | **47,290** | **43,425** |
| **Auditor's expenses** | | |
| Audit fees | 108 | 123 |
| Assignments referred to in § 1.1,2 of the Audit Act | | 15 |
| Other services | 69 | 71 |
| **Auditor's expenses, total** | **178** | **208** |

## 3. OTHER OPERATING INCOME AND EXPENSES

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **OTHER OPERATING INCOME** | | |
| Profit from the sale of tangible and intangible assets | 1,609 | 738 |
| Income from group companies | 8,102 | 7,656 |
| Insurance indemnities and damages received | 408 | 777 |
| Rental and other income | 854 | 980 |
| **Other operating income, total** | **10,973** | **10,151** |
| **Average personnel** | **1,335** | **1,309** |

# NOTES TO INCOME STATEMENT, DESTIA OY, FAS

## 4. FINANCIAL INCOME AND EXPENSES

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **FINANCIAL INCOME AND EXPENSES** | | |
| Intra group dividend gains | 2,200 | 2,900 |
| Dividend yield from others | 1 | 1 |
| Other interest and financial income from intra group | 6 | 1 |
| Other interest and financial income from others | 1,337 | 1,031 |
| Impairment of non-current assets investments | -1 | |
| Interest and other financial expenses from intra group | -370 | -432 |
| Interest and other financial expenses from others | -710 | -776 |
| **Financial income and expenses, total** | **2,462** | **2,725** |

## 5. INCOME TAXES

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **INCOME TAX** | | |
| Taxes for the period | 3,338 | 3,915 |
| Taxes related to previous periods | -9 | -13 |
| Change in deferred taxes | 214 | -40 |
| **Income taxes, total** | **3,543** | **3,861** |

# TASEEN LIITETIEDOT, DESTIA OY, FAS

## 6. INTANGIBLE ASSETS

**Non-current assets**

**Intangible assets**

| EUR 1,000 | Intangible rights | Other intangible assets | Advance payments | Goodwill | Total |
|---|---|---|---|---|---|
| Acquisition cost 1 Jan 2024 | 92 | 8,843 | 74 | | 9,009 |
| Corrections to the previous year *) | | 138 | | | 138 |
| Additions | | 31 | 484 | 3,115 | 3,631 |
| Disposals | | -1,901 | | | -1,901 |
| Transfers between items | | 344 | -344 | | |
| Acquisition cost on 31 Dec 2024 | 92 | 7,454 | 214 | 3,115 | 10,876 |
| Accumulated amortisation on 1 Jan 2024 | -85 | -6,795 | | | -6,880 |
| Corrections to the previous year *) | | -138 | | | -138 |
| Accrued amortisation for deductions and transfers | | 1,901 | | | 1,901 |
| Amortisation for the period | -4 | -655 | | -130 | -790 |
| Transfers between items | | | | | |
| Accumulated amortisation on 31 Dec 2024 | -89 | -5,687 | | **-130** | -5,906 |
| **Carrying amount 31 Dec 2024** | **2** | **1,768** | **214** | **2,986** | **4,970** |

| EUR 1,000 | Intangible rights | Other intangible assets | Advance payments | Goodwill | Total |
|---|---|---|---|---|---|
| Acquisition cost 1 Jan 2023 | 92 | 7,942 | 232 | | 8,266 |
| Additions | | 79 | 810 | | 890 |
| Disposals | | -147 | | | -147 |
| Transfers between items | | 969 | -969 | | |
| Acquisition cost on 31 Dec 2023 | 92 | 8,843 | 74 | | 9,009 |
| Accumulated amortisation on 1 Jan 2023 | -73 | -6,262 | | | -6,334 |
| Accrued amortisation for deductions and transfers | | 147 | | | 147 |
| Amortisation for the period | -12 | -680 | | | -692 |
| Transfers between items | | | | | |
| Accumulated amortisation on 31 Dec 2023 | -85 | -6,795 | | | -6,880 |
| **Carrying amount 31 Dec 2023** | **7** | **2,048** | **74** | | **2,129** |

*) Corrections to the previous year. The accumulated acquisition costs and accumulated depreciation presented in the notes have not corresponded to the fixed asset accounting in previous periods. The figures in the attachment have been corrected to match the fixed asset accounting for 2024. No impact on the result or balance sheet values.

**Business acquisition and goodwill**

On July 31, 2024, Destia strengthened its energy business by acquiring Rificum Oy's substation business. The goodwill generated from the transaction amounted to EUR 3.115.400.

# NOTES TO BALANCE SHEET, DESTIA OY, FAS

## 7. TANGIBLE ASSETS

**Non-current assets**
**Tangible assets**

| EUR 1,000 | Land and water areas | Buildings and structures | Machinery and equipment | Other tangible assets | Advance payments and construction in progress | Total |
|---|---|---|---|---|---|---|
| Acquisition cost 1 Jan 2024 | 1,593 | 6,805 | 89,094 | 18,923 | | 116,415 |
| Corrections to the previous year *) | | | -3,676 | | | -3,676 |
| Additions | | | 3,436 | 687 | 2,102 | 6,225 |
| Deductions | -90 | -478 | -2,436 | -19 | | -3,023 |
| Transfers between items | | | 173 | | -173 | |
| Acquisition cost on 31 Dec 2024 | 1,503 | 6,328 | 86,591 | 19,591 | 1,929 | 115,941 |
| Accumulated depreciation on 1 Jan 2024 | | -5,092 | -66,100 | -8,240 | | -79,432 |
| Corrections to the previous year *) | | | 3,676 | | | 3,676 |
| Accrued depreciation for deductions | | 387 | 2,289 | | | 2,676 |
| Depreciation for the period | | -164 | -5,455 | -750 | | -6,369 |
| Accumulated depreciation on 31 Dec 2024 | | -4,869 | -65,590 | -8,990 | | -79,449 |
| **Carrying amount 31 Dec 2024** | **1,503** | **1,458** | **21,001** | **10,601** | **1,929** | **36,492** |

| | |
|---|---|
| **Carrying amount for production machinery and equipment 31 Dec** | **20,621** |

*) Corrections to the previous year
The accumulated acquisition costs and accumulated depreciation presented in the notes have not corresponded to the fixed asset accounting in previous periods. The figures in the attachment have been corrected to match the fixed asset accounting for 2024. No impact on the result or balance sheet values.

### Tangible fixed assets 2024

The difference between the book value and the fair value of EUR 915,137.77 has been activated in fixed assets in connection with the merger of Veroviikarit on October 31, 2024. The fixed assets include a fair value of EUR 861,906.97 as of December 31, 2024.

# NOTES TO BALANCE SHEET, DESTIA OY, FAS

| EUR 1,000 | Land and water areas | Buildings and structures | Machinery and equipment | Other tangible assets | Advance payments and construction in progress | Total |
|---|---|---|---|---|---|---|
| Acquisition cost 1 Jan 2023 | 1,629 | 6,812 | 89,140 | 20,934 | | 118,514 |
| Additions | | 3 | 1,869 | 343 | 90 | 2,304 |
| Deductions | -36 | -9 | -2,005 | -2,353** | | -4,403 |
| Transfers between items | | | 90 | | -90 | |
| Acquisition cost on 31 Dec 2023 | 1,593 | 6,805 | 89,094 | 18,923 | | 116,415 |
| Accumulated depreciation on 1 Jan 2023 | | -4,905 | -61,946 | -9,921 | | -76,772 |
| Accrued depreciation for deductions | | 9 | 1,814 | 2,254** | | 4,077 |
| Depreciation for the period | | -196 | -5,967 | -574 | | -6,737 |
| Accumulated depreciation on 31 Dec 2023 | | -5,092 | -66,100 | -8,240 | | -79,432 |
| **Carrying amount 31 Dec 2023** | **1,593** | **1,713** | **22,994** | **10,683** | | **36,983** |
| **Carrying amount for production machinery and equipment 31 Dec** | | **22,629** | | | | |

**) Corrections to the previous year
Corrected comparison year deductions of EUR -2,254 thousand and accumulated depreciation for deductions of EUR 2,254 thousand for other tangible assets. No impact on the result or balance sheet values.

# NOTES TO BALANCE SHEET, DESTIA OY, FAS

## 8. INVESTMENTS

| EUR 1,000 | Investments in group companies | Other receivables |
|---|---|---|
| Acquisition cost 1 Jan 2024 | 8,060 | 38 |
| Additions | 2,189 | |
| Deductions | -2,191 | |
| Acquisition cost 31 Dec 2024 | 8,057 | 38 |
| Accumulated impairment losses 1 Jan 2024 | -584 | |
| Accumulated impairment losses 31 Dec 2024 | -584 | |
| **Carrying amount 31 Dec 2024** | **7,473** | **38** |

| EUR 1,000 | Investments in group companies | Other receivables |
|---|---|---|
| Acquisition cost 1 Jan 2023 | 8,055 | 38 |
| Additions | 4 | |
| Acquisition cost 31 Dec 2023 | 8,060 | 38 |
| Accumulated impairment losses 1 Jan 2023 | -584 | |
| Accumulated impairment losses 31 Dec 2023 | -584 | |
| **Carrying amount 31 Dec 2023** | **7,476** | **38** |

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **HOLDINGS IN GROUP COMPANIES** | | |
| Destia Rail Oy (1508718-8) | 100% | 100% |
| Finnroad Oy (0977208-2) | 0% | 100% |
| Destia International Oy (2199544-9) | 100% | 100% |
| Destia Sverige AB, Sweden (556750-1308) | 100% | 100% |
| Destia Eesti OÜ, Estonia (14416402) | 100% | 100% |
| Destia As, Norway (914782783) | 100% | 100% |

Finnroad Oy was merged into Destia Oy on the 29th of February 2024. Destia Oy acquired the entire share capital of Verkkoviikarit Oy on March 12, 2024. Verkkoviikarit Oy was merged into Destia Oy on the 31st of October 2024.

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **Long term receivables from group companies** | | |
| Acquisition cost 1 Jan | | 100 |
| **Long term receivables from group companies carrying amount 31 Dec** | | **100** |
| **Other investments** | | |
| Acquisition cost 1 Jan | 2,003 | 2,003 |
| Additions, intra group | | |
| Deductions | -1 | |
| **Other investments carrying amount 31 Dec** | **2,002** | **2,003** |

# NOTES TO BALANCE SHEET, DESTIA OY, FAS

## 9. SALES RECEIVABLES AND OTHER RECEIVABLES

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **RECEIVABLES AND ADVANCES RECEIVED FROM PERCENTAGE-OF-COMPLETION PROJECTS** | | |
| Receivables (recognised more revenue than invoiced) | 28,758 | 18,773 |
| Advances received (invoiced more than revenue recognised) | 21,577 | 32,099 |
| | | |
| **Short term receivables from group companies** | | |
| Sales receivables | 280 | 839 |
| Group contribution receivables | | 4 |
| Other accrued income | | 51 |
| **Short term receivables from group companies, total** | **280** | **894** |
| | | |
| **Material items related to accrued income** | | |
| Receivables from percentage-of-completion projects | 28,758 | 18,773 |
| Sales accruals | 6,538 | 6,402 |
| Other items | 1,148 | 570 |
| **Material items related to accrued income, total** | **36,443** | **25,745** |

The data for the comparative year were adjusted for trade receivables and advance payments received on both sides of the balance sheet.

# NOTES TO BALANCE SHEET, DESTIA OY, FAS

## 10. NOTES TO EQUITY

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **ADDITIONS AND DEDUCTIONS ON EQUITY** | | |
| **Restricted equity** | | |
| Share capital 1.1. | 17,000 | 17,000 |
| Share capital 31.12. | 17,000 | 17,000 |
| **Restricted equity, total** | **17,000** | **17,000** |
| | | |
| **Unrestricted equity** | | |
| Retained earnings 1 Jan | 24,915 | 13,476 |
| Dividend distribution | -12,500 | -6,997 |
| Retained earnings 31 Dec | 12,415 | 6,478 |
| | | |
| Profit/loss for the period | 15,589 | 18,436 |
| **Unrestricted equity, total** | **28,004** | **24,915** |
| | | |
| **Equity, total** | **45,004** | **41,915** |
| | | |
| **Calculation of distributable unrestricted equity** | | |
| Retained earnings | 12,415 | 6,478 |
| Profit/loss for the period | 15,589 | 18,436 |
| **Total** | **28,004** | **24,915** |

**Shares and shareholdings**

| Shareholder | pcs | % | Voting rights | Share capital |
|---|---|---|---|---|
| Colas SA | 680,000 | 100 | 1 vote/share | 17,000,000 |

## 11. PROVISIONS

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| Other mandatory provisions | | |
| Guarantee provisions | 2,774 | 3,249 |
| Environmental provisions | 2,495 | 2,525 |
| Other provisions | 2,566 | 3,538 |
| **Mandatory provisions, total** | **7,836** | **9,313** |

# NOTES TO BALANCE SHEET, DESTIA OY, FAS

## 12. DEFERRED TAX

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **BREAKDOWN OF DEFERRED TAXES** | | |
| Deferred tax assets | | |
| Periodic differences and temporary differences | 1,019 | 1,233 |

## 13. SHORT TERM LIABILITIES

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **Liabilities to group companies** | | |
| Accounts payable | 2,096 | 1,111 |
| Short term loans | 3,695 | 9,719 |
| Group contribution liabilities | 3,286 | 6 |
| Accrued liabilities | 19 | |
| **Liabilities to group companies, total** | **9,096** | **10,836** |
| | | |
| **Material items related to accrued liabilities** | | |
| Related to personnel | 26,203 | 27,267 |
| Other items | 15,601 | 12,549 |
| **Material items related to accrued liabilities, total** | **41,805** | **39,816** |

## 14. GUARANTEES, CONTINGENT LIABILITIES AND OFF-BALANCE SHEET ARRANGEMENTS

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **GUARANTEES ON CONTRACTS** | 125,560 | 116,865 |

**Consortiums**

The company participates in a consortium whose responsibilities the parties have undertaken to be jointly and severally liable for.

| | | |
|---|---|---|
| **Lease liabilities** | | |
| Payable in the next financial year | 5,443 | 4,267 |
| Payable in later financial years | 9,390 | 6,903 |
| **Lease liabilities, total** | **14,833** | **11,169** |
| | | |
| **Liabilities on long term rental contracts** | | |
| Payable in the next financial year | 1,301 | 1,295 |
| Payable in later financial years | 2,656 | 3,065 |
| **Liabilities on long term rental contracts, total** | **3,958** | **4,360** |

# NOTES TO BALANCE SHEET, DESTIA OY, FAS

## 15. RELATED PARTIES

Group's related parties include subsidiaries of Destia Group as well as Colas SA and its subsidiaries, joint ventures, and associated companies.

In addition, related parties include the members of the Board, members of the Supervisory Board and of the Management Team, including the President & CEO and their family members.

**During the financial year, the following significant transactions took place with related parties**

| EUR million | Destia Rail Oy | Colas SA | SAS Colas Digital Solutions | Elektroline A.S. | Aximum SA |
|---|---|---|---|---|---|
| Sales | 12.1 | | | | 0.1 |
| Purchases | 1.4 | 6.2 | 1.6 | 0.1 | |
| Loan repayments paid | 13.1 | | | | |
| Interest income | | 1.0 | | | |
| Interest expenses | 0.3 | | | | |
| Loans received | 7.0 | | | | |
| Dividends received | 2.2 | | | | |
| Dividends paid | | 12.5 | | | |
| Short term deposits made | | 25.1 | | | |

In 2024 Destia Oy gave EUR 0.9 thousand in group contribution to Destia International Oy and EUR 3.3 million to Destia Rail Oy. In 2023 Destia Oy received group contribution of EUR 3.5 thousands from Finnroad Oy and gave group contributions of EUR 6.2 thousand to Destia International Oy.

Destia Oy's management fee charge to Destia Rail Oy in 2024 was EUR 3.1 million. In 2023 Destia Oy's management fee charge to Destia Rail Oy was EUR 2.7 million

# NOTES TO BALANCE SHEET, DESTIA OY, FAS

## 16. DERIVATIVES

In its operations, the company is exposed to commodity risk, which is related to commodity price fluctuations. Diesel protection is carried out on a rolling basis for a period of 12 months onwards. At the end of the year, the hedging ratio of diesel was 31% of the average annual purchases..

| EUR 1,000 | 2024 | 2023 |
|---|---|---|
| **COMMODITY DERIVATIVES** | | |
| Nominal value | 909 | 980 |
| Fair value | -35 | -101 |

Nominal values and fair values are presented net. The fair value indicates an estimate of the realisable result of derivatives in case the contracts would have been closed at the balance sheet date.

The levels adopted in fair value accounting are:
Level 1: Exchange traded securities with quoted prices in active markets
Level 2: Fair value determined by observable parameters.
Level 3: Fair value determined by non-observable parameters.

Level 2 is used when determining fair value for commodity hedges. When determining the fair values of commodity derivatives, the company has applied level 2. At level two, the determination of fair values is based on quoted market rates and prices, as well as discounted cash flows. Prices can also be based on secondary market prices of similar instruments.

# DESTIA OY

## Proposal by the Board on the use of distributable equity

Destia Oy’s FAS- compliant profit for the financial year was EUR 15,589,279.81, which is proposed to be recorded on the retained earnings account. Destia Oy’s total distributable unrestricted equity is EUR 28,003,801.34.

Destia Oy’s Board of Directors proposes to the Annual General Meeting, that EUR 12.500.000 dividend will be paid for the financial period that ended on 31 December 2024.

There have been no significant changes in the company's financial position since the end of the financial year. The company's solvency is good and in the board's view, the proposed distribution of profits does not endanger the company's solvency.

## Signatures to the financial statements

Helsinki, 24 February 2025

Tero Kiviniemi
Chair of the Board,
President and CEO

Sanna Karvonen
Member of the Board of Directors

Kari Alavillamo
Member of the Board of Directors

Tapio Salo
Member of the Board of Directors

## Auditor’s Note

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

Helsinki, 24 February 2025

PricewaterhouseCoopers Oy
Authorised Public Accountants

Markku Katajisto
Authorised Public Accountant (KHT)

# AUDITOR'S REPORT

## To the Annual General Meeting of Destia Oy

## Report on the Audit of the Financial Statements

### Opinion

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

### What we have audited

We have audited the financial statements of Destia Oy (business identity code 2163026-3) for the year ended 31 December, 2024. The financial statements comprise:

- the consolidated balance sheet, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, which include material accounting policy information and other explanatory information
- the parent company's balance sheet, income statement, cash flow statement and notes.

### 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

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

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

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

## Other Reporting Requirements

**Other Information**

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report and the Annual Report is expected to be made available to us after that date.

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 identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions.

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

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

Helsinki 24 February 2025
**PricewaterhouseCoopers Oy**
Authorised Public Accountants

Markku Katajisto
Authorised Public Accountant (KHT)


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