

OTAVA



Annual Report  
**2022**







## Contents

**4**

Reviews

**8**

Otava's Star Moments  
2022

**10**

Group Structure

**11**

Key Figures

**12**

Board of Directors

**13**

Organization

**14**

Review by the Board of  
Directors

**19**

Consolidated Income  
Statement

**20**

Consolidated Balance  
Sheet

**22**

Consolidated Cash Flow  
Statement

# Otava's educational mission is still relevant today

**I**solation and a lack of face-to-face contact were still part of our daily lives in early 2022. Pandemic anxiety was reflected in consumer behaviour, which impacted our entire operating environment, and the retail trade and book business in particular.

**Russia's war of** aggression, which began in February, reminded us Finns of our own history and the importance of culture, education and constitutional government. Finland grew into an independent state on the basis of Enlightenment ideals. These include constitutional government, liberal democracy and freedom of speech: all of the things that now distinguish Finland from Russia.

**When Otava was** established in 1890, Finland was still part of Russia. Our independence became a Western success story. Finnish culture played a major role in this success – a culture that was, above all, built on books and information shared in the Finnish language.

With the outbreak of war in Ukraine, this historical context has become relevant again. Literacy and freedom of expression were key factors in the educational project that led to Finland's independence.

Otava has played an important role in this project throughout its history, from education and a free critical press to edifying books.

**Our educational mission** has remained relevant over time, and literature, education and freedom of speech still form the core of Otava's business. Responsibility is one of Otava's values, which means that we take responsibility for promoting culture, growth and learning.

In autumn 2022, we were finally able to celebrate Otava's 130th anniversary with a Group-wide event – albeit two years late due to coronavirus restrictions.

**Otava's mission continues,** even though our operating environment has not made things easy for us in recent years. We are building our future on a long-term basis – with an eye to the next 130 years. One aspect of preparing for the future is the Shareholders' Council, which was established at the beginning of 2023. Its task is to involve a younger generation of owners in Otava's activities. The Shareholders' Council aims to intensify dialogue and cooperation between the Group's owners and personnel.

Working together will enhance our Group's operations, and I hope that everyone will get actively involved in the discussions.

**HENRIK EHRNROOTH**  
**Chairman of the Board of Directors**



We are building our future on a long-term basis – with an eye to the next 130 years.



# Deteriorating operating environment reflected in the result

**A**lthough the coronavirus pandemic was still limiting everyday life in early 2022, restrictions could finally be lifted during the spring. The world received a shock in February: Russia invaded Ukraine – an act that also constituted an attack on Western values and freedom of speech. In March, Otava and Suomalainen Kirjakauppa donated EUR 50,000 to the Finnish Red Cross to support victims of the war in Ukraine. Otava also published several books, the proceeds of which were used to support Ukraine.

**A clear deterioration** in the economic environment began after the summer, when interest rates started to rise and inflation had a significant impact on consumer demand. Otava's result can be considered unsatisfactory. The company's high equity ratio and excellent liquidity provide a good foundation for participating in any restructuring within the sector, and even for making major acquisitions.

**The result for** the book business was weakened by rising costs combined with increased digital investments and the difficulties experienced by bookstores. In terms of total sales, fiction rose and children's and young adult books remained on par with the previous year, but there was a fall in printed non-fiction books and general literature. Although the digital market increased, growth slowed down noticeably compared to previous years.

Otava Learning invested heavily in the operational reliability of its digital services, as nearly 80 per cent of new sales to upper secondary

schools are digital. Investments were also made in developing new teaching content.

Developments also continued at Otava Book Printing, and it achieved a slightly better operating result than in the previous year in spite of the difficult situation.

**2022 was a particularly** difficult year for the Trade business area. The lifting of coronavirus restrictions contributed to a significant decrease in demand for general literature. Consumer demand for educational materials declined as expected. The impacts of rising fuel prices were seen in rural areas and smaller towns. However, major centres continued to show faint signs of recovery from the pandemic.

**The outlook for** the Media business weakened towards the end of the year. In early 2022, consumer sales were almost at the same level as in 2021, while media sales were clearly ahead. During the autumn, subscription sales faced increasing challenges, media sales slowed down, and costs increased. However, media sales were more successful than the market in general, and digital media sales overtook print for the first time. Our sales and editorial teams engaged in closer cooperation, and our new operating methods were successful.

In order to bring Otava's result back to the good level of previous years, we need to streamline our operations and develop new ways of working. Together, we can do this.

**ALEXANDER LINDHOLM**  
**CEO Otava Ltd**



Although the digital market increased, growth slowed down.

# Otava's Star Moments 2022

2022



**03/2022**

Audiobooks have taken a leap forward with new sound effects. Early March saw the publication of Samu Haber's *Forever yours DELUXE*, which contains more than 2,000 audio enrichments (that is, sound effects such as music).

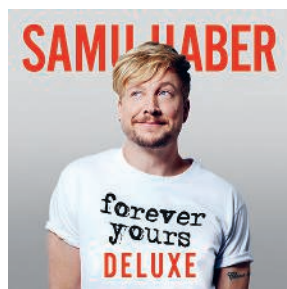


**04/2022**

The completely revamped [suomenkuvalehti.fi](http://suomenkuvalehti.fi) was unveiled on 19 April. The new-look SK is a bold magazine that is also available online. It offers a calm oasis amidst a flood of information – a place where you can concentrate and delve beneath the surface.

**01/2022**

Just like the previous year, 2022 began with remote work. In December 2021, Finland experienced a substantial wave of coronavirus cases whose effects were still being felt in early 2022.



JAN

FEB

MARCH

APRIL

MAY

JUNE



**02-03/2022**

On 24 February, the world awoke to shocking news: Russia had invaded Ukraine. Otava Publishing Company, Suomalainen Kirjakauppa and Otavamedia quickly made donations to the Finnish Red Cross to support victims of the war in Ukraine.



**05/2022**

Although there were issues with paper availability during the first half of the year, the outlook for Otava Book Printing remained favourable. Sales were good, as locally produced books are now more highly valued.

**06/2022**

When Russia invaded Ukraine on 24 February 2022, President Volodymyr Zelenskyy emerged as the fearless leader of his country's and continent's struggle for freedom. In June, Otava published a biography of this charismatic leader in the fight to defend Ukraine.







**08/2022**

Otava finally managed to celebrate its 130th anniversary with a Group-wide event – albeit two years late due to coronavirus restrictions. The mission statement that Alvar Renqvist made in 1915 is still valid today.

**10/2022**

Suomalainen Kirjakauppa's new e-learning service, Suomalainen Monitaito, was launched on 3 October via Suomalainen.com. The new service makes online courses from top coaches available on a single website. The courses cover topics such as wellbeing, self-development, handicrafts, and other hobbies.



## LASTEN JA NUORTEN SÄÄTIÖ

**11/2022**

Otava supported children and young adult reading by donating EUR 30,000. The Children and Youth Foundation is using the donation to instill a joy of reading among children and young people, and to organise a variety of workshops at schools and kindergartens.

JULY

AUG

SEPT

OCT

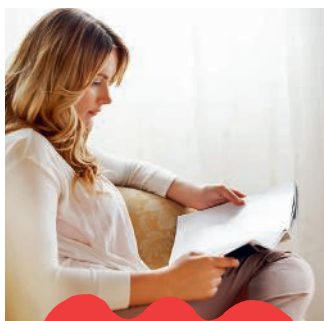
NOV

DEC



**09/2022**

According to the National Readership Survey, people spend more time with Otavamedia magazines than average: they spend 65 minutes reading Otavamedia magazines compared to an average of 53 minutes for magazines in general.

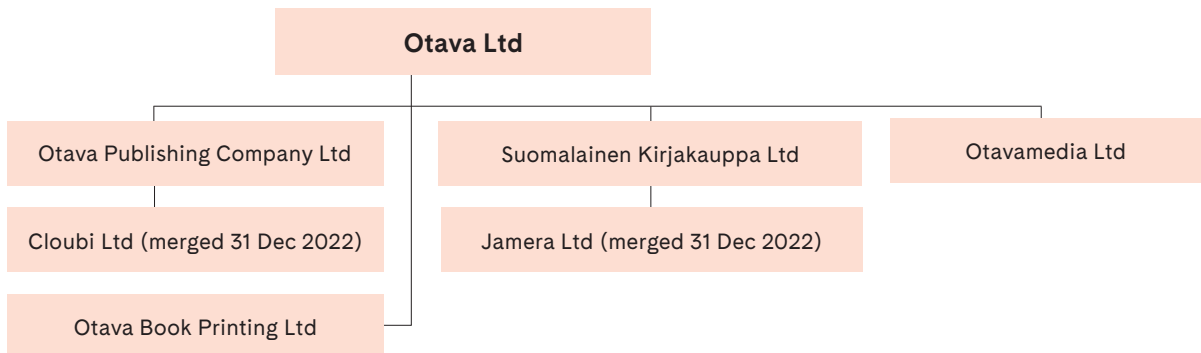


**12/2022**

The latest book from beloved children's author Mauri Kunnas, Pippendorfin kirjavat kummitukset (The Colourful Ghosts of Pippendorf Manor), was found under many a Christmas tree. It was also top of the Booksellers Association of Finland's best-seller list for December 2022.

2023

# Group structure and business areas



## Otava is the largest company in its main lines of business in Finland

**THE GROUP'S** business areas are: book publishing (Books), the book retail trade (Trade), and magazine publishing (Media). Our story began in 1890 with the establishment of Otava Publishing Company, which started printing books in 1908 and publishing magazines in 1916 (Suomen Kuvalehti).

Otava was involved in establishing Otavamedia Ltd (previously Yhtyneet Kuvalehdet Ltd) in 1934 and the Great Finnish Book Club in 1969. In 2011, Otava Ltd acquired the entire share capital of Suomalainen Kirjakauppa Ltd. The Group invested in its digital business with the acquisition of NettiX Ltd in 2006 and Ampparit Ltd in 2012. Ampparit Ltd were merged into NettiX Ltd in 2019. The entire share capital of NettiX Ltd was divested to Alma Media Corporation in 2021.

Otava Ltd is the Group's parent company. The Group is a stable and independent privately owned media company.

**BOOKS.** Otava Publishing Company is the main company in the Books

business area. This company's line of business encompasses Finnish-language fiction and non-fiction, the provision of learning services, and the publication of learning materials. The following companies also belong to this business area: Like Kustannus Ltd (since the beginning of 2006), Moreeni (since 2014), F-Kustannus (since 2015), Nemo (since 2016), and Satukustannus' publishing business (since 2019). Otava Publishing Company acquired Karisto's publishing business and Atena Kustannus Ltd in 2020. Finn Lectura Ltd has been part of Otava Learning since 2018, and Cloubi Ltd since 2020. All of the publishing businesses that were acquired as companies have been merged into Otava Publishing Company, which is the largest book publisher in Finland.

Otava Book Printing Ltd is a diverse and modern printer and bookbinder that produces books for many Finnish and foreign publishers. The company's production facilities are located in Keuruu.

**TRADE.** Suomalainen Kirjakauppa Ltd engages in the retail sale

of books. The company has 63 bookstores and a sales network that covers the whole of Finland. In 2018, Otava acquired the entire share capital of Jamera Ltd, a company that specialised in the sale of second-hand learning materials. Jamera's business was discontinued at the end of 2022. Suomalainen Kirjakauppa is the largest company in the market. It also sells books online at suomalainen.com and provides e-book subscription services through Suomalainen Plus. The Great Finnish Book Club is part of the Trade business area.

**MEDIA.** Otavamedia Ltd publishes general-interest and customer magazines. Otavamedia is the largest company in its line of business in Finland. The acquisition of the entire share capital of MCI Press Ltd and Alma 360 Ltd in 2015 expanded Otava's Customer Communications business. The Customer Communications Unit currently operates as part of Otavamedia under the name Otavamedia OMA.

# Key figures

GROUP INCOME	2022		2021		2020		2019		2018	
STATEMENT	M€	%	M€	%	M€	%	M€	%	M€	%
Net sales	239.6		255.3		277.7		286.2		299.1	
EBITA	8.8	3.7	142.6	55.9	31.6	11.4	31.4	11.0	51.3	17.2
Depreciation of goodwill and business acquisition costs	1.4	0.6	16.6	6.5	8.8	3.2	8.8	3.1	22.0	7.3
Operating profit	8.0	3.3	127.0	49.8	24.0	8.6	23.5	8.2	29.8	10.0
Profit before taxes	15.7	6.5	125.7	49.2	32.1	11.6	23.0	8.0	32.0	10.7
Profit for the financial year	14.2	5.9	121.1	47.4	26.5	9.6	17.3	6.0	20.7	6.9
Cash flow from business operations	20.7	8.6	34.2	13.4	51.1	18.4	35.5	12.4	36.8	12.3
<b>BALANCE SHEET AND PROFITABILITY</b>										
Capital expenditure	15.3		5.0		12.5		10.9		141.5	
Shareholders' equity	342.0		343.6		234.8		215.3		208.3	
Non-current liabilities	0.0		9.5		60.6		34.3		60.4	
Current liabilities	74.6		83.7		98.4		85.2		87.7	
Equity ratio %	87.9		83.9		63.7		69.0		62.5	
Return on investment (ROI) %	4.5		37.6		11.3		9.0		13.7	
Return on equity (ROE) %	4.1		41.9		11.8		8.2		10.2	
Group personnel (average)	958		987		1034		1102		1178	
<b>BOOKS</b>										
Net sales	78.8		77.9		72.3		70.4		71.9	
EBITA	5.5	7.0	12.6	16.1	11.9	16.5	11.8	16.7	12.2	16.9
<b>Operating volumes:</b>										
New titles published, printed	811		771		673		585		650	
New titles published, digital	1864		2012		1089		914		795	
Books sold, million	9.8		8.5		6.5		5.6		5.3	
Books printed, million	5.1		5.7		4.9		5.7		6.4	
<b>TRADE</b>										
Net sales	89.9		102.2		111.6		120.2		120.9	
EBITA	-4.2	-4.7	1.3	1.3	4.1	3.6	2.8	2.3	3.7	3.1
Operating volumes:										
Number of customers, million	4.7		4.8		5.2		5.9		6.1	
Books sold, million	2.8		3.5		4.0		4.5		4.8	
<b>MEDIA</b>										
Net sales	80.7		82.9		85.9		90.5		105.5	
EBITA	8.9	11.1	10.4	12.6	7.4	8.6	11.0	12.1	7.5	7.1
<b>Operating volumes:</b>										
Number of magazines and periodicals *)	123		136		157		156		172	
Number of magazines and periodicals*)	23		24		25		26		28	

\*) General-circulation, customer and online magazines



# The Board of Directors



**Henrik Ehrnrooth**  
Chairman  
SINCE 1988



**Jorma Ollila**  
Vice Chairman  
SINCE 2022



**Heikki Lehtonen**  
SINCE 1991



**Alexander Lindholm**  
SINCE 2008



**Eva Reenpää**  
SINCE 2017



**Philip Aminoff**  
SINCE 2021

## DEPYTY MEMBERS



**Pasi Vainio**  
SINCE 2010



**Minna Castrén**  
SINCE 2011



**Minna Kokka**  
SINCE 2018



**Anne Mantila**  
SINCE 2022



**Ora Lyytikäinen**  
Secretary of Board  
SINCE 2006

# Group organization



## BOOKS

Pasi Vainio\*

**Otava Publishing Company Ltd / Like / Moreeni / Nemo / Karisto / Atena / F-Publishing / Finn Lectura / Cloubi**

Managing Director Pasi Vainio until 31 Dec 2022,  
Eva Reenpää as of 1 Jan 2023

### General Literature

**Business Director, Sales**

Nona Ratia

**Fiction**

Antti Kasper

**Books for Children and Young Readers**

Kaisu-Maria Toiskallio

**Non-Fiction**

until 31.12. Eva Reenpää

as of 1.1. Ville Rauvola

**Karisto, Nemo, Like, Atena**

**and as of 1 Jan Moreeni, F-Publishing**

Päivi Paappanen

**Marketing and Communications**

Kirsi Tähjänjoki

### Otava Learning

**Business Director**

Henna Miettinen

**Content Director, primary school**

Anna-Reetta Sipilä

**Content director, lower secondary school, upper secondary school**

Eeva Lahdenmäki

**Learning Services and Solutions**

Markku Pelkonen

**Technology**

Juha Byman

**Sales**

Jouni Joronen

**Customer Experience**

Minna Sarestie

### Financial Administration

Arto Tuokko

### Otava Book Printing Ltd

Marko Silventoinen

## TRADE

Minna Kokka\*

**Suomalainen Kirjakauppa Ltd**

Managing Director Minna Kokka

### Retail Operations

Minna Kokka

### Digital Sales Operations

Hanna Haukkapää

### Category Management

Reetta-Liisa Pikkola

### Marketing

Kirsi Tähjänjoki

### Customer Insight

Elisa Kesälahti

### Personnel

Kristian Tötterman

### IT

Alexander Leppäkoski

### Business Locations

Ari Hokkanen

### Finance

Timo Kauppila

### Jamera Ltd until 31 Dec 2022

Hanna Haukkapää

## MEDIA

Anne Mantila\*

### Otavamedia Ltd

Managing Director Anne Mantila

### Consumer Magazines, Publishing

Katriina Kaarre

Reijo Ruokanen

### Consumer Sales

Tuomas Hämäläinen

### B2B Sales

Tomi Takanen

### HR & Finance

Anne Mantila

\* Member of the Group's management team

# Review by the Board of Directors

## OPERATING ENVIRONMENT

Although the coronavirus pandemic continued in 2022, its effects were much less noticeable. The event that had the most significant impact on the world was Russia's invasion of Ukraine, which began in February and is still ongoing. The war has had manifold effects on the economy. Its negative impacts have been most visible in the form of higher energy prices and rising inflation. Interest rates also increased sharply in the summer. Consumers' confidence in the economy weakened towards the end of the year, and is now at its lowest since the recession of the 1990s. According to preliminary data, Finland's GDP rose by just under 2 per cent in 2022. The unemployment rate has fallen on the back of a decrease in labour supply, and stood at 6.8 per cent at the end of the year. Many sectors are starting to suffer from labour shortages. According to preliminary data, although euro-denominated sales in the retail trade rose by about 4 per cent year-on-year, they fell by the same amount in quantitative terms. Christmas retail sales were also disappointing. Growth in e-commerce has continued.

The deteriorating economic situation has affected trends in the communications sector in many ways. In the book business, sales of general literature remained on par with the previous year. Digital sales rose by 10 per cent, but sales of printed books experienced a year-on-year fall of 7 per cent. The market for learning materials and learning services increased by 5 per cent on the previous year. The number of bookshops continued to fall, and their share of total sales declined at a faster rate than the market in general as a result of free upper secondary education. There were monthly fluctuations in the media sales market, resulting in a +4 per cent change in the overall media market in 2022. The decline in the media sales of printed magazines continued (-9%), as did growth in online advertising volumes (+10%). The market for magazine sales further contracted, as declining circulation appears to be an ongoing trend.

## DEVELOPMENTS IN THE GROUP BUSINESS

The Otava Group's net sales fell by 6 per cent. Comparable net sales were down by about 4 per cent. The Otava Group's operating result was no-

### The key indicators for the Group company:

Group	2022	2021	2020
Net sales, MEUR	239.6	255.3	277.7
EBITA, MEUR	8.8	142.6	31.6
EBITA as a percentage of net sales, %	3.7	55.9	11.4
Return on Investment, %	4.5	37.2	11.3
Return on Equity, %	4.1	41.5	11.8
Equity ratio, %	87.9	83.9	63.7



ticeably weaker than in previous years, but can be considered satisfactory in light of the circumstances. Alma Media is treated as an associated company and its impact on the Group's earnings was EUR 8.5 million (share of earnings: EUR 16.3 million minus EUR 7.8 million in depreciation of consolidated goodwill). The parent company's result was impacted by EUR 8.4 (7.2) million in dividends received from Alma Media.

### GROUP ORGANIZATION AND STRUCTURE

The Group's organisation and structure remained largely unchanged. At the end of the year, Cloubi Oy was merged into Otava Publishing Company and Jamera Ltd into Suomalainen Kirjakauppa Oy. In early 2022, Alexander Lindholm was Acting Managing Director of Otavamedia Ltd alongside his own duties. Anne Mantila was appointed Managing Director of Otavamedia Ltd as of 1 March 2022. As Pasi Vainio will leave the Group in 2023, so Eva Reenpää was appointed Managing Director of Otava Publishing Company as of 1 January 2023. At the same time, Antti Karlqvist was appointed chairman of the board in Books and Otava Learning.

### BOOKS

Net sales totalled EUR 78.8 (77.9) million, representing growth of one per cent. The direct operating result was EUR 5.5 (12.6) million, or 7.0 (16.1) per cent of net sales. Although growth in e-book subscription services helped to increase the net sales of Otava Publishing Company, the company's overall result weakened due to outlays on learning services and general cost increases. Otava Book Printing Ltd's net sales rose and its operating result improved.

### TRADE

Net sales in the Trade business area were down 12 per cent and totalled EUR 89.9 (102.2) million. The operating result fell on the previous year to EUR -4.2 (1.3) million. Sales of textbooks fell as a result of a reform to make secondary education

free of charge. Both the pandemic and decreased consumer demand had a significant impact on sales. The company had 63 stores at the end of the financial year. Jamera Ltd, which specialised in the sale of second-hand textbooks, saw a fall in both its sales and result. Its business was discontinued on 31 December 2022.

### MEDIA

Net sales in the Media business area were down 3 per cent and totalled EUR 80.7 (82.9) million. Both magazine subscriptions and media sales declined. The direct operating result decreased due to a rise in costs and stood at EUR 8.9 (10.4) million, or 11.1 (12.6) per cent of net sales.

### BALANCE SHEET, INVESTMENTS AND FINANCIAL POSITION

The balance sheet total remained unchanged. The Group's equity ratio at the end of the year was 87.9 (83.9) per cent.

The Group's gross investments totalled EUR 15.3 (5.0) million. Investments were mainly made in assets and software.

The Group's financial position and liquidity remained excellent. At year-end, the Group's net cash totalled EUR 182.3 (193.5) million. In addition to book credit, cash and cash equivalents, the Group safeguards its liquidity with short-term revolving credit facilities. The Group's cash flow from operating activities was EUR 20.7 (34.2) million. Net financial expenses totalled EUR 0.9 (1.7) million, or 0.4 (0.7) per cent of net sales.

### RISKS

The Group holds an established position in the book and magazine markets, which do not experience any large annual fluctuations.

Annual estimates of the Group's total book sales have not significantly differed from actual sales. The company uses a time-bound, title-specific process to assess the marketability of stock. The risk of nonmarketable items in our inventory is therefore low.

The Group's magazine subscribers are long-term customers who mainly pay for their subscriptions in advance. Although much greater variations occur in the media sales market, media sales account for only a small proportion of total net sales compared to magazine sales.

Price trends for most of the goods and services required by the Group are highly forecastable. We are prepared for the rising price of paper, and its availability has been guaranteed with long-term contracts. Cost inflation is increasing the Group's costs and there is limited scope for raising product prices. Decreased consumer demand has had an impact on the Group's sales and result.

In order to safeguard sales growth, the Group has also made investments in digital business relating to its core business, as there is no foreseeable change in the contracting market for printed products.

On the basis of the factors described above, the risks to the Group's business are minor. The Group's significant cash reserves, strong cash flows and high equity ratio will safeguard the continuity of our business during market disruptions and the realisation of other risks. Risks

have also been covered with property insurance and business interruption insurance.

### DECISIONS OF THE GENERAL MEETINGS

The Annual General Meeting of 23 March 2022 elected the following as Members of the Board of Directors: Henrik Ehrnrooth, Jorma Ollila, Heikki Lehtonen, Alexander Lindholm, Eva Reenpää and Philip Aminoff. Pasi Vainio, Minna Castrén, Minna Kokka and Anne Mantila were elected as Deputy Members. Henrik Ehrnrooth was elected Chairman of the Board of Directors. Ora Lyytikäinen was Secretary to the Board. Kari Miettinen, Authorised Public Accountant, was re-elected as the company's auditor, with the firm of Authorised Public Accountants Oy Audi-con Ab as deputy auditor. The Annual General Meeting decided to pay a dividend of EUR 6.55 per share and an additional dividend of EUR 1.20 per share, totalling EUR 15.3 million.

The Extraordinary General Meeting of 16 November 2022 decided to amend the Articles of Association in line with the Otava Group's administrative. Also decided was to adopt several reforms according to good governance of family

## The Board of Directors' proposal to the Annual General Meeting

The parent company's distributable funds total EUR 354,698 thousand, of which EUR 14,970 thousand is profit for the financial year. The Board of Directors proposes to the Annual General Meeting that the company's distributable funds should be used in the following manner:

To be paid as a dividend of EUR 6.10 per share	EUR 12,005 thousand
To remain in shareholders' equity	EUR 342,693 thousand
	<b>EUR 354,698 thousand</b>

No material changes have occurred in the company's financial position after the close of the financial year. The company's liquidity remains good and the Board of Directors is of the opinion that the proposed distribution of funds will not endanger the company's liquidity.



business. The aim of the reforms is to clarify tasks between operating management, the board and owners. The Articles of Association were also updated in general at the same time.

### SHARES

The company has 1,968,085 shares. The shares have no nominal value. Each share entitles the bearer to one vote at the General Meeting. The sale of shares is governed by a redemption clause in the company's Articles of Association.

### OUTLOOK OF THE CURRENT YEAR

During 2023, Finland's economy will weaken and consumer demand will contract. It is assumed

that restructuring in the Group's fields of business will continue and that digitalisation will progress at an accelerating pace. Growth in sales of audiobooks and e-books appears to be slowing down, and the overall book market is contracting. The number of bookstores will decrease. Magazine subscriptions, which account for a significant proportion of the Group's net sales and result, will continue to fall. It will be difficult to boost or retain net sales in the print publishing sector. It will be essential to develop new business models. By continuing its efficiency measures and cutting costs, and by harnessing new operating methods and the restructured Books business area, the Group will be able to improve on its result for 2022.





## Personnel

The number of Group personnel and the salaries and fees paid are as follows:

Group	2022	2021	2020
Average number of personnel	958	987	1,034
Salaries and fees (EUR 1,000)	50,409	52,586	55,285

Since 2002, the Group has run an incentive scheme covering all personnel. No bonuses will be paid for the 2022 result.

# Consolidated Income Statement

1 January–31 December, EUR million

	GROUP	GROUP
	2022	2021
<b>NET SALES</b>	<b>239.6</b>	<b>255.3</b>
Change in inventories of finished goods and work in progress	0.9	2.3
Production for own use	1.4	1.2
Other operating income	2.9	121.5
Materials and services	-105.3	-105.6
Personnel expenses	-60.5	-63.3
Depreciation and impairment	-7.6	-23.2
Other operating expenses	-64.2	-62.4
Share of results of associated companies	0.8	1.0
	-236.9	-253.3
<b>OPERATING PROFIT</b>	<b>8.0</b>	<b>127.0</b>
Financial income and expenses	7.7	-1.4
<b>PROFIT BEFORE TAXES</b>	<b>15.7</b>	<b>125.7</b>
Income taxes	-1.5	-4.5
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>14.2</b>	<b>121.1</b>

# Consolidated Balance Sheet

31 December, EUR million

	GROUP 2022	GROUP 2021
<b>ASSETS</b>		
NON-CURRENT ASSETS		
Intangible assets	37.7	41.6
Tangible assets	24.4	26.6
Long-term financial assets	121.4	108.7
<b>Total non-current assets</b>	<b>183.5</b>	<b>177.0</b>
CURRENT ASSETS		
Inventories	29.4	29.4
Long-term receivables	0.9	0.9
Short-term receivables	21.0	21.1
Cash and bank balances	182.3	208.4
<b>Total current assets</b>	<b>233.5</b>	<b>259.8</b>
<b>TOTAL ASSETS</b>	<b>417.0</b>	<b>436.8</b>



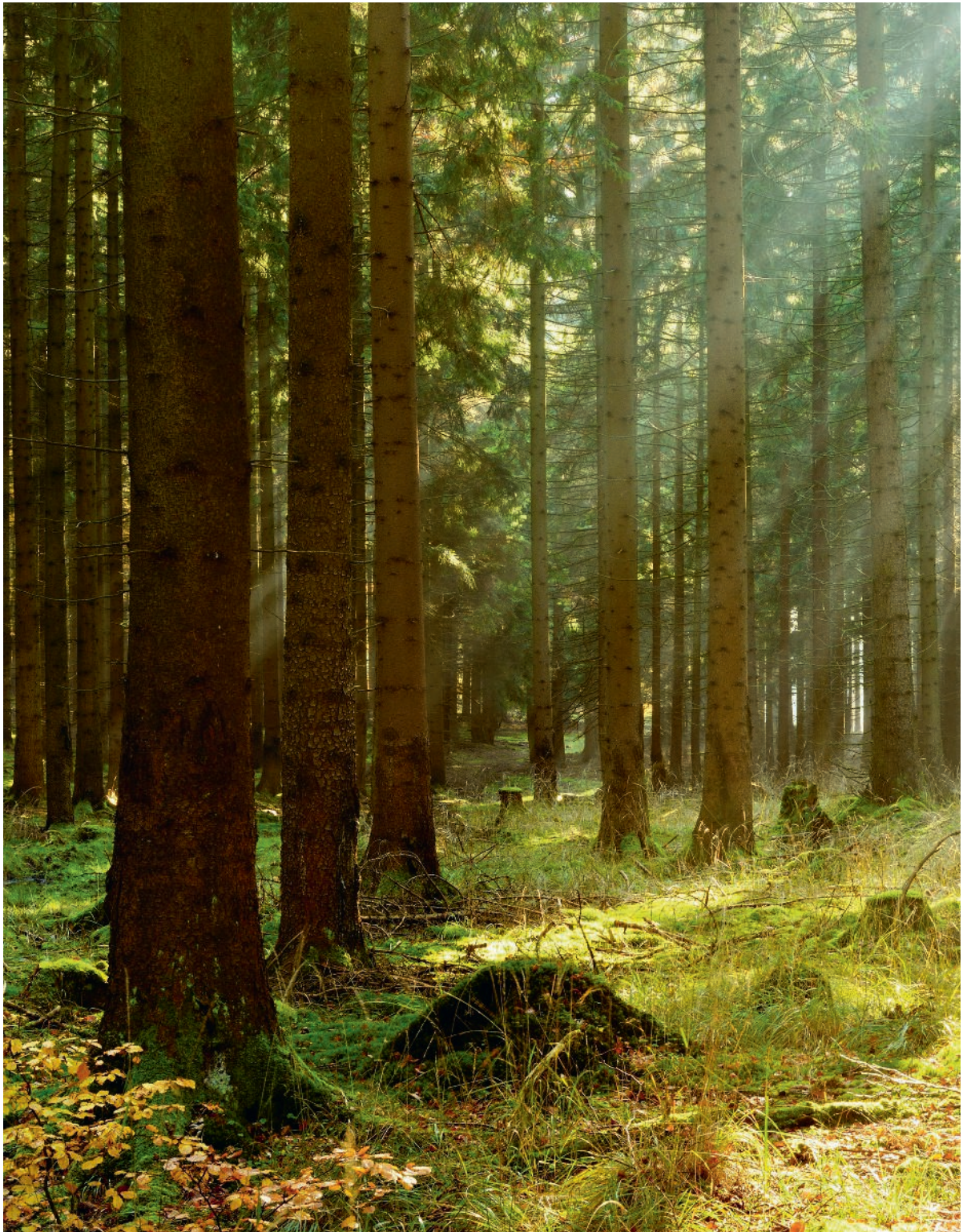
# Consolidated Balance Sheet

31 December, EUR million

	GROUP 2022	GROUP 2021
<b>EQUITY AND LIABILITIES</b>		
SHAREHOLDERS' EQUITY		
Share capital	8.9	8.9
Share premium fund	25.0	25.0
Reserve for invested non-restricted equity	7.6	7.6
Retained earnings	286.3	180.9
Profit for the financial year	14.2	121.1
<b>Total equity</b>	<b>342.0</b>	<b>343.6</b>
LIABILITIES		
Long-term liabilities	0.5	9.5
Short-term liabilities	74.6	83.7
<b>Total liabilities</b>	<b>75.1</b>	<b>93.3</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>417.0</b>	<b>436.8</b>

# Consolidated Cash Flow Statement

EUR million	GROUP	GROUP
	2022	2021
<b>Cash flow from business operations</b>	<b>20,7</b>	<b>34,2</b>
Investments	-15,3	165,1
<b>Cash flow before financing</b>	<b>5,4</b>	<b>199,3</b>
Financing	-30,3	-78,4
<b>CHANGE IN LIQUID ASSETS</b>	<b>-24,9</b>	<b>120,9</b>
Liquid assets at 1 January	208,4	87,9
Change in value of mutual funds	-1,3	-0,4
<b>Liquid assets at 31 December</b>	<b>182,3</b>	<b>208,4</b>





We broaden  
horizons

**Otava Ltd**

Uudenmaankatu 10, 00120 Helsinki, Finland  
[www.otavakonserni.fi/en](http://www.otavakonserni.fi/en)