

**ELENIA PALVELUT OY**

**Financial Statements  
1.1.2018 - 31.12.2018**

Unofficial translation from Finnish to English

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**ELENIA PALVELUT OY**

Business ID: 2658611-8

**Financial statements****31 December 2018**

<b>Income statement</b>	<b>Note</b>	<b>1 Jan - 31 Dec 2018</b>	<b>1 Jan - 31 Dec 2017</b>
<b>EUR</b>			
<b>Revenue</b>	1.1	<b>10 493 011,75</b>	<b>9 469 993,31</b>
Materials and services	1.2	-87 861,14	-115 216,15
Personnel expenses	1.3	-3 821 322,51	-3 347 572,42
Depreciation, amortisation and impairment	1.4	-869 323,58	-815 467,30
Other operating expenses	1.5	-4 808 273,04	-4 899 575,43
<b>Operating profit</b>		<b>906 231,48</b>	<b>292 162,01</b>
Finance income and expenses	1.6	-49 196,49	-45 919,27
<b>Profit / loss before appropriations and taxes</b>		<b>857 034,99</b>	<b>246 242,74</b>
Appropriations	1.7		
Change in accelerated depreciations		-9 090,85	5 619,84
Group contribution		-841 000,00	-244 500,00
Income taxes	1.8	-78,39	-59,87
<b>Profit / loss for the period</b>		<b>6 865,75</b>	<b>7 302,71</b>

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**Financial statements****31 December 2018**

<b>Balance Sheet</b>	<b>Note</b>	<b>31 Dec 2018</b>	<b>31 Dec 2017</b>
<b>EUR</b>			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	2.1		
Other capitalized long term expenditure		1 904 402,14	2 150 514,29
		<u>1 904 402,14</u>	<u>2 150 514,29</u>
Tangible assets	2.2		
Machinery and equipments		315 767,41	79 803,39
Advance payments and construction in progress		2 206 196,49	971 960,68
		<u>2 521 963,90</u>	<u>1 051 764,07</u>
<b>Total non-current assets</b>		<b>4 426 366,04</b>	<b>3 202 278,36</b>
<b>Current assets</b>			
Short-term receivables	2.3		
Trade receivables		255 904,62	144 520,01
Receivables from group companies		1 492 691,73	1 153 149,82
Other receivables		9 034,60	979,60
Prepayments and accrued income		288 543,08	158 939,18
		<u>2 046 174,03</u>	<u>1 457 588,61</u>
<b>Total current assets</b>		<b>2 046 174,03</b>	<b>1 457 588,61</b>
<b>TOTAL ASSETS</b>		<b>6 472 540,07</b>	<b>4 659 866,97</b>

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**Financial statements**  
**31 December 2018**

<b>Balance Sheet</b>	<b>Note</b>	<b>31 Dec 2018</b>	<b>31 Dec 2017</b>
<b>EUR</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>	3.1		
Subscribed capital		2 500,00	2 500,00
Non restricted equity		569 584,70	569 584,70
Retained earnings		23 045,77	15 743,06
Profit / Loss for the financial year		6 865,75	7 302,71
		<u>601 996,22</u>	<u>595 130,47</u>
<b>Cumulative accelerated depreciations</b>	3.2	147 112,20	138 021,35
<b>Liabilities</b>	3.3		
Non-current liabilities			
Loans from financial institutions		3 000 000,00	2 400 000,00
		<u>3 000 000,00</u>	<u>2 400 000,00</u>
Current liabilities			
Trade payables		244 689,10	202 754,85
Liabilities to group companies		152 236,78	27 474,92
Group contribution payables		841 000,00	244 500,00
Other short-term liabilities		533 460,20	252 947,38
Accruals and deferred income		952 045,57	799 038,00
		<u>2 723 431,65</u>	<u>1 526 715,15</u>
<b>Total liabilities</b>		<b>5 723 431,65</b>	<b>3 926 715,15</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6 472 540,07</b>	<b>4 659 866,97</b>

**ELENIA PALVELUT OY**  
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**Financial statements**  
**31 December 2018**

<b>Cash Flow Statement</b>	<b>1 Jan - 31 Dec 2018</b>	<b>1 Jan - 31 Dec 2017</b>
<b>EUR</b>		
<b>Cash flow from operating activities</b>		
Loss before extraordinary items	857 034,99	246 242,74
Adjustments		
Depreciation, amortisation and impairment	869 323,58	815 467,30
Finance income and expenses	49 196,49	45 919,27
<b>Cash flow before change in working capital</b>	<b>1 775 555,06</b>	<b>1 107 629,31</b>
Change in working capital		
Increase (-)/decrease (+) in non-interest bearing receivables	-336 506,49	218 304,68
Increase (+)/decrease (-) in non-interest bearing liabilities	580 946,19	-105 301,08
<b>Operating cash flow before financial items and taxes</b>	<b>2 019 994,76</b>	<b>1 220 632,91</b>
Interest payments and payments for other finance costs	-49 245,48	-46 033,66
Interests received	48,99	114,39
Taxes paid	-51,87	-20,88
<b>Cash flow from operating activities</b>	<b>1 970 746,40</b>	<b>1 174 692,76</b>
<b>Cash flow from investing activities</b>		
Capital expenditures	-2 074 167,47	-1 018 648,45
<b>Cash flow from investing activities</b>	<b>-2 074 167,47</b>	<b>-1 018 648,45</b>
Cash flow from financing activities		
Proceeds from long-term borrowings	600 000,00	-
Group contributions received and paid	-244 500,00	89 200,00
<b>Cash flow from financing activities</b>	<b>355 500,00</b>	<b>89 200,00</b>
<b>Change in cash and cash equivalents</b>	<b>252 078,93</b>	<b>245 244,31</b>
Cash and cash equivalents 1.1.	380 795,56	135 551,25
Cash and cash equivalents 1.1 + change	632 874,49	380 795,56
<b>Cash and cash equivalents 31.12.</b>	<b>632 874,49</b>	<b>380 795,56</b>

As the company's bank accounts are part of Elenia Oy's Group account structure the balances are presented in Balance Sheet as a receivable or a liability to Group companies.

**ELENIA PALVELUT OY****Financial statements**

Business ID: 2658611-8

**31 December 2018****Notes to the financial statements****Accounting principles**

The financial statements of Elenia Palvelut Oy have been prepared in accordance with the Finnish Accounting Standards (FAS).

Elenia Palvelut Oy's parent company is Elenia Oy. The consolidated financial statements of Elenia Oy are consolidated in the financial statements of Elenia Holdings S.à.r.l., available at the following address: 9 Allée Scheffer - 2520 Luxemburg.

**Transactions denominated in foreign currencies**

Transactions denominated in foreign currencies are recognised at the rate prevailing at the time of transaction.

At the balance sheet date the receivables and liabilities in balance sheet denominated in foreign currencies are converted to Eur using the exchange rate prevailing at the balance sheet date. The possible currency exchange rate differences are recognised in finance income or costs or other operating costs in accordance with the underlying item.

**Presentation of liquid assets**

The bank accounts of the company are part of Elenia Oy's Group account structure. The total balance is presented as a receivable or a liability to Group companies.

For tangible and intangible assets have been used direct acquisition prices which have been deducted with planned depreciations. Depreciations according to the plan are linear and are based on the following assets economical lifetimes:

Other capitalized long term expenditures 3-5 years  
Buildings and constructions 3-10 years

	<b>2018</b>	<b>2017</b>
<b>1.1 Revenue</b>		
<b>EUR 1,000</b>		
Other sales income	10 493	9 470
<b>Total</b>	<b>10 493</b>	<b>9 470</b>
<b>1.2 Materials and services</b>		
<b>EUR 1,000</b>		
External services	-87	-115
<b>Total</b>	<b>-87</b>	<b>-115</b>
<b>1.3 Personnel expenses</b>		
Average number of personnel during the financial year	96	86
<b>EUR 1,000</b>		
Salaries	-3 255	-2 776
Pension expenses	-616	-549
Other employee expenses	49	-23
<b>Total</b>	<b>-3 821</b>	<b>-3 348</b>
<b>1.4 Depreciations according to the plan</b>		
<b>EUR 1,000</b>		
Other capitalized long term expenditure	-809	-785
Machinery and equipments	-60	-31
<b>Total</b>	<b>-869</b>	<b>-815</b>
<b>1.5 Other operating expenses</b>		
<b>EUR 1,000</b>		
Other external services	-3 835	-3 233
Other operating expenses	-973	-1 667
<b>Total</b>	<b>-4 808</b>	<b>-4 900</b>
<b>Audit fees</b>		
<b>EUR 1,000</b>		
Auditing fees	-12	-7
Fees for tax services	-3	-3
<b>Yhteensä</b>	<b>-15</b>	<b>-10</b>

## ELENIA PALVELUT OY

## Financial statements

Business ID: 2658611-8

31 December 2018

## Notes to the financial statements

	2018	2017
<b>1.6 Financial income and expenses</b>		
<b>EUR 1,000</b>		
Interest and other financial income		
Other interest income	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
Interest and other financial expenses		
Interest expenses to group companies	-49	-45
Other interest expenses	0	-1
<b>Total</b>	<b>-49</b>	<b>-46</b>
<b>Total financial income and expenses</b>	<b>-49</b>	<b>-46</b>
<b>1.7 Appropriations</b>		
<b>EUR 1,000</b>		
Change in accelerated depreciations	-9	6
Group contribution paid	-841	-245
<b>Total</b>	<b>-850</b>	<b>-239</b>
<b>1.8 Income taxes</b>		
<b>EUR 1,000</b>		
Income taxes for the financial period	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>2.1 Intangible fixed assets</b>		
<b>Other capitalized long-term expenditure</b>		
<b>EUR 1,000</b>		
Acquisition cost 1.1.	5 029	4 944
Investments	563	85
Acquisition cost 31.12.	5 591	5 029
Accumulated depreciation 1.1.	-2 878	-2 093
Depreciation according to the plan	-809	-785
<b>Book value 31.12.</b>	<b>1 904</b>	<b>2 151</b>
<b>2.2 Tangible fixed assets</b>		
<b>Buildings and constructions</b>		
<b>EUR 1,000</b>		
Acquisition cost 1.1.	238	200
Investments	296	38
Acquisition cost 31.12.	535	238
Accumulated depreciation 1.1.	-159	-128
Depreciation according to the plan	-60	-31
<b>Book value 31.12.</b>	<b>316</b>	<b>80</b>
<b>Advance payments and construction in progress</b>		
<b>EUR 1,000</b>		
Acquisition cost 1.1.	972	0
Increase	2 093	1 094
Decrease	-859	-123
<b>Book value 31.12.</b>	<b>2 206</b>	<b>972</b>



**ELENIA PALVELUT OY****Financial statements**

Business ID: 2658611-8

**31 December 2018****Notes to the financial statements**

	<b>2018</b>	<b>2017</b>
<b>2.3 Short term receivables</b>		
<b>EUR 1,000</b>		
Receivables from group companies		
Group bank account	633	381
Accrued income	860	772
Receivables from group companies total	<u>1 493</u>	<u>1 153</u>
External receivables		
Trade receivables	256	145
Other short-term receivables	9	1
Accrued income	289	159
External receivables total	<u>553</u>	<u>304</u>
<b>Short term receivables total</b>	<b>2 046</b>	<b>1 458</b>
<b>Total receivables</b>	<b>2 046</b>	<b>1 458</b>
<b>3.1 Capital and reserves</b>		
<b>EUR 1,000</b>		
Subscribed capital	3	3
Non restricted equity 1.1.	570	570
Non restricted equity 31.12.	570	570
Retained earnings (loss) 1.1.	23	16
Loss for the the financial year	7	7
<b>Total capital and reserves</b>	<u><b>602</b></u>	<u><b>595</b></u>
<b>3.2 Cumulative accelerated depreciations</b>		
<b>EUR 1,000</b>	147	138
Accelerated depreciations include deferred tax liability	29	28

**ELENIA PALVELUT OY****Financial statements**

Business ID: 2658611-8

**31 December 2018****Notes to the financial statements**

	2018	2017
<b>3.3 Liabilities</b>		
<b>Non-current liabilities</b>		
<b>EUR 1,000</b>		
Loans from group companies	3 000	2 400
<b>Total non-current liabilities</b>	<b>3 000</b>	<b>2 400</b>
<b>Current liabilities</b>		
<b>EUR 1,000</b>		
Trade payables	245	203
Other short-term liabilities	533	253
Accrued expenses		
Salaries and social expenses	871	663
Other accrued expenses	81	136
	<u>952</u>	<u>799</u>
Liabilities to group companies		
Accrued expenses	152	27
Group contribution payables	841	245
	<u>993</u>	<u>272</u>
<b>Total current liabilities</b>	<b>2 723</b>	<b>1 527</b>
<b>Liabilities and guarantees for debts</b>		
<b>EUR 1,000</b>		
Provided on behalf of own and group liabilities		
Guarantees	1 689 500	1 528 500
Floating charges	4 500 000	4 500 000
Leasing agreements		
Within one year	6	2
After one year but not more than five years	15	-
	<u>21</u>	<u>2</u>
Other lease liabilities		
Within one year	247	2
After one year but not more than five years	490	-
	<u>737</u>	<u>2</u>

**Shares**

The company has 200 outstanding shares. Each share entitles the holder to one vote at the Annual General Meeting and carries equal rights to dividends.

**The Board of Directors dividend proposal**

The Board of Directors does not propose to declare a dividend.

### **Signatures to the financial statements**

Dates and signatures

Tampere \_\_\_\_ / \_\_\_\_ 2019

\_\_\_\_\_  
Tapani Lihala  
Chairman of the Board of Directors

\_\_\_\_\_  
Ville Sihvola  
Managing Director

\_\_\_\_\_  
Jarkko Kohtala

\_\_\_\_\_  
Jorma Myllymäki

### **Auditor's Note**

A report on the audit carried out has been issued today

Helsinki \_\_\_\_ / \_\_\_\_ 2019

Ernst & Young Oy  
Authorised Public Accountants

\_\_\_\_\_  
Mikko Rytölähti  
Authorised Public Accountant

## **AUDITOR'S REPORT (Translation of the Finnish original)**

To the Annual General Meeting of Elenia Palvelut Oy

### **Report on the Audit of Financial Statements**

#### **Opinion**

We have audited the financial statements of Elenia Palvelut Oy (business identity code 2658611-8) for the year ended 31 December, 2018. The financial statements comprise the balance sheet, income statement, cash flow statement and notes.

In our opinion, the financial statements give a true and fair view of the company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

#### **Basis for Opinion**

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the *Auditor's Responsibilities for the Audit of Financial Statements* section of our report. We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Board of Directors and the Managing Director are responsible for the preparation of 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 company's ability to continue as 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 company or cease operations, or there is no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company'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 company'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 company 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.

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.

Helsinki February 28, 2019

Ernst & Young Oy  
Authorized Public Accountant Firm

Mikko Rytilahti  
Authorized Public Accountant