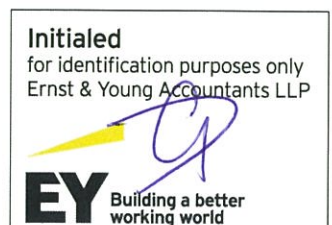


**Lakeside Network Investments Holding B.V.**  
Besloten Vennootschap met beperkte aansprakelijkheid

Amsterdam, the Netherlands

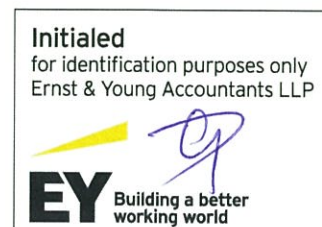
Annual accounts for the year ended 31 December 2019

Lakeside Network Investments Holding B.V.  
Amstelveenseweg 760 – 3<sup>rd</sup> floor  
1081 JK Amsterdam  
The Netherlands  
**Chamber of Commerce no: 53150309**



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## 1 BALANCE SHEET AS AT 31 DECEMBER 2019

### Before appropriation of result

	Notes	31.12.2019 EUR	31.12.2018 EUR
<b>ASSETS</b>			
<b>Financial fixed assets</b>			
Participations	4.1 4.1.1	2,049,500	2,049,500
		<b>2,049,500</b>	<b>2,049,500</b>
<b>Current assets</b>			
Cash and cash equivalents	4.2 4.2.1	74,156	41,052
		<b>74,156</b>	<b>41,052</b>
<b>TOTAL ASSETS</b>		<b>2,123,656</b>	<b>2,090,552</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's equity</b>			
Share capital	4.3 4.3.1	18,000	18,000
Share premium	4.3.2	1,780,000	1,780,000
Other reserves	4.3.3	(228,743)	(148,047)
Unappropriated result		(203,095)	(80,696)
		<b>1,366,162</b>	<b>1,569,257</b>
<b>Long-term liabilities</b>			
Loans due to group companies	4.4.1	698,000	478,000
		<b>698,000</b>	<b>478,000</b>
<b>Current liabilities</b>			
Accrued expenses and other liabilities	4.5.1	59,494	43,043
Tax payable	4.5.2	-	252
		<b>59,494</b>	<b>43,295</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,123,656</b>	<b>2,090,552</b>

The accompanying notes form an integral part of these financial statements.

## 2 PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2019

	<u>Notes</u>	<u>01.01.2019 – 31.12.2019</u>	<u>01.01.2018 – 31.12.2018</u>
		EUR	EUR
<b>Operating expenses</b>	5.1		
General and administrative expenses	5.1.1	(193,686)	(84,547)
		<b>(193,686)</b>	<b>(84,547)</b>
<b>Operating result (loss)</b>		<b>(193,686)</b>	<b>(84,547)</b>
<b>Financial income and (expenses)</b>	5.2		
Interest expenses	5.2.1	(9,409)	(8,406)
		<b>(9,409)</b>	<b>(8,406)</b>
<b>Result before taxation (loss)</b>		<b>(203,095)</b>	<b>(92,953)</b>
Corporate income tax	5.3	-	12,257
<b>NET RESULT FOR THE YEAR (LOSS)</b>		<b>(203,095)</b>	<b>(80,696)</b>

The accompanying notes form an integral part of these financial statements.

### 3 GENERAL NOTES TO THE FINANCIAL STATEMENTS

#### 3.1 General information

Lakeside Network Investments Holding B.V. is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated on 14 July 2011 under the laws of the Netherlands, with its corporate seat in Amsterdam, the Netherlands and its registered address at Amstelveenseweg 760, 1081 JK Amsterdam, the Netherlands and registered with the trade register of the Chamber of Commerce under number 53150309 (the "Company").

#### Changes in management

On 28 February 2018, Mr. M.H.G Vennekens, Mr. J.L. de Zwart, Mr. S.A. Agnew, Mr. M.M. Furth and Vistra Management Services (Netherlands) B.V. were replaced by Mr. K. Fung, Ms. M.L. Trinh, Mr. T. Metzger and Mr. S. Tarnakin as directors of the Company.

On 28 February 2018, the Company changed its address from Strawinskylaan 3127 8e, 1077 ZX Amsterdam, the Netherlands, to Amstelveenseweg 760, 1081 JK Amsterdam, the Netherlands.

On 10 August 2018, Ms. M.L. Trinh was replaced as director of the Company by Mr. L.D. Sutrisno.

On 5 March 2019, Mr. L.D. Sutrisno was replaced as director of the Company by Mr. R.A. van Weerdenburg.

#### Objectives

The objectives of the Company are:

- (a) To acquire directly or indirectly, to keep, to administer, to finance, to maintain, to exploit, to develop and to dispose of real estate and other kinds of credit exposures and to acquire, administer, rent or lease interests therein for its own account and on behalf of third parties;
- (b) to incorporate, to participate in any matter whatsoever in, to manage, to supervise, to cooperate with, to acquire, to maintain, to dispose of, to transfer or to administer in any other manner whatsoever all sorts of participations and interests in businesses, legal entities and companies as well as to enter into joint ventures;
- (c) to finance businesses, legal entities and companies;
- (d) to borrow, to lend and to raise funds, to participate in all sorts of financial transactions, including the issue of bonds, promissory notes or other securities, to invest in securities in the widest sense of the word, and to enter into agreements in connection with the foregoing;
- (e) to grant guarantees, to bind the Company and to grant security over the assets of the Company for the benefit of legal entities and companies with which the Company forms a group and for the benefit of third parties;
- (f) to advise and to render services to legal entities and companies with which the Company forms a group and to third parties;
- (g) to acquire, to administer, to operate, to encumber, to dispose of and to transfer moveable assets and real property and any right to or interest therein;
- (h) to trade in currencies, securities and financial assets in general;
- (i) to obtain, to exploit, to dispose of and to transfer patents and other industrial and intellectual property rights, to obtain and to grant licenses, sub-licenses and similar rights of whatever name and description and, if necessary, to protect the rights derived from patents and other industrial and intellectual property rights, licenses, sub-licenses and similar rights against infringements by third parties;
- (j) to carry out all sorts of industrial, financial and commercial activities, including the import, export, purchase, sale, distribution and marketing of products and raw materials,

and all matters related or conducive to the above, with the objects to be given their most expansive possible interpretation. In pursuing its objects, the Company shall also take into account the interests of the legal entities and companies with which it forms a group.

### 3.2 Group structure

The sole shareholder of the Company is Lakeside Network Investments S.à r.l., a private limited liability company (*société à responsabilité limitée*), incorporated and existing under the laws of the Grand Duchy of Luxembourg (the "Shareholder").

### 3.3 General accounting policies

#### Basis of preparation

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles applicable in the Netherlands and are in compliance with the provisions of the Dutch Civil Code, Book 2, Title 9. The financial statements are prepared under the historical cost convention and presented in Euros ("EUR").

Valuation of assets and liabilities and determination of the results takes place under the historical cost convention. Unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are presented at face value.

The Company qualifies as a micro sized company. Therefore, based on article 395a Book 2 of the Dutch Civil Code, exemptions apply to the figures, presentation and disclosures in the Company's financial statements.

Income and expenses are accounted for on accrual basis. Profit is only included when realized on the balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

#### Comparison previous year

The accounting principles remained unchanged compared to the previous year.

#### Going concern

These financial statements have been prepared on a going concern basis, which basis for valuation and determination of results assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

Stand alone, the Company has a lack of liquidity and ability to meet its current liabilities. Consequently, the going concern of the activities of the Company depends on support from group companies for the funding of operational expenses. This has been provided by means of a promissory note.

On 31 March 2016, the Company and its indirect subsidiary, Elenia Oy, entered into promissory note agreement for the amount of EUR 500,000. As per agreement, the Company can draw from the promissory note within 5 years after the date of the agreement. The granted funding will enable the Company to continue its operating activities and to meet its financial obligations as they arise. The note is fully drawn.

On 1 November 2018, the Company and its indirect subsidiary, Elenia Oy, entered into another promissory note agreement for the amount of EUR 500,000. As per agreement, the Company can draw from the promissory note within 5 years after the date of the agreement. The granted funding will enable the Company to continue its operating activities and to meet its financial obligations as they arise. As per 31 December 2019, the Company has drawn EUR 198,000 of this facility. There are no conditions which would prevent the Company from drawing the remaining EUR 302,000.

On 16 March 2020, Elenia Palvelut Oy has issued a letter of comfort in favour of the Company, stating its intention to guarantee compliance by the Company with all liabilities, obligations and commitments of the Company in the event of any shortage of funds. The undertaking is valid until 19 March 2021, being a period of 12 months after the date on which the auditor's report is issued in respect of the financial statements for the year ended 31 December 2019.

The Company is part of a group of companies (the "Group"), which comprises, among others:

- (i) Elenia Holdings S.à r.l., a private company with limited liability (*société à responsabilité limitée*), incorporated in Luxembourg;
- (ii) Elenia Oy (and its subsidiaries), a private company with limited liability, incorporated in Finland and a wholly owned subsidiary of Elenia Holdings S.à r.l.; and

### Going concern(Continued)

(iii) Elenia Finance Oyj, a public company with limited liability, incorporated in Finland and a wholly owned subsidiary of Elenia Oy.

In July 2019, Elenia Oy sold its district heating business, Elenia Lämpö Oy (Elenia Heat), to SL Capital Infrastructure II SCSP, DIF Infrastructure V Coöperatief U.A. and LPPI Infrastructure Investments LP.

As part of the reorganization of the Group, on 28 November 2019, Elenia Finance Oyj announced that the Security Trustee had received the requisite votes from the Secured Creditors in favour of the proposed reorganisation of Group to be implemented as it was published on 4 November 2019.

The purpose of the reorganization is to i) simplify the existing structure, ii) cure the negative equity of Elenia Oy and iii) ensure the operating assets of the regulated network business are within the same entity as interest costs. This is a common control reorganization (i.e. ultimate ownership of the Group will not change) and the operations of the Group will remain the same.

As part of the reorganization, the following steps were taken in 2019 and will be taken during 2020:

- During 2019, Elenia Services Oy incorporated Elenia Newco Oyj (to be renamed Elenia Verkko Oyj subsequently) ("**Elenia Verkko Oyj**") as its direct subsidiary and Lakeside Network Investments S.à r.l. incorporated a new company, Elenia Investment S.à r.l., as its direct subsidiary.
- In January 2020, Elenia Oy (the parent of the operational Group) sold 100% of the shares in Elenia Palvelut Oy to Elenia Investment S.à r.l.
- In January 2020, the shares in Lakeside Network Investments Holding B.V. have been transferred by series of share-for-share exchanges from Lakeside Network Investments S.à r.l. to Elenia Verkko Oyj.
- In July 2020, Elenia Oy (the parent of the operational Group) will merge upstream into Elenia Verkko Oyj, with Elenia Verkko Oyj being the surviving company.
- In July 2020, Elenia Finance Oyj will merge into Elenia Verkko Oyj, with Elenia Verkko Oyj being the surviving company.
- In July 2020, Elenia Finance (SPPS) S.à r.l. will merge into Elenia Holdings S.à r.l. with Elenia Holdings S.à r.l. being the surviving company.
- In July 2020, Elenia Holdings S.à r.l. and Lakeside Network Investments Holding B.V. will merge into Elenia Verkko Oyj, with Elenia Verkko Oyj being the surviving company.
- After all the above mergers Elenia Palvelut Oy will renamed as Elenia Oy and it will be the parent of the operational Elenia Group.

After taking the above steps for the reorganization of the Group, Elenia Oy's immediate parent company will be Elenia Investments S.à r.l., and above that there will be Lakeside Network Investments S.à r.l. (which will be renamed as Elenia Holding S.à r.l.). Elenia Group Oy will be the ultimate Finnish parent company of Elenia Oy.

The management board of the Company approved the reorganization of the Group at the board meeting held on 10 October 2019 and specifically the merger of Company into Elenia Verkko Oyj at the board meeting held on 13 February 2020.

Considering the reorganization steps that will be taken in 2020, Lakeside Network Investments Holding B.V. will be merged into Elenia Verkko Oyj and assets and liabilities will therefore be transferred to Elenia Verkko Oyj. The expected cash outflow up and till the moment of the merger, is well within the available room to draw from in the loan facility. Given that the Secured Creditors have approved the reorganizations and as the mergers result in a universal succession of all assets, rights, obligations and liabilities, the reorganization has no adverse impact on the creditors and their rights. Furthermore, as mergers result in said universal succession, the management board therefore prepares the annual accounts on a going concern basis.

### Estimates

The preparation of the financial statements requires the management board to form opinions and to make estimates and assumptions that influence the application of principles and the reported values of assets and liabilities and of income and expenditure. The actual results may differ from these estimates. The estimates and the underlying assumptions are constantly assessed. Revisions of estimates are recognised in the period in which the estimate is revised and in future periods for which the revision has consequences.

## Consolidation

The Company does not prepare consolidated accounts in accordance with article 408, Book 2 of the Dutch Civil Code. A copy of the consolidated financial statements of Elton Investments S.à r.l. will be filed with the Chamber of Commerce together with the standalone financials of the Company.

## Foreign currency translation

The financial statements are prepared in euros, the functional and presentation currency of the Company.

## Offsetting

Assets and liabilities are only offset in the financial statements if and to the extent that:  
-an enforceable legal right exists to offset the assets and liabilities and settle them simultaneously, and  
-the positive intention is to settle the assets and liabilities on a net basis or simultaneously.

### 3.4 Accounting policies for the balance sheet

#### General

The accompanying Financial Statements have been prepared in accordance with the statutory provisions of Part 9, Book 2, of the Netherlands Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board, taking into account the exemptions offered by the Dutch Accounting Standards Board.

These financial statements were prepared on 19 March 2020

In general, assets and liabilities are stated at the amounts at which they were incurred or current value. If not specifically stated otherwise, they are recognized at the amounts at which they were acquired or incurred. The balance sheet and income statement include references to the notes.

#### Financial instruments

The Company's primary financial instruments, such as receivables and liabilities, not being derivatives, are valued at amortized cost unless explained otherwise in the notes. Due to the short-term nature of the financial instruments included in these financial statements, the estimated fair value for these financial instruments approximates the book value. This also applies to the long-term loans receivable and payable, as terms and conditions are market based.

#### Participations

Participating interests over whose financial and operating activities the Company exercises significant influence are valued using the cost method taking into account permanent impairment losses.

The Company assesses at each balance sheet date whether a financial asset is impaired. If there is objective evidence of a permanent impairment, the amount of the impairment loss is determined and recognized in the income statement for financial assets carried at cost.

If the value of the participating interest under the cost method has become nil, this method is no longer applied, with the participating interest being valued at nil, if the circumstances are unchanged. In connection with this, any long-term interests that, in substance, form part of the investor's net investment in the participating interest, are included. An accrual is recorded if and to the extent the Company stands surety for all or part of the debts of the participating interest or if it has a constructive obligation to enable the participating interest to repay its debts.

#### Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 12 months. Cash and cash equivalents are stated at face value.



## **Equity**

Direct changes in equity are recognised net of the relevant income tax effects.

## **Amortized cost**

Amortized cost is the amount at which a financial asset or liability is measured at initial recognition less repayments of the principal, plus or less the cumulative amortization using the effective interest method for any difference between this initial amount and the maturity amount, and less any reductions (effected directly or through a provision being formed) for impairment and doubtful debts.

## **Corporate income tax**

Corporate income tax is calculated at the applicable rate on the result for the year period, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes.

### **3.5 Accounting policies for the profit and loss account**

## **Result**

Revenues on transactions are recognized in the year that they are realized. Losses are recognized when foreseen.

## **Income and expenditure**

Income and expenditures are allocated to the period to which they relate.

## **Interest income and expenses**

Interest income and expenses are recognised in the income statement for all financial assets and liabilities.

## **Corporate income tax expense**

The corporate income tax expense recognised in the income statement is based on the income for the financial reporting purposes in accordance with prevailing provisions and rates, taking into account permanent differences between income for tax purposes and income for financial reporting purposes.

#### 4 NOTES TO THE SPECIFIC ITEMS OF THE BALANCE SHEET

##### 4.1 Financial fixed assets

##### 4.1.1 Participations

The participations can be detailed as follows:

	<u>31.12.2019</u>	<u>31.12.2018</u>
	EUR	EUR
Participations	2,049,500	2,049,500
	<u><b>2,049,500</b></u>	<u><b>2,049,500</b></u>

As at 31 December 2019, the net asset value of Elenia Holdings S.a.r.l. (Luxemburg, the company holds 90% of the shares) amounts to EUR 219,147 (2018: EUR -137,422) as per the consolidated financial statements which are prepared in accordance with IFRS as adopted by the EU. The net result for 2019 amounts to EUR 356,054 (2018: EUR 6,803). The value of the activities therefore exceeds the current valuation of the participation.

##### 4.2 Current assets

##### 4.2.1 Cash and cash equivalents

The cash and cash equivalents can be detailed as follows:

	<u>31.12.2019</u>	<u>31.12.2018</u>
	EUR	EUR
Bank – EUR	74,156	41,052
	<u><b>74,156</b></u>	<u><b>41,052</b></u>

The cash and cash equivalents are at the free and unrestricted disposal of the Company.

### 4.3 Shareholder's equity

The shareholder's equity can be detailed as follows:

	<b>Share capital</b>	<b>Share premium</b>	<b>Other reserves</b>	<b>Result for the year</b>	<b>Total</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
<b>Equity as at 31 December 2017</b>	<b>18,000</b>	<b>1,800,000</b>	<b>(73,347)</b>	<b>(74,700)</b>	<b>1,669,953</b>
Transfer	-	-	(74,700)	74,700	-
Share premium repayment	-	(20,000)	-	-	(20,000)
Result for the year	-	-	-	(80,696)	(80,696)
<b>Equity as at 31 December 2018</b>	<b>18,000</b>	<b>1,780,000</b>	<b>(148,047)</b>	<b>(80,696)</b>	<b>1,569,257</b>
Transfer	-	-	(80,696)	80,696	-
Result for the year	-	-	-	(203,095)	(203,095)
<b>Equity as at 31 December 2019</b>	<b>18,000</b>	<b>1,780,000</b>	<b>(228,743)</b>	<b>(203,095)</b>	<b>1,366,162</b>

#### 4.3.1 Share capital

The Company does not have an authorized share capital pursuant to the Company's articles of association. At balance sheet date a total of 1,800,000 A shares were issued and fully paid up.

#### 4.3.2 Share premium

In February 2018, the Company has made a distribution in cash to its Shareholder at the expense of the share premium reserve in the total amount of EUR 20,000.

#### 4.3.3 Other reserves

The management board proposes to add the loss for the year under review in the amount of EUR 203,095 (2018: EUR 80,696) to the Other Reserves. This proposal has not been reflected in the annual accounts.

#### 4.3.4 Unappropriated result

The management board proposes to attribute the loss for the year under review amounting to EUR 203,095 (2018: loss EUR 80,696) to the other reserves.

### 4.4 Long-term liabilities

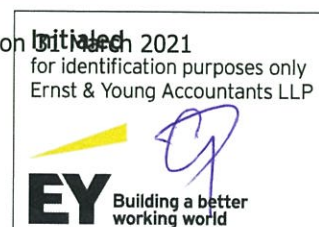
#### 4.4.1 Loans due to group companies

The loans due to group companies can be detailed as follows:

	<b>31.12.2019</b>	<b>31.12.2018</b>
	<b>EUR</b>	<b>EUR</b>
Elenia Oy, note A	500,000	478,000
Elenia Oy, note B	198,000	-
	<b>698,000</b>	<b>478,000</b>

The above balance is made up of two subordinated promissory notes. These promissory notes bear interest at the rate of EURIBOR 12 months + 2% per annum.

The two promissory notes are repayable in full, being the principal and any accrued interest, on 31 March 2021 and 31 October 2023, respectively.



#### 4.5 Current liabilities

##### 4.5.1 Accrued expenses and other liabilities

The accrued expenses can be detailed as follows:

	<u>31.12.2019</u>	<u>31.12.2018</u>
	EUR	EUR
Accrued administrative fees	24,580	18,000
Accrued audit fees	22,959	21,543
Accrued tax advisor fees	6,926	3,500
Accrued interest expense on promissory notes	5,029	-
	<u><b>59,494</b></u>	<u><b>43,043</b></u>

##### 4.5.2 Tax payable

The tax payable can be detailed as follows:

	<u>31.12.2019</u>	<u>31.12.2018</u>
	EUR	EUR
VAT	-	252
	<u>-</u>	<u><b>252</b></u>

#### 4.6 Contingent liabilities

On 10 December 2013, the Company's indirect subsidiary, Elenia Finance Oyj, established a multicurrency programme for the issuance of bonds to raise debt in the bond markets to put in place the long-term financing platform ("**Programme**"). The Company acts as a co-guarantor together with other group companies in regard to the bonds issued under the Programme ("**Bonds**"). The Company, together with the other guarantors, has guaranteed the payments of all amounts due in respect of the Bonds pursuant to guarantees which are secured over the property of each of the guarantors.

The bond is a guarantee for the bonds & notes issued by Elenia Finance Oyj. In the merger the guarantee obligation will be transferred to Elenia Verkko Oyj.

According to the security agreement entered into by the Company on 17 December 2013, the shares of the Elenia Holdings S.á r.l. have been pledged to Citicorp Trustee Company Limited.

## 5 NOTES TO THE SPECIFIC ITEMS OF THE PROFIT AND LOSS ACCOUNT

### 5.1 Operating expenses

#### 5.1.1 General and administrative expenses

The general and administrative expenses can be detailed as follows:

	<b>01.01.2019 – 31.12.2019</b>	<b>01.01.2018 – 31.12.2018</b>
	<b>EUR</b>	<b>EUR</b>
Administrative fees	131,522	52,977
Tax advisory fees	6,889	6,449
Audit fees	29,890	22,060
Employee expenses	10,659	-
Rent expense	13,310	-
Banking fees	52	121
Other fees	1,364	2,940
	<b>193,686</b>	<b>84,547</b>

### 5.2 Financial income and (expenses)

#### 5.2.1 Interest expenses

The interest and similar expenses can be detailed as follows:

	<b>01.01.2019 – 31.12.2019</b>	<b>01.01.2018 – 31.12.2018</b>
	<b>EUR</b>	<b>EUR</b>
Interest due to group companies	9,409	8,406
	<b>9,409</b>	<b>8,406</b>

### 5.3 Corporate income tax

Corporate income tax is calculated at the applicable rate on the result for the year/financial period, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes. The tax liability for the year amounts to EUR nil (2018: EUR nil). The effective tax rate is equal to the nominal tax rate taking into account that, over the first EUR 200,000 of profit, the Company has to pay 20% tax, and 25% over the remainder.

### 5.4 Subsequent events

During 2019, a group restructure was initiated to, among other things, unwind certain redundant financing group entities and simplify the structure ("**Group Restructure**"). The Group Restructure is expected to be finalised in 2020. Pursuant to the Group Restructure, on or about 2 January 2020, Elenia Verkko Oyj, became the sole shareholder of the Company.

The post year-end Covid-19 virus outbreak is impacting the global economy and the market environment. At this stage, the final impact of the Covid-19 virus outbreak on the operations of the Group is hard to predict. However, based on initial assessment, the management board doesn't currently foresee that Covid-19 virus outbreak would have material impact on the Group's business. Therefore, the financial statements do not include any impacts related to this event. The management board is actively monitoring the consequences of this event with the local management in Finland. However, this post year-end market conditions and related uncertainties could result in outcomes that require an adjustment to the carrying amount of assets and liabilities affected in future periods.

The management board is not aware of any other significant events which took place after the balance sheet date that could have a material effect on the financial position of the Company now presented.

## 5.5 Employees

During the year under review the Company, employed 1 employee (2018: nil), and consequently payments for wages, salaries or social securities were made to the value of EUR 10,569 (2018: nil).

## 5.6 Directors

The Company has four directors, who served without remuneration.  
The Company does not have a board of supervisory directors.

Amsterdam, 19 March 2020

The management board,

Mr. S. Tarnakin  
Director A  
(appointed as per 28 February 2018)

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Mr. K. Fung  
Director B  
(appointed as per 28 February 2018)

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Mr. T. Metzger  
Director A  
(appointed as per 28 February 2018)

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Mr. R.A. van Weerdenburg  
Director B  
(appointed as per 5 March 2019)

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**Other information**

**1. Independent Auditors' report**

Reference is made to the independent auditors' report as included hereinafter.



## Independent auditor's report

To: the shareholders of Lakeside Network Investments Holding B.V.

## Report on the audit of the financial statements 2019 included in the annual report

### Our opinion

We have audited the financial statements 2019 of Lakeside Network Investments Holding B.V., based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Lakeside Network Investments Holding B.V. as at 31 December 2019, and of its result for 2018 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

### The financial statements comprise:

- ▶ The balance sheet as at 31 December 2019
- ▶ The profit and loss account for 2019
- ▶ The notes comprising a summary of the significant accounting policies and other explanatory information

### Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the financial statements" section of our report.

We are independent of Lakeside Network Investments Holding B.V. in accordance with, the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

### Emphasis with respect to the going concern assumption

We draw attention to section 3.3 of the financial statements which includes information relating to the going concern assumption. Our opinion is not modified in respect of this matter.

## Report on other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- ▶ Other information as required by Part 9 of Book 2 of the Dutch Civil Code

Based on the following procedures performed, we conclude that the other information:

- ▶ Is consistent with the financial statements and does not contain material misstatements
- ▶ Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information pursuant to Part 9 of Book 2 of the Dutch Civil Code.

## **Description of responsibilities for the financial statements**

### **Responsibilities of management for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

### **Our responsibilities for the audit of the financial statements**

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- ▶ Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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
- ▶ Obtaining 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
- ▶ Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- ▶ Concluding on the appropriateness of management'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 a company to cease to continue as a going concern
- ▶ Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- ▶ Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

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

Zwolle, 19 March 2020

Ernst & Young Accountants LLP

signed by G.A. Dunnig