

Elenia Finance (SPPS) S.à r.l.

Société à responsabilité limitée

Annual accounts

As at 31 December 2017

and

Independent auditor's report

Address of the registered office :

2, rue du Fossé
L-1536 Luxembourg

R.C.S. Luxembourg : B 181 775

Share capital : EUR 64,745,300.00

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Independent auditor's report

To the Board of Managers of
Elenia Finance (SPPS) S.à r.l.
2, rue du Fossé
L-1536 Luxembourg

Opinion

We have audited the annual accounts of Elenia Finance (SPPS) S.à r.l. (the "Company"), which comprise the balance sheet as at 31 December 2017, and the profit and loss account for the year then ended, and the notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Company as at 31 December 2017, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under those Law and standards are further described in the « responsibilities of the "réviseur d'entreprises agréé" for the audit of the annual accounts » section of our report. We are also independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical 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 Managers and those charged with governance for the annual accounts

The Board of Managers is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Managers determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Managers is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Managers either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “réviseur d’entreprises agréé” for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d’entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 annual accounts.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, 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 the Board of Managers.
- Conclude on the appropriateness of Board of Managers’ 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 report of the “réviseur d’entreprises agréé” to the related disclosures in the annual accounts 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 report of the “réviseur d’entreprises agréé”. 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 annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Ernst & Young
Société anonyme
Cabinet de révision agréé



Zeeshan Ahmed

Luxembourg, 19 January 2018

Elenia Finance (SPPS) S.à r.l.

Société à responsabilité limitée

Balance sheet as at 31 December 2017

Expressed in EUR

| ASSETS | Notes | 31 December 2017 EUR | 31 December 2016 EUR |
|---|--------------|-------------------------------------|-------------------------------------|
| Fixed assets | | 1,501.00 | 1,501.00 |
| Financial assets | 4 | 1,501.00 | 1,501.00 |
| Investment held as fixed assets | 4.1 | 1,500.00 | 1,500.00 |
| Other loans | 4.2 | 1.00 | 1.00 |
| Current assets | | 50,819.13 | 61,586.96 |
| Debtors | | | |
| Other debtors | | | |
| - becoming due and payable within one year | | 14,445.00 | 9,630.00 |
| - becoming due and payable after more than one year | | 3,000.00 | 3,000.00 |
| Cash at bank and in hand | | 33,374.13 | 48,956.96 |
| TOTAL ASSETS | | 52,320.13 | 63,087.96 |
| CAPITAL, RESERVES AND LIABILITIES | | | |
| Capital and reserves | 5 | 38,155.13 | 34,395.10 |
| Subscribed capital | | 64,745,300.00 | 64,745,300.00 |
| Share premium account | | 1,461,551,200.00 | 1,247,954,200.00 |
| Profit or loss brought forward | | (1,312,665,104.90) | (1,055,406,052.27) |
| Profit or loss for the financial year | | (213,593,239.97) | (257,259,052.63) |
| Creditors | | 14,165.00 | 28,692.86 |
| Other creditors | | | |
| - becoming due and payable within one year | | 14,165.00 | 28,692.86 |
| TOTAL CAPITAL, RESERVES AND LIABILITIES | | 52,320.13 | 63,087.96 |

Elenia Finance (SPPS) S.à r.l.

Société à responsabilité limitée

Profit and loss account for the year ended 31 December 2017

Expressed in EUR

| | Notes | From 1 January 2017 to 31 December 2017 EUR | From 1 January 2016 to 31 December 2016 EUR |
|---|------------|---|---|
| Raw materials and consumable and other external expenses | 6 | (32,054.97) | (35,517.63) |
| - other external expenses | | (32,054.97) | (35,517.63) |
| Value adjustments in respect of financial assets and of investments held as current assets | 4.2 | (213,566,000.00) | (257,223,000.00) |
| Tax on profit or loss | 7 | 2,675.00 | 2,675.00 |
| Profit or loss after taxation | | (213,595,379.97) | (257,255,842.63) |
| Other taxes not shown under above caption | 7 | 2,140.00 | (3,210.00) |
| Profit or loss for the financial year | | <u>(213,593,239.97)</u> | <u>(257,259,052.63)</u> |

Elenia Finance (SPPS) S.à r.l.
Société à responsabilité limitée
Notes to the annual accounts (continued)
For the year ended 31 December 2017

NOTE 1 - GENERAL INFORMATION

Elenia Finance (SPPS) S.à r.l. (hereafter the 'Company') was incorporated on 13 November 2013 and organised under the laws of Luxembourg as a société à responsabilité limitée for an unlimited period. The registered office of the Company is established at 2, rue du Fossé L-1536 Luxembourg. The Company is registered with the "Registre de Commerce et des Sociétés" under RCS B 181 775.

The Company's object is the acquisition of participations, in Luxembourg or abroad, in any company or enterprise in any form whatsoever, and the management of those participations. The Company may in particular acquire, by subscription, purchase and exchange or in any other manner, any stock, shares and other participation securities, bonds, debentures, certificates of deposit and other debt instruments and, more generally, any securities and financial instruments issued by any public or private entity. It may participate in the creation, development, management and control of any company or enterprise. Further, it may invest in the acquisition and management of a portfolio of patents or other intellectual property rights of any nature or origin. The Company may use any techniques, legal means and instruments to manage its investments efficiently and protect itself against credit risks, currency exchange exposure, interest rate risks and other risks.

The Company may in particular advance, lend or deposit money or give credit, in any form whatsoever, to or with or to subscribe to or purchase any debt instrument issued by any Luxembourg or foreign entity on such terms as may be thought fit and with or without security. It may also issue guarantees or grant security in favour of third parties to guarantee the obligations of affiliate companies as well as non-affiliate companies. In addition to the foregoing, the Company can perform all legal, commercial, technical and financial investments or operation and in general, all transactions which are necessary or useful to fulfil its objects as well as all operations connected directly or indirectly to facilitating the accomplishment of its purpose in all areas described above. The Company shall not enter into any transaction, which would cause it to be engaged in any activity that would be considered as a regulated activity of the financial sector.

The Company may borrow in any form (provided that it cannot offer its securities to the public). It may enter into a type of loan agreement and it may issue notes, bonds, debentures, certificates, shares, beneficiary parts, warrants and any kind of debt or equity securities including under one or more issue programmes. The Company may lend funds including the proceeds of any borrowings and/or issues of securities to its subsidiaries, affiliated companies or to any other company.

The Company may carry out any commercial, industrial or financial activities which may deem useful in accomplishment of its purpose.

The Company's financial year starts on 1 January and ends on 31 December of each year.

NOTE 2 - GOING CONCERN

A fundamental principle of the preparation of annual accounts in accordance with the Luxembourg legal and regulatory requirements relating to the preparation and presentation of annual accounts is the assumption that the entity will continue in existence as a going concern, which contemplates continuity of operations and the realization of assets and settlement of liabilities occurring in the ordinary course of business. This principle is applicable to all entities except for entities in liquidation or entities for which liquidation appears imminent. In accordance with this requirement, the Board of Managers' policy is to prepare the Company's annual accounts on a going concern basis unless it intends to liquidate or has no other alternative but to liquidate.

For the year ended 31 December 2017, the Company has incurred a loss of EUR 213,593,239.97 and has cumulative losses brought forward of EUR 1,312,665,104.90 which is due to the value adjustment of an amount of EUR 213,566,000.00 (2016: EUR 257,223,000.00) recorded on the value of Subordinated Profit Participation Securities the ("SPPS") issued by Elenia Holdings S.à r.l. and subscribed by the Company. Consequently, the going concern of the activities of the Company is dependent on its future cash flows and profitable operations, as well as the continuous financial support from its sole shareholder.

On 5 January 2018, the sole shareholder of the Company confirmed that it will make available all such financial resources as are necessary to enable the Company to continue its normal operating activities and to meet its financial obligations as they arise.

The Board of Managers has therefore prepared these annual accounts under the assumption that the Company will continue on a going concern basis.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

The annual accounts have been prepared in accordance with the Luxembourg legal and regulatory requirements ("Luxembourg GAAP"), notably with Title II of the law of 19 December 2002 relating to the accounting and the annual accounts of companies and to the register of commerce as amended. Accounting policies and valuation rules are, besides the ones set down by the Accounting Law, determined and applied by the Board of Managers of the Company.

3.2 Significant accounting policies

The main accounting policies and valuation rules applied by the Company are the following :

3.2.1 Financial assets

Financial assets represents investment held as fixed assets and other loans.

a) Investments held as fixed assets

Investments held as fixed assets are recorded in the balance sheet at their acquisition price less value adjustments for permanent impairment in value that are considered necessary in the opinion of the Board of Managers. The acquisition price includes charges and expenses in connection with the acquisition. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

b) Other loans

Loan and claims held as fixed assets are accounted for at their nominal value. They are subject to value adjustments where their recovery is comprised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

3.2.2 Debtors

Debtors are accounted for at their nominal value. They are subject to value adjustments where their recovery is comprised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

3.2.3 Foreign currency translation

The annual accounts are presented in Euro ("EUR"). The balance sheet and the profit and loss account are expressed in this currency. Transactions expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. Cash at bank and in hand is translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the year.

Foreign currency transactions are translated into the functional currency using exchange rates prevailing, or approximating thereto, at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of these transactions are recognised in the accompanying profit and loss account. Losses arising from the translation of monetary assets and liabilities not denominated in EUR at year end exchange rates are also recognised in the profit and loss account.

3.2.4 Provisions

Provisions are intended to cover losses or debts, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

Provisions may also be created to cover charges which originate in the financial year under review or in a previous financial year, the nature of which is clearly defined and which at the date of the balance sheet are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

Provisions for taxation corresponding to the tax liability estimated by the Company for the financial years for which the tax return has not yet been filed are recorded under the caption "Provisions". The advance payments are shown on the assets side of the balance sheet under the "Other debtors" caption.

3.2.5 Creditors

Creditors are recorded in the balance sheet at their reimbursement value.

Elenia Finance (SPPS) S.à r.l.
Société à responsabilité limitée
Notes to the annual accounts (continued)
For the year ended 31 December 2017

NOTE 4 - FINANCIAL ASSETS

4.1. Investment held as fixed assets

| Name (registered office) | Ownership % | Annual accounts as at | Currency | Shareholders' equity | Result for the year |
|---|-------------|--------------------------|----------|----------------------|------------------------|
| | | | | EUR'000 | EUR'000 |
| Elenia Holdings S.à r.l.* 2 rue du Fossé, Luxembourg | 10.71% | 31/12/2016 | EUR | (144,272.00) | (15,608.00) |

* Based on the audited consolidated financial statements of Elenia Holdings S.à r.l. as of 31 December 2016 prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union (the "EU").

| Name (registered office) | Acquisition costs as at 31.12.2016 | Additions / (disposals) for the year | Acquisition costs as at 31.12.2017 | Value adjustments as at 31.12.2016 | Value adjustment / (Reversals) for year | Value adjustments as at 31.12.2017 | Net carrying value as at 31.12.2017 |
|--|---------------------------------------|--|---------------------------------------|---------------------------------------|--|---------------------------------------|--|
| | EUR | EUR | EUR | EUR | EUR | EUR | EUR |
| Elenia Holdings S.à r.l. 2 rue du Fossé, Luxembourg | 1,500.00 | - | 1,500.00 | - | - | - | 1,500.00 |
| At the end of the year | 1,500.00 | - | 1,500.00 | - | - | - | 1,500.00 |

On 13 December 2013, the Company acquired 10.71% of the share capital of Elenia Holdings S.à r.l. represented by 150,000 shares with an unitary value of EUR 0.01 each.

According to the Board of Managers, there is no permanent impairment in the value of the shares in Elenia Holdings S.à r.l..

4.2. Other loans

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

- (i) Elenia Holdings S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated in Luxembourg,
- (ii) Elenia Oy (and its subsidiaries), a private company incorporated with limited liability in Finland and a wholly owned subsidiary of Elenia Holdings S.à r.l. and
- (iii) Elenia Finance Oyj, a public company incorporated with limited liability in Finland and a wholly owned subsidiary of Elenia Oy and also the sole shareholder of the Company (the "Issuer" or the "Sole Shareholder").

As part of the reorganization of the Group's financing arrangements carried out in December 2013 (the "Refinancing"), the Issuer had established a EUR 3,000,000,000.00 multicurrency programme (the "Programme") for the issuance of a single class of bonds on terms set out in the prospectus dated 5 December 2013 and had so far issued under the Programme several series of bonds having the following total principal amounts and maturities: (i) EUR 500,000,000.00 bonds maturing on 17 December 2020, (ii) EUR 150,000,000.00 bonds maturing on 17 December 2030, (iii) EUR 120,000,000.00 bonds maturing on 2 July 2026, (iv) EUR 20,000,000.00 bonds maturing on 17 July 2026, (v) EUR 25,000,000.00 bonds maturing on 4 August 2029, (vi) EUR 13,000,000.00 maturing on 4 September 2034, (vii) EUR 50,000,000.00 maturing on 27 January 2031, (viii) EUR 27,000,000.00 maturing on 6 May 2029, (ix) EUR 30,000,000.00 maturing on 26 August 2034, and (x) 75,000,000.00 maturing on 11 September 2034.

The Issuer also had so far issued, by way of private placement the following total principal amounts and maturities: (i) EUR 35,000,000.00 maturing on 9 September 2034, (ii) EUR 120,000,000.00 maturing on 30 July 2034, (iii) EUR 75,000,000.00 maturing on 19 August 2030, (iv) EUR 25,000,000.00 maturing on 22 June 2031, (v) EUR 29,000,000.00 maturing on 14 December 2029, (vi) EUR 29,000,000.00 maturing on 14 December 2031, (vii) EUR 42,000,000.00 maturing on 14 December 2033, (viii) EUR 25,000,000.00 maturing on 21 December 2031, (ix) EUR 25,000,000.00 maturing on 10 April 2032, (x) EUR 17,000,000.00 maturing on 10 April 2028, (xi) EUR 16,500,000.00 maturing on 10 April 2028, (xii) EUR 20,000,000.00 maturing on 10 April 2028, (xiii) EUR 10,000,000.00 maturing on 10 April 2032, (xiv) EUR 5,000,000.00 maturing on 10 April 2028, (xv) EUR 25,000,000.00 maturing on 10 April 2032, and (xvi) EUR 20,000,000.00 maturing on 10 April 2028.

The primary purpose of the Refinancing was to support the operational activities of the Group, therefore, the Issuer used the funds received under the above Refinancing to finance the equity of the Company and the Company used these funds for the subscription of the following SPPS issued by Elenia Holdings S.à r.l.. Following are the subscriptions of SPPS during the year:

- On 10 April 2017, the Company subscribed to 13,850,000,000 SPPS with a nominal value of EUR 0.01 each for a total amount of EUR 138,500,000.00; and

- On 11 September 2017, the Company subscribed to 7,506,600,000 SPPS with a nominal value of EUR 0.01 each for a total amount of EUR 75,066,000.00.

In accordance with the terms and condition of SPPS, the mandatory redemption date is agreed on the 99th anniversary of the date of issuance. On the mandatory redemption date Elenia Holdings S.à r.l. shall redeem all outstanding SPPS at a redemption price equal to the redemption value of the outstanding SPPS, but only to the extent that such payment does not leave Elenia Holdings S.à r.l. insolvent.

In accordance with the terms and condition of SPPS, the Company may at any time redeem all or part of SPPSs at a redemption price equal to the redemption value for each outstanding SPPS provided that:

- (I) the redemption price will be equal to the redemption value only to the extent that Elenia Holdings S.à r.l. will not be Insolvent after making payment of such redemption price and is not in a tax loss situation at that time;
- (II) the optional redemption is carried out in a manner such that, after the redemption, each Holder shall hold the same proportion of SPPSs to other shareholder instruments; and
- (III) to the extent Elenia Holdings S.à r.l. would have declared though not yet paid any yield on any date selected by the Board of Managers of Elenia Holdings S.à r.l. for making an optional redemption, Elenia Holdings S.à r.l. shall first proceed to the payment of such yield.

In accordance with the terms and condition of SPPS, the Company receives annually a yield equal to:

- a fixed coupon of 1% p.a. computed on the adjusted profit; and
- a variable coupon as determined by the Board of Managers of Elenia Holdings S.à r.l..

The yield shall be payable and due on the payment date and to be paid only if to the extent that:

- a- The yield has been declared by the Board of Managers of Elenia Holdings S.à r.l.;
- b- Elenia Holdings S.à r.l. is not in tax loss position for the relevant accounting period; and
- c- Elenia Holdings S.à r.l. will not be insolvent after making the payment.

As of 31 December 2017, no yield has been declared by Elenia Holdings S.à r.l..

As of 31 December 2017, the Company has subscribed 152,611,700,000 SPPS (2016: 131,255,100,000 SPPS) with an aggregate nominal value of EUR 1,526,117,000.00 (2016: EUR 1,312,551,000.00).

Elenia Finance (SPPS) S.à r.l.
Société à responsabilité limitée
Notes to the annual accounts (continued)
For the year ended 31 December 2017

NOTE 4 - FINANCIAL ASSETS (CONTINUED)

4.2. Other loans (continued)

As at 31 December 2017, the movement in SPPS is as follows:

| | Acquisition costs as at 31.12.2016 | Subscription / (Redemption) for the year | Acquisition costs as at 31.12.2017 | Value adjustment as at 31.12.2016 | Reversal / (depreciation) for the year | Value adjustment as at 31.12.2017 | Net carrying value as at 31.12.2017 |
|--|---------------------------------------|--|---------------------------------------|--------------------------------------|--|--------------------------------------|--|
| | EUR | EUR | EUR | EUR | EUR | EUR | EUR |
| SPPS - issued by Elenia Holdings S.à r.l. | 1,312,551,000.00 | 213,566,000.00 | 1,526,117,000.00 | (1,312,550,999.00) | (213,566,000.00) | (1,526,116,999.00) | 1.00 |
| At the end of the year | 1,312,551,000.00 | 213,566,000.00 | 1,526,117,000.00 | (1,312,550,999.00) | (213,566,000.00) | (1,526,116,999.00) | 1.00 |

During the year end 31 December 2017, the Board of Managers assessed the recoverability of SPPS and decided to record a permanent impairment in the value of SPPS for an amount of EUR 213,566,000.00 (2016: EUR 257,223,000.00).

NOTE 5 - CAPITAL AND RESERVES

5.1 Subscribed capital

The Company was incorporated on 13 November 2013 with a subscribed and fully paid-up capital of EUR 12,500.00 represented by 1,250,000 shares at a nominal value of EUR 0.01 each.

On 17 December 2013, the Sole Shareholder resolved to increase the share capital of the Company by an amount of EUR 64,732,800.00 in order to bring it from its present amount of EUR 12,500.00 to EUR 64,745,300.00 by way of issuance of the 6,473,280,000 new shares. The Sole Shareholder acknowledges that the cash payment in consideration for the issuance of the new shares in the aggregate amount of EUR 647,328,000.00 should be allocated as follows:

- (i) an amount of EUR 64,732,800.00 to the share capital account of the Company; and
- (ii) an amount of EUR 582,595,200.00 to the share premium account of the Company.

As of 31 December 2017, the subscribed capital of the Company is divided into 6,474,530,000 shares fully paid-up with a nominal value of EUR 0.01 each.

5.2 Share premium account

Apart from the allocation of the amount from the issuance of shares to share premium as mentioned above, the Sole Shareholder has made the following contributions:

- On 2 July 2014, Sole Shareholder contributed an amount of EUR 120,035,000.00;
- On 30 July 2014, Sole Shareholder contributed an amount of EUR 120,000,000.00;
- On 4 September 2014, Sole Shareholder contributed an amount of EUR 13,000,000.00;
- On 17 July 2014, Sole Shareholder contributed an amount of EUR 20,000,000.00;
- On 4 August 2014, Sole Shareholder contributed an amount of EUR 25,000,000.00;
- On 9 September 2014, Sole Shareholder contributed an amount of EUR 35,000,000.00;
- On 19 August 2015, Sole Shareholder contributed an amount of EUR 75,050,000.00;
- On 27 January 2016, Sole Shareholder contributed an amount of EUR 50,100,000.00;
- On 6 May 2016, Sole Shareholder contributed an amount of EUR 27,000,000.00;
- On 30 June 2016, Sole Shareholder contributed an amount of EUR 25,000,000.00;
- On 26 August 2016, Sole Shareholder contributed an amount of EUR 30,152,000.00;
- On 15 December 2016, Sole Shareholder contributed an amount of EUR 100,022,000.00;
- On 21 December 2016, Sole Shareholder contributed an amount of EUR 25,000,000.00;
- On 10 April 2017, Sole Shareholder contributed an amount of EUR 138,500,000.00; and
- On 11 September 2017, Sole Shareholder contributed an amount of EUR 75,007,000.00

The Company has recorded these contributions as non-share equity contributions under the Share premium account (account 115 of the "plan comptable luxembourgeois" dated 10 June 2009; capital contribution without the issuance of new shares in the Company).

As at 31 December 2017, the Share premium account of the Company amounts to EUR 1,461,551,200.00 (2016: EUR 1,247,954,200.00).

5.3 Legal reserve

In accordance with the Luxembourg law, the Company is required to allocate to a legal reserve a minimum of 5% of the annual net income, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed. No appropriation is required for the year ended 31 December 2017.

5.4 Movements for the year

| | Subscribed capital | Share premium account | Legal reserve | Profit or loss brought forward | Profit or loss for the financial year |
|---|----------------------|--------------------------|---------------|-----------------------------------|--|
| | EUR | EUR | EUR | EUR | EUR |
| As at 1 January 2017 | 64,745,300.00 | 1,247,954,200.00 | - | (1,055,406,052.27) | (257,259,052.63) |
| Movements for the year | | | | | |
| - Allocation of prior period's result | - | - | - | (257,259,052.63) | 257,259,052.63 |
| - Result of the year | - | - | - | - | (213,593,239.97) |
| - Capital contribution without issuance of new shares (See note 5.2) | - | 213,597,000.00 | - | - | - |
| As at 31 December 2017 | 64,745,300.00 | 1,461,551,200.00 | - | (1,312,665,104.90) | (213,593,239.97) |

NOTE 6 - RELATED PARTY TRANSACTIONS

The Company entered into a partnership agreement as a silent partner with GS Lux Management Services S.à r.l. relating to the sharing of costs for certain material, administrative support and facilities. Accordingly, GS Lux Management Services S.à r.l. has charged the Company an amount of EUR 12,300.00 (2016: EUR 12,000.00) in relation to the services provided for the year ended 31 December 2017. These expenses are included under the caption "Raw materials and consumable and other external expenses" in the profit and loss account.

As at 31 December 2017, the Company has subscribed 152,611,700,000 SPPS (2016: 131,255,100,000 SPPS) with an aggregate nominal value of EUR 1,526,117,000.00 (2016: EUR 1,312,551,000.00) issued by a related party. For further details, refer to Note 4.2.

Elenia Finance (SPPS) S.à r.l.
Société à responsabilité limitée
Notes to the annual accounts (continued)
For the year ended 31 December 2017

NOTE 7 - TAX STATUS

The Company is subject to all taxes applicable to commercial companies in Luxembourg.

NOTE 8 - OFF-BALANCE SHEET COMMITMENTS

The Company had provided its assets as security for and guaranteed (the Existing Guarantees and Security Interests) the payment of all amounts due in respect of SPPS issued by Elenia Holdings S.à r.l. under the Programme and notes issued and offered by way of private placements and any other amounts outstanding under the applicable finance and security documents entered into by the Company in connection with the Refinancing.

The initial 1,250,000 shares subscribed by the Sole Shareholder of the Company at the incorporation have been pledged in favour of Crédit Agricole Corporate and Investment Banking, acting for itself and in favour for the account of secured parties pursuant to a share pledge agreement dated 27 November 2013 between Elenia Finance Oyj as pledgor and Citicorp Trustee Company Limited as security agent. On 16 December 2013, the share pledge agreement has been released, in accordance with the terms of a deed of release signed on that date between the parties.

The additional 6,473,280,000 shares subscribed on 17 December 2013 by the Sole Shareholder of the Company and the initial 1,250,000 shares have been pledged in favour of Citicorp Trustee Company Limited, acting for itself and on behalf of the secured creditors, pursuant to a share pledge agreement dated 17 December 2013 between Elenia Finance Oyj as pledgor and Citicorp Trustee Company Limited as security trustee.

NOTE 9 - SUBSEQUENT EVENTS

No subsequent event needs to be reported in the annual accounts for the fiscal year ended 31 December 2017.