

**ELENIA PALVELUT OY**

**Financial Statements  
1.1.2017 - 31.12.2017**

Unofficial translation from Finnish to English

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**ELENIA PALVELUT OY**

Business ID: 2658611-8

**Financial statements****31 December 2017**

<b>Income statement</b>	<b>Note</b>	<b>1 Jan - 31 Dec 2017</b>	<b>1 Jan - 31 Dec 2016</b>
<b>EUR</b>			
<b>Revenue</b>	1.1	<b>9 469 993,31</b>	<b>10 227 470,15</b>
Materials and services	1.2	-115 216,15	-39 049,90
Personnel expenses	1.3	-3 347 572,42	-3 799 065,62
Depreciation, amortisation and impairment	1.4	-815 467,30	-741 451,31
Other operating expenses	1.5	-4 899 575,43	-5 587 564,45
<b>Operating profit</b>		<b>292 162,01</b>	<b>60 338,87</b>
Finance income and expenses	1.6	-45 919,27	-44 944,74
<b>Profit / loss before appropriations and taxes</b>		<b>246 242,74</b>	<b>15 394,13</b>
Appropriations	1.7		
Change in accelerated depreciations		5 619,84	-45 220,08
Group contribution		-244 500,00	89 200,00
Income taxes	1.8	-59,87	-3,62
<b>Profit / loss for the period</b>		<b>7 302,71</b>	<b>59 370,43</b>

**ELENIA PALVELUT OY**

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**Financial statements****31 December 2017**

<b>Balance Sheet</b>	<b>Note</b>	<b>31 Dec 2017</b>	<b>31 Dec 2016</b>
<b>EUR</b>			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	2.1		
Other capitalized long term expenditure		2 150 514,29	2 850 780,84
		<u>2 150 514,29</u>	<u>2 850 780,84</u>
Tangible assets	2.2		
Machinery and equipments		79 803,39	72 479,39
Advance payments and construction in progress		971 960,68	-
		<u>1 051 764,07</u>	<u>72 479,39</u>
<b>Total non-current assets</b>		<b>3 202 278,36</b>	<b>2 923 260,23</b>
<b>Current assets</b>			
Short-term receivables	2.3		
Trade receivables		144 520,01	9 865,00
Receivables from group companies		1 153 149,82	1 476 090,29
Other receivables		979,60	-
Prepayments and accrued income		158 939,18	33 893,69
		<u>1 457 588,61</u>	<u>1 519 848,98</u>
<b>Total current assets</b>		<b>1 457 588,61</b>	<b>1 519 848,98</b>
<b>TOTAL ASSETS</b>		<b>4 659 866,97</b>	<b>4 443 109,21</b>

**ELENIA PALVELUT OY**  
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**Financial statements**  
**31 December 2017**

<b>Balance Sheet</b>	<b>Note</b>	<b>31 Dec 2017</b>	<b>31 Dec 2016</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		15 743,06	-43 627,37
Profit / Loss for the financial year		7 302,71	59 370,43
		<u>595 130,47</u>	<u>587 827,76</u>
<b>Cumulative accelerated depreciations</b>	3.2	138 021,35	143 641,19
<b>Liabilities</b>	3.3		
Non-current liabilities			
Loans from financial institutions		2 400 000,00	2 400 000,00
		<u>2 400 000,00</u>	<u>2 400 000,00</u>
Current liabilities			
Trade payables		202 754,85	216 005,80
Liabilities to group companies		27 474,92	90 049,77
Group contribution payables		244 500,00	-
Other short-term liabilities		252 947,38	317 541,01
Accruals and deferred income		799 038,00	688 043,68
		<u>1 526 715,15</u>	<u>1 311 640,26</u>
<b>Total liabilities</b>		<b>3 926 715,15</b>	<b>3 711 640,26</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4 659 866,97</b>	<b>4 443 109,21</b>

**ELENIA PALVELUT OY**  
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**Financial statements**  
**31 December 2017**

<b>Cash Flow Statement</b>	<b>1 Jan - 31 Dec 2017</b>	<b>1 Jan - 31 Dec 2016</b>
<b>EUR</b>		
<b>Cash flow from operating activities</b>		
Loss before extraordinary items	246 242,74	15 394,13
Adjustments		
Depreciation, amortisation and impairment	815 467,30	741 451,31
Finance income and expenses	45 919,27	44 944,74
<b>Cash flow before change in working capital</b>	<b>1 107 629,31</b>	<b>801 790,18</b>
Change in working capital		
Increase (-)/decrease (+) in non-interest bearing receivables	218 304,68	629 496,34
Increase (+)/decrease (-) in non-interest bearing liabilities	-105 301,08	-645 808,93
<b>Operating cash flow before financial items and taxes</b>	<b>1 220 632,91</b>	<b>785 477,59</b>
Interest payments and payments for other finance costs	-46 033,66	-44 997,89
Interests received	114,39	53,15
Taxes paid	-20,88	0,00
<b>Cash flow from operating activities</b>	<b>1 174 692,76</b>	<b>740 532,85</b>
<b>Cash flow from investing activities</b>		
Capital expenditures	-1 018 648,45	-1 116 631,16
<b>Cash flow from investing activities</b>	<b>-1 018 648,45</b>	<b>-1 116 631,16</b>
Cash flow from financing activities		
Proceeds from long-term borrowings	-	255 000,00
Group contributions received and paid	89 200,00	28 000,00
<b>Cash flow from financing activities</b>	<b>89 200,00</b>	<b>283 000,00</b>
<b>Change in cash and cash equivalents</b>	<b>245 244,31</b>	<b>-93 098,31</b>
Cash and cash equivalents 1.1	135 551,25	228 649,56
Cash and cash equivalents 1.1 + change	380 795,56	135 551,25
<b>Cash and cash equivalents 31.12</b>	<b>380 795,56</b>	<b>135 551,25</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 2017****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: 2, rue du Fossé L - 1536 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>2017</b>	<b>2016</b>
<b>1.1 Revenue</b>		
<b>EUR 1,000</b>		
Other sales income	9 470	10 227
<b>Total</b>	<b>9 470</b>	<b>10 227</b>
<b>1.2 Materials and services</b>		
<b>EUR 1,000</b>		
External services	-115	-39
<b>Total</b>	<b>-115</b>	<b>-39</b>
<b>1.3 Personnel expenses</b>		
Average number of personnel during the financial year	86	86
<b>EUR 1,000</b>		
Salaries	-2 776	-3 035
Pension expenses	-549	-654
Other employee expenses	-23	-110
<b>Total</b>	<b>-3 348</b>	<b>-3 799</b>
<b>1.4 Depreciations according to the plan</b>		
<b>EUR 1,000</b>		
Other capitalized long term expenditure	-785	-718
Machinery and equipments	-31	-23
<b>Total</b>	<b>-815</b>	<b>-741</b>
<b>1.5 Other operating expenses</b>		
<b>EUR 1,000</b>		
Other external services	-3 233	-4 051
Other operating expenses	-1 667	-1 523
<b>Total</b>	<b>-4 900</b>	<b>-5 574</b>
<b>Audit fees</b>		
<b>EUR 1,000</b>		
Auditing fees	-7	-11
Fees for tax services	-3	-3
<b>Yhteensä</b>	<b>-10</b>	<b>-13</b>

## ELENIA PALVELUT OY

## Financial statements

Business ID: 2658611-8

31 December 2017

## Notes to the financial statements

	2017	2016
<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>	<u>0</u>	<u>0</u>
Interest and other financial expenses		
Interest expenses to group companies	-45	-44
Other interest expenses	-1	-1
<b>Total</b>	<u>-46</u>	<u>-45</u>
<b>Total financial income and expenses</b>	<b>-46</b>	<b>-45</b>
<b>1.7 Appropriations</b>		
<b>EUR 1,000</b>		
Change in accelerated depreciations	6	-45
Group contribution received	-	89
Group contribution paid	-245	-
<b>Total</b>	<u>6</u>	<u>44</u>
<b>1.8 Income taxes</b>		
<b>EUR 1,000</b>		
Income taxes for the financial period	0	0
<b>Total</b>	<u>0</u>	<u>0</u>
<b>2.1 Intangible fixed assets</b>		
<b>Other capitalized long-term expenditure</b>		
<b>EUR 1,000</b>		
Acquisition cost 1.1.	4 944	1 665
Investments	85	3 279
Acquisition cost 31.12.	<u>5 029</u>	<u>4 944</u>
Accumulated depreciation 1.1.	-2 093	-1 375
Depreciation according to the plan	-785	-718
<b>Book value 31.12.</b>	<u>2 151</u>	<u>2 851</u>
<b>2.2 Tangible fixed assets</b>		
<b>Buildings and constructions</b>		
<b>EUR 1,000</b>		
Acquisition cost 1.1.	200	180
Investments	38	20
Acquisition cost 31.12.	<u>238</u>	<u>200</u>
Accumulated depreciation 1.1.	-128	-105
Depreciation according to the plan	-31	-23
<b>Book value 31.12.</b>	<u>80</u>	<u>72</u>
<b>Advance payments and construction in progress</b>		
<b>EUR 1,000</b>		
Acquisition cost 1.1.	0	2 521
Increase	1 094	777
Decrease	-123	-3 299
<b>Book value 31.12.</b>	<u>972</u>	<u>0</u>



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

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**31 December 2017****Notes to the financial statements**

	<b>2017</b>	<b>2016</b>
<b>2.3 Short term receivables</b>		
<b>EUR 1,000</b>		
Receivables from group companies		
Group bank account	381	136
Accrued income	772	1 251
Group contribution receivables	-	89
Receivables from group companies total	<u>1 153</u>	<u>1 476</u>
External receivables		
Trade receivables	145	10
Other short-term receivables	1	-
Accrued income	159	34
External receivables total	<u>304</u>	<u>44</u>
<b>Short term receivables total</b>	<b>1 458</b>	<b>1 520</b>
<b>Total receivables</b>	<b>1 458</b>	<b>1 520</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.	16	-44
Loss for the the financial year	7	59
<b>Total capital and reserves</b>	<u><b>595</b></u>	<u><b>588</b></u>
<b>3.2 Cumulative accelerated depreciations</b>		
<b>EUR 1,000</b>	138	144
Accelerated depreciations include deferred tax liability	28	29

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

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**31 December 2017****Notes to the financial statements**

	2017	2016
<b>3.3 Liabilities</b>		
<b>Non-current liabilities</b>		
<b>EUR 1,000</b>		
Loans from group companies	2 400	2 400
<b>Total non-current liabilities</b>	<b>2 400</b>	<b>2 400</b>
<b>Current liabilities</b>		
<b>EUR 1,000</b>		
Trade payables	203	216
Other short-term liabilities	253	318
Accrued expenses		
Salaries and social expenses	663	594
Other accrued expenses	136	94
	<u>799</u>	<u>688</u>
Liabilities to group companies		
Accrued expenses	27	90
Group contribution payables	245	-
	<u>272</u>	<u>90</u>
<b>Total current liabilities</b>	<b>1 527</b>	<b>1 312</b>
<b>Liabilities and guarantees for debts</b>		
<b>EUR 1,000</b>		
Provided on behalf of own and group liabilities		
Guarantees	1 528 500	1 315 000
Floating charges	4 500 000	4 500 000
Leasing agreements		
Within one year	2	-
Other lease liabilities		
Within one year	2	-

**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.

**LIST OF EXISTING ACCOUNTING MATERIAL**

General ledger and general journal	Datafile
Asset register	Datafile
Accounts payable register	Datafile and in paper form
Accounts receivable register	Datafile and in paper form
Journal vouchers	Datafile and in paper form
Accounts payable vouchers	Datafile
Accounts receivable vouchers	Datafile
Cash vouchers	Datafile

**ELENIA PALVELUT OY**

Business ID: 2658611-8

**Financial statements****31 December 2017**

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**Signatures to the financial statements**

Dates and signatures

Tampere \_\_\_\_ / \_\_\_\_ 2018

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Tapani Lihala  
Chairman of the Board of Directors

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Ville Sihvola  
Managing Director

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Jarkko Kohtala

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Jorma Myllymäki**Auditor's Note**

A report on the audit carried out has been issued today

Helsinki \_\_\_\_ / \_\_\_\_ 2018

Ernst & Young Oy  
Authorised Public Accountants

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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, 2017. 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 27, 2018

Ernst & Young Oy  
Authorized Public Accountant Firm

Mikko Rytilahti  
Authorized Public Accountant