

Kempower Oy

Financial Statements
31.12.2018

Business ID 2856868-5

These financial statements have been created for the listing prospectus.

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INCOME STATEMENT, FAS

€	2018	2017
Revenue	19 502,69	0,00
Other operating income	0,00	0,00
Change in inventories of finished goods and in work in progress	0,00	0,00
Raw materials and consumables used	-1 263,70	0,00
External services	0,00	0,00
Personnel expenses	-295 456,68	0,00
Depreciation and amortisation	-6 407,16	0,00
Other operating expenses	-357 808,31	-5,05
Operating profit	-641 433,16	-5,05
Financial income	0,45	0,00
Financial expenses	-119,01	0,00
Profit before appropriations and taxes	-641 551,72	-5,05
Appropriations	897 848,22	0,00
Income taxes	-51 229,93	0,00
PROFIT FOR THE FINANCIAL YEAR	205 066,57	-5,05

BALANCE SHEET, FAS

€	2018	2017
ASSETS		
Non-current assets		
Intangible assets	154 050,00	0,00
Tangible assets	19 018,61	0,00
Non-current assets total	173 068,61	0,00
Current assets		
Trade and other receivables	65 540,44	0,00
Cash and cash equivalents	226 698,55	2 494,95
Current assets total	292 238,99	2 494,95
ASSETS TOTAL	465 307,60	2 494,95

€	2018	2017
EQUITY AND LIABILITIES		
Equity		
Share capital	2 500,00	2 500,00
Retained earnings	-5,05	0,00
Profit/loss for the period	205 066,57	-5,05
Equity total	207 561,52	2 494,95
Appropriations		
Cumulative accelerated depreciation	2 151,78	0,00
Liabilities		
Current Liabilities	255 594,30	0,00
Liabilities total	255 594,30	0,00
EQUITY AND LIABILITIES TOTAL	465 307,60	2 494,95

STATEMENT OF CASH FLOW, FAS

€	2018
Cash flows from operating activities	
Net profit/loss before appropriations and taxes	-641 552
Adjustments:	
Depreciation and amortisation	6 407
Unrealised foreign exchange gains and losses	0
Change in provisions	0
Financial income and expenses	119
Cash flow before changes in working capital	-635 026
Change in working capital	
Change in inventories	
Change in trade and other receivables	-65 540
Change in trade payables and short-term debts	204 364
Cash flows from operating activities before financial items and taxes	-496 202
Interest paid	-107
Other financial items	-12
Taxes	0
Cash flow from operating activities (A)	-496 321
Cash flow from investing activities	
Investments in tangible and intangible assets	-179 476
Proceeds from sale of tangible and intangible assets	0
Cash flow from investing activities (B)	-179 476
Cash flow from financing activities	
Proceeds from non-current loans	0
Group contribution received	900 000
Cash flow from financing activities (C)	900 000
Net change in cash and cash equivalents (A + B + C)	224 204
Cash and cash equivalents beginning of the period	2 495
Cash and cash equivalents end of the period	226 699
Net change in cash and cash equivalents	224 204

1 ACCOUNTING PRINCIPLES

Parent company information

Kempower Oy is part of Kemppi Group Oy Group, whose parent company is Kemppi Group Oy. Kempower Oy and Kemppi Group Oy are domiciled in Lahti, Finland and their registered address is Kempinkatu 1, FI-15800 Lahti, Finland. Copies of the financial statements for Kempower Oy and the consolidated financial statements for Kemppi Group Oy Group can be obtained from the head office of the parent company.

Accounting principles

The financial statements have been prepared by the Government Decree on the information presented in the financial statements of a small and micro company, according to the chapter 2 and 3 for small companies.

The financial statements for the financial period 1.1.-31.12.2018 have been approved by the annual general meeting on 15.3.2019. The cash flow statement has been added to these supplemented financial statements. No other changes have been made. The supplemented financial statements have been prepared only to be included in the prospectus that have been prepared in accordance with the Regulation (EU) 2017/1129 of the European Parliament and of the Council and Commission Delegated Regulation (EU) 2019/980.

Valuation of fixed assets

Intangible and tangible assets are entered in the balance sheet at acquisition cost less planned depreciation. Planned depreciation is calculated on a straight line basis over the useful economic life of the asset.

The useful economic lives of assets are as follows:

Intangible assets	10 years
Machinery and equipment	3 - 10 years

2 NOTES ON EXCEPTIONAL ITEMS

Appropriations includes group contribution from parent company 900.000,00 euros.

3 PERSONNEL

Average number of personnel during financial period	2018	2017
White collar	4	0
Total	4	0

4 COMMITMENTS AND CONTINGENCIES

Amount payable under leases	2018	2017
Due for payment in next financial year	43 093,32	0,00
Due for payment at a later date	54 839,98	0,00
Total	97 933,30	0,00

5 EQUITY

Changes in equity	2018	2017
Share capital, Jan 1	2500,00	2 500,00
Share capital, Dec 31	2500,00	2 500,00
Retained earnings, Jan 1	-5,05	0,00
Retained earnings, Dec 31	-5,05	0,00
Profit for the financial year	205 066,57	-5,05
Total equity	207 561,52	2 494,95

The distributable assets total 205 061,52 €.

The Board of Directors proposes to the annual general meeting that no dividend shall be distributed and the profit for the financial year will be transferred to the retained earnings account.

Signatures of the financial statements

Antti Kemppi
Chairman of the Board

Teresa Kemppi-Vasama
Member of the Board

Kimmo Kemppi
Member of the Board

Tero Era
Member of the Board

Juha-Pekka Helminen
Member of the Board

Eriikka Söderström
Member of the Board

Vesa Laisi
Member of the Board

Tomi Ristimäki
Chief executive officer

Auditor's note

A report on the audit carried out has been submitted today.

Ernst & Young Oy

Jari Havukainen
KHT

THE LIST OF LEDGERS AND MATERIALS

The company's accounting has been prepared in an accounting system called Epicor, the cash register system is Analyste banking system, purchase invoices are in Palette system, travel invoices In Trip & Expense and fixed asset accounting in Kasper system.

Financial Statements		electronic
General ledger and journal report		electronic
Ledger reports		electronic
Bank vouchers	BS journal	electronic
Purchase invoices	PJ journal	electronic
Sales invoices	SJ journal	electronic
Payroll vouchers	PA journal	electronic
Travel invoices	TJ journal	electronic
Inventory journals	IJ journal	electronic
General journals	GJ journal	electronic