

MacGregor Finland Oy
Hallimestarinkatu 6
Kaarina
2557310-4

MacGregor Finland Oy

FINANCIAL STATEMENTS

1.1.2024–31.12.2024

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1. REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL PERIOD 1 JANUARY - 31 DECEMBER 2024

1.1. Group structure

MacGregor Finland Oy is a wholly owned subsidiary of MacGregor Netherland B.V. The company is part of the Cargotec Group.

1.2. Company shares

The company has one share class and 10 shares.

1.3. The market

Despite global economic uncertainty and regional weakness, the situation on the shipping market remained stable. The number of merchant ship orders increased in 2024. Geopolitical and international trade tensions are increasing, adding to uncertainty and volatility. These, combined with tightening climate regulations, add complexity to the business, but also drive investment in equipment and demand for climate-responsive solutions.

1.4. Orders received and order backlog

The company's orders received in 1.1.-31.12.2024 were EUR 102,696 thousand (1.1.-31.12.2023 EUR 131,673 thousand and 1.1.-31.12.2022 EUR 207,848 thousand), broken down by market area as follows.

	2024	2023	2022
Finland	1 478	4 426	598
Rest of Europe	14 349	10 329	14 578
China	72 687	37 874	56 639
South Korea	1 556	57 861	111 000
Rest of Asia	8 112	19 922	21 120
USA	4 306	1 107	1 930
Rest of America	207	154	1 982

The breakdown of orders by business area was as follows

	2024	2023	2022
New construction	95 573	129 272	205 867
Service business	7 123	2 401	1 981

The order backlog at the end of the year is EUR 156,392 thousand (31.12.2023 244,171 and 31.12.2022 257,901) of which EUR 150,505 thousand (31.12.2023 242,607 and 31.12.2022 256,725) is new construction and EUR 5,887 thousand (31.12.2023 1,564 and 31.12.2022 1,176) is service business.

1.5. Net sales and profit

1.1.-31.12.2022 70,759) and operating profit EUR 14,648 thousand (operating profit 31.12.2023 7,565 and operating loss 31.12.2022 5,491). The profit for the financial period was EUR 14,114 thousand (1.1.-31.12.2023 profit 4,528 and 1.1.-31.12.2022 loss 3,716).

1.6. Balance sheet, financing and cash flow

The company's balance sheet total at the end of the financial period was EUR 93,993 thousand (31.12.2023 162,971 and 31.12.2022 130,707). Tangible assets EUR 0 thousand (31.12.2023 0 and 31.12.2022 0) and intangible assets EUR 416 thousand (31.12.2023 430 and 31.12.2022 703).

The company's equity ratio at the end of the year was 20.10% (31.12.2023 25.84% and 31.12.2022 25.03%), operating profit 7.95% (31.12.2023 5.26% and 31.12.2022 -7.76%) and EBITDA 7.97% (31.12.2023 5.47% and 31.12.2022 -7.31%).

1.7. Investments and product development

Research and development expenses for the financial period amounted to EUR 1,858 thousand (1.1.-31.12.2023 4,641 and 1.1.-31.12.2022 6,400). For the largest product development project, product development expenses have been capitalised and product development expenses of investments amounted to EUR 0 thousand (1.1.-31.12.2023 0 and 1.1.-31.12.2022 0), while total investments amounted to EUR 121 thousand (1.1.-31.12.2023 59 and 1.1.-31.12.2022 56).

1.8. Board of Directors

During the financial period, the Board of Directors comprised Pasi Lehtonen, Juha Hyytiä and Mika Selänne. The CEO is Mika Selänne.

1.9. Financial instruments

The company follows Cargotec's financial policy.

1.10. Personnel

In the financial period ended 31 December 2024, the company had an average of 113 employees (31.12.2023 107 and 31.12.2022 99), of whom 28 were women (31.12.2023 27 and 31.12.2022 24). The average number of temporary personnel was 5 (31.12.2023 4 and 31.12.2022 3). Accrual-based salaries amounted to EUR 10,186 thousand (1.1.-31.12.2023 9,702 and 1.1.-31.12.2022 7,732).

1.11. Environment and quality

The most significant environmental impacts of the company's operations arise from the use of products by customers. For container ships, we aim to maximise the transport capacity of the ships on a project-by-project basis and thus minimise the carbon footprint per container.

The company has certified operational management systems: ISO 9001, ISO 14001, ISO 18001 and ISO 27001. Quality, wellbeing and safety are promoted through process management and continuous improvement. Supplier assessments and supplier capability development ensure that our supplier network operates in line with our values.

1.12. Risks and risk management

Risk management follows the Cargotec Group's policies and practices. Strategic and business risks relate to cyclical fluctuations in the global economy, the availability and price development of raw materials and components, and the activities of suppliers. Cargotec's group-wide collateral is used to protect against damage risks.

1.13. Outlook

Cargotec announced in May 2024 that it had started the process of selling MacGregor, with the intention of finding a solution for MacGregor during 2024. On 14 November 2024, Cargotec signed an agreement to sell its MacGregor business area to funds managed by Triton for a debt-free purchase price of EUR 480 million. The transaction is subject to regulatory approvals in the relevant jurisdictions. The transaction is expected to be implemented by 1 July 2025 at the latest.

1.15. Board of Directors' proposal on distributable assets

The company's profit for the financial period was EUR 14,113,917.23. The Board of Directors proposes that the profit be retained in the 'Retained earnings' account and that no dividend be paid.

Income statement

	1.1.2024–31.12.2024	1.1.2023–31.12.2023
	184 316 470,07	143 763 591,11
Procurement and production expenses	-154 135 727,50	-123 259 339,77
Gross margin	30 180 742,57	20 504 251,34
Sales and marketing expenses	-3 482 206,21	-3 477 785,53
Administrative expenses	-4 561 387,30	-4 155 461,73
Other operating income	966 906,93	1 503 517,85
Other operating expenses	-8 456 294,10	-6 809 614,70
OPERATING PROFIT/LOSS	14 647 761,89	7 564 907,23
Financial income and expenses	3 000 404,63	-968 829,89
PROFIT/LOSS BEFORE APPROPRIATIONS AND TAXES	17 648 166,52	6 596 241,34
Deferred taxes	-3 534 249,29	-2 067 915,43
PROFIT/LOSS FOR THE FINANCIAL PERIOD	14 113 917,23	4 528 325,91

Balance sheet

	31.12.2024		31.12.2023	
NON-CURRENT ASSETS				
Intangible assets				
Intellectual property rights	230 406,41		262 299,74	
Other intangible assets	2 328,33		3 598,33	
Advance payments	183 433,57	416 168,31	163 945,51	429 843,58
TOTAL NON-CURRENT ASSETS		416 168,31		430 273,58
CURRENT ASSETS				
Inventories				
Materials and supplies	6 035,68		181,96	
Work in progress	9 950 148,48		14 001 450,63	
Finished products/goods	1 593,88		14 985,26	
Advance payments	3 010 027,90	12 967 805,94	22 820 329,09	36 836 946,94
Long-term receivables				
Deferred tax assets	4 391 536,94	4 391 536,94	7 417 234,97	7 417 234,97
Short-term receivables				
Trade receivables	9 441 226,57		17 875 333,57	
Receivables from companies in the same group	65 342 516,07		97 745 998,11	
Other receivables	257 446,62		112 812,68	
Accrued income	1 176 149,67	76 217 338,93	552 513,58	116 286 657,94
TOTAL CURRENT ASSETS		93 576 681,81		160 540 839,85
Total assets		93 992 850,12		160 971 113,43

Balance sheet

	31.12.2024		31.12.2023	
EQUITY				
Share capital		100 000,00		100 000,00
Other funds				
Invested unrestricted equity fund	34 500 000,00		56 300 000,00	
Fair value reserve	-1 246 228,98	33 253 771,02	787 976,06	57 087 976,06
Profit/loss from previous financial periods		-34 486 935,41		-39 015 097,32
Profit/loss for the financial period		14 113 917,23		164,00
TOTAL EQUITY		12 980 752,84		18 173 042,74
STATUTORY PROVISIONS				
Other statutory provisions		567 329,53		1 009 809,54
TOTAL STATUTORY PROVISIONS		567 329,53		1 009 809,54
LIABILITIES				
Long-term				
Accrued expenses	452 183,81	452 183,81	691 259,58	691 259,58
Short-term				
Advances received	29 401 792,28		73 115 136,48	
Trade payables	25 104 045,97		39 951 594,11	
Liabilities to companies in the same group	11 263 119,73		11 218 364,70	
Other liabilities	1 609 923,42		1 627 317,05	
Accrued expenses	12 613 702,54	79 992 583,94	10 656 161,32	136 568 573,66
TOTAL LIABILITIES		80 444 767,75		137 259 833,24
Total equity and liabilities		93 992 850,12		156 442 685,52

Indirect cash flow statement model

	1.1.2024–31.12.2024	1.1.2023–31.12.2023
Profit / loss before appropriations and taxes (+/-)	17 648 166,52	6 596 077,34
Adjustments (+/-):		
Depreciation according to plan	47 829,39	292 236,92
Impairment of non-current assets	0,00	0,00
Unrealised exchange rate gains and losses	0,00	0,00
Other non-cash items	86 547,18	39 831,08
Financial income and expenses	0,00	0,00
Other adjustments	-442 480,01	160 109,24
Cash flow before change in working capital	17 340 063,08	7 088 254,58
Change in working capital:		
Increase/decrease in short-term receivables	40 069 319,01	-22 186 689,18
Increase/decrease in inventories	23 869 141,00	-10 585 349,81
Increase/decrease in short-term non-interest-bearing liabilities	-59 357 821,79	25 742 853,66
Cash flow from operating activities before financial items and taxes	21 920 701,30	59 069,25
Interest paid and charges on other operational financial expenses	0,00	0,00
Dividends received from operations	0,00	0,00
Interest received from operations	0,00	0,00
Direct taxes paid (-)	0,00	0,00
Cash flow from operating activities	21 920 701,30	59 069,25
Cash flow from investments:		
Investments in tangible and intangible assets (-)	-120 701,30	-59 069,25
Cash flow from investments	-120 701,30	-59 069,25
Cash flow from financing:		
Equity reduction against payment	-21 800 000,00	0,00
Cash flow from financing	-21 800 000,00	0,00
Change in cash and cash equivalents, increase (+) / decrease (-)	0,00	0,00
Cash and cash equivalents at the beginning of the period	0,00	#REF!
Cash and cash equivalents at the end of the period	0,00	0,00

NOTES TO THE FINANCIAL STATEMENTS

Accounting policies

MacGregor Finland Oy's financial statements were prepared in accordance with the principles of Finnish Accounting Standards (FAS).

Ownership

The company is a wholly owned subsidiary of MacGregor Netherlands B.V. The financial statements of the group's parent company Cargotec Corporation are available at: Cargotec Corporation, Porkkalankatu 5, 00180 Helsinki, Finland.

Valuation and amortisation principles and methods

Revenue amortisation

Revenue is recognised when the service is rendered or the goods are delivered. Long-term projects are recognised on the basis of the percentage of completion. The percentage of completion is calculated on the basis of actual expenditure and the total cost estimate. The anticipated loss on loss-making projects included in the order backlog is fully expensed.

Valuation of non-current assets

Non-current assets are entered in the balance sheet at cost less depreciation according to plan. Depreciation according to plan is calculated on a straight-line basis from the original acquisition price over the useful life of the fixed assets.

The depreciation periods are:	
Development expenditure	5 years
Intellectual property rights	10 years
Goodwill	5-10 years
Other long-term expenditure	5-10 years
Machinery and equipment	3-5 years

Valuation of inventories

Inventories are recognised at the lower of cost or replacement cost, using the weighted average cost method. The cost of work in progress includes raw materials, direct wages, other direct costs, and a proportionate share of variable manufacturing costs and fixed overheads.

Valuation of financial instruments

Financial instruments are valued at fair value. Forward exchange contracts are valued at the forward rates prevailing at the balance sheet date.

Derivatives

The company's derivatives include forward exchange contracts, which are used to hedge against changes in cash flows from anticipated currency-denominated disposals and acquisitions.

Fair values of derivative contracts hedging the fair value of the company's receivables and loans are included in either short-term receivables or liabilities, depending on their nature. The positive fair value of derivatives used for hedging is recognised in receivables and the negative value is recognised in liabilities.

Hedging

At the inception of the contract, derivative instruments are recognised in the balance sheet at the cost which corresponds to their fair value. In the financial statements, derivative instruments are measured at fair value as permitted by Finnish accounting legislation (Accounting Act, 5.2a), determined in accordance with IFRS principles, and changes in value are recognised in the income statement unless hedge accounting is applied.

Changes in the fair value of the effective portion of cash flow hedging instruments that qualify for hedge accounting are recognised in the fair value reserve in equity. The ineffective portion is recognised immediately in profit or loss. The cumulative gain or loss on derivatives recognised in the fair value reserve in equity is recognised in the income statement as an adjustment to the hedged item in the same period in which the hedged item is recognised in the income statement. If a forecast transaction is no longer expected to occur, the cumulative change in the fair value of the hedging instrument is immediately transferred to other operating income or expenses in the income statement. When a hedging instrument matures, is sold, terminated, or exercised, or the hedging relationship is discontinued, the cumulative change in value previously recognised in equity remains in equity and is recognised in profit or loss only when the forecast transaction occurs.

Changes in the fair value of hedging instruments not included in hedge accounting are recognised directly in the income statement, either in other operating income and expenses or in financial income and expenses, depending on the hedged item. The change in fair value resulting from changes in the interest rate points of forward exchange contracts is always recognised directly in financial income and expenses.

The fair values of forward exchange contracts are based on the forward rates quoted at the balance sheet date.

Amortisation of product development expenses

Research and development expenses are generally recognised in profit or loss. Product development expenses are capitalised when certain criteria of commercial and technical feasibility are met, and when the product is expected to generate future economic benefits. Capitalised product development expenses are amortised on a straight-line basis over their useful life.

Recognition of pensions

Pension expenses are recognised in accordance with local legislation. Pension arrangements are managed by a pension insurance company.

Provisions

Warranty provisions include the cost of repairing or replacing products. A provision is recognised for loss-making contracts when the necessary expenditure required to settle the obligations exceeds the benefits to be derived from the contract.

Adjustments to figures for the previous financial period

In the income statement for 2023, function-specific lines have been regrouped to reflect the original expense entries for recharges to group companies. The operating profit for the financial period has not changed.

Items denominated in foreign currency

Transactions denominated in foreign currency are recognised at the exchange rate on the date of the transaction. Receivables and liabilities denominated in foreign currencies are translated into euros using the exchange rate at the balance sheet date. Exchange rate differences are treated as adjustments to sales and purchases.

Deferred tax liabilities and assets

Deferred tax liabilities and assets are calculated based on differences between taxation and the financial statements using the tax rate confirmed at the time of the financial statements for the following years. The balance sheet includes the total deferred tax liabilities and the deferred tax assets in the amount of the estimated likely receivable.

Notes to the income statement

1000 EUR

1000 EUR

	1.1.2024–31.12.2024	1.1.2023–31.12.2023
Breakdown by sector		
Service business	2 810	1 940
Equipment business	181 505	141 823
	184 315	143 763
Geographical distribution		
Finland	7 474	6 135
Rest of Europe	11 222	10 349
China	50 218	47 285
South Korea	82 526	59 764
Rest of Asia	30 817	19 009
USA	1 001	1 168
Rest of America	1 057	54
	184 315	143 763
Other operating income		
Research and development grants	0	0
Insurance claims	134	999
Other	833	504
	967	1 504
Notes on personnel		
Average number of personnel during the financial period	113	107
	113	107
Salaries, bonuses and pension expenses for the financial period		
Salaries and bonuses	11 133	9 702
Pension expenses	1 697	1 578
Other indirect personnel expenses	332	463
	13 162	11 743
Depreciation, amortisation and impairment		
Manufacturing depreciation	0	0
Sales and marketing depreciation	0	0
Product development depreciation	47	291
Administrative depreciation	1	1
	48	292

Other operating expenses

	1.1.2024–31.12.2024	1.1.2023–31.12.2023
Management fee	4 154	3 822
Royalty	3 876	2 834
Other	426	153
	<u>8 456</u>	<u>6 810</u>

Auditor's fees

	1.1.2024–31.12.2024	1.1.2023–31.12.2023
Audit	79	98
Other services	0	0
	<u>79</u>	<u>98</u>

Financial income and expenses

	1.1.2024–31.12.2024	1.1.2023–31.12.2023
Other interest income		
From companies in the same group	3 009	2 248
From others	1	2
Total interest income	<u>3 010</u>	<u>2 250</u>

Other financial income		
From companies in the same group	134	518
From others	23	91
Total other financial income	<u>157</u>	<u>609</u>

Total financial income	3 167	2 859
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Interest expenses		
For companies in the same group	167	103
For others	0	0
Total interest expenses	<u>167</u>	<u>103</u>

Other financial expenses		
Other financial expenses for companies in the same group	0	3 725
Total other financial expenses	<u>0</u>	<u>3 725</u>

Total financial expenses	167	3 828
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Total financial income and expenses	3 000	-969
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Other interest and financial income includes exchange rate gains (net)	23	91
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Income taxes

	1.1.2024–31.12.2024	1.1.2023–31.12.2023
Change in deferred tax assets (+income -expense)	-3 534	-2 068
	<u>-3 534</u>	<u>-2 068</u>

Long-term projects

	31/12/2024	31/12/2023
Net sales from long-term projects recognised according to percentage of completion in the income statement	86 251	59 741
Unrecognised revenue according to percentage of completion	29 111	107 530
Unrecognised revenue according to handover	<u>127 281</u>	<u>136 641</u>
Total amount not recognised as revenue from long-term projects	<u>156 392</u>	<u>244 171</u>

Amount recognised as revenue during the financial period and previous financial periods for long-term projects recognised based on the percentage of completion but not yet delivered to customers	12 268	8 894
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Consolidated balance sheet items for long-term projects:		
Materials and supplies for inventories	0	0
Accrued income corresponding to revenue based on the percentage of completion	12 268	8 894
Advances received from project clients	<u>-19 237</u>	<u>-54 175</u>
Liabilities of current liabilities in the balance sheet	<u>-6 970</u>	<u>-45 281</u>

Breakdown of non-current assets

	Intangible assets					Total
	Development expenditure	Intellectual property rights	Goodwill	Other intangible assets	Prepayments and work in progress	
Acquisition cost 1.1.2024	2 366	474	0	28	164	3 032
Additions	0	5	0	0	115	121
Reductions	-1 348	-10	0	-15	-79	-1 452
Transfers between items	0	17	0	0	-17	0
Acquisition cost 31.12.2024	1 018	487	0	13	183	1 701
Accumulated depreciation and impairment 1.1.2024	-2 366	-212	0	-25	0	-2 603
Accumulated depreciation on deductions and appropriations	1 348	2	0	15	0	1 366
Depreciation for the financial period	0	-47	0	-1	0	-48
Accumulated depreciation and impairment 31.12.2024	-1 018	-256	0	-10	0	-1 285
Carrying amount 31.12.2024	0	230	0	2	183	416
Carrying amount 31.12.2023	0	262	0	4	164	430

	Tangible assets					Total
	Land areas	Buildings	Machinery and equipment	Other tangible assets	Prepayments and work in progress	
Acquisition cost 1.1.2024	0	0	480	0	0	480
Additions	0	0	0	0	0	0
Reductions	0	0	-50	0	0	-50
Acquisition cost 31.12.2024	0	0	430	0	0	430
Accumulated depreciation and impairment 1.1.2024	0	0	-480	0	0	-480
Accumulated depreciation on deductions and appropriations	0	0	50	0	0	50
Depreciation for the financial period	0	0	0	0	0	0
Accumulated depreciation and impairment 31.12.2024	0	0	-430	0	0	-430
Carrying amount 31.12.2024	0	0	0	0	0	0
Carrying amount 31.12.2023	0	0	0	0	0	0

Breakdown of receivables

	31.12.2024	31.12.2023
Receivables from others		
Trade receivables	0	0
Deferred tax assets	4 392	7 417
Total	4 392	7 417
Total long-term receivables	4 392	7 417
Short-term receivables		
	31.12.2024	31.12.2023
Receivables from companies in the same group		
Trade receivables	6 909	4 979
Derivative receivables	6 310	8 603
Other receivables	50 879	82 328
Accrued income	1 244	1 836
Total	65 343	97 746
Receivables from others		
Trade receivables	9 441	17 875
Other receivables	257	113
Accrued income	1 176	553
Total	10 875	18 541
Total short-term receivables	76 217	116 287
Material items of accrued income		
	31.12.2024	31.12.2023
Amortised POC receivables	593	443
Other	583	109
	1 176	553
Deferred tax assets		
	31.12.2024	31.12.2023
From appropriations	113	202
From amortisation and temporary differences	4 278	7 215
	4 392	7 417

Equity

	31.12.2024	31.12.2023
Restricted equity		
Share capital 1.1.	100	100
Share capital 31.12.	100	100
Fair value reserve 1.1.	788	117
Additions	-2 034	671
Fair value reserve 31.12.	-1 246	788
Total restricted equity	-1 146	888
Unrestricted equity		
Invested unrestricted equity fund 1.1.	56 300	56 300
Return to shareholders	-21 800	0
Invested unrestricted equity fund 31.12.	34 500	56 300
Profit (loss) from previous financial periods 1.1.	-34 487	-39 015
Profit from previous financial periods 31.12.	-34 487	-39 015
Profit (loss) for the financial period	14 114	4 528
Total unrestricted equity	14 127	21 813
Total equity	12 981	22 701

Distributable unrestricted equity

Calculation of distributable equity

	31.12.2024	31.12.2023
Profit from previous financial periods	-34 487	-39 015
Profit (loss) for the financial period	14 114	4 528
Invested unrestricted equity fund	34 500	56 300
Capitalised development expenditure	0	0
	14 127	21 813

Notes to balance sheet equity and liabilities

Statutory provisions

	31.12.2024	31.12.2023
Warranty provision	519	732
Provision for losses	48	78
Other statutory provisions	0	200
	<u>567</u>	<u>1 010</u>

Long-term liabilities

	31.12.2024	31.12.2023
Other long-term liabilities	452	691
	<u>452</u>	<u>691</u>

Short-term liabilities

Liabilities to companies in the same group

	31.12.2024	31.12.2023
Advances received	0	0
Trade payables	1 018	822
Derivative liabilities	6 998	7 143
Other liabilities	2 185	2 105
Accrued expenses	1 062	1 148
	<u>11 263</u>	<u>11 218</u>

Liabilities to others

Advances received	29 402	73 115
Trade payables	25 104	39 952
Other liabilities	1 610	1 627
Accrued expenses	20 980	10 656
	<u>77 096</u>	<u>125 350</u>

Material items of accrued expenses

	31.12.2024	31.12.2023
Personnel expenses	3 799	2 844
Items related to projects	8 729	7 709
Other	86	103
	<u>12 614</u>	<u>10 656</u>

Guarantees and contingent liabilities

	31.12.2024	31.12.2023
Other contingent liabilities		
Lease liabilities		
	31.12.2024	31.12.2023
Payable in the following financial period	790	790
Payable later	2 500	3 290
Total	3 290	4 080

Amounts payable under leasing contracts		
	31.12.2024	31.12.2023
Payable in the following financial period	90	78
Payable later	54	65
	144	144

Derivative contracts

Fair values of derivative contracts		
	31.12.2024	31.12.2023
Positive fair value	6 310	8 603
Negative fair value	6 998	7 143
Net fair value	-687	1 460

Notional values of derivative contracts		
Intra-group currency forwards	479 501	479 501

MacGregor Finland Oy
2557310-4

Signatures to the financial statements

Kaarina, 28 April 2025

Mika Selänne
Chair of the Board of Directors
CEO

Juha Hyytiä

Pasi Lehtonen

Auditor's note

A report on the audit has been issued today.

Helsinki, 2025

Ernst & Young Oy
Audit firm

Heikki Ilkka
APA



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To the Annual General Meeting of MacGregor
Finland Oy

Audit of financial statements

Opinion

We have audited the financial statements of MacGregor Finland Oy (business ID 2557310-4) for the financial period 1.1.2024- 31.12.2024. The financial statements comprise the balance sheet, the income statement, the cash flow statement, and the notes.

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

Basis for opinion

We have conducted our audit in accordance with good auditing practice in Finland. Our responsibilities in accordance with good auditing practice are further described in the *Auditor's responsibilities in 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 CEO for the financial statements

The Board of Directors and the CEO are responsible for the preparation of financial statements that give a true and fair view in accordance with the regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the CEO are also responsible for such internal control as they deem 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 CEO are responsible for assessing the ability of the company to continue as a 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 intention to liquidate the company or cease operations, or there is no realistic alternative but to do so.

Auditor's responsibilities in 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 judgement and maintain professional scepticism 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 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 CEO'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 ability of the company 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.

Other reporting requirements

Other information

The Board of Directors and the CEO are responsible for the other information. The other information comprises the report of the Board of Directors.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable regulations.

If, based on the work we have performed, we conclude that there is a material misstatement in the other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki, 16 June 2025

Ernst & Young Oy Audit
firm

Heikki Ilkka APA