



Incap Corporation  
Financial Statement Release 13 February 2019 at 8.30 a.m. (EET)

## **INCAP GROUP FINANCIAL STATEMENT RELEASE FOR 2018 (UNAUDITED)**

### **Revenue and operating profit increased significantly**

#### **Key figures in January-December 2018**

- The Group's revenue amounted to EUR 59.0 million, up 21.5% year-on-year (2017: EUR 48.5 million).
- The Group's operating profit (EBIT) amounted to EUR 8.6 million (EUR 4.5 million) and its share out of revenue was 14.6% (9.4%).
- Net profit for the financial period amounted to EUR 5.8 million (EUR 3.1 million).
- Earnings per share was EUR 1.34 (EUR 0.72)
- The Board of Directors will propose to the Annual General Meeting that no dividend be paid. Following the share capital reduction carried out in 2016 there are limitations to the distribution of dividends until 31 August 2019.
- For 2019, the company estimates that the Group's full-year revenue and operating profit (EBIT) will be approximately at the same level or somewhat higher than in 2018, provided that there are no major changes in currency exchange rates or in component availability.

#### **Key figures in July-December 2018**

- The revenue during the second half of the year amounted to EUR 32.0 million, showing an increase of 29.2% (7-12/2017: EUR 24.8 million).
- Operating profit (EBIT) for the second half of the year was EUR 5.6 million (7-12/2017: EUR 2.3 million).

#### **President and CEO of Incap Group Otto Pukk**

"Our business performed well throughout 2018. The fourth quarter of the year was strong both in terms of revenue and profitability exceeding our expectations. Our revenue increased mainly thanks to growing demand from the established customers, and we were also able to increase the volumes with new customers.

I am especially delighted of the good profitability. The operating profit amounted to EUR 8.6 million, corresponding to 14.6 percent of revenues. In Electronics Manufacturing Services business this is generally considered to be a good level.

When developing our operations we continue to focus on functions, which bring the highest added value to our customers. We maintained a lean organizational structure and continued strict management of costs, and consequently, this together with revenue increase, our profitability clearly improved.

Along with the increased demand from our customers we focus on improving and increasing our manufacturing capacity. In India, the factory expansion with a new production line was indeed necessary to meet the growing demand. Furthermore, the development actions implemented in our factory in Estonia resulted in increased efficiency. In order to secure the customer deliveries we will continue our investments in developing the production capabilities and capacity further.

The electronics manufacturing services business has suffered from problems in component availability during the whole year. Thus, we increased our inventories measuredly and continued to cooperate closely with our suppliers to secure on-time deliveries to our customers.

We are continuing the work to expand our customer base. Alongside the established industrial companies we are also co-operating with several promising technology start-ups.

We face the future with confidence as the use of electronics in various application areas is expanding worldwide. Prospects for contract manufacturing services currently look bright but as an Electronic Manufacturing Service provider we need to be ready to adjust quickly to the possible market changes. However, I trust that our effective business model keeps us competitive also in the future. Our financial position is solid and we are in a good position to grow our business also through mergers and acquisitions should the right opportunity arise.”

#### *INCAP GROUP IN BRIEF*

*Incap Corporation is an international contract manufacturer. Incap's customers are leading suppliers of high-technology equipment in their own business segments, and Incap increases their competitiveness as a strategic partner. Incap has operations in Finland, Estonia, India and China, and the company currently employs approximately 770 people. Incap's share is listed on the Nasdaq Helsinki Ltd. as from 1997. Additional information: [www.incapcorp.com](http://www.incapcorp.com).*

#### **Business environment**

There were no significant changes in the business environment of Incap Group in 2018. The customers are very price-conscious and expect that their manufacturing partners increase efficiency continuously and stay competitive. General cost level remained stable in countries where Incap has operations. However, the electronics manufacturing services business has suffered and is still suffering from problems in component availability due to high demand. Prices of components and raw materials showed a moderate trend of increase.

In the long run, Incap sees the market development positive as electronics is used more and more in industry also in new areas such as in light vehicles and other everyday items. Also the growing environmental technology sector will offer the market opportunities.

#### **Revenue and earnings in 2018**

##### **January-December**

Incap Group's revenue for the financial year amounted to EUR 59.0 million, by 21.5% more than in 2017 (1-12/2017: EUR 48.5 million). The revenue increased due growing demand from the established customers and from the new customers.

The profitability was good. The full-year operating profit (EBIT) amounted to EUR 8.6 million (EUR 4.5 million), being 14.6% out of revenue (9.4%) which is generally considered to be a good level in the industry. The profitability was achieved by keeping organization structure lean and overhead costs low, and increasing the efficiency of both companies. In addition to this, the profitability also increased due to the growth in revenues.

Personnel expenses increased due to the growing volumes and amounted to EUR 4.6 million (EUR 4.1 million). Other business costs amounted to EUR 3.5 million (EUR 3.3 million). As a result of the growing business volume the material costs increased from EUR 36.9 million to EUR 44.3 million. The value of inventories increased from EUR 7.7 million to EUR 11.6 million at the end of the reporting period.

Net financial expenses amounted to EUR 0.7 million (EUR 0.5 million). Depreciation amounted to a total of EUR 0.5 million (EUR 0.4 million).

Profit for the period was EUR 5.8 million (EUR 3.1 million). Earnings per share were EUR 1.34 (EUR 0.72).

### July-December

Revenue for the second half of the year amounted to EUR 32.0 million, showing an increase of 29.2% year-on-year (7-12/2017: EUR 24.8 million).

The operating profit (EBIT) for the second half of the year amounted to EUR 5.6 million being 142.2% higher than in the corresponding period (7-12/2017: EUR 2.3 million). The net profit for the second half of the year was EUR 3.8 million, compared with EUR 1.6 million in the corresponding period last year.

COMPARISON BY REPORT PERIOD (1,000 euros)	1-12/2018	1-12/2017
Revenue	58,961	48,543
Operating profit (EBIT)	8,633	4,547
Profit for the period	5,846	3,134
Earnings per share, EUR	1.34	0.72

COMPARISON BY HALF YEAR (1,000 euros)	7-12/2018	1-6/2018	7-12/2017	1-6/2017
Revenue	31,996	26,965	24,764	23,779
Operating profit (EBIT)	5,560	3,073	2,296	2,251
Profit for the period	3,757	2,090	1,584	1,550
Earnings per share, EUR	0.86	0.48	0.36	0.36

## Investments

Investments in 2018 totalled EUR 2.2 million (EUR 0.7 million) and were mainly related to the new manufacturing line in India.

## Balance sheet, financing and cash flow

The balance sheet total on 31 December 2018 stood at EUR 32.1 million (EUR 24.8 million). The Group's equity at the closing of the financial period was EUR 15.7 million (EUR 10.4 million). The parent company's equity totalled EUR 12.1 million (EUR 10.7 million).

The Group's equity ratio improved further amounting to 49.1% (42.0%). Net gearing improved to 16.1% (41.9%).

Liabilities increased slightly to EUR 16.3 million compared with previous year (EUR 14.4 million), of which EUR 5.5 million (EUR 7.2 million) were interest-bearing liabilities. Interest bearing net debt decreased to EUR 2.6 million (EUR 4.4 million).

The Group's non-current interest-bearing liabilities amounted to EUR 1.0 million (EUR 2.3 million) and non-interest bearing liabilities EUR 0.5 million (0.0). The current interest-bearing liabilities were EUR 4.5 million (EUR 4.9 million). Out of the interest-bearing liabilities EUR 3.1 million are related to the Indian subsidiary (EUR 3.0 million). Other liabilities include EUR 1.4 million of bank loans and limits granted by the company's Finnish bank and EUR 1.0 million of factoring financing used in Estonia.

The covenants of the Group's loans include equity ratio and the Group's interest-bearing debt in relation to EBITDA, and their status is reviewed every six months. In the review on 31 December 2018 the target level of interest-bearing debt in relation to EBITDA was below 2.5 and the equity ratio more than 25%. The company met these covenants and the actual figure interest-bearing debt/EBITDA on the review date was 0.6 and the equity ratio 49.1%.

As to the loans granted by the Indian bank the company has committed to follow ordinary covenants and the bank's general loan conditions.

The Group's cash position during the report period was good. The Group's quick ratio was 1.0 (1.0), and the current ratio was 1.7 (1.6).

Cash flow from operations was EUR 4.1 million (EUR 1.9 million). On 31 December 2018, the Group's cash and cash equivalents totalled EUR 2.9 million (EUR 2.9 million). The cash and cash equivalents showed an increase of EUR 0.03 million.

## Personnel

At the end of 2018, the number of personnel in Incap Group was of 768 (570). Of the personnel 90.5% (87%) worked in India, 9.2% (12%) in Estonia and 0.3% (0.5%) in Finland. At the end of the year, 126 of Incap's personnel were women (113) and 642 were men (457). The average age of the personnel was 33 years (31). The average number of personnel was 684 (535).

The number of permanent personnel totalled 215 (198), and the number of fixed-term contracts was 553 (372).

## **Management and organisation**

The management team of Incap consists of CEO Otto Pukk, who is also the Managing Director for Incap's subsidiary in Estonia, CFO Antti Pynnönen (from January 21, 2019 onwards) and Managing Director of the Indian subsidiary Murthy Munipalli.

The duties of CEO of Incap were carried out until 25 June 2018 by Vesa Mäkelä (M.Sc. Eng., MBA, born 1964). Otto Pukk (M.Sc. Econ. born 1978) was appointed CEO on September 18, after acting as interim CEO from 25 June 2018. Otto Pukk is also the Managing Director for Incap's subsidiary in Estonia. Antti Pynnönen (M.Sc. Econ., born 1982) was appointed as CFO and member of the Management Team on 23 November 2018 and he assumed his duties as of 21 January 2019.

The Group has business units in Estonia and in India and sourcing operations in Hong Kong. Business units in Estonia and in India operate as profit centres and are responsible besides for the actual order-delivery process also for the quotations and pricing in accordance with the corporate guidelines. Finance and administration, sourcing, sales, IT and communications are coordinated by the corporate office.

## **Significant contracts during the period**

In November Incap signed a manufacturing services partnership contract with Corvus Energy, the leading provider of the world's most advanced maritime energy storage systems. More than 90% of large commercial hybrid vessels utilize Corvus energy high power energy storage systems, the modular lithium ion battery systems. According to the contract, Incap will act as the preferred supplier manufacturing for the new product lines of Corvus. The manufacture and assembly of the products will take place in Incap's factory in Kuressaare, Estonia and the first deliveries were made in late 2018. The partnership contract is estimated to bring additional revenue of over EUR 5 million annually starting in 2019.

## **Quality assurance and environmental issues**

Incap Group's both business units have environmental management and quality assurance systems certified by Bureau Veritas. The systems are used as tools for continuous improvement. Environmental management system in both business units complies with ISO 14001:2015, and the quality assurance system complies with ISO 9001:2015. In addition, the Estonian unit has the ISO 13485/2016 quality certification for the manufacture of medical devices. The Estonian unit also complies with the Occupational health and safety management system OHSAS 18001.

## **Annual General Meeting 2018**

The Annual General Meeting of Incap Corporation was held in Helsinki on 17 April 2018. The Annual General Meeting adopted the financial statements for the financial period ended 31 December 2017 and decided, in accordance with the proposal of the Board of Directors, that no dividend be distributed for the financial period and that the profit for the financial period (EUR 888,818.01) be recognised in equity.

## **Authorisation of the Board of Directors**

The Annual General Meeting held on 17 April 2018 authorized the Board of Directors to decide to issue a maximum of 436,516 new shares either against payment or without payment. The new shares may be issued to the company's shareholders in proportion to their current shareholdings in the company or deviating from the shareholders' pre-emptive right through one or more directed share issue, if the company has a weighty financial reason to do so, such as developing the company's equity structure, implementing mergers and acquisitions or other restructuring measures aimed at developing the company's business, financing of investments and operations or using the shares as a part of the company's remuneration and compensation system, to the terms and scope decided by the Board of Directors.

The Board has not exercised the authorisation, which is valid for one year until the next annual general meeting.

## **Board of Directors and Auditor**

The Annual General Meeting held on 18 April 2018 resolved that the number of members of the Board of Directors is three (3). The annual general meeting re-elected Carl-Gustaf von Troil, and elected Päivi Jokinen and Ville Vuori as new members to the Board of Directors. All members are independent of the company and the shareholders. In the meeting after the Annual General Meeting board members selected Carl-Gustaf von Troil as the Chairman of the Board.

The firm of independent accountants Ernst & Young Oy continued to act as the company's auditor, with Bengt Nyholm, Authorised Public Accountant, as the principal auditor.

## **Corporate Governance**

Incap Corporation is complying with the valid Corporate Governance Code of Securities Market Association. The company will release a report on the company's corporate governance in compliance with the Securities Market Act as a separate document in connection with the publication of the Report of the Board of Directors and the Annual Report in week 12/2019. The report will be available also at the company's website.

Corporate Governance Code of Securities Market Association is publicly available at the website of Securities Market Association at [www.cgfinland.fi](http://www.cgfinland.fi).

## **Shares and shareholders**

Incap Corporation has one series of shares, and the number of shares at the end of the period was 4,365,168 (31 December 2017: 4,365,168).

During the financial period, the share price varied between EUR 8.22 and 5.60 (EUR 7.20 and 5.25). The closing price for the period was EUR 7.26 (EUR 6.19). The market capitalisation on 31 December 2018 was EUR 31.7 million (EUR 27.0 million). At the end of financial period, the company had 2,437 shareholders (2,489). Nominee-registered or foreign owners held 4.2% (36.0%) of all shares. The company does not hold any of its own shares.

At the end of the financial period 2018, the members of Incap Corporation's Board of Directors and the President and CEO and their interest parties owned a total of 40,604 shares or 0.93% of the company's shares outstanding (40,604; 0.93%).

<b>LARGEST SHAREHOLDERS on 31 December 2018</b>	<b>Shares, pcs</b>	<b>Holding, %</b>
Oy Etra Invest Ab	853,000	19.54
Nordea Life Insurance Finland	624,099	14.30
Joensuun Kauppa ja Kone	375,513	8.60
Ilmarinen Mutual Pension Insurance Company	232,308	5.32
Laakkonen Mikko	218,257	4.99
Mandatum Life Unit-Linked	160,000	3.67
Danske Bank Helsinki Branch	141,620	3.24
K22 Finance Oy	134,100	3.07
Kakkonen Kari	100,000	2.29
Kalevi Laurila	79,021	1.81
<b>10 largest in total</b>	<b>2,917,918</b>	<b>66.85</b>

### **Announcements in accordance with Section 10 of Chapter 9 of the Securities Market Act on a change in holdings**

The company announced on 20 February 2018 the following changes in holdings:

The holding of Oy Etra Invest Ab out of Incap Corporation's shares and votes changed on 19 February 2018 and exceeded the flagging limit. New holding was 838,000 shares and 19.2% of all shares and voting rights of Incap.

The holding of Joensuun Kauppa ja Kone Oy/K22 Finance Oy out of Incap Corporation's shares and votes changed on 19 February 2018 and exceeded the flagging limit. New holding was 504,100 shares and 11.55% of all shares and voting rights of Incap.

The holding of IFF Konsult Ab out of Incap Corporation's shares and votes has decreased below the flagging limit and it holds as from 19 February 2018 no shares of Incap.

The holding of FBM Consulting Ab out of Incap Corporation's shares and votes has decreased below the flagging limit and it holds as from 19 February 2018 no shares of Incap.

The holding of Nordea Life Insurance Suomi Oy out of Incap Corporation's shares and votes changed on 19 February 2018 and exceeded the flagging limit. New holding was 614,099 shares and 14.07% of all shares and voting rights of Incap.

On October 1, 2018 Incap received an announcement that the holding of Nordea Bank Abp in Incap's shares and votes was 14.07% i.e. 614,099 shares in total. The announcement was in connection with a transfer of shares from Nordea Bank AB (publ) after its merger to Nordea Bank Abp.

### **Corporate social responsibility**

Incap reports non-financial information as a part of the report of the Board of Directors and Annual Report. The most relevant items of the company's corporate social responsibility are social responsibility, environmental responsibility and responsibility to stakeholders.

### **Risk management**

The Risk Management Policy approved by the Board of Incap Corporation classifies risks as risks connected to the operating environment, operational risks and damage and funding risks. The company's risk management is mainly focused on risks that threaten the company's business objectives and continuity of operations. In order to improve its business opportunities, the company is willing to take on managed risks within the scope of the Group's risk management capabilities. The company regularly reviews its insurance policies as part of its risk management system.

### **Short-term risks and factors of uncertainty concerning operations**

General risks related to the company's business operations and sector include the development of customer demand, price competition in contract manufacturing, success in acquirement of new customers, availability and price development of raw material and components, sufficiency of funding, liquidity and exchange rate fluctuations.

At the moment the financing position of the company is good and the sufficiency of financing and working capital is posing no significant risk.

In the definition of the volumes of internal transactions the actual value added and the so-called "arm's length" principle are considered. After the cumulative losses in India were covered during the latter half of 2015, it is possible to repatriate profits also through dividends.

The value of the shares in subsidiaries in the parent group has a significant impact on the parent company's equity and therefore on, for example, equity ratio. Based on the impairment calculations in connection with the financial statements for 2018 there is no need for any write-down of the value of the shares in subsidiaries. However, based on the company's estimate there is a risk connected with the valuation of the shares of the



Estonian subsidiary because of the previous unprofitable operations of the subsidiary. There is no such risk in the valuation of the subsidiary in India.

Demand for Incap's services and the company's financial position are affected by global economic trends and the fluctuation among customer industries. The risks connected with the customer demand and the solvency of customers are monitored and evaluated separately for each customer. The management considers the customer relationship management to be of utmost importance and is paying special attention to it.

The company's sales are spread over several customer sectors balancing out the impact of the economic fluctuation in different industrial sectors. Out of the total revenue in 2018, two companies exceeded 10% each, and approximately 68% came from those two biggest customers. In 2017, out of the total revenue approximately 74% came from the two biggest customers.

The company's business segment, electronics manufacturing services, is highly competitive and there are major pressures on cost level management. The company has succeeded in increasing the efficiency of its operations and in lowering the costs. Furthermore, the company's production is located in countries with competitive levels of wage and general costs.

The most significant exchange rate risk of the company is related to the Indian subsidiary. A remarkable part of the Group's operations is located in India, and the fluctuation in the exchange rates between Indian Rupee and Euro may have a remarkable effect on revenue and result.

The Indian subsidiary of the company had a tax audit in 2016, and based on the audit, the tax authorities do not approve the depreciations made on the capitalized customer contracts during accounting periods 2008/2009-2012/2013 and the transfer costs during the accounting period 2011/2012. The estimated effect with eventual interest is amounting to a maximum of EUR 0.6 million. The company's complaint is still in the process of tax authorities. The tax debt has been presented in the off-balance sheet liabilities.

In tax audit conducted by Indian tax authorities for period 2015-2016 the deductibility of group costs are being investigated. Group has recorded a reservation for tax and interest totalling EUR 0.5 million for the financial period 2018. The case is still under preliminary investigation and if an agreement cannot be settled with a local tax authority the company's point of view will be processed.

### **Significant events after the end of the period**

There have been no significant events after the reporting period.

### **Strategy and targets**

The positive trend in profitability has enabled the strong development of the company ensuring the future growth. The efficient operational model of the company guarantees fast decision-making and operational flexibility. The company is targeting to increase the business volumes further organically and is also seeking possibilities to expand its operations by mergers and acquisitions.

## **Outlook for 2019**

Incap's estimates for future business development are based both on its customers' forecasts and on the company's own assessments.

The company estimates that the Group's full-year revenue and operating profit (EBIT) for 2019 will be approximately at the same level or somewhat higher than in 2018, provided that there are no major changes in currency exchange rates or in component availability.

## **Board of Directors' proposal on measures related to the result**

The parent company's profit for the financial period totals EUR 1 330 795,88. Due to the share capital reduction carried out in 2016 there are limitations for distribution of dividends until 31 August 2019. The Board of Directors will propose to the Annual General Meeting to be held on 15 April 2019 that no dividend be paid and the result for the financial period be recognized in equity.

## **Annual General Meeting 2019**

The Annual General Meeting is scheduled to be held on Monday, 15 April 2019 in Helsinki. The notice to the Annual General Meeting will be given at a later date.

## **Publication of the annual report 2018**

The annual report of Incap Group including the Report of the Board of Directors and the Auditor's report for 2018 will be published during week 12/2019 at the company's website [www.incapcorp.com](http://www.incapcorp.com).

## **Financial reporting of Incap in 2019**

Incap will publish the business review for January-March on 8 May, half-year report for January-June on 14 August and business review for January-September on 6 November.

In Helsinki, 13 February 2019

INCAP CORPORATION  
Board of Directors

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The company's home page [www.incapcorp.com](http://www.incapcorp.com)

ANNEXES

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5 Group Key Figures and Contingent Liabilities

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**The accounting principles for the financial statements**

This financial statement release has been prepared in accordance with international financial reporting standards (IFRS) - IAS 34 Interim Financial Reporting standard. When preparing the release, the same principles have been used as in the 2017 financial statement. Unless otherwise stated, the comparison figures refer to the same period in the previous year. The information in this financial statement report is unaudited.

## Annex 1

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS), CONTINUING OPERATIONS**

(EUR thousands, unaudited)	1-12/2018	Change, %	1-12/2017	7-12/2018	7-12/2017
REVENUE	58 961	21 %	48 543	31 996	24 764
Change in inventories of finished goods	1 428	208 %	463	1 039	-106
Other operating income	1 063	297 %	268	872	153
Raw materials and consumables used	44 277	20 %	36 896	24 118	18 480
Personnel expenses	4 560	13 %	4 052	2 200	2 070
Depreciation, amortisation and impairment losses	509	15 %	443	289	235
Other operating expenses	3 427	4 %	3 336	1 739	1 729
OPERATING PROFIT/LOSS	8 633	90 %	4 547	5 560	2 296
Financing income and expenses	-693	31 %	-529	-423	-273
PROFIT/LOSS BEFORE TAX	7 940	98 %	4 018	5 128	2 023
Income tax expenses	-2 094	137 %	-884	-1 371	-438
PROFIT/LOSS FOR THE PERIOD	5 846	87 %	3 134	3 757	1 584
Earnings per share, euro	1.34	88 %	0.72	0.86	0.36
<b>OTHER COMPREHENSIVE INCOME</b>	<b>1-12/2018</b>	<b>Change, %</b>	<b>1-12/2017</b>	<b>7-12/2018</b>	<b>7-12/2017</b>
Items that will not be reclassified to statement of income					
Remeasurements of employee benefits	-100	-455%	-18	-100	-18
Items that may be recognised in profit or loss at a later date:					
Translation differences from foreign units	-424	-33 %	-632	57	-319
Other comprehensive income, net	-524	-33 %	-650	-47	-337
TOTAL COMPREHENSIVE INCOME	5 322	114 %	2 484	3 714	1 247
Attributable to:					
Shareholders of the parent company	5 323	114 %	2 484	3 714	1 247
Non-controlling interest	0	0	0	0	0

## Annex 2

**CONSOLIDATED BALANCE SHEET (IFRS), CONTINUING OPERATIONS**

(EUR thousands, unaudited)	31 December 2018	Change, %	31 December 2017
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4 545	52 %	2 980
Goodwill	895	-2 %	914
Other intangible assets	15	-15 %	18
Other financial assets	4	0 %	4
Other receivables	324	-72 %	1 146
<b>TOTAL NON-CURRENT ASSETS</b>	<b>5 782</b>	<b>14 %</b>	<b>5 062</b>
<b>CURRENT ASSETS</b>			
Inventories	11 647	51 %	7 721
Trade and other receivables	11 757	29 %	9 135
Cash and cash equivalents	2 894	1 %	2 862
<b>TOTAL CURRENT ASSETS</b>	<b>26 297</b>	<b>33 %</b>	<b>19 718</b>
<b>TOTAL ASSETS</b>	<b>32 080</b>	<b>296 %</b>	<b>24 780</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the</b>			
Share capital	1 000	0 %	1 000
Reserve for invested unrestricted equity	11 028	0 %	11 028
Exchange differences	-1 569	37 %	-1 147
Retained earnings	5 279	1 230 %	-467
<b>TOTAL EQUITY</b>	<b>15 758</b>	<b>51 %</b>	<b>10 414</b>
<b>NON-CURRENT LIABILITIES</b>			
Non-interest bearing liabilities, interest-bearing loans and borrowings	1 468	-36 %	2 311
<b>NON-CURRENT LIABILITIES</b>	<b>1 468</b>	<b>-36 %</b>	<b>2 311</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10 370	45 %	7 140
Current interest-bearing loans and borrowings	4 503	-8 %	4 915
<b>CURRENT LIABILITIES</b>	<b>14 874</b>	<b>23 %</b>	<b>12 055</b>
<b>TOTAL LIABILITIES</b>	<b>16 342</b>	<b>14 %</b>	<b>14 366</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>32 080</b>	<b>29 %</b>	<b>24 780</b>

## Annex 3

**CONSOLIDATED CASH FLOW STATEMENT (IFRS), CONTINUING OPERATIONS**


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(EUR thousands, unaudited)	1-12/2018	1-12/2017
<b>Cash flow from operating activities</b>		
Operating profit	8 633	4 547
Adjustments to operating profit	621	474
Change in working capital	-2 995	-1 796
Interest paid and payments made	-439	-410
Interest received	3	5
Paid tax and tax refund	-1 686	-899
<b>Cash flow from operating activities</b>	<b>4 137</b>	<b>1 921</b>
<b>Cash flow from investing activities</b>		
Capital expenditure on tangible and intangible assets	-2 199	-674
<b>Cash flow from investing activities</b>	<b>-2 199</b>	<b>-674</b>
<b>Cash flow from financing activities</b>		
Drawdown of loans	3 389	1 397
Repayments of borrowings	-5 279	-1 854
<b>Cash flow from financing activities</b>	<b>-1 889</b>	<b>-457</b>
Change in cash and cash equivalents	48	790
Cash and cash equivalents at beginning of period	2 862	2 347
Effect of changes in exchange rates	-17	-275
<b>Cash and cash equivalents at end of period</b>	<b>2 894</b>	<b>2 862</b>

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## Annex 4

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS), CONTINUING OPERATIONS**

(EUR thousands, unaudited)	Share capital	Share premium account	Reserve for invested unrestricted equity	Exchange differences	Retained earnings	Total
<b>Equity at 1 January 2018</b>	<b>1,000</b>	<b>0</b>	<b>11,028</b>	<b>-1 147</b>	<b>-467</b>	<b>10,414</b>
Total comprehensive income					5,847	5,847
Currency translation differences				-422		-422
<b>Transactions with shareholders</b>						
Other changes 1)					-100	-100
<b>Equity at 31 December 2018</b>	<b>1,000</b>	<b>0</b>	<b>11,028</b>	<b>-1,569</b>	<b>5279</b>	<b>15,738</b>
<b>Equity at 1 January 2017</b>	<b>1,000</b>	<b>0</b>	<b>11,028</b>	<b>-515</b>	<b>-3,584</b>	<b>7,929</b>
Total comprehensive income					3,134	3,134
Currency translation differences				-632		-632
<b>Transactions with shareholders</b>						
Other changes 1)					-18	-18
<b>Equity at 31 December 2017</b>	<b>1,000</b>	<b>0</b>	<b>11,028</b>	<b>-1,147</b>	<b>-467</b>	<b>10,414</b>

1) Remeasurements of employee benefits

## Annex 5

**GROUP KEY FIGURES AND CONTINGENT LIABILITIES (IFRS), CONTINUING OPERATIONS**

(unaudited)	31 Dec 2018	31 Dec 2017
Revenue, EUR million	59.0	48.5
Operating profit/loss, EUR million	8.6	4.5
% of revenue	14.6	9.3
Profit/loss before taxes, EUR million	7.9	4.0
% of revenue	13.5	8.3
Return on investment (ROI), %	46.8	28.4
Return on equity (ROE), %	44.7	34.2
Equity ratio, %	49.1	42.0
Net Gearing, %	16.6	41.9
Net debt, EUR million	1.6	2.4
Interest-bearing net debt, EUR million	2.6	4.4
Quick ratio	1.0	1.0
Current ratio	1.7	1.6
Average number of shares during the review	4,365,168	4,365,168
Earnings per share (EPS), EUR	1.34	0.72
Equity per share, EUR	3.61	2.39
Dividend per share, EUR	0	0
Dividend out of profit, %	0	0
P/E ratio	5.4	8.6
Trend in share price		
Minimum price during the period, EUR	5.60	5.25
Maximum price during the period, EUR	8.22	7.20
Mean price during the period, EUR	6.02	5.93
Closing price at the end of the period, EUR	7.26	6.19
Total market capitalisation, EUR million	31.7	27.0
Trade volume, no. of shares	2,891,606	2,009,629
Trade volume, %	66.2	46.0
Investments, EUR million	2.2	0.7
% of revenue	3.7	1.4
Average number of employees	684	535
CONTINGENT LIABILITIES, EUR million		
FOR OWN LIABILITIES		
Mortgages and pledges	14.6	14.7
Off-balance sheet liabilities	1.9	2.4



## Annex 6

**KEY FIGURES BY REPORT PERIOD (IFRS), CONTINUING OPERATIONS**

	1-12/ 2018	1-12/ 2017	7-12/ 2018	7-12/ 2017	1-6/ 2018	1-6/ 2017
Revenue, EUR million	59.0	48.5	32.0	24.8	27.0	23.8
Operating profit, EUR million	8.6	4.5	5.6	2.3	3.1	2.3
% of revenue	14.6	9.4	17.4	9.3	11.4	9.5
Profit before taxes, EUR million	7.9	4.0	5.1	2.0	2.8	2.0
% of revenue	13.5	8.3	16.0	8.2	10.4	8.4
Return on investment (ROI), %	46.8	28.4	59.7	28.3	36.3	27.5
Return on equity (ROE), %	44.7	34.2	61.8	34.5	37.3	35.0
Equity ratio, %	49.1	42.0	49.1	42.0	43.4	37.9
Net Gearing, %	16.6	41.9	27.5	41.9	27.4	38.7
Net debt, EUR million	1.7	2.4	1.5	2.4	2.0	3.4
Interest-bearing net debt, EUR million	2.6	4.4	4.3	4.4	3.3	3.8
Average number of shares during the review period, adjusted for share issues	4,365,168	4,365,168	4,365,168	4,365,168	4,365,168	4,365,168
Earnings per share (EPS), EUR	1.34	0.72	0.84	0.36	0.48	0.36
Equity per share, EUR	3.61	2.39	3.61	2.39	2.75	2.24
Investments, EUR million	2.2	0.7	1.7	0.0	0.5	0.7
% of revenue	3.7	1.4	5.3	0.0	1.8	3.0
Average number of employees	684	535	741	556	628	513

## Annex 7

**CALCULATION OF KEY FIGURES**


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Return on investment, %	$\frac{100 \times (\text{profit/loss for the period} + \text{financial expenses})}{\text{equity} + \text{interest-bearing financing loans}}$
Return on equity, %	$\frac{100 \times \text{profit/loss for the period}}{\text{average equity during the financial period}}$
Equity ratio, %	$\frac{100 \times \text{equity}}{\text{balance sheet total} - \text{advances received}}$
Net gearing, %	$\frac{100 \times \text{net debt}}{\text{equity}}$
Net debt	Interest-bearing debt - cash and bank accounts
Quick ratio	$\frac{\text{current assets}}{\text{short-term liabilities} - \text{short-term advances received}}$
Current ratio	$\frac{\text{current assets} + \text{inventories}}{\text{short-term liabilities}}$
Earnings per share	$\frac{\text{net profit/loss for the period}}{\text{average number of shares during the period, adjusted for share issues}}$
Equity per share	$\frac{\text{equity}}{\text{number of shares at the end of the period, adjusted for share issues}}$
Capital expenditure	VAT-exclusive working capital acquisitions, without deduction of investment subsidies
Average number of employees	average of personnel numbers calculated at the end of each month
Total market capitalisation	closing price for the period x number of shares available for public trading

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