



Financial Statement 2023





Forerunner in sustainable maritime services

Arctia is tasked with facilitating safe, smooth and environmentally sustainable waterborne transport operations.

Arctia engages in icebreaking, fairway maintenance and hydrographic surveying, all of which offer a wealth of experience, expertise and equipment suitable for these operations.

Arctia Ltd is a wholly state-owned company.



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2023 reports

Arctia Group's 2023 Annual Report comprises the Annual and Corporate Sustainability Report, the Corporate Governance and Remuneration Report as well as the Financial Statements.

The reports are posted on the company's website at www.arctia.fi/en.

ANNUAL AND CORPORATE SUSTAINABILITY REPORT



CORPORATE GOVERNANCE AND REMUNERATION REPORT



FINANCIAL STATEMENTS



Report of the Board of Directors on the financial year 1 Jan. - 31 Dec. 2023

OPERATING ENVIRONMENT

Arctia Group provides icebreaking, fairway maintenance and maritime surveying services.

Arctia operates in business areas that are vital to maintaining Finland's stocks of critical supplies. For Arctia, the most relevant future drivers of change are the business opportunities provided by the green transition, the fight against climate change, Finland's new security position and the precarious state of the economy.

Demand for icebreaker assistance services on the Baltic Sea is expected to grow as a result of growing transport volumes, increasing vessel sizes, the declining ability of merchant ships to navigate in ice, and the construction of offshore wind power farms. The challenging winter conditions brought about by climate change in the form of wind, sleet and drifting ice will also increase the need for assistance. As Arctia's current icebreaker fleet is ageing and operational needs are changing, there is a pressing need for modernization.

Aside from hydrographic surveying in Finland's coastal waters, the design and construction of offshore wind power farms are

expected to increase the workload in maritime surveying in the coming years. For a couple of years now, the business environment in fairway maintenance has been undergoing a transition as a result of the introduction of new forms of competitive tendering.

FINANCIAL PERFORMANCE OF THE GROUP

Arctia Group's revenue in the reporting period increased from the previous year to EUR 82.7 million (EUR 80.2 million in 2022). The Group's operating profit was EUR 3.4 (2.9) million and the profit for the financial year was EUR 1.4 (1.2) million. The profit included non-recurring items such as the sale of vessels and real estate properties and the change in the residual value of the fleet, the combined effect of which was not significant.

The consolidated balance sheet total was EUR 243.4 (263.2) million. The equity-to-assets ratio was 59.2 per cent (54.3). At the end of the year, the Group's interest-bearing loans amounted to EUR 78.0 (96.5) million. The interest rates on the loans are linked to market rates. EUR 35.9

million of these loans are hedged.

The Group's financing is mainly provided by the parent company, which grants loans to the member companies. At the end of the reporting period, the total amount of loans

extended by the parent company amounted to EUR 72.2 million. The maximum loan period is 10 years. Repayments and interest rates are determined in the loan agreements. The loans are unsecured.

KEY FINANCIAL FIGURES DESCRIBING THE ACTIVITIES OF THE ARCTIA GROUP

	2023	2022	2021	2020	2019
Turnover, MEUR	82.7	80.2	71.2	80.8	79.1
Operating profit/loss, MEUR	3.4	2.9	0.2	2.4	0.0
% of turnover	4.1	3.6	0.3	3.0	0.0
Profit/loss for the fiscal period, MEUR	1.4	1.2	-0.5	0.9	-2.0
% of turnover	1.7	1.5	-0.7	1.1	-2.5
Equity, MEUR	143.8	142.8	141.6	142.1	141.2
Equity ratio, %	59.2	54.3	53.5	50.2	49.1
Net gearing, %	36.8	45.4	53.1	60.2	72.6
Interest-bearing liabilities, MEUR	78.0	96.5	102.8	119.3	125.3
Return on capital invested, %	1.8	1.1	0.1	0.9	0.1
Return on equity (ROE), %	1.0	0.9	-0.4	0.6	-1.4
Investments, MEUR	7.6	8.6	4.3	6.8	9.5
% of turnover	9.2	10.7	6.0	8.5	12.0
Balance sheet total, MEUR	243.4	263.2	265.1	283.7	288.0

Cash flow from business operation amounted to EUR 16.7 (18.5) million. Cash flow from investments was EUR -4.7 (-7.7) million. Most of the investments are maintenance investments, the most significant of which were related to icebreaker dockage and system upgrades. Cash flow from financing activities was EUR -18.9 (-6.3) million. At the end of the year, the consolidated cash assets amounted to EUR 25.0 (31.9) million. Most of the cash assets are invested in low-risk fixed-income funds. The cash assets are used to make provisions for fleet maintenance and investments.

BUSINESS OPERATIONS

The Group is engaged in three lines of business: icebreaking, fairway maintenance and hydrographic surveying.

Icebreaking provides its services by operating eight icebreakers, including a number of smaller port icebreakers and tugs used for icebreaking in ports. Icebreaking is of strategic interest as it is tasked to ensure winter navigation capabilities to serve the needs of Finnish business and industry. The number of operating days in icebreaking fell to 481 (739) compared to the previous year.

The Group's port icebreaking and commercial vessel assistance services are provided by Arctia Karhu Ltd, a joint venture owned by Arctia Ltd and Kemi Port Ltd. The company operates in the ports of Tornio and Kemi. The port icebreaking season was shorter than usual. Port assistance and escort towage operations were carried out

throughout the year.

Aside from fairway maintenance, **Fairway Maintenance** provides canal operation and maintenance services as well as oil spill response services and manufactures buoys and spar buoys. In 2023, the fairway maintenance business was adapted to respond to the new demand situation, the organisation was streamlined, and a major action programme was launched to secure competitiveness in this business area.

In 2023, Arctia operated the Saimaa Canal, where traffic remained low due to Russia's war of aggression against Ukraine. The canal continued to be maintained in a serviceable condition as usual.

Hydrographic Surveying provides maritime surveying, research, design and planning as well as data services. Its strategic mission is to provide the maritime surveying services necessary for naval preparedness in all conditions. Every year, Arctia's fleet surveys thousands of square kilometres of seabed to the highest international quality standards, not only in Finland but also in other European waters.

The volume of business in hydrographic surveying is growing. In particular, offshore wind power projects have become another important source of revenue along with the surveying carried out for marine cartography purposes.

INVESTMENTS

In 2023, the Group's investments totalled EUR

7.6 (8.6) million. In 2023, the icebreaker Nordica was docked for its five-year overhaul. The Group invested mainly in vessel maintenance and mid-life upgrades.

Investments in the icebreaking fleet are based on the life-cycle plan, legal requirements and the investments agreed upon with customers. The purpose of icebreaker life-cycle planning is to ensure optimum timing of investments in economic terms. Other investments are typically related to the modernization of smaller vessels, mid-life upgrades and new business development.

PERSONNEL

The Group employed an average of 425 (426) people during 2023. New employees were recruited to maintain professional skills and prepare for future retirements.

The systematic development of leadership and management skills was continued in 2023 by providing training based on the "Deep Lead" concept and offering refresher training in management skills. Skills were maintained through refresher training required for certificates of competence and other professional qualifications. In 2023, the total number of personnel training days was 643 (559).

The salaries and fees paid by the Group totalled EUR 28.3 (28.0) million.

Arctia conducts an annual in-house job satisfaction survey, whose findings are used as a basis for planning and implementing development measures.

A total of three rounds of change negotiations, mostly related to fairway maintenance operations, were carried out in the company during 2023. The negotiations led to employee relocations, reorganisation of activities, changes to job descriptions, mergers and closures, as well as seasonal lay-offs. A total of 37 employees had to be made redundant on financial and production-related grounds.

STRATEGY IMPLEMENTATION

During 2023, Arctia updated the strategies for group operations, icebreaking and hydrographic surveying. In the 2023-2026 period, the Group-wide themes focus on human resources and skills development, new services, sustainability and safety. In addition to the foregoing, Arctia will continue to develop in-house operations in all business areas, strengthen the company brand as well as leverage and develop digitalisation.

HEALTH AND SAFETY

Safety management within the Group is divided into vessel, occupational and corporate safety. Safety is based on the in-house safety management system, system compliance, auditing, reporting and the improvements made in response to findings.

Vessel safety is monitored in the Group through regular internal and external audits. The vessels are inspected annually by The Finnish Transport and Communications Agency (Traficom). During the financial year, no

serious anomalies were detected in audits or inspections.

In 2023, the Group had a total of 5 occupational accidents leading to absence from work. The Group's injury frequency rate was 6.2 (12.8). Considerable efforts are being made to prevent occupational accidents. The Group's ambition is to achieve zero serious accidents at work and zero occupational diseases as well as to reduce the injury frequency rate close to zero.

The Group gives due consideration to occupational, vessel and corporate safety in all its operations, and complies with the International Safety Management (ISM) Code, the International Maritime Organization's (IMO) MARPOL (International Convention for the Prevention of Pollution from Ships) regulations, as well as national guidelines and regulations. The fairway maintenance and hydrographic surveying businesses also have in place a certified ISO 9001 quality management system, ISO 14001 environmental management system and ISO 45001 health and safety management system. Hydrographic surveying is also governed by the provisions of the Finnish Defence Forces' Katakri audit guidelines.

RESEARCH AND DEVELOPMENT

Arctia engages in active marketing efforts in respect of offshore wind farm developers, offering geophysical surveying and waterborne transport services for monitoring environmental and maritime conditions. Arctia's digital sea marker

and remote monitoring services enable customers to make their waterways safer and more environmentally friendly.

ENVIRONMENTAL EFFECTS

During 2023, Arctia continued to implement the measures foreseen in its environmental programme and CO2 roadmap. Arctia has been procuring emission-free electricity and district heat for some time now. Most of the company's CO2 emissions are generated by icebreakers, while absolute emissions vary according to the severity of the winter. Technical improvements were made to measure the fuel consumption of icebreakers, which will make it possible to optimize assistance operations. More low-carbon fuels are being used in hydrographic surveying. Efforts to develop waste management to support the circular economy were continued. Additionally, risk management focused on preventing environmental damage.

Other services, such as oil spill response services and buoys for monitoring environmental emissions, contribute to reducing the environmental impact of maritime transportation.

Arctia did not cause any environmental accidents in 2023.

SUSTAINABILITY

Arctia's corporate social responsibility and sustainability activities are governed by the corporate strategy and the Government Resolution on the State Ownership Policy of 8 April 2020.

Efforts to implement corporate social responsibility in all areas related to environmental, social and governance (ESG) performance were continued in 2023. Also, steps were taken to review the entire sustainability regime, inter alia in order to respond to the SCR regulation.

More details on Arctia's sustainability policies are provided in the Group's Annual Report and Sustainability Report.

COMPANY ORGANISATION, MANAGEMENT AND AUDITORS

The Group's parent company is Arctia Ltd. Arctia Management Services Ltd, a subsidiary, provides services related to financial management and human resources, communications, security, technology and crewing.

Actual operations are carried out by three subsidiaries: Arctia Meritaito Ltd provides fairway maintenance and hydrographic surveying services; Arctia Icebreaking Ltd offers icebreaking services; and Arctia Karhu Ltd provides port icebreaking and assistance services. The Group also includes an affiliated company which has had little activity.

At the Annual General Meeting of Arctia Ltd held on 23 March 2023, Mats Rosin was appointed Chair of the Board of Directors and Kati Pallasaho, Sinikka Mustakari, Kari Savolainen, Regina Sippel and Matti-Mikael Koskinen ordinary members of the Board. Matti-Mikael Koskinen was elected Deputy Chair of the Board of Directors. The Board held eight ordinary meetings during 2023. The remuneration of the Board

of Directors remained unchanged. In the performance of its duties, the Board is assisted by the Personnel Committee and the Audit Committee.

At the Annual General Meeting, KPMG Oy Ab was appointed Arctia Group's auditor with Ari Eskelinen, CPA, serving as the auditor in charge.

Maunu Visuri served as Arctia Ltd's Chief Executive Officer. As well as the CEO, the Group's Management Team included Sari Kankkunen, Chief Financial Officer (who has resigned and is due leave her position in the Management Team on 1 March 2024); Janne Laitinen, Senior Vice President, Human Resources and Legal Affairs; Tero Hänninen, Technical Director; Paavo Kojonen, Senior Vice President, Icebreaking, as of 1 March 2023; Lauri Pöyhönen, Senior Vice President, Marine Surveying Services, as of 17 April 2023; and Timo Riihimäki, Senior Vice President, Fairway Maintenance Services, as of 1 June 2023.

SHARES

The entire share capital of Arctia Ltd is owned by the State of Finland. The share capital of the company consists of 748,000 shares of equal value. The share capital amounts to EUR 18.7 million.

BUSINESS RISKS

Risk management is an integral part of Arctia's management system, embracing the day-to-day operations and decision-making of the business units, vessels and support functions. A

risk assessment is always carried out in respect of major projects and business or operational changes.

Risks are divided into strategic, operational and financial risks. The strategic business risks relate, in particular, to the response to the structural profitability challenge and how to implement the measures to improve business efficiency. One major strategic risk is posed by changes in the operating environment, which may have a negative impact on business prospects. Changes in the operating environment include, inter alia, new forms of competitive tendering. Strategic risks are managed through all-round business planning and a systematic approach to the implementation of changes. Another way of dealing with risks is to anticipate the impact of changes in the business environment.

A major operational risk is posed by the ageing fleet. Its technical reliability plays a key role in operations carried out in challenging conditions. While the ageing fleet increases the risk of technical problems, it also means that maintenance costs will rise and systems need to be upgraded due to the impaired availability of spare parts. Efforts are made to manage risks and the rising maintenance costs through fleet life-cycle planning, long-term servicing plans and annual maintenance schemes.

Financial and operational risks associated with customer projects are managed through risk assessments, efficient processes and the engagement of qualified project staff.

The high turnover rate of maritime crews will continue in the coming years due to retirements, which will also increase the risk of declining skills levels. To reduce this risk, Arctia engages in proactive human resources planning and training. The sector is also traditionally sensitive to industrial disputes and strikes. This risk is mitigated through active cooperation and early intervention to address potential problems.

The Group's financial risks are managed, inter alia, by means of clear financial processes, insurance policies, sound financial policy measures and solid financial reporting, the reliability of which is ensured by control procedures.

OUTLOOK FOR 2024

The company will continue to pursue the measures foreseen in its strategy for the period. The Group's revenue and profits are expected to develop favourably in 2024.

EVENTS AFTER THE FINANCIAL YEAR

No material events are known to have occurred after the end of the financial year that would have had an impact on the company's financial performance or position.

BOARD OF DIRECTORS' PROPOSAL FOR THE DISTRIBUTION OF PROFITS

The parent company's distributable assets on 31 December 2023 were EUR 99,466,443.34, of which the profit for the 2023 financial year was EUR 236,906.18. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.56 per share, i.e. a total of EUR 418,880.00, be distributed to shareholders.

PROFIT AND LOSS ACCOUNT (1000 EUR)

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
TURNOVER	82,660	80,206	970	1,651
Stocks of finished and unfinished goods, increase (-) or decrease (+)	167	-30	0	0
OTHER OPERATING INCOME	1 351	698	0	296
Materials and services				
Raw materials, consumables and supplies				
Purchases	-7,509	-8,240	0	0
Inventories, increase (-) or decrease (+)	-33	234	0	0
External services	-7,416	-6,766	0	0
Materials and services, total	-14,959	-14,772	0	0
Personnel expenses				
Wages and salaries	-28,278	-27,992	-317	-407
Social security expenses				
Pension costs	-3,954	-4,188	-35	-197
Other indirect employee costs	-1,246	-1,089	-6	-4
Personnel expenses, total	-33,479	-33,268	-358	-608
Depreciation and reduction in value				
Depreciation according to plan	-17,241	-16,831	-204	-276
Impairments of fixed assets	-1,303	0	0	0
Depreciation and reduction in value, total	-18,544	-16,831	-204	-276
Other operating expenses	-13,769	-13,104	-559	-691
OPERATING PROFIT (LOSS)	3,427	2,898	-150	372

PROFIT AND LOSS ACCOUNT (1000 EUR)

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
Financial income and expenses				
Returns on impairment losses of financial securities	372	0	372	0
Other interest and financial income				
From group companies	0	0	2,081	863
Short-term, from other sources	395	52	395	52
Capital losses on financial securities	-135	0	-135	0
Reduction in value of investments of current assets	0	-372	0	-372
Interest and other financial expenses				
To others	-2,329	-961	-1,907	-832
Financial income and expenses, total	-1,697	-1,281	806	-289
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	1,730	1,617	655	83
Appropriations				
Group contribution	0	0	-362	0
Appropriations, total	0	0	-362	0
Income tax				
Taxes during the fiscal period	-54	-48	-57	-45
Deferred taxes	-277	-322	0	0
Income taxes, total	-332	-370	-57	-45
Minority interest	-4	-5	0	0
PROFIT (LOSS) FOR THE FINANCIAL PERIOD	1,394	1,242	237	38

BALANCE SHEET (1000 EUR)

	GROUP		PARENT COMPANY	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
ASSETS				
NON-CURRENT ASSETS				
Intangible assets				
Intangible rights	290	268	0	0
Other capitalised long-term expenditure	61	110	0	0
Intangible assets, total	351	378	0	0
Tangible assets				
Land and waters	861	928	0	0
Buildings	4,000	4,384	2,480	2,639
Vessels	191,573	202,327	0	0
Other plants and machinery	2,505	3,311	9	53
Other tangible assets	86	86	86	86
Advance payments and construction in progress	567	1,292	0	0
Total tangible assets	199,594	212,327	2,575	2,779
Investments				
Shares in group companies	0	0	92,299	92,299
Shares in associated companies	3	3	0	0
Total investments	3	3	92,299	92,299
TOTAL NON-CURRENT ASSETS	199,948	212,708	94,875	95,078

BALANCE SHEET (1000 EUR)

	GROUP		PARENT COMPANY	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
CURRENT ASSETS				
Stocks				
Raw materials and consumables	2,785	2,618	0	0
Unfinished products and services	1	0	0	0
Finished products / goods	259	292	0	0
Inventories, total	3,044	2,910	0	0
Long-term receivables				
Receivables from group companies	0	0	68,902	87,552
Other receivables	65	68	0	0
Long-term receivables, total	65	68	68,902	87,552
Short-term receivables				
Sales receivables	12 644	12,933	0	0
Receivables from group companies	0	0	3,650	7,000
Other receivables	152	253	0	0
Prepayments and accrued income	2,553	2,824	566	547
Short-term receivables, total	15,349	16,010	4,216	7,547
Financial securities				
Other securities	15,000	19,628	15,000	19,628
Short-term receivables, total	15,000	19,628	15,000	19,628
Cash in hand and at banks	9,982	11,905	9,952	11,874
TOTAL CURRENT ASSETS	43,440	50,520	98,071	126,600
TOTAL ASSETS	,	263,228	192,945	221,679

BALANCE SHEET (1000 EUR)

	GROUP		PARENT COMPANY	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
EQUITY AND LIABILITIES				
CAPITAL AND RESERVES				
Share capital	18,700	18,700	18,700	18,700
Other reserves	77,014	77,014	77,014	77,014
Retained earnings from previous years	47,098	45,855	22,574	22,536
Dividend distribution	-359	0	-359	0
Profit (loss) for the fiscal period	1,394	1,242	237	38
TOTAL CAPITAL AND RESERVES	143,847	142,812	118,166	118,289
MINORITY INTEREST	233	229	0	0
LIABILITIES				
Long-term liabilities				
Loans from financial institutions	74,400	92,950	65,250	83,500
Deferred tax liabilities	10,085	9,807	0	0
Other liabilities	3	3	0	0
Long-term liabilities, total	84,488	102,761	65,250	83,500

BALANCE SHEET (1000 EUR)

	GROUP		PARENT COMPANY	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Short-term liabilities				
Loans from financial institutions	3,550	3,550	3,250	3,250
Advance payments received	9	13	0	0
Payables	2,853	3,298	37	88
Liabilities to group companies	0	0	6,164	16,255
Other liabilities	1,852	2,849	30	145
Accruals	6,555	7,717	49	153
Short-term liabilities, total	14,819	17,426	9,529	19,890
TOTAL LIABILITIES	99,307	120,187	74,779	103,390
TOTAL EQUITY AND LIABILITIES	243,388	263,228	192,945	221,679

CASH FLOW STATEMENT (1000 EUR)

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
CASH FLOW FROM OPERATING ACTIVITIES				
Profit/loss for the fiscal period	1,394	1,242	237	38
Adjustments				
Depreciation according to plan	18,544	16,831	204	276
Capital gains (-) and losses (+) on fixed assets	-1,037	-412	0	-296
Other items not involving payments	5	0	0	0
Financial income and expenses	1,697	1,281	-806	289
Group contributions	0	0	362	0
Income tax	332	370	57	45
Minority share	4	5	0	0
Cash flow before change in working capital	20,939	19,318	53	352
Change in working capital				
Increase (-) / decrease (+) in inventories	-134	-204	0	0
Increase (-) / decrease (+) in noninterest-bearing receivables	670	-2,511	3,341	13,266
Increase (+) / decrease (-) in noninterest-bearing loans	-2,561	2,820	-226	216
Operational cash flow before financial items and taxes	18,914	19,422	3,169	13,834
Interest paid and payments for other financial expenses	-2,285	-951	-1,905	-841
Interest received	366	9	2,447	882
Other financial income	-161	7	-119	27
Direct taxes paid	-100	-28	-101	-27
Granted loans	0	0	0	-2,600
Repayments of loan receivables	0	0	18,650	3,700
CASH FLOW FROM OPERATING ACTIVITIES	16,733	18,460	22,141	14,974

CASH FLOW STATEMENT (1000 EUR)

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
CASH FLOW FROM INVESTMENTS				
Cash flow from investments				
Investments in material and immaterial goods	-7,621	-8,592	0	0
Proceeds from sale of tangible and intangible assets	2,875	755	0	578
Shares in associated companies sold	0	1	0	0
Repayment of loan receivables	0	100	0	0
CASH FLOW FROM INVESTMENTS	-4,746	-7,735	0	578
CASH FLOW FROM FINANCING ACTIVITIES				
Repayments of short - term loans	0	-2,725	-10,453	-7,769
Repayments of long-term loans	-18,550	-3,550	-18,250	-3,250
Paid dividends	-359	0	-359	0
Group grants received and paid	0	0	0	-100
CASH FLOW FROM FINANCING ACTIVITIES	-18,909	-6,275	-29,062	-11,119
CHANGE IN CASH AND CASH EQUIVALENTS	-6,922	4,450	-6,921	4,433
Available assets at the beginning of the fiscal period	31,905	27,455	31,874	27,441
AVAILABLE ASSETS AT END OF THE FISCAL PERIOD	24,982	31,905	24,952	31,874

Accounting principles

1. ACCOUNTING PRINCIPLES

1.1 VALUATION PRINCIPLES

Items in foreign currencies

Receivables and debts in foreign currencies have been converted into euros using the currency rate on the date of the drawing up of the financial statements.

Inventories

Inventories are valued at the acquisition cost or in accordance with the probable selling value, if lower. Arctia Group's inventories include the fuel and lubricant stocks of vessels. The inventories of Arctia Meritaito Ltd include materials, supplies and finished products. The acquisition cost of materials and supplies includes the direct costs incurred by the acquisition. The acquisition cost of finished products includes the share of fixed costs of acquisition and manufacturing in addition to variable costs.

Non-current assets

Intangible and tangible assets are marked as acquisition expenses on the balance sheet with

depreciation according to plan. Depreciations according to plan are calculated as straight line depreciations based on the target's economic duration. Depreciations are calculated from the month of the asset's application.

<u>Depreciation times:</u>	<u>Years</u>
Intangible assets	3 - 10
Buildings	10 - 30
Vessel stock	
Icebreakers	30 - 50
Other vessels	5 - 30
Docking of vessels	5
Communications and navigation equipment	3 - 5
Computers and related devices	3
<u>Other plants and machinery</u>	<u>5 - 15</u>

Expenses from repair and maintenance during vessel docking are capitalised and entered as expenses according to the economic working life of the docking (5 years). Residual value has been

taken into account in the fleet depreciation plan. The impairment booking of Arctia Icebreaking Ltd includes changes in the residual values of the fleet. These changes are based on the conducted residual value analysis. In Arctia Meritaito Ltd and Arctia Karhu Ltd, repair and maintenance expenses with effects of less than three years and totaling up to EUR 25,000 are entered as annual expenses, and in Arctia Icebreaking Ltd, repair and maintenance expenses of less than three years and up to EUR 50,000 are entered.

Recognition principles and methods

Arctia Meritaito Ltd recognised revenue from contracts with a long production or construction period on the basis of the percentage of completion. Projects whose anticipated duration is at least a year or whose effect on the turnover of the fiscal period was remarkable were considered contracts with a long production or construction period. The percentage of completion of long-term projects was determined as the ratio of expenditure incurred to the projects' estimated total expenditure, or, if separately

agreed upon in the project contract, it was determined based on the completed parts of the project entity.

1.2 DEFERRED TAXES

The imputed tax liability and receivable have been calculated for the temporary differences between taxation and the financial statements, using the tax rate valid at the time of drawing up the financial statements. The entire imputed tax liability and receivable are included in the balance. Deferred tax liabilities are related to the depreciation differences recorded for subsidiaries. These differences have been divided into equity and imputed tax liability in the consolidated financial statements.

1.3 PENSIONS

The statutory pension schemes for personnel are managed by external insurance companies. Pension costs are entered as expenses for the year during which they were incurred.

1.4 ASSETS

Cash assets invested in low-risk bond funds have been included in the assets. The bond fund investments can be realised at short notice

1.5 ACCOUNTING POLICIES OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been drawn up using the acquisition cost method. The subsidiaries have been founded independently with the exception of Arctia Meritaito Ltd. Business transactions within the Group and internal receivables and debts have been eliminated. Minority shares have been separated from group equity and the profit for the fiscal period, and are presented as their own item. The Group has a consolidated account system in place. Changes to the consolidated account are presented in the financing cash flow items of the individual companies' cash flow statements.

Arctia Icebreaking Ltd owns 40% of the share capital of Ice Advisors Ltd. In 2023, the financial statements of Ice Advisors Ltd were not merged with Arctia Icebreaking Ltd's consolidated financial statements as they did not have a material impact. The company was placed into liquidation on June 8, 2023, and the final settlement has been prepared as of December 31, 2023."

1.6 MEASUREMENT OF FINANCIAL INSTRUMENTS AND DERIVATIVES

Measurement in accordance with Chapter 5, Section 2 of the Accounting Act shall be applied in the accounting of financial instruments. Securities held as financial assets and other similar financing reserves are valued at the acquisition expense or, if their probable fair market price is lower on the balance sheet date, at that value.

The company has protected itself against loan related interest risks with interest rate derivatives, with which variable interest cash flows are converted into fixed interest rate cash flows using derivatives. Information concerning the interest rate derivatives is presented in the notes to the financial statements based on their protectiveness and the consistency of the loan and the derivative. The current values of the interest rate derivatives are presented in Section 6 of the notes to the financial statements.

2. NOTES ON THE PROFIT AND LOSS ACCOUNT (1000 EUR)

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
2.1 TURNOVER BY MARKET AREA AND LINE OF BUSINESS				
BY MARKET AREA				
Finland	78,814	78,823	970	1,651
EU countries	764	1,110	0	0
Countries outside the EU	3,082	273	0	0
	82,660	80,206	970	1,651
BY LINE OF BUSINESS				
Icebreaking	55,689	50,916	0	5
Fairway maintenance and Marine surveys services	26,971	29,290	0	0
Internal administration services	0	0	970	1,646
	82,660	80,206	970	1,651
The share of turnover subject to partial revenue recognition in the Group's total turnover	4,855	6,967	0,00	0,00
In terms of long-term projects that have been recognised as income according to the stage of completion, but that have not yet been delivered to the customers, the amount recognised as income in the financial period and in previous financial periods	665	1,225		
Amount not recognised as income concerning long-term projects				
Projects recognised as income according to the stage of completion	490	1,258		
Backlog of orders, total	490	1,258		

NOTES ON THE PROFIT AND LOSS ACCOUNT (1000 EUR)

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
2.2 OTHER INCOME FROM BUSINESS OPERATIONS				
Profit from sale of fixed assets	1,037	465	0	296
Grants received	28	79	0	0
Insurance indemnities	271	127	0	0
Other	15	27	0	0
Total	1,351	698	0	296
2.3 NOTES ON PERSONNEL				
Average number of personnel during fiscal period				
Onshore personnel	179	181	1	1
Offshore personnel	246	246	0	0
Total	425	426	1	1
MANAGEMENT SALARIES AND REMUNERATIONS				
President and CEO	269	239	269	239
Board members	109	112	109	112
Rest of the Group management team	675	546	0	0
	1,053	898	378	352

The salaries of the President and CEO and members of the Group's Management Team represent total remuneration including company car and telephone benefits. In 2023, the President and CEO and the Group's Management Team were paid performance bonuses totaling 64,939.30 EUR for the fiscal year 2022 (2022 EUR 0).

Management's pension commitments: The President and CEO's retirement age is in compliance with the Employees' Pensions Act TyEL. The pension benefit is provided by the statutory TyEL pension insurance. The company's President and CEO and members of the Manag

A supplementary pension with OP Life Assurance Company Ltd is provided for a certain group of people. The pension benefit according to the VaEL (State Employees' Pensions Act) service is taken into account in the supplementary pension.

2. NOTES ON THE PROFIT AND LOSS ACCOUNT (1000 EUR)

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
2.4 OTHER OPERATING COSTS				
Rents	705	678	0	1
Costs for vessels	3,889	3,850	0	0
Administrative expenses	5,669	5,895	397	557
Other operating costs, intra-group	0	0	0	0
Other operating costs	3,507	2,680	162	133
Other operating costs, total	13,769	13,104	559	691
AUDITORS' FEES				
Audit	63	61	63	61
Taxation advice	5	12	5	10
Other services	31	29	29	29

2. NOTES ON THE PROFIT AND LOSS ACCOUNT (1000 EUR)

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
2.5 FINANCIAL INCOME AND EXPENSES				
Reversals of impairment losses on current financial assets.	372	0	372	0
Interest income				
From companies in the same group	0	0	2,081	863
From other sources	377	25	377	25
Interest income, total	377	25	2,458	888
Other financial income				
From other sources	18	27	18	27
Other financial income, total	18	27	18	27
Financial income, total	395	52	2,476	915
Loss on disposal of financial instruments	135	0	135	0
Reduction in value of investments of current assets	0	372	0	372
Interest expenses				
To others	2,285	941	1,905	832
Interest expenses, total	2,285	941	1,905	832
Other financial expenses				
To others	44	20	2	0
Other financial expenses, total	44	20	2	0
Financial expenses, total	2,329	961	1,907	832
FINANCIAL INCOME AND EXPENSES, TOTAL	-1,697	-1,281	806	-289

3. NOTES ON BALANCE SHEET ASSETS (1000 EUR)

3.1 FIXED ASSET, GROUP

INTANGIBLE ASSETS 2023

	Product development expenses	Intellectual property rights	Other intangible assets	Total
Acquisition costs 1 Jan	696	1,389	796	2,880
Increases	0	189	0	189
Decrease	0	0	0	0
Acquisition costs 31 Dec.	696	1,578	796	3,069
	0	0	0	0
Accumulated depreciations 1 Jan.	-696	-1,121	-686	-2,503
Depreciation for the financial year	0	-167	-49	-216
Accumulated depreciations 31 Dec	-696	-1,287	-735	-2,719
Book value 31 Dec.	0	290	61	351

TANGIBLE ASSETS 2023

	Land and water areas	Buildings and structures	Vessels	Other plants and machinery	Other tangible assets	Advance payments and acquisitions in progress	Total
Acquisition costs 1 Jan.	928	12,252	416,558	16,780	86	1,292	447,896
Increases	0	0	7,836	321	0	0	8,157
Decreases	-66	0	-1,770	-1	0	-725	-2,562
Acquisition costs 31 Dec.	861	12,252	422,624	17,100	86	567	453,491
	0	0	0	0	0	0	0
Accumulated depreciations 1 Jan	0	-7,869	-214,231	-13,470	0	0	-235,569
Depreciation for the financial year	0	-383	-15,733	-895	0	0	-17,011
Impairments	0	0	-1,086	-230	0	0	-1,317
Accumulated depreciations 31 Dec.	0	-8,252	-231,051	-14,595	0	0	-253,898
Book value 31 Dec.	861	4,000	191,573	2,505	86	567	199,594

3. NOTES ON BALANCE SHEET ASSETS (1000 EUR)

3.1 FIXED ASSETS, GROUP

				Product development expenses	Intellectual property rights	Other intangible assets	Total
INTANGIBLE ASSETS 2022							
Acquisition costs 1 Jan.				696	1,389	796	2,880
Increases				0	0	0	0
Decreases				0	0	0	0
Acquisition costs 31 Dec				696	1,389	796	2,880
Accumulated depreciations 1 Jan.				-696	-975	-637	-2,308
Depreciation for the financial year				0	-146	-49	-195
Accumulated depreciations 31 Dec				-696	-1,121	-686	-2,503
Book value 31 Dec.				0	268	110	378
TANGIBLE ASSETS 2022							
	Land and water areas	Buildings and structures	Vessels	Other plants and machinery	Other tangible assets	Advance payments and acquisitions in progress	Total
Acquisition costs 1 Jan.	1,105	12,364	409,162	16,341	86	537	439,595
Increases	0	0	7,396	441	0	755	8,592
Decreases	-177	-112	0	-1	0	0	-290
Acquisition costs 31 Dec	928	12,252	416,558	16,780	86	1,292	447,896
Accumulated depreciations 1 Jan.	0	-7,337	-199,009	-12,533	0	0	-218,880
Depreciation for the financial year	0	-531	-15,222	-937	0	0	-16,690
Accumulated depreciations 31 Dec	0	-7,869	-214,231	-13,470	0	0	-235,569
Book value 31 Dec	928	4,384	202,327	3,311	86	1,292	212,327

3. NOTES ON BALANCE SHEET ASSETS (1000 EUR)

3.1 FIXED ASSETS, ARCTIA LTD

	Land and water areas	Buildings and structures	Other plants and machinery	Other tangible assets	Advance payments and acquisitions in progress	Total
TANGIBLE ASSETS 2023						
Acquisition costs 1 Jan.	0	4,547	934	86	0	5,567
Increases	0	0	0	0	0	0
Acquisition costs 31 Dec.	0	4,547	934	86	0	5,567
Accumulated depreciations 1 Jan.	0	-1,907	-880	0	0	-2,788
Depreciation for the financial year	0	-159	-45	0	0	-204
Accumulated depreciations 31 Dec	0	-2,066	-925	0	0	-2,991
Book value 31 Dec	0	2,480	9	86	0	2,575
INVESTMENTS 2023						
Acquisition costs 1 Jan					92,299	92,299
Increases					0	0
Decreases					0	0
Acquisition costs 31 Dec					92,299	92,299
Book value 31 Dec.					92,299	92,299

3. NOTES ON BALANCE SHEET ASSETS (1000 EUR)

3.1 FIXED ASSETS, ARCTIA LTD

TANGIBLE ASSETS 2022	Land and water areas	Buildings and structures	Other plants and machinery	Other tangible assets	Advance payments and acquisitions in progress	Total
Acquisition costs 1 Jan	169	4,659	934	86	0	5,848
Increases	0	0	0	0	0	0
Decreases	-169	-112	0	0	0	-282
Acquisition costs 31 Dec.	0	4,547	934	86	0	5,567
Accumulated depreciations 1 Jan	0	-1,701	-810	0	0	-2,512
Depreciation for the financial year	0	-206	-70	0	0	-276
Accumulated depreciations 31 Dec.	0	-1,907	-880	0	0	-2,788
Book value 31 Dec.	0	2,639	53	86	0	2,779
INVESTMENTS 2022					Shares in group companies	Total
Acquisition costs 1 Jan.					92,299	92,299
Increases					0	0
Decreases					0	0
Acquisition costs 31 Dec.					92,299	92,299
Book value 31 Dec.					92,299	92,299

3. NOTES ON BALANCE SHEET ASSETS

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
	Share of ownership		Share of ownership	
3.1.1 GROUP SUBSIDIARIES				
Arctia Icebreaking Ltd	100 %	100 %	100 %	100 %
Arctia Karhu Ltd	90 %	90 %	90 %	90 %
Arctia Management Services Ltd	100 %	100 %	100 %	100 %
Arctia Meritaito Ltd	100 %	100 %	100 %	100 %
3.1.2 OSAKKUUSYRITYKSET				
Ice Advisors Ltd, Helsinki				
Share of ownership	40 %	40 %		
Equity 31.12.2023 (31.12.2022)	12	15		
Profit of loss of the financial year 31.12.2023 (31.12.2022)	-3	-3		

3. NOTES ON BALANCE SHEET ASSETS (1000 EUR)

	GROUP	
	2023	2022
3.2 INVENTORIES		
Raw materials and consumables		
Opening balance 1.1	2,618	2,394
Variation in stocks	167	224
Closing balance 31.12	2,785	2,618
Unfinished products		
Opening balance 1.1.	0	1
Variation in stocks	1	-1
Closing balance 31.12.	1	0
Finished products		
Opening balance 1.1	292	311
Variation in stocks	-33	-19
Closing balance 31.12	259	292
Current assets 31.12.	3,044	2,910

3. NOTES ON BALANCE SHEET ASSETS (1000 EUR)

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
3.3 SHORT-TERM RECEIVABLES				
3.3.1 RECEIVABLES FROM GROUP COMPANIES				
Accounts Receivable			0	262
Interest receivables			0	0
Loan receivables			3,650	3,650
Group account receivables			0	3,088
			3,650	7,000
3.3.2 RELEVANT ITEMS IN DEFERRED RECEIVABLES				
Personnel expenditure	758	635	518	510
Other deferred receivables, from sales	833	1,246	0	0
Other deferred receivables, from expenses	961	942	48	37
	2,553	2,824	566	547
3.4 FINANCIAL SECURITIES				
Book value	15,000	19,628	15,000	19,628
Market value	15,503	19,628	15,503	19,628

4. NOTES ON BALANCE SHEET LIABILITIES (1000 EUR)

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
4.1 EQUITY INCREASE AND DECREASE				
Restricted equity				
Share capital 1 Jan.	18,700	18,700	18,700	18,700
Share capital 31 Dec	18,700	18,700	18,700	18,700
Unrestricted equity				
Reserve for invested unrestricted equity	0	0	0	0
Reserve for invested unrestricted equity 1 Jan	77,014	77,014	77,014	77,014
Reserve for invested unrestricted equity 31 Dec	77,014	77,014	77,014	77,014
Profit from previous fiscal periods 1 Jan	47,098	45,855	22,574	22,536
Dividend distribution	-359	0	-359	0
Profit from previous fiscal periods 31 Dec	46,739	45,855	22,215	22,536
Profit for fiscal period	1,394	1,242	237	38
Unrestricted equity, total	125,147	124,112	99,466	99,589
Equity, total	143,847	142,812	118,166	118,289
Distributable assets				
Total unlimited equity	125,147	124,112	99,466	99,589
4.2 IMPUTED TAX LIABILITIES AND RECEIVABLES				
Imputed tax liabilities				
For depreciation differences	6,681	6,404	0	0
For correction entry	3,403	3,403	0	0
	10,085	9,807	0	0

4. NOTES ON BALANCE SHEET LIABILITIES (1000 EUR)

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
4.3 LONG-TERM LIABILITIES				
Loans from financial institutions	74,400	92,950	65,250	83,500
Loans become due after more than 5 years	21,250	46,500	21,250	46,500
4.4 SHORT-TERM LIABILITIES				
Loans from financial institutions	3,550	3,550	3,250	3,250
	3,550	3,550	3,250	3,250
4.4.1 LIABILITIES TO GROUP COMPANIES				
Group grant liabilities			362	0
Group account liabilities			5,802	16,255
			6,164	16,255
4.4.2 RELEVANT ITEMS INCLUDED IN DEFERRED LIABILITIES				
Personnel expenditure	6,509	5,992	49	109
Interest liabilities	21	51	0	0
Other deferred liabilities	25	1,673	0	45
	6,555	7,717	49	153

5. NOTES ON SECURITIES AND CONTINGENT LIABILITIES (1000 EUR)

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
RENT/LEASING AGREEMENTS				
To be paid during subsequent fiscal period				
Leasing agreements	301	248	0	0
Rent liabilities	763	803	0	0
	1,063	1,051	0	0
Due at a later date				
Leasing agreements	364	200	0	0
Rent liabilities	3,995	809	0	0
	4,359	1,009	0	0
Total	5,422	2,060	0	0
Summat on ilmoitettu arvonlisäverottomina.				
CONTINGENT LIABILITIES				
GUARANTEES				
For group companies	9,180	9,180	9,180	9,180

Together with Port of Kemi Ltd, the parent company has issued an absolute joint and several guarantee of EUR 9,180,000.00 for the bank loan of Arctia Karhu Ltd. On 31 December 2023, the loan amount totalled EUR 9,450,000.00. The credit agreement of Arctia Karhu Ltd includes a specific condition on the permanence of ownership: the ownership of Arctia Ltd must be at least 90% of the shares and voting rights of the borrower.

The parent company's all loans from financial institutions include a specific condition on the permanence of ownership: The ownership of the Finnish State must be 50.1% of the shares and voting rights of the borrower

Arctia Meritaito Ltd has a guarantee limit of EUR 5,000,000.00 granted by a bank. Of this sum, EUR 1,052,505.08 was used on 31 December 2023 (EUR 1,747,417.58 on 31 December 2022).

5. NOTES ON SECURITIES AND CONTINGENT LIABILITIES (1000 EUR)

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
OTHER CONTINGENT LIABILITIES				
Current account facilities				
Total amount of the facility	5,000	5,000	0	0
In use	0	0	0	0
Responsibilities for corporate cards	11	20	1	1

VAT refund liabilities

The VAT refund liability on real estates in 2023 totalled EUR 13,289.11 (EUR 19,800.61 in 2022).

6. DERIVATIVES (1000 EUR)

Interest rate swaps				
Total loan capital	18,000	29,000	18,000	29,000
Value of underlying commodities	8,400	8,700	8,400	8,700
Market value of agreements	422	809	422	809

The interest rate swaps have been made to hedge a long-term parent company and subsidiary loan.



SIGNATURES TO THE FINANCIAL STATEMENTS AND ANNUAL REPORT

Helsinki, 5 March 2024

Mats Rosin
Chairman of the
Board of Directors

Kati Pallasaho

Matti-Mikael Koskinen
Vice Chairman

Sinikka Mustakari

Regina Sippel

Kari Savolainen

Maunu Visuri
President and CEO

AUDITORS' REPORT

A report on the audit of accounts has been issued today.

Helsinki, 5 March 2024

KPMG Oy Ab

Ari Eskelinen
KHT

LIST OF ACCOUNTING BOOKS, RECORD TYPES AND STORAGE MEDIA

Balance sheet book
Daybook and general ledger
Purchase invoices
Payment receipts
Sales invoices
Transaction receipts
Bank receipts
Memo receipts
Payroll accounting receipts
Intangible asset transactions
Cash vouchers
Travel expense receipts
Notes vouchers

Auditor's Report

TO THE ANNUAL GENERAL MEETING OF
ARCTIA LTD

REPORT ON THE AUDIT OF THE FINANCIAL
STATEMENTS

OPINION

We have audited the financial statements of Arctia Oy (business identity code 2302573-7) for the year ended 31 December, 2023. The financial statements comprise the balance sheets, the income statements, cash flow statements and notes for the group as well as for the parent company.

In our opinion, the financial statements give a true and fair view of the group's and 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 parent

company and of the group companies in accordance with the ethical requirements that are applicable in Auditor's Report 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 parent company's and the group's ability 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 an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about 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 the 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 parent company's or the group'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 parent company's or the group'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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 Managing Director 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 laws and 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 laws and regulations. If, based on the work we have performed, we conclude that there is a material misstatement of the report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

OTHER OPINIONS

We support that the financial statements should

be adopted. The proposal by the Board of Directors regarding the use of the profit shown in the balance sheet (and the distribution of other unrestricted equity) is in compliance with the Limited Liability Companies Act. We support that the Members of the Board of Directors of the parent company and the Managing Director should be discharged from liability for the financial period audited by us.

Helsinki, 5 March, 2024

KPMG OY AB

Ari Eskelinen
KHT



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