

**SPONBIKE OY**

*Sponty Oy*

**FINANCIAL STATEMENTS 31.08.2019**



*Paula Bertell*

**Sponbike Oy**

Business ID: FI29294241

Registered office: Helsinki, Finland

**Financial statements for the period 1.9.2018-31.8.2019**

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## **BOARD OF DIRECTOR'S REPORT**

### **General**

This past financial period, 1.9.2018–31.8.2019, was the second year of operation of Sponbike Oy (FI29294241) as well as its first complete 12-month financial period. Sponbike acquired the capital stock of Duell Bike-Center Oy on 31 August, 2018. Duell Bike-Center Oy, in turn, owns SDBC Motor AB in Sweden. The Sponbike Group is composed of Sponbike Oy together with Duell Bike-Center Oy and SDBC Motor AB.

The Sponbike Group imports and markets gear, equipment and spare parts for motorcycles, snowmobiles, mopeds, and ATVs as well as sports and boating equipment. At present, the Sponbike Group operates in Finland and Sweden, and from these countries also serve the other Nordic and Baltic countries. The Parent company Sponbike Oy provides administration services for the Group companies.

### **Financial performance**

In its first complete 12-month financial period, the Group's net sales amounted to 56 million euro and its operating profit to 3.9 million euro (7.0%). The Group's net result was 1.8 million euro.

Henceforth, the Group will put a stronger focus on its core business and, consequently, gave up the import of winter sports equipment during the past financial period. Nevertheless, it does not have a material impact on the profitability or the extent of the company's future operations.

The Group company SDBC Motor AB signed an asset deal with Jofama AB in Sweden. With this asset deal, the Group gained the ownership of the Swedish trademarks Halvarssons and Lindstrands, clothing for motorcycling and snowmobiling, as well as their product development, sales personnel, and present stock of products.

Further, the Group will invest in international growth, and the Group company Duell Bike-Center Oy has initiated the establishment of subsidiaries in Norway and Great Britain.



GROUP (M€)	8/2019	8/2018
Net sales	56	-
Operating profit	3.9	-
Operating profit %	7.0%	-
Equity-to-assets ratio (excl. convertible bonds in equity)	15%	11%
Equity-to-assets ratio (incl. convertible bonds in equity)	37%	35%

PARENT (M€)	8/2019	8/2018
Net sales	0	0
Operating profit	0	0
Operating profit %	0.00 %	0.00 %
Equity-to-assets ratio (excl. convertible bonds in equity)	13%	12%
Equity-to-assets ratio (incl. convertible bonds in equity)	40%	38%

### Events after the reporting period

After the closing of the financial period, the company has continued its operation as usual and has not undergone any material changes.

### Personnel

The company had two employees at the end of the financial period. The Group had 91 employees at the end of the financial period.

### Research and development

The Group continually develops and tests new products under its own trademarks and develops its own internal processes. Research and development expenses are recognised as expenses in the Income statement.

### Risk management

The Group's most significant risks are related to credit and exchange rate risks and to changes in the competitive situation.

As part of its normal management process, the Board continually monitors the impact of these risks on the company as well as the implementation of measures geared at preventing or eliminating the risks.

### Shares

The company's share capital is divided in 4 312 505 shares, each of which entitles to equal dividend and equal voting power.



### **Convertible bonds**

The company issued a convertible bond loan amounting to 40 000 euro. The loan will mature in full on 30 November, 2024. The debtor has, under certain circumstances, the right to pay the full loan or part of it before the expiry of the loan period.

The annual interest rate is 10%. The interest will be due for the first time on 30 November, 2019, at the latest, for the interest period ending on 31 August, 2019. Thereafter the interest will be due annually. The payment of interest of a convertible bond loan is possible only under certain conditions.

Under certain conditions, the holders of convertible bonds are entitled to trade the principle of convertible bond to new shares. As a result of this trading right, the number of shares may increase with a maximum of 100 000 shares.

### **Board of Directors, Managing Director, and Auditor**

The Directors of the Board are Sami Heikkilä (Chairman), Thomas Sandvall, and Tom Nylund. Jarkko Ämmälä is the Managing Director. The company's auditor is KPMG Oy Ab, with Hans Bertell as the auditor-in-charge.

### **Group outlook for 2019**

The Group's net sales are expected to develop in a positive way and its profitability to remain good.

### **Board proposal for the distribution of profit**

The Board proposes that the company's loss be transferred to the profit and loss account and that no dividend be paid.



SPONBIKE OY

	Group	Group	Parent company	Parent company
	1.9.2018	19.7.2018	1.9.2018	19.7.2018
Currency: EURO	- 31.8.2019	- 31.8.2019	- 31.8.2019	- 31.8.2019
<b>NET SALES</b>	<b>56 079 598</b>	<b>0</b>	<b>330 874</b>	<b>0</b>
Other operating income	8 828	0		0
Materials and services				
Materials and consumables				
Purchases during the financial period	-42 334 346	0	0	0
Change in Inventories	2 184 673	0	0	0
External services	-18 005	0	0	0
Materials and services, total	-40 167 678	0	0	0
Personnel expenses				
Wages and salaries	-3 558 262	0	-308 704	0
Other personnel expenses				
Pension expenses	-510 162	0	-40 614	0
Other social expenses	-369 708	0	-3 566	0
Personnel expenses, total	-4 438 132	0	-352 884	0
Depreciation according to plan	-1 053 506	0	0	0
Other operating expenses	-6 492 999	-19	-73 905	-19
<b>OPERATING PROFIT (-LOSS)</b>	<b>3 936 111</b>	<b>-19</b>	<b>-95 916</b>	<b>-19</b>
Financial income and expenses				
Interest and other financial income				
from Group companies	0	0	209 885	0
from others	292 106	0	249 970	0
Interest and other financial expenses				
from Group companies	0	0	0	0
from others	-1 882 758	-262 500	-1 587 743	-262 500
Financial income and expenses, total	-1 590 652	-262 500	-1 127 888	-262 500
<b>PROFIT (-LOSS) BEFORE APPROPRIATIONS AND TAXES</b>	<b>2 345 459</b>	<b>-262 519</b>	<b>-1 223 804</b>	<b>-262 519</b>
Appropriations				
Group contributions	0	0	1 165 000	0
Income taxes				
Taxes for the financial period	-496 720	0	-1 110	0
Changes in deferred taxes	-53 451	0	0	0
Income taxes, total	-550 171	0	-1 110	0
<b>PROFIT (-LOSS) FOR THE FINANCIAL YEAR</b>	<b>1 795 288</b>	<b>-262 519</b>	<b>-59 913</b>	<b>-262 519</b>



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SPONBIKE OY

Currency: EURO	Group 31.8.2019	Group 31.8.2018	Parent company 31.8.2019	Parent company 31.8.2018
<b>ASSETS</b>				
<b>FIXED ASSETS</b>				
Intangible assets				
Intangible rights	1 338 205	79 049	0	0
Other intangible assets	96 380	187 036	0	0
Goodwill	6 447 740	6 780 297	0	0
	<u>7 882 325</u>	<u>7 046 381</u>	<u>0</u>	<u>0</u>
Tangible assets				
Machinery and equipment	499 662	378 788	0	0
Investments				
Other shares and investments	29 060	0	21 455 455	21 169 617
<b>FIXED ASSETS, TOTAL</b>	<b>8 411 047</b>	<b>7 425 169</b>	<b>21 455 455</b>	<b>21 169 617</b>
<b>CURRENT ASSETS</b>				
Current assets				
Inventories	15 837 315	13 690 729	0	0
Advance payments	3 555 319	2 189 322	0	0
	<u>19 392 634</u>	<u>15 880 051</u>	<u>0</u>	<u>0</u>
Receivables				
Long-term				
Loan receivables	0	400 087	8 000 000	8 000 000
Short-term				
Trade receivables	7 049 124	7 103 236	0	0
Loan receivables	142 016	341 675	0	0
Other short-term receivables	87 348	94 532	77 256	77 160
Pre-paid expenses and accrued income	552 276	562 471	984 559	0
	<u>7 830 764</u>	<u>8 502 001</u>	<u>9 061 815</u>	<u>8 077 160</u>
Cash and cash equivalents	3 501 639	4 346 102	746 518	2 752 832
<b>CURRENT ASSETS, TOTAL</b>	<b>30 725 037</b>	<b>28 728 154</b>	<b>9 808 334</b>	<b>10 829 992</b>
<b>ASSETS, TOTAL</b>	<b>39 136 084</b>	<b>36 153 323</b>	<b>31 263 788</b>	<b>31 999 610</b>



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SPONBIKE OY

Currency: EURO	Group 31.8.2019	Group 31.8.2018	Parent company 31.8.2019	Parent company 31.8.2018
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**EQUITY AND LIABILITIES**

**EQUITY**

Capital and reserves

Share capital	2 500	2 500	2 500	2 500
Other reserves				
Reserve for invested unrestricted equity	4 310 005	4 250 005	4 310 005	4 250 005
Retained earnings	-336 067	0	-262 519	0
Profit (loss) for the financial year	1 795 288	-262 519	-59 913	-262 519
<b>Equity, total</b>	<b>5 771 726</b>	<b>3 989 986</b>	<b>3 990 073</b>	<b>3 989 986</b>

**LIABILITIES**

Non-current

Convertible bonds	8 540 002	8 500 001	8 540 002	8 500 002
Loans from financial institutions	12 380 414	13 759 622	12 380 414	13 759 622
Other liabilities	3 250 000	3 250 000	3 250 000	3 250 000
	24 170 416	25 509 623	24 170 416	25 509 624

Current

Loans from financial institutions	1 875 000	1 250 000	1 875 000	1 250 000
Trade liabilities	3 535 844	1 466 560	20 020	0
Deferred tax liabilities	64 339	12 999	0	0
Other current liabilities	1 351 995	986 020	29 595	0
Accrued expenses and deferred income	2 366 764	2 938 135	1 178 684	1 250 000
	9 193 942	6 653 714	3 103 299	2 500 000

**Liabilities, total**

**33 364 358 32 163 337 27 273 715 28 009 624**

**EQUITY AND LIABILITIES, TOTAL**

**39 136 084 36 153 323 31 263 788 31 999 610**



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SPONBIKE OY

	Group	Group	Parent company	Parent company
Currency: EURO	31.8.2019	31.8.2018	31.8.2019	31.8.2018
<b>Cash flow from operating activities</b>				
Operating profit (-loss)	3 936 111	-19	-95 915	-19
Adjustments of operating profit (-loss)				
Depreciation according to plan	1 053 506	0	0	0
Other income and expenses not associated with payment	775 685	0	0	0
Changes in working capital	-1 757 472	-77 159	-113 050	-77 160
Financial expenses and income	-539 458	-262 500	-335 402	-262 500
Income taxes	-552 583	0	-1 110	0
<b>Cash flow from operating activities</b>	<b>2 915 789</b>	<b>-339 679</b>	<b>-545 477</b>	<b>-339 679</b>
<b>Cash flow from investing activities</b>				
Loans granted to Group companies	0	0	0	-8 000 000
Investments in intangible and tangible assets	-1 626 642			
Investments in subsidiaries	-1 535 838	-19 919 817	-1 535 838	-19 919 617
<b>Cash flow from investing activities</b>	<b>-3 162 480</b>	<b>-19 919 817</b>	<b>-1 535 838</b>	<b>-27 919 617</b>
<b>Cash flow from financing activities</b>				
Proceeds from non-current debt	40 000	26 759 624	40 000	26 759 624
Repayment of non-current debt	-625 000	-4 779 324	-625 000	0
Repayment of current debt	0	-2 698 027		0
Share issue	60 000	4 252 505	60 000	4 252 505
Group contribution	0	0	600 000	
<b>Cash flow from financing activities</b>	<b>-525 000</b>	<b>23 534 778</b>	<b>75 000</b>	<b>31 012 129</b>
Currency translation differences	-72 772			
<b>Changes in cash and cash equivalents</b>	<b>-844 463</b>	<b>3 275 282</b>	<b>-2 006 315</b>	<b>2 752 832</b>
Cash and cash equivalents of subsidiaries on acquisition date		1 070 820	0	0
Cash and cash equivalents of subsidiaries on 1 Sept	4 346 102	0	2 752 832	0
<b>Cash and cash equivalents of subsidiaries on 31 Aug</b>	<b>3 501 639</b>	<b>4 346 102</b>	<b>746 517</b>	<b>2 752 832</b>



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## SPONBIKE OY, NOTES

### Group

The Sponbike Group comprises the parent company Sponbike Oy as well as Oy Duell Bike-Center Ab (registered office: Mustasaari, Finland) and SDBC Motor AB (registered office: Tranås, Sweden). The consolidated financial statements are combined in the parent company's financial statements and available at the head office on Kauppatie 19, 65610 Mustasaari, Finland.

### Scope of consolidated financial statements

In addition to Sponbike Oy, the consolidated financial statements cover the subsidiaries in which the Group exercises control. Control is constituted when the Group holds over half of the voting power in the subsidiary or otherwise exercises control. Control refers to the right to determine a company's financial and business policies in order to derive benefits from its operations.

### Elimination of Ownership within the Group

Intra-group ownership has been eliminated using the acquisition cost method.

### Business transactions within the Group

All business transactions within the Group, internal receivables and liabilities, unrealised profits, and internal distribution of profit are eliminated in the consolidated financial statements.

### Deferred taxes

Deferred taxes are calculated from temporary differences between the carrying amount and the taxable amount, and presented separately in the consolidated financial statements.

### Items in foreign currency

Business transactions denominated in foreign currencies are recognised in euro according to the exchange rate prevailing on the transaction date. Receivables and liabilities denominated in foreign currencies are translated into euro using the exchange rates of the balance sheet date. Gains and losses arising from such transactions, receivables and liabilities are recognised in the Income statement.

Income and expense items on the income statements and balance sheets denominated in foreign currencies in Group companies are translated into euros using the exchange rates confirmed by the European Central Bank. Items on the income statements are translated using the average exchange rates and items on the balance sheets using the exchange rates of the end date of the reporting period.

The income statements of Group companies outside the Eurozone are translated into euro using the average exchange rates of the reporting period and the balance sheets using the exchange rates of the end date of the reporting period. Different exchange rates result in a translation difference, which is recognised under equity, likewise the translation differences due to the elimination of the acquisition cost related to subsidiaries outside the Eurozone.

### Valuation of fixed assets

Intangible assets are mainly composed of trademarks and other long-term expenditure. Tangible fixed assets are mainly composed of machinery and equipment. Tangible fixed assets are recognised at the original acquisition cost less depreciation according to plan and, when applicable, impairment.

Depreciation according to plan is based on the estimated useful lives of the assets.

### Depreciation:

#### Intangible assets

Other intangible expenditure

linear depreciation in 3 years

Trademarks

linear depreciation in 5 years

#### Tangible assets

Machinery and equipment

25 % depreciation of residual value

Vehicles

25 % depreciation of residual value



**Inventories**

Inventories are recognised, according to the FIFO principle, at the lower of their acquisition cost or net realisable value or reacquisition cost. The value of inventories includes only variable expenses.

**Research and development expenditure**

Research and development expenses are recognised as income statement expenses for the period in which they arise.

**Related party transactions**

The following transactions took place between the Group companies during the financial year:

	<u>2019</u>	<u>2018</u>
Sales of services	330 874	0
Financial income	209 885	0
Group contribution	1 165 000	0

**NOTES TO INCOME STATEMENT****Personnel**

	<b>Group</b>	<b>Group</b>	<b>Parent</b>	<b>Parent</b>
	<b>31.8.2019</b>	<b>31.8.2018</b>	<b>company</b>	<b>company</b>
			<b>31.8.2019</b>	<b>31.8.2018</b>
Average number of employees	91	0	2	0
Number of employees at the end of reporting period	85	77	2	1

**Board of Directors' and Managing director's Salaries and remuneration**

197 889	0	197 889	0
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**Loans to related parties in the Parent company or in the Group**

The Group companies have not granted loans to related parties.

**Depreciation and impairment**

	<b>Group</b>	<b>Group</b>	<b>Parent</b>	<b>Parent</b>
	<b>31.8.2019</b>	<b>31.8.2018</b>	<b>company</b>	<b>company</b>
			<b>31.8.2019</b>	<b>31.8.2018</b>
Depreciation of tangible assets	154 643	0	0	0
Depreciation of intangible assets	898 863	0	0	0
Depreciation, total	<b>1 053 506</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Financial income and expenses**

	<b>Group</b>	<b>Group</b>	<b>Parent</b>	<b>Parent</b>
	<b>31.8.2019</b>	<b>31.8.2018</b>	<b>company</b>	<b>company</b>
			<b>31.8.2019</b>	<b>31.8.2018</b>
Interest income				
from Group companies	0	0	209 885	0
from others	48 612	0	0	0
Other financial income	243 494	0	249 970	0
Interest and other financial expenses	-1 882 758	-262 500	-1 587 743	-262 500
Financial items, total	<b>-1 590 652</b>	<b>-262 500</b>	<b>-1 127 888</b>	<b>-262 500</b>



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## NOTES TO BALANCE SHEET

## Intangible and tangible assets

Group	Intangible assets			Tangible assets		
	Intangible rights	Other intangible assets	Goodwill	Total	Machinery and equipment	Total
Acquisition cost on 1 Sept	677 559	544 904	6 780 297	8 002 760	960 131	960 131
Additions	1 338 204	12 823	383 859	1 734 886	295 796	295 796
Decreases	0	0	0	0	-20 181	-20 181
Adjustment on 1 Sept	30	-67 754	0	-67 724	0	0
Currency translation differences	0	-2 774	0	-2 774	-1 926	-1 926
<b>Acquisition cost on 31 Aug</b>	<b>2 015 793</b>	<b>487 199</b>	<b>7 164 156</b>	<b>9 667 148</b>	<b>1 233 821</b>	<b>1 233 820</b>
Accum. depreciation on 1 Sept	-598 511	-357 868	0	-956 379	-581 343	-581 343
Depreciation during reporting period	-79 049	-102 487	-716 416	-897 951	-153 530	-153 530
Adjustment on 1 Sept	-29	67 753	0	67 724	0	0
Currency translation differences	0	1 783	0	1 783	713	713
<b>Accumulated depreciation on 31 Aug</b>	<b>-677 588</b>	<b>-390 819</b>	<b>-716 416</b>	<b>-1 784 823</b>	<b>-734 160</b>	<b>-734 160</b>
<b>Carrying amount on 31 Aug</b>	<b>1 338 205</b>	<b>96 380</b>	<b>6 447 740</b>	<b>7 882 325</b>	<b>499 661</b>	<b>499 661</b>

## Parent company

Acquisition cost on 1 Sept	21 169 617
Additions	285 838
Decreases	0
<b>Acquisition cost on 31 Aug</b>	<b>21 455 455</b>

## Investments in subsidiaries

Acquisition cost on 1 Sept	21 169 617
Additions	285 838
Decreases	0
<b>Acquisition cost on 31 Aug</b>	<b>21 455 455</b>

## Subsidiaries

Company	Registered office	Holding
Oy Duell Bike-Center Ab	Mustasaari, Finland	100 %
SDBC Motor Ab	Tranås, Sweden	100 %

Receivables	Group	Group	Parent company	Parent company
	31.8.2019	31.8.2018	31.8.2019	31.8.2018
<b>Long-term receivables</b>				
Other loan receivables	0	400 087	0	0
Loan receivables from Group companies	0	0	8 000 000	8 000 000
<b>Short-term receivables</b>				
Trade receivables	7 049 124	7 103 236	0	0
<b>Receivables from Group companies</b>				
Prepaid expenses and accrued income	0	0	984 559	0
Interest receivables	0	0	200 548	0
Group contribution	0	0	565 000	0
Other prepaid expenses and accrued income	0	0	219 011	0
<b>Other short-term receivables</b>				
Other short-term receivables	87 348	94 532	77 256	77 160
Loan receivables	142 016	341 675	0	0
Pre-paid expenses and accrued income	552 276	562 471	0	0
	<b>7 830 764</b>	<b>8 502 001</b>	<b>10 046 374</b>	<b>8 077 160</b>



SPONBIKE OY

	Group	Group	Parent company	Parent company
	31.8.2019	31.8.2018	31.8.2019	31.8.2018
<b>Equity</b>				
Share capital on 1 Sept	2 500	0	2 500	0
Share issue	0	2 500	0	2 500
<b>Share capital on 31 Aug</b>	<b>2 500</b>	<b>2 500</b>	<b>2 500</b>	<b>2 500</b>
Reserve for invested unrestricted equity on 1 Sept	4 250 005	0	4 250 005	0
Share issue	60 000	4 250 005	60 000	4 250 005
<b>Reserve for invested unrestricted equity on 31 Aug</b>	<b>4 310 005</b>	<b>4 250 005</b>	<b>4 310 005</b>	<b>4 250 005</b>
Retained earnings on 1 Sept	-262 519	0	-262 519	0
Dividend distribution	0	0	0	0
Currency translation differences	-73 548	0	0	0
Retained earnings on 31 Aug	-336 067	0	-262 519	0
Profit (loss) for the period	1 795 288	-262 519	-59 913	-262 519
<b>Equity, total</b>	<b>5 771 726</b>	<b>3 989 986</b>	<b>3 990 073</b>	<b>3 989 986</b>

	Parent company	Parent company
	31.08.2019	31.08.2018
<b>Distributable funds on 31 Aug</b>		
Retained earnings	-262 519	0
Result for the financial year	-59 913	-262 519
<b>Distributable funds</b>	<b>-322 432</b>	<b>-262 519</b>

**Equity of parent company**

One share series, each share carries an equal amount of votes.

**31.8.2019**  
4 312 505

The company carried out a special issue on 22 January, 2019, with a total of 60000 new shares. The issue was part of a management commitment programme and can be deemed to have had a material financial reason. The entire issue amount was booked as reserve for invested unrestricted equity.

	Group	Group
	31.8.2018	31.8.2018
Deferred tax receivables	0	0
Deferred tax liabilities	64 339	12 999

**Non-current liabilities**

	Group	Group	Parent company	Parent company
	31.8.2019	31.8.2018	31.8.2019	31.8.2018
Loans from financial institutions	12 380 414	13 759 622	12 380 414	13 759 622
Convertible bond loans	8 540 002	8 500 001	8 540 002	8 500 001
Loans from shareholders	3 250 000	3 250 000	3 250 000	3 250 000
<b>Non-current liabilities, total</b>	<b>24 170 416</b>	<b>25 509 623</b>	<b>24 170 416</b>	<b>25 509 623</b>

Loans with maturity over five years

Loans from financial institutions	8 630 414	8 759 622	8 630 414	8 759 622
<b>Total</b>	<b>8 630 414</b>	<b>8 759 622</b>	<b>8 630 414</b>	<b>8 759 622</b>



SPONBIKE OY

**Current liabilities**

	<b>Group</b>	<b>Group</b>	<b>Parent company</b>	<b>Parent company</b>
	<b>31.8.2019</b>	<b>31.8.2018</b>	<b>31.8.2019</b>	<b>31.8.2018</b>
Loans from financial institutions	1 875 000	1 250 000	1 875 000	1 250 000
Accounts payable	3 535 844	1 466 560	20 020	0
Advances received	0	0	0	0
Deferred tax liabilities	64 339	12 999	0	0
Other short-term liabilities	1 351 995	986 020	29 595	0
Accrued expenses and deferred income	2 366 764	2 938 135	1 178 684	1 250 000
Accrued expenses related to wages and salaries	548 416	476 352	46 500	
Interest expenses	1 131 580	1 250 000	1 131 580	1 250 000
Other accrued expenses and deferred income	686 768	1 211 783	605	
<b>Total</b>	<b>9 193 942</b>	<b>6 653 714</b>	<b>3 103 299</b>	<b>2 500 000</b>

**From Group companies**

Accounts payable	0	0	0	0
<b>Total</b>	<b>9 193 942</b>	<b>6 653 714</b>	<b>3 103 299</b>	<b>2 500 000</b>

**Collaterals and contingent liabilities off-balance sheet**

	<b>Group</b>	<b>Group</b>	<b>Parent company</b>	<b>Parent company</b>
	<b>31.8.2019</b>	<b>31.8.2018</b>	<b>31.8.2019</b>	<b>31.8.2018</b>
<b>Loans and other liabilities pledged with collaterals</b>				
Loans from financial institutions	14 255 414	15 009 622	14 255 414	15 009 622
Credit limits	6 922 552	6 941 575	0	0
whereof used	0	0	0	0
Other collaterals	117 169	113 301	0	0
<b>Mortgages</b>				
Business mortgage	55 000 000	55 000 000	27 500 000	27 500 000
Shares in subsidiaries	0	0	21 455 455	21 169 617

In addition, the Parent company has provided security for the liabilities of Duell Bike-Center Oy and SDBC Motor AB.

	<b>Group</b>	<b>Group</b>	<b>Parent company</b>	<b>Parent company</b>
	<b>31.8.2019</b>	<b>31.8.2018</b>	<b>31.8.2019</b>	<b>31.8.2018</b>
<b>Rental and leasing commitments</b>				
Current	1 097 037	1 044 275	0	0
Non-current	2 810 344	4 043 136	0	0
<b>Total</b>	<b>3 907 381</b>	<b>5 087 411</b>	<b>0</b>	<b>0</b>

**Derivatives**

Fair value of interest hedging	-42 334	0	0	0
Target value of interest hedging	43 437 500	0	0	0
Fair value of currency hedging	0	0	0	0
Target value of currency hedging	5 050 000	0	50 000	0



*Paula Bertell*

**Signatures**

Mustasaari, Finland on 12 December, 2019

(signed)

\_\_\_\_\_  
Sami Heikkilä  
Chairman of the Board

(signed)

\_\_\_\_\_  
Thomas Sandvall  
Board member

(signed)

\_\_\_\_\_  
Tom Nylund  
Board member

(signed)

\_\_\_\_\_  
Jarkko Ämmälä  
Managing director

**AUDITOR'S CONFIRMATION**

The audit report has been issued today.

Mustasaari, Finland on 31 December, 2019

(signed)

\_\_\_\_\_  
KPMG Oy Ab  
Hans Bertell

This is to certify that the foregoing is a true and correct English translation in conformity with the original Finnish document presented to me.

Translation in Vaasa, Finland on this 14th day of September in 2021



*Paula Bertell*  
Paula Bertell, authorised translator  
Hedmaninkatu 6, 65320 Vaasa, Finland

Tel. +358-(0)400-88 00 63; E-mail: paula@wasatranslations.fi

**List of ledgers and book-keeping materials:**

Journal: printout  
General ledger: printout  
Payroll accounting: printouts  
Financial statements: bound  
Balance sheet specifications: bound



*Paula Bertell*





**KPMG Oy Ab**  
 Hovioikeudenpuistikko 16  
 65100 Vaasai, FINLAND

Telephone +358 20 760 3000  
 www.kpmg.fi

# Auditor's Report

## To the Annual General Meeting of Sponbike Oy

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Sponbike Oy (business identity code FI29294241) for the financial year 1.9.2018–31.8.2019. The financial statements comprise the balance sheet, income statement, cash flow statement and notes of both the Group and of the Parent company.

In our opinion, the financial statements give a true and fair view of the Group's and of the Parent 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 the Group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the 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 Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.





Sponbike Oy  
Auditor's report for the  
financial year 1.9.2018–31.8.2019

- 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 information included in 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 information included in the report of the Board of Directors and, in doing so, consider whether the information included in the report of the Board of Directors 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 in the information included in the report of the Board of Directors, we are required to report this fact. We have nothing to report in this regard.

In Vaasa, Finland on \_\_\_\_ December, 2019

KPMG OYAB

(signed)  
Hans Bertell,  
Authorised Public Accountant, KHT



This is to certify that the foregoing is a true and correct English translation in conformity with the original Finnish document presented to me.

Translation in Vaasa, Finland on this 14<sup>th</sup> day of September in 2019

Paula Bertell, authorised translator

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