



Fellow Finance Plc's Financial Statements Release 2020

Loan volume decreased from 2019 due to the COVID-19 pandemic

FELLOW FINANCE PLC COMPANY ANNOUNCEMENT AT 23.2.2021 8:00 AM

1.1. – 31.12.2020 in brief

- Turnover was 11.1 million euros (14.2), decreased by 22.0%.
- EBIT was 0.6 million euros (1.6).
- EBIT margin was 5.5% (11.6).
- Adjusted EBIT was 0.6 million euros (2.3).
- Adjusted EBIT margin was 5.5% (16.5).
- Profit of the financial year was -0.9 million euros (-0.1).
- Adjusted profit was -0.9 million euros (0.5).
- Earnings per share (EPS) was -0.12 euros (-0.01).
- Adjusted earnings per share (Adjusted EPS) was -0.12 euros (0.08).
- End balance of the balance sheet was 28.4 million euros (36.0).
- Equity at the end of the period was 13.6 million euros (14.5).
- Cash and cash equivalents at the end of the period were 3.8 million euros (3.9).
- Number of outstanding shares at the end of the period 7 173 625 (7 173 625).
- Intermediated loan volume was approximately 130.7 million euros (200.7).
- Business lending accounted for 40.0% of the total loan volume.
- The temporary regulation for the industry caused by COVID-19 pandemic cut the loan volumes significantly.

1.7. – 31.12.2020 in brief

- Turnover was 5.3 million euros (7.0), decreased by 24.4%.
- Profit of the reporting period was -0.2 million euros (-0.5).
- EBIT was 0.7 million euros (0.3).
- EBIT margin was 12.5% (3.9).
- Adjusted EBIT was 0.7 million euros (1.0).
- Adjusted EBIT margin was 12.5% (14,0).
- Earnings per share (EPS) was -0.02 euros (-0.07).
- Adjusted earnings per share (Adjusted EPS) was -0.02 (0.01).
- Intermediated loan volume was approximately 63.8 million euros (91.7).
- Intermediated loan volume in business loans grew 48% compared to the same time period in financial year 2019.
- Teemu Nyholm was appointed as the new CEO of the company.
- The company published an updated strategy and long-term financial goals on 8th of December 2020.



Key Ratios

EUR 1,000 (unless otherwise informed) CONSOLIDATED KEY FIGURES	(unaudited, unless otherwise informed)			
	07-12/2020	07-12/2019	1-12/2020	1-12/2019
Turnover (EUR 1,000)	5 262.7	6 956.9	11 069.7 ¹⁾	14 193.7 ¹⁾
From which commissions	2 657.5	4 712.7	5 970.1 ¹⁾	10 042.1 ¹⁾
From which interest yields from loans	2 605.2	2 244.3	5 099.6 ¹⁾	4 151.6 ¹⁾
EBITDA	869.8	495.8	1 053.1	2 063.1
EBITDA margin %	16.5%	7.1%	9.5%	14.5%
Adjusted EBITDA	869.8	1 194.9 ²⁾	1 053.1	2 762.2 ²⁾
Adjusted EBITDA margin	16.5%	17.2% ²⁾	9.5%	19.5% ²⁾
Operating profit (EBIT)	655.6	273.2	603.9 ¹⁾	1 647.4 ¹⁾
Operating profit (EBIT) -margin %	12.5%	3.9%	5.5% ¹⁾	11.6% ¹⁾
Adjusted operating profit (Adjusted EBIT) -margin	655.6	972.4 ²⁾	603.9	2 346.6 ²⁾
Adjusted operating profit (Adjusted EBIT) -margin, %	12.5%	14.0% ²⁾	5.5%	16.5% ²⁾
Earnings before taxes (EBT)	108.3	-514.8	-604.7 ¹⁾	126.6 ¹⁾
Earnings before taxes (EBT) -margin, %	2.1%	-7.4%	-5.5%	0.9%
Adjusted earnings before taxes (Adjusted EBT)	108.3	184.4 ²⁾	-604.7	893.0 ²⁾
Adjusted earnings before taxes (Adjusted EBT) -margin, %	2.1%	2.7% ²⁾	-5.5%	6.3% ²⁾
Profit for accounting period	-153.7	-490.3	-880.0 ¹⁾	-69.1 ¹⁾
Adjusted profit for accounting period	-153.7	69.0 ²⁾	-880.0	544.1 ²⁾
Lainaamo's loan receivables rate	22 477.4	28 657.3	22 477.4	28 657.3
Group's outstanding interest-bearing debt	13 610.0	20 370.0	13 610.0	20 370.0
Equity/share (issue-adjusted), EUR	1.9	2.0	1.9	2.03
Return on equity (ROE), %	neg.	neg.	neg.	neg.
Equity ratio, %	48.0%	40.2%	48.0% ¹⁾	40.2% ¹⁾
Personnel (average number)	47	50	47 ¹⁾	50 ¹⁾
Earnings per share (EPS), undiluted, EUR	-0.02	-0.07	-0.12	-0.01
Adjusted earnings per share (Adjusted EPS), undiluted, EUR	-0.02	0.01	-0.12	0.08 ²⁾
Equity/share, EUR	1.9	2.0	1.9	2.0
Salaries and incentives	1 039.8 ³⁾	1 744.7 ³⁾	1 905.0 ³⁾	2 666.3 ³⁾
End balance of Balance Sheet	28 374.3	36 040.6	28 374.3	36 040.6
Average number of outstanding shares during period	7 173 625	7 164 868	7 173 625	7 146 872
Number of outstanding shares at the end of the period	7 173 625	7 173 625	7 173 625	7 173 625



¹⁾ Audited

²⁾ Adjusted with Company's nonrecurring costs related on listing to Nasdaq's First North Finland -marketplace and option incentives related to that on financial period 2019. Total of 0,7 million euros was booked to Personnel costs and 67,3 kEUR to financial items. Adjusted Profit for accounting period takes on account the computational taxes if the nonrecurring costs were not actualized.

³⁾ Personnel costs without pension and other non-wage expenses. Figure includes activated salaries.

CEO Teemu Nyholm: a year of the COVID-19 pandemic and renewal

In 2020, the COVID-19 pandemic and COVID-19 related restrictions together with the overall insecurity regarding the economic development hampered our business in several ways. The spreading of the pandemic to Europe in the spring led into a situation where a significant part of our investor clients interrupted their new investments on the platform as a natural precautionary measure, which resulted in decrease of the financing supply in our service. Simultaneously we tightened our credit criteria in both business and consumer financing to maintain the return levels for our investors. In addition, Finland and Poland, the central markets to us, saw temporary regulation caused by the COVID-19 pandemic. This limited the possibilities of intermediating and marketing of loans. These factors combined led into a decrease of 33% in loan volumes compared to 2019.

However, we can be satisfied that the fixed income investment product that we provide for our investors and our credit risk management proved their strength in the very challenging market environment. The repayment levels of both business and consumer loans did not face any significant decrease. The average returns on the platform remained stable and on the pre-pandemic level. As a result, at the end of H1/2020, our investor clients reactivated investing gradually, which led to a recovery in loan volumes. We were also able to adjust our expenses and thus the result for H2/2020 returned to close to zero from the significant loss of the H1/2020.

We are pleased with the development of the business financing in H2/2020. Despite of the challenging business environment and tightened credit approval criteria, the loan volume grew by 48% compared to H2/2019. Especially the invoice funding products showed their elasticity and efficiency from the risk management point of view enabling funding of our business lending customers in uncertain times. This way we were able to participate the continuity of Finnish SME companies over the crisis caused by the COVID-19 pandemic.

In H2/2020, we focused on strengthening the foundation of our business: together with the Board and the Management Team, we defined a new strategy and long-term financial targets for the company. The core of the new strategy are the new payment and e-commerce financing products to be launched in 2021. With the new products, we can serve our customers more comprehensively and be more closely involved in their daily lives. The objective is to increase profitability per customer. In the future, we will focus and invest more strongly in selected international markets and reduce lending through our own balance sheet. For investors, we will move our product range towards low-risk and steady return products. We also aim to increase the share of institutional investors in our customer base. Following the change of CEO in last summer, we clarified and strengthened our organization with key personnel recruitments. These



actions have created and will create the foundation of growth and profitability in the coming years.

Financial targets and guidelines for 2021

The COVID-19 pandemic still impacts our business in 2021 causing uncertainty about the possible continuation of the temporary regulation and thus making it difficult to predict especially the level of growth in funding provided by our loan investors. Despite the uncertainty, we expect revenue growth compared to 2020. We also anticipate that the result for 2021 will remain slightly unprofitable because of investments in new products and growth for the upcoming years.

Financial Development 2020

Fellow Finance Group's consolidated turnover decreased by 22% from previous financial year to 11.1 (14.2) million euros and consolidated EBIT margin was 5.5 % (11.6). Operating profit was 0.6 (1.6) million euros. Adjusted operating profit was 0.6 million euros (2.3).

Parent company's turnover decreased by 33% from previous financial year 5.6 (8.4) million euros and EBIT was -0.1 (0.6) million euros.

Balance sheet and funding

At the end of the year, the Fellow Finance Group's balance sheet total was 28.3 (36.0) million euros. Fellow Finance Group's debt receivables were 22.5 (28.7) million euros, which equates to 79,4% (79.5) of total assets.

Fellow Finance Group's interest bearing debt was 13.6 (20.4) million euros. Liabilities in total were 14.8 (21.5) million euros and equity totaled 13.6 (14.5) million euros.

Fellow Finance Group's equity ratio was 48.0 (44.8) percent. Lainaamo debt capital repayments in 2020 were 5.55 million euros.

Capital adequacy

Fellow Finance's capital adequacy management has been organized according to the laws regulating Payment Institutions. The base of the capital adequacy management is that payment institution's own assets, together with their quality and allocation are on a sufficient level to cover the risks that payment institution carries continuously. To calculate the required amount of assets, Fellow Finance uses transaction-based calculation method. A transaction is included in the calculation when an investor transfers money via platform to the borrower and when borrower do repayment to the investor.

Fellow Finance Plc's total capital was 13.5 million euros when the minimum adequate capital requirement was 0.42 million euros at the end of the financial period.



Essential events after financial period 2020

There have been no significant changes in the Company's business since the end of the financial year.

Annual general meeting

Fellow Finance Plc's Annual General Meeting of Shareholders was held in Helsinki on 17th of June 2020. The Annual General Meeting approved the financial statements for 2019 and granted release from liability of the members of the Board of Directors and the CEO.

The Annual General Meeting made a resolution not to pay a dividend for financial year 2019 according to board's proposal.

The Annual General Meeting decided to re-elect Kai Myllyneva (Chairman), Teemu Nyholm, Jorma Alanne, Harri Tilev and Esa Laurila to Fellow Finance Plc's Board of Directors. The annual remuneration of the independent members of the Board of Directors was 10.000 euros and the Chairman 15.000 euros.

The Annual General Meeting elected KHT Timo Helle as the Auditor of the Company and Revico Grant Thornton as vice Auditor of the company until the next Annual General Meeting.

The Annual General Meeting resolved, in accordance with the Shareholders' Nomination Board's proposal, to approve the amended Shareholder's Nomination Board's Rules of Procedure so that the following paragraph was deleted:

"A person employed by or in the service of the Company or a member of the Board of Directors cannot be appointed as a member of the Nomination Board, with the exception of the Chairman of the Board of Directors who participates in the Board as a non-voting expert member."

Other shareholder's unanimous resolutions regarding share issues and special rights entitling to shares are addressed in the section "Share and shareholders".

The Board, CEO and Auditors

The Company's Board of Directors during the financial year is formed by Kai Myllyneva as a chairman of the Board of Directors and Jorma Alanne, Harri Tilev and Esa Laurila as board members. In addition, Teemu Nyholm was board member until 26th of November 2020. In the financial year 2020 the board met 18 times and the participation percentage in the meetings was 100%.

The Company's Auditor is KHT Timo Helle (Revico Grant Thornton).

In the beginning of the financial period the company CEO was Jouni Hintikka. The Board of Directors and Jouni Hintikka agreed Hintikka to leave his position as CEO on 30th of June 2020. The company COO Teemu Nyholm was appointed as the interim CEO and appointed as CEO on 26th of November 2020.



Share and shareholders

The Company's number of shares in 31st of December 2020 was 7.173.625. The company's share is listed on the Nasdaq First North Growth Market Finland under the trading code FELLOW. The company's share capital at the end of the review period was 125.000 euros. At the end of the financial year, Fellow Finance did not hold any of its own shares.

The closing price of the share on the last trading day of the financial year, 30 December 2020, was 2.90 euros. The lowest trading price for 2020 was 1.97 euros and the highest 4.36 euros. Fellow Finance market capitalization at the end of the financial year was 20.8 million euros and the company had 2.928 owners.

The Annual General Meeting resolved, in accordance with the proposal of the Board of Directors, to authorize the Board of Directors to decide on the repurchase of the company's own shares in one or more tranches using the company's unrestricted equity as follows. The maximum number of shares to be repurchased is 100.000. The shares will be repurchased otherwise than in proportion to the holdings of the shareholders in public trading on the Nasdaq Helsinki Ltd at the market price at the time of acquisition. The authorization is valid until the end of the next Annual General Meeting, but no later than June 30, 2021. The previous Board authorization expires on June 17, 2020.

The Annual General Meeting resolved, in accordance with the proposal of the Board of Directors, to authorize the Board of Directors to decide on the issue of shares and the granting of special rights to shares referred to in Chapter 10, paragraph 1 of the Companies Act. The total number of shares to be issued, including the shares to be acquired on the basis of special rights, may not exceed 400.000 shares. The Board of Directors may decide to issue either new shares or treasury shares held by the company. The proposed maximum number of authorizations corresponds to approximately 5,6% of the total number of shares in the company, as of the date of the notice of the meeting. The authorization is valid until the end of the next Annual General Meeting, but no later than June 30, 2021.

The largest shareholders

Shareholder list is based on Euroclear Finland Oy's list of registered shareholders. Dated 31st December 2020.

Nr	Name	Stocks	(%)
1	TAALERI OYJ	1 847 163	25.75
2	TN VENTURES OY	830 843	11.58
3	OY T & T NORDCAP AB	656 436	9.15
4	OP-SUOMI MIKROYHTIÖT -ERIKOISSIJOITUSRAHASTO	298 174	4.16
5	OP-SUOMI PIENYHTIÖT	269 711	3.76
6	AVENSIS CAPITAL OY	175 000	2.44
7	VAKUUTUSOSAKEYHTIÖ HENKI-FENNIA	150 071	2.09
8	SIJOITUSRAHASTO SÄÄSTÖPANKKI PIENYHTIÖT	128 841	1.80
9	DB-MANAGER OY	95 429	1.33



Nr	Name	Stocks	(%)
10	SYRJÄNEN EVA ANNIKA ELISABETH	84 698	1.18

Dividend policy and the Board of Directors dividend proposal

The Board of Directors of Fellow Finance made a resolution on the Company's dividend policy on 31st of July 2018. Fellow Finance seeks to distribute at least 30 percent of the Company's annual net profit to its Shareholders in dividends, taking into account the Company's financial condition and financing situation. However, the size and payment of dividend depend on at least the following: Company profits and financial condition, future investments, cash flow, amount of net debt and loan servicing requirements, and other factors deemed material by the Board. The dividend policy is in effect until further notice.

At the end of the financial period 2020 the parent company's distributable assets were 14.164.014,15 euros of which the financial period's 2020 profit was 94.359,97 euros. The Board of Directors proposes to the Annual General Meeting of Shareholders, which will be held 31.3.2021 that no dividend shall be paid for the financial period of 2020.

**Consolidated income statement, balance sheet, cash flow statement and change in equity (FAS)****CONSOLIDATED INCOME STATEMENT**

(1000eur)	1.7- 31.12.2020	1.7- 31.12.2019	1.1- 31.12.2020 (audited)	1.1- 31.12.2019 (audited)
REVENUE	5 262.7	6 956.9	11 069.7	14 193.7
Other income	0.0	0.0	0.0	0.0
Materials and services				
External services	-884.1	-1 971.1	-2 281.3	-4 275.6
Materials and services total	-884.1	-1 971.1	-2 281.3	-4 275.6
Personnel expenses				
Wages and salaries	-804.2	-1 656.4	-1 743.0	-2 515.8
Pension expenses	-94.7	-153.5	-240.3	-316.4
Other non-wage expenses	-19.7	-30.8	-65.4	-49.2
Personnel expenses total	-918.6	-1 840.6	-2 048.7	-2 881.4
Depreciation and amortization				
Depreciation according to plan	-214.2	-210.1	-438.9	-390.8
Depreciation on consolidated goodwill	0.0	-12.4	-10.3	-24.8
Depreciation and amortization total	-214.2	-222.5	-449.2	-415.6
Other operating costs	-2 590.2	-2 649.4	-5 686.6	-4 973.7
OPERATING PROFIT/LOSS	655.6	273.2	603.9	1 647.4
Financial income and expenses				
Other interest and financial income				
From others	15.0	12.4	23.8	15.1
Interest and other financial expenses				
To others	-562.3	-800.4	-1 232.4	-1 536.0
Financial income and expenses total	-547.3	-788.0	-1 208.6	-1 520.8
PROFIT/LOSS BEFORE APPROPRIATIONS AND TAXES	108.3	-514.8	-604.7	126.6
Income taxes	-262.0	24.5	-275.3	-195.7
PROFIT/LOSS FOR THE PERIOD	-153.7	-490.3	-880.0	-69.1

**CONSOLIDATED BALANCE SHEET
(1000eur)**

ASSETS	31.12.2020	31.12.2019
NON-CURRENT ASSETS		
Intangible assets		
Other capitalized long-term expenditure	782.2	904.0
Goodwill	0.0	10.3
Intangible assets total	<u>782.2</u>	<u>914.4</u>
Tangible assets		
Machinery and equipment	69.5	148.8
Tangible assets total	<u>69.5</u>	<u>148.8</u>
TOTAL NON-CURRENT ASSETS	851.7	1 063.2
CURRENT ASSETS		
Receivables		
Non-current		
Loan receivables	15 045.9	22 779.2
Non-current receivables total	<u>15 045.9</u>	<u>22 779.2</u>
Current		
Trade receivables	76.0	101.8
Loan receivables	7 439.3	5 878.1
Other receivables	435.2	1 761.8
Prepayments and accrued income	756.9	534.5
Current receivables total	<u>8 707.4</u>	<u>8 276.1</u>
Cash and cash equivalents		
Cash at banks	3 769.3	3 922.1
Cash and cash equivalents total	<u>3 769.3</u>	<u>3 922.1</u>
TOTAL CURRENT ASSETS	27 522.6	34 977.4
TOTAL ASSETS	28 374.3	36 040.6

**CONSOLIDATED BALANCE SHEET
(1000eur)**

EQUITY AND LIABILITES	31.12.2020	31.12.2019
SHAREHOLDER'S EQUITY		
Share capital	125.0	125.0
Invested unrestricted equity reserve	13 360.7	13 360.7
Retained earnings/loss	1 002.3	1 077.7
Profit/loss for the period	-880.0	-69.1
TOTAL SHAREHOLDER'S EQUITY	13 608.0	14 494.2
LIABILITES		
Non-current		
Bonds	11 100.0	11 100.0
Other liabilities	1 450.0	2 660.0
Non-current liabilities total	<u>12 550.0</u>	<u>13 760.0</u>
Current		
Loans from financial institutions	0.0	700.0
Trade payables	270.4	383.2
Other liabilities	1 080.5	5 986.7
Accruals and deferred income	865.6	716.5
Current liabilities total	<u>2 216.4</u>	<u>7 786.4</u>
TOTAL LIABILITES	14 766.4	21 546.4
TOTAL SHAREHOLDERS' EQUITY AND LIABILITES	28 374.3	36 040.6

**CONSOLIDATED CASH FLOW STATEMENT (1.000 eur)**

	1.1- 31.12.2020	1.1- 31.12.2019
Cash flow from operations		
Profit (loss) before extraordinary items	-604.7	126.6
Depreciation and amortization according to plan	449.2	390.8
Financial income and expenses	1 208.6	1 520.8
Cash flow before change in working capital	1 053.1	2 038.2
Change in net working capital		
Increase (-)/decrease (+) in short-term non-interest-bearing receivables	1 099.8	-739.0
Increase (+)/decrease (-) in short-term non-interest-bearing debts	-159.0	282.4
Cash flow from business operations before financial items and taxes	1 712.1	1 581.7
Interest paid and payments made for other financial expenditure	-1 232.4	-1 541.1
Interest on business operations	23.8	15.1
Direct taxes paid	-33.4	-257.5
Cash flow from business operations (A)	751.9	-201.9
Cash flow from investments		
Investments in tangible and intangible assets	-313.0	-645.8
Loans extended increase(-)/decrease(+)	6 172.1	-7 399.7
Cash flow from investments (B)	5 859.1	-8 045.5
Cash flow from financing activities		
Current loans increase(+)/decrease(-)	-5 550.0	2 895.0
Non-current loans increase(+)/decrease(-)	-1 210.0	545.0
Dividends paid and other distribution of profit	0.0	-285.1
Share subscriptions	0.0	321.3
Translation difference	-3.7	5.2
Cash flow from financing activities (C)	-6 763.7	3 481.3
Change in cash and cash equivalents	-152.7	-4 766.0
Cash and cash equivalents at the beginning of the period	3 922.1	8 688.1
Cash and cash equivalents at the end of the period	3 769.3	3 922.1
Change in cash and cash equivalents	-152.7	-4 766.0



Change in SH's equity Financial period half-year 07- 12/2020, 1000eur	Share capital	Invested unrestricted equity reserve	Retained earnings/loss	SH's EQUITY TOTAL
Start balance 1.7.2020	125.0	13 360.7	270.4	13 756.1
Starting balance translation diff.				0.0
Dividend				0.0
Option subscriptions		0.0		0.0
Share issue				0.0
Translation differences			5.6	5.6
Profit/loss for the period			-153.7	-153.7
End balance 31.12.2020	125.0	13 360.7	122.3	13 608.0

Change in SH's equity Financial period 2020, 1000eur	Share capital	Invested unrestricted equity reserve	Retained earnings/loss	SH's EQUITY TOTAL
Start balance 1.1.2020	125.0	13 360.7	1 008.6	14 494.3
Starting balance translation diff.			-2.6	-2.6
Dividend			0.0	0.0
Option subscriptions		0.0		0.0
Share issue				0.0
Translation differences			-3.7	-3.7
Profit/loss for the period			-880.0	-880.0
End balance 31.12.2020	125.0	13 360.7	122.3	13 608.0

Change in SH's equity Financial period 2019, 1000eur	Share capital	Invested unrestricted equity reserve	Retained earnings/loss	SH's EQUITY TOTAL
Start balance 1.1.2019	125.0	13 039.4	1 361.4	14 525.8
Starting balance translation diff.			-3.8	-3.8
Dividend			-285.1	-285.1
Option subscriptions		321.3		321.3
Share issue				0.0
Translation differences			5.2	5.2
Profit/loss for the period			-69.1	-69.1
End balance 31.12.2019	125.0	13 360.7	1 008.6	14 494.2



Change in SH's equity Financial period half-year 07-12/2019, 1000eur	Share capital	Invested unrestricted equity reserve	Retained earnings/loss	SH's EQUITY TOTAL
Start balance 1.7.2019	125.0	13 039.4	1 490.7	14 655.1
Dividend				0.0
Option subscriptions				0.0
Share issue		321.3		321.3
Translation differences				0.0
Profit/loss for the period			8.2	8.2
End balance 31.12.2019			-490.3	-490.3
Start balance 1.7.2019	125.0	13 360.7	1 008.6	14 494.2

FELLOW FINANCE PLC

The Board of Directors

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Fellow Finance in Brief

Fellow Finance Plc is a loan-based crowdfunding and peer-to-peer lending platform. The company's mission is to transform the traditional financing and payments to direct transactions between people and businesses. Fellow Finance has intermediated consumer and business financing of more than 700 million euros in Finland, Sweden, Denmark, Germany, Poland and Czech Republic and served more than 900 000 customers. The company is regulated by the Financial Supervisory Authority of Finland as an Authorized Payment Institution and listed on the Nasdaq First North Growth Market Finland.



Calculation of Key Ratios

EBITDA	=	Operating profit + Depreciation, amortization and impairment losses
EBITDA margin, %	=	$\frac{\text{Operating profit + Depreciation, amortization and impairment losses}}{\text{Turnover}}$
Adjusted EBITDA	=	EBITDA + non-recurring operative costs ¹⁾
Adjusted EBITDA margin, %	=	$\frac{\text{Operating profit + non-recurring operative costs}^{1)}}{\text{Turnover}}$
Adjusted operating profit (Adjusted EBIT)	=	Operating profit + non-recurring operative costs ¹⁾
Adjusted operating profit (Adjusted EBIT) margin, %	=	$\frac{\text{Operating profit + non-recurring operative costs}^{1)}}{\text{Turnover}}$
Earnings before taxes (EBT), margin, %	=	$\frac{\text{Profit for the year + income taxes}}{\text{Turnover}}$
Adjusted earnings before taxes (Adjusted EBT)	=	Profit for the year + income taxes + non-recurring operative costs ¹⁾ + non-recurring financing costs ¹⁾
Adjusted profit for the year	=	Profit for the year + non-recurring operative costs ¹⁾ + non-recurring financing costs ¹⁾
Equity ratio, %	=	$\frac{\text{Equity}}{\text{Balance sheet total – prepayments received}}$
Return on equity (ROE), %	=	$\frac{\text{Profit for the year (annualised)}}{\text{Equity (average)}}$
Earnings per share (EPS), undiluted, EUR	=	$\frac{\text{Profit for the year}}{\text{Share split-adjusted average number of outstanding shares during period}}$
Adjusted earnings per share (adjusted EPS), undiluted, EUR	=	$\frac{\text{Adjusted profit for the year}}{\text{Share split average number of outstanding shares during period}}$

Key Ratio table explanations

¹⁾ Adjusted with Company's nonrecurring costs on financial period 2019 related on listing to Nasdaq's First North Finland -marketplace and option incentives related to that. Total of 0,7 million euros was booked to personnel costs and 67.3 thousand to financial items. Adjusted Profit for accounting period takes on account the computational taxes if the nonrecurring costs were not actualized.