



# Annual report and financial statements 2021

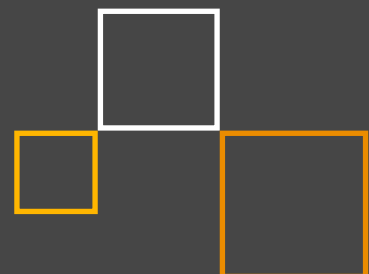


Registered office in Helsinki  
Business ID 0486406-8  
PricewaterhouseCoopers Oy

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# Annual report

## Operations during the financial period

Owned by its employees, PricewaterhouseCoopers Oy (PwC Finland) is a Finnish company designated officially as an auditor of the public accounts community. PwC Finland's services range from auditing and other assurance services, deals, consulting, tax consulting to legal services. We have operations throughout Finland. We are part of the global PwC network, through which our experts serve clients around the world.

## Financial position, financial results and investments

PwC Finland's financial position remained stable, and deals, in particular, increased significantly following the downswing caused by the coronavirus pandemic. The turnover for the financial period year remained at the previous year's level at EUR 159 million despite the mandatory changes to audit firms of listed companies required by auditing legislation. Our profitability remained high.

Operating profit for the past financial period was EUR 15.0 (14.5) million, comprising 9.4% (9.1) of the turnover. Equity ratio was 24.0% (31.1) and return on equity was 80.0% (80.3). Our financial position remained solid throughout the financial period. PwC Finland has no interest-bearing liabilities.

Investments in tangible and intangible assets during the financial period amounted to EUR 0.8 (0.8) million. Investments focused primarily on furniture and equipment.

## Company structure and changes thereto

The company has no subsidiaries or affiliates. There were no changes in the corporate structure during financial period.

## Staff and competence development

Being an expert organisation, the competence, motivation and well-being of the staff are key success factors of our company. Due to the coronavirus pandemic, we all worked mainly remotely throughout the financial period. Training and staff events were also organised virtually. Despite the challenging situation, we invested heavily in developing the professional skills of our staff and increasing their digital skills.

All permanent employees are covered by the remuneration scheme tied to company-specific and individual objectives. The company's management decides on the amount and payment criteria of the annually distributed bonus.

The total number of staff at PwC Finland remained at the previous year's level, numbering 1,213 (1,215) at the end of the financial period. The average number of staff over the financial period was 1,257 (1,286), of whom 10.2% (8.6) worked part-time.

Staff costs inclusive of performance bonuses increased by 13.9% to EUR 111.7 million.

At the end of the financial period, the average age of the company's staff was 36.4 (35.3) years. The average length of employment was 6.4 (6.0) years. Of the staff, 53% (53) were women and 47% (47) were men.

At the end of the financial period, 41.3% (42.7) of the staff worked in statutory auditing services, 48.5% (47.7) in other services, and 10.2% (9.6) in internal services.

## Company governance

According to the Articles of Association, the AGM elects the Board of Directors annually. The Board must consist of no fewer than five and no more than nine ordinary members. Up until 28 October 2020, the Board of Directors consisted of Ylva Eriksson, Markku Katajisto, Merja Lindh, Janne Rajalahti (chairman), Simo Valtti, Kimmo Vilske, and Martti Virolainen.

At the AGM on 28 October 2020, Markku Katajisto, Merja Lindh, Samuli Perälä, Janne Rajalahti, Simo Valtti, Kimmo Vilske, and Martti Virolainen were elected to the Board of Directors. The AGM elected Janne Rajalahti, APA, as the chairman of the Board of Directors.

Audit firm Revico Grant Thornton Oy acted as the auditor throughout the financial period, with Satu Peltonen (APA) acting as the main auditor.

Mikko Nieminen, APA, continued as the company's CEO.

Key indicators	2021	2020	2019
Turnover	159,039,339	159,032,333	163,813,362
Operating profit	15,003,008	14,464,765	15,829,481
Equity ratio	24.0%	31.1%	28.5%
Return on equity	80.0%	80.3%	71.7%

Henkilöstö	2021	2020	2019
Number of staff at the end of the financial period	1,213	1,215	1,196
Average no. of staff over the financial period	1,257	1,286	1,227
Average age at the end of the financial period	36.4	35.3	35.2
Average term of employment in years	6.4	6.0	5.7
Share of men of all employees	47.0%	47.0%	46.0%
Share of women of all employees	53.0%	53.0%	54.0%

### Shareholders and changes in share capital

On 30 June 2021, the company had a total of 34,871 shares. The total number of shares is composed of three share types, and a redemption and consent clause has been included in the articles of association.

On 28 October 2020, the AGM authorised the Board to, at its own discretion, issue up to 10,000 shares through directed issues. By 30 June 2021, a total of 1,620 shares had been issued under this authorisation.

There was a single A share issue in the financial period. The number of A shares was increased by issuing 1,600 A shares, which were directed as a new issue to a new partner and partners who wished to increase their holdings to match their mapping category. The price of the A shares was the current price approved by the annual general meeting on 28 October 2020, EUR 150 per share.

On 28 October 2020, the AGM authorised the Board of Directors to acquire, at their own discretion, up to 10,000 shares of company stock otherwise than in proportion to the holdings of the shareholders. The authorisation remains valid until the next AGM to be held no later than 31 December 2021. The authorisation concerns the shares of the shareholders who resign from the company while the authorisation is still valid, or transfer from the Equity Partner category, or whose ownership of shares exceeds the maximum ownership under the mapping category confirmed each year. On the basis of this authorisation, a total of 2,000 shares were acquired during the financial period. All shares held by the company were annulled by 30 June 2021.

### Risk management

The company's most significant risks are typical of the company's line of business and associated with the availability of professional workforce and regulation-driven changes in markets. The Board estimates business risks annually and supervises compliance with the company's risk management policy. The company has prepared for hazard risks through an insurance programme.

By 31 October 2021, the company will publish a transparency report which will feature a description of the company's risk management and quality assurance system.

### Outlook for the current financial period

The outlook for the current financial period for our business operations is positive despite the ongoing coronavirus pandemic. We have adapted our operations during the coronavirus period well, and we are able to provide our services smoothly entirely remotely or flexibly via a hybrid model. Deals and capital market transactions are showing signs of significant growth, and various development projects have also activated in our client companies. The markets for tax and legal services, and assurance services remain stable. Although the markets are mainly already functioning normally, the effects of the pandemic are far-reaching, and we will certainly see a lot of uncertainty in the coming years, both in Finland and around the world, as the economy recovers from the pandemic.

In addition to the pandemic, climate change will create both opportunities and risks to business operations in the coming years, for example, which will increase demand for climate and corporate responsibility services. We believe that we are able to adapt our own operations flexibly and in a controlled manner in the changing market situation, although the recruitment of experts required for new businesses has become more challenging over the past year.

### Distribution of profits

According to its financial statements, the company's distributable assets on 30 June 2021 amounted to EUR 15,904,458.09, of which the profit for the period comprises EUR 13,283,775.27.

No material changes have occurred in the company's financial position following the end of the financial period, and the solvency testing based on Section 13(2) of the Limited Liability Companies Act has no effect on the amount of assets subject to distribution.

The Board proposes to the Annual General Meeting that the distributable assets are used as follows:

Distribution of profits	
EUR 350 per A share distributed as dividends, i.e., 34,400 × EUR 350, totalling	12,040,000.00
Earnings retained	3,864,458.09
<b>Total distributable assets</b>	<b>15,904,458.09</b>

# Income statement

	1.7.2020–30.6.2021	%	1.7.2019–30.6.2020	%	Change %
<b>Revenue</b>	<b>159,039,338.94</b>	<b>100.0</b>	<b>159,032,333.25</b>	<b>100.0</b>	<b>0.0</b>
Other operating income	76,908.77	0.0	231,380.50	0.1	-66.8
<b>Materials and services</b>					
External services	9,077,772.45	5.7	16,734,222.25	10.5	-45.8
<b>Staff expenses</b>					
Salaries and remunerations	92,356,621.69	58.1	81,195,928.09	51.1	13.7
Other staff expenses	19,342,089.46	12.2	16,882,778.00	10.6	14.6
	111,698,711.15	70.2	98,078,706.09	61.7	13.9
Depreciation and amortisation	863,652.44	0.5	941,567.11	0.6	-8.3
Other operating expenses	22,473,104.17	14.1	29,044,452.85	18.3	-22.6
<b>Operating profit</b>	<b>15,003,007.50</b>	<b>9.4</b>	<b>14,464,765.45</b>	<b>9.1</b>	<b>3.7</b>
Financial income and expenses	135,159.54	0.1	299,092.54	0.2	-54.8
<b>Profit before appropriations and taxes</b>	<b>15,138,167.04</b>	<b>9.5</b>	<b>14,763,857.99</b>	<b>9.3</b>	<b>2.5</b>
Appropriations	27,119.22	0.0	50,857.51	0.0	-46.7
Income taxes	-1,881,510.99	1.2	-1,047,590.75	-0.7	79.6
<b>Profit for financial period</b>	<b>13,283,775.27</b>	<b>8.4</b>	<b>13,767,124.75</b>	<b>8.7</b>	<b>-3.5</b>

# Balance sheet

	30.6.2021	%	30.6.2020	%
<b>Assets</b>				
<b>Non-current assets</b>				
Intangible assets	111,164.84	%	148,180.50	%
Tangible assets	2,861,196.13		3,054,061.10	
Investments	147,464.15		147,464.15	
	3,119,825.12	4.4	3,349,705.75	6.4
<b>Current assets</b>				
Non-current receivables	268,993.00		566,201.29	
Current receivables	48,892,476.20		29,707,816.43	
Cash in hand and at bank	17,895,826.22		19,087,617.09	
	67,057,295.42	95.6	49,361,634.81	93.6
	<b>70,177,120.54</b>	<b>100.0</b>	<b>52,711,340.56</b>	<b>100.0</b>
<b>Liabilities</b>				
<b>Shareholders' equity</b>				
Share capital	915,260.00		915,260.00	
Invested non-restricted equity fund	1,555,140.71		1,315,120.71	
Retained earnings	1,065,542.11		412,031.56	
Profit for financial period	13,283,775.27		13,767,124.75	
	16,819,718.09	24.0	16,409,537.02	31.1
<b>Accumulated appropriations</b>	690,352.40	1.0	717,471.62	1.4
<b>Liabilities</b>				
Non-current liabilities	0.00		30,745.00	
Current liabilities	52,667,050.05		35,553,586.92	
	52,667,050.05	75.0	35,584,331.92	67.5
	<b>70,177,120.54</b>	<b>100.0</b>	<b>52,711,340.56</b>	<b>100.0</b>

# Cash flow statement

	1.7.2020–30.6.2021	1.7.2019–30.6.2020
<b>Cash flow from operating activities</b>		
Profit before extraordinary items	15,138	14,764
Adjustments		
(Net) profit/loss from non-current assets	-50	-191
Depreciation and amortisation according to plan	864	942
Financial income and expenses	-135	-299
Cash flow before change in working capital	15,817	15,215
Change in working capital		
Increase (-)/decrease (+) in short-term zero-interest debtors	-19,213	22,062
Increase (-)/decrease (+) in short-term zero-interest creditors	17,206	-9,352
Cash flow from operating activities before financial items and taxes	13,809	27,925
Interest paid and other financial expenses due to operations	-90	-93
Interest received from operations	225	392
Direct taxes paid	-1,974	-257
<b>Cash flow from operating activities (A)</b>	<b>11,970</b>	<b>27,967</b>
<b>Cash flow from investing activities</b>		
Investments in tangible and intangible assets	-789	-757
Gains from divestments of tangible and intangible assets	206	423
Gains from divestment of financial assets	0	2
<b>Cash flow from investing activities (B)</b>	<b>-584</b>	<b>-333</b>
<b>Cash flow from financing activities</b>		
Rights issue	240	290
Acquisition of company's own shares	-305	-530
Increase (-)/decrease (+) in loan receivables	326	364
Increase (-)/decrease (+) in non-current loans	-31	-3
Dividends paid	-12,809	-15,015
<b>Cash flow from financing activities (C)</b>	<b>-12,579</b>	<b>-14,894</b>
<b>Change in liquid assets (A+B+C) increase (+)/decrease (-)</b>	<b>-1,192</b>	<b>12,741</b>
Liquid assets at the start of the financial period	17,896	19,088
Liquid assets at the end of the financial period	-19,088	-6,347
<b>Change in liquid assets</b>	<b>-1,192</b>	<b>12,741</b>

# Notes on the financial statements of 30 June 2021

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## Accounting principles

### Presentation of turnover and external services

According to Decision 2007/1799 of the Finnish Accounting Board, turnover is presented by recognising subcontracting of global assignments in turnover, i.e., it includes all subcontracts for which PwC Finland bears full financial responsibility. However, turnover does not include international statutory audits performed by the local PwC firm. Corresponding charges paid to foreign PwC firms for the above-mentioned subcontracted tasks are recorded as external services.

During the financial period, subcontracting performed by foreign PwC firms included in the turnover stood at EUR 9,077,772 (EUR 16,732,422 in the previous financial period).

### Valuation of fixed assets

Fixed assets are valued on the basis of their current acquisition cost less accumulated depreciation according to plan.

The amount of depreciation according to plan is calculated according to the depreciation plan prepared

in advance as straight-line depreciation from the initial acquisition cost of the fixed asset. Depreciation periods based on estimated economic working lives are presented in the notes on the income statement.

### Receivables and liabilities denominated in foreign currency

Receivables and liabilities denominated in foreign currency are valued on the basis of the average rate on the balance sheet date.

### Appropriations

Appropriations include the depreciation difference and voluntary reserves, which are presented on the balance sheet as accumulated appropriations.

### Deferred tax assets and liabilities

Deferred tax assets and liabilities are presented in the notes on the financial statements in connection with income taxes.



**1. Revenue per business area**

Audit services, statutory audit	58,476,382.75	70,248,862.98
Other services	100,562,956.19	88,783,470.27
Total	159,039,338.94	159,032,333.25

**2. Other operating income**

Capital gains from fixed assets	61,308.77	26,172.95
Capital gains on the sale of shares	0.00	205,207.55
Other operating income	15,600.00	0.00
Total	76,908.77	231,380.50

**3. Staff expenses**

Salaries and remunerations	92,356,621.69	81,195,928.09
Pension expenses	16,082,558.49	14,313,458.89
Other staff expenses	3,259,530.97	2,569,319.11
Total	111,698,711.15	98,078,706.09

Notes on staff and members of PwC's bodies are presented later in Section 17.

**4. Depreciation and amortisation**

Depreciation according to plan	863,652.44	941,567.11
Total	863,652.44	941,567.11

The balance sheet itemisation of changes in depreciation and depreciation difference is included in the itemisation of non-current assets and appropriations in the notes on the balance sheet.

Depreciation according to plan is based on the original acquisition costs of fixed assets and the estimated useful life. Depreciation periods according to plan are as follows:

	Years
Cars, incl. accessories	5
IT equipment and hardware	2-3
Other machinery and equipment	8
IT software	4
Renovation expenses of rented apartments	5-7

**5. Financial income and expenses**

<b>Other interest income and financial income</b>	<b>224,994.19</b>	<b>392,286.47</b>
<b>Interest and other financial expenses</b>	<b>89,834.65</b>	<b>93,193.93</b>
<b>Financial income and expenses in total</b>	<b>135,159.54</b>	<b>299,092.54</b>

**6. Appropriations**

Depreciation difference increase (-)/decrease (+)	27,119.22	50,857.51
Total	27,119.22	50,857.51

**7. Income taxes**

Income taxes from ordinary activities in the financial period (+/-)	1,877,110.01	1,100,667.10
Income taxes from ordinary activities in previous financial periods	4,400.98	-53,076.35
Taxes based on PwC's taxable income	1,881,510.99	1,047,590.75
Deferred tax liability	138,070.48	143,494.32

**8. Intangible and tangible assets****Intangible asset****Intangible rights**

Acquisition cost 1.7.	1,954,861.48	1,954,861.48
Increases 1.7.–30.6.	0,00	0,00
Decreases 1.7.–30.6.	0,00	0,00
Acquisition cost 30.6.	1,954,861.48	1,954,861.48
Accumulated amortisation 1.7.	1,890,549.34	1,742,691.80
Accumulated amortisation of decreases	0.00	0.00
Amortisation in the financial period	52,413.26	147,857.54
Accumulated amortisation 30.6.	1,942,962.60	1,890,549.34
Book value 30.6.	11,898.88	64,312.14

**Other costs to be spread**

Acquisition cost 1.7.	2,162,331.82	2,162,331.82
Increases 1.7.–30.6.	38,901.00	0,00
Acquisition cost 30.6.	2,201,232.82	2,162,331.82
Accumulated amortisation 1.7.	2,078,463.46	2,028,653.02
Amortisation in the financial period	23,503.40	49,810.44
Accumulated amortisation 30.6.	2,101,966.86	2,078,463.46
Book value 30.6.	99,265.96	83,868.36

Decreases in the acquisition cost and accumulated amortisation of the decreases include costs to be spread written off by the beginning of the financial period.

<b>Intangible assets in total</b>	<b>111,164.84</b>	<b>148,180.50</b>
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**Tangible assets****Machinery and equipment**

Acquisition cost 1.7.	7,809,013.71	7,581,670.63
Increases 1.7.–30.6.	750,401.60	757,185.94
Decreases 1.7.–30.6.	-557,229.33	-529,842.86
Acquisition cost 30.6.	8,002,185.98	7,809,013.71
Accumulated depreciation 1.7.	4,754,952.61	4,309,787.43
Accumulated depreciation of decreases	-401,698.54	-298,733.95
Depreciation for the financial period	787,735.78	743,899.13
Accumulated depreciation 30.6.	5,140,989.85	4,754,952.61
Book value 30.6.	2,861,196.13	3,054,061.10
<b>Tangible assets in total</b>	<b>2,861,196.13</b>	<b>3,054,061.10</b>

**9. Investments****Other shares and rights of ownership**

Acquisition cost 1.7.	147,464.15	149,482.41
Increases 1.7.–30.6.	0.00	0.00
Decreases 1.7.–30.6.	0.00	2,018.26
Acquisition cost 30.6.	147,464.15	147,464.15
Book value 30.6.	147,464.15	147,464.15

**Investments in total** **147,464.15** **147,464.15**

**10. Non-current receivables**

Loan receivables	156,612.37	482,409.24
Rental deposits	112,380.63	83,792.05
Total	268,993.00	566,201.29

**11. Current receivables**

**Trade receivables** **39,144,274.69** **25,825,088.00**

**Other receivables** **35,050.37** **33,459.29**

**Prepayments and accrued income** **9,713,151.13** **3,849,269.14**

**Current receivables in total** **48,892,476.19** **29,707,816.43**

**Material items included in the prepayments and accrued income**

Staff expenses	7,083,983.56	0.00
Other consequent payments	2,629,167.57	3,849,269.14
<b>Prepayments and accrued income in total</b>	<b>9,713,151.13</b>	<b>3,849,269.14</b>

Notes on the balance sheet liabilities	2021	2020
<b>12. Shareholders' equity</b>		
Share capital 1.7.	915,260.00	915,260.00
Share capital 30.6.	915,260.00	915,260.00
Invested non-restricted equity fund 1.7.	1,315,120.71	1,025,080.71
Rights issue	240,020.00	290,040.00
Invested non-restricted equity fund 30.6.	1,555,140.71	1,315,120.71
Retained earnings 1.7.	14,179,156.31	15,957,196.32
Dividends paid	-12,808,814.20	-15,014,772.12
Acquisition of company's own shares	-304,800.00	-530,392.64
Retained earnings 30.6.	1,065,542.11	412,031.56
Profit for financial period	13,283,775.27	13,767,124.75
	14,349,317.38	14,179,156.31
<b>Shareholders' equity in total</b>	<b>16,819,718.09</b>	<b>16,409,537.02</b>
<b>Distributable assets</b>	<b>15,904,458.09</b>	<b>15,494,277.02</b>
<b>13. Accumulated appropriations</b>		
<b>Depreciation difference</b>		
Intangible rights	-19,606.21	-39,158.30
Machinery and equipment	709,958.61	756,629.92
Total	690,352.40	717,471.62
<b>14. Non-current liabilities</b>		
Other non-current liabilities, pension liability	0.00	30,745.00
Total	0.00	30,745.00
<b>15. Current liabilities</b>		
Trade creditors	1,672,361.90	1,407,091.59
Other current liabilities	12,773,371.25	9,427,986.22
Accruals and deferred income	38,221,316.90	24,718,509.11
<b>Current liabilities in total</b>	<b>52,667,050.05</b>	<b>35,553,586.92</b>
<b>Material items included in the prepayments and deferred income</b>		
Staff expenses	35,987,211.11	23,139,447.22
Other consequent payments	2,234,105.79	1,579,061.89
<b>Accruals and deferred income in total</b>	<b>38,221,316.90</b>	<b>24,718,509.11</b>
<b>16. Audit fees</b>		
Auditing	32,700.00	31,940.00
Certificates and opinions	0.00	0.00
Audit fees in total	32,700.00	31,940.00

Notes on the balance sheet liabilities	2021	2020
<b>17. Notes on staff and members of PwC bodies</b>		
17 a. Average no. of staff	1257	1286
17 b. No. of staff by business area at the end of financial period		
Audit services, statutory audit	501	519
Other services	588	579
Support functions and internal services	124	117
Total	1213	1215
17 c. The salaries of the CEO and members of the Board of Directors subject to prepayment tax were	2,804,147.62	3,533,989.82
<b>18. Collaterals and contingent liabilities</b>		
<b>Pledges and contingent liabilities</b>		
<b>Other collaterals:</b>		
Pledges as collateral for rent	112,380.63	83,792.05
Total	112,380.63	83,792.05
<b>Other liabilities</b>		
Leasing liabilities:		
- Payments the following year	723,879.03	1,052,207.92
- Payments later	553,397.92	677,009.07
Total	1,277,276.95	1,729,216.99
	Seuraava tilikausi	Myöhemmät tilikaudet
Leasing liabilities from long-term, non-cancellable lease agreements	4,938,494.10	19,744,757.68
<b>Client assets held</b>	<b>26,940.26</b>	<b>28,331.95</b>

# Signatures and auditor's note

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## Signatures for annual report and financial statements

Helsinki on 15 September 2021

Janne Rajalahti  
the chairman of the Board of Directors

Samuli Perälä

Markku Katajisto

Merja Lindh

Simo Valtti

Martti Virolainen

Kimmo Vilske

Mikko Nieminen  
CEO

### Auditor's note

A report has been given today on the audit performed.

Helsinki on 15 September 2021

Revico Grant Thornton Oy – Audit firm

Satu Peltonen  
KHT

# Auditor's report

## For PricewaterhouseCoopers Oy's Annual General Meeting

### AUDIT OF FINANCIAL STATEMENTS

#### Conclusion

We have audited PricewaterhouseCoopers Oy's (Business ID 0486406-8) financial statements for the financial period of 1 July 2019 to 30 June 2020. The financial statements include the balance, income statement and cash flow statement of the company, as well as additional notes.

In our conclusion, we state that the financial statements present a correct and sufficient picture of the company's performance and financial position in accordance with the regulations concerning financial statements that are applicable in Finland and meet the statutory requirements.

#### Grounds for the conclusion

We have performed the audit in accordance with good auditing practice in Finland. Our obligations according to good auditing practice are described in more detail under The auditor's obligations with regard to the audit of the financial statements. We are independent of the company in accordance with the ethical requirements that apply in Finland regarding our audit and we have fulfilled our other ethical obligations in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit's conclusion.

#### Obligations of the Board of Directors and CEO with regard to the financial statements

The Board of Directors and CEO are responsible for ensuring that the financial statements give a correct and sufficient picture in accordance with the regulations concerning financial statements that are applicable in Finland and meet the statutory requirements. The Board of Directors and CEO are also responsible for such internal control which they consider necessary for the preparation of financial statements that are free from significant inaccuracies caused by malpractice or errors.

When preparing the financial statement, the Board of Directors and CEO are obliged to assess the ability of the company to continue their operations and, where appropriate, to present the facts relating to the continuity of operations and to the fact that the financial statements have been prepared based on the continui-

ty of operations. The financial statements are prepared based on the continuity of operations, except if the company is to be dissolved or the operations are to be discontinued or there is no realistic alternative to doing so.

#### The auditor's obligations with regard to the audit of the financial statements

Our goal is to reach reasonable certainty of whether the financial statements as a whole contain significant inaccuracies caused by malpractice or errors, and to provide an auditor's report containing our conclusion. Reasonable certainty is a high degree of certainty, but this is not a guarantee that significant inaccuracies are always detected in an audit performed in accordance with good auditing practice. Inaccuracies may occur because of malpractice or errors, and are considered significant if they alone or jointly can reasonably be expected to influence the financial decisions made by users on the basis of the financial statements.

Auditing in accordance with good auditing practice includes using our professional judgment and maintaining professional scepticism throughout the audit.

Additionally:

- We recognise and assess significant risks of inaccuracies arising from malpractice or errors, plan and implement auditing practices to manage these risks and obtain sufficient and appropriate evidence as the basis for our conclusion. The risk that a significant inaccuracy caused by malpractice is not detected is greater than the risk that a significant inaccuracy caused by an error is not detected, as malpractice may be associated with collusion, forgery, intentional non-disclosure of information, presentation of incorrect information or ignoring of internal control.
- We form an understanding of the internal control relevant to the audit in order to be able to plan appropriate auditing practices, but not in order to be able to provide a statement on the effectiveness of the company's internal control.
- We assess whether the principles applied to the preparation of the financial statements are appropriate and whether the accounting estimates

made by the management and the information contained therein are reasonable.

- We conclude whether it was appropriate for the Board of Directors and the CEO to prepare financial statements based on the assumption of continuity of operations, and based on the evidence we have obtained, we conclude whether there is such uncertainty related to transactions or circumstances that may give rise to significant doubt as to the ability of the company to continue to operate. If our conclusion is that there is significant uncertainty, we must ensure that the reader of the auditor's report becomes aware of the information in the financial statements associated with the uncertainty or, if the information associated with the uncertainty is not sufficient, adjust our conclusion. Our conclusion is based on the evidence we have obtained prior to presenting the auditor's report. However, future events or circumstances may result in the company being unable to continue operating.
- We evaluate the general presentation, structure and content of the financial statements, including all the information that is presented therein, and assess whether the statements reflect the business operations and transactions on which they are based in such a way that they present a correct and sufficient picture.

We communicate with the governing bodies about, for example, the planned scope and scheduling of the audit and significant findings, including any significant inadequacies of the internal control that we may identify during the audit.

## OTHER REPORTING OBLIGATIONS

### Other information

The Board of Directors and the CEO are responsible for other information. Other information encompasses the annual report. Our conclusion concerning the audit does not apply to other information.

It is our obligation to read the other information in connection with the audit and to assess whether the other information significantly contradicts the information that we have gained from the financial statements or during the audit, or otherwise appears to be significantly incorrect. It is also our obligation to assess whether the annual report has been written in accordance with the applicable regulations.

In our conclusion, we state that the information in the annual report and the financial statement is consistent

and that the annual report has been written in accordance with applicable regulations.

If we, based on our work, reach the conclusion that there are significant inaccuracies in the annual report, we must report this. We have nothing to report on this matter.

Helsinki 15 September 2021

Revico Grant Thornton Oy  
Audit firm

Satu Peltonen  
APA



**PricewaterhouseCoopers Oy, P.O. Box 1015 (Itämerentori 2), FI-00101 Helsinki, Finland. Telephone +358 (0)20 787 7000.**

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