

## Harvia historical financial information 1 January 2017 – 31 December 2017

Historical financial information of Harvia Group ("Harvia") for the interim periods 1 January – 31 March 2017, 1 April – 30 June 2017, 1 July – 30 September 2017 and 1 October – 31 December 2017 presented herein have been prepared using the same accounting policies as Consolidated Financial Statements 2017. From the beginning of year 2018, Harvia has adopted new standards for revenue (IFRS 15) and for financial instruments (IFRS 9) so that cumulative impacts of the adoption have been recognised in retained earnings as of 1 January 2018 and comparatives for year 2017 have not been restated. The adoption of new standards and their impacts on the comparability of Harvia's financial information are described in more detail in the first interim report 1 January – 31 March 2018 to be published on 16 May 2018.

The information of interim periods is unaudited. Figures presented herein are rounded and consequently the sum of individual figures may differ from the sum presented.

### Consolidated statement of comprehensive income

EUR thousand	1.1.-31.3.2017	1.4.-30.6.2017	1.7.-30.9.2017	1.10.-31.12.2017	1.1.-31.12.2017
<b>Revenue</b>	<b>16 444</b>	<b>14 371</b>	<b>13 159</b>	<b>16 134</b>	<b>60 107</b>
Other operating income	46	90	15	56	208
Materials and services	-7 338	-5 616	-5 213	-6 805	-24 972
Employee benefit expenses	-3 068	-3 245	-2 758	-3 234	-12 305
Other operating expenses	-2 576	-2 931	-2 425	-3 923	-11 855
Depreciation and amortisation	-475	-483	-479	-484	-1 921
<b>Operating profit</b>	<b>3 032</b>	<b>2 187</b>	<b>2 298</b>	<b>1 745</b>	<b>9 263</b>
Finance income	160	108	49	139	457
Finance costs	-1 292	-1 344	-1 369	-1 365	-5 370
Finance costs, net	-1 132	-1 236	-1 320	-1 226	-4 914
<b>Profit before income taxes</b>	<b>1 901</b>	<b>950</b>	<b>979</b>	<b>519</b>	<b>4 349</b>
Income taxes	-452	-322	-179	-482	-1 435
<b>Profit for the period</b>	<b>1 449</b>	<b>629</b>	<b>800</b>	<b>37</b>	<b>2 914</b>
Attributable to:					
Owners of the parent	1 449	629	800	37	2 914
<b>Other comprehensive income</b>					
Items that may be reclassified to profit or loss in subsequent periods:					
Translation differences	-169	-305	-138	107	-505
<b>Other comprehensive income, net of tax</b>	<b>-169</b>	<b>-305</b>	<b>-138</b>	<b>107</b>	<b>-505</b>
<b>Total comprehensive income</b>	<b>1 280</b>	<b>323</b>	<b>662</b>	<b>144</b>	<b>2 409</b>
Attributable to:					
Owners of the parent	1 280	323	662	144	2 409
Basic EPS (EUR)	0,15	0,07	0,08	0,00	0,30
Diluted EPS (EUR)	0,15	0,07	0,08	0,00	0,30

\* Presentation of consolidated statement of comprehensive income for 2017 has been adjusted to reflect the presentation in 2018. Changes in inventories of finished goods and work in progress, previously presented as a separate line item, has been combined with the line item Materials and services.

**Consolidated statement of financial position**

EUR thousand	31-Mar-2017	30-Jun-2017	30-Sep-2017	31-Dec-2017
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets	2 757	2 796	2 886	2 999
Goodwill	59 224	59 224	59 224	59 224
Property, plant and equipment	15 427	15 307	15 040	14 939
<b>Total non-current assets</b>	<b>77 409</b>	<b>77 328</b>	<b>77 150</b>	<b>77 163</b>
<b>Current assets</b>				
Inventories	12 316	14 453	14 978	14 143
Trade and other receivables	14 898	14 486	12 999	12 738
Income tax receivables	2 404	545	337	1 604
Cash and cash equivalents	5 464	5 529	7 355	8 345
<b>Total current asset</b>	<b>35 081</b>	<b>35 012</b>	<b>35 670</b>	<b>36 830</b>
<b>Total assets</b>	<b>112 490</b>	<b>112 340</b>	<b>112 820</b>	<b>113 993</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity attributable to owners of the parent</b>				
Share capital	3	3	3	3
Other reserves	10 040	9 735	9 597	9 703
Retained earnings	6 656	6 656	6 656	6 656
Profit for the period	1 449	2 077	2 877	2 914
<b>Total equity</b>	<b>18 148</b>	<b>18 471</b>	<b>19 133</b>	<b>19 276</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Shareholder loans	38 516	38 516	38 516	41 618
Loans from credit institutions	35 611	33 411	33 463	31 318
Derivative financial instruments	1 538	1 511	1 467	1 327
Deferred tax liabilities	347	322	293	442
Other non-current liabilities	462	461	456	383
Provisions	262	262	265	225
<b>Total non-current liabilities</b>	<b>76 737</b>	<b>74 484</b>	<b>74 460</b>	<b>75 313</b>
<b>Current liabilities</b>				
Loans from credit institutions	6 595	7 293	7 758	8 394
Derivative financial instruments	75			
Income tax liabilities	1 219	452	0	1 160
Trade and other payables	9 455	11 378	11 204	9 626
Provisions	262	262	265	225
<b>Total current liabilities</b>	<b>17 606</b>	<b>19 385</b>	<b>19 228</b>	<b>19 404</b>
<b>Total liabilities</b>	<b>94 342</b>	<b>93 869</b>	<b>93 687</b>	<b>94 716</b>
<b>Total equity and liabilities</b>	<b>112 490</b>	<b>112 340</b>	<b>112 820</b>	<b>113 993</b>

**Consolidated statement of cash flows**

EUR thousand	1 Jan - 31 Mar 2017	1 Apr - 30 Jun 2017	1 Jul - 30 Sep 2017	1 Oct - 31 Dec 2017	1 Jan - 31 Dec 2017
<b>Cash flows from operating activities</b>					
Profit before taxes	1 901	950	979	519	4 349
Adjustments					
Depreciation and amortisation	475	483	479	484	1 921
Finance income and finance costs	1 132	1 236	1 320	1 226	4 914
Other adjustments	-6	-11	314	-337	-39
Cash flows before changes in working capital	3 502	2 658	3 092	1 893	11 145
Change in working capital					
Increase (-) / decrease (+) in trade and other receivables	-4 035	201	1 124	556	-2 153
Increase (-) / decrease (+) in inventories	-363	-2 235	-566	815	-2 349
Increase (+) / decrease (-) in trade and other payables	1 197	1 237	-989	670	2 115
Cash flows from operating activities before financial items and taxes	301	1 861	2 662	3 934	8 758
Interest and other finance costs paid	-33	-72	-4	-78	-186
Interest and other finance income received	4	-2	2	-2	1
Income taxes paid	-395	745	-452	-441	-543
<b>Net cash from operating activities</b>	<b>-124</b>	<b>2 532</b>	<b>2 208</b>	<b>3 412</b>	<b>8 029</b>
<b>Cash flows from investing activities</b>					
Purchases of tangible and intangible assets	-153	-348	-310	-385	-1 196
Sale of tangible and intangible assets	7	17	5	0	30
Acquisition of subsidiaries, net of cash acquired	0				
<b>Net cash from investing activities</b>	<b>-146</b>	<b>-330</b>	<b>-305</b>	<b>-385</b>	<b>-1 166</b>
<b>Cash flows from financing activities</b>					
Proceeds from share issues	50				50
Proceeds from non-current loans					
Repayments of non-current loans		-2 000		-2 250	-4 250
Change in short-term interest-bearing liabilities	-500	347	441	664	952
Interest and other finance costs paid	-382	-383	-464	-406	-1 634
<b>Net cash from financing activities</b>	<b>-832</b>	<b>-2 035</b>	<b>-23</b>	<b>-1 992</b>	<b>-4 882</b>
<b>Net change in cash and cash equivalents</b>	<b>-1 101</b>	<b>167</b>	<b>1 880</b>	<b>1 035</b>	<b>1 980</b>
Cash and cash equivalents at 1 January	6 568	5 464	5 529	7 355	6 568
Exchange gains/losses on cash and cash equivalents	-3	-102	-53	-46	-204
<b>Cash and cash equivalents at end of period</b>	<b>5 464</b>	<b>5 529</b>	<b>7 355</b>	<b>8 345</b>	<b>8 345</b>

**Group's revenue****Revenue by market area**

EUR thousand	1 Jan - 31 Mar 2017	1 Apr - 30 Jun 2017	1 Jul - 30 Sep 2017	1 Oct - 31 Dec 2017	1 Jan - 31 Dec 2017
Finland	6 301	5 780	4 935	5 199	22 214
Other Scandinavia	767	907	835	814	3 324
Germany	2 034	1 328	1 771	2 241	7 373
Other EU countries	3 841	3 052	2 908	4 244	14 044
Russia	1 951	1 260	952	2 064	6 227
North America	692	862	893	516	2 963
Other countries*	857	1 182	866	1 057	3 962
<b>Total</b>	<b>16 444</b>	<b>14 371</b>	<b>13 159</b>	<b>16 134</b>	<b>60 107</b>

\*The largest of which: Arab countries, Asia and other Europe.

**Revenue by product group**

EUR thousand	1 Jan - 31 Mar 2017	1 Apr - 30 Jun 2017	1 Jul - 30 Sep 2017	1 Oct - 31 Dec 2017	1 Jan - 31 Dec 2017
Sauna heaters	9 985	8 674	7 709	8 921	35 289
Sauna rooms	1 588	1 634	1 653	2 027	6 903
Control units	1 696	1 361	1 339	1 922	6 318
Steam generators	818	656	541	775	2 791
Spareparts, services, other*	2 356	2 045	1 917	2 489	8 807
<b>Total</b>	<b>16 444</b>	<b>14 371</b>	<b>13 159</b>	<b>16 134</b>	<b>60 107</b>

\*Includes among others, spa components, infrared radiators and sauna equipment.

**Key figures**

(EUR thousand unless otherwise stated)

<b>Key statement of comprehensive income indicators</b>	1 Jan - 31 Mar 2017	1 Apr - 30 Jun 2017	1 Jul - 30 Sep 2017	1 Oct - 31 Dec 2017	1 Jan - 31 Dec 2017
EBITDA	3 508	2 669	2 778	2 229	11 184
% of revenue	21,3	18,6	21,1	13,8	18,6
Adjusted EBITDA	3 655	2 816	2 818	3 328	12 617
% of revenue	22,2	19,6	21,4	20,6	21,0
Operating profit	3 032	2 187	2 298	1 745	9 263
% of revenue	18,4	15,2	17,5	10,8	15,4
Adjusted operating profit	3 180	2 333	2 339	2 845	10 696
% of revenue	19,3	16,2	17,8	17,6	17,8
Adjusted profit before income taxes	2 048	1 097	1 019	1 619	5 783
Basic EPS (EUR)	0,15	0,07	0,08	0,00	0,30
Diluted EPS (EUR)	0,15	0,07	0,08	0,00	0,30

<b>Key cash flow indicators</b>	1 Jan - 31 Mar 2017	1 Apr - 30 Jun 2017	1 Jul - 30 Sep 2017	1 Oct - 31 Dec 2017	1 Jan - 31 Dec 2017
Cash flow from operating activities	-124	2 532	2 208	3 412	8 029
Operating free cash flow	301	1 671	2 078	4 984	9 035
Cash conversion					71,6 %
Investments in tangible and intangible assets	-153	-348	-310	-385	-1 196

<b>Financial position key figures</b>	<b>1 Jan - 31 Mar 2017</b>	<b>1 Apr - 30 Jun 2017</b>	<b>1 Jul - 30 Sep 2017</b>	<b>1 Oct - 31 Dec 2017</b>	<b>1 Jan - 31 Dec 2017</b>
Net debt	75 259	73 692	72 382	72 985	72 985
Leverage	6,2	6,0	5,9	5,8	5,8
Net working capital	17 759	17 560	16 773	17 255	17 255
Capital employed excluding goodwill	31 302	30 254	29 480	32 752	32 752
Adjusted return on capital employed (ROCE)	33,5 %	35,1 %	36,0 %	32,7 %	32,7 %
Equity ratio	16,2 %	16,5 %	17,0 %	16,9 %	16,9 %

The following table sets forth the quarterly development of the Company's revenue, EBITDA, adjusted EBITDA and adjusted operating profit and their reconciliation to operating profit for the periods indicated.

EUR thousand	<b>1 Jan - 31 Mar 2017</b>	<b>1 Apr - 30 Jun 2017</b>	<b>1 Jul - 30 Sep 2017</b>	<b>1 Oct - 31 Dec 2017</b>	<b>1 Jan - 31 Dec 2017</b>
<b>Operating profit</b>	3 032	2 187	2 298	1 745	9 263
Depreciation and amortisation	475	483	479	484	1 921
<b>EBITDA</b>	3 508	2 669	2 778	2 229	11 184
<b>Items affecting comparability</b>					
Costs related to Listing				584	584
Strategic development projects	49	40	33	483	605
Acquisition and integration related expenses	98	89	7	32	227
Restructuring expenses		52			52
Net gains or losses from sales of assets and grants received		-34			-34
<b>Total items affecting comparability</b>	147	147	41	1 099	1 434
<b>Adjusted EBITDA</b>	3 655	2 816	2 818	3 328	12 617
Depreciation and amortisation	-475	-483	-479	-484	-1 921
<b>Adjusted operating profit</b>	3 180	2 333	2 339	2 845	10 696
Finance costs, net	-1 132	-1 236	-1 320	-1 226	-4 914
Adjusted profit before income taxes	2 048	1 097	1 019	1 619	5 783

Calculation of key figures is presented in the following:

<b>Key figure</b>	<b>Definition</b>
<b>Operating profit</b>	Profit before income taxes, finance income and finance costs.
<b>EBITDA</b>	Operating profit before depreciation and amortisation.
<b>Items affecting comparability</b>	Unusual material items outside the ordinary course of business, which relate to i) costs related to the contemplated listing ii) strategic development projects, iii) acquisition and integration related expenses, iv) restructuring expenses and v) net gains or losses on sale of assets and grants received.
<b>Adjusted operating profit</b>	Operating profit before items affecting comparability.
<b>Adjusted EBITDA</b>	EBITDA before items affecting comparability.
<b>Adjusted profit before income taxes</b>	Profit before income taxes excluding items affecting comparability.
<b>Earnings per share, undiluted</b>	Profit for the period attributable to the owners of the parent divided by weighted average number of shares outstanding.
<b>Earnings per share, diluted</b>	Profit for the period attributable to the owners of the parent divided by weighted average number of shares outstanding taken into consideration the effects associated with any parent company's obligations regarding the possible share issue in the future.
<b>Net debt</b>	Shareholder loans and current and non-current loans from credit institutions less cash and cash equivalents.
<b>Net debt to adjusted EBITDA (Leverage)</b>	Net debt divided by adjusted EBITDA (12 months).
<b>Net working capital</b>	Inventories, trade and other receivables less trade and other payables.
<b>Capital employed excluding goodwill</b>	Capital employed excluding goodwill is total equity and net debt and less goodwill.
<b>Adjusted return on capital employed (ROCE)</b>	Adjusted operating profit (12 months) divided by average capital employed excluding goodwill.
<b>Operating free cash flow</b>	Adjusted EBITDA added/subtracted by the change in net working capital in consolidated statement of cash flows less investments in tangible and intangible assets.
<b>Cash conversion</b>	Operating free cash flow divided by adjusted EBITDA (12 months).
<b>Equity ratio</b>	Total equity divided by total assets less advances received.