

# YEARBOOK 2020

SUOMEN PUUKAUPPA OY





# TWO METHODS OF WOOD TRADING

KUUTIO® is an open independent timber marketplace on the web for forest owners, forestry management associations, timber buyers and other operators in the forestry sector.

For a forest owner, Kuutio is the easiest way of tendering timber transactions with a professional or independently. The forest owner decides which method to use. With

Kuutio, you can reach almost all of the timber buyers in Finland, the majority of forestry management associations, forestry service businesses and other service providers. Using Kuutio is fully free of charge for the forest owner.

From the point of view of forestry professionals, Kuutio is an efficient tool for selling, brokering and buying timber and

providing advisory and expert services relating to wood trading.

Sign up as a private forest owner or send an organisation sign-up request at:

**KUUTIO.fi**

## With the assistance of a forestry management associations or other professional

On Kuutio, forest owners can find the local forestry management association and other forestry service companies to take care of wood trading by proxy. You can also request assistance in other forest-related matters from a professional on Kuutio.

## Forest owner

**KUUTIO**



**Timber sale  
by proxy**



**Independent  
timber sale**

## Independently through bidding

Forest owners can submit calls for offers on timber directly to timber buyers on Kuutio. A single call for offers reaches local timber buyers on Kuutio.

# CONTENTS

<b>KUUTIO® in brief</b>	2
<b>KUUTIO® for forest owners</b>	4
<b>CUSTOMER EXPERIENCES</b>	
Auvo Heikkilä, forest owner	5
Customer satisfaction	6
Strengths for forest owners	7
<b>KUUTIO® for forestry professionals</b>	8
<b>KUUTIO USER STORIES</b>	
Petri Takalo, Päijänteen MHY	9
Juha Jumppanen, Metsä Group	10
Sakari Hautala, MHY Keski-Suomi	11
Ari Karhapää, Tornator	12
Jussi Torpo, Versowood	13
Strength for the forestry professional	14
<b>KUUTIO® in numbers</b>	15
<b>Suomen Puukauppa Oy</b>	16
Strategy	17
Review by the Board of Directors	18
Review by the CEO	19
Shareholders	20
Key financial indicators	21
Financial statements	22
Auditor's report	24
<b>Contact information</b>	26



# KUUTIO® FOR FOREST OWNERS

## Forest owner

1. Sign up with your online banking credentials or mobile certificate at: **Kuutio.fi/rekisteroidy**. Forest owners can use Kuutio free of charge.



2. Complete your contact details and create a user account for logging in to Kuutio later.

3. It is up to you to decide on how you will use Kuutio.

### Information on forest assets

Personal forest resource data in the Metsään.fi service is automatically available to the forest owner. You can also import your own digital forest plan in Kuutio.



### Timber sale by proxy

On Kuutio, you can find your local forestry management association or other forestry service company and get help for calling for offers when selling timber. You can contact forestry professionals in all forestry-related matters puzzling you.



The forestry management association or other local forestry professionals will respond to your contact request.

**TIP:** You can choose to authorise the forestry management association or other forestry service company to take care of the timber sale completely on your behalf by proxy or use them for other assistance. Agree on the details with the forestry professional.



### Independent timber sale

Subject your timber sale to bidding and send calls for offers to timber buyers. You can reach all of the timber buyers in your area with a single call for offers.



The timber buyers in the area where you are selling timber will respond to your call for offer. Choose the buyer that suits you best. If you wish, you can make use of the expertise of the forestry management association.

### TIP:

You can see more instructions after logging in. Forest owners can use Kuutio free of charge.



Forest owner Auvo Heikkilä

## EASY AND STRAIGHTFORWARD TIMBER SALES WITH KUUTIO

**Auvo Heikkilä** uses Kuutio for competitive tendering of timber sales. Heikkilä, who lives in Paattinen in Turku, became a forest owner several years ago when he inherited an estate. Since then, Heikkilä has bought more forest and is currently considering joining his family's forests into a jointly owned forest.

Heikkilä got acquainted with Kuutio in earnest once he retired. As a savvy forest owner, the service provided him a great tool for selling timber. The best thing in Kuutio has been its ease of use. He has always received tenders for his calls for offer and he has conducted most sales independently. Occasionally, he has requested help for comparing offers from a forestry management association.

"The effortlessness and clarity are the two best things about Kuutio. You get to assess the offers yourself and select the best one. Kuutio is an especially useful tool for an experienced forest owner," says Auvo Heikkilä.

Using Kuutio independently requires some forestry experience and skills. If this is something you do not have, Kuutio also makes it easy to request a professional, such as a forestry management association or service provider to contact you.

"Kuutio has increased competition in the area, which is good. I'm a bit surprised that even selling energy wood has been very handy using Kuutio. The demand for energy wood and wood chips increased a couple of years ago when the Naantali bio power plant was completed," says Auvo Heikkilä.

He feels it is good that Kuutio clearly focuses on timber sales and does that very effectively.

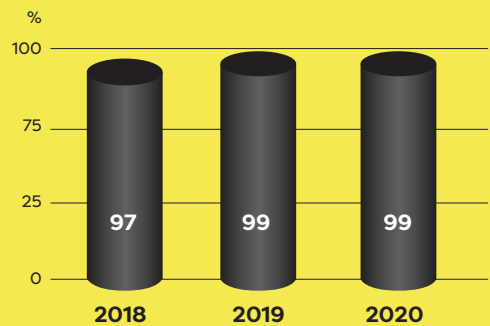
"Improvements I might suggest is editing the targets and improving the tools for comparing offers. I'm sure it's not an easy task, but it does pose a challenge for the seller when for example the price per log and offers broken down per type of wood are not comparable. Kuutio could also provide information on the difference between the offer and the actual yield," says Heikkilä.



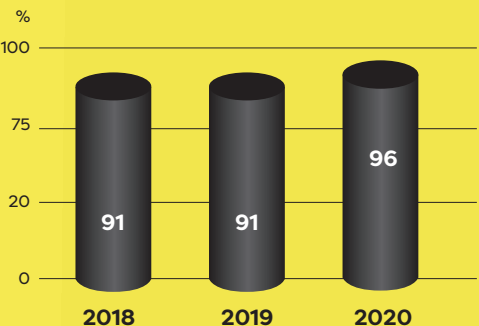
# CUSTOMER SATISFACTION

Kuutio's customer satisfaction increased in all user groups. Of private forest owners who use Kuutio either for ordering expert services or conducting timber sales independently, 99% are ready to use the service again and 96% report being satisfied with Kuutio's usability. Ease of use, reliability and availability of buyers are considered to be the greatest strengths.

Forest owners who made a timber sale or service order on Kuutio will also use Kuutio in the future.



Forest owners that have used Kuutio are satisfied with its usability.







# KUUTIO® AS A FOREST PROFESSIONAL'S TOOL

## FORESTRY MANAGEMENT ASSOCIATION AND WOOD TRADE BROKER

Receive requests for contact and serve forest owners in questions that are puzzling them.

Use Kuutio as a reliable tool for trading by proxy.

- You can send a proxy trade call for offer efficiently and reliably with the click of a button.
- Receive timber buyers' offers and compare them in your own forest management system.

**TIP:** Please actively reply to all requests for contact, as it increases forest owners' customer satisfaction.

## BUYER OF TIMBER

- Receive and review calls for offers and requests for contact sent to you.
- Make offers for wood trade.

**TIP:** Always reply to all calls for offer via Kuutio with an offer or informally as "no thank you"; this increases customer satisfaction and lowers the fees charged for Kuutio.

## SALES ORGANISATION

- As a professional seller, you can submit wood trades to bidding with Kuutio.
- You can use the forest plan data of your own forest management system.
- Submit calls for offers to timber buyers and compare the offers you receive.
- Choose the timber buyer that best suits you.

## Interface with Kuutio increases efficiency

Kuutio is an equal, user-friendly and cost-efficient tool. Kuutio can be used in all forestry professional roles via the browser user interface or the company's own forest management system, provided that the forest management system has an interface with Kuutio. Integration facilitates a real-time connection of the forest management system with Kuutio without the user having to log in to Kuutio.

## How can I join Kuutio and offer my services to forest owners?

1. Read Kuutio's terms of use and price list carefully.
2. Send an organisation sign-up request at: [Kuutio.fi/rekisteroidy](https://kuutio.fi/rekisteroidy)
3. Fill in your company's details and create a user account.
4. Confirm the registration request. A representative of Kuutio will get in touch with you as soon as possible.

For more instructions, please visit: [Kuutio.fi/ohjeet](https://kuutio.fi/ohjeet)

Kuutio's employees will help you as necessary.



Petri Takalo, Päijänteen MHY

## KUUTIO SAVES TIME AND REDUCES MISTAKES

The digital timber market place Kuutio has sped up wood trade by proxy conducted by forestry management associations while reducing mistakes. In addition, the Päijänne forestry management association saves a considerable amount of employee work time by using Kuutio for competitive tendering.

Päijänteen MHY has deployed a new ERP system with a two-way interface to Kuutio. Calls for offer, offers and other tendering related data is now transferred automatically between the systems.

“We save as much as three hours of our time per tendering because we are able to receive the offers and forward them for comparing the cutting at the push of a button. That leaves out all unnecessary manual work and our employees have more time

for serving our customers, the forest owners,” says Petri Takalo, Executive Manager of the Päijänne forestry association

Comparing with using e-mail in times before Kuutio, productivity has increased to a completely new level and the number of human errors has decreased. Efficiency of wood trade increases to a new level when the various systems of buyers, sellers and forestry associations are seamlessly connected.

“A small investment has the potential of providing a great benefit. We only use Kuutio, and only accept offers for trading by proxy received via Kuutio. We want to get everything out of this digital tool,” says Petri Takalo.

Of forest owners who had conducted a timber sale using Kuutio, 99% said they intended to also use Kuutio in the future either independently or trading by proxy and more than half of all forest owners are prepared to use Kuutio.



“We save as much as three hours per tender.”





Juha Jumppanen, Metsä Group

## PROXY TRADING IS A KEY FEATURE OF KUUTIO

“Kuutio is very useful in proxy trading, for example, due to the way it treats everyone equally and transparently.”

Metsä Group, the largest timber buyer in Finland, has participated actively in the development of Kuutio. Juha Jumppanen, the company’s Senior Vice President for Wood trade and forest services says Kuutio complements Metsä Group’s owner customer channels well.

“Kuutio is very useful in proxy trading, for example, due to the way it treats everyone equally and transparently,” says Jumppanen.

Proxy trading is more prevalent in timber sales conducted using Kuutio compared with the timber market in general. Two in three trades in Kuutio are conducted by proxy whereas the share of all trade is one third.

“At Metsä Group, we use Kuutio directly from our own forest management system, which makes

our operations more efficient and completes our customer path. Proxy trading moving to Kuutio is a welcome development,” says Juha Jumppanen.

Based on feedback, customers are satisfied with Kuutio’s usability and the service is being constantly improved. The technology is reliable and reduces the amount of paperwork and related human errors.

“Our priority is to respond to every call for offer with an offer. Nonetheless, if for any reason we cannot buy the stand in question, we send a “no thank you” message via Kuutio, which we consider good business practice,” says Juha Jumppanen from Metsä Group, describing how the company uses Kuutio.



Sakari Hautala, MHY Keski-Suomi

## KUUTIO IS A GOOD TOOL FOR PROFESSIONALS

Forestry expert Sakari Hautala had a busy summer. Despite COVID-19, wood buyers were very active in the area that MHY Keski-Suomi operates in, and forest owners submitted a great number of calls for offer to buyers. Without Kuutio, Hautala's work would have been slow.

"I have used Kuutio since the very beginning. In Kuutio, sending a call for offer for all buyers in the service happens with the push of a button," says Sakari Hautala.

In recent years, wood trade has been quite active in Central Finland overall, as the Metsä Group plant in Äänekoski has driven up the demand considerably. The Äänekoski plant uses 6.5 million cubic metres of timber per year.


According to Sakari Hautala, the best thing about Kuutio is that it allows reaching many wood buyers at once, which saves time and effort. In addition, the service is reliable and secure. MHY Keski-Suomi uses Kuutio to conduct wood trade by proxy for forest owners.

"I believe that digital trade will continue to increase overall in our everyday lives. We already use digital signatures and other similar services. I am sure using Kuutio will become more prevalent," says Sakari Hautala.

According to Hautala, some wood buyers have not deployed Kuutio fully, which he feels would be beneficial for making wood trade and the market more efficient. He also thinks there is still room for improvement in how forestry management associations operate.

"I hope all forest management systems can be made to integrate seamlessly with Kuutio in order to avoid transferring any data manually from one system to another. That benefits the forestry management associations, forest owners and timber buyers alike," says Sakari Hautala, Forestry Expert for MHY Keski-Suomi.

Forestry management associations provide support for competitive tendering in wood trade. They assess the stands and monitor timber harvesting on behalf of the forest owner.



"In Kuutio, sending a call for offer for all buyers in the service happens with the push of a button."





“Everyone in the chain of wood trade benefits from digitalisation.”

Ari Karhapää, Tornator

## BUYER ACTIVITY AT A GOOD LEVEL

Tornator, the largest private forest owner in Finland is also a shareholder of Kuutio. They own 630,000 hectares of Finnish forest, equalling slightly more than one hectare for every forest owner. Tornator is actively engaged in wood trade, which causes a constant flow of calls for offer. The company uses Kuutio to ensure things run smoothly and improve the efficiency of its operations.

“We have used Kuutio directly from our own forest management system since the beginning. Kuutio has improved the precision and efficiency of wood trade. For example, if we were to send 200 calls for offer in any other way, it would require much more time and involve a much greater risk,” says Tornator’s Forestry Director, Ari Karhapää.

He commends Kuutio especially for its easy of use and reliability. Calls for offer are sent to buyers easily and reliably at the push of a button.

According to Ari Karhapää, the use of Kuutio among timber buyers has improved continuously.

They now receive offers and replies at completely different pace than in the beginning.

“Every member of the chain of wood trade benefits from digitalisation. In Kuutio, maps and attachments get easily and reliably sent alongside calls for offer. It is especially important that geometries are also transferred to timber buyers in order to reliably transmit ecological and other special sites all the way to the forest harvester,” says Ari Karhapää from Tornator in describing the practical advantages of the service.

COVID-19 has increased the use of digital services, which is also evident in Kuutio’s statistics. Many new users have started to use the service and old ones are increasingly active. During these exceptional times, digital services have taken a leap forward as it has become evident how much time, effort and money can be saved with remote services.

“The more Kuutio is used, the greater the benefits for all,” Karhapää states.



Jussi Torpo, Versowood

## KUUTIO HAS IMPROVED THE PRECISION AND EFFICIENCY OF THE WOOD TRADE

“Kuutio offers a modern tool for all parties.”

Versowood Oy, the largest private sawmill company in Finland, uses Kuutio actively. The company cooperated closely in developing Kuutio and is a shareholder of Suomen Puukauppa Oy, the company behind the service. Versowood's Forestry director, Jussi Torpo considers Kuutio an important leap into the digital era.

“Kuutio offers a modern tool for all parties. Information is transmitted effortlessly to forest owners and the treatment of forests can be tailored to each location by taking natural values better into consideration, for example,” says Torpo.

Kuutio makes competitive tendering in the wood trade more efficient and frees up time that can

then be used for customer service. Time is money for timber sellers, buyers and brokers. Torpo hopes that forest management systems used by different parties would be integrated with Kuutio's interface.

“Our own future forest management system enables getting everything out of Kuutio. This way we can make timber sales as efficient as possible, which benefits everyone,” says Torpo.

Kuutio has created a digital transformation of wood trade while COVID-19 has further sped up the transition to entirely digital services and remote connections. Torpo hopes that all parties would adapt to the new ways of working quickly, even though changing old habits can be difficult for some.

“The change is happening rapidly and the leap in development has already happened. Kuutio offers reliable tendering, easier information management and less risk of error than before. Much has already been accomplished, but there is still work to do in order to make Kuutio the primary tool for all professionals in the field.”

Kuutio and the forest resource data it utilises provide forest owners a comprehensive overview of forest management and wood trade.

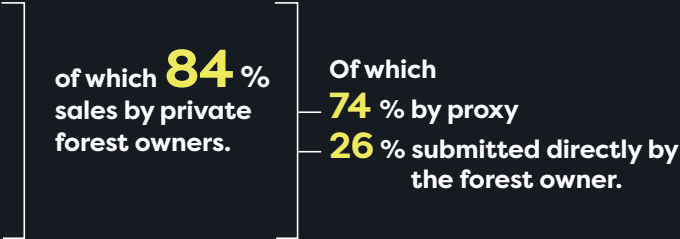
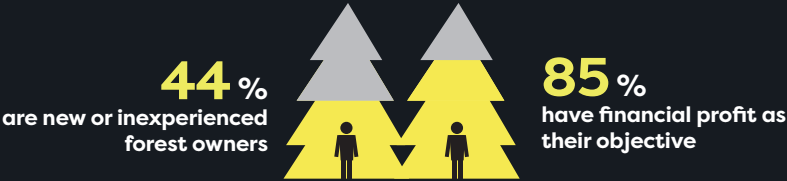
“Now, a forest owner can take the distinctive characteristics of their forest into account better than before,” adds Jussi Torpo from Versowood.



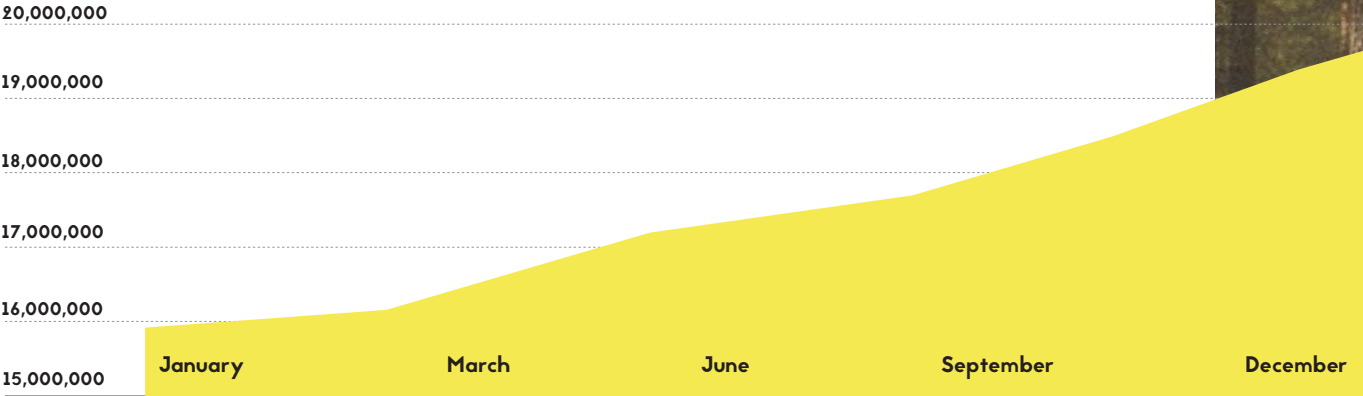


# KUUTIO® IN FIGURES 2020

Of the forest owners  
registered in  
Kuutio in 2020



Wood trades bid in Kuutio cumulatively in 2020, m<sup>3</sup>





## SUOMEN PUUKAUPPA OY **AMBITION**

The most popular electronic timber market  
Kuutio serves all parties of the wood trade  
equally and in an user-friendly and  
cost-effective manner.



# OPERATIONAL OBJECTIVES OF THE STRATEGY

- Kuutio is user-friendly and cost-effective solution that all parties of wood trade can use for submitting calls for offer and replying to them
- All significant parties to Finnish wood trade use Kuutio comprehensively and appropriately
- For this strategic period, the company will focus on development of the timber marketplace
- Kuutio's new strategy is communicated effectively
- Kuutio will activate new and inexperienced forest owners to wood trading



Review by the Board of Directors

KUUTIO'S OBJECTIVE IS TO GROW THE DIGITAL WOOD TRADE

Kuutio is a equal, easy to use and cost-effective solutions for conducting wood trade digitally, open to all parties. According to the strategy of Suomen Puukauppa Oy, Kuutio focuses especially on developing the wood trade features. For 2020, the main focus of our operations was on professionals, such as forestry management associations as well as considering the needs of proxy trading and promoting buyer activity.

The long-term goal is to introduce new and inexperienced forest owners to wood trading. In Kuutio, the forest owner can choose if they want to conduct wood trade with the help of a forestry management association or other professional or if they would rather conduct the tendering and trading process completely or partially independently. Promoting activity among forest owners will be a key focus of implementing our strategy in 2021.

The Board of Directors of Suomen Puukauppa Oy aims to have all significant parties to Finnish wood trade use Kuutio comprehensively and appropriately. Buyer organisations are already strongly committed

to Kuutio, as demonstrated by their level of activity in using the service. About 99.5% of calls for offer submitted on Kuutio receive an offer or a reply. Our objective is to have forestry management associations increase their use of Kuutio. During the past season, only one in three forestry management associations used Kuutio.

Suomen Puukauppa Oy is working to promote the use of Kuutio. Although the number of calls for offer submitted via Kuutio grew by over 30% year-on-year, there is considerably more potential for growth both in proxy trading as well as independent trading by private forest owners. Each forest owner decides how to use Kuutio.

The operations of Suomen Puukauppa Oy continue to be cost-efficient and the finances balanced. The company's balanced financial standing provides a good basis to continue towards the strategic



**Juha Ojala**

Chair of the Board

**Juha Hakkarainen**

Member of the Board, MTK

**Ari Karhapää**

Member of the Board, Tornator

**Jussi Linnala**

Member of the Board, MHY Keski-Suomi

**Erkki Metsola**

Member of the Board, UPM

**Ville Parkkinen**

Member of the Board, Koskisen puunhankinta

**Janne Partanen**

Member of the Board, Stora Enso

objectives set for 2022. According to the Forest owner 2020 study, 70% of forest owner are considering using Kuutio. According to Kuutio's own customer satisfaction survey, 88% of professionals expect to either continue using Kuutio in 2021 as much as previously or increase their use of the service. Similarly, of private forest owners who use Kuutio either for ordering expert services or conducting timber sales independently, 99% say they will use the service again. In the light of this information, there are good opportunities for growing use of Kuutio.

## Review by the CEO

# KUUTIO'S CUSTOMER SATISFACTION INCREASED

The COVID-19 year was stable for Kuutio and all user groups' satisfaction with Kuutio continued to grow. This was our third entire year with the service available to all parties. Our operations have always been steered by listening to our customers. In 2020, the main focus of our operations was on professionals, such as forestry management associations and promoting buyer activity.

For the first time, employees of forestry management associations were the most satisfied group of professional Kuutio users and proxy trading grew 43% year-on-year. The most satisfied organisations are those who have deployed the two-way interface.

Buyer organisations' use of Kuutio continued to grow. During last year, the percentage of calls for offer responded to on Kuutio was nearly one hundred. The features that professional most appreciate about Kuutio are its ease, quickness and reliability.

Similarly, 99% of forest owners who used Kuutio either for ordering expert services or conducting timber sales independently reported they will use the service again and 96% said they were satisfied with Kuutio's usability. For them, Kuutio's greatest strengths are ease, reliability and availability of buyers.

Despite the overall volume of wood trade conducted via Kuutio grew by one third, we did not achieve the growth objectives defined in this aspect. According to the Forest owner 2020 study by the National Resources Institute Finland, 70% of forest owners are considering using Kuutio, and our own survey shows that 88% of professionals intend to use Kuutio at least as much as previously or increase their use of it.

The support provided by the shareholders of Suomen Puukauppa Oy has enabled the development and maintenance of a cost-effective high-quality service. Small and efficient resources together with networked operations keep our costs under control. Despite investments in ICT systems, we have managed to decrease the fees we charge professionals. Now, they are only approximately half of their initial level. Private forest owners can use Kuutio free of charge.

Last year, the focus of Suomen Puukauppa Oy's strategy was on professional users of Kuutio. In 2021, we are focusing on private forest owners along with professionals. Our objective is to introduce new and inexperienced forest owners in particular to wood trading. Of customers who registered to Kuutio in 2020, approximately 40% had no previous experience of wood trade.



Aku Mäkelä

The year of COVID-19 demonstrated that there is a high demand for reliable and secure trading platforms. In Kuutio, each forest owner can choose if they want to conduct wood trade with the help of a forestry management association or other professional or if they would rather conduct the tendering and trading process completely or partially independently.

The company's stable financial standing provides a good basis for implementing our strategy. We aim to reach a 25% annual increase in the volume of wood trade conducted via Kuutio. In accordance with our strategy, we continue to focus on the wood trade and aim to reach a considerable portion of Finnish wood trade.

We continue to listen and respond to the needs and wishes of our customers. We want timber buyers, sellers and brokers to all benefit from Kuutio as much as they can.



# SHAREHOLDERS OF SUOMEN PUUKAUPPA OY

Kuutio is open and equal to everyone. In addition to the shareholders of Suomen Puukauppa Oy, Kuutio is used by dozens of other forest-sector organisations.

Kuutio is owned by Suomen Puukauppa Oy in which the ownership of series A shares entitled to a vote is divided equally between parties selling and buying timber.



## SELLERS that are shareholders of Suomen Puukauppa Oy



## BUYERS that are shareholders of Suomen Puukauppa Oy



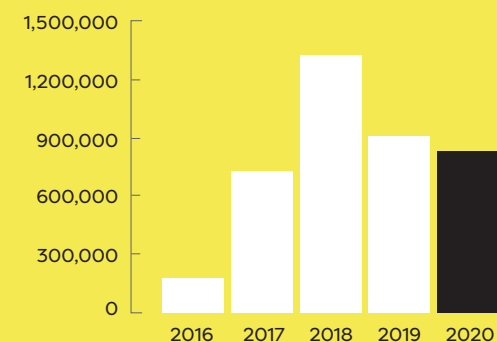
## SUOMEN PUUKAUPPA OY

## FINANCES AND FINANCIAL STATEMENTS

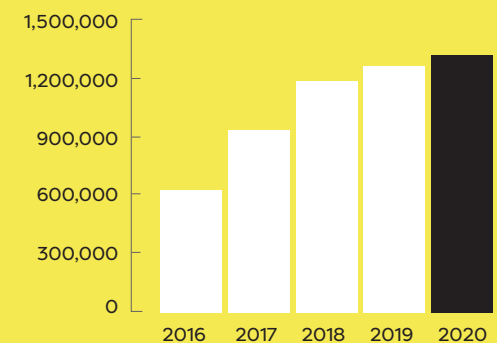
Indicator	2015-2016	2017	2018	2019	2020
EBITDA margin	-157%	34%	35%	35%	46%
EBITA margin	-220%	14%	20%	10%	9%
Net profit margin	-220%	14%	19%	8%	7%
Equity ratio	74%	68%	78%	83%	78%
Quick ratio	1.3	2.9	3.2	3.8	4.2
Current ratio	1.3	2.2	2.6	2.8	2.2
Return on investment	-63%	11%	20%	7%	5%
Gearing	0%	35%	14%	15%	30%
Net gearing	-38%	-29%	-18%	-36%	-27%

PROFIT AND LOSS ACCOUNT	2015-2016	2017	2018	2019	2020
<b>NET SALES</b>	<b>EUR 178,640</b>	<b>EUR 724,598</b>	<b>EUR 1,323,227</b>	<b>EUR 909,078</b>	<b>EUR 829,279</b>
Other operating income and expenses, total	EUR 4,184	EUR 225,891	EUR 59,990	EUR 11,411	EUR 35,000
Personnel costs total	EUR -93,052	-141,998 €	EUR -152,973	EUR -159,576	EUR -97,567
Depreciation and write-downs total	EUR -112,000	EUR -142,300	EUR -207,289	EUR -228,658	EUR -306,070
Other operating expenses, total	EUR -370,384	EUR -563,295	EUR -764,564	EUR -441,192	EUR -387,758
<b>EBITA</b>	<b>EUR -393,100</b>	<b>EUR 102,895</b>	<b>EUR 258,391</b>	<b>EUR 91,063</b>	<b>EUR 72,885</b>
Financial income and expenses	EUR -48	EUR -2,181	EUR -7,274	EUR -3,837	EUR -2,866
PROFIT BEFORE TAXES	EUR -393,147	EUR 100,714	EUR 251,117	EUR 87,226	EUR 70,018
Taxes, total	EUR 0	EUR 0	EUR 0	EUR -10,176	EUR -14,301
<b>PROFIT FOR THE PERIOD</b>	<b>EUR -393,147</b>	<b>EUR 100,714</b>	<b>EUR 251,117</b>	<b>EUR 77,051</b>	<b>EUR 55,717</b>
<b>EBITDA</b>	<b>EUR -281,100</b>	<b>EUR 245,196</b>	<b>EUR 465,679</b>	<b>EUR 319,721</b>	<b>EUR 378,954</b>

Changes in net sales



Changes in equity





# FINANCIAL STATEMENT FROM ACCOUNTING PERIOD 1 JANUARY 2020–31 DECEMBER 2020

	1 January 2020–31 December 2020	1 January 2019–31 December 2019
<b>PROFIT AND LOSS ACCOUNT</b>		
<b>REVENUE</b>	829,278.84	909,078.43
Other operating income	35,000.00	11,411.29
<b>Personnel expenses</b>		
Wages and salaries	-89,223.49	-136,850.00
Social security expenses	-8,343.23	-22,726.33
Pension expenses	-9,600.16	-22,148.75
Other personnel add-on costs	1,256.93	-577.58
<b>Personnel expenses, total</b>	-97,566.72	-159,576.33
<b>Depreciation and impairment</b>		
Depreciation according to plan	-306,069.75	-228,657.75
<b>Depreciation and write-downs total</b>	-306,069.75	-228,657.75
<b>Other operating expenses</b>	-387,757.82	-441,192.26
<b>EBITA</b>	<b>72,884.55</b>	<b>91,063.38</b>
<b>Financial income and expenses</b>		
Other interest and financial income	1,810.76	68.20
Other interest and financial expenses	-4,677.12	-3,905.03
<b>Financial income and expenses, total</b>	-2,866.36	-3,836.83
<b>PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES</b>	<b>70,018.19</b>	<b>87,226.55</b>
Income taxes	-14,301.42	-10,175.71
<b>NET PROFIT/LOSS FOR THE PERIOD</b>	<b>55,716.77</b>	<b>77,050.84</b>

<b>BALANCE</b>	<b>31 December 2020</b>	<b>31 December 2019</b>
<b>ASSETS</b>		
<b>FIXED ASSETS</b>		
<b>Intangible assets</b>		
Business value	0.00	80,000.00
Other capital expenditures	1,072,144.19	762,450.90
<b>Intangible assets, total</b>	1,072,144.19	842,450.90
<b>Tangible assets</b>		
Plant and equipment	22,085.18	14,761.66
<b>Tangible assets, total</b>	22,085.18	14,761.66
<b>Non-current assets, total</b>	1,094,229.37	857,212.56
<b>CURRENT ASSETS</b>		
<b>Receivables</b>		
Non-current receivables, total	10,475.89	11,501.00
Short-term receivables total	125,277.92	143,281.55
<b>Receivables total</b>	135,753.81	154,782.55
<b>Cash and cash equivalents</b>	609,583.62	584,991.68
<b>Current assets total</b>	745,337.43	739,774.23
<b>ASSETS, TOTAL</b>	1,839,566.80	1,596,986.79
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	5,000.00	5,000.00
Invested unrestricted equity fund	1,218,800.00	1,218,800.00
Retained earnings (losses)	35,734.82	-41,316.02
Profit (loss) for the period	55,716.77	77,050.84
<b>Total equity</b>	1,315,251.59	1,259,534.82
<b>LIABILITIES</b>		
Non-current liabilities, total	192,004.92	73,529.32
Current liabilities, total	332,310.29	263,922.65
<b>Liabilities, total</b>	524,315.21	337,451.97
<b>LIABILITIES AND SHAREHOLDERS' EQUITY TOTAL</b>	1,839,566.80	1,596,986.79

## NOTES CONCERNING THE PREPARATION OF THE FINANCIAL STATEMENTS

### Accounting principles

The company is a small undertaking as referred to in the Accounting Act, and the financial statements were prepared in accordance with the regulations for small undertakings laid down in chapters 2–3 of the Government Decree on the information presented in the financial statements of a small undertaking and micro-undertaking.

### Allocation principles and methods

Depreciation according to plan is calculated on the basis of economic useful lives as follows:

Intangible assets	5 years, straight-line depreciation
Tangible assets	25% declining balance depreciation

	2020	2019
<b>Changes in equity</b>	5,000.00	5,000.00
Share capital at the beginning and end of the financial year	<b>5,000.00</b>	<b>5,000.00</b>
<b>Restricted equity, total</b>		
Invested unrestricted equity fund at the beginning and end of the financial year	1,218,800.00	1,218,800.00
Retained earnings (losses) at the beginning and end of the financial year	35,734.82	-41,316.02
Net profit/loss for the period	55,716.77	77,050.84
Unrestricted equity, total	1,310,251.59	1,254,534.82
<b>EQUITY TOTAL</b>	<b>1,315,251.59</b>	<b>1,259,534.82</b>

## GUARANTEES GIVEN AND CONTINGENT LIABILITIES

### Own liabilities

Business mortgages

### Liability

EUR 250,000.00

Lease commitments EUR 106,130.67

### Notes concerning personnel and members of organs

Average number during the financial year

2020	2019
2	3

## ANNUAL REPORT INFORMATION AS REFERRED TO IN THE LIMITED LIABILITY COMPANIES ACT

### Board proposal for measures concerning company profit:

The distributable assets in the financial statement are EUR 1,310,251.59, of which the profit for the period constitutes EUR 55,716.77. The Board's proposal to the general meeting is that the profit of EUR 55,716.77 accumulated during the accounting period is fully transferred to the company's unrestricted equity and that no dividend be distributed.

Helsinki, 16 February 2021

**Juha Ojala**, Chair of the Board

**Juha Hakkarainen**, member of the Board

**Aki Karhapää**, member of the Board

**Jussi Linnalla**, member of the Board

**Erkki Metsola**, member of the Board

**Ville Parkkinen**, member of the Board

**Janne Partanen**, member of the Board of Directors

**Aku Mäkelä**, CEO

### AUDITOR'S NOTE

A report has been submitted on the completed audit on 16 February 2021 in Turku.

KPMG Oy Ab

Authorised Public Accountants

**Esa Kailiala**

Authorised Public Accountant



# AUDITOR'S REPORT

## To the general meeting of Suomen Puukauppa Oy

### Opinion

We have audited the financial statements of Suomen Puukauppa Oy (Business ID 2725071-2) for the financial year 1 January–31 December 2020. The financial statements comprise the balance sheet, profit and loss account and attachments.

In our opinion, the financial statements give a true and fair view of the company's result of operations 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 the financial statements* section. We are independent of the company 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 CEO for the Financial Statements

The Board of Directors and the CEO 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 CEO 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 CEO are responsible for assessing the company'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 company or cease operations, or there is no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company'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 CEO'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 company'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.

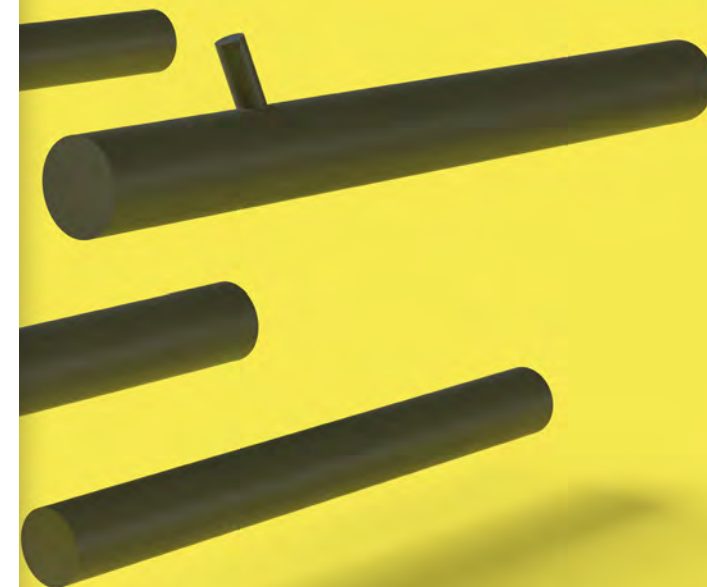
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Turku, 16 February 2021

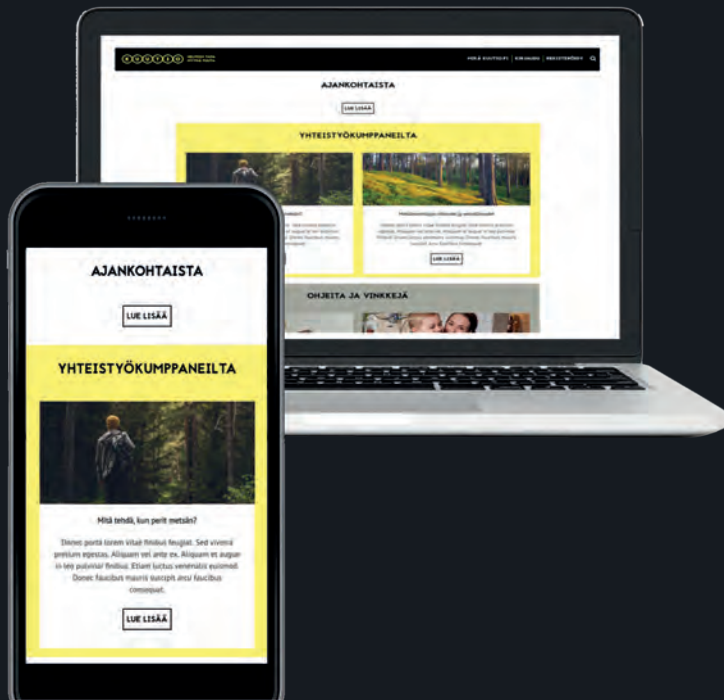
**KPMG OY AB**

**Esa Kailiala**

KHT (certified public accountant)







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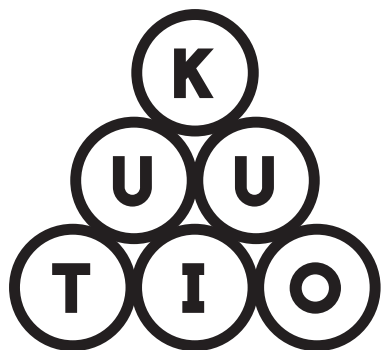
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