



## **Solør Bioenergy Group – Interim report for the fourth quarter of 2020**

January – December 2020

Solør Bioenergi Holding AB (publ), Corp. Reg. No. 556907-9535

Stockholm, February 24, 2021

## Solør Bioenergy Group highlights

### The fourth quarter 2020

- In mid December the Group acquired five local heat plants from Bionär.
- The fourth quarter of 2020 was characterized by significantly higher temperatures in comparison to the same period during the previous year. The average number of heating hours during the fourth quarter of 2020 was 78.7 percent of normal (92.0).
- Energy deliveries amounted to 431 GWh (430). The increase in energy deliveries is an effect of the acquisitions performed, negatively impacted by the higher temperatures.
- Net sales amounted to SEK 378 M (380) and EBITDA amounted to SEK 90 M (206).

### Full year 2020

- In March 2020 the Group successfully completed its refinancing project.
- By the end of May 2020 Åsnes Fjernvarme AS was acquired. At the same time the Group divested the operations in Brumunddal.
- In mid June 2020 the Group successfully completed the acquisition of Vasa Värme Group.

- In August 2020 the Group successfully extended the investment credit limit linked to the Junior debt by SEK 135 M.
- By the end of August 2020 Glåmdal Bioenergi AS was acquired.
- In the beginning of September 2020 the Group successfully completed the acquisition of H. Lennartsson Energi AB, rebranded to Solør Bioenergi Töcksfors AB.
- By the end of September 2020 the Group completed the acquisition of Glimåkra Biovärme AB and Hästveda Bioenergi AB, rebranded to Solør Bioenergi Glimåkra AB and Solør Bioenergi Hästveda AB.
- 2020 was characterized by in average higher temperatures in comparison to the same period during the previous year. The average number of heating hours during 2020 was 82.4 percent of normal (91.1).
- Energy deliveries amounted to 1,278 GWh (1,273). The acquisitions contributed positively to energy deliveries, while the higher temperatures have had an adverse effect.
- Net sales amounted to SEK 1,183 M (1,204) and EBITDA amounted to SEK 305 M (410).

### Key figures

	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
SEK million				
Net sales	378	380	1,183	1,204
Raw materials and cost of goods sold	-144	-144	-433	-464
Gross contribution	234	236	750	740
Gross margin	62%	62%	63%	61%
Other operating income	5	95	51	113
Personnel expenses	-55	-60	-187	-181
Other operating expenses	-94	-65	-309	-262
EBITDA	90	206	305	410
EBITDA margin	24%	54%	26%	34%

Unless otherwise specified, all figures in this interim report are presented in SEK million (M). The subtotals and totals in some of the tables and explanations may not equal the sum of the amounts shown due to rounding.

Solør Bioenergy Group provides essential energy services primarily in Sweden. The Group produces wood-based bioenergy for the public and private sector including private households, municipalities, industrial customers and local/regional governments. As a leading bioenergy company, the Group is operating in the entire value chain from procurement, production and distribution to sale of energy in form of district heating, industrial steam, electricity and various biomass products. The head office is located in Stockholm, Sweden. Read more about Solør Bioenergy Group at [www.solorbioenergi.com](http://www.solorbioenergi.com).

## Developments in the fourth quarter 2020

### Group

In mid December the Group acquired five local heat plants from Bionär.

The fourth quarter 2020 was characterized by significantly higher temperatures in comparison to the same period of the previous year and normal. The average number of heating hours during the quarter was 78.7 percent of normal (92.0).

Energy deliveries amounted to 431 GWh (430). The acquisitions performed, especially the acquisition of the Vasa Värme Group, have had a positive effect on energy deliveries with approximately 49 GWh, while the higher temperatures have had an adverse effect.

Net sales amounted to SEK 378 M (380). Compared to the corresponding period during last year, net sales increased in segment District Heating, while net sales in segment Local Heat and segment Biomass decreased.

Gross contribution amounted to SEK 234 M (236), and gross margin was 62 percent (62).

Earnings Before Interest, Tax, Depreciations and Amortisations (EBITDA) amounted to SEK 90 M (206). EBITDA for the period was negatively impacted with acquisition related expenses by SEK -15 M (-) and additional SEK -5 M (-) related to non-recurring legal charges. Prior year's EBITDA was positively impacted by a non-recurring gain amounting to SEK 91 M. Adjusted for the above, EBITDA amounted to SEK 110 M (115).

### Segments

#### District Heating

Energy deliveries amounted to 381 GWh (377). The acquisitions performed, especially the acquisition of the Vasa Värme Group, have had a positive effect on energy deliveries with approximately 48 GWh, while the higher temperatures have had an adverse effect.

Net sales increased by 6 percent to SEK 266 M (251). The increase in net sales, in addition to higher energy deliveries, is related to the higher fixed price component from the acquired entities combined with overall increased customer prices.

Gross contribution amounted to SEK 168 M (161), and gross margin was 63 percent (64). The relatively lower increase in gross contribution compared to net sales is due to higher average raw material costs.

EBITDA amounted to SEK 67 M (188). EBITDA for the period was negatively impacted with acquisition related expenses by SEK -18 M (-16 M) and additional SEK -5 M (-) related to non-recurring legal charges. Prior year's EBITDA was positively impacted by a non-recurring gain amounting to SEK 91 M. Moreover, EBITDA for the period was negatively impacted with group internal management fees by SEK -20 M (-2). Adjusted for the above, EBITDA amounted to SEK 110 M (115). The decrease in is mainly explained by higher operating expenses from the acquired entities.

#### Local Heat

Energy deliveries amounted to 50 GWh (54). Energy deliveries has been negatively impacted by higher temperatures compared to the same period last year.

Net sales amounted to SEK 56 M (65). The decrease is mainly attributable to decreased energy deliveries combined with decreased average prices caused by unfavourable underlying indices for electricity in Norway.

Gross contribution amounted to SEK 33 M (37) and gross margin was 59 percent (57). The increased margin is explained by lower average raw material costs on the back of cheaper pellets prices combined with lower cost for peak load oil.

EBITDA amounted to SEK 11 M (16). EBITDA for the period was negatively impacted with group internal management fees by SEK -4 M (-). Adjusted for the above, EBITDA amounted to SEK 15 M (16).

#### Biomass

Net sales amounted to SEK 64 M (71).

Gross contribution decreased to SEK 34 M (40) and gross margin amounted to 53 percent (56).

EBITDA improved to SEK 12 M (9). EBITDA for the period was negatively impacted with group internal management fees by SEK -4 M (-10). Adjusted for the above, EBITDA amounted to SEK 16 M (19).

Due to the diversified and volatile nature of the segment, contribution and EBITDA might fluctuate inbetween the quarters. However, on an annualised basis the segment's earnings have stabilised on a moderate level and show a positive trend.

#### **Financial net**

Consolidated financial net for the fourth quarter 2020 amounted to SEK -61 M (-61).

#### **Cash flow**

Cash flow from operating activities amounted to SEK 80 M (72). In comparison to the corresponding period during previous year, the improvement is due to lower working capital

tied-up, despite the lower operating profit as a consequence of the higher temperatures.

Cash flow from investing activities amounted to SEK -130 M (-240). The difference is mainly attributable to last year's acquisition of the district heating assets in Vansbro that previously were leased.

Cash flow from financing activities amounted to SEK 130 M (243). The difference is mainly related to last year's utilization of the Vansbro acquisition facility.

### **Developments in the full year of 2020**

In March 2020, the Group completed its refinancing project. All in all, the refinancing replaced all previous financing, such as senior and junior financing, other bank loans in Sweden, bond loans and overdraft facilities in Norway, as well as bank loans and overdraft facilities in Poland.

The Group's new financing is divided into new senior (SFA – Senior Facilities Agreement) and junior (JFA – Junior Facilities Agreement) debt. The nominal amount of the SFA is SEK 3,455 M. The nominal amount of the JFA term loan is SEK 1,740 M. Both loans have a maturity of 7 years.

SFA and JFA are including investment credits (CAPEX facilities) totaling SEK 1,500 M and SEK 535 M, respectively. In addition, the SFA includes a revolving credit facility (RCF) of SEK 200 M.

The full year of 2020 was characterized by in average higher temperatures in comparison to the previous year.

The average number of heating hours during 2020 was 82.4 percent of normal (91.1).

Energy deliveries amounted to 1,278 GWh (1,273). The acquisitions performed contributed positively to energy deliveries with

71 GWh, while the higher temperatures have had an adverse effect.

Net sales amounted to SEK 1,183 M (1,204). Net sales were positively impacted by the acquisitions performed. On the other hand, the higher temperatures had an adverse effect.

Gross contribution improved by 1 percent to SEK 750 M (740) and gross margin improved to 63 percent (61). The increase is mainly explained by higher margins in segment Biomass.

EBITDA amounted to SEK 305 M (410). EBITDA was positively impacted by a gain related to the divestment of the Brumunddal operations by SEK 13 M (-). On the other hand, EBITDA for the period was burdened with acquisition related expenses by SEK -34 M (-3) and non-recurring legal charges by SEK -7 M (-). EBITDA for the previous year was positively impacted by a non-recurring gain amounting to SEK 91 M and negatively impacted by non-recurring related party expenses amounting to SEK -15 M. Adjusted for the above non-recurring items, EBITDA for the full year of 2020 amounted to SEK 333 M (337).

## Segments

### District Heating

Energy deliveries amounted to 1,126 GWh (1,122). The acquisitions performed contributed positively to energy deliveries with 70 GWh, while the higher temperatures have had an adverse effect.

Net sales increased by 3 percent to SEK 814 M (787). The increase in net sales is related to the higher fixed price component from the acquired entities combined with overall increased customer prices.

Gross contribution increased by 3 percent to SEK 522 M (506), and gross margin was 64 percent (64).

EBITDA amounted to SEK 255 M (378). EBITDA for the period was positively impacted by a divestment gain of SEK 20 M (-). On the other hand EBITDA was negatively impacted with acquisition related expenses by SEK -37 M (-20 M) and additional SEK -7 M (-) related to non-recurring legal charges. Prior year's EBITDA was positively impacted by a non-recurring gain amounting to SEK 91 M. Moreover, EBITDA for the period was negatively impacted with group internal management fees by SEK -52 M (-26). Adjusted for the above, EBITDA amounted to SEK 331 M (333). The decrease in is mainly explained by higher operating expenses from the acquired entities.

### Local Heat

Energy deliveries amounted to 152 GWh (152). Energy deliveries were positively impacted following the acquisitions in the Norwegian operations and organic growth. On the other hand energy deliveries have been negatively impacted by higher temperatures compared to previous year.

Net sales amounted to SEK 175 M (190). The decrease is due to lower customer prices in Norway linked to decreasing electricity prices and decreased sales of pellets to external customers.

Gross contribution amounted to SEK 105 M (111) and gross margin was 60 percent (58). The increased margin is explained by lower average raw material costs on the back of cheaper pellets prices combined with lower cost for peak load oil.

EBITDA amounted to SEK 32 M (42). EBITDA for the period was negatively impacted with group internal management fees by SEK -10 M (-). Adjusted for the above, EBITDA amounted to SEK 42 M (42). The relatively lower decrease on EBITDA is explained by cost savings in OPEX.

## Biomass

Net sales amounted to SEK 215 M (251).

Gross contribution amounted to SEK 123 M (123) and gross margin amounted to 57 percent (49).

EBITDA increased to SEK 39 M (27). EBITDA for the period was negatively impacted with group internal management fees by SEK -12 M (-25). Adjusted for the above, EBITDA amounted to SEK 51 M (52).

Due to the diversified and volatile nature of the segment, contribution and EBITDA might fluctuate inbetween the quarters. However, on an annualised basis the segment's earnings have stabilised on a moderate level and show a positive trend.

### **Financial net**

Consolidated financial net for the full year of 2020 amounted to SEK -534 M (-268). Financial net was affected negatively by unrealized loss due to changes in fair value of the Group's interest rate swaps, amounting to SEK -51 M (2).

As a consequence of the successfully performed refinancing process during the first quarter of 2020, consolidated net financial items were affected negatively by SEK -157 M related to remaining transaction fees connected to the old financing structure. In addition net financial items were burdened by non-recurring interest compensation expenses related to the KLP bond by SEK -22 M as well as non-recurring cancellation fees related to the old JFA amounting to SEK -59 M.

Adjusted for the above effects, net financial items amounted to SEK -245 M (-270). The improvement is mainly due to lower average interest rates post refinancing performed during the first quarter of 2020.

### **Cash flow**

Cash flow from operating activities amounted to SEK 59 M (110). The decrease is mainly a consequence higher working capital tied-up and lower operating profit as a consequence of the higher temperatures.

Cash flow from investing activities amounted to SEK -875 M (-430). The difference is mainly explained by the acquisition of the Vasa Värme Group.

Cash flow from financing activities amounted to SEK 760 M (448). The difference is mainly explained by drawdowns on the Group's investment credits following the acquisition of the Vasa Värme Group.

### **Financial position and liquidity**

At the end of the period, consolidated cash and cash equivalents amounted to SEK 133 M (189).

Consolidated interest-bearing debt amounted to SEK 6,414 M (4,811).

Consolidated equity at the end of the period amounted to SEK -1,166 M (-381).

### **Related party transactions**

BE Bio Energy Group AG has invoiced the Group with SEK 36 M (25), whereof SEK 11 M (10) are related to service fees for the financial year 2020 while SEK 15 M (15) are related to fees in connection to the successfully completed refinancing (previous years fees of SEK 15 M were related to the extension and amendment of the financing at that time) and SEK 10 M (-) are related to performed acquisitions.

Polhem Infra KB has invoiced the Group with SEK 6 M (-), whereof SEK 1 M (-) is related to service fees for the financial year 2020 and SEK 5 M (-) are related to performed acquisitions.

Contactit AG has invoiced the Group SEK 4 M (4) for technical services provided by one of the Group's senior executives.

The impact on profit or loss from related party transactions during the full year of 2020 amounted to SEK -31 M (-29).

In addition to above, no other related party transactions have taken place that have had a material impact on the Group's earnings and financial position during the full year of 2020.

**Risk factors**

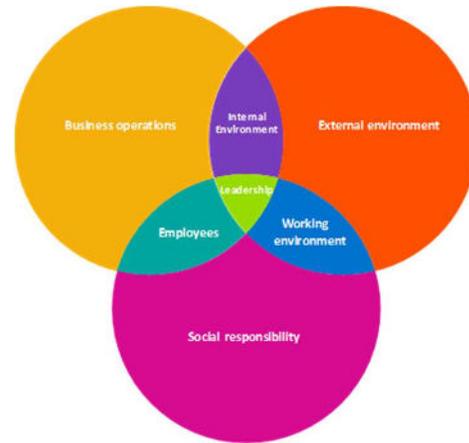
The Parent Company and the Group are exposed to risk factors inherent to the industry and specific to the company that could affect operational and financial performance and the ability to meet corporate objectives. The bioenergy business is reliant on weather conditions and earnings are sensitive to warmer/colder weather conditions compared to normal levels.

The 2019 Annual Report provides more information on risks and uncertainties. Those risks and uncertainties have been reviewed prior to the issuance of this interim report. There were no significant changes from the risks and uncertainties described in the 2019 Annual Report.

**Sustainability work within the Group**

Solör Bioenergi is a leader in renewable energy in the form of district heating for homes, companies and industries. The Group produces biofuels from waste from the forest industry and recycles hazardous, impregnated wood waste for a greener environment.

The Group is actively working with sustainability questions as a natural part of its business and is on an on-going basis evaluating its position related to the below seven fields:



Based on the on-going evaluation of the seven fields above, the Group receives a clear picture of improvement potentials, enabling the Group to move another step closer to a sustainable development according to the UN global goals.



The Group performs an integrated bioenergy business operating in the entire value chain from procurement, production and distribution to sale of wood-based bioenergy, including energy recovery from contaminated wood. The core business is the production of thermal energy, biofuel production in the form of wood chips, briquettes and pellets and energy recovery of impregnated wood.

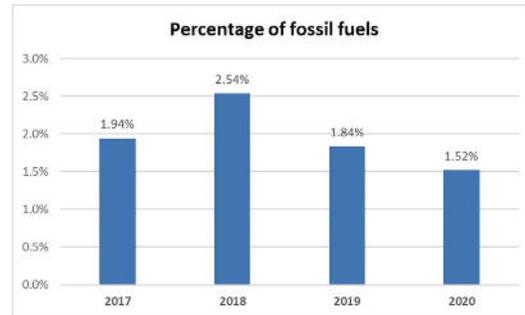
As part of the Group's ambition to be climate neutral, as much as possible, the Group aims to improve efficiency at the production facilities and use a fuel mix that, as far as possible, does not contain fossil fuels. The Group is continuously working on improvement projects aimed at increasing the proportion of biofuels, decreasing the use of fossil fuels, reduced electricity consumption and increased efficiency in production, which in turn will result in operational excellence. The work is done, among other things, by benchmarking different production facilities and thereby identifying and implementing a "best practice" for all plants. Overall, this continuous work has been positive both from a sustainability perspective as well as from an economic perspective, resulting in lower fuel consumption and higher margins.

Environment



Solör Bioenergi works actively with environmental issues and strictly follows the laws and regulations that apply in the environmental field. There is an established environmental policy within the Group that strives to have a fossil-free production of energy. Converting 10 MWh of fossil-produced energy to bio-based energy corresponds to a reduction of 3 tons of carbon dioxide.

The diagram below shows the Group's use of fossil fuels in the Swedish district heating business.



Personnel, social conditions and respect for human rights



The Group continues its strong focus on further development of Health Environment and Safety (HMS – Hälsa Miljö och Säkerhet).

Solör Bioenergi has established several policies to steer the work in the right direction, such as Work environment policy, Gender equality and equal treatment policy, Alcohol and drug policy.

The Group has an employee whose sole focus is on risk analysis and handling deviations at all facilities, especially related to fire prevention measures and personal injuries. All discrepancies are reported and handled.

In order to be an attractive employer, the Group continuously strives to offer the best possible conditions for its employees. The working conditions shall be marketable, competitive and based on union agreements and other current conditions in the labour market. It is also a matter of course within the Solör Bioenergi Group to respect fundamental human rights.

#### Counteraction against corruption

Solör Bioenergi Group has zero tolerance for corruption in all aspects of its operations. This means that action is taken if any employee, board member or business partner violates applicable law. During the year there have been no cases of corruption.

#### **Subsequent events**

On February 22, 2021, Solör Bioenergi Group's existing shareholders, the infrastructure

investor Polhem Infra KB and the majority shareholder Nordic Infrastructure AG, increased their shareholding by acquiring all shares from YRC Worldwide Inc, see Note 2.

In addition to the above, no subsequent events with material impact on the Group's earnings and financial position have occurred prior to the issuance of this report.

### Condensed consolidated statement of profit or loss

SEK million	Note	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net sales	1	378	380	1,183	1,204
Other operating income		5	95	51	113
<b>Total operating revenue</b>		<b>383</b>	<b>475</b>	<b>1,234</b>	<b>1,317</b>
Raw materials and cost of goods sold		-144	-144	-433	-464
Personnel expenses		-55	-60	-187	-181
Depreciation, amortisation and impairment	1	-80	-65	-258	-228
Other operating expenses		-94	-65	-309	-262
<b>Total operating expenses</b>		<b>-373</b>	<b>-334</b>	<b>-1,187</b>	<b>-1,135</b>
<b>Operating profit/loss (EBIT)</b>	1	<b>10</b>	<b>141</b>	<b>47</b>	<b>182</b>
Net financial items		-61	-61	-534	-268
<b>Profit/loss before tax</b>		<b>-51</b>	<b>80</b>	<b>-487</b>	<b>-86</b>
Income tax		21	12	54	15
<b>Profit/loss for the period</b>	1	<b>-30</b>	<b>92</b>	<b>-433</b>	<b>-71</b>
<u>Attributable to:</u>					
Shareholders of the Parent Company		-30	92	-433	-71
Non-controlling interests		0	0	0	0
		<b>-30</b>	<b>92</b>	<b>-433</b>	<b>-71</b>

### Condensed consolidated statement of comprehensive income

SEK million	Note	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
<b>Profit/loss for the period</b>		<b>-30</b>	<b>92</b>	<b>-433</b>	<b>-71</b>
<b>Other comprehensive income:</b>					
<i>Items that may be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of foreign operations		-2	0	-65	0
<b>Total other comprehensive income</b>		<b>-2</b>	<b>0</b>	<b>-65</b>	<b>0</b>
<b>Total comprehensive income for the period</b>		<b>-32</b>	<b>92</b>	<b>-498</b>	<b>-71</b>
<u>Attributable to:</u>					
Shareholders of the Parent Company		-32	92	-498	-71
Non-controlling interests		0	0	0	0
		<b>-32</b>	<b>92</b>	<b>-498</b>	<b>-71</b>

## Condensed consolidated statement of financial position

SEK million	Note	31 Dec 2020	31 Dec 2019
Goodwill and intangible assets		280	77
Property, plant and equipment		5,308	4,519
Participation in Joint Ventures		34	34
Financial assets		4	4
Deferred tax assets		12	1
<b>Total non-current assets</b>		<b>5,638</b>	<b>4,635</b>
Inventories		169	102
Operating receivables		264	264
Cash and cash equivalents		133	189
<b>Total current assets</b>		<b>566</b>	<b>555</b>
<b>Total assets</b>		<b>6,204</b>	<b>5,190</b>
Equity attributable to the shareholders of the Parent Company		-1,180	-381
Non-controlling interests		14	0
<b>Equity</b>		<b>-1,166</b>	<b>-381</b>
Interest bearing debt		6,280	4,621
Derivatives		51	0
Deferred tax liabilities		572	422
<b>Total non-current liabilities</b>		<b>6,903</b>	<b>5,043</b>
Interest bearing debt		134	190
Operating liabilities		333	338
<b>Total current liabilities</b>		<b>467</b>	<b>528</b>
<b>Total equity and liabilities</b>		<b>6,204</b>	<b>5,190</b>

### Condensed consolidated statement of cash flows

SEK million	Note	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Profit/loss before tax		-51	80	-487	-86
Income tax paid		0	0	0	-37
Difference between expensed and paid interest		23	42	-17	36
Adjustment for non-cash items		117	-16	584	186
Change in working capital		-9	-34	-21	11
<b>Cash flow from operating activities</b>		<b>80</b>	<b>72</b>	<b>59</b>	<b>110</b>
Net Investments/divestments in PPE		-102	-178	-206	-281
Business combinations, net of acquired cash		-28	-62	-669	-149
<b>Cash flow from investing activities</b>		<b>-130</b>	<b>-240</b>	<b>-875</b>	<b>-430</b>
Net increase/decrease in interest bearing debt		130	243	760	448
<b>Cash flow from financing activities</b>		<b>130</b>	<b>243</b>	<b>760</b>	<b>448</b>
<b>Net increase/decrease in cash and cash equivalents</b>		<b>80</b>	<b>75</b>	<b>-56</b>	<b>128</b>
Cash and cash equivalents at beginning of period		53	114	189	61
<b>Cash and cash equivalents at end of period</b>		<b>133</b>	<b>189</b>	<b>133</b>	<b>189</b>

### Condensed consolidated statement of changes in equity

SEK million	Equity attributable to the shareholders of the Parent	Equity attributable to non-controlling interests	Total equity
<b>At beginning of period, January 1, 2020</b>	<b>-381</b>	<b>0</b>	<b>-381</b>
Comprehensive income for the period	-498	0	-498
Change in scope of consolidation	0	12	12
Transactions between shareholders, shareholder's contributions	-1	2	1
Dividends	-300	0	-300
<b>At end of period, December 31, 2020</b>	<b>-1,180</b>	<b>14</b>	<b>-1,166</b>

SEK million	Equity attributable to the shareholders of the Parent	Equity attributable to non-controlling interests	Total equity
<b>At beginning of period, January 1, 2019</b>	<b>-199</b>	<b>0</b>	<b>-199</b>
Comprehensive income for the period	-71	0	-71
Dividends	-111	0	-111
<b>At end of period, December 31, 2019</b>	<b>-381</b>	<b>0</b>	<b>-381</b>

## Note 1 Operating segments

Segment information is presented in accordance with the internal reporting made to the chief operating decision maker which has been defined as the Group Management. Group Management monitors the operating segments results and uses this information make decisions on resource allocation. The segments measure of profit or loss is measured in the same manner as in the consolidated financial statements.

The Group has three operating segments, reflecting the organisation and the business model.

### **District Heating**

The segments district heating plants mainly produce thermal heat energy for district heating and industrial steam for customers in the public and private sector. The district heating plants and the corresponding grids are located in Sweden, Norway and Poland.

### **Local Heat**

In this operating segment, the Group's local heat plants in Sweden and Norway are included, supplying the customers with local heat solutions. Within the segment there are also two pellets plants in Sweden and Norway supplying fuel to the local heat businesses and external customers.

### **Biomass**

The Group has three environmental terminals, one in Sweden and two in Norway, receiving impregnated and treated wood, as well as production of biomass for sale to own district heating plants and external energy customers. In this operating segment are also included the Group's two pellets plants in Sweden and the briquettes plant in Norway.

### Net sales per segment

SEK million	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
<b>District heating</b>				
External	262	250	807	782
Internal	4	1	7	5
	<b>266</b>	<b>251</b>	<b>814</b>	<b>787</b>
<b>Local Heat</b>				
External	56	62	172	183
Internal	0	3	3	7
	<b>56</b>	<b>65</b>	<b>175</b>	<b>190</b>
<b>Biomass</b>				
External	60	69	204	239
Internal	4	2	11	12
	<b>64</b>	<b>71</b>	<b>215</b>	<b>251</b>
<b>Other/elimination</b>	<b>-8</b>	<b>-7</b>	<b>-21</b>	<b>-24</b>
<b>Total net sales</b>	<b>378</b>	<b>380</b>	<b>1 183</b>	<b>1 204</b>

### Gross contribution per segment

SEK million	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
<b>District Heating</b>				
Net sales	266	251	814	787
Raw materials	-98	-90	-292	-281
<b>Gross contribution</b>	<b>168</b>	<b>161</b>	<b>522</b>	<b>506</b>
<i>Gross margin (%)</i>	63%	64%	64%	64%
<b>Local Heat</b>				
Net sales	56	65	175	190
Raw materials and cost of goods sold	-23	-28	-70	-79
<b>Gross contribution</b>	<b>33</b>	<b>37</b>	<b>105</b>	<b>111</b>
<i>Gross margin (%)</i>	59%	57%	60%	58%
<b>Biomass</b>				
Net sales	64	71	215	251
Cost of goods sold	-30	-31	-92	-128
<b>Gross contribution</b>	<b>34</b>	<b>40</b>	<b>123</b>	<b>123</b>
<i>Gross margin (%)</i>	53%	56%	57%	49%

#### EBITDA per segment

	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
SEK million				
District heating	67	188	255	378
Local heat	11	16	32	42
Biomass	12	9	39	27
Other/elimination	0	-7	-21	-37
<b>Total EBITDA</b>	<b>90</b>	<b>206</b>	<b>305</b>	<b>410</b>

#### Depreciations, amortisations and impairment per segment

	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Dec 2019
SEK million				
District heating	-59	-44	-172	-144
Local heat	-8	-7	-33	-30
Biomass	-11	-10	-42	-42
Other/elimination	-2	-4	-11	-12
<b>Total</b>	<b>-80</b>	<b>-65</b>	<b>-258</b>	<b>-228</b>

#### EBIT per segment

	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
SEK million				
District heating	8	144	83	234
Local heat	3	9	-1	12
Biomass	1	-1	-3	-15
Other/elimination	-2	-11	-32	-49
<b>Total EBIT</b>	<b>10</b>	<b>141</b>	<b>47</b>	<b>182</b>

#### Reconciliation of segment reporting to profit/loss for the period

	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
SEK million				
EBIT	10	141	47	182
Net financial items	-61	-61	-534	-268
Income tax	21	12	54	15
<b>Profit/loss for the period</b>	<b>-30</b>	<b>92</b>	<b>-433</b>	<b>-71</b>

## Note 2 Shareholders

<b>December 31, 2020</b>		
	Number of shares	Ownership in percent
Nordic Infrastructure AG	15,640,079	49.92%
Highview Finance Holding Company Limited	7,798,630	24.89%
Polhem Infra KB	6,719,329	21.45%
YRC Worldwide, Inc. Master Pension Plans Trust	1,146,532	3.66%
BE Bio Energy Group AG	26,000	0.08%
	<b>31,330,570</b>	<b>100.00%</b>

<b>February 22, 2021</b>		
	Number of shares	Ownership in percent
Nordic Infrastructure AG	15,754,732	50.29%
Highview Finance Holding Company Limited	7,798,630	24.89%
Polhem Infra KB	7,751,208	24.74%
BE Bio Energy Group AG	26,000	0.08%
	<b>31,330,570</b>	<b>100.00%</b>

**This report has not been subject to review by the Company's auditors.**

Questions concerning this report may be directed to:

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