ANNUAL REPORT 2023

SOLÖR BIOENERGI HOLDING AB (PUBL)

Contents

Directors' Report

The Board of Directors and Managing Director of Solör Bioenergi Holding AB (publ), corporate identity number 556907-9535, hereby present the annual report and consolidated financial statements for the financial year 1 January – 31 December 2023.

The Solör Bioenergi Holding AB Group consists of the parent company Solör Bioenergi Holding AB and its subsidiaries, see Group Note 2. The Group has its main operations in Sweden and a minor part in Norway and Poland. Solör Bioenergi Holding AB is a limited liability company registered in Sweden and domiciled in Stockholm. The address of the head office is Norrlandsgatan 16, 111 43 Stockholm, Sweden. The Group's functional currency is Swedish krona (SEK). Unless otherwise stated, all amounts in the annual report are presented in millions of Swedish kronor (MSEK). Certain subtotals and totals in tables may differ from the sum of the figures presented due to rounding.

Operations

The Group's operations involve the production and distribution of district heating and process steam, and the performance of O&M (operation and maintenance) services. In addition, the Group produces biofuel in the form of wood chips, briquettes and pellets as well as energy recovery from impregnated wood. The operations are organisationally divided into four main segments: District Heating, Local Heating, Biomass and Utility Solutions. Within the framework of the segment operations, and as part of the Group's long-term growth strategy, the Group also engages in transaction activities. These include acquisitions, operational and financial restructuring and disposal of businesses and assets.

Within the framework of the Group's operations there are 92 energy plants, 172 local heating plants, 3 environmental terminals, 4 pellet plants and 1 briquette plant. In addition, the Group carries out O&M (operation and maintenance) services related to water and sewage treatment as well as energy production at 21 plants in the Utility Solutions segment.

Significant events during the financial year

At the beginning of January 2023, the Group acquired 100% of the shares in Oplandske Bioenergi AS (name changed to Solør Bioenergi Oplandske AS). The acquisition comprises 18 local heating plants that supply energy to industry, the business community, the public sector and private customers. The total delivery of energy amounts to approximately 40 GWh per year.

In February 2023, the Group acquired 100% of the shares and voting rights in Ringerike Bioenergi AS (name changed to Solør Bioenergi Ringerike AS). The company operates a local heating plant in the municipality of Hole in Norway. The total delivery of energy amounts to approximately 4 GWh per year.

In July 2023, the Group acquired Aurskog Høland Nærvarme AS (name changed to Solør Bioenergi Aurskog AS).

In September 2023, the Group acquired Sør Energi AS (name changed to Solør Bioenergi Sør AS).

In December 2023, the Group acquired Bjäre Biovärme AB. The total delivery of energy amounts to approximately 5 GWh per year.

In addition to the above business combinations, the Group successfully acquired the district heating plants in Färjestaden and

Mörbylånga at the beginning of June. The total delivery of energy amounts to approximately 20 GWh per year. Furthermore, the district heating plant in Debrzno, Poland was acquired at the beginning of November. The total delivery of energy amounts to approximately 12 GWh of bioenergy per year.

Multi-year overview

	2023	2022	2021	2020	2019
Net sales	2,586	2,128	1,682	1,183	1,204
EBITDA	538	297	353	305	410
Net operating profit/loss	77	-64	43	47	182
Net profit/loss after financial items	-1,135	-424	-328	-487	-86
Net profit/loss for the year	-948	-425	-308	-433	-71
Total assets	13,518	13,635	10,145	6,204	5,190
Equity	-4,992	-3,359	-2,934	-1,166	-381
Equity ratio (%)	neg.	neg.	neg.	neg.	neg.
Average number of employees	337	310	263	206	194

Net sales and earnings

The temperatures during 2023 were lower than in the previous year. In 2023, the average ambient temperature, measured in HDD – Heating Degree Days – was 99.8 percent of a normal year (95.5). The number of heating degree days in a year is the sum of the deviations of the daily average temperatures from a reference temperature.

Net sales amounted to SEK 2,586 million (2,128), an increase of 22 percent. The increase is primarily a consequence of completed business combinations and higher customer prices. Adjusted for the acquisition effect of SEK 237 million, net sales amounted to SEK 2,349 million (2,128), an increase of 10 percent.

Gross profit increased by 10 percent and amounted to SEK 1,358 million (1,239). Adjusted for the acquisition effect of SEK 112 million, gross profit amounted to SEK 1,246 million (1,239), an increase of 1 percent. The relatively low increase in gross profit relative to the increase in net sales is primarily a consequence of higher fuel expenses.

The Group's net operating profit before depreciation and amortisation (EBITDA) amounted to SEK 538 million (297). EBITDA was negatively affected by one-off acquisition-related expenses amounting to SEK -10 million (-180), as well as one-off expenses to related parties amounting to SEK 0 million (-29). In addition to the above, EBITDA was affected by SEK -43 million (-29) due to the result from participations in joint ventures, and by SEK 25 million (17) due to the sale of emission rights. The acquisition effect on EBITDA amounted to SEK 42 million. Adjusted for the above items, EBITDA amounted to SEK 524 million (518), an increase of 1 percent. EBITDA for the full year 2023 was affected by increased personnel expenses, repair and maintenance expenses and other operating expenses, such as ongoing IT projects. This was offset by insurance reimbursements and electricity subsidies.

The Group's net operating profit/loss (EBIT) amounted to SEK 77 million (-64). Adjusted for the above one-off items (excluding the acquisition effect), EBIT amounted to SEK 63 million (157). The decrease is primarily attributable to higher depreciation.

Segment – District Heating

The District Heating segment accounted for 56 percent (55) of the Group's net sales. The segment's energy plants produce energy for district heating, industrial steam and electricity for customers in the public and private sectors. The energy plants are located in Sweden, Norway and Poland.

The energy deliveries increased by 10 percent as an effect of the acquisitions of Solör Bioenergi Ale AB and Solör Bioenergi Agrovärme AB during the previous year and amounted to 1,640 GWh (1,495). Adjusted for the acquisition effect of 122 GWh, the energy deliveries amounted to 1,518 GWh (1,495), an increase of 2 percent. The increase is primarily an effect of lower temperatures, to some extent offset by the termination of a significant industrial contract.

Net sales increased by 25 percent and amounted to SEK 1,461 million (1,165).

Adjusted for the acquisition effect of SEK 121 million, net sales amounted to SEK 1,340 million (1,165), an increase of 15 percent. The increase is primarily due to higher customer prices.

Gross profit amounted to SEK 774 million (713), with a gross profit margin of 53 percent (61). Adjusted for the acquisition effect of SEK 57 million, gross profit amounted to SEK 717 million (713), an increase of 1 percent. The relatively low increase in gross profit relative to the increase in net sales is primarily a consequence of higher fuel expenses.

EBITDA amounted to SEK 377 million (210). EBITDA was negatively affected by one-off acquisition-related expenses amounting to SEK 0 million (-123). In addition to the above, EBITDA was affected by SEK -43 million (-29) due to the result from participations in joint ventures, and by SEK 25 million (17) due to the sale of emission rights. The acquisition effect on EBITDA amounted to SEK 20 million. Adjusted for the above, EBITDA amounted to SEK 375 million (345), an increase of 9 percent. EBITDA for the full year 2023 was affected by increased personnel expenses, repair and maintenance expenses and other operating expenses, such as ongoing IT projects. This was offset by higher insurance reimbursements and electricity subsidies, as well as lower intra-group fees.

Segment – Local Heating

The Local Heating segment accounted for 19 percent (16) of the Group's net sales. This segment includes the Group's local heating plants in Sweden and Norway as well as two production facilities for pellets, which supply the local heating plants with fuel.

The energy deliveries increased by 67 percent and amounted to 374 GWh (224). The increase is primarily due to the acquisition of Solør Norsk Bioenergi AS during the previous year and this year's acquisition of Solør Bioenergi Oplandske AS. Adjusted for the acquisition effect of 112 GWh, the energy deliveries amounted to 262 GWh (224), an increase of 17 percent.

Net sales increased by 41 percent and amounted to SEK 489 million (347). Adjusted for the acquisition effect of SEK 116 million, net sales amounted to SEK 373 million (347), an increase of 7 percent.

Gross profit amounted to SEK 267 million (222), with a gross profit margin of 55 percent (64). Adjusted for the acquisition effect of SEK 55 million, gross profit amounted to SEK 212 million (222), a decrease of 5 percent. The decrease in gross profit, despite the increase in net sales, is due to higher fuel expenses.

EBITDA amounted to SEK 112 million (43). EBITDA was negatively affected by one-off acquisition-related expenses amounting to SEK -10 million (-60). The acquisition effect on EBITDA amounted to SEK 22 million. Adjusted for the above, EBITDA amounted to SEK 100 million (103), a decrease of 3 percent. The relatively low decrease in EBITDA relative to the decrease in gross profit is primarily due to higher insurance reimbursements.

Segment – Biomass

The Biomass segment accounted for 11 percent (13) of the Group's net sales. The segment has three environmental terminals for energy recovery from recycled wood, with further processing into biomass for sale to energy plants in other segments as well as external energy customers. The segment also includes three production facilities for the production and sale of briquettes and pellets to external energy customers as well as energy plants in other segments within the Group.

Net sales increased to SEK 330 million (304). The increase is primarily due to higher customer prices from the sale of pellets and briquettes, to some extent offset by lower volumes and gate fees within the environmental terminal operations.

Gross profit amounted to SEK 175 million (159), with a gross profit margin of 53 percent (52). The relatively low increase in gross profit relative to the increase in net sales is primarily due to higher cost of goods sold due to higher raw material prices in biomass production.

EBITDA amounted to SEK 69 million (49).

Segment – Utility Solutions

The Utility Solutions segment accounted for 14 percent (16) of the Group's net sales. The segment comprises O&M (operation and maintenance) services related to municipal water and sewage treatment as well as energy production in a number of regions in Sweden and Norway.

Net sales amounted to SEK 376 million (347). The increase is primarily due to a higher level of activity in O&M (operation and maintenance) services.

Gross profit amounted to SEK 142 million (145), with a gross profit margin of 38 percent (42). The decrease in gross profit, despite the increase in net sales, is due to higher fuel expenses within the energy production operations.

EBITDA amounted to SEK 35 million (21). EBITDA was negatively affected by one-off acquisition-related expenses amounting to SEK 0 million (-7). Adjusted for the above, EBITDA amounted to SEK 35 million (28). The increase in EBITDA, despite the decrease in gross profit, is primarily due to lower intra-group fees in 2023 compared to the previous year.

Net financial items

The Group's net financial items amounted to SEK -1,212 million (-360). Net financial items were affected by unrealised changes in the value of the Group's interest rate swaps amounting to SEK -141 million (288). Adjusted for the above effects, net financial items amounted to SEK -1,071 million (-648). The difference is primarily due to a higher average level of interest-bearing liabilities and higher average interest rates compared with the previous year.

Cash flow

Cash flow from operating activities amounted to SEK -321 million (-16). The decrease is primarily a consequence of higher interest paid, offset to some extent by improved underlying operating profit and lower working capital tie-up.

Cash flow from investing activities amounted to SEK -939 million (-4,015). Apart from ongoing investments in the Group's production and distribution facilities, cash flow from investing activities was primarily affected by the business combination of Solør Bioenergi Oplandske AS and the investments in Mörbylånga, Färjestaden and Debrzno. Apart from ongoing investments in the Group's production and distribution facilities, the previous year's cash flow from investing activities was primarily affected by the business combinations of Solör Bioenergi Strängnäs AB, Solör Bioenergi Ale AB, Solør Norsk Bioenergi AS and Solör Bioenergi Agrovärme AB.

Cash flow from financing activities amounted to SEK 744 million (2,644). Cash flow from financing activities was primarily affected by utilisation of the Group's Senior CAPEX facilities to the extent of SEK 668 million, utilisation of the Group's Senior Revolving Credit Facility to the extent of SEK 150 million, a new loan in Ekerö Solör Bioenergi AB in the amount of SEK 57 million, and the repayment of interest-bearing liabilities in acquired businesses to the extent of SEK -121 million. The previous year's cash flow from financing activities was primarily affected by utilisation of the Group's Senior Revolving Credit Facility and the Group's Senior and Junior CAPEX facilities to the extent of SEK 3,554 million, repayment of interest-bearing liabilities in acquired businesses to the extent of SEK -631 million, and dividends to shareholders of SEK 240 million.

Financial position and liquidity

At the end of the financial year, cash and cash equivalents amounted to SEK 128 million (644), and there were non-utilised credit facilities in the form of CAPEX facilities amounting to SEK 310 million (248) and a revolving credit facility amounting to SEK 0 million (150).

At the end of the financial year, the Group's interest-bearing liabilities amounted to SEK 16,197 million (15,237), while the Group's equity amounted to SEK -4,992 million (-3,359).

Employees

The number of employees in the Group increased to 359 at the end of the financial year compared with 323 at the beginning of the financial year, mainly as a consequence of the business combinations that were carried out. The average number of employees during the financial year was 337 (310).

Sustainability report

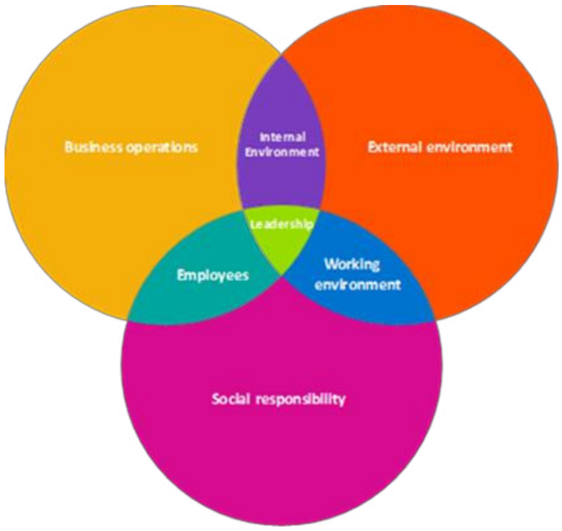
The sustainability report for 2023, as presented below on page 8-10, covers the Group's companies according to the same principles as for the financial reporting.

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

A more detailed description of the Group's operations and business model is provided on page 4, and a description of the Group's sustainability risks is provided on pages 11-12 (in the sections entitled "Industry and market risks" and "Operational risks").

Sustainability work in the Group

The Group works actively with sustainability issues as a natural part of its business and regularly performs an assessment of the Group's work and performance in the following seven key areas:



Based on regular evaluation of the seven key areas shown above, Solör Bioenergi can gain a clear picture of the measures and improvements the Group can implement in order to take further steps towards the achievement of sustainable development according to the UN Sustainable Development Goals.

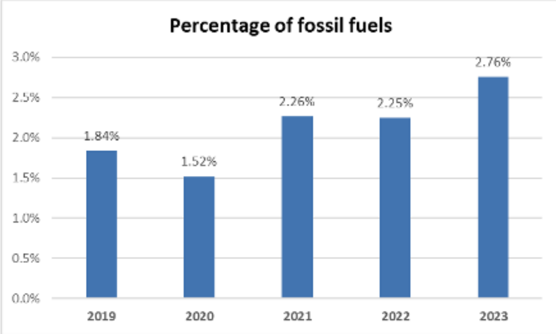
The Group has integrated bioenergy operations throughout the entire value chain, from procurement, production and distribution to the sale of wood-based bioenergy, including energy recovery from recycled wood. The core business involves the production of district heating and process steam, the production of biofuel in the form of wood chips, briquettes and pellets, and energy recovery from impregnated wood.

As part of the Group's ambition to be climate neutral to the greatest extent possible, the Group strives to improve the efficiency of its production plants and to use, to the greatest extent possible, a fuel mix that does not contain fossil fuels. The Group works continuously with improvement projects aimed at increasing the proportion of biofuels, reducing the use of fossil fuels, reducing electricity consumption and increasing the energy efficiency of production processes, which in turn results in "operational excellence". This work includes the benchmarking of different production plants in order to identify and implement "best practice" for all plants. Overall, this continuous work has been positive from both a sustainability perspective and an economic perspective, as it results 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 aims to achieve fossil-free production of energy. Converting 10 MWh of fossil-produced energy to bio-based energy corresponds to a reduction in carbon dioxide emissions of 3 tonnes.

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



The companies within the Group conduct operations at plants that are subject to notification obligation pursuant to the Swedish Environmental Code. Within the Group there are currently 120 production plants that are subject to the notification obligation and 7 plants that are subject to permit requirements. The Group's environmental impact primarily occurs through emissions of climate-impacting and acidifying gases to the air. During 2023, through investments in various filtration solutions, the Group continued to work on complying with the MCP directive regarding dust emissions.

Due to the fact that certain flammable fuels are used in the operations, permits are required for handling and storage of such substances. The Group possesses all necessary permits for its operations and has submitted all necessary notifications.

The Group's environmental terminals receive wood waste for storage, processing and production of contaminated wood chips. The operations are conducted by Solør Bioenergi AS in Kirkenær, Norway, which possesses a license from the Norwegian Environment Agency for collection of CCA-treated and creosote-treated wood and contaminated wood/demolition wood, as well as a permit for the receipt, burning and storage of wood that is creosote-treated, CCA-impregnated or contaminated in some other way.

In Trollhättan, Solör Bioenergi Recycling AB possesses a permit for the receipt, processing and storage of up to 175,000 tonnes of waste wood each year. In Svenljunga, Solör Bioenergi Fjärrvärme AB possesses a permit to produce thermal energy from waste wood, with a maximum annual volume of 25,000 tons. All other types of waste generated in the production process are handled in accordance with applicable regulations. Environmental waste is delivered to approved collection terminals. Other waste is delivered to recycling centres and landfill sites.

Personnel, social conditions and respect for human rights

The Group continues to focus strongly on further development of Environment, Health and Safety (EHS).

Solör Bioenergi has established a number of policies aimed at steering the work in the right direction, including a Work Environment Policy, a Gender Equality and Equal Treatment Policy, and an Alcohol and Drug Policy.

The Group has three employees who focus on risk analysis and deviation management at all plants, in particular in relation to fire safety measures and the prevention of personal injuries. All deviations are reported and managed. During the 2023 financial year, no incidents occurred that led to personal injury of a serious nature.

In order to be an attractive employer, the Group continuously strives to provide its employees with the best possible conditions. The aim is to ensure that the Group's working conditions are of market standard, competitive and based on collective agreements and other applicable conditions in the labour market. Within the Solör Bioenergi Group it is also a fundamental principle to always respect basic human rights. During the financial year the Group employed a person as HR Manager.

At the end of the financial year, the Group had 359 (323) employees, of which 14 percent (15) were women and 86 percent (85) were men. There were no reported cases of discrimination during the year. During the financial year, absence due to illness within the Group was 3 percent (2).

Prevention of corruption

Solör Bioenergi has a zero tolerance policy with regard to corruption in all aspects of its operations. This means that action is taken if any employee, Board member or business partner is found guilty of violating applicable law. No cases of suspected corruption were identified during the year.

Expected future developments

Solör Bioenergi operates in an attractive part of the energy industry with constantly increasing demand for wood-based energy. The Group expects to experience continued significant expansion in Scandinavia in the coming years.

The Group will continue to work with a number of ongoing improvement projects:

- Improvement projects are implemented at all production plants with focus on an increased proportion of biofuel and increased efficiency, with the aim of achieving "operational excellence".
- Continued integration of acquired entities with the aim of achieving synergies, in particular with regard to administration.
- Strategic improvements in the raw material sourcing process with the aim of achieving synergies.

In addition to continuous improvement processes, the Group expects to experience stable organic growth in combination with further acquisitions. The Group will continue to pursue its growth strategy, which is primarily based on acquisitions in Sweden.

The Board of Directors expects to see stable and increasing price trends for significant parts of the energy sales. The customer base is stable with a large proportion of customers within the public sector, which ensures a stable long-term level of activity for existing operations.

Risks and uncertainties

The Group's earnings and financial position are affected by a number of different factors. Some of these are beyond the Group's control. The Group has operations in several countries, with differences in laws, regulations and guidelines. The Group is therefore exposed to various risks relating to changes in these laws, regulations and guidelines. Risk management within the Group is governed by established policies and procedures which are regularly revised by Group management and/or the Board of Directors. The Board of Directors in Solör Bioenergi Holding AB has overall responsibility for identifying, monitoring and managing risks.

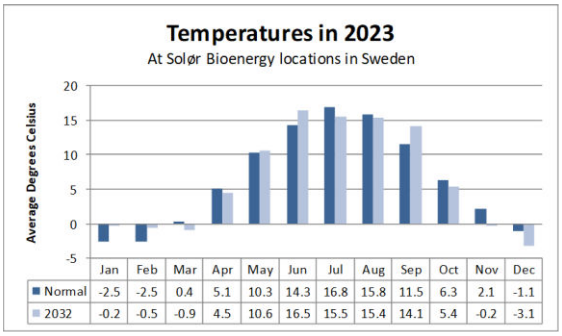
The most significant risks and uncertainties for the Group can be divided into:

- industry and market risks,
- operational risks,
- legal risks, and
- financial risks.

<u>Industry and market risks</u>

The Group's operations are subject to general fluctuations in the demand for energy, which includes weather conditions affecting customer needs.

Temperature affects the demand for district heating. Deviations from the "normal curve" are typically in the range of 4-7 percent. The average temperatures in 2023 were somewhat higher than normal, although lower than in the previous year.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Normal	-2.5	-2.5	0.4	5.1	10.3	14.3	16.8	15.8	11.5	6.3	2.1	-1.1
2032	-0.2	-0.5	-0.9	4.5	10.6	16.5	15.5	15.4	14.1	5.4	-0.2	-3.1

Energy plants are designed to handle these fluctuations, for example through flexible production systems for thermal energy. The base load normally delivers 90-95 percent of the energy needs during a year.

However, during particularly cold winter periods the peak load may drive raw material costs higher if the energy plants are producing more from backup systems (for example oil or electricity). This can be mitigated through the design of the plants and by having personnel with operational know-how.

Energy production at the Group's plants is based on biomass. The cost of biomass varies in line with the market prices of the various sources of biomass.

<u>Operational risks</u>

In accordance with current industry practice, neither the Group's customers nor its suppliers are tied to the Group to any great extent through long-term, formal binding agreements. Traditionally, the Group relies primarily on its good customer and supplier relationships, which are often long lasting, as well as practices that have arisen between the parties.

The Group's operations are subject to risks that are usually associated with industrial production, such as the risk of equipment failure, workplace accidents, fire or explosion. These risks can lead to personal injury or death, operational downtime, damage to property and equipment, pollution and environmental damage. The Group may be subject to claims due to these risks and may also be subject to claims arising from the products and services that have been delivered. The Group's policy for covering these risks, through contractual limitations of liability and indemnity, as well as through insurance cover, may not always be effective. Failure to successfully protect the Group from any of the above operational risks could expose the Group to significant costs and could potentially lead to material losses. Furthermore, the existence of any of these risks could damage the Group's reputation.

The Group is strongly focused on fire prevention measures, as the risk of fire is viewed as a key risk factor. Focus is placed on risk analysis and deviation management at all plants, in particular with regard to deviations related to fire prevention measures. All deviations are reported and managed.

In addition to the above, the Group is insured to a satisfactory extent in order to be compensated for unplanned downtime and losses in each part of the value chain.

The Group is dependent on competent employees for its future development and success. The ability to recruit, retain and develop skilled employees, and being an attractive employer, are important success factors. If key individuals leave and suitable replacements cannot be recruited, this could have a negative effect on the Group's operations.

Legal risks

In the future the Group may be subject to legal claims from customers, authorities (including tax authorities) and other third parties. From time to time the Group may also become involved in various disputes in the course of its ordinary business activities. Such disputes may disrupt business operations and could also adversely affect the Group's earnings and financial position. No guarantees can be made regarding the outcome of such legal processes.

The Group's operations are also subject to numerous national laws and regulations regarding the environment, health and safety, as well as EU regulations, treaties and directives (hereinafter referred to jointly as "regulations"). These include, inter alia, regulations that regulate environmental emissions and require the removal and clean-up of environmental pollutants. Furthermore, in certain cases there are requirements regarding certification, licensing, payment of certain taxes and duties, development of standards and guidelines for work methods and training, as well as other measures relating to the protection of people's health and the environment. Amendments to existing regulations or the introduction of new regulations that restrict or further regulate the Group's operations could have a material adverse effect on the Group's operating results and financial position.

The Group cannot predict the extent to which future earnings may be affected by compliance with such new regulations. In addition, the Group may be subject to fines and penalties if it fails to comply with such regulations, many of which relate to emissions of chemicals or hazardous substances and protection of the environment. Pursuant to these regulations, the Group could be held liable for remediation of certain types of pollution, including emissions of chemicals, hazardous substances and waste from production and industrial facilities. Such potential environmental remediation costs could be significant and could lead to substantial losses for the Group. Furthermore, some environmental regulations prescribe joint and strict obligations regarding remediation of emissions of hazardous substances, which could lead to liability for environmental damage without regard to the Group's degree of negligence or fault. Such laws and regulations could expose the Group to liability for operations or circumstances that have been caused by others, or for the Group's actions in situations where these were compliant with all applicable laws and regulations at the time the actions were performed. Additionally, the Group may be subject to claims regarding personal injury or property damage as a result of alleged exposure to hazardous substances. Amendments to environmental laws and regulations, or claims for damages relating to personal injury, property, natural resources or the environment, could result in substantial costs and liabilities for the Group.

Financial risks

The Group has its main operations in Sweden but is exposed to exchange rate fluctuations in different currencies, primarily the Norwegian krone (NOK). Since the Group's presentation currency is Swedish krona (SEK), changes in relationships between SEK and other currencies in which the Group conducts its operations may affect the Group's financial results and position.

More than half of the Group's customers are public or publicly owned companies, which means that the credit risk is deemed to be low. Historical credit losses are at low levels. The Group provides a basic service to private customers, and it is considered highly unlikely that customers would not pay for this service. The willingness of customers to pay is deemed to be high as there is a possibility for the Group to discontinue the supply of heating to customers who do not pay. Consequently, no major receivables are built up and the credit risk is deemed to be low.

The Group is mainly financed through loans at variable interest rates. Interest rate risk is attributable to changes in market interest rates and their impact on the Group's loan portfolio, which could result in higher interest expenses in the future.

The Group uses derivative instruments as part of its financial risk management strategy in order to reduce the level of exposure in underlying loans with variable interest rate.

Group management is responsible for managing financial risks. For more information, see Group Note 22.

The Parent Company

Operations

The parent company Solör Bioenergi Holding AB (publ), with registered office in Stockholm, shall invest and manage ownership in companies that conduct operations in bioenergy. The parent company also performs intra-group administrative services on behalf of its subsidiaries.

Multi-year overview

	2023	2022	2021	2020	2019
Net sales	56	74	60	50	88
Net profit/loss after financial item	-4	250	1,346	758	-139
Net profit/loss for the year	-7	244	1,352	856	-139
Total assets	6,946	6,926	3,175	2,990	2,950
Equity	6,372	6,879	2,701	2,851	2,295
Equity ratio (%)	92%	99%	85%	95%	78%
Average number of employees	4	4	3	3	3

Significant events during the financial year

During the financial year, the parent company has worked actively to support the implementation of the various business combinations and expansion projects in the various operating group companies.

Results and financial position

The parent company's net sales, which consist of intra-group services and re-invoicing of group-wide expenses, amounted to SEK 56 million (74).

The net operating profit/loss before depreciation and amortisation (EBITDA) amounted to SEK -4 million (0), while the net operating profit/loss (EBIT) amounted to SEK -4 million (0).

Net financial items amounted to SEK 0 million (250), of which dividends from subsidiaries amounted to SEK 0 million (506), while write-downs of shareholdings in subsidiaries amounted to SEK 0 million (-256).

Net profit for the year before and after tax amounted to SEK -7 million (244).

At the end of 2023, it was resolved at an extraordinary meeting of shareholders to pay dividends of SEK 500 million to shareholders. The dividend payment has not yet been made.

The parent company's results and financial position are otherwise presented in the income statement and balance sheet with associated notes at the end of this annual report.

Employees

At the end of the financial year, the number of employees was 5.

Risks and uncertainties

By managing ownership in companies that conduct operations in bioenergy, the parent company is exposed to the underlying operations' industry and market risks as well as operational risks (please see the earlier description in the Directors' Report). These risks may affect the value of the parent company's shares in subsidiaries and the recoverable amount of the parent company's intra-group receivables and liabilities.

Proposed appropriation of profits

The following profits are at the disposal of the Annual General Meeting:

	SEK
Share premium reserve	3,091,939,051
Accumulated earnings	2,885,126,463
Net profit/loss for the year	-7,512,049
Total	**5,969,553,465**

The Board of Directors proposes that non-restricted equity of SEK 5,969,553,465 be appropriated as follows:

	SEK
To be carried forward	5,969,553,465
Total	**5,969,553,465**

Consolidated Income Statement

All amounts in MSEK unless otherwise stated	Note	2023	2022
Net sales	5.6	2,586	2,128
Other operating income	7	125	44
Total operating income		**2,711**	**2,172**
Fuel and material expenses	8	-1,228	-889
Personnel expenses	10	-345	-292
Depreciation and write-downs	6,14,15	-461	-361
Other external expenses	9.11	-557	-665
Total operating expenses		**-2,591**	**-2,207**
Result from participations in joint ventures	2	-43	-29
Net operating profit/loss	6	**77**	**-64**
Financial income	12	16	306
Financial expenses	12	-1,228	-666
Net financial items		**-1,212**	**-360**
Net profit/loss before tax		**-1,135**	**-424**
Tax for the year	13	187	-1
Net profit/loss for the year	6	**-948**	**-425**
Net profit/loss for the year attributable to:			
Parent Company shareholders		-946	-424
Non-controlling interests		-2	-1
		-948	**-425**

Consolidated Statement of Comprehensive Income

All amounts in MSEK unless otherwise stated	Note	2023	2022
Net profit/loss for the year		**-948**	**-425**
Other comprehensive income:			
Items that may be reclassified to profit/loss			
Translation differences for the year		-185	58
Other comprehensive income, net after tax		**-185**	**58**
Total comprehensive income for the year		**-1,133**	**-367**
Total comprehensive income attributable to:			
Parent Company shareholders		-1,131	-366
Non-controlling interests		-2	-1
		-1,133	**-367**

Consolidated Balance Sheet

All amounts in MSEK unless otherwise stated	Note	31 Dec 2023	31 Dec 2022
Fixed assets			
Goodwill	14	1,742	1,765
Other intangible assets	14	725	782
Total intangible fixed assets		**2,467**	**2,547**
Land and buildings	15	1,444	1,342
Power plants, machinery and technical equipment	15	6,527	6,294
Other equipment	15	33	31
Construction in progress	15	445	389
Total tangible fixed assets		**8,449**	**8,056**
Ownership interests in other companies		42	45
Derivatives	22	147	288
Receivables from joint ventures	22	238	245
Other receivables		4	3
Total financial fixed assets		**431**	**581**
Participations in joint ventures	2	905	952
Deferred tax assets	13	23	28
Total fixed assets		**12,275**	**12,164**
Current assets			
Inventories	16	239	175
Accounts receivable	17	442	343
Receivables from joint ventures		57	39
Other receivables	18	76	56
Accrued income	19	227	198
Prepaid expenses		74	16
Cash and cash equivalents	20	128	644
Total current assets		**1,243**	**1,471**
Total assets		**13,518**	**13,635**

All amounts in MSEK unless otherwise stated	Note	31 Dec 2023	31 Dec 2022
<u>Equity</u>			
Share capital	21	402	402
Other contributed capital	21	1,522	1,522
Currency translation reserve		-129	56
Accumulated earnings including net profit/loss for the year		-6,809	-5,363
Total equity attributable to Parent Company shareholders		**-5,014**	**-3,383**
Non-controlling interests		**22**	**24**
Total equity		**-4,992**	**-3,359**
<u>Non-current liabilities</u>			
Liabilities to credit institutions	22	15,796	14,989
Lease liabilities	23	77	79
Other long-term liabilities	22	2	-
Deferred tax liabilities	13	904	1,042
Total non-current liabilities		**16,779**	**16,110**
<u>Current liabilities</u>			
Revolving credit facility	22	300	150
Liabilities to credit institutions	22	3	2
Lease liabilities	23	19	17
Accounts payable	22	366	233
Liabilities to related parties	11.22	510	40
Current tax liabilities		1	1
Other liabilities	24	147	132
Accrued expenses	22.25	378	305
Deferred income		7	4
Total current liabilities		**1,731**	**884**
Total equity and liabilities		**13,518**	**13,635**

Consolidated Statement of Cash Flows

All amounts in MSEK unless otherwise stated	Note	2023	2022
Cash flow from operating activities			
Net operating profit/loss		77	-64
Adjustments for non-cash items			
Depreciation and write-downs	14.15	461	361
Gain/loss on disposal	7.9	-1	2
Result from participations in joint ventures	2	43	29
Adjustment for items included in investing and financing activities		10	207
Dividends from joint ventures		2	4
Current net lending/amortisation to/from joint ventures		-17	-37
Interest received	12	14	10
Interest paid and other financial expenses	12	-952	-415
Tax paid		-4	-4
Changes in working capital			
Change in inventories		-63	-16
Change in current receivables		-13	-67
Change in current liabilities		122	-26
Net cash flow from operating activities		**-321**	**-16**
Cash flow from investing activities			
Acquisition of intangible fixed assets	14	-14	0
Acquisition of tangible fixed assets	15	-629	-423
Disposal of tangible fixed assets		4	4
Business combinations including acquisition-related expenses	4	-309	-2,395
Disposal of group companies		-	92
Acquisition of joint ventures including acquisition-related expenses		-	-895
Lending to joint ventures		-	-366
Loan repayments from joint ventures		9	13
Acquisition of other ownership interests		-	-45
Net cash flow from investing activities		**-939**	**-4,015**
Cash flow from financing activities			
New loans, net after transaction fees	22	57	-
Amortisation of other liabilities to credit institutions and financial lease liabilities	22.23	-131	-660
Utilisation of CAPEX facilities, net after financing expenses	22	668	3,394
Utilisation of revolving credit facility	22	150	150
Dividends to shareholders		-	-240
Net cash flow from financing activities		**744**	**2,644**
Net cash flow for the year		**-516**	**-1,387**
Cash and cash equivalents at beginning of year		644	2,031
Effect of exchange differences in cash and cash equivalents		0	0
Cash and cash equivalents at end of year	20	**128**	**644**

Consolidated Statement of Changes in Equity

All amounts in MSEK unless otherwise stated	Share capital	Other contributed capital	Currency translation reserve	Accumulated earnings including net profit/loss for the year	Equity attributable to Parent Company shareholders	Non-controlling interests	Total equity
Equity as of 1 January 2022	**402**	**1,522**	**-2**	**-4,874**	**-2,952**	**18**	**-2,934**
Net profit/loss for the year				-424	-424	-1	-425
Other comprehensive income			58		58		58
Total comprehensive income	0	0	58	-424	-366	-1	-367
Acquisition of non-controlling interests in connection with business combinations					-	10	10
Disposal of non-controlling interests					-	-3	-3
Dividends to shareholders				-65	-65		-65
Equity as of 31 December 2022	**402**	**1,522**	**56**	**-5,363**	**-3,383**	**24**	**-3,359**
Net profit for the year				-946	-946	-2	-948
Other comprehensive income			-185		-185		-185
Total comprehensive income	0	0	-185	-946	-1,131	-2	-1,133
Dividends to shareholders				-500	-500		-500
Equity as of 31 December 2023	**402**	**1,522**	**-129**	**-6,809**	**-5,014**	**22**	**-4,992**

Group Notes

Note 1: Accounting principles

The most significant accounting principles applied in the consolidated financial statements are set out below. Unless otherwise stated, these principles have been applied consistently for all periods presented.

1.1 Basis of preparation of the financial statements

The consolidated financial statements for Solör Bioenergi Holding AB (publ) have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the European Union (EU). Furthermore, the Group has also applied the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups. Unless otherwise stated, all amounts are rounded to the nearest million Swedish kronor (MSEK).

These financial statements were approved by the Board of Directors on 30 April 2024 for adoption by the Annual General Meeting in 2024.

The consolidated financial statements have been based on historical acquisition cost, with the exception of the reporting of derivative instruments. Preparation of financial statements in accordance with IFRS requires management to make judgements and estimates. Areas that require a high degree of judgement, and areas where assumptions and estimates are significant for the financial statements, are described in Group Note 2. The consolidated financial statements have been prepared on a going concern basis.

Changes in accounting principles and disclosures are set out below:

New IFRS and interpretations for 2023

No new standards have been issued that come into force for financial years beginning on or after 01 January 2023. A number of amendments and interpretations of standards come into force for financial years beginning on or after 01 January 2023. None of these have a material impact on the Group's financial statements.

Standards, amendments and interpretations of existing standards that have not yet become effective

There are currently no standards and interpretations that the Group expects will have a material impact on disclosures, financial position or results when these are applied in the future.

1.2 Consolidation

a) Subsidiaries

Subsidiaries are companies under Solör Bioenergi Holding AB's control. A controlling influence exists if the parent company has influence over the investment object, is exposed to or has rights to variable returns from its involvement, and can use its influence over the investment to affect returns. When determining whether a controlling influence exists, consideration is given to potential voting rights and whether de facto control exists. De facto control can occur in situations where other votes are distributed among a large number of owners who do not have a realistic opportunity to coordinate their voting. In the assessment of de facto control, decisive importance is given to situations where the Group can elect the Board of Directors it desires. Financial statements of subsidiaries are included in the consolidated financial statements from the acquisition date until the date on which control ceases.

The acquisition method is used to report the Group's business combinations, regardless of whether the acquisition consists of equity investments or investment in other assets. The purchase price for the acquisition of a subsidiary consists of the fair value of:

- transferred assets,
- liabilities that the Group incurs to previous owners,
- shares issued by the Group,
- assets or liabilities resulting from a contingent consideration agreement, and
- previous equity investments in the acquired company.

Identifiable acquired assets, assumed liabilities and assumed contingent liabilities in a business combination are, with a few exceptions, initially measured at fair value on the acquisition date. For each acquisition, the Group determines whether non-controlling interest in the acquired company is recognised at fair value or at the holding's proportional share of the carrying amount of the acquired company's identifiable net assets.

Acquisition-related expenses are expensed as incurred.

Goodwill refers to the amount by which

- consideration transferred,
- possible non-controlling interest in the acquired company, and
- the fair value at the acquisition date of any existing share of equity in the acquired company (if the business combination has been carried out in stages),

exceeds the fair value of identifiable net assets acquired. If the amount is less than the fair value of the net assets acquired, in the event of an acquisition at low price, the difference is recognised directly in the income statement.

In cases where payment of all or part of the consideration is deferred, future payments are discounted to the present value at the time of acquisition. The discount rate is the company's marginal loan rate, which is the interest rate the company would have paid for financing through loans during the corresponding period and on similar terms.

Contingent consideration is either classified as equity or as financial liability. Amounts classified as financial liabilities are remeasured at fair value each period. Any gains or losses arising from remeasurement are recognised in profit or loss.

If the business combination is carried out in several stages, the previous equity investments in the acquired company are remeasured to their fair value at the time of acquisition. Any gain or loss arising from the remeasurement is recognised in profit or loss.

Intra-group receivables and liabilities, income and expenses and unrealised gains or losses arising from intra-group transactions between group companies are eliminated in their entirety when preparing the consolidated financial statements.

b) Disposal of subsidiaries

When controlling influence ceases, any remaining interest is measured at fair value through profit or loss. Fair value thereafter represents the cost of acquisition of holdings in associate companies, joint ventures or financial assets. Amounts previously recognised in other comprehensive income in relation to this company are treated as if the Group had disposed of the underlying assets and liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

1.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker for the purpose of allocating resources and assessing performance. The chief operating decision-maker is defined as Group management.

1.4 Translation of foreign currencies

a) Functional currency and presentation currency

Functional currency is the currency in the primary economic environment in which a company operates. The parent company's functional currency is Swedish krona (SEK), which is also the presentation currency for the parent company and the Group. This means that the financial statements are presented in Swedish kronor (SEK).

b) Transactions and balance sheet items

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing on the transaction date. Exchange differences arising from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss at the exchange rate prevailing on the balance sheet date.

Exchange gains and losses on operating receivables and liabilities are recognised in operating profit, while exchange gains and losses on financial assets and liabilities are recognised in financial items.

c) Group companies

The income statement and balance sheet for group companies with a functional currency other than the presentation currency are translated as follows:

i. The balance sheet is translated at the closing rate on the balance sheet date.

ii. The income statement is translated at the average exchange rate (if, however, the average exchange rate does not provide a reasonable estimate of the transaction, the transaction date rate is used instead).

iii. Exchange differences arising from the translation of foreign operations are recognised in other comprehensive income and are accumulated in a separate equity component named currency translation reserve.

1.5 Tangible fixed assets

Tangible fixed assets primarily consist of district heating plants and the respective distribution networks, production facilities for briquettes and pellets, and environmental terminals. Tangible fixed assets are carried at acquisition cost less depreciation. The acquisition cost includes expenses that are directly attributable to the acquisition of the assets.

Subsequent expenditures are added to the asset's carrying amount or recognised separately when it is probable that future economic benefits associated with the asset will flow to the Group and the acquisition cost can be measured reliably. The carrying amount of replaced parts is derecognised from the balance sheet. Other expenses for repairs and maintenance are expensed in the period they occur.

Construction in progress refers to tangible fixed assets that are under construction and are not yet ready for use. Depreciation begins when the construction is completed and the asset is ready for use.

Tangible fixed assets consist of different categories, which in turn are divided into different components. These components are depreciated on a straight-line basis over the estimated useful life of the asset as follows:

- Buildings 50 years
- Land not depr.
- Ground facilities 10-20 years
- Fuel receiving facilities 10-30 years
- Incinerators 10-50 years
- Boilers 10-30 years
- Combustion air and flue gas systems 10-50 years
- Ash discharge systems 15-40 years
- Electrical and control systems 5-15 years
- Media systems 20-40 years
- Electricity generation systems 30 years
- Heating and steam distribution systems 5-75 years
- Other equipment 5-10 years

The useful life and residual value of fixed tangible assets are reviewed on each balance sheet date and adjusted as necessary. If there are any indications of impairment, a test is performed to determine the asset's recoverable amount. When the carrying amount of an asset exceeds its estimated recoverable amount, the asset is impaired to its recoverable amount.

The gain or loss arising from the sale or disposal of an asset comprises the difference between the selling price and the asset's carrying amount less directly related selling costs. Gains and losses are recognised as other operating income/expenses.

1.6 Intangible fixed assets

a) Goodwill

In business combinations where the consideration transferred exceeds the fair value of acquired assets and assumed liabilities that are recognised separately, the difference is recognised as goodwill.

Goodwill is not amortised but is tested for impairment annually or whenever changes in circumstances indicate that the carrying amount may not be recoverable.

When performing the impairment test, goodwill is grouped at the lowest levels at which there are separate identifiable cash flows (cash-generating units). Goodwill is allocated to cash-generating units (CGU) or groups of cash-generating units that are expected to benefit from the acquisition in which the goodwill arose.

Impairment loss is the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less selling costs, or its value in use. Impairment of goodwill is not reversed.

b) Licenses

Licenses are recognised at acquisition cost. Licenses acquired in connection with a business combination are measured at fair value at the time of acquisition. Licenses are depreciated over their estimated useful life, which is usually 10 years.

c) Software

The acquisition cost of software licenses includes expenses to make the programs operational. Software is depreciated over its estimated useful life, which is usually 5 years.

d) Customer relationships

Customer relationships are recognised at acquisition cost. The customer relationships that have been acquired in connection with a business combination are measured at fair value at the time of acquisition. These are depreciated over their estimated useful life, which is usually 20 years.

1.7 Financial assets

Financial assets are initially measured at fair value, plus transaction costs directly attributable to the purchase in cases where the asset is not recognised at fair value through profit or loss. Transaction costs attributable to financial assets that are recognised at fair value through profit or loss are expensed directly in the income statement.

After the initial recognition, subsequent measurement of financial assets is carried out at:

- amortised cost,
- fair value through other comprehensive income, or
- fair value through profit or loss.

The measurement category applicable to a financial asset is governed partly by the Group's business model, and partly by the contractual cash flows the Group will receive from the financial asset. The Group's business model is based on the principle that financial assets are held to receive contractual cash flows and that these cash flows consist solely of capital amounts and, where applicable, interest. Consequently, all of the Group's financial assets are measured at amortised cost, with the exception of derivative instruments, which are measured at fair value through profit or loss.

Acquisitions and disposals of financial assets are recognised on the transaction date. The transaction date is the date on which the company commits to acquiring or disposing of the asset. A financial asset is derecognised from the balance sheet when the rights to cash flows from the financial instrument are realised or expire, or when the Group loses control over them.

1.8 Netting of financial assets and liabilities

Financial assets and liabilities are only recognised at net amounts in the balance sheet when there is a legally enforceable right to offset the recognised amounts and the intention is to settle the items on a net basis or to sell the asset and settle the liability at the same time.

1.9 Impairment of financial assets

The Group assesses the future expected credit losses related to investments in debt instruments recognised at amortised cost based on forward-looking information. In accordance with IFRS 9, the Group applies a simplified method for impairment testing of accounts receivable. The use of this simplified approach means that the reserve for expected credit losses is calculated on the basis of the loss risk for the entire term of the receivable and is recognised when the receivable is initially recognised.

1.10 Inventories

Inventories are valued at the lower of acquisition cost or net realisable value. Acquisition cost is calculated according to the first-in, first-out (FIFO) principle. The acquisition cost of finished manufactured goods includes raw material costs, direct labour, other direct costs and indirect production costs (based on normal production capacity). Net realisable value is defined as the selling price less costs of completion and selling expenses.

1.11 Accounts receivable

Accounts receivable arise from the sale of goods or services in the course of the ordinary business operations. If settlement of a receivable is expected within one year, it is classified as a current asset. If not, it is classified as a non-current asset. Accounts receivable are measured at fair value at initial recognition. At subsequent measurement, accounts receivable are recognised at amortised cost using the effective interest method, less any reserve for expected credit losses.

1.12 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and immediately available account balances at banks and similar institutions, as well as short-term liquid investments with an original term of three months or less.

1.13 Share capital and other contributed capital

Ordinary shares are classified as equity.

Costs directly attributable to the issuance of new shares or options less tax are recognised as a reduction of equity.

1.14 Financial liabilities

Financial liabilities are measured at fair value at initial recognition.

After the initial recognition, subsequent measurement of financial liabilities is carried out at:

- amortised cost, or
- fair value through profit or loss.

All of the Group's financial liabilities are measured at amortised cost, with the exception of derivative instruments, which are measured at fair value through profit or loss.

1.15 Derivative instruments

Derivatives are recognised in the balance sheet on the transaction date and are measured at fair value, both initially and at subsequent remeasurements at the end of each reporting period. The changes in value are recognised in profit or loss. Hedge accounting is not currently applied by the Group.

1.16 Accounts payable

Accounts payable are obligations to pay for goods or services purchased from suppliers in the course of the ordinary business operations. Accounts payable are classified as current liabilities if payment is due within one year. Otherwise they are classified as non-current liabilities.

Accounts payable are measured at fair value at initial recognition. At subsequent measurement, accounts payable are recognised at amortised cost using the effective interest method.

1.17 Loans and borrowings

Loans are initially recognised at fair value, net of transaction costs. In subsequent periods, loans are recognised at amortised cost using the effective interest method. The difference between the loan amount (net of transaction costs) and the repayable amount is recognised as a financial expense over the term of the loan using the effective interest method.

If it is likely that a loan facility will be utilised, any fees associated with a loan commitment are capitalised pending utilisation of the loan facility. When the loan facility is utilised, the fees are recognised as part of the loan.

1.18 Current and deferred tax

Income tax consists of current tax and deferred tax. Income tax is recognised in profit or loss for the year unless the underlying transaction has been recognised in other comprehensive income or in equity, in which case the associated tax effect is recognised in other comprehensive income or in equity.

Current tax is tax that is payable or refundable for the current year, using the tax rates that have been enacted or substantively enacted at the balance sheet date in the countries where the parent company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. Based on management's assessment, provisions are made for expected tax payments when deemed necessary.

Deferred tax is recognised in its entirety on all temporary differences arising between the taxable value of assets and liabilities and their carrying amounts. Temporary differences are not considered in consolidated goodwill. If a temporary difference arises from the initial recognition of an asset or liability that is not a business combination and at the time of the transaction affects neither accounting nor taxable profit, the corresponding deferred tax is not recognised. Deferred tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date and that are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets relating to deductible temporary differences and tax loss carryforwards are only recognised to the extent that it is probable that these will be able to be utilised.

Deferred tax is calculated on temporary differences arising on participations in subsidiaries and associated companies, except where the Group controls the timing of the reversal of the temporary differences and the temporary differences are not expected to be reversed in the foreseeable future. Deferred tax assets and deferred tax liabilities are only offset and recognised on a net basis when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when deferred tax assets and deferred tax liabilities relate to taxes levied by the same taxation authority and relate to the same taxable entity or different taxable entities where there is an intention to settle liabilities and receive payment of receivables on a net basis.

1.19 Employee benefits

a) Short-term benefits

Short-term benefits are recognised as an expense when the related services are received. The benefits are calculated without discounting.

b) Pension obligations

The Group's pension obligations are covered solely by defined contribution pension plans. A defined contribution pension plan is a pension plan under which the Group pays fixed contributions to a separate legal entity. The Group has no legal or informal obligations to pay further contributions if this legal entity does not have sufficient assets to pay all employee contributions relating to employee service during current or prior periods.

The Group therefore has no additional risk. The Group's obligations regarding contributions to defined contribution pension plans are recognised as an expense in profit or loss for the year as they are earned through employees' performance of services on behalf of the Group during a period. Prepaid contributions are recognised as an asset to the extent they can be refunded or reduce future payments.

c) Termination benefits

Termination benefits are payable when an employee's employment has been terminated by the Group prior to the normal time of retirement, or when an employee accepts voluntary redundancy in exchange for such benefits. The Group recognises severance pay when it is demonstrably obligated either to terminate the employment of employees according to a detailed formal plan without the possibility of revocation, or to pay benefits upon termination as a result of an offer made to encourage voluntary redundancy. Benefits that fall due more than 12 months after balance sheet date are discounted to present value.

1.20 Provisions

The Group recognises provisions for environmental remediation, restructuring costs and legal claims when there is an existing legal or informal obligation as a result of a prior event and it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions for restructuring costs cover severance pay to employees. Provisions are not recognised for future operating losses. If there are several similar obligations, an assessment is performed of the likelihood that an outflow of resources will be required for the entire group of obligations as a whole. A provision may therefore be recognised even if the likelihood of an outflow with respect to a single obligation may be low.

Provisions are measured at the present value of expected payments to settle the obligation. A discount rate before tax is used to reflect the current market conditions and the risks associated with the obligation. Increases in liabilities due to changes in the time value are recognised as financial expenses.

1.21 Revenue

The Group sells thermal energy, industrial steam and electricity to private and corporate customers. Sales are read from meters and are invoiced after the end of each month based on the prices stated in the agreements. Customers have 30 days credit. Revenue is recognised when the Group's performance obligation is fulfilled, which coincides with the delivery of energy to the customer.

The Group has its own manufacturing facilities for production of briquettes and pellets that are sold to customers. Customers are billed on the basis of the agreements that have been entered into, based either on volume or the total energy content. The Group's performance obligation is fulfilled in connection with delivery, whereupon revenue is recognised. There are no agreements for which the period of time between the delivery of the goods to the customer and the payment from the customer exceeds one year. Consequently, the Group does not adjust the transaction price for the effects of a significant financing component.

The Group has a number of environmental terminals for receipt of impregnated and creosote-treated wood. Compensation (the "gate fee") is received in connection with the receipt of return wood. This compensation is invoiced when weighing and inspection have been carried out, based on agreed prices. In most cases, the Group's performance obligation is fulfilled in connection with the receipt of return wood, whereupon revenue is recognised. If, however, an agreement stipulates that the Group's performance obligation is not fulfilled until the material received has been treated and processed, a contractual liability corresponding to the compensation received is recognised as applicable. In such a case, revenue is recognised over time as the Group's performance obligation is fulfilled by allocating the compensation received on a pro rata basis per treated and processed quantity in relation to the total quantity of material received.

Within the O&M operations there are a number of different agreements at fixed price and on a current account basis. Revenue from these fixed-price agreements is recognised over time as the performance obligation is fulfilled, which normally occurs evenly throughout the year. Revenue from agreements on a current account basis is recognised in relation to work performed.

1.22 Government grants

Government grants are recognised at fair value when there is reasonable certainty that the grant will be received and the company will comply with the conditions associated with the grant.

If the Group receives a grant related to assets, the Group has chosen the principle of recognising the grant as deferred income. Revenue is recognised upon achievement of production targets over the useful life of the asset.

Government grants in the form of emission rights are recognised at nominal value (zero) when received from public authorities. When granted emission rights are sold, the fair value of the consideration received is recognised as revenue at the time of the sale.

1.23 Interest income

Interest income is recognised using the effective interest method.

1.24 Income from dividends

Dividends received are recognised when the right to receive the dividend has been established.

1.25 Lease agreements

The Group has entered into a number of different lease agreements, primarily lease agreements regarding land and buildings, but also leasing of premises, work machinery and vehicles. A right-of-use asset and a lease liability are recognised for each lease agreement, except for short-term lease agreements and lease agreements for which the underlying asset has a low value.

Initially, the lease liability is measured at the present value of future lease payments. Discounting is primarily performed using the lease agreement's implicit interest rate if this interest rate can be easily determined. If this interest rate cannot be easily determined, discounting is performed using the Group's marginal loan interest rate. The Group's marginal loan interest rate is calculated as a weighted average based on the Group's loan structure at each point in time. The part of the lease liability that is due for payment later than one year from the balance sheet date is recognised in non-current liabilities. In subsequent periods, the lease liability is measured as follows:

- the carrying amount is increased to reflect the interest on the lease liability,
- the carrying amount is reduced to reflect leasing fees paid, and
- the carrying amount is remeasured to reflect any reappraisal or amendment of the lease agreement.

Right-of-use assets are recognised at acquisition cost among the Group's fixed assets. This recognition initially corresponds to the same value as the lease liability, plus any advance payments. In subsequent periods, right-of-use assets are recognised at acquisition cost less accumulated depreciation and any accumulated impairment. If the lease agreement includes an option to buy out the underlying leased asset and the acquisition cost of the right-of-use asset reflects that the option will be exercised, depreciation is carried out over the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated over the term of the lease, or over the useful life of the underlying asset if this is shorter than the term of the lease.

1.26 Dividends

Dividends to shareholders are recognised as a liability at the time the dividends are resolved by the meeting of shareholders.

1.27 Joint ventures

Joint ventures are companies over which the Group has a joint controlling influence together with other joint owners. Participations in joint ventures are recognised according to the equity method in the consolidated financial statements. The equity method means that the Group's carrying amount of participations in joint ventures corresponds to the Group's share of equity in joint ventures plus any consolidated goodwill and other consolidated surpluses or deficits. In the Group's consolidated income statement, the share of profit for the period is recognised in operating profit as "Result from participations in joint ventures". The share of profit is adjusted for any depreciation, write-downs and resolutions of acquired surpluses or deficits. The Group's carrying amount of participations in joint ventures is reduced by any dividends received. The Group's share of other comprehensive income in joint ventures is recognised, where applicable, on a separate row in other comprehensive income for the Group.

1.28 Contingent liabilities

A contingent liability is recognised when there is a possible obligation that arises from prior events and whose existence is only confirmed by one or more uncertain future events beyond the Group's control, or when there is an obligation that is not recognised as a liability or provision because it is unlikely that an outflow of resources will be required or the amount cannot be measured with sufficient reliability.

Note 2: Information regarding group companies and joint ventures

The table below shows the group structure as of 31 December 2023 where Solör Bioenergi Holding AB (publ) is the parent company:

	Corporate ID number	Country	Share of equity	Share of voting rights
Solör Bioenergi Holding AB	556907-9535	Sweden	-	-
Solör Bioenergi Lion 1 AB	559437-0024	Sweden	100.00%	100.00%
Solör Bioenergi Lion 2 AB	559437-0032	Sweden	100.00%	100.00%
Solör Bioenergi Lion 3 AB	559451-2179	Sweden	100.00%	100.00%
Solör Bioenergi Lion 4 AB	559456-4923	Sweden	100.00%	100.00%
Rindi Energi AB	556495-8758	Sweden	100.00%	100.00%
JC JSC Rindibel	KO 0056503	Belarus	27.54%	27.54%
Solör Bioenergi Holding 2 AB	556982-8469	Sweden	100.00%	100.00%
Solör Bioenergi Holding 3 AB	556873-8552	Sweden	100.00%	100.00%
Solör Bioenergi Management AB	556862-2566	Sweden	100.00%	100.00%
Solör Bioenergi Fjärrvärme AB	556936-0737	Sweden	100.00%	100.00%
Solör Bioenergi Öst AB	556607-0255	Sweden	100.00%	100.00%
Solör Bioenergi Syd AB	556632-0692	Sweden	100.00%	100.00%
Filipstads Värme AB	556544-7975	Sweden	50.00%	50.00%
Solör Bioenergi Strängnäs AB	559323-1581	Sweden	80.00%	80.00%
Solör Bioenergi Ale AB	556041-0978	Sweden	100.00%	100.00%
Bjäre Biovärme AB	559092-6167	Sweden	100.00%	100.00%
Solör Bioenergi Agrovärme AB	556229-5666	Sweden	100.00%	100.00%
Agrovärme Enköping AB	556549-3565	Sweden	51.00%	51.00%
Grästorps Fjärrvärme AB	556233-5314	Sweden	59.80%	59.80%
Ekerö Solör Bioenergi AB	559176-1376	Sweden	65.00%	65.00%
Solör Bioenergi Falköping AB	556014-6663	Sweden	100.00%	100.00%
Solør Bioenergi Varme AS	982,435,358	Norway	100.00%	100.00%
Solør Bioenergi Jessheim AS	919,944,870	Norway	100.00%	100.00%
Solør Bioenergi Oplandkse AS	989,503,804	Norway	100.00%	100.00%
Solør Bioenergi Aurskog AS	892,324,212	Norway	100.00%	100.00%
Solør Norsk Bioenergi AS	991,599,061	Norway	100.00%	100.00%
Solør Bioenergi Sør AS	998,477,727	Norway	100.00%	100.00%
Solör Bioenergi Värme AB	556310-5328	Sweden	100.00%	100.00%
Solör Bioenergi Utility Solutions AB	559227-8567	Sweden	100.00%	100.00%
Solør Bioenergi Utility Solutions AS	992,420,022	Norway	100.00%	100.00%
Solør Bioenergi Holding AS	989 244 051	Norway	100.00%	100.00%
Solør Bioenergi AS	989,236,482	Norway	100.00%	100.00%
Solör Bioenergi Recycling AB	556211-2754	Sweden	100.00%	100.00%
Solör Bioenergi Pellets AB	556736-2446	Sweden	100.00%	100.00%
Solör Bioenergi Europe AB	559227-8542	Sweden	100.00%	100.00%
Solor Bioenergy Polska S.A.	611327745	Poland	100.00%	100.00%
Biopal Sp. z o. o.	771624500	Poland	100.00%	100.00%
Solör Bioenergi AG	CHE-152787201	Switzerland	100.00%	100.00%

Solör Bioenergi Holding 2 AB holds shares in subsidiaries and is the holder of the Group's junior financing.

Solör Bioenergi Management AB performs intra-group administrative services for the companies in the Group. The company is the holder of the Group's senior financing.

Solör Bioenergi Fjärrvärme AB is the Group's main company regarding district heating in Sweden and is also the parent company of all other operating companies in Sweden that conduct district heating and local heating operations. The company's operations include the following energy plants:

- Alfta
- Alsike
- Bollebygd
- Charlottenberg
- Dorotea
- Edsbyn
- Fliseryd
- Färjestaden
- Garphyttan
- Hanaskog
- Horndal
- Kalix
- Lagan
- Lammhult
- Landvetter
- Lidhult
- Mölnlycke
- Mönsterås
- Mörbylånga
- Nora
- Nordmaling
- Odensbacken
- Pershyttan
- Rundvik
- Ryd
- Sandudden
- Skinnskatteberg
- Strömsnäsbruk
- Sunne
- Sveg
- Svenljunga
- Töcksfors
- Vansbro
- Vilhelmina
- Vretstorp
- Vännäs
- Vännäsby
- Åseda
- Älvdalen

In addition, the following operations have been conducted under the auspices of subsidiaries and second-tier subsidiaries:

- Solör Bioenergi Öst AB – 7 energy plants in Flen, Gnesta, Herrljunga, Malmköping, Vadstena, Vingåker and Vårgårda. Merger initiated at the end of February 2024 with the aim of merging the company into its parent company Solör Bioenergi Fjärrvärme AB.
- Solör Bioenergi Syd AB – 10 energy plants in Broby, Glimåkra, Hästveda, Hörby, Höör, Knislinge, Markaryd, Sjöbo, Svalöv and Tomelilla. In January 2024, the company was merged into its parent company Solör Bioenergi Fjärrvärme AB.
- Solör Bioenergi Ale AB – 2 energy plants in Ale and Skepplanda. In January 2024, the company was merged into its parent company Solör Bioenergi Fjärrvärme AB.
- Solör Bioenergi Agrovärme AB – 15 energy plants in Bjärnum, Björkvik, Ed, Forssjö, Horred, Julita, Kvänum, Rydsgård, Skivarp, Skurup, Svalöv, Såtenäs, Valla, Vinslöv and Ödeshög. In January 2024, the company was merged into its parent company Solör Bioenergi Fjärrvärme AB.
- Solör Bioenergi Falköping AB – 3 energy plants in Falköping, Floby and Stenstorp.
- Ekerö Solör Bioenergi AB – energy plant in Ekerö.
- Grästorps Fjärrvärme AB – energy plant in Grästorp.
- Bjäre Biovärme AB – energy plant in Förslöv.
- Solør Bioenergi Varme AS – 25 local heating plants in Norway and a pellet production facility in Brumunddal, Norway.
- Solør Bioenergi Jessheim AS – heating plant in Jessheim, Norway.
- Solør Bioenergi Oplandske AS – 18 local heating plants in Norway.
- Solør Bioenergi Aurskog AS – 4 local heating plants in Norway.
- Solør Norsk Bioenergi AS – 40 local heating plants in Norway.
- Solør Bioenergi Sør AS – 1 local heating plant in Norway.
- Solör Bioenergi Värme AB – 83 local heating plants in Sweden and a pellet production facility in Säffle.

Solör Bioenergi Utility Solutions AB conducts O&M operations related to water and sewage treatment as well as energy production in a number of regions in Sweden. The subsidiary **Solør Bioenergi Utility Solutions AS** conducts similar operations in Norway.

Solør Bioenergi Holding AS supports the Group with expertise in areas such as financing, cash management, accounting and reporting.

Solør Bioenergi AS is an industrial company with the purpose of operating bioenergy plants in Norway, including production and sale of thermal heat and electricity based on biofuel, as well as energy recovery from contaminated wood and production of briquettes. The company has the following production sites:

- Environmental terminal in Kirkenær
- Combined heat and power plant (CHP) in Kirkenær
- Briquette production in Kirkenær
- District heating distribution in Kirkenær
- Two energy plants in Rena
- Energy plant in Haslemoen

- Energy plant in Grødaland
- Energy plant in Flisa
- Environmental terminal in Vigrestad

Solör Bioenergi Recycling AB is an industrial company with energy recovery from recycled wood as its main operations and has an environmental terminal in Trollhättan.

Solör Bioenergi Pellets AB produces and sells pellets. The production of pellets takes place in the production facilities located in Älvdalen and Vansbro.

Solor Bioenergy Polska S.A. operates six energy plants in Debrzno, Chojnice, Grupa, Hajnowka, Hel and Minsk Mazowiecki, Poland.

Biopal Sp. z o. o. performs biomass sourcing and operates an energy plant in Czersk, Poland.

Solör Bioenergi AG is a service company that supports the Group with expertise in areas such as financing, cash management, accounting and reporting.

The other group companies are holding companies and/or companies that are dormant and do not conduct any operations.

Filipstads Värme AB, Solör Bioenergi Strängnäs AB, Agrovärme Enköping AB and JC JSC Rindibel, which are joint ventures, are accounted for according to the equity method.

Filipstads Värme AB conducts district heating operations in Filipstad and Storfors. The company is jointly owned with Filipstad Municipality.

Solör Bioenergi Strängnäs AB conducts district heating operations in Strängnäs and is jointly owned with Strängnäs Municipality.

Agrovärme Enköping AB conducts district heating operations in Fjärdhundra and Örsundsbro.

JS JSC Rindibel does not conduct any operations and is in the process of being wound up.

The tables below present a summary of financial information for the participation in Filipstads Värme AB.

Condensed Balance Sheet		
All amounts in MSEK unless otherwise stated	**31 Dec 2023**	**31 Dec 2022**
Assets		
Tangible fixed assets	85	88
Inventories	1	2
Other current receivables	18	13
Cash and cash equivalents	0	0
Total assets	**104**	**103**
Equity	**-13**	**-15**
Untaxed reserves	**-42**	**-40**
Liabilities		
Interest-bearing liabilities	-34	-40
Non-interest-bearing liabilities	-15	-8
	-49	**-48**
Total equity and liabilities	**-104**	**-103**

Condensed Income Statement		
All amounts in MSEK unless otherwise stated	**2023**	**2022**
Net sales	45	39
Fuel and material expenses	-18	-12
Personnel expenses	-3	-3
Depreciation and write-downs	-6	-5
Other external expenses	-6	-6
Net operating profit	**12**	**13**
Net financial items	-2	-1
Appropriations	-2	-2
Net profit/loss before tax	**8**	**10**
Tax	-2	-2
Net profit for the year	**6**	**8**

The following table shows the Group's share of equity in Filipstads Värme AB and details of dividends received:

The Group's share of equity in Filipstads Värme AB		
All amounts in MSEK unless otherwise stated	**2023**	**2022**
Opening share of equity	35	35
Share of equity for the period	3	4
Dividends received	-4	-4
Closing share of equity	**34**	**35**

The tables below present a summary of financial information for the participation in Solör Bioenergi Strängnäs AB.

Condensed Balance Sheet		
All amounts in MSEK unless otherwise stated	**31 Dec 2023**	**31 Dec 2022**
Assets		
Tangible fixed assets	407	421
Deferred tax assets	5	5
Inventories	10	14
Other current receivables	46	42
Cash and cash equivalents	1	2
Total assets	**469**	**484**
Equity	**-71**	**-113**
Liabilities		
Interest-bearing liabilities	-295	-306
Non-interest-bearing liabilities	-103	-65
	-398	**-371**
Total equity and liabilities	**-469**	**-484**

Condensed Income Statement		
All amounts in MSEK unless otherwise stated	**2023**	**2022**
Net sales	163	141
Other operating income	4	0
Fuel and material expenses	-87	-50
Depreciation and write-downs	-34	-33
Other external expenses	-75	-70
Net operating profit	**-29**	**-12**
Net financial items	-13	-13
Net profit/loss before tax	**-42**	**-25**
Tax	0	0
Net profit for the year	**-42**	**-25**

The following table shows the Group's share of equity in Solör Bioenergi Strängnäs AB:

The Group's share of equity in Solör Bioenergi Strängnäs AB		
All amounts in MSEK unless otherwise stated	**2023**	**2022**
Opening share of equity	903	829
Share of equity for the period	-47	-33
Shareholder contributions	0	107
Closing share of equity	**856**	**903**

The tables below present a summary of financial information for the participation in Agrovärme Enköping AB.

Condensed Balance Sheet		
All amounts in MSEK unless otherwise stated	**31 Dec 2023**	**31 Dec 2022**
Assets		
Tangible fixed assets	6	6
Inventories	0	0
Other current receivables	1	0
Cash and cash equivalents	4	3
Total assets	**11**	**9**
Equity	**-3**	**-1**
Untaxed reserves	**-6**	**-7**
Liabilities		
Other current liabilities	-2	-1
	-2	**-1**
Total equity and liabilities	**-11**	**-9**

Condensed Income Statement		
All amounts in MSEK unless otherwise stated	**2023**	**2022**
Net sales	5	1
Fuel and material expenses	-2	0
Depreciation and write-downs	-1	0
Other external expenses	-1	-1
Net operating profit	**1**	**0**
Net financial items	0	0
Appropriations	1	-1
Net profit before tax	**2**	**-1**
Tax	0	0
Net profit for the year	**2**	**-1**

The following table shows the Group's share of equity in Agrovärme Enköping AB:

The Group's share of equity in Agrovärme Enköping AB		
All amounts in MSEK unless otherwise stated	**2023**	**2022**
Opening share of equity	14	14
Share of equity for the period	1	0
Dividends received	-1	0
Closing share of equity	**14**	**14**

The participation in JC JSC Rindibel is not material as the company does not conduct any operations. The company is also in the process of being wound up. The Solör Bioenergi Group's share of equity is reported as zero (0) Swedish kronor.

Note 3: Significant judgements and estimates

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that are deemed to be realistic. There may be situations or changes in market conditions that could lead to changes in estimates, which in turn could affect the company's assets, liabilities, equity and profit.

The company's most significant judgements and estimates relate to the following items:

- Depreciation, amortisation and impairment of tangible and intangible fixed assets
- Recognition of deferred tax assets
- Possibility to exercise controlling interest in Solör Bioenergi Strängnäs AB

Tangible and intangible fixed assets

Depreciation occurs on a straight-line basis over the estimated useful life of the asset. The estimated useful life is based on historical experience and assumptions relating to the asset's future technical and economic use. The actual useful life may deviate from the assessments that are made on an ongoing basis. The depreciation and amortisation periods are adjusted if there are changes in these estimates.

If there are any indications regarding impairment of tangible and intangible fixed assets, an impairment test is performed. For information about the most important estimates for calculating future cash flows, please see Group Note 14 regarding impairment testing of goodwill.

Recognition of deferred tax assets

At each balance sheet date, an assessment is performed regarding recognition of deferred tax assets related to tax loss carryforwards which have not previously been recognised in the balance sheet. Such tax assets are recognised to the extent it is considered likely that sufficient taxable profits will be available in the future. Changed assessments in future periods may have a material impact on the financial statements in future periods.

Please see Group Note 13 for more information about tax loss carryforwards.

Possibility to exercise controlling interest in Solör Bioenergi Strängnäs AB

The Group owns 80% of the voting rights and equity in Solör Bioenergi Strängnäs AB. The shareholders' agreement that has been entered into with the minority shareholder means that the Group does not fully have the possibility to vote for the entire shareholding and thus exercise a controlling interest. Consequently, it is the Group's assessment that Solör Bioenergi Strängnäs AB constitutes a jointly controlled entity (i.e. joint arrangement) and should therefore be accounted for in accordance with IFRS 11.

Note 4: Business combinations

The Group carried out a number of business combinations during the 2023 financial year. Details of the business combinations are presented below in chronological order. All business combinations during the financial year have been financed through utilisation of the CAPEX facilities linked to the Group's senior and junior financing, see Group Note 22. All purchase price allocations are final.

Oplandske Bioenergi AS

At the beginning of January 2023, the Group acquired 100% of the shares in Oplandske Bioenergi AS (name changed to Solør Bioenergi Oplandske AS). The acquisition comprises 18 local heating plants that supply energy to industry, the business community, the public sector and private customers. The total delivery of energy amounts to approximately 40 GWh per year.

The purchase price amounted to approximately SEK 239 million. In connection with the acquisition, acquired interest-bearing liabilities of approximately SEK 77 million were amortised. Acquisition-related expenses amounted to approximately SEK 9 million.

During the holding period in 2023, the acquired operations affected the Group's net sales by SEK 41 million, EBITDA by SEK -5 million and net profit before tax by SEK -37 million.

The result during the holding period includes one-off acquisition-related expenses amounting to SEK -9 million. Adjusted for this, EBITDA amounts to SEK 4 million and net profit before tax amounts to SEK -28 million.

Ringerike Bioenergi AS

In February 2023, the Group acquired 100% of the shares and voting rights in Ringerike Bioenergi AS (name changed to Solør Bioenergi Ringerike AS). The company operates a local heating plant in the municipality of Hole in Norway. The total delivery of energy amounts to approximately 4 GWh per year. At the end of the 2023 financial year, the company was merged into Solør Bioenergi Varme AS.

The purchase price amounted to approximately SEK 10 million.

During the holding period in 2023, the acquired operations affected the Group's net sales by SEK 3 million, EBITDA by SEK 1 million and net profit before tax by SEK -1 million. If the acquisition had taken place at the beginning of the 2023 financial year, the acquired operations would have affected the Group's net sales by SEK 4 million, EBITDA by SEK 1 million and net profit before tax by SEK -1 million.

Aurskog Høland Nærvarme AS

In July 2023, the Group acquired Aurskog Høland Nærvarme AS (name changed to Solør Bioenergi Aurskog AS).

The purchase price amounted to approximately SEK 47 million. In connection with the acquisition, acquired interest-bearing liabilities of approximately SEK 12 million were amortised. Acquisition-related expenses amounted to approximately SEK 1 million.

During the holding period in 2023, the acquired operations affected the Group's net sales by SEK 2 million, EBITDA by SEK -1 million and net profit before tax by SEK -4 million. If the acquisition had taken place at the beginning of the 2023 financial year, the acquired operations would have affected the Group's net sales by SEK 5 million, EBITDA by SEK 1 million and net profit before tax by SEK -6 million.

The result during the holding period includes one-off acquisition-related expenses amounting to SEK -1 million. Adjusted for this, EBITDA amounts to SEK 0 million and net profit before tax amounts to SEK -3 million.

The full-year result includes one-off acquisition-related expenses amounting to SEK -1 million. Adjusted for this, EBITDA amounts to SEK 2 million and net profit before tax amounts to SEK -5 million.

<u>Sør Energi AS</u>

In September 2023, the Group acquired Sør Energi AS (name changed to Solør Bioenergi Sør AS).

The purchase price amounted to approximately SEK 4 million. In connection with the acquisition, acquired interest-bearing liabilities of approximately SEK 2 million were amortised.

During the holding period in 2023, the acquired operations affected the Group's net sales by SEK 1 million, EBITDA by SEK 0 million and net profit before tax by SEK -1 million. If the acquisition had taken place at the beginning of the 2023 financial year, the acquired operations would have affected the Group's net sales by SEK 2 million, EBITDA by SEK 1 million and net profit before tax by SEK 0 million.

<u>Bjäre Biovärme AB</u>

At the end of December 2023, the Group acquired Bjäre Biovärme AB. The total delivery of energy amounts to approximately 5 GWh per year.

The purchase price amounted to SEK 8 million. In connection with the acquisition, acquired interest-bearing liabilities of SEK 27 million were amortised.

The acquired operations did not affect the Group's net sales, EBITDA or net profit before tax in 2023. If the acquisition had taken place at the beginning of the 2023 financial year, the acquired operations would have affected the Group's net sales by SEK 4 million, EBITDA by SEK 1 million and net profit before tax by SEK -2 million.

The table below presents a summary of the final purchase price allocations for the 2023 financial year, i.e. fair value of acquired net assets and the associated purchase price. Of the goodwill identified in the acquisitions during the 2023 financial year of SEK 36 million, SEK 0 million is tax deductible.

	Oplandske Bioenergi AS	Ringerike Bioenergi AS	Aurskog Høland Nærvarme AS	Sør Energi AS	Bjäre Biovärme AB	Total
Assets						
Goodwill	36	-	-	-	-	36
Intangible fixed assets	-	-	-	-	-	0
Tangible fixed assets	153	10	66	7	38	274
Participations in joint ventures	-	-	-	-	-	0
Inventories	1	0	-	-	0	1
Receivables	190	1	1	0	1	193
Cash and cash equivalents	4	2	3	1	0	10
	384	**13**	**70**	**8**	**39**	**514**
Liabilities						
Deferred tax liabilities	-52	-2	-11	0	-2	-67
Interest-bearing liabilities	-80	-	-12	-2	-27	-121
Other liabilities	-13	-1	0	-2	-2	-18
	-145	**-3**	**-23**	**-4**	**-31**	**-206**
Non-controlling interests	**-**	**-**	**-**	**-**	**-**	**0**
Total net assets acquired	**239**	**10**	**47**	**4**	**8**	**308**
Consideration transferred	**239**	**10**	**47**	**4**	**8**	**308**

The Group carried out a number of business combinations during the 2022 financial year. All business combinations were financed through utilisation of the CAPEX facilities linked to the Group's senior and junior financing.

<u>Ale Fjärrvärme AB</u>

At the beginning of March 2022, the Group acquired 100% of the shares and voting rights in Ale Fjärrvärme AB (name changed to Solör Bioenergi Ale AB). The production and delivery of renewable energy amounts to approximately 60 GWh per year.

The purchase price amounted to SEK 475 million. In connection with the acquisition, acquired interest-bearing liabilities of SEK 25 million were amortised. Acquisition-related expenses amounted to SEK 26 million.

During the holding period in 2022, the acquired operations affected the Group's net sales by SEK 31 million, EBITDA by SEK -19 million and net profit before tax by SEK -48 million. The result during the holding period in 2022 includes one-off acquisition-related expenses amounting to SEK -26 million. Adjusted for this, EBITDA amounts to SEK 8 million and net profit before tax amounts to SEK -21 million.

During the 2023 financial year, the full-year effect of the business combination affected the Group's net sales by SEK 45 million, EBITDA by SEK 4 million and net profit before tax by SEK -41 million.

<u>Eidefoss Biovarme AS</u>

At the end of May 2022, 100% of the shares and voting rights in Eidefoss Biovarme AS (name changed to Solør Bioenergi Otta AS) were acquired. The annual energy deliveries amount to approximately 6 GWh. During the 2023 financial year, the company was merged into Solør Bioenergi Varme AS.

The purchase price amounted to SEK 21 million. In connection with the acquisition, acquired interest-bearing liabilities of SEK 4 million were amortised. Acquisition-related expenses amounted to SEK 1 million.

During the holding period in 2022, the acquired operations affected the Group's net sales by SEK 3 million, EBITDA by SEK 0 million and net profit before tax by SEK -2 million. The result during the holding period in 2022 includes one-off acquisition-related expenses amounting to SEK -1 million. Adjusted for this, EBITDA amounts to SEK 1 million and net profit before tax amounts to SEK -1 million.

During the 2023 financial year, the full-year effect of the business combination affected the Group’s net sales by SEK 6 million, EBITDA by SEK 2 million and net profit before tax by SEK -1 million.

Norsk Bioenergi AS

At the end of June 2022, the Group acquired 100% of the shares and voting rights in Norsk Bioenergi AS (name changed to Solør Norsk Bioenergi AS). The annual contracted delivery of renewable energy in Solør Norsk Bioenergi AS amounts to approximately 180 GWh.

The purchase price amounted to SEK 890 million. In connection with the acquisition, acquired interest-bearing liabilities of SEK 305 million were amortised. Acquisition-related expenses amounted to SEK 48 million.

During the holding period in 2022, the acquired operations affected the Group’s net sales by SEK 55 million, EBITDA by SEK -32 million and net profit before tax by SEK -80 million.

During the 2023 financial year, the full-year effect of the business combination affected the Group’s net sales by SEK 126 million, EBITDA by SEK 31 million and net profit before tax by SEK -83 million.

Norske Varmeleveranser AS

At the beginning of September 2022, the Group acquired 100% of the shares and voting rights in Norske Varmeleveranser AS (name changed to Solør Bioenergi Gran AS). The annual energy deliveries amount to approximately 6 GWh. During the 2023 financial year, the company was merged into Solør Bioenergi Varme AS.

The purchase price amounted to SEK 111 million.

During the holding period in 2022, the acquired operations affected the Group’s net sales by SEK 4 million, EBITDA by SEK 2 million and net profit before tax by SEK 0 million.

During the 2023 financial year, the full-year effect of the business combination affected the Group’s net sales by SEK 8 million, EBITDA by SEK 2 million and net profit before tax by SEK -7 million.

Lantmännen Agrovärme AB

At the end of September 2022, the Group successfully completed the acquisition of Lantmännen Agrovärme AB (name changed to Solör Bioenergi Agrovärme AB). The annual contracted delivery of renewable energy in Solör Bioenergi Agrovärme AB amounts to approximately 150 GWh.

The purchase price amounted to SEK 773 million. In connection with the acquisition, acquired interest-bearing liabilities of SEK 297 million were amortised. Acquisition-related expenses amounted to SEK 59 million.

During the holding period in 2022, the acquired operations affected the Group’s net sales by SEK 36 million, EBITDA by SEK -54 million and net profit before tax by SEK -73 million. The result during the holding period includes one-off acquisition-related expenses amounting to SEK -59 million. Adjusted for this, EBITDA amounts to SEK 5 million and net profit before tax amounts to SEK -14 million.

During the 2023 financial year, the full-year effect of the business combination affected the Group’s net sales by SEK 138 million, EBITDA by SEK 28 million and net profit before tax by SEK -67 million.

Sustainable Energy Solutions Sweden AB

At the end of September 2022, the Group also acquired Sustainable Energy Solutions Sweden AB (name changed to Solör Bioenergi Kungsberget AB). The annual energy deliveries amount to approximately 5 GWh. During the 2023 financial year, the company was merged into Solör Bioenergi Värme AB.

The purchase price amounted to SEK 31 million.

During the holding period in 2022, the acquired operations affected the Group's net sales by SEK 2 million, EBITDA by SEK 0 million and net profit before tax by SEK -1 million.

During the 2023 financial year, the full-year effect of the business combination affected the Group's net sales by SEK 5 million, EBITDA by SEK 0 million and net profit before tax by SEK -4 million.

The table below presents a summary of the final purchase price allocations for the 2022 financial year, i.e. fair value of acquired net assets and the associated purchase price. Of the goodwill identified in the acquisitions during the 2022 financial year of SEK 1,122 million, SEK 0 million is tax deductible.

	Ale Fjärrvärme AB	Eidefoss Biovarme AS	Norsk Bioenergi AS	Norske Varmeleverans er AS	Lantmännen Agrovärme AB	Sustainable Energy Solutions Sweden AB	Total
Assets							
Goodwill	176	-	523	59	364	-	1,122
Intangible fixed assets	8	-	242	8	23	-	281
Tangible fixed assets	389	31	512	52	725	33	1,742
Participations in joint ventures	-	-	-	-	14	-	14
Inventories	0	0	0	1	4	-	5
Receivables	14	0	12	1	16	1	44
Cash and cash equivalents	0	1	7	3	35	1	47
	587	**32**	**1,296**	**124**	**1,181**	**35**	**3,255**
Liabilities							
Deferred tax liabilities	-75	-5	-90	-12	-106	-2	-290
Interest-bearing liabilities	-25	-4	-305	-	-297	-	-631
Other liabilities	-12	-2	-11	-1	-15	-2	-43
	-112	**-11**	**-406**	**-13**	**-418**	**-4**	**-964**
Non-controlling interests	**-**	**-**	**-**	**-**	**10**	**-**	**10**
Total net assets acquired	**475**	**21**	**890**	**111**	**773**	**31**	**2,301**
Consideration transferred	**475**	**21**	**890**	**111**	**773**	**31**	**2,301**

Note 5: Net sales and information regarding the Group's contracts with customers

The Group's contracts with customers regarding the sale of thermal energy are characterised by a stable customer base with low credit risks and stable prices. The revenues from these customer contracts are dependent on weather conditions and prices. The prices are subject to indirect competition, in particular in relation to heating solutions based on electricity. At present, thermal energy is priced at a competitive level in relation to heating solutions based on electricity. An increase in electricity market prices increases the Group's competitive advantage.

The Group's contracts with customers for the sale of pellets and briquettes concern relatively local operations that are characterised by a diversified customer base, from small private customers to large energy companies and commercial customers, who use the Group's products for their own heat supply and heat production or in their own retail business. Market prices are dependent on access to raw materials in the form of unprocessed biomass as well as demand from end customers.

Consequently, the price trends and hence the Group's revenues with respect to these types of contracts with customers are overall more volatile.

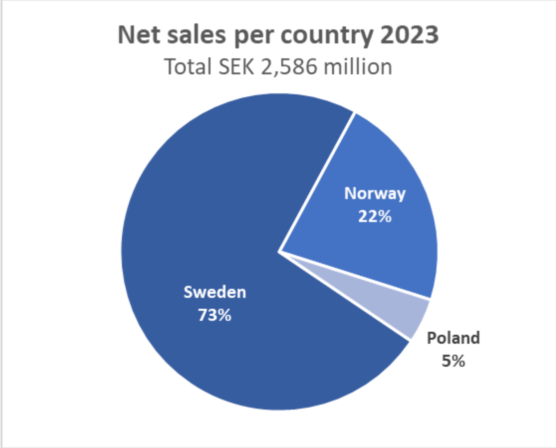
The Group's contracts with customers regarding energy recovery from recycled wood concern an international market that is characterised by competition between various European recycling companies. This competition is in turn affected by demand and market prices for biomass. There is currently a positive price trend with respect to energy recovery from recycled wood.

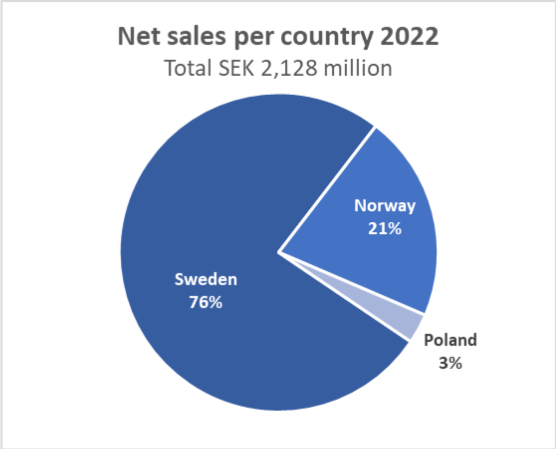
The Group's contracts with customers regarding O&M-related services include both fixed-price contracts and assignments on current account basis that are subject to procurement.

The table below shows information regarding the distribution of net sales:

Distribution of net sales	2023	2022
Thermal energy	1,950	1,524
Pellets and briquettes	250	227
Energy recovery from recycled wood	71	88
O&M services	255	221
Other	60	68
Total net sales	**2,586**	**2,128**

Of the total net sales, SEK 1,900 million (1,614) is generated in Sweden, which corresponds to 73 percent (76) of the Group's net sales. SEK 568 million (452), corresponding to 22 percent (21) of net sales, is generated in Norway, while SEK 118 million (62), corresponding to 5 percent (3) of net sales, is generated in Poland. The distribution of sales is based on the group companies' domicile. No single customer accounts for more than 10 percent of total revenue.





The distribution of net sales per segment is shown in the table below (for more information, see Group Note 6):

District Heating	2023	2022
Thermal energy	1,428	1,129
Other	26	31
Total net sales	**1,454**	**1,160**

Local Heating	2023	2022
Thermal energy	406	277
Pellets	54	55
Other	21	13
Total net sales	**481**	**345**

Biomass	2023	2022
Pellets and briquettes	196	172
Energy recovery from recycled wood	71	88
Other	13	21
Total net sales	**280**	**281**

Utility Solutions	2023	2022
Thermal energy	116	118
O&M services	255	221
Other	0	3
Total net sales	**371**	**342**

The table below shows information regarding the Group's receivables, contract assets and, where applicable, contract liabilities attributable to contracts with customers:

	2023	2022
Receivables (Accounts receivable)	442	343
Contract assets (Accrued income)	227	198
Contract liabilities (Deferred income)	-7	-4
	662	**537**

The Group applies the exemption rules regarding information for contracts with performance obligations under 12 months.

Note 6: Operating segments

Segment information is reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, which has been identified as Group management. The Group's operations are divided into four operating segments which constitute the Group's ordinary operations and are reflected in the organisation and the business model.

District Heating

The segment's energy plants produce and distribute thermal energy for district heating, industrial steam and electricity for customers in the public and private sectors. The energy plants are located in Sweden, Norway and Poland.

Local Heating

Within the framework of the segment's operations, energy supply is delivered to customers in local heating production or some other type of mobile heating production. The concept also includes overall responsibility for operation and maintenance. This segment includes the Group's local heating plants in Sweden and Norway as well as two production facilities for pellets, which supply the local heating plants with fuel.

Biomass

The segment has three environmental terminals for energy recovery from recycled wood, with further processing into biomass for sale to the Group's own energy plants as well as external energy customers. The segment's operations also include three production facilities for the production and sale of briquettes and pellets.

Utility Solutions

The segment includes energy production operations within energy-related O&M (operation and maintenance) services in a number of regions in Sweden and Norway. The segment also includes O&M services related to municipal water and sewage treatment.

Other

The classification "other" primarily relates to the holding companies' income and expenses and other transactions not directly attributable to the operating segments.

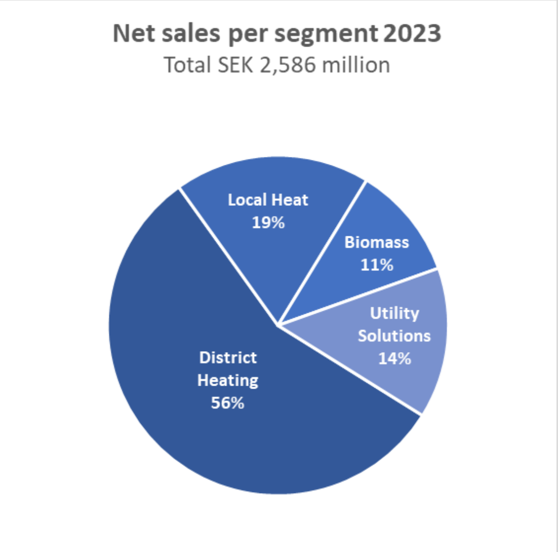
Management monitors the operating segments' net operating profit before depreciation and amortisation (EBITDA) and net operating profit (EBIT), and uses this information to assess performance and make decisions regarding allocation of resources.

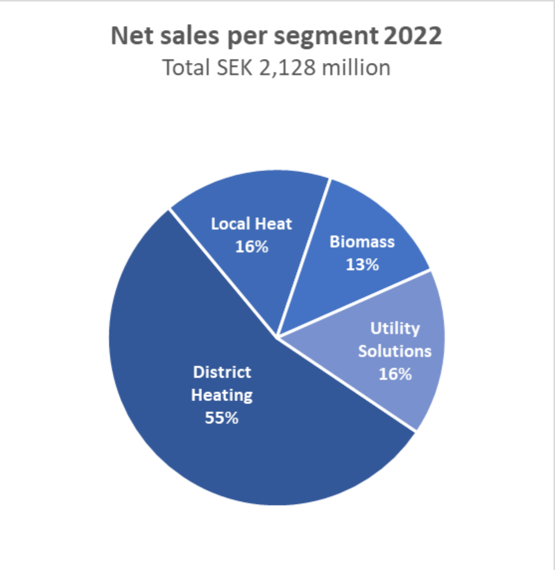
Segment reporting is prepared according to the same principles as the consolidated financial statements. Transactions and transfers between segments are based on market terms and prices, which correspond to the terms for external third parties. Transactions between segments are eliminated in the consolidated financial statements. The operating segments' net operating profit (EBIT) includes income and expenses from transactions with other segments in the Group.

The Group does not disclose information about assets and liabilities attributable to the various segments, as this is not part of the reporting to the chief operating decision-maker.

The District Heating, Local Heating and Biomass segments only have external revenues in all material respects. Internal deliveries of biomass are limited.

The District Heating segment accounted for 56 percent (55) of the Group's net sales, the Local Heating segment accounted for 19 percent (16), the Biomass segment accounted for 11 percent (13), and the Utility Solutions segment accounted for 14 percent (16).





The result from participations in joint ventures of SEK -43 million (-29) is attributable to the District Heating segment.

Information about the Group's operating segments is presented in the tables below:

Net sales per segment	**2023**	**2022**
District Heating		
External sales	1,454	1,160
Internal sales	7	5
	1,461	**1,165**
Local Heating		
External sales	481	345
Internal sales	8	2
	489	**347**
Biomass		
External sales	280	281
Internal sales	50	23
	330	**304**
Utility Solutions		
External sales	371	342
Internal sales	5	5
	376	**347**
Other/eliminations	**-70**	**-35**
Total net sales	**2,586**	**2,128**

Gross profit per segment	**2023**	**2022**
District Heating		
Net sales	1,461	1,165
Raw materials	-687	-452
Gross profit	**774**	**713**
Gross profit margin (%)	*53%*	*61%*
Local Heating		
Net sales	489	347
Raw materials and goods for resale	-222	-125
Gross profit	**267**	**222**
Gross profit margin (%)	*55%*	*64%*
Biomass		
Net sales	330	304
Raw materials and goods for resale	-155	-145
Gross profit	**175**	**159**
Gross profit margin (%)	*53%*	*52%*
Utility Solutions		
Net sales	376	347
Raw materials and goods for resale	-234	-202
Gross profit	**142**	**145**
Gross profit margin (%)	*38%*	*42%*

EBITDA per segment	**2023**	**2022**
District Heating	377	210
Local Heating	112	43
Biomass	69	49
Utility Solutions	35	21
Other/eliminations	-55	-26
Total EBITDA	**538**	**297**

Depreciation and write-downs per segment	2023	2022
District Heating	-261	-232
Local Heating	-88	-61
Biomass	-25	-26
Utility Solutions	-85	-41
Other/eliminations	-2	-1
Total depreciation and write-downs	**-461**	**-361**

EBIT per segment	2023	2022
District Heating	116	-22
Local Heating	24	-18
Biomass	44	23
Utility Solutions	-50	-20
Other/eliminations	-57	-27
Total EBIT	**77**	**-64**

Reconciliation of segment reporting to net profit/loss for the year	2023	2022
EBIT	77	-64
Net financial items	-1,212	-360
Tax for the year	187	-1
Net profit/loss for the year	**-948**	**-425**

Note 7: Other operating income

	2023	2022
Capital gains on disposal	3	2
Rental income	5	4
Insurance reimbursements	39	8
Sale of emission rights	25	17
Electricity subsidies	12	-
Sales of services to jointly controlled companies	26	6
Other	15	7
Total other operating income	**125**	**44**

Note 8: Fuel and material expenses

	2023	2022
Fuel expenses	-807	-534
Finished goods	-159	-134
Transportation costs	-62	-56
Material and subcontracting expenses attributable to O&M operations	-143	-114
Other expenses	-57	-51
Total fuel and material expenses	**-1,228**	**-889**

Note 9: Other external expenses

	2023	2022
Costs for hired staff	-68	-62
Leasing expenses (short-term leasing and minor value)	-29	-26
Repairs and maintenance	-144	-93
Consultancy fees	-45	-41
Energy expenses	-86	-86
IT expenses	-43	-31
Insurance expenses	-24	-19
Supervisory and environmental fees	-14	-10
Travel expenses	-5	-4
Acquisition-related expenses	-10	-207
Capital losses on disposal	-2	-4
Other	-87	-82
Total other external expenses	**-557**	**-665**

Other external expenses include fees to auditors as follows:

Fees to auditors - PwC	2023	2022
Audit assignment	-5	-5
Other audit services in addition to the audit assignment	0	0
Other services	0	0
Total	**-5**	**-5**

In addition to the above, PwC performed services for SEK 5 million (3) related to the Group's refinancing and the Group's change of accounting system. The invoiced fee is part of the direct financing expenses that are expensed as interest expense over the term of the loan according to the effective interest method, see Group Note 22.

Fees to auditors - other audit firms	2023	2022
Audit assignment	0	0
Tax advice	0	0
Total	**0**	**0**

Note 10: Employees and personnel expenses

The table below shows details of the average number of employees in the Group:

	2023		2022	
	Average numb of employee	of which women	erage numb of employee	of which women
Parent Company				
Sweden	5	1	4	0
Subsidiaries				
Sweden	232	36	209	28
Norway	56	5	53	3
Poland	41	4	42	4
Switzerland	3	0	2	0
Group total	**337**	**46**	**310**	**35**

Gender distribution in the parent company and the Group for Board members and the Managing Director:

	2023		2022	
	Number as of 31 Dec	of which women	Number as of 31 Dec	of which women
Board members	6	1	5	1
Managing Director	1	0	1	0
Group total	**7**	**1**	**6**	**1**

Salaries and other remuneration, pension expenses and social security contributions in total for the Group:

	2023	**2022**
Salaries and other remuneration	-239	-203
Pension expenses	-35	-32
Social security contributions	-62	-52
Other personnel expenses	-9	-5
Total	**-345**	**-292**

Salaries and other remuneration to Board members, senior executives and other employees:

	2023		2022	
	Salaries and other remuneration (of which bonus)	Social security contributions (of which pension expenses)	Salaries and other remuneration (of which bonus)	Social security contributions (of which pension expenses)
Parent Company				
Board of Directors and senior executives	3	2	13	5
	(-)	(1)	(10)	(1)
Other employees	6	5	14	5
	(0)	(2)	(10)	(1)
Parent Company total	**9**	**7**	**27**	**10**
Subsidiaries				
Board of Directors and senior executives	7	2	18	3
Other employees	223	88	158	71
Subsidiaries total	**230**	**90**	**176**	**74**
Group total	**239**	**97**	**203**	**84**

Principles for remuneration

No directors' fees are paid to Board members. Directors' fees totalling SEK 1 million were paid in the previous financial year.

The Group's Managing Director has a basic salary of SEK 3 million. There is no fixed bonus system, however, a discretionary bonus may be determined by the Board of Directors and usually runs over a three-year payment period.

Other senior executives employed within the Group have a remuneration level between SEK 1 - 3 million in basic salary, while the senior executives who work on a consultancy basis invoice their time on the basis of the agreement and the amount of time worked, see Group Note 11.

Other senior executives are included in the same discretionary bonus arrangements as the Managing Director and receive payment of any bonus decided upon over a three-year period, with the exception of other senior executives who work on a consultancy basis and who receive payment of their entire bonus in connection with the decision to pay such a bonus. A prerequisite for receiving payment is that the employees covered by the agreements must still be employed within the Group at the time of each payment.

In addition to the discretionary bonus arrangements, the Group has signed agreements on cash-settled share-based remuneration, in the form of synthetic shares, with the Managing Director, two other senior executives and a further two employees.

Remuneration is paid to those covered by the agreements upon a sale of shareholders' shareholdings in the parent company Solör Bioenergi Holding AB, based on the shareholders' circumstances at the time of signing the agreement, to external third parties and is based on price per share. Payment is made over a three-year period, with one-third paid in connection with a change of ownership, one-third paid 18 months after a change of ownership, and one-third paid 36 months after a change of ownership.

Remuneration is also paid in connection with the payment of dividends to the parent company's shareholders. Payment is made on a single occasion in connection with the payment of the dividend to the parent company's shareholders.

The agreements cover a total of 467,836 synthetic shares, of which 146,199 relate to the Managing Director, 204,678 relate to other senior executives and 116,959 relate to other employees. There is no set limit on the remuneration, although 100 percent remuneration is defined at a price of SEK 171 per share, which would mean a total cash-settled remuneration of SEK 80 million, of which SEK 25 million to the Managing Director, SEK 35 million to other senior executives and SEK 20 million to other employees. The amount of remuneration payable in connection with a change of ownership will thus ultimately be calculated based on the price per share multiplied by the number of synthetic shares issued.

Dividends paid to the parent company's shareholders have resulted in share-based remuneration totalling SEK 0 million (4.1) excluding social security contributions, of which SEK 0 million (1.1) to the Managing Director, SEK 0 million (1.6) to other senior executives, and SEK 0 million (1.4) to other employees.

Based on a change of ownership which occurred during the 2019 financial year and which resulted in share-based remuneration, payments were made during the 2023 financial year totalling SEK 0 million (4.5) excluding social security contributions, of which SEK 0 million (1.4) to the Managing Director, SEK 0 million (2.0) to other senior executives, and SEK 0 million (1.1) to other employees. As of the balance sheet date, the outstanding (unpaid) liability excluding social security contributions attributable to this transaction, amounts to SEK 0 million (0), of which SEK 0 million (0) to the Managing Director, SEK 0 million (0) to other senior executives, and SEK 0 million (0) to other employees.

During the 2023 financial year, the Board of Directors decided to pay a discretionary bonus to employees within the Group totalling SEK 11.5 million (39.0) excluding social security contributions, of which SEK 0 million (9.0) to the Managing Director, SEK 5.7 million (19.6) to other senior executives, and SEK 5.8 million (10.4) to other employees.

As of the balance sheet date, the outstanding (unpaid) bonus liability excluding social security contributions amounts to SEK 25.0 million (38.9), of which SEK 6.7 million (12.2) to the Managing Director, SEK 7.8 million (14.5) to other senior executives, and SEK 10.5 (12.2) to other employees.

Pensions

There are no defined benefit pension plans in the Group, neither for current employees nor former employees. All employees, including the Group's senior executives, have defined contribution pension plans.

Termination, notice period and severance pay

The notice period for all senior executives is between three and six months. No contractual severance pay has been determined, except for the Managing Director, who has a severance pay package equivalent to six months' salaries.

The table below shows details of remuneration to senior executives:

2023 *SEK thousands*	Directors' fees	Basic salary	Bonus	Benefits	Pension expenses	Total
Board of Directors						
Martinus Brandal (Chairman)	-	-	-	-	-	0
Ola Strøm (Vice Chairman)	-	-	-	-	-	0
Jonathan F. Finn	-	-	-	-	-	0
Erik A. Lynne	-	-	-	-	-	0
Karin Karlström	-					
Jonas Olsson	-	-	-	-	-	0
Managing Director						
Anders Pettersson	-	3,086	-	71	789	3,946
Other senior executives						
(3 persons)*	-	10,688	1,626	26	1,720	14,060
Total	**0**	**13,774**	**1,626**	**97**	**2,509**	**18,006**
of which Parent Company	-	*3,086*	-	*71*	*789*	*3,946*
of which subsidiaries	-	*10,688*	*1,626*	*26*	*1,720*	*14,060*

* A senior executive has invoiced his fee to one of the Group's subsidiaries. The total amount invoiced for the 2023 financial year amounts to SEK 5,329 thousand and is included in the amount reported in the column for basic salary in the above table. This expense is not included in personnel expenses in the income statement. Instead, it is included on other external expenses. Please also see Group Note 11.

2022 *SEK thousands*	Directors' fees	Basic salary	Bonus	Benefits	Pension expenses	Total
Board of Directors						
Martinus Brandal (Chairman)	-	-	-	-	-	0
Ola Strøm (Vice Chairman)	-	-	-	-	-	0
Jonathan F. Finn	-	-	-	-	-	0
Erik A. Lynne	-	-	-	-	-	0
Kerstin Levin	-	-	-	-	-	0
Managing Director						
Anders Pettersson	-	3,052	10,080	71	794	13,997
Other senior executives						
(3 persons)*	-	10,045	19,631	11	1,736	31,423
Total	**0**	**13,097**	**29,711**	**82**	**2,530**	**45,420**
of which Parent Company	-	*3,052*	*10,080*	*71*	*794*	*13,997*
of which subsidiaries	-	*10,045*	*19,631*	*11*	*1,736*	*31,423*

* A senior executive has invoiced his fee to one of the Group's subsidiaries. The total amount invoiced for the 2022 financial year amounts to SEK 11,543 thousand, of which SEK 5,177 thousand is included in the amount reported in the column for basic salary in the above table, and SEK 6,366 thousand is included in the amount reported in the column for bonus in the above table. This expense is not included in personnel expenses in the income statement. Instead, it is included on other external expenses. Please also see Group Note 11.

Note 11: Transactions with related parties

The Group has conducted various transactions with related parties. All transactions are conducted as part of the ordinary course of business and are based on market terms. No sureties have been provided by the Group on behalf of related parties.

Related party	Relationship
BE Bio Energy Group AG	Solör Bioenergi Holding AB's parent company which, as of the balance sheet date, directly or indirectly via its subsidiary Nordic Infrastructure AG, holds 60.00 percent (60.00) of the shares and votes in Solör Bioenergi Holding AB.
Nordic Infrastructure AG	Wholly owned subsidiary of BE Bio Energy Group AG.
Polhem Infra KB	As of the balance sheet date, Polhem Infra KB holds 40.00 percent (40.00) of the shares and votes in Solör Bioenergi Holding AB.
Contactit AG	The group company Solör Bioenergi AG has a consultancy agreement with Contactit AG regarding technical services. Contactit AG is owned by one of the Group's senior executives.
Nordic Infrastructure Consulting LLC	The group company Solör Bioenergi AG has a consultancy agreement with Nordic Infrastructure Consulting LLC regarding acquisition-related services. Nordic Infrastructure Consulting LLC is owned by a related person to one of the Group's senior executives.

2023 Related party	Total amount / invoiced	Of which with direct effect in the form of expense in the income statement	Liability as of the balance sheet date *
BE Bio Energy Group AG	-14	-14	0
Nordic Infrastructure AG	-	-	-306
Polhem Infra KB	-1	-1	-204
Contactit AG	-5	-5	-
Nordic Infrastructure Consulting LLC	0	0	-
	-20	**-20**	**-510**

2022 Related party	Total amount / invoiced	Of which with direct effect in the form of expense in the income statement	Liability as of the balance sheet date *
BE Bio Energy Group AG	-70	-70	-17
Nordic Infrastructure AG	-	-	-6
Polhem Infra KB	-38	-38	-17
Contactit AG	-12	-12	-
Nordic Infrastructure Consulting LLC	-2	-2	-
	-122	**-122**	**-40**

* Of the liability as of balance sheet date, SEK 510 million (10) relates to resolved but unpaid dividends.

Note 12: Financial items

	2023	2022
Financial income		
Interest income	14	13
Exchange differences - gains	2	2
Changes in value of derivatives	-	288
Other financial income	0	3
Total financial income	**16**	**306**
Financial expenses		
Interest expenses	-1,081	-651
Exchange differences - losses	-2	-8
Changes in value of derivatives	-141	-
Other financial expenses	-4	-7
Total financial expenses	**-1,228**	**-666**
Net financial items	**-1,212**	**-360**

Interest expenses	2023	2022
Interest expenses SFA	-315	-138
Interest expenses JFA	-683	-438
Interest expenses leasing	-4	-6
Other interest expenses	0	0
Financing expenses expensed according to the effective interest method	-79	-69
Total interest expenses	**-1,081**	**-651**

Interest received amounts to SEK 14 million (10), while interest paid amounts to SEK -948 million (-408).

Note 13: Tax

Specification of significant components included in tax expense/income for the year:

	2023	2022
Current tax		
Tax expense for the period	-2	-2
Tax adjustments relating to previous periods	-1	-1
Total current tax	**-3**	**-3**
Deferred tax		
Changes in temporary differences	185	3
Changes in tax loss carryforwards	5	-1
Total deferred tax	**190**	**2**
Total tax	**187**	**-1**

No tax income or tax expense has been recognised in other comprehensive income or directly in equity.

Reconciliation of effective tax for the year:

	2023	2022
Net profit/loss before tax	**-1,134**	**-424**
Tax based on the Parent Company's tax rate 20.6%	234	87
Effect of foreign tax rates	4	0
Non-deductible expenses (permanent differences)	-168	-140
Non-taxable income (permanent differences)	48	49
Effect of unrecognised tax value in the year's tax loss carryforwards	-25	-79
Effect of utilised unrecognised tax value in previous years' tax loss carryforwards	95	54
Adjustments for previous years/other	-1	28
Total tax	**187**	**-1**

Specification of net deferred tax liability:

	2023	2022
Tangible fixed assets (including excess depreciation)	-817	-974
Intangible fixed assets	-134	-93
Other temporary differences	-9	-19
Recognised tax loss carryforwards	79	72
Net deferred tax liability	**-881**	**-1,014**
of which deferred tax asset	*23*	*28*
of which deferred tax liability	*-904*	*-1,042*

Changes in net deferred tax liability for the period:

	2023	2022
Opening balance 1 January	-1,014	-722
Effect of acquired subsidiaries	-67	-289
Deferred tax for the period recognised in profit/loss	190	2
Currency translation effects	10	-5
Closing balance 31 December	**-881**	**-1,014**
of which deferred tax asset	*23*	*28*
of which deferred tax liability	*-904*	*-1,042*

2023	Opening balance	Deferred tax for the year via profit/loss	Effect of acquired subsidiaries	Exchange differences	Closing balance
Tangible fixed assets (including excess depreciation)	-974	189	-45	13	-817
Intangible fixed assets	-93	-47	0	6	-134
Other temporary differences	-19	43	-30	-3	-9
Recognised tax loss carryforwards	72	5	8	-6	79
Net deferred tax liability	**-1,014**	**190**	**-67**	**10**	**-881**

2022	Opening balance	Deferred tax for the year via profit/loss	Effect of acquired subsidiaries	Exchange differences	Closing balance
Tangible fixed assets (including excess depreciation)	-660	16	-323	-7	-974
Intangible fixed assets	-91	5	-6	-1	-93
Other temporary differences	20	-57	15	3	-19
Recognised tax loss carryforwards	9	38	24	1	72
Net deferred tax liability	**-722**	**2**	**-290**	**-4**	**-1,014**

Due to remaining uncertainty regarding the Group's ability to utilise tax loss carryforwards in the foreseeable future, deferred tax assets related to tax loss carryforwards equivalent to SEK 678 million (616) have not been recognised in the consolidated balance sheet. Unrecognised tax loss carryforwards are attributable to the Swedish operations equivalent to SEK 0 million (389) and the Norwegian operations equivalent to SEK 678 million (227), resulting in an unrecognised deferred tax effect of SEK 0 million (80) and SEK 149 million (50) respectively. There is no time limitation on utilising tax loss carryforwards in Sweden and Norway against future taxable profits. The tax rate in Sweden is 20.6 percent, while the tax rate in Norway is 22.0 percent.

Note 14: Intangible fixed assets

Goodwill

Goodwill in the Group amounts to SEK 1,742 million (1,765) at the end of the financial year.

Goodwill	2023	2022
Opening balance 1 January	1,765	652
Business combinations	36	1,121
Sales/disposals	-	-27
Exchange differences	-59	19
Carrying amount	**1,742**	**1,765**

Goodwill is not amortised but is tested annually for impairment. Goodwill is attributable to the following cash-generating units (CGU):

Goodwill	2023	2022
CGU Charlottenberg	10	10
CGU Svenljunga	24	24
CGU Falköping	296	296
CGU Utility Solutions Sweden	161	161
CGU Utility Solutions Norway	131	144
CGU Ale	176	176
CGU Norsk Bioenergi	497	536
CGU Gran	53	57
CGU Agrovärme	361	361
CGU Oplandske	33	-
Carrying amount	**1,742**	**1,765**

Goodwill per country	2023	2022
Sweden	1,029	1,018
Norway	713	747
Total goodwill	**1,742**	**1,765**

In accordance with IAS 36, the consolidated goodwill is tested annually for impairment. The impairment test is performed as of 31 December. When performing the impairment test, the recoverable amount is determined based on an assessment of the value in use. The value in use is calculated by discounting expected future cash flows after tax, discounted by an interest rate reflecting maturity and risk. Cash flow forecasts are based on a budget that has been approved by management and cover a period of 5 years. The detailed budget is extrapolated over the useful life of this type of long-term asset. The most important assumptions on which cash flow forecasts are based are sales volumes and prices, which are based on experience and historical figures combined with assumptions based on external sources of information such as expectations of price development in the market.

After the forecast period, the growth rate in net cash flows has been estimated at 2.5

percent (2.5), which reflects the market according to the Group's experience.

The interest rate used to discount cash flows in Sweden is 7.1 percent (7.0) after tax, which equates to an interest rate of 8.0 percent before tax (8.2) for CGU Charlottenberg, 8.1 percent before tax (8.2) for CGU Svenljunga, 7.9 percent before tax (8.0) for CGU Falköping, 8.3 percent before tax (8.2) for CGU Utility Solutions Sweden, 7.9 percent before tax for CGU Agrovärme, and 7.7 percent before tax for CGU Ale.

The interest rate used to discount cash flows in Norway is 7.5 percent (7.0) after tax, which equates to an interest rate of 9.1 percent before tax (8.3) for CGU Utility Solutions Norway, 8.3 percent before tax for CGU Norsk Bioenergi, 8.3 percent before tax for CGU Gran, and 8.0 percent before tax for CGU Oplandske.

All cash-generating units acquired prior to the start of the financial year have been tested for sensitivity. For CGU Charlottenberg the headroom is SEK 58 million (64). For CGU Svenljunga the headroom is SEK 329 million (288). For CGU Falköping the headroom is SEK 795 million (297). For CGU Utility Solutions Sweden the headroom is SEK 255 million (407), while for CGU Utility Solutions Norway the headroom is SEK 152 million (188). For CGU Ale the headroom is SEK 459 million, for CGU Norsk Bioenergi the headroom is SEK 201 million, for CGU Gran the headroom is SEK 3 million, for CGU Agrovärme the headroom is SEK 933 million, and for CGU Oplandske the headroom is SEK 66 million.

A change in the pre-tax interest rate of +1 percentage points would not cause impairment for any of the cash-generating units. Impairment would be necessary in the event of a pre-tax interest rate of 16.7 percentage points (19.9) for CGU Charlottenberg, 38.1 percentage points (35.5) for CGU Svenljunga, 13.0 percentage points (10.3) for CGU Falköping, 13.1 percentage points (14.6) for CGU Utility Solutions Sweden, 13.9 percentage points (12.8) for CGU Utility Solutions Norway, 11.6 percentage points for CGU Ale, 9.2 percentage points for CGU Norsk Bioenergi, 8.5 percentage points for CGU Gran, 13.0 percentage points for CGU Agrovärme, and 10.6 percentage points for CGU Oplandske.

The sensitivity analysis includes goodwill, intangible fixed assets and tangible fixed assets. Any impairment in excess of the carrying amount of goodwill will also entail impairment of intangible and tangible fixed assets.

Other intangible fixed assets

Other intangible fixed assets consist of customer contracts and customer relationships that have arisen in connection with business combinations.

	2023	2022
Accumulated acquisition cost		
Opening balance 1 January	1047	753
Business combinations	–	281
Other acquisitions	14	0
Sales/disposals	0	0
Exchange differences	-30	13
Closing balance 31 December	**1,031**	**1,047**
Accumulated depreciation		
Opening balance 1 January	-265	-224
Depreciation	-45	-39
Sales/disposals	0	0
Exchange differences	4	-2
Closing balance 31 December	**-306**	**-265**
Carrying amount	**725**	**782**

The useful life of intangible fixed assets is between 5 and 20 years. Amortisation is carried out on a straight-line basis.

Specification of intangible fixed assets	**2023**	**2022**
Customer contracts/customer relationships	701	768
Licenses	0	0
Software	0	0
Other	24	14
Carrying amount	**725**	**782**

Other intangible assets per country	**2023**	**2022**
Sweden	481	522
Norway	222	252
Poland	22	8
Total other intangible assets	**725**	**782**

Note 15: Tangible fixed assets

	Land and buildings		Power plants, machinery and technical equipment		Other equipment		Construction in progress	
	2023	2022	2023	2022	2023	2022	2023	2022
Accumulated acquisition cost								
Opening balance 1 January	1,833	1,537	8,454	6,456	75	65	389	222
Acquisitions	44	28	170	152	13	2	418	241
Business combinations	7	157	264	1,556	0	6	3	23
Sales/disposals	-11	0	-17	-16	-2	-1	0	0
Reclassifications	128	103	349	273	-4	3	-353	-97
Exchange differences	-29	8	-113	33	-1	0	-12	0
Closing balance 31 December	**1,972**	**1,833**	**9,107**	**8,454**	**81**	**75**	**445**	**389**
Accumulated depreciation								
Opening balance 1 January	-491	-351	-2,059	-1,566	-44	-35	-	-
Depreciation	-57	-51	-305	-263	-7	-6	-	-
Sales/disposals	10	0	9	4	2	1	-	-
Reclassifications	-2	-83	-120	-195	2	-4	-	-
Exchange differences	12	-6	30	-39	0	0	-	-
Closing balance 31 December	**-528**	**-491**	**-2,445**	**-2,059**	**-47**	**-44**	**-**	**-**
Accumulated write-downs								
Opening balance 1 January	0	-6	-101	-97	0	0	-	-
Write-downs/reversal of write-downs	-	-	-46	-2	-1	-	-	-
Sales/disposals	-	-	6	6	-	-	-	-
Reclassifications	-	6	0	-6	-	-	-	-
Exchange differences	-	-	6	-2	0	0	-	-
Closing balance 31 December	**0**	**0**	**-135**	**-101**	**-1**	**0**	**-**	**-**
Carrying amount	**1,444**	**1,342**	**6,527**	**6,294**	**33**	**31**	**445**	**389**

Construction in progress relates to ongoing projects in the Group. The Group's project expenditures are capitalised or expensed depending on the degree of probability related to future economic benefits. The expenditures include externally purchased services as well as internal direct and indirect salary expenses and salary-related overheads.

At the end of the financial year, the carrying amount of right-of-use assets according to lease agreements, which are recognised in tangible fixed assets, amounts to SEK 94 million (95), of which SEK 53 million (50) is recognised in the item "Land and buildings", SEK 40 million (43) in the item "Power plants, machinery and technical equipment", and SEK 1 million (2) in the item "Other equipment". The carrying amount recognised in the item "Land and buildings" relates to right-of-use agreements for land and premises, normally within the Group's biomass operations, while the carrying amount recognised in the item "Power plants, machinery and technical equipment" relates, in all material respects, to the leasing of machinery within the Group's biomass operations as well as lease agreements in the Utility Solutions operations.

Otherwise, the Group has not undertaken any commitments for new investments in tangible fixed assets.

Tangible fixed assets per country	2023	2022
Sweden	6,056	5,877
Norway	2,176	2,039
Poland	217	140
Total tangible fixed assets	**8,449**	**8,056**

Note 16: Inventories

	2023	2022
Raw materials and fuel	191	147
Finished goods	48	28
	239	**175**

No impairment of inventories has been recognised during the financial year. Costs for raw materials and the cost of goods sold are presented in Group Note 8.

Note 17: Accounts receivable

Accounts receivable are non-interest-bearing and generally have an average credit period of 30 days. As of the balance sheet date, the Group had accounts receivable as shown in the table below, which also shows the age analysis of accounts receivable and the reserve for anticipated bad debt losses:

	2023		2022	
	Gross amount (total of invoice amount)	Reserve for anticipated bad debt losses	Gross amount (total of invoice amount)	Reserve for anticipated bad debt losses
Accounts receivable, not overdue as of 31 Dec	351	-	288	-
Accounts receivable, overdue as of 31 December				
< 30 days	72	-	52	-
30-60 days	5	-	1	-
60-90 days	3	-	0	-
> 90 days	12	-1	3	-1
	443	-1	344	-1
Accounts receivable, gross amount	443		344	
Reserve for anticipated bad debt losses	-1		-1	
Accounts receivable, carrying amount	**442**		**343**	

The changes in the reserve for anticipated bad debt losses are as follows:

	2023	2022
Opening balance 1 January	-1	0
Reserve for the year	-1	-1
Confirmed losses	0	0
Reversal of reserve	1	0
Exchange differences	0	0
Closing balance 31 December	**-1**	**-1**

The Group applies the simplified method for calculating expected credit losses. This method means that expected losses during the entire term of the receivable are used as a starting point for accounts receivable.

In order to calculate expected credit losses, accounts receivable have been grouped on the basis of credit risk characteristics and the number of days overdue.

Note 18: Other receivables

	2023	2022
VAT receivable	21	18
Tax account balance	4	4
Other	51	34
	76	**56**

Note 19: Accrued income

	2023	2022
Accrued revenue from energy sales	179	158
Accrued revenue from other sales	47	38
Other	1	2
	227	**198**

Note 20: Cash and cash equivalents

In the balance sheet and the statement of cash flows, cash and cash equivalents consist of the following components as of 31 December:

	2023	2022
Cash and bank account balances	128	644
Total cash and cash equivalents	**128**	**644**

Note 21: Share capital, information regarding shareholders and dividends

	2023	2022
No. of ordinary shares, quota value SEK 10.85	37,044,856	37,044,856

All shares have the same right to the company's remaining net assets. Holders of ordinary shares are entitled to dividends, and the shareholding entitles the shareholder to vote at the Annual General Meeting with one vote per share. All shares are fully paid, and no shares are reserved for transfer. No shares are held by the company itself or its subsidiaries.

The table below shows details of changes in the Group's share capital and other contributed capital:

	2023			2022		
SEK thousands	Share capital	Other contributed capital	Total	Share capital	Other contributed capital	Total
Ordinary shares issued and paid at the beginning of the year	402,007	1,522,246	1,924,253	402,007	1,522,246	1,924,253
Ordinary shares issued and paid at the end of the year	**402,007**	**1,522,246**	**1,924,253**	**402,007**	**1,522,246**	**1,924,253**

During the 2023 financial year, it was resolved at an extraordinary meeting of shareholders in December to pay dividends of SEK 500 million to the parent company's shareholders. The dividend payment has not yet been made.

During the 2022 financial year, it was resolved at an extraordinary meeting of shareholders in June to pay dividends of SEK 65 million to the parent company's shareholders. In July, payments totalling SEK 240 million were made to the company's shareholders regarding dividends resolved during the previous financial year as well as parts of the dividends resolved during the current year.

The following table presents shareholder information:

	31 Dec 2023		31 Dec 2022	
Shareholder	No. of shares	Share of ownership	No. of shares	Share of ownership
Nordic Infrastructure AG*	22,197,454	59.92%	22,197,454	59.92%
Polhem Infra KB	14,817,937	40.00%	14,817,937	40.00%
BE Bio Energy Group AG	29,465	0.08%	29,465	0.08%
Total	**37,044,856**	**100.00%**	**37,044,856**	**100.00%**

*The company is wholly owned by BE Bio Energy Group AG

Solör Bioenergi Holding AB is a subsidiary of BE Bio Energy Group AG, with registered office in Switzerland. The parent company's address is: Zollikerstrasse 226, 8008 Zurich, Switzerland. As of the balance sheet date, BE Bio Energy Group AG's direct and indirect shareholdings in Solör Bioenergi Holding AB amount to 22,226,919 shares, which equates to 60 percent.

Note 22: Financial instruments and risk management

The main purpose of the Group's management of capital is to ensure that the Group has good creditworthiness and thus reasonable loan terms that are relevant in relation to the operations conducted. By complying with all financial covenants, the Group aims to conduct sustainable operations and thus maximise shareholder value.

The current financing structure from December 2021 consists of a syndicate of 8 Nordic and international banks. The Group's financing is divided into a senior financing (SFA – Senior Facilities Agreement) and a junior financing (JFA – Junior Facilities Agreement). The nominal amount of the SFA term loan is SEK 6,485 million, while the nominal amount of the JFA term loan is SEK 5,350 million. Both loans have a term of 5 years.

Within the framework for SFA and JFA, the Group also has CAPEX facilities with a limit of SEK 3,265 million (2,515) and SEK 1,200 million (1,200) respectively. Furthermore, SFA includes an overdraft facility (RCF – Revolving Credit Facility) with a limit of SEK 300 million.

During the financial year, the limit for the CAPEX facility within the framework for SFA was increased by SEK 750 million. The total limit for the two CAPEX facilities within the framework for SFA was thus increased from SEK 2,515 million to SEK 3,265 million.

SFA that has been signed by the group company Solör Bioenergi Management AB. As of the balance sheet date, the non-utilised part of the CAPEX facility amounts to SEK 310 million (248). As of the balance sheet date, the non-utilised part of the revolving credit facility amounts to SEK 0 million (150).

SFA (the loan and the utilised parts of the CAPEX facility and revolving credit facility) is subject to a variable interest rate corresponding to 3-month STIBOR, which is fixed quarterly, plus a credit margin. 3-month STIBOR amounts to 4.0360 percent (2.6640) as of the balance sheet date. Negative 3-month STIBOR is not taken into account and is calculated as zero (0).

As of the balance sheet date, the credit margin for the loan of SEK 6,485 million, the original CAPEX facility with a limit of SEK 1,965 million and the revolving credit facility with a limit of SEK 300 million amounts to 1.80 percent (1.35). The credit margin is adjusted upwards annually in mid-December as follows:

Year 1	1.00%
Year 2	1.35%
Year 3	1.80%
Year 4	2.25%
Year 5	2.75%

As of the balance sheet date, the credit margin for the additional limit of SEK 550 million acquired during the 2022 financial year with regard to the CAPEX facility amounts to 2.75 percent (2.75). The credit margin is adjusted upwards annually in mid-December as follows:

Year 1	2.75%
Year 2	2.75%
Year 3	2.75%
Year 4	2.95%
Year 5	3.45%

As of the balance sheet date, the credit margin for the additional limit of SEK 750 million acquired during the 2023 financial year with regard to the CAPEX facility amounts to 2.25 percent (-).

The non-utilised part of the credit facilities (the CAPEX facility and revolving credit facility) is subject to a credit facility fee, which is recognised in other financial expenses, corresponding to 35 percent of the credit margin, which equates to 0.7875 percent (0.4725) as of the balance sheet date.

Interest and credit facility fees are paid quarterly on the last banking day in March, June, September and December.

In order to reduce the Group's risk exposure to fluctuations in market interest rates regarding 3-month STIBOR, the Group has entered into derivative agreements (interest rate swaps) that exchange variable interest according to 3-month STIBOR for a fixed interest rate of 0.4775 percent on part of the senior loan up to SEK 4,864 million.

During the 2022 financial year, in connection with utilisation of the CAPEX facility, new derivative agreements (interest rate swaps) were entered into that exchange variable interest according to 3-month STIBOR for a fixed interest rate of 3.1840 percent on a nominal amount of SEK 1,886 million.

During the 2023 financial year, additional derivative agreements (interest rate swaps) were entered into that exchange variable interest according to 3-month STIBOR for a fixed interest rate of 4.0900 percent on a nominal amount of SEK 562 million.

The term of all derivative agreements is until the end of December 2024. The derivative agreements are recognised at fair value via the income statement, and the intention is for the holding to be held until maturity.

As of the balance sheet date, the fair value of the derivatives amounts to SEK 147 million (288). Changes in the value of the derivatives are recognised in net financial items. The Solör Bioenergi Group does not apply hedge accounting.

Direct financing expenses attributable to SFA in connection with the refinancing and the increase in the CAPEX facility are expensed over the term of the loan as interest expense in accordance with the effective interest method.

JFA that has been signed by the group company Solör Bioenergi Holding 2 AB. As of the balance sheet date, the non-utilised part of the CAPEX facility amounts to SEK 0 million (0).

JFA is subject to a variable interest rate corresponding to 3-month STIBOR, which is fixed on a semi-annual basis, plus a credit margin. As of the balance sheet date, 3-month STIBOR amounts to 3.606 percent (1.7920) for the term loan, 3.606 percent (1.8750) for the original CAPEX facility, and 3.606 percent (2.2163) for the new/increased CAPEX facility. Negative 3-month STIBOR is not taken into account and is calculated as zero (0).

The credit margin as of the balance sheet date amounts to 6.75 percent (6.75). The credit margin is adjusted upwards annually in mid-December as follows:

Year 1	6.75%
Year 2	6.75%
Year 3	7.00%
Year 4	7.25%
Year 5	7.50%

The non-utilised part of the CAPEX facilities is subject to a credit facility fee of 2 percent.

Interest and credit facility fees are paid semi-annually on the last banking day in February and August.

Direct financing expenses attributable to JFA in connection with the refinancing and the increase in the CAPEX facility are expensed over the term of the loan as interest expense in accordance with the effective interest method.

The Group's borrowing through SFA and JFA is subject to financial credit terms (covenants) that are measured on a semi-annual basis as of 30 June and 31 December respectively. The financial covenants related to SFA and JFA are interest coverage ratio and debt ratio. During 2023, and as of the balance sheet date, all financial covenants have been met and there are no indications that these will not also be able to be met in the future.

Within the Swedish part of the district heating operations, there are a number of interest-bearing instalment contracts regarding acquired wheel loaders. The total liability as of the balance sheet date amounts to SEK 13 million (9), of which the current part amounts to SEK 3 million (2). In addition, a new loan was taken out in Ekerö Solör Bioenergi, whose total liability as of the balance sheet date amounts to SEK 57 million (-). Within the framework for the Norwegian local heating operations, there is an interest-bearing liability as of the balance sheet date of approximately SEK 2 million (-).

In addition, the Group has a number of lease agreements, please see Group Note 23.

The Solör Bioenergi Group has an interest-bearing receivable in relation to a joint venture (this relates to the jointly owned company Solör Bioenergi Strängnäs AB). The original amount of the loan was SEK 259 million, with an interest rate of 4 percent. The loan is amortised on a quarterly basis over a 15-year period, at which time the interest is also due for payment. As of the balance sheet date, the receivable amounted to SEK 238 million (245).

The fair value of the Group's financial instruments correspond in all material respects to the carrying amount in the balance sheet. The carrying amount is deemed to be a reasonable approximation of the fair value.

The assessment of the fair value of financial assets and liabilities has been carried out in accordance with hierarchy level 2 as defined by IFRS 13. The Group uses the market approach and the income approach. When applying the market approach, prices and other relevant information from comparable market transactions are used. This valuation technique means that market multiples are calculated based on quantitative and qualitative assessments in the individual cases. When applying the income approach, the present value of future cash flows is calculated. Apart from an estimate of future cash flows, important input data when applying this valuation technique also include the discount rate reflecting the time value of money, i.e. the risk-free interest rate, and the uncertainty in the cash flows, i.e. the risk premium.

The tables below show the Group's interest-bearing liabilities that are outstanding at the end of the financial year, as well as the change in the liabilities between the years and the effect on the Group's cash flow from financing activities:

	Carrying amount 2023	Carrying amount 2022
SFA nominal loan	6,485	6,485
Remaining non-expensed financing expenses	-195	-235
Utilised CAPEX facility SFA	2,955	2,267
Utilised revolving credit facility SFA	300	150
JFA nominal loan	5,350	5,350
Remaining non-expensed financing expenses	-66	-85
Utilised CAPEX facility JFA	1,200	1,200
Other liabilities to credit institutions	70	9
Lease liabilities	96	96
Other long-term liabilities	2	-
	16,197	**15,237**

	1 January 2023	Cash flows (new loans + / amortisation of loans -)	Non-cash changes Business combinations	Exchange differences	Other	31 December 2023
SFA	**8,667**	818	-	-	60	**9,545**
JFA	**6,465**	0	-	-	19	**6,484**
Other liabilities to credit institutio	**9**	-57	121	-3	0	**70**
Lease liabilities	**96**	-17	0	-1	18	**96**
	15,237	**744**	**121**	**-4**	**97**	**16,195**

	1 January 2022	Cash flows (new loans + / amortisation of loans -)	Non-cash changes Business combinations	Exchange differences	Other	31 December 2022
SFA	**6,255**	2,358	-	-	54	**8,667**
JFA	**5,264**	1,186	-	-	15	**6,465**
Other liabilities to credit institutio	**22**	-644	631	0	-	**9**
Lease liabilities	**103**	-16	-	0	9	**96**
	11,644	**2,884**	**631**	**0**	**78**	**15,237**

The main financial risks to which the Group is exposed are market risk (interest rate risk and currency risk), liquidity risk and, to a limited extent, credit risk. Group management continuously assesses these risks and establishes guidelines for how they should be managed.

(i) Market risk

Market risk is the risk that fluctuations in market rates, such as interest rates and exchange rates, will impact the Group's profits and financial position.

Interest rate risk

Interest rate risk is attributable to fluctuations in market interest rates and their impact on the Group's loan portfolio. The Group's interest-bearing loans are mainly subject to variable interest rates.

In order to reduce the Group's interest rate exposure to future interest rate increases (3-month STIBOR) on the Group's senior financing, Solör Bioenergi Management AB has entered into interest rate swap agreements for parts of the senior debt.

A change in the interest rate of +/- 1 percentage point would affect net financial items by approximately +/- SEK 90 million. The sensitivity analysis has been calculated on the basis of interest-bearing loans subject to variable interest rates at the end of the financial year, including the effect of financial derivative instruments.

Currency risk

Currency risk is related to changes in the Swedish krona (SEK) against other currencies. After the refinancing, the Group's entire borrowing is in Swedish kronor (SEK), and consequently there is no currency risk related to the Group's borrowing. On the other hand, there is a risk exposure attributable to the Group's foreign operations with a functional currency other than the Group's presentation currency. The exchange rate risk is related to the translation of the results and equity of the foreign operations, as the translation is affected by the exchange rate used in translating the results and net assets in the foreign subsidiaries.

(ii) Liquidity risk

Liquidity risk is the risk that the Group cannot meet its financial obligations as they fall due. The Group's strategy for managing liquidity risk is to have sufficient funds at any time to meet its financial obligations on time under both normal and exceptional circumstances, without risking unacceptable losses or at the expense of the Group's reputation.

Liquidity risk also includes refinancing risk, which is linked to the Group's borrowing and the risk that the Group will not be able to meet the specified credit terms (financial covenants) at each measurement date.

The tables below show an overview of the maturity structure of the Group's financial liabilities based on non-discounted contractual payments:

2023	Within 6 months	6-12 months	2-5 years	More than 5 years	Total
SFA	192	494	10,594	-	11,280
JFA	364	373	8,301	-	9,038
Other liabilities to credit institutions	5	7	67	1	80
Lease liabilities	13	12	66	29	120
Liabilities to related parties	510	-	-	-	510
Accounts payable	363	5	-	-	368
Accrued expenses	379	16	-	-	395
Total	**1,826**	**907**	**19,028**	**30**	**21,791**

2022	Within 6 months	6-12 months	2-5 years	More than 5 years	Total
SFA	132	284	9,981	-	10,397
JFA	101	316	8,718	-	9,135
Other liabilities to credit institutions	2	2	9	2	15
Lease liabilities	11	11	69	27	118
Liabilities to related parties	30	10	-	-	40
Accounts payable	233	-	-	-	233
Accrued expenses	305	0	-	-	305
Total	**814**	**623**	**18,777**	**29**	**20,243**

(iii) Credit risk

The Group is exposed to credit risk related to accounts receivable from sales in the ordinary course of business. There is no significant concentration of credit risk due to the diversified customer base. The Group has guidelines to ensure that sales are not made to customers who have had payment problems and that outstanding amounts do not exceed established credit limits. Maximum risk exposure is represented by the carrying amount of the financial assets in the balance sheet. Please see Group Note 18 for more information regarding accounts receivable.

Note 23: Leasing

Lease liabilities	Note	2023	2022
Opening balance		96	103
New lease agreements		18	9
Amortisation		-17	-16
Exchange differences		-1	0
Closing balance	22	**96**	**96**
of which non-current part		*77*	*79*
of which current part		*19*	*17*

Interest expenses on lease liabilities	Note	2023	2022
	12	-4	-6

Rights of use	Note	2023	2022
Land and buildings		53	50
Power plants, machinery and other technical equipment		40	43
Other equipment		1	2
Carrying amount	15	**94**	**95**

Depreciation on rights of use	Note	2023	2022
Land and buildings		-6	-8
Power plants, machinery and other technical equipment		-10	-10
Other equipment		-1	0
Total		**-17**	**-18**

Lease expenses	Note	2023	2022
Current lease agreements		-29	-26
Leasing of assets with low value		0	0
Total	9	**-29**	**-26**

For information regarding cash outflows and maturity analysis related to lease agreements, please see Group Note 22.

Note 24: Other liabilities

	2023	2022
VAT liability	21	18
Liabilities regarding other taxes and charges	14	15
Liabilities to personnel	90	94
Other	22	5
	147	**132**

Note 25: Accrued expenses

	2023	2022
Accrued interest expenses	247	190
Other accrued expenses	131	115
	378	**305**

Note 26: Pledged assets and contingent liabilities

	2023	2022
Pledged assets		
Property mortgages	889	889
Company mortgages	350	351
Tangible fixed assets	94	95
Financial fixed assets	236	245
Cash and cash equivalents	2	301
	1,571	**1,881**

In addition to the above, the Group has pledged shares in group companies and intra-group receivables in connection with the refinancing. Shares are pledged for SFA and JFA as follows:

Pledging group company	Pledged shares in	Carrying amount
Solör Bioenergi Holding AB	Solör Bioenergi Holding 2 AB	6,763
Solör Bioenergi Holding 2 AB	Solör Bioenergi Holding 3 AB	4,287
Solör Bioenergi Holding 3 AB	Solör Bioenergi Management AB	4,287
Solör Bioenergi Management AB	Solör Bioenergi Fjärrvärme AB	5,336
	Solör Bioenergi Recycling AB	328
	Solør Bioenergi Holding AS	566
	Solör Bioenergi Pellets AB	69
	Solör Bioenergi Utility Solutions AB	100
Solör Bioenergi Fjärrvärme AB	Solör Bioenergi Syd AB	630
	Solör Bioenergi Öst AB	389
	Solör Bioenergi Falköping AB	1,061
	Solør Bioenergi Varme AS	395
	Solör Bioenergi Strängnäs AB	1,002
	Solör Bioenergi Agrovärme AB	804
	Solör Bioenergi Ale AB	504
Solør Bioenergi Holding AS	Solør Bioenergi AS	828
Solör Bioenergi Utility Solutions AB	Solør Bioenergi Utility Solutions AS	266
Solør Bioenergi Varme AS	Solör Bioenergi Värme AB	0

	2023	2022
Contingent liabilities		
Guarantee commitments	-	-
Other	-	14
	0	**14**

Note 27: Significant events after the end of the financial year

Refinancing

The Group completed its refinancing project at the end of February 2024. All liabilities plus accrued interest connected to the Group's old financing attributable to SFA – Senior Facilities Agreement and JFA – Junior Facilities Agreement were terminated and settled in full. In connection with this, the ongoing derivative agreements (interest rate swaps) were also terminated. In conjunction with the refinancing, a group-wide restructuring related to the group structure was carried out. After this restructuring, the parent company Solör Bioenergi Holding AB continues to own 100% of the shares and voting rights in Solör Bioenergi Holding 2 AB (former Solör Bioenergi Lion 1 AB), which in turn owns 100% of the shares and voting rights in Solör Bioenergi Holding 3 AB (former Solör Bioenergi Lion 2 AB). Solör Bioenergi Holding 3 AB owns 100% of the shares and voting rights in Solör Bioenergi Solör Bioenergi Holding 4 AB (former Solör Bioenergi Lion 3 AB,) while Solör Bioenergi Solör Bioenergi Holding 4 AB owns 100% of the shares and voting rights in Solör Bioenergi Solör Bioenergi Solör Bioenergi Holding 5 AB (former Lion 4 AB). Solör Bioenergi Holding 5 AB owns 100% of the shares and voting rights in Solör Bioenergi Holding 6 AB (former Solör Bioenergi Lion 5 AB), which in turn owns 100% of the shares and voting rights in Solör Bioenergi Management AB. Solör Bioenergi Management AB in turn holds, directly or indirectly, the shareholdings in the Group's operating companies and jointly controlled companies.

The new financing is divided into three levels: a Senior financing taken out by the group company Solör Bioenergi Management AB; a MidCo financing taken out by the group company Solör Bioenergi Holding 5 AB; and a Junior financing taken out by the group company Solör Bioenergi Holding 3 AB.

The Senior financing is divided into a bank loan (term loan) of SEK 3,274 million, as well as promissory notes (private placement notes) of SEK 3,817 million and EUR 190 million (corresponding to approximately SEK 2,126 million at the time of taking out the promissory notes). The bank loan has a term of 5 years. The promissory notes denominated in Swedish krona (SEK) have a term of 10 and 15 years respectively, while the promissory notes denominated in Euro (EUR) have a term of 10 and 12 years respectively.

The bank loan is subject to a variable interest rate (3M STIBOR) along with a credit margin which, during the term of the loan, is in the range 1.85%-2.05%.

In conjunction with the arrangement of the new bank loan, derivative agreements in the form of interest rate swaps were arranged for an underlying nominal amount of SEK 3,274 million in order to hedge future interest payments, where the underlying variable interest rate is exchanged for a fixed interest rate corresponding to 2.88% plus credit margin. The interest rate swap agreements run for approximately 4 years.

The promissory notes denominated in SEK are subject to a fixed interest rate in the range 4.84%-5.33%, while the promissory notes denominated in EUR are subject to a fixed interest rate in the range 4.54%-4.67%.

In conjunction with the arrangement of the promissory notes denominated in EUR, derivative agreements in the form of currency swaps were arranged for an underlying nominal amount of EUR 190 million in order to hedge exchange rate fluctuations between SEK and EUR on future interest payments, where underlying interest in EUR is exchanged for interest in SEK. The financial effect during the first five years corresponds to a fixed interest rate in SEK on the underlying promissory notes denominated in EUR in the range 4.98%-5.11%, after which a new fixation period commences. Half of the currency swaps have a term of 10 years, while the other half have a term of 12 years.

Within the framework for the Senior financing, there are additional credit facilities in the form of a CAPEX facility and a Revolving Credit Facility, with a limit of SEK 1,653 million and SEK 600 million respectively.

The utilised part of the credit facilities is subject to interest in accordance with the same principle as for the bank loan, i.e. a variable interest rate (3M STIBOR) along with a credit margin which, during the term, is in the range 1.85%-2.05%.

The non-utilised part of the credit facilities is subject to a credit facility fee (commitment fee) equivalent to 35 percent of the applicable credit margin at any given time.

Interest and credit facility fees are paid quarterly on the last banking day in March, June, September and December, except for the promissory notes denominated in EUR, for which interest and fees are paid semi-annually on the last banking day in June and December.

At the time of the refinancing, the MidCo financing consisted of a bank loan (term loan) of SEK 4,641 million. The bank loan has a term of 5 years and is subject to a variable interest rate (3M STIBOR) along with a credit margin which, during the term of the loan, is in the range 3.75%-4.50%.

The MidCo agreement gives the lender the right to reduce its loan exposure by way of syndication, which may entail a change in structure somewhat in terms of denomination currency, interest rate and credit margin. Prior to the publication of this annual report, the lender had syndicated approximately EUR 143 million (which corresponds to approximately SEK 1,629 million). This syndicated part of the bank loan, denominated in EUR, will be subject to a variable interest rate (3M EURIBOR) along with a credit margin of 4.00% throughout the term.

In conjunction with the syndication of part of the loan, derivative agreements in the form of interest rate and currency swaps were arranged for an underlying nominal amount of approximately EUR 143 million in order to hedge exchange rate fluctuations between SEK and EUR on future interest payments, where underlying variable interest in EUR is exchanged for fixed interest in SEK. The financial effect corresponds to a fixed interest rate in SEK of 7.195% on the underlying part of the loan denominated in EUR.

Within the framework for the MidCo financing, there is an additional credit facility in the form of a Revolving Credit Facility, with a limit of SEK 600 million.

The utilised part of the credit facility is subject to interest in accordance with the same principle as for the original bank loan, i.e. a variable interest rate (3M STIBOR) along with a credit margin which, during the term, is in the range 3.75%-4.50%.

The non-utilised part of the credit facility is subject to a credit facility fee (commitment fee) equivalent to 35 percent of the applicable credit margin at any given time.

Interest and credit facility fees are paid quarterly on the last banking day in January, April, July and October, except for the syndicated part of the bank loan denominated in EUR, for which interest and fees are paid semi-annually on the last banking day in January and July.

The Junior financing consists of a bank loan (term loan) of SEK 3,740 million. The bank loan has a term of 7 years and is subject to a fixed interest rate of 3.03% along with a credit margin which, during the term of the loan, is in the range 6.75%-7.25%.

Interest is paid semi-annually on the last banking day in February and August.

In total, the arrangement of the new financing is expected to give rise to approximately SEK 750 million in direct financing expenses, which will be expensed as interest expense over the term in accordance with the effective interest method.

The new financing is subject to financial credit terms (covenants) that are measured separately for the Senior, MidCo and Junior financing on a semi-annual basis as of 30 June and 31 December. The applicable covenants are Leverage Ratio and Interest Coverage Ratio.

Business combinations

At the beginning of March 2023, the Group acquired 100% of the shares and voting rights in Munka-Ljungby Biovärme AB and Svedala Fjärrvärme AB. The companies conduct district heating operations in Munka-Ljungby and Svedala. The total delivery of energy in both companies amounts to approximately 31 GWh per year.

The purchase price amounted to SEK 25 million and SEK 90 million respectively and was paid via cash payment in connection with the acquisition. Furthermore, in connection with the acquisition, the acquired interest-bearing liability was also settled, together with accrued interest, in the amounts of SEK 25 million and SEK 95 million respectively.

The acquired operations are expected to contribute SEK 7 million and SEK 23 million respectively to the Group's net sales, SEK 3 million and SEK 11 million respectively to EBITDA, and SEK -3 million and SEK -8 million respectively to net profit before tax.

The table below presents a summary of the preliminary purchase price allocations, i.e. fair value of acquired net assets and the associated purchase price.

	Munka-Ljungby Biovärme AB	Svedala Fjärrvärme AB	Total
Assets			
Tangible fixed assets	56	189	245
Inventories	1	2	3
Receivables	2	6	8
Cash and cash equivalents	0	20	20
	59	**217**	**276**
Liabilities			
Deferred tax liabilities	-6	-23	-29
Interest-bearing liabilities	-25	-95	-120
Other liabilities	-3	-9	-12
	-34	**-127**	**-161**
Total net assets acquired	**25**	**90**	**115**
Consideration transferred	**25**	**90**	**115**

Parent Company Income Statement

All amounts in MSEK unless otherwise stated	Note	2023	2022
Net sales	4	56	74
Total operating income		**56**	**74**
Personnel expenses	5	-16	-37
Depreciation and write-downs	11.12	0	0
Other external expenses	6,17,18	-44	-37
Total operating expenses		**-60**	**-74**
Net operating profit/loss		**-4**	**0**
Result from participations in group companies	7	0	250
Other interest expenses and similar items	8	0	0
Net financial items		**0**	**250**
Net profit/loss after financial items		**-4**	**250**
Appropriations	9	-3	-6
Net profit/loss before tax		**-7**	**244**
Tax for the year	10	-	-
Net profit/loss for the year		**-7**	**244**

Parent Company Statement of Comprehensive Income

All amounts in MSEK unless otherwise stated	Note	2023	2022
Net profit/loss for the year		**-7**	**244**
Other comprehensive income		**-**	**-**
Total comprehensive income for the year		**-7**	**244**

Parent Company Balance Sheet

All amounts in MSEK unless otherwise stated	Note	31 Dec 2023	31 Dec 2022
Fixed assets			
Other intangible assets	11	0	0
Total intangible fixed assets		**0**	**0**
Equipment	12	0	0
Total tangible fixed assets		**0**	**0**
Participations in group companies	13	6,763	6,763
Other receivables		1	1
Total financial fixed assets		**6,764**	**6,764**
Total fixed assets		**6,764**	**6,764**
Current assets			
Receivables from group companies		144	147
Other receivables		0	0
Accrued income and prepaid expenses		38	1
Cash and cash equivalents	14	0	14
Total current assets		**182**	**162**
Total assets		**6,946**	**6,926**

All amounts in MSEK unless otherwise stated	Note	31 Dec 2023	31 Dec 2022
Equity			
Share capital	16	402	402
Revaluation reserve		0	4,000
Restricted equity		**402**	**4,402**
Share premium reserve	16	3,092	3,092
Accumulated earnings		2,885	-859
Net profit/loss for the year		-7	244
Non-restricted equity		**5,970**	**2,477**
Total equity		**6,372**	**6,879**
Current liabilities			
Accounts payable	15	38	0
Other liabilities	15	536	46
Accrued expenses and deferred income	15	0	1
Total current liabilities		**574**	**47**
Total equity and liabilities		**6,946**	**6,926**

Parent Company Cash Flow Statement

All amounts in MSEK unless otherwise stated	Note	2023	2022
Cash flow from operating activities			
Net operating profit/loss		-4	0
Adjustments for non-cash items			
Depreciation and write-downs of tangible and intangible fixed assets	11.12	0	0
Changes in working capital			
Change in operating receivables		-37	0
Change in operating liabilities		27	3
Net cash flow from operating activities		**-14**	**3**
Cash flow from investing activities			
Dividends from group companies		-	119
Net cash flow from investing activities		**0**	**119**
Cash flow from financing activities			
Net change in lending from/to group companies		-	-4
Dividends to shareholders		-	-240
Net cash flow from financing activities		**0**	**-244**
Net cash flow for the year		**-14**	**-122**
Cash and cash equivalents at beginning of year		14	136
Cash and cash equivalents at end of year		**0**	**14**

Parent Company Statement of Changes in Equity

	Restricted equity		Non-restricted equity			
All amounts in MSEK unless otherwise stated	Share capital	Revaluation reserve	Share premium rese	Accumulated earnings	Net profit/loss for the year	Total equity
Equity as of 1 January 2022	**402**		**3,092**	**-2,146**	**1,352**	**2,700**
Appropriation of previous year's profit/loss according to resolution at AGM				1,352	-1,352	0
Net profit/loss for the year					244	244
Other comprehensive income					-	0
Total comprehensive income	0		0	0	244	244
Write-ups		4,000				4,000
Dividends				-65		-65
Equity as of 31 December 2022	**402**	**4,000**	**3,092**	**-859**	**244**	**6,879**
Appropriation of previous year's profit/loss according to resolution at AGM				244	-244	0
Net profit/loss for the year					-7	-7
Other comprehensive income					-	0
Total comprehensive income	0		0	0	-7	-7
Bonus issue	4,000	-4,000				0
Reduction of share capital	-4,000			4,000		0
Dividends				-500		-500
Equity as of 31 December 2023	**402**	**0**	**3,092**	**2,885**	**-7**	**6,372**

Parent Company Notes

Note 1: The parent company's accounting principles

The parent company has prepared its annual report in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. RFR 2 means that, in the annual report for the legal entity, the parent company shall apply all EU-approved IFRS and interpretations as far as possible within the framework of the Swedish Annual Accounts Act and the Swedish Pension Obligations Vesting Act, and with consideration of the relationship between accounting and taxation. The recommendation specifies the exceptions from and additions to IFRS that shall be made.

Differences between the Group's and the parent company's accounting principles are described below. The accounting principles of the parent company, as described below, have been consistently applied in all periods presented in the parent company's financial statements.

Classification and presentation

The income statement and balance sheet for the parent company are presented in accordance with the Swedish Annual Accounts Act, while the statement of comprehensive income, statement of changes in equity and cash flow statement are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows.

Subsidiaries

Shares in subsidiaries are recognised in the parent company according to the cost method. This means that transaction costs are included in the carrying amount of shareholdings in subsidiaries.

Shareholder contributions

Shareholder contributions are recognised as an increase in shares to the extent that impairment is not required.

Group contributions

Group contributions received or made are recognised as appropriations.

Financial instruments

In accordance with the rules specified in the Swedish Financial Reporting Board's recommendation RFR 2, and with consideration of the relationship between accounting and taxation, the rules on financial instruments and hedge accounting in IFRS 9 are not applied in the parent company as a legal entity. These rules are only applied in the consolidated financial statements. In the parent company, financial fixed assets are measured at acquisition cost less any impairment, and current financial assets are measured according to the lowest value principle. Liabilities that do not constitute derivative liabilities are measured at amortised cost. Derivative assets are measured according to the lowest value principle, and derivative liabilities are measured according to the highest value principle.

Financial guarantees

The parent company's financial guarantee agreements mainly consist of capital guarantees on behalf of subsidiaries. Financial guarantees mean that the company has an obligation to compensate the holder of a debt instrument for losses it incurs due to the failure of a specified debtor to make payment when due according to the terms of the agreement.

When accounting for financial guarantees, the parent company applies one of the Swedish Financial Reporting Board's approved exemption rules in comparison to the rules in IFRS 9. The exemption rule pertains to financial guarantees issued on behalf of subsidiaries and associated companies. The parent company recognises financial guarantees as provisions in the balance sheet when the company has an obligation for which payment will probably be required to settle the obligation.

Leasing

The parent company accounts for all lease agreements as operating leases.

Untaxed reserves

In the parent company, any untaxed reserves are recognised inclusive of deferred tax liabilities. In the consolidated financial statements, untaxed reserves are divided into deferred tax liabilities and equity.

Note 2: Information regarding the parent company

Solör Bioenergi Holding AB is a subsidiary of BE Bio Energy Group AG, corporate identity number CHE-115.475.915, with registered office in Zurich, Switzerland. Please see note 16 for more information.

Note 3: Significant judgements and estimates

The parent company's most significant judgements and estimates relate to the valuation of shares in subsidiaries. Changes in profitability and future cash generation capabilities in the underlying operations may affect the value of the parent company's holdings in subsidiaries.

Note 4: Net sales

The parent company's net sales consist, in all material respects, of intra-group services.

Distribution of net sales external and intra-group	2023	2022
External	2	2
Intra-group	54	72
Total net sales	**56**	**74**

Of the net sales, SEK 25 million (51) relates to re-invoiced expenses.

Distribution of net sales per country	2023	2022
Sweden	49	58
Other countries	7	16
Total net sales	**56**	**74**

Note 5: Employees and personnel expenses

The table below shows the average number of employees and the gender distribution:

	2023	2022
Average number of employees	5	4
(of which women)	*(1)*	*(0)*

Salaries and other remuneration and social security contributions including pension expenses amount to the following amounts for the parent company:

	2023	2022
Salaries and other remuneration	9	27
Social security contributions	7	11
(of which pension expenses)	*(3)*	*(2)*

Of the pension expenses, SEK 1 million (1) relates to the Board of Directors and Managing Director. The company only has defined contribution pension plans and there are no outstanding pension obligations.

The table below shows the distribution of salaries and other remuneration between the Board of Directors and Managing Director and other employees:

	2023		2022	
	Board and MD	Other employees	Board and MD	Other employees
Salaries and other remuneration	3	6	13	14
(of which bonus etc.)	*(-)*	*(0)*	*(10)*	*(10)*

Pursuant to current agreement, the Managing Director has a gross annual salary of SEK 3 million and a notice period of 6 months. In the event of termination by the company, in addition to normal salary during the notice period, the Managing Director is entitled to receive severance pay equivalent to 6 months' salaries.

There is no fixed bonus system, however, a discretionary bonus may be determined by the Board of Directors for the Managing Director and other employees and usually runs over a three-year payment period. A prerequisite for receiving payment is that the employees covered by the agreements must still be employed within the Group at the time of each payment.

In addition to the discretionary bonus arrangements, the Group has signed agreements on cash-settled share-based remuneration, in the form of synthetic shares, with the Managing Director and one other employee. Remuneration is paid upon a sale of shareholders' shareholdings in the parent company Solör Bioenergi Holding AB, based on the shareholders' circumstances at the time of signing the agreement, to external third parties and is based on price per share. Remuneration is also paid in connection with dividends to the parent company's shareholders. Payment is made over a three-year period, with one-third paid in connection with a change of ownership, one-third paid 18 months after a change of ownership, and one-third paid 36 months after a change of ownership.

Remuneration is also paid in connection with dividends to the parent company's shareholders. Payment is made on a single occasion in connection with dividends to the parent company's shareholders.

The agreements cover a total of 204,678 synthetic shares, of which 146,199 relate to the Managing Director. There is no set limit on the remuneration, although 100 percent remuneration is defined at a price of SEK 171 per share, which would mean a total cash-settled remuneration of SEK 35 million, of which SEK 25 million to the Managing Director. The amount of remuneration payable in connection with a change of ownership will thus ultimately be calculated based on the price per share multiplied by the number of synthetic shares issued.

Dividends paid to the parent company's shareholders have resulted in share-based remuneration totalling SEK 0 million (2.0) excluding social security contributions, of which SEK 0 million (1.1) to the Managing Director.

Based on a change of ownership which occurred during the 2019 financial year and which resulted in share-based remuneration, payments were made during the 2023 financial year totalling SEK 0 million (2.0) excluding social security contributions, of which SEK 0 million (1.4) to the Managing Director. As of the balance sheet date, the outstanding (unpaid) liability excluding social security contributions attributable to this transaction, amounts to SEK 0 million (0), of which SEK 0 million (0) to the Managing Director.

During the financial year, the Board of Directors decided to pay a discretionary bonus to employees in the parent company totalling SEK 0.2 million (17.6) excluding social security contributions, of which SEK 0 million (9.0) to the Managing Director. As of the balance sheet date, the outstanding (unpaid) bonus liability excluding social security contributions amounts to SEK 13.3 million (24.1), of which SEK 6.7 million (12.2) to the Managing Director.

The table below shows details of remuneration paid to Board members and the Managing Director:

2023 *SEK thousands*	Directors' fees	Basic salary	Bonus	Benefits	Pension expenses	Total
Board of Directors						
Martinus Brandal (Chairman)	-	-	-	-	-	0
Ola Strøm (Vice Chairman)	-	-	-	-	-	0
Jonathan F. Finn	-	-	-	-	-	0
Erik A. Lynne	-	-	-	-	-	0
Karin Karlström	-	-	-	-	-	0
Jonas Olsson	-	-	-	-	-	0
Managing Director						
Anders Pettersson	-	3,086	-	71	789	3,946
Total	**0**	**3,086**	**0**	**71**	**789**	**3,946**

2022 *SEK thousands*	Directors' fees	Basic salary	Bonus	Benefits	Pension expenses	Total
Board of Directors						
Martinus Brandal (Chairman)	-	-	-	-	-	0
Ola Strøm (Vice Chairman)	-	-	-	-	-	0
Jonathan F. Finn	-	-	-	-	-	0
Erik A. Lynne	-	-	-	-	-	0
Kerstin Levin	-	-	-	-	-	0
Managing Director						
Anders Pettersson	-	3,052	10,080	71	794	13,997
Total	**0**	**3,052**	**10,080**	**71**	**794**	**13,997**

Note 6: Other external expenses

	2023	2022
Consultancy fees, related parties	-15	-13
Consultancy fees, other	-3	-3
Insurance premiums	-22	-17
Other	-4	-4
Total other external expenses	**-44**	**-37**

Insurance premiums have been re-invoiced to other group companies and joint ventures.

Fees to auditors - PwC	2023	2022
Audit assignment	0	0
Other services	-	0
Total	**0**	**0**

The term audit assignment refers to the statutory audit of the annual accounts and bookkeeping records and the administration of the Board of Directors and Managing Director, as well as any other audits or reviews conducted in accordance with agreement or contract. This includes other tasks which are the responsibility of the company's auditor to perform, and guidance or other assistance in relation to observations made during such audit or the performance of such other tasks.

Note 7: Result from participations in group companies

	2023	2022
Dividends	-	506
Write-downs	0	-256
Total result from participations in group comp	**0**	**250**

Note 8: Interest expenses and similar items

	2023	2022
Interest expenses, external	0	0
Total	**0**	**0**

Interest expenses paid amount to SEK 0 million (0).

Note 9: Appropriations

	2023	2022
Group contributions made	-3	-6
Total	**-3**	**-6**

Note 10: Tax for the year

Tax expense/income for the period consists of the following breakdown between current and deferred tax:

	2023	2022
Current tax	-	-
Deferred tax	-	-
Total tax	**0**	**0**

The table below shows the reconciliation between actual and theoretical tax expense/income:

	2023	2022
Net profit/loss before tax	**-7**	**244**
Tax based on applicable tax rate 20.6 percent	2	-50
Non-deductible expenses	-2	-54
Non-taxable income	-	104
Total tax	**0**	**0**

The company had no non-utilised tax loss carryforwards at the end of the financial year.

Note 11: Intangible fixed assets

	2023	2022
Accumulated acquisition cost		
Opening balance 1 January	1	1
Closing balance 31 December	**1**	**1**
Accumulated depreciation		
Opening balance 1 January	-1	-1
Depreciation	0	0
Closing balance 31 December	**-1**	**-1**
Carrying amount	**0**	**0**

Intangible fixed assets relate to software and databases for monitoring and analysis of the performance and development of subsidiaries.

Note 12: Tangible fixed assets

Equipment	2023	2022
Accumulated acquisition cost		
Opening balance 1 January	1	1
Closing balance 31 December	**1**	**1**
Accumulated depreciation		
Opening balance 1 January	-1	-1
Depreciation for the year	0	0
Closing balance 31 December	**-1**	**-1**
Carrying amount	**0**	**0**

The parent company's tangible fixed assets relate to furniture and equipment at the head office.

Note 13: Shares in group companies

	2023	2022
Accumulated acquisition cost		
Opening balance 1 January	7,064	3,064
Write-ups	-	4,000
Shareholder contributions	0	-
Closing balance 31 December	**7,064**	**7,064**
Accumulated write-downs		
Opening balance 1 January	-301	-45
Write-downs	0	-256
Closing balance 31 December	**-301**	**-301**
Carrying amount	**6,763**	**6,763**

The following table shows a specification of the carrying amount per subsidiary:

	2023	2022
Solör Bioenergi Holding 2 AB	6,763	6,763
Rindi Energi AB	0	0
Solör Bioenergi Lion 1 AB	0	-
Solör Bioenergi Lion 2 AB	0	-
Solör Bioenergi Lion 3 AB	0	-
Solör Bioenergi Lion 4 AB	0	-
Closing balance 31 December	**6,763**	**6,763**

Number of shares owned in each subsidiary and ownership as a percentage:

2023	**No. of shares**	**Ownership %**
Solör Bioenergi Holding 2 AB	500	100%
Rindi Energi AB	1,578,542	100%
Solör Bioenergi Lion 1 AB	250	100%
Solör Bioenergi Lion 2 AB	250	100%
Solör Bioenergi Lion 3 AB	250	100%
Solör Bioenergi Lion 4 AB	250	100%

2022	**No. of shares**	**Ownership %**
Solör Bioenergi Holding 2 AB	500	100%
Rindi Energi AB	1,578,542	100%

The number of shares relates to both the number of shares and votes.

Subsidiaries' corporate identity number and registered office:

	Corp. ID no.	**Reg. office**
Solör Bioenergi Holding 2 AB	556982-8469	Stockholm, Sweden
Rindi Energi AB	556495-8758	Vadstena, Sweden
Solör Bioenergi Lion 1 AB	559437-0024	Stockholm, Sweden
Solör Bioenergi Lion 2 AB	559437-0032	Stockholm, Sweden
Solör Bioenergi Lion 3 AB	559451-2179	Stockholm, Sweden
Solör Bioenergi Lion 4 AB	559456-4923	Stockholm, Sweden

Please see Group Note 2 for complete information about the structure of the Group.

Note 14: Cash and cash equivalents

The parent company's cash and cash equivalents consist of bank account balances.

Note 15: Financial instruments and risk management

The tables below show an overview of the maturity structure of the parent company's financial liabilities based on non-discounted contractual payments:

2023	Within 6 months	6-12 months	2-5 years	More than 5 years	Total
Accounts payable	38	-	-	-	38
Liabilities to group companies	-	-	-	-	0
Other liabilities	510	-	-	-	510
Accrued expenses	0	-	-	-	0
Total	**548**	**0**	**0**	**0**	**548**

2022	Within 6 months	6-12 months	2-5 years	More than 5 years	Total
Accounts payable	0	-	-	-	0
Liabilities to group companies	-	-	-	-	0
Other liabilities	36	10	-	-	46
Accrued expenses	1	-	-	-	1
Total	**37**	**10**	**0**	**0**	**47**

Note 16: Number of shares, share capital and information regarding shareholders

	2023	2022
No. of ordinary shares, quota value SEK 10.85	37,044,856	37,044,856

All shares have the same right to the company's remaining net assets. Holders of ordinary shares are entitled to dividends that are resolved gradually, and the shareholding entitles the shareholder to vote at the Annual General Meeting with one vote per share. All shares are fully paid, and no shares are reserved for transfer. No shares are held by the company itself or its subsidiaries. The table below shows details of changes in the parent company's share capital and share premium reserve:

	2023			2022		
SEK thousands	Share capital	Share premium reserve	Total	Share capital	Share premium reserve	Total
Ordinary shares issued and paid at the beginning of the year	402,007	3,091,939	3,493,946	402,007	3,091,939	3,493,946
Ordinary shares issued and paid at the end of the year	**402,007**	**3,091,939**	**3,493,946**	**402,007**	**3,091,939**	**3,493,946**

During the 2023 financial year, it was resolved at an extraordinary meeting of shareholders in December to pay dividends of SEK 500 million to the parent company's shareholders. The dividend payment has not yet been made.

During the 2022 financial year, it was resolved at an extraordinary meeting of shareholders in June to pay dividends of SEK 65 million to the parent company's shareholders. In July, payments totalling SEK 240 million were made to the company's shareholders regarding dividends resolved during the previous financial year as well as parts of the dividends resolved during the current year.

The following table presents shareholder information:

	31 Dec 2023		31 Dec 2022	
Shareholder	No. of shares	Share of ownership	No. of shares	Share of ownership
Nordic Infrastructure AG*	22,197,454	59.92%	22,197,454	59.92%
Polhem Infra KB	14,817,937	40.00%	14,817,937	40.00%
BE Bio Energy Group AG	29,465	0.08%	29,465	0.08%
Total	**37,044,856**	**100.00%**	**37,044,856**	**100.00%**

*The company is wholly owned by BE Bio Energy Group AG

Solör Bioenergi Holding AB is a subsidiary of BE Bio Energy Group AG, with registered office in Switzerland. The parent company's address is: Zollikerstrasse 226, 8008 Zurich, Switzerland. As of the balance sheet date, BE Bio Energy Group AG's direct and indirect shareholdings in Solör Bioenergi Holding AB amount to 22,226,919 shares, which equates to 60 percent.

Note 17: Transactions with related parties

The parent company has conducted various transactions with related parties. All transactions are conducted as part of the ordinary course of business and are based on market terms. No sureties have been provided by the parent company on behalf of related parties.

Related party	Relationship
BE Bio Energy Group AG	Solör Bioenergi Holding AB's parent company which, as of the balance sheet date, directly or indirectly via its subsidiary Nordic Infrastructure AG, holds 60.00 percent (60.00) of the shares and votes in Solör Bioenergi Holding AB.
Polhem Infra KB	As of the balance sheet date, Polhem Infra KB holds 40.00 percent (40.00) of the shares and votes in Solör Bioenergi Holding AB.

The table below shows details of Solör Bioenergi Holding AB's transactions with related parties, except for transactions with related group companies. Please see note 4 for information regarding transactions with group companies.

2023 Related party	Total amount / invoiced	Of which with direct effect in the form of expense in the income statement	Liability as of the balance sheet date *
BE Bio Energy Group AG	-14	-14	0
Nordic Infrastructure AG	-	-	-306
Polhem Infra KB	-1	-1	-204
	-15	**-15**	**-510**

2022 Related party	Total amount / invoiced	Of which with direct effect in the form of expense in the income statement	Liability as of the balance sheet date *
BE Bio Energy Group AG	-12	-12	0
Nordic Infrastructure AG	-	-	-6
Polhem Infra KB	-1	-1	-4
	-13	**-13**	**-10**

* Relates to unpaid dividends.

Note 18: Lease commitments

2023	Within 1 year	2-5 years	More than 5 years	Total
Future minimum lease payments	3	5	-	8

2022	Within 1 year	2-5 years	More than 5 years	Total
Future minimum lease payments	2	-	-	2

Future lease commitments relate to office premises. Leasing expenses during the financial year amounted to SEK 2 million (2), of which variable fees amounted to SEK 0 million (0).

Note 19: Pledged assets and contingent liabilities

All amounts in MSEK unless otherwise stated	2023	2022
Pledged assets		
Participations in group companies	-	-
	0	**0**
Contingent liabilities		
Parent company guarantees and sureties on behalf of subsidiaries	-	-
	0	**0**

Note 20: Significant events after the end of the financial year

The Group completed its refinancing project at the end of February 2024. For more information, see Group Note 27.

Note 21: Proposed appropriation of profits

The following profits are at the disposal of the Annual General Meeting:

	SEK
Share premium reserve	3,091,939,051
Accumulated earnings	2,885,126,463
Net profit/loss for the year	-7,512,049
Total	**5,969,553,465**

The Board of Directors proposes that non-restricted equity of SEK 5,969,553,465 be appropriated as follows:

	SEK
To be carried forward	5,969,553,465
Total	**5,969,553,465**

The Board of Directors and the Managing Director hereby confirm that the annual report has been prepared in accordance with generally accepted accounting principles in Sweden and that the consolidated financial statements have been prepared in accordance with the international accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards. The annual report and the consolidated financial statements give a true and fair view of the financial position and performance of the parent company and the Group. The Directors' Report for the parent company and the Group provides a true and fair overview of the development of the parent company's and the Group's operations, financial position and performance and describes the significant risks and uncertainties faced by the parent company and the companies included in the Group.

Stockholm, 30 April 2024

Martinus Brandal
Chairman of the Board

Ola Strøm Vice Chairman	Erik A. Lynne Board member	Jonathan F. Finn Board member
Karin Karlström Board member	Jonas Olsson Board member	Anders Pettersson Managing Director

Our auditor's report was submitted on 30 April 2024.

PricewaterhouseCoopers AB

Martin Johansson
Authorised Public Accountant
Auditor in Charge

Auditor's report

To the general meeting of the shareholders of Solör Bioenergi Holding AB (publ), corporate identity number 556907-9535

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Solör Bioenergi Holding AB (publ) for the year 2023 except for the statutory sustainability report on pages 8-10.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 8-10. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

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In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden 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 these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Solör Bioenergi Holding AB (publ) for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

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Auditor’s responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company’s profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company’s profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen’s websitewww.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

The auditor’s opinion regarding the statutory sustainability report

The Board of Directors is responsible for the statutory sustainability report on pages 8–10, and that it is prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR:s auditing standard RevR 12 The auditor´s opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

Stockholm April 30, 2024

PricewaterhouseCoopers AB

Martin Johansson
Authorized Public Accountant Partner in charge