

Annual Report

for

Orlen Capital AB (publ)

556974-3114

Financial year

2022

Table of Contents

Directors' Report	2
Income Statement	5
Balance Sheet	6
Statement of changes in equity	8
Cash Flow Analysis	9
Accounting principles	10
Notes	17
Signatures	22

The Board of Directors and the managing director for Orlen Capital AB (publ) hereby submit the annual financial statement for the financial year 2022.

All amounts in the annual report are presented in EUR. Unless otherwise stated, all amounts are posted in EUR. Data in parentheses refer to the previous year.

Directors' Report

Information about the operations

The objective of the company is to carry out financial operations, mainly through borrowing of funds by issuing bonds or other financial instruments to private or institutional investors, direct lending of such means to companies within the same group, offer bonds and credits, or carry out other thereby related businesses. However, the company shall not conduct such activities that are subject to a permit requirement in accordance with the Banking and Financing Operations Act.

The company has issued bonds with nominal value of EUR 1,250,000,000 in total. On 30 June 2014 the company issued a bond with a nominal value of EUR 500,000,000 with issue price of 99,135%. On 7 June 2016 the company issued a bond with nominal value of EUR 750,000,000 with issue price of 98,727%. The bond is listed on the Irish Stock Exchange (ISE - XS1082660744/XS1429673327) and the bases of the prospectuses were approved by the Central Bank of Ireland. The bond issued in 2016 is also listed on the Warsaw Stock Exchange. The first issued bond matured on 30 June 2021 and was carried with an interest rate of 2,50% as of issuance. Interest was paid annually in arrears with a payment date of 30 June. The second issued bonds have a maturity date on 7 June 2023 and is carried with an interest rate of 2,50% as of issuance. Interest is paid annually in arrears with payment on 7 June.

The company's liabilities from issuing of bonds (including the obligation for payment of the nominal value of bonds and interest on the bonds) were initially secured with two guarantees provided by the parent entity Polski Koncern Naftowy ORLEN SA ("PKN ORLEN"). The maximum value of both guarantees was initially EUR 2,100,000,000 and they expire upon the expiry of the repayments towards Orlen Capital AB. Due to the fact that the 2014 bonds expired in 2021, the guarantees now amount to EUR 1,100,000,000.

The company's registered office is in Stockholm.

Significant events during the financial year

Deferred tax liability

In 2018, the company noted that there was a deferred tax liability as a result of any currency effects in the event of a future disposal of the company's capital assets in the form of a long-term receivable from the parent company. The capital gain was calculated on the basis of the exchange rate on the balance sheet date compared with the exchange rate on the acquisition date of the receivable. The deferred tax liability that would arise from a divestment of the capital asset was calculated at 20.6% of the capital gain and has a negative effect on the company's financial position. The company have used the same process for 2022 as previous year.

The Tax Ruling Board determined during 2019 whether there is a discrepancy between Swedish law in relation to accounting for a realization in companies with EUR as functional currency, wherein deductibility for loss of capital debt is not accepted, towards cases whereby SEK is the functional currency wherein full deductibility for loss of realized capital debts are accepted. The decision (issued for another entity) was presented in March 2019, which was not to the company's advantage and even though it was revoked later by Supreme Administrative Court, the approach of Tax Agency is uncertain and still there is a risk of the additional taxation on exchange rates differences. In such circumstances the company has chosen to again for report a deferred tax liability in the balance sheet. During the year 2021, the 2014 bond expired and thus also part of the receivable from the parent company was repaid. Actual repayment of the claim constitutes such a taxable event that actualizes the above taxation. The company has chosen not to include any taxable capital gain in the income tax return for the financial year 2021 due to the repayment of the claim, as the company's view is that no capital gain or loss results from the repayment from a tax perspective.

COVID-19 pandemic and Russia's invasion of Ukraine.

The continued COVID-19 pandemic and Russia's invasion of Ukraine had no significant impact on the company's financial situation in 2022. However, the group continues to continuously analyze any effects.

Expected future prospects and significant risks and uncertainties

The company's overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the company.

The Board has the overall responsibility for establishing and monitoring the company's risk management.

For further information on the company's financial risk management, see note 1.

Ownership

Orlen Capital AB is a fully owned subsidiary to Polski Koncern Naftowy Orlen SA (reg no KRS 0000028860), Ul. Chemikow 7, 09-411 Plock, Poland.

Multi-year overview (Teur)	2022	2021	2020	2019	2018
Net turnover	0	0	0	0	0
Profit/loss after financial items	1 232	1 443	617	2 736	-2 722
Balance sheet total	812 389	810 465	1 313 569	1 311 047	1 306 273
Equity/assets ratio (%)	2,1	3,3	2,2	1,5	1,6
Return on assets (%)	2,6	3,3	2,7	2,8	2,4
Return on equity (%)	7,1	5,3	2,1	13,8	neg

For definitions of key ratios, see Accounting and Valuation Principles.

Proposals for profit allocation

The Board of Directors recommends that the profit/loss and brought forward profits available for disposition (EUR):

profit carried forward	27 013 094
year's loss	-9 645 304
	17 367 790

be distributed so that they are:

carried forward	17 367 790
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Corporate Governance Report

All financial reports prepared by Orlen Capital AB (publ) are quality assured by the Board.

Reports to be published - Annual Report constituted according to the Annual Accounts Act and so called legally restricted IFRS - examined in addition to the elected auditors.

In the Board's apprehension and in light of Orlen Capital AB (publ) limited activity and few transactions, the above control system of the financial reporting is regarded as adequate.

The company is a fully owned subsidiary of Polski Koncern Naftowy Orlen SA, which represents all shares in the company and there is no limitation regarding the number of shares the shareholders may submit at a general meeting. As the company is a public, unlisted company, there is no authorization for the board to decide that the company should issue new or acquire own shares. Furthermore, there are no specific provisions about appointment and resignation of the board member in the Article of Association. There is neither any specific provision in the Articles of Association regarding amendment of the Articles of Association.

The company's earnings and financial position in general are indicated in the following income statement and balance sheet as well as the cash flow analysis with notes.

Income Statement	Note	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Operating expenses			
Other external costs	2	-261 431	-171 317
Personnel costs	3, 4	-4	-1 702
		-261 435	-173 019
Operating profit/loss		-261 435	-173 019
Profit/loss from financial items			
Profit/loss from participations in group companies	5	627 283	1 576 865
Other interest income and similar profit/loss items	6	21 472 550	27 263 137
Interest expense and similar profit/loss items	7	-20 606 582	-27 223 699
		1 493 251	1 616 303
Profit/loss after financial items		1 231 816	1 443 284
Tax on profit for the financial year	8	-10 877 120	-3 662 978
Net profit/loss for the year		-9 645 304	-2 219 694

Balance Sheet	Note	2022-12-31	2021-12-31
ASSETS			
Fixed assets			
<i>Financial assets</i>			
Receivables from group companies	9, 10	0	736 896 738
		0	736 896 738
Total fixed assets		0	736 896 738
Current assets			
<i>Current receivables</i>			
Receivables from group companies	9, 10	811 723 365	73 032 282
Other receivables		0	58 367
Deferred expenses and accrued income	11	146 250	459 536
		811 869 615	73 550 185
<i>Cash on hand and in bank</i>		518 890	26 803
Total current assets		812 388 505	73 576 988
TOTAL ASSETS		812 388 505	810 473 727

Balance Sheet	Note	2022-12-31	2021-12-31
EQUITY AND LIABILITIES			
Equity			
<i>Restricted reserves</i>			
Share capital		60 000	60 000
		60 000	60 000
<i>Non-restricted equity</i>			
Retained earnings or losses		27 013 094	29 232 788
Profit/loss for the year		-9 645 304	-2 219 694
		17 367 790	27 013 094
Total equity		17 427 790	27 073 094
Provisions			
Deferred tax liability	12	26 030 682	15 275 196
Total provisions		26 030 682	15 275 196
Long-term liabilities			
Liabilities to group companies	10	0	747 853 496
Total long-term liabilities		0	747 853 496
Current liabilities			
Accounts payable	13	198 417	126
Bills payable	10	749 307 022	0
Current tax liabilities		8 704 016	9 548 597
Other liabilities		256	195
Accrued expenses and deferred income	14	10 720 322	10 723 023
Total current liabilities		768 930 033	20 271 941
TOTAL EQUITY AND LIABILITIES		812 388 505	810 473 727

Statement of changes in equity

	Share capital	Balanced result	Profit/loss this year	Total equity
Opening equity 2021-01-01	60 000	19 771 632	9 461 156	29 292 788
Profit allocation, AGM decision		9 461 156	-9 461 156	0
Profit/loss for the year			-2 219 694	-2 219 694
Outgoing equity 2021-12-31	60 000	29 232 788	-2 219 694	27 073 094
Profit allocation, AGM decision		-2 219 694	2 219 694	0
Profit/loss for the year			-9 645 304	-9 645 304
Closing equity 2022-12-31	60 000	27 013 094	-9 645 304	17 427 790

Number of shares: 500 000

Quotient value: 0,12 EUR

A statement of comprehensive income has not been prepared as no transactions that requires presentation under the item other comprehensive income has occurred. The comprehensive income corresponds to the net profit of the year.

Cash Flow Analysis

	Note	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Current activities			
Profit/loss after financial items		1 231 816	1 443 284
Tax paid		0	-145 946
Cash flow from operating activities before change in working capital		1 231 816	1 297 338
Cash flow from change in the working capital			
Change in current receivables		-340 705	501 173 061
Change in accounts payable		198 291	126
Change in current liabilities		484 670	-504 392 903
Cash flow from operating activities		1 574 072	-1 922 378
Annual cash flow		1 574 072	-1 922 378
Liquid Assets, opening balance			
Liquid Assets, opening balance		61 512 987	63 435 365
Liquid assets, closing balance		63 087 059	61 512 987

Notes

Note 1 Accounting and Valuation principles

General Information

Orlen Capital AB (publ), with corporate identity number 556974-3114, is a limited liability company registered in Sweden having its registered office at Sveavägen 9, 111 57 Stockholm. The objective of the company's business is to conduct financial operations as well as any other business activities related thereto, including issuing bonds as well as loans and deposits to investors.

The parent company of Orlen Capital AB (publ) is Polski Koncern Naftowy Orlen SA, (corporate identity number KRS 0000028860) Ul. Chemikow 7, 09-411 Plock, Poland. The consolidated report of Polski Koncern Naftowy ORLEN Spolka Akcyjna is available at the following address: Polski Koncern Naftowy ORLEN Spolka Akcyjna, ul. Chemikow 7, 09 - 411 Plock, Poland, e-mail address ir@orlen.pl.

Accounting and valuation principles

The annual report of Orlen Capital AB (publ) has been prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. Application of RFR 2 means that the company as far as possible applies all EU-approved International Financial Reporting Standards (IFRS) and interpretations of the IFRS Interpretations Committee (IFRIC) as part of the Annual Accounts Act and Security Act and considered the relationship between accounting and taxation.

In the report, valuations of items are at cost. The following describes the principal accounting policies adopted.

IFRS 9

The implementation of IFRS 9 has affected the company's financial reports as long term financial receivables has been revalued to an accrued acquisition value which means that the receivables where subject to impairment. The company monitors changes in the level of credit risk associated with a given financial asset by analyzing changes in debtor's rating, occurrence of serious financial problems of debtor, as well as significant negative changes in the economic or legal market environment. For the purpose of estimating the expected credit loss, the company applies default probability levels, implied from market credit quotes of derivatives, for entities with a given rating and from a given sector. The company has not identified changes such as i) rating compared to the original rating when the loans were granted, ii) repayment delay of more than 30 days, iii) reduction of the borrower's free cash flow, which would classify the loans to PKN Orlen for a higher risk level. This allows for the company to estimate and calculate the expected credit loss on financial assets. As a result of the implementation of IFRS 9 the company has recognized an impairment of the loan amounts granted to PKN Orlen SA by December 31, 2022 of the following amounts (please also refer to note 5).

<i>Financial fixed assets</i>	2022-12-31	2021-12-31
Loan granted 2016 (EUR 740 452 500)	2 928 479	3 555 762

IFRIC 23

IFRIC 23, which applies uncertainty regarding income tax management: The interpretative statement deals with how uncertainty regarding amounts for income tax is to be reported. For example, how a current tax claim should be reported when the amount e.g. is appealed, and a discussion is held with the tax authority. IAS 12 Income Tax deals with the accounting and valuation of tax receivables and tax liabilities, but not how uncertainties regarding amounts are to be taken into account. According to IASB application fr.o.m. January 1, 2019. The EU approved the interpretative statement during the third quarter of 2018.

New and changed standards and interpretations not yet has taken effect

Changes to IFRS to be applied as of January 1, 2022 have not had any significant effect on the company's accounting.

Foreign currency

The company's reporting currency and the functional currency is euro. Receivables and liabilities in foreign currencies are converted according to the rate of exchange on the closing date rate. Exchange differences are recognized in the income statement.

Income taxes

The tax expense represents the sum of current and deferred tax.

Current tax

The current tax is calculated on the taxable profit for the period. The taxable profit differs from the reported results in the income statement when it is adjusted for non-taxable income and non-deductible expenses and income and expenses that are taxable or deductible in other periods. The company's current tax is calculated using tax rates that have been determined or announced at the balance sheet date.

Deferred tax

Deferred tax is reported on temporary differences between the carrying amount of assets and liabilities in the financial statements and the tax value used in calculating taxable income. Deferred tax is reported according to the so-called balance sheet method. Deferred tax liabilities are reported for in principle all taxable temporary differences, and deferred tax assets are reported in principle for all deductible temporary differences to the extent that it is probable that the amounts can be utilized against future taxable surpluses.

Loan receivables and debts

For accounting of financial instruments, the company applies a method based on cost according to the Annual Accounts Act. Capital discount and direct issuing costs in raising loans are accrued, but not later than the time until the debt becomes due. Loan debts are reported initially to the received amount after transaction costs have been deducted. If the reported amount differs from the amount to be repaid at the due date the difference is accrued as interest cost or interest income over the term of the loan. Loan debts are no longer accounted when the loans have been settled through repayment or when they have been waived. Loan receivables from group companies and bonds are reported in accordance with the effective interest method. The effective interest rate is the rate that discounts estimated future cash receipts and payments during the fixed interest rate period to equal the carrying amount of the receivable. The Company's bond loans are measured at amortized cost, which means that the difference between the discounted value and the loan's respective bond loan's face value is amortized over the respective loan. The amortizations are recognized as interest expense and interest income. Accrued transaction costs related to loans are amortized over the term of the loan and reported net as interest income/expense.

At each reporting date, the Company assesses whether there is fair evidence that the loans are impaired. Objective evidence consists of observable events that have occurred and have a negative impact on the ability to recover the cost. If fair evidence exists for this, expected future cash flows are discounted, using the original effective interest rate. If the presented value is lower than the carrying amount, the impairment loss is recognized.

Fixed assets

Fixed assets and long term-liabilities are expected to be regained or repaid after more than twelve months from the balance sheet date. Current assets short term liabilities are expected to be regained or repaid within twelve months from the balance sheet date.

Current assets

Current assets are reported at the principle of the lowest value, i.e. the lower of the acquisition value, and the net realizable value. Acquisition cost is defined as expenditures for the asset plus costs directly attributable to the acquisition. Net realizable value is defined as the sales value less estimated selling expenses.

Cash and cash equivalents

Cash and cash equivalents include cash and bank deposits and other short-term highly liquid investments that are readily convertible to cash and are subject to an insignificant risk of changes in value. To be classified as cash and cash equivalents duration may not exceed three months from the date of acquisition. The company's cash balance at the cash pool account is presented as "other current investments".

Shareholders contribution

Shareholders contribution received by the company is accounted directly into equity.

Contingent liabilities

A contingent liability is a possible obligation arising from past events and whose existence will only be confirmed by one or more uncertain future events not wholly within the control of the company that may occur or does not occur, or a present obligation arising from past events, but not recognized as a liability or provision because it is not probable that an outflow of resources will be required to settle the obligation or the obligation cannot be measured with sufficient reliability. Contingent liabilities are presented in note 16.

Cash flow statement

The cash flow statement shows the company's changes in the company's cash and cash equivalents during the financial year. The cash flow statement has been prepared using the indirect method. The reported cash flow shows only transactions which have resulted in in- and outgoing payments.

Financial instruments

A financial asset or financial liability is recognized in the balance sheet when the Company becomes a party to the instrument's contractual terms. A receivable is recognized when the company has performed and a contractual obligation exists for the counterparty to pay, even if the invoice has not been sent. Liabilities are recognized when the counterparty has performed and there is contractual obligation to pay, even if the invoice has not been received. Accounts payable are recognized when an invoice is received. A financial asset is derecognized when the contractual rights are realized, expire or the company loses controller over them. A financial liability is derecognized from the statement of financial position when the contractual obligation is fulfilled or otherwise extinguished.

The company's financial assets consist mainly of receivables on Group Companies and bonds.

Loans and bonds are recognized at amortized cost using the effective interest method and interest income and expenses are recognized using the effective interest method. The effective interest rate is the interest rate that discounts the estimated future inflows and outflows under a financial instrument expected maturity to the reported net value of the financial asset or liability. The calculation includes all paid or received fees by contractors, such as transaction costs and all premiums and discounts.

At each reporting occasion, the company evaluates whether there is objective evidence that loan receivables are in need of impairment. Objective evidence consists of observable circumstances that have occurred and have a negative impact on the ability to recover the acquisition cost. If there is objective evidence for this then expected future cash flows are discounted with the original effective interest rate. If this present value is lower than the reported value, the write-down amount is reported in the year's profit.

Financial risk management

Through its operations, the company is exposed to various types of financial risks such as Market, Credit, Liquidity and Operational risk. Market risks primarily consist of interest rate risk. The Company's Board of Directors is ultimately responsible for exposure management and monitoring of the company's financial risks.

The company is exposed to the following risks by conducting business activities related to financial instruments:

Market risks

A market risk can be a change in the market price that affects the company's income or the value of the financial instruments. The company's market risk is mainly related to interest rate risk.

Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows fluctuate as a result of changing market interest rates for owned assets and liabilities, for which interest gains or losses depend on the variable interest rate level.

The company's interest rate risk profile of the interest-bearing financial instruments was:

<i>Fixed interest rate</i>	2022-12-31	2021-12-31
Receivables from Group companies	749 070 128	748 442 836
Bond loans	760 633 562	760 633 562

The company has minimized the interest rate risk by matching the loan obligations with the obligations of the bonds.

Currency risk

Currency risk refers to the risk that fair value or future cash flows will fluctuate as a result of changes in exchange rates. Orlen Capital AB (publ) is exposed to a currency risk due to the fact that there is a doubt with respect to a deduction for a realization of a loss on capital debt in a company with EUR as the functional currency. The company reports a deferred tax liability as a result of any currency effects that may arise in the event of a future sale of the company's capital assets. For other financial receivables and liabilities, its currency risk is shown in the following sensitivity analysis.

Division of receivables and debts between currencies

	EUR	SEK	Total in EUR
Financial receivables with related companies	737 524 021	-	737 524 021
Short term receivables with related companies	62 653 237	-	62 653 237
Accrued interest receivables	11 546 106	-	11 546 106
Other prepaid expenses	146 250	-	146 250
Cash and bank	-	5 770 988	518 890
	811 869 615	5 770 988	812 388 505

	EUR	SEK	Total in EUR
Bond loans	749 307 022	-	749 307 022
Accrued interest	10 633 562	-	10 633 562
Other accrued expenses	86 760	-	86 760
Other	8 902 689	-	8 902 689
	768 930 033	0	768 930 033

Sensitivity analysis to changes in currency rates

	Assumed variation 2022-12-31	Effect on P&L 2022
SEK/EUR	15%	67 681

Given the intangible nature of the effect of changes in currency risk no additional analysis is presented.

Credit and counterpart risk

Credit risk refers to the risk that the counterparty to a transaction causes the company a loss by not fulfilling their contractual obligations. Orlen Capital AB (public) limits their risk exposure by only granting intercompany loans. The total value of financial assets represents the maximum credit risk exposure.

The maximum credit risk exposure by the end of the period was as follows:

	2022-12-31	2021-12-31
Receivables Group Companies	749 070 128	748 442 836
Other short term receivables	62 653 237	61 486 184
Cash and bank	519 890	26 803
	812 242 255	809 955 824

The credit risk involves short term investments and cash and bank.

Liquidity and finance risk

Liquidity risk can be the risk that a company will encounter difficulty in meeting obligations arising from its financial liabilities. Liquidity risk can be the risk that a company encounter difficulty in raising liquid funds to meet cash payment obligations arising from its financial liabilities. The main objective for the company in meeting the liquidity risk exposure is to maintain financial stability by matching maturity and due dates for receivables and liabilities. The Group of companies that the company is part of have a cash-pool system in place to mitigate the risks and handle liquidity and financial costs.

Financial debts due for payments:

2022	Within 1 year	Within 5 years	Total
Bonds	749 307 022	-	749 307 022
Accrued interest	10 633 562	-	10 633 562
Current tax liabilities	8 704 016	-	8 704 016
Accounts payable	198 417	-	198 417
Other	87 017	-	87 017
	768 930 033	0	768 930 033
2021	Within 1 year	Within 5 years	Total
Bonds	-	747 853 496	747 853 496
Accrued interest	10 633 562	-	10 633 562
Current tax liabilities	9 548 597	-	9 548 597
Accounts payable	126	-	126
Other	9 656	-	9 656
	20 271 941	747 853 496	768 125 437

There are no liabilities with a maturity date over five years.

Orlen Capital AB (publ) obligations towards its bond holders consist of annual interest payments and final repayment on the maturity date.

The bond is warranted by the parent entity Polski Koncern Naftowy Orlen SA, mitigating any liquidity risks.

The financing risk is the risk that the company cannot raise enough funds at a reasonable cost. There are no conditions in the loan agreements that can cause a significantly earlier redemption date than what is stipulated in note 14 regarding Maturity Date.

Operational risk

Operational risk can be the risk of direct or indirect loss arising from a variety of occasions associated with a company's processes, personnel, and infrastructure and from external factors other than credit, market and liquidity risks such as those derived from regulations and generally accepted customs.

Operational risks arise from all of a company's activities.

Orlen Capital AB (publ) was formed with the purpose to engage in the activities described in the previous paragraph on the company's operations.

The operational risk of the company is reduced by the boards continuous monitoring of the company's financial statements and general and continuous business knowledge.

Capital risk management

The company's objectives for managing capital are to safeguard the company's ability to continue its operations to generate reasonable returns for shareholders and benefits for other stakeholders.

The Company monitors its capital structure on the basis of the gearing ratio. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as liabilities to credit institutions less cash. Total capital consists of total equity and net debt.

At the end of the financial year the debt/equity ratio is:

	2022-12-31	2021-12-31
Debt as bonds	760 633 562	760 633 562
Decreased by cash equivalents	-63 087 061	-61 512 987
Net debt	697 546 501	699 120 575
Total equity	17 427 790	27 073 094
Total equity & liabilities	714 974 291	726 193 669
Debt/equity ratio	97.6 %	96.3 %

Definition of Key Business Ratios

Equity/assets ratio (%)

Adjusted equity (equity and untaxed reserves with deductions for deferred tax) as a percent of the balance sheet total.

Return on assets (%)

Operating profit plus financial revenues as a percent of the balance sheet total.

Return on equity (%)

Profits after financial items as a percent of adjusted equity (equity and untaxed reserves with deductions for deferred taxes).

Note 2 Remuneration to Auditors

Audit assignment refers to inspection of the annual report and the accounting as well as the reports of the Board of Directors and the CEO, other tasks fulfilled by the company auditor as well as counselling or other assistance deriving from observations made in the course of the inspection or fulfilment of such other tasks.

	2022	2021
Deloitte AB		
Audit engagement	23 195	13 942
	23 195	13 942

Note 3 Employees and Personnel Costs

	2022	2021
Average number of employees		
Women	0	1
	0	1
Salaries and other remunerations		
Other employees	4	1 279
	4	1 279
Social security expenses		
Other social security expenses pursuant to law and contracts	0	423
	0	423
Total salaries, remunerations, social security expenses and pension costs	4	1 702

No agreements regarding severance pay or similar benefits have been made with the Board of Directors, the CEO or other members of the company's management, so no other information about such agreements is provided.

Gender breakdown of senior management

Proportion of women in the board of directors	33 %	33 %
Proportion of men in the board of directors	67 %	67 %

Note 4 Employees and Personnel Costs distributed per Country

	2022		2021	
Average number of employees distributed per country				
Sweden	0	(0)	1	(1)
	0	(0)	1	(1)
The average number of women is indicated in parenthesis				
Sweden				
Salaries and other remunerations				
Other employees		4		1 702
		4		1 702

Note 5 Write-downs of financial fixed assets and short-term investments and their reversal.

	2022		2021	
Reversal of write-downs	627 283		1 576 865	
	627 283		1 576 865	

Note 6 Other Interest Income and Similar Profit/Loss Items

	2022		2021	
Interest revenues from Group companies	20 691 661		27 263 137	
Other interest income		310		0
Exchange rate differences		780 579		0
	21 472 550		27 263 137	

Note 7 Other interest expenses and similar profit/loss items

	2022		2021	
Interest expenses bond loans	18 750 000		25 141 781	
Other interest expenses		2 103		0
Exchange differences		0		22 662
Accrual of set-up costs	471 642		290 936	
Accrual of discount provided on bond loans	1 382 837		1 768 320	
	20 606 582		27 223 699	

Note 8 Current and deferred tax

	2022	2021
Tax on profit for the financial year		
Current tax	-121 634	0
Deferred tax	-10 755 486	-3 662 978
Total tax expense	-10 877 120	-3 662 978

Reconciliation of effective tax

	2022		2021	
	Percent	Amounts	Percent	Amounts
Reported profit before tax		1 231 816		1 443 284
Tax at applicable tax rate	20,60	-253 754	20,60	-297 317
Non-deductible expenses		-4 329		-500
Tax effect of taxable income that is not booked		-4 396		-14 017
Tax effect on loss carryforwards		11 561		-13 000
Tax effect on non-taxable income		64		0
Tax effect on non-taxable reversal of impairment		129 220		324 834
Change deferred tax		-10 755 486		-3 662 978
Reported effective tax		-10 877 120		-3 662 978

Note 9 Receivables from group companies

	2022-12-31	2021-12-31
Provided loans, incl set up expenses	737 524 021	736 896 738
Incoming accounts	85 066	0
Accrued interest income	11 546 106	11 546 098
Accumulated acquisition value, closing balance	749 155 193	748 442 836
Credit on account included in a cash pool structure	62 568 171	61 486 184
Accumulated write-down losses, closing balance	62 568 171	61 486 184
Book value, closing balance	811 723 364	809 929 020

Note 10 Reported value

	2022-12-31	2022-12-31	2021-12-31	2021-12-31
	Receivables	Fair Value*	Receivables	Fair Value*
Loan Receivables	737 524 021	737 524 021	736 896 738	736 896 738
Accrued interest revenues	11 546 106	11 546 106	11 546 098	11 546 098
Other current investments	62 653 237	62 653 237	61 486 184	61 486 184
Cash and bank balances	518 890	518 890	26 803	26 803
Total	812 242 254	812 242 254	809 955 823	809 955 823
	2022-12-31	2022-12-31	2021-12-31	2021-12-31
	Debts	Fair Value**	Debts	Fair Value**
Bond loans	749 307 022	744 090 000	747 853 496	775 395 000
Accrued interest costs	10 633 562	10 633 562	10 633 562	10 633 562
Accounts payable - trade	198 417	198 417	0	0
Total	760 139 001	754 921 979	758 487 058	786 028 562

* Level 2 of the fair value hierarchy.

** The noted price as of December 31st (Level 1 of the fair value hierarchy).

Note 11 Deferred expenses and Accrued Income

	2022-12-31	2021-12-31
Other prepaid Expenses	146 250	459 536
	146 250	459 536

Note 12 Deferred tax liability

	2022-12-31	2021-12-31
Balance at beginning of year	15 275 196	21 052 584
Provisions for the year	10 755 486	3 662 978
Transferred realized tax liability	0	-9 440 366
Balance at the end of the year	26 030 682	15 275 196

Note 13 Liabilities related to several records

The company's bond loans are reported under the following items in the balance sheet.

The bonds issued by the company are guaranteed by the parent company Polski Koncern Naftowy Orlen SA. The bonds run at 2.5% interest. The interest is paid annually in arrears during the month of June.

	2022-12-31	2021-12-31
Long-term liabilities		
Bond liabilities	0	747 853 496
	0	747 853 496

No part of the liability has a maturity time exceeding 5 years.

Current liabilities		
Bond liabilities	749 307 022	0
	749 307 022	0

Note 14 Accrued expenses and deferred income

	2022-12-31	2021-12-31
Accrued audit fees	22 000	14 634
Accrued interest bond	10 633 562	10 633 562
Accrued vacation salaries	0	110
Other items	64 760	74 717
	10 720 322	10 723 023


Note 15 Pledged Assets and Contingent liabilities

The company does not have any pledged assets or contingent liabilities.

Note 16 Significant events after the financial year

No significant events have occurred after the end of the financial year. However, the group continues to continuously analyze possible effects of the Covid-19 pandemic and Russia's invasion of Ukraine.

Stockholm 2023 - 05 - 08


Jaroslaw Goncerz
Chairman


Krzysztof Berlinski


Mikaela Laaksonen
Managing Director

Our audit report was submitted 2023 - ____ - ____.

Deloitte AB

Pernilla Rehnberg
Authorized Public Accountant

Annual Report

for

Orlen Capital AB (publ)

556974-3114

Financial Year

2022

Confirmation affidavit

The undersigned member of the Board of Directors in Orlen Capital AB (publ) hereby certify that the income statement and balance sheet in the annual report have been confirmed at the Annual General Meeting 2023 - ____ - ____. The Annual General Meeting also decided to approve the result dispositions recommended by the Board of Directors.

I also certify that the contents of the annual report and the audit report are in accordance with the originals.

Stockholm 2023 - ____ - ____

Mikaela Laaksonen

