

Annual Report

for

Orlen Capital AB (publ)

556974-3114

Financial year

2023

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The Board of Directors and the managing director for Orlen Capital AB (publ) hereby submit the annual financial statement for the financial year 2023.

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 in previous financial years issued two bonds, i.e. in 2014 and 2016. The bond from 2014 was repaid in 2021 and the one from 2016 was repaid in the financial year 2023. In connection with the issuances, the company has directly lent these funds to the company's parent company, Orlen S.A.. These loans are mainly repaid by the parent company. The remaining claim amounts to EUR 133 million and the repayment date has been extended to June 7, 2026.

The company's registered office is in Stockholm.

Significant events during the financial year

During 2023, the 2016 bond expired and thus part of the corresponding claim on the parent company has been repaid. There remains a claim on the parent company of EUR 133 million. The due date for the remaining claim has during the year been extended to June 2026.

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. During the financial year 2023, the company received a reassessment decision regarding the income tax return 2021. The reassessment decision meant that the company was charged a tax, on related exchange rate gains, of SEK 95 million. The tax was paid in December 2023. The company intends to appeal the decision to the administrative court.

This year's partial repayment from the parent company has resulted in an exchange rate gain with a tax liability of EUR 4.3 million.

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 (publ) is a fully owned subsidiary to Orlen S.A. (reg no KRS 0000028860), Ul. Chemikow 7, 09-411 Plock, Poland.

Multi-year overview (Teur)	2023	2022	2021	2020	2019
Net turnover	0	0	0	0	0
Profit/loss after financial items	2 433	1 232	1 443	617	2 736
Balance sheet total	135 669	812 389	810 465	1 313 569	1 311 047
Equity/assets ratio (%)	10,5	2,1	3,3	2,2	1,5
Return on assets (%)	8,4	2,6	3,3	2,7	2,8
Return on equity (%)	17,0	7,1	5,3	2,1	13,8

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	17 367 790
year's loss	-3 112 466
	14 255 324

be distributed so that they are:

carried forward	14 255 324
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Information about Corporate Governance

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

The company has built up routines to ensure the reliability of the financial reporting. Among these routines are mentioned the monthly financial statements that are drawn up and which, in addition to the board, are reviewed by representatives of the parent company.

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 Orlen S.A., 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	2023-01-01 -2023-12-31	2022-01-01 -2022-12-31
Operating expenses			
Other external costs	2	-405 852	-261 431
Personnel costs	3, 4	0	-4
		-405 852	-261 435
Operating profit/loss		-405 852	-261 435
Profit/loss from financial items			
Profit/loss from participations in group companies	5	2 702 020	627 283
Other interest income and similar profit/loss items	6	11 768 234	21 472 550
Interest expense and similar profit/loss items	7	-11 630 921	-20 606 582
		2 839 333	1 493 251
Profit/loss after financial items		2 433 481	1 231 816
Tax on profit for the financial year	8	-5 545 948	-10 877 120
Net profit/loss for the year		-3 112 466	-9 645 304

Balance Sheet

Note

2023-12-31

2022-12-31

ASSETS

Fixed assets

Financial assets

Receivables from group companies	9, 10	132 773 541	0
		132 773 541	0

Total fixed assets		132 773 541	0
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Current assets

Current receivables

Receivables from group companies	9, 10	2 073 880	811 723 365
Other receivables		188 598	0
Deferred expenses and accrued income	11	0	146 250
		2 262 478	811 869 615

<i>Cash on hand and in bank</i>		632 606	518 890
Total current assets		2 895 084	812 388 505

TOTAL ASSETS		135 668 625	812 388 505
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Balance Sheet	Note	2023-12-31	2022-12-31
EQUITY AND LIABILITIES			
Equity	12		
<i>Restricted reserves</i>			
Share capital		60 000	60 000
		60 000	60 000
<i>Non-restricted equity</i>			
Retained earnings or losses		17 367 790	27 013 094
Profit/loss for the year		-3 112 466	-9 645 304
		14 255 324	17 367 790
Total equity		14 315 324	17 427 790
Provisions			
Deferred tax liability	13	27 398 000	26 030 682
Total provisions		27 398 000	26 030 682
Current liabilities			
Bank overdraft facilities	14	89 413 617	0
Accounts payable		14	198 417
Bills payable	10	0	749 307 022
Current tax liabilities		4 501 528	8 704 016
Other liabilities		141	256
Accrued expenses and deferred income	15	40 000	10 720 322
Total current liabilities		93 955 302	768 930 033
TOTAL EQUITY AND LIABILITIES		135 668 625	812 388 505

Statement of changes in equity

	Share capital	Balanced result	Profit/loss this year	Total equity
Opening equity 2022-01-01	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
Outgoing equity 2022-12-31	60 000	27 013 094	-9 645 304	17 427 790
Profit allocation, AGM decision		-9 645 304	9 645 304	0
Profit/loss for the year			-3 112 466	-3 112 466
Closing equity 2023-12-31	60 000	17 367 790	-3 112 466	14 315 324

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	2023-01-01 -2023-12-31	2022-01-01 -2022-12-31
Current activities			
Profit/loss after financial items		2 433 481	1 231 816
Adjustments for items not included in the cash flow	16	-2 395 355	0
Tax paid		-8 381 118	0
Cash flow from operating activities before change in working capital		-8 342 992	1 231 816
Cash flow from change in the working capital			
Change in current receivables		-42 348	-340 705
Change in accounts payable		-198 402	198 291
Change in current liabilities		-46 873	484 670
Cash flow from operating activities		-8 630 615	1 574 072
Investment activities			
Received loan payments		607 452 500	0
Cash flow from investment activities		607 452 500	0
Financing activities			
Raised loans - Cash Pool financing		88 723 660	0
Amortisation of loans		-750 000 000	0
Cash flow from financing activities		-661 276 340	0
Annual cash flow		-62 454 455	1 574 072
Liquid assets, opening balance			
Liquid assets, opening balance		63 087 061	61 512 987
Liquid assets, closing balance		632 606	63 087 059

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 Orlen S.A., (corporate identity number KRS 0000028860) Ul. Chemikow 7, 09-411 Plock, Poland. The consolidated report of Orlen S.A. is available at the following address:

Orlen S.A. , ul. Chemikow 7, 09 - 411 Plock, Poland.
E-mail address us 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 were 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 Orlen S.A. 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 Orlen S.A. by December 31, 2022 of the following amounts (please also refer to note 5).

<i>Financial fixed assets</i>	2023-12-31	2022-12-31
Loan granted 2016 (EUR 740 452 500)	226 459	2 928 479

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, 2023 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 15.

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.

The year's interest paid amounted to EUR 20,881,548 and interest received amounted to EUR 21,261,765.

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>	2023-12-31	2022-12-31
Receivables from Group companies	134 847 421	749 070 128
Bond loans	0	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	132 773 541	-	132 773 541
Accrued interest receivables	2 073 880	-	2 073 880
Other receivables	-	2 092 679	2 092 679
Cash and bank	-	7 019 400	7 019 400
	134 847 421	9 112 079	135 668 625

	EUR	SEK	Total in EUR
Financial liabilities to group companies	89 413 617	-	89 413 617
Tax liabilities	63 975	49 239 093	4 501 528
Other accrued expenses	40 000	-	40 000
Other	156	-	156
	89 517 748	49 239 093	93 955 302

Sensitivity analysis to changes in currency rates

	Assumed variation	Effect on P&L
	2023-12-31	2023
SEK/EUR	15%	471 698

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:

	2023-12-31	2022-12-31
Receivables Group Companies	134 847 421	749 070 128
Other short term receivables Group Companies	0	62 653 237
Other short term receivables	188 598	0
Cash and bank	632 606	518 890
	135 668 625	812 242 255

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:

2023	Within 1 year	Within 5 years	Total
Liabilities to Group companies	89 413 617	-	89 413 617
Current tax liabilities	4 501 528	-	4 501 528
Accounts payable	14	-	14
Other	40 141	-	40 141
	93 955 302	0	93 955 302
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

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 Orlen S.A., 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:

	2023-12-31	2022-12-31
Debt as bonds	0	760 633 562
Decreased by cash equivalents	-632 606	-63 087 061
Net debt	-632 606	697 546 501
Total equity	14 315 324	17 427 790
Total equity & liabilities	13 682 717	714 974 291
Debt/equity ratio	-4.6 %	97.6 %

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.

	2023	2022
Deloitte AB		
Audit engagement	-872	23 195
	-872	23 195
Mazars AB		
Audit engagement	30 000	0
	30 000	0

Note 3 Employees and Personnel Costs

	2023	2022
Average number of employees		
Women	0	0
	0	0
Salaries and other remunerations		
Board of Directors and Managing Director	0	0
Other employees	0	4
	0	4
Total salaries, remunerations, social security expenses and pension costs	0	4

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

	2023		2022	
Average number of employees distributed per country				
Sweden	0	(0)	0	(0)
	0	(0)	0	(0)
The average number of women is indicated in parenthesis				
Sweden				
Salaries and other remunerations				
Other employees		0		4
		0		4

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

	2023		2022	
Reversal of write-downs		2 702 020		627 283
		2 702 020		627 283

Note 6 Other Interest Income and Similar Profit/Loss Items

	2023		2022	
Interest revenues from Group companies		11 699 004		20 691 661
Other interest income		5 469		310
Exchange rate differences		63 761		780 578
		11 768 234		21 472 549

Note 7 Other interest expenses and similar profit/loss items

	2023		2022	
Interest expenses bond loans		8 116 438		18 750 000
Other interest expenses		2 151 816		0
Profit/loss on sale		483 338		2 103
Accrual of set-up costs		284 713		471 642
Accrual of discount provided on bond loans		594 616		1 382 838
		11 630 921		20 606 583

Note 8 Current and deferred tax

	2023	2022
Tax on profit for the financial year		
Current tax	4 177 654	121 634
Deferred tax	1 367 318	10 755 486
Tax due to changed taxation previous year	976	0
Total tax expense	5 545 948	10 877 120

Reconciliation of effective tax

	2023		2022	
	Percent	Amounts	Percent	Amounts
Reported profit before tax		2 433 481		1 231 816
Tax at applicable tax rate	20,60	-501 297	20,60	-253 754
Non-deductible expenses		-105 091		-4 329
Tax effect of taxable income that is not booked		-14 203		-4 396
Tax effect on loss carryforwards		0		11 561
Tax effect on non-taxable income		0		64
Tax effect on non-taxable reversal of impairment		556 616		129 220
Change deferred tax		-5 480 997		-10 755 486
Change taxation previous year		-976		0
Reported effective tax		-5 545 948		-10 877 120

Note 9 Receivables from group companies

	2023-12-31	2022-12-31
Provided loans, incl set up expenses	132 773 541	737 524 021
Incoming accounts	0	85 066
Accrued interest income	2 073 880	11 546 106
Accumulated acquisition value, closing balance	134 847 421	749 155 193
Credit on account included in a cash pool structure	0	62 568 171
Accumulated write-down losses, closing balance	0	62 568 171
Book value, closing balance	134 847 421	811 723 364

Note 10 Reported value

	2023-12-31	2023-12-31	2022-12-31	2022-12-31
	Receivables	Fair Value*	Receivables	Fair Value*
Loan Receivables	132 773 541	132 773 541	737 524 021	737 524 021
Accrued interest revenues	2 073 880	2 073 880	11 546 106	11 546 106
Other current investments	0	0	62 653 237	62 653 237
Cash and bank balances	632 606	632 606	518 890	518 890
Total	135 480 027	135 480 027	812 242 254	812 242 254

	2023-12-31	2023-12-31	2022-12-31	2022-12-31
	Debts	Fair Value**	Debts	Fair Value**
Bond loans	0	0	749 307 022	744 090 000
Accrued interest costs	689 957	689 957	10 633 562	10 633 562
Credit on account included in a cash pool structure	88 723 660	88 723 660	0	0
Accounts payable - trade	14	14	198 417	198 417
Other liabilities	141	141	0	0
Total	89 413 772	89 413 772	760 139 001	754 921 979

* 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

	2023-12-31	2022-12-31
Other prepaid Expenses	0	146 250
	0	146 250

Note 12 Appropriation of profit or loss

Proposals for profit allocation

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

	2023-12-31
profit carried forward	17 367 790
year's loss	-3 112 466
	14 255 324
be distributed so that they are:	
carried over	14 255 324
	14 255 324

Note 13 Deferred tax liability

	2023-12-31	2022-12-31
Balance at beginning of year	26 030 682	15 275 196
Realized tax liability	-4 113 675	0
Revaluation	5 480 997	10 755 486
Balance at the end of the year	27 398 004	26 030 682

The Tax Agency decided during the financial year 2023, regarding the income tax return 2021, that the claim against the parent company is to be regarded as a capital asset, and that repayment of the claim on the parent company thus would be taxed. The taxation was decided to be based on a valuation in Swedish kronor. The company was charged tax for an amount that is known as the difference between the amortization received, known to Swedish kronor at the exchange rate at the time of payment, and total amount lent calculated at the exchange rate on the day the loan was given. The exceeding amount, i.e. the capital gain was taxed. Based on this interpretation, capital gains for claims repaid during the year will be taxed with current tax in 2023 and the remaining claim may be taxed in its entirety, which is why a deferred tax liability has been calculated on the remaining claim.

The remaining claim amounts to 133 MEURO and a deferred tax liability has been rereported amounting to 27.4 MEURO.

Note 14 Items interference with comparison

	2023-12-31	2022-12-31
Credit on account included in a cash pool structure	88 723 660	0
Accrued interest cashpool	689 957	0
	89 413 617	0

Note 15 Accrued expenses and deferred income

	2023-12-31	2022-12-31
Accrued audit fees	30 000	22 000
Accrued interest bond	0	10 633 562
Other items	10 000	64 760
	40 000	10 720 322

Note 16 Adjustments for Items not Included in the Cash Flow

	2023-12-31	2022-12-31
Profit upon sales of fixed assets	306 665	0
Loss upon sales of fixed assets	-2 702 020	0
	-2 395 355	0

Note 17 Pledged Assets and Contingent liabilities

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

Note 18 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.

Note 19 Significant accounting estimates

The company's management and the board have discussed the development, the choice and information regarding important accounting principles and estimates.

Deferred tax

There is an uncertainty regarding the tax treatment of exchange rate differences lending as the claim on the parent company is considered a capital asset. In 2019, the Tax Court took a position on whether there is a discrepancy in Swedish legislation between reporting a realization in companies with EUR as functional currency, where the right of deduction for loss on capital debt does not exist, in relation to SEK as the functional currency where there is full right of deduction for losses on divested capital liabilities.

Receivable parent company

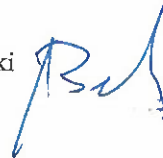
The company has a long-term claim on the parent company where the board and management continuously make assessments regarding the parent company's capacity to pay interest and capital.

Stockholm 2024 - 05 - 27

Jaroslaw Goncerz
Chairman



Krzysztof Berlinski



Mikaela Laaksonen
Managing Director

Our audit report was submitted 2024 - ____ - ____.

Mazars AB

Åsa Thelin
Authorized Public Accountant