

Skellefteå Kraft Denmark A/S

Amaliegade 6, 2. tv, 1256 København

CVR no. 42 42 01 58

Annual report 2023

Approved at the Company's annual general meeting on

Chair of the meeting:



Sanna Lundström

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Skellefteå Kraft Denmark A/S for the financial year 1 January - 31 December 2023.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.


We recommend that the annual report be approved at the annual general meeting.

København, 23 February 2024
Executive Board:



Fredrik Jonsson
Director

Board of Directors:



Sanna Lundström
Chairman



Christer Sjodin



Ulrika Sehlstedt

Independent auditor's report

To the shareholders of Skellefteå Kraft Denmark A/S

Opinion

We have audited the financial statements of Skellefteå Kraft Denmark A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

Independent auditor's report

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aabenraa, 23 February 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28


Jon Midtgaard
State Authorised Public Accountant
mre28657

Management's review

Company details

Name	Skellefteå Kraft Denmark A/S
Address, Postal code, City	Amaliegade 6, 2. tv, 1256 København
CVR no.	42 42 01 58
Established	27 May 2021
Registered office	København
Financial year	1 January - 31 December
Board of Directors	Sanna Lundström, Chairman Christer Sjödin Ulrika Sehlstedt
Executive Board	Fredrik Jonsson, Director
Auditors	EY Godkendt Revisionspartnerselskab Skibbroen 16, 6200 Aabenraa, Denmark

Management commentary

Business review

Skellefteå Kraft Denmark A/S activities are distribution and trade of electricity, sale and services of equipment in the field of energy and charging etc.

Financial review

The income statement for 2023 shows a profit of DKK 376,209 against a profit of DKK 261,237 last year, and the balance sheet at 31 December 2023 shows equity of DKK 19,060,745.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December

Income statement

Note	DKK	<u>2023</u>	<u>2022</u>
	Gross profit	6,980,516	2,357,264
	Amortisation/depreciation and impairment losses	-4,761,066	-1,595,014
	Profit before net financials	<u>2,219,450</u>	<u>762,250</u>
	Financial income	7	17,503
3	Financial expenses	-1,736,258	-444,754
	Profit before tax	<u>483,199</u>	<u>334,999</u>
	Tax for the year	-106,990	-73,762
	Profit for the year	<u><u>376,209</u></u>	<u><u>261,237</u></u>
	 Recommended appropriation of profit		
	Retained earnings	<u>376,209</u>	<u>261,237</u>
		<u><u>376,209</u></u>	<u><u>261,237</u></u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2023	2022
	ASSETS		
	Fixed assets		
4	Property, plant and equipment		
	Plant and machinery	47,616,868	48,591,648
	Property, plant and equipment under construction	10,469,191	0
		<u>58,086,059</u>	<u>48,591,648</u>
	Total fixed assets	<u>58,086,059</u>	<u>48,591,648</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	3,292,832	1,269,872
	Receivables from group entities	2,226,131	3,322,713
	Other receivables	2,241,623	2,669,413
	Prepayments	1,573,199	0
		<u>9,333,785</u>	<u>7,261,998</u>
	Cash	1,564,824	3,466,124
	Total non-fixed assets	<u>10,898,609</u>	<u>10,728,122</u>
	TOTAL ASSETS	<u>68,984,668</u>	<u>59,319,770</u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	400,000	400,000
	Retained earnings	18,660,745	17,284,536
	Total equity	<u>19,060,745</u>	<u>17,684,536</u>
	Liabilities other than provisions		
5	Non-current liabilities other than provisions		
	Payables to group entities	47,000,000	38,000,000
		<u>47,000,000</u>	<u>38,000,000</u>
	Current liabilities other than provisions		
	Trade payables	2,892,915	3,561,472
	Corporation tax payable	31,008	73,762
		<u>2,923,923</u>	<u>3,635,234</u>
	Total liabilities other than provisions	<u>49,923,923</u>	<u>41,635,234</u>
	TOTAL EQUITY AND LIABILITIES	<u>68,984,668</u>	<u>59,319,770</u>

- 1 Accounting policies
- 2 Staff costs
- 6 Security and collateral
- 7 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 January 2023	400,000	17,284,536	17,684,536
Grants	0	1,000,000	1,000,000
Transfer through appropriation of profit	0	376,209	376,209
Equity at 31 December 2023	400,000	18,660,745	19,060,745

The company's nominal share capital is DKK 400,000, divided into shares of DKK 1 each or multiple hereof. Each share of nominal DKK 1 carries 1 vote. The share capital remains unchanged since formation of the company.

In financial year 2022 the company received a grant DKK 10.0 million from parent company.

In financial year 2023 the company received a grant DKK 1.0 million from parent company.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Skellefteå Kraft Denmark A/S for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale is recognised in the revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2020.

Income from the rendering of services is recognised as revenue as the services are rendered. Revenue is measured at the fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross profit

The items revenue, cost of sales and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Raw materials and consumables, etc.

Cost of sales include the costs of raw materials and consumables incurred to generate revenue for the year.

Other external expenses

Other external expenses include the year's expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life.

Plant and machinery	10 years
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Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Property, plant and equipment

On initial recognition, items of property, plant and equipment are measured at cost. Plant and machinery are subsequently measured at cost less accumulated depreciation.

Depreciation is based on the residual value of the asset after the end of the useful life and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Individual components of property, plant and equipment that have different useful lives are accounted for as separate items, which are depreciated separately. Depreciation is provided on a straight-line basis over the expected useful lives of the assets, which are as follows:

Plant and machinery	10 years
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Impairment of fixed assets

The carrying amount of property, plant and equipment is assessed for impairment on an annual basis.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK	2023	2022
2 Staff costs		
The Company has no employees.		
3 Financial expenses		
Interest expenses, group entities	1,729,000	411,120
Other financial expenses	7,258	33,634
	<u>1,736,258</u>	<u>444,754</u>

4 Property, plant and equipment

DKK	Plant and machinery	Property, plant and equipment under construction	Total
Cost at 1 January 2023	50,186,662	0	50,186,662
Additions	9,452,946	4,802,532	14,255,478
Transferred	-5,666,659	5,666,659	0
Cost at 31 December 2023	<u>53,972,949</u>	<u>10,469,191</u>	<u>64,442,140</u>
Impairment losses and depreciation at 1 January 2023	1,595,014	0	1,595,014
Depreciation	<u>4,761,067</u>	<u>0</u>	<u>4,761,067</u>
Impairment losses and depreciation at 31 December 2023	<u>6,356,081</u>	<u>0</u>	<u>6,356,081</u>
Carrying amount at 31 December 2023	<u>47,616,868</u>	<u>10,469,191</u>	<u>58,086,059</u>
Depreciated over	<u>10 years</u>		

Plant and machinery consist of charging stations installed on 3rd party land.

5 Non-current liabilities other than provisions

Of the long-term liabilities, DKK 0 falls due for payment after more than 5 years after the balance sheet date.

6 Security and collateral

The Company has not provided any security or other collateral in assets at 31 December 2023.

Financial statements 1 January - 31 December

Notes to the financial statements

7 Related parties

Skellefteå Kraft Denmark A/S' related parties comprise the following:

Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
Skellefteå Kraft AB	Kanalgatan 71, 93134 Skellefteå Sweden	Parent company

Related party transactions

The Company solely discloses related party transactions that have not been carried out on an arm's length basis, cf. section 98c(7) of the Danish Financial Statements Act.

All transactions have been carried out on an arm's length basis.