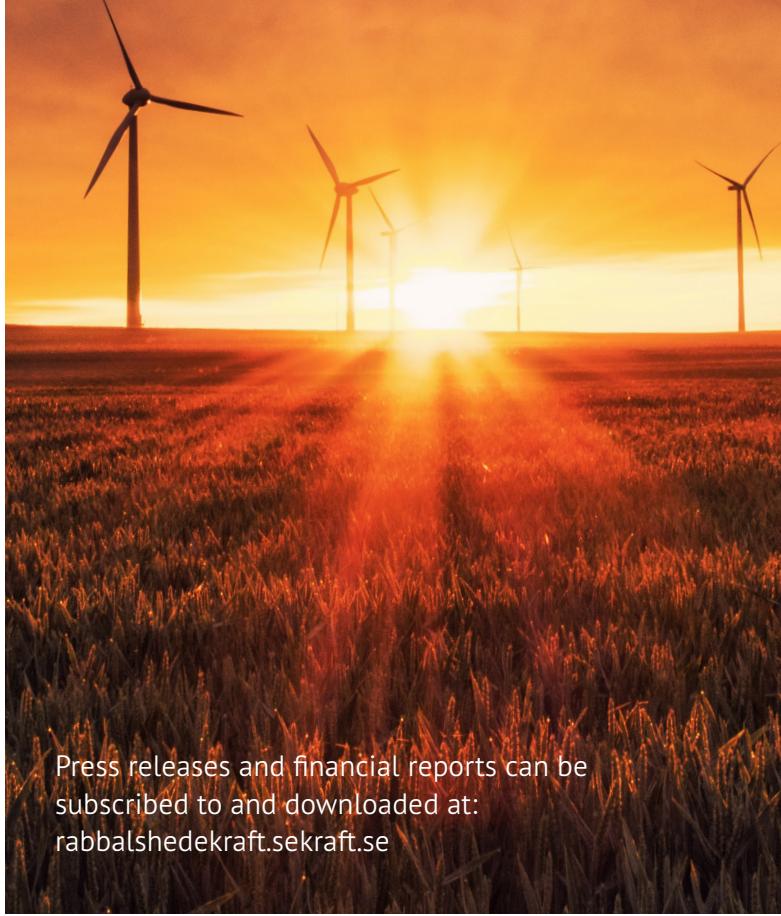
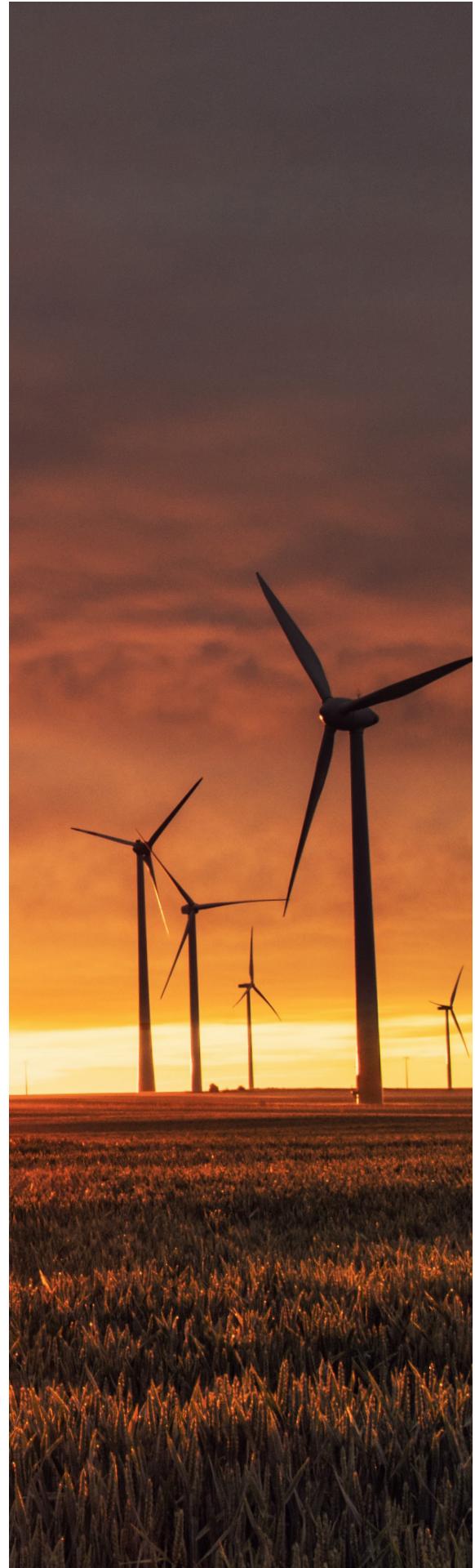


Annual Report 2020

Rabbalshede Kraft AB (publ)



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About Rabbalshede Kraft

At Rabbalshede Kraft, we shape tomorrow's energy.

Our ambition, together with our partners and local actors, is to develop and drive sustainable energy solutions. Through long-term ownership, we generate power that can be supplied when and where it is needed. We compete with global actors, we offer unique flexibility and local understanding, all the way from planning, construction and operation to administrative services.

Our head office is in Rabbalshede. We also have offices in Stockholm and Göteborg.



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Administration report

MULTI-YEAR REVIEW

2020

PROJECT PORTFOLIO	No. of Turbines					Total capacity, MW					
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2016	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2016	
Operation	92	78	78	71	71	222	205	205	190	190	
Construction	25	11	-	-	22	115	37	-	-	76	
Authorized	23	33	41	45	47	149	111	139	134	140	
Preplanning, planning and application phase	179	25	25	101	101	1 622	102	105	324	324	
Total in operation and being planned	319	147	144	217	241	2 108	455	449	648	730	
Wind turbines sold	-	-	-	-	42	-	-	-	-	111	
PRODUCTION		Full-year 2020	Full-year 2019	Full-year 2018	Full-year 2017	Full-year 2016	Full-year 2020	Full-year 2019	Full-year 2018	Full-year 2017	Full-year 2016
Production Outcome, GWh		633	518	465	510	501					
Price- hedged energy, %		79	74	74	90	70					
FINANCIAL OVERVIEW (MSEK)		Full-year 2020	Full-year 2019	Full-year 2018	Full-year 2017	Full-year 2016	Full-year 2020	Full-year 2019	Full-year 2018	Full-year 2017	Full-year 2016
Net sales		199	247	243	234	236					
Total revenue		227	275	331	257	248					
EBIT		-29	22	75	3	44					
Profit/loss before tax		-63	-14	33	-100	-109					
Profit/loss for the year		-62	-14	20	-100	-102					
Cash flow from operating activities		104	117	81	18	-39					
CONDENSED BALANCE SHEET (MSEK)		Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2016	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2016
Total assets		2,715	2,399	2,309	2,202	2,356					
Shareholders' equity		1,721	1,506	1,321	1,296	1,075					
Interest-bearing liabilities, (excl. shareholder loans)		814	577	587	605	710					
Other liabilities, incl. shareholder loans		180	316	401	301	571					
KEY RATIOS		Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2016	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2016
Return on capital employed before taxes, %		-	0.1	4	0.4	2.2					
Debt/equity ratio, multiple	-	0.5	0.5	0.7	0.6	1.0					
Ned debt, MSEK		731	509	778	743	1 024					
Equity/assets ratio, %		63	63	57	59	46					
Number of shares at the end of the period (millions)		209	181	160	160	127					
Shareholders' equity per share, SEK		8.22	8.32	8.25	8.09	8.47					
Earnings per share, SEK		-0.34	-0.08	0.12	-0.64	-0.81					
Average number of employee		32	29	27	28	25					

See Notes for definitions of key metrics.

ADMINISTRATION REPORT

The Board of Directors and CEO of Rabbalshede Kraft AB (publ), corporate registration number: 56681-4652, hereby submit the Annual Report and consolidated financial statements for the January 1, 2020 to December 31, 2020 fiscal year.

BUSINESS ACTIVITIES

The Group comprises the Parent Company, Rabbalshede Kraft AB (publ.) and 8 (17) wholly owned subsidiaries, of which 6 are directly owned. Refer to Note 17 for further information.

The Parent Company started operations in 2005 and the Group was formed in November 2007. Rabbalshede Kraft refers to the Group in this report.

Rabbalshede Kraft plans and constructs onshore wind farms for proprietary operation or to sell on to other operators. The company ensures effective control of all stages from preplanning, planning, application and construction to, ultimately, operation and maintenance. Optimal long and short-term profitability is achieved by being in control of all of the stages from the initial analysis of suitable areas for the construction of wind farms to their actual operation. Rabbalshede Kraft also offers operational management of wind turbines for partners.

In 2020, the average number of employees was 32 (29).

PARENT COMPANY

The Parent Company, Rabbalshede Kraft AB (publ.), focuses primarily on management, coordination and development of the Group. The administration of electricity sales is carried out by the Parent Company. The Parent Company is responsible for issues related to the equities market, such as preparing consolidated financial statements and equity market information, and to the credit market on such matters as funding and financial risk management. All staff are employed by the Parent Company.

SHARE CAPITAL AND OWNERSHIP STRUCTURE

At the end of the fiscal year, the registered share capital comprised 209,382,517 shares (180,922,758), of which Class A shares comprised 1,000,000 (1,000,000) and Class B shares 208,382,517 (179,922,758). Class A shares entitle the holder to one vote and Class B shares entitle the holder to one tenth of a vote. The quotient value of the shares at December 31, 2020 was SEK 5 per share.

At December 31, 2020, according to the share register maintained by Euroclear Sweden AB, the number of shareholders was 1,033. At the end of the fiscal year, Manor Investment S.A (Treis Group) controlled 42.41% of the company's votes, Sweden Holdco RK (TD Asset Management) 34.56%, Ernst Rosén Invest AB 9.19%, Thoren Jönsson 3.52% and Nordea Nordic Small Cap Fund 2.14%. No other shareholder controls 2% or more of the company's votes.

Rabbalshede Kraft AB's shares are not listed on any stock exchange or market. In April 2014, the Board of Directors decided to list the company's Class B share for trading on Alternativa Sweden trading platform via the Alternativa List. On the Alternativa List, buyers and sellers can follow share price information and execute regular trading. Trading on the Alternativa List occurs regularly once a month in order to gather transactions and create share liquidity. Each trading period comprises four days. During 2020, 99,210 Class B shares were traded at an average price of SEK 7.35. The Articles of Association do not include any preemption clauses, meaning no barriers to transferring shares in the company.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Several of the Group's subsidiaries (9) merged to form one company at the start of the year. This contributed to a simpler corporate structure and better administrative workflow in the Group.

The company's own wind farms generated 633 GWh in 2020, which is 4.8% higher than expected as a result of strong wind at the start of the year. Availability during the year was good, despite repairs and the pandemic – over 97.1% as a result of strong wind during the first half of the year.

Two wind farms were transferred to the production portfolio: Gårdshyttan, with five Enercon E-138 turbines, and Östra Herrestad, with nine Vestas V90 turbines. The availability of the portfolio was slightly lower than expected during the year. This was caused by extensive blade repairs, gearbox replacement and the commissioning of new wind farms.

Management business was affected by the pandemic and low electricity prices, with less demand for services. However, new business was added in electrical installation inspection and electrical safety training.

The company's project profile grew considerably during the year to ensure future large-scale growth. One major focus was on increasing the previous project portfolio with possible new projects, and the company now has a total portfolio of more than 2.5 GW of development projects in various stages of maturity. All the projects are located in southern Sweden (electricity price areas SE3 and SE4), where demand for new power generation is high. 2020 was a record year in terms of decisions to invest in wind projects. Decisions were made on two projects, Femstenaberg (Strömstad Municipality) and Lursäng (Tanum Municipality), where construction started in January 2021, and one joint project (approximately 66 MW). A decision was also made on the Årjäng NVII project (Årjäng Municipality), and construction of the eight turbines (approximately 34 MW) starts in March 2021. We also acquired just over

20% of the shares in the Långnabba project, Åland's biggest wind project (42 MW). Rabbalshede Kraft is the biggest shareholder in the project.

There has been progress in several projects in the permit phase. A positive decision was received from the Environmental Permit Office for ten turbines for the Fägremo project, and for five turbines for the Ed SV project. Lönghult received a decision from the Land and Environment Court for four turbines. All projects will remain in the permit phase in 2021.

The company broadened the scope of its activities with investments in solar power and green hydrogen. The first Solar plant has now been completed and progress is expected in both solar and green hydrogen production in 2021.

EVENTS AFTER THE BALANCE SHEET DATE

On 18 January 2021, TD Greystone Infrastructure Fund became the majority shareholder in Rabbalshede Kraft when Treis and Ernst Rosén sold their holdings to TD Greystone Infrastructure Fund, increasing its holding to 87%

INFORMATION ABOUT RISKS AND UNCERTAINTIES

Political risks

The power market is subject to laws and regulations, and in Sweden these are partly derived from EU Directives. The wind power market is also subject to laws and regulations for both the subsidy system and the permit process for installing wind turbines.

The projects Rabbalshede Kraft has in the planning and application phases are subject to investigation and consideration by municipalities and/or county administrative boards. Consequently, there is uncertainty as to whether the company will be granted permits for these projects.

The electricity certificate system was introduced in Sweden in 2003 to promote the expansion of renewable, carbon-free power. Since 2012, the system has been run jointly with Norway, with the initial target of increasing annual renewable power generation by 28.4 TWh by 2020 compared with 2012. The proposed target by 2030 is for an additional 18 TWh to be built, but that only covers Sweden as Norway will end the system at the end of 2021.

Sweden has now decided to end the certificate system, meaning that new plants will not receive electricity certificates. The system has been ended with a built-in surplus, i.e. the expected annual production exceeds the annual quota. This resulted in prices falling throughout the year. They are now below SEK 5/MWh. Given that the system has been ended, there is nothing to indicate that the prices of certificates will rise in the future.

Electricity prices

The weather in 2020 was warm and dominated by low pressure, resulting in more precipitation than normal, which affected the levels of reservoirs. Virtually throughout 2020, reservoir levels were at a record high, which forced electricity prices down. There was also more wind than in a normal year, resulting in even higher supply. In addition, it was a year in which demand was negatively affected by Covid-19.

In 2020, the annual average spot electricity price was SEK 221/MWh, which may be compared with the annual average for 2019 of SEK 405/MWh in Rabbalshede Kraft's primary power area (SE3). Electricity prices are affected by different factors. In the short term, the weather is the most important price factor. However, price elasticity is virtually zero as rapid price fluctuations only have a marginal impact on consumption.

In the medium term, with a time frame of up to five years, the economy is an important price factor as industrial power consumption increases or decreases. The world economy also affects prices of fossil fuels for power generation, primarily coal but also natural gas, as energy demand increases and decreases during the economic cycle.

In the longer term, other factors come into play, such as the extent of new energy production in relation to demand and the technology used for it. Grid development within the EU also affects electricity prices as transmission capacity between countries is improved. Good grid connections are essential to the continued expansion of renewable power as they facilitate exports from regions with a surplus of electricity to regions with a deficit.

Competitors

Over the past few years, interest in wind power has increased and competition for areas with favorable wind conditions has intensified. Through its extensive project portfolio, Rabbalshede Kraft holds a strong position in the Swedish wind power market. Rabbalshede Kraft is open to partnerships with other operators on individual projects, which can also enable the establishment of more and larger wind farms.

Wind farms with favorable wind conditions have a competitive advantage when applying for financing. The capacity in the power grid is limited, which means that local wind power projects compete for the available space.

Variations in wind

Wind power production varies during the year, normally entailing higher electricity production during the winter season. An average wind year, known as a normal year, is based on wind measurements over at least a ten-year period.

Deviations from the normal year may be substantial during certain periods, thus affecting income and earnings during a single quarter or year. When making investment decisions about wind farms, Rabbalshede Kraft takes variations in wind into consideration and, furthermore, places great importance on diligent wind measurement to optimize the location of wind turbines and production.

Economic life and operating costs

Investment decisions are based on an estimated economic life of 15-30 years depending on the components in a wind turbine. If the actual economic life should be less than the estimated economic life, this will negatively affect the Group's profitability. Such a long investment horizon means that future operating expenses may deviate from estimated expenses and thus affect the earnings trend. The Group established its own operation and maintenance organization in 2010.

Dependency

The company uses various suppliers as part of planning and constructing wind farms. In the opinion of Rabbalshede Kraft, the company is not dependent on any single supplier of strategic components such as wind turbines, which means that any interruptions in deliveries do not need to entail any long-term consequences for operations. The critical point for bringing new turbines into operation is whether they can be connected to the Swedish power grid. On this point, producers of renewable electricity such as Rabbalshede Kraft are extremely dependent on grid companies at local, regional and national levels. Svenska Kraftnät is responsible for the Swedish national grid and has system responsibility for the electricity supply in Sweden. The agency has been tasked by the government to strengthen the national grid with the aim of managing the expansion of wind farms that are often located in sparsely populated areas with power grids that are under-dimensioned for large-scale electricity production. The company expects the connections to be in place in time for those turbines planned to be operational over the next few years.

Employees

The achievement of sustained growth combined with healthy earnings is also dependent on the company's ability to recruit, retain and develop senior executives and other key individuals. The organization will gradually be adjusted for continued growth in line with the expansion plan. Additional key employees may be recruited in pace with the company's growth.

Financial instruments and risk management

Through its business operations, the Group is exposed to various categories of financial risk. Financial risk pertains to fluctuations in the company's earnings and cash flow arising from changes in exchange rates, interest rates and defaulted credit. The Group's financial policy was formulated by its Board of Directors and constitutes a framework of guidelines and rules in the form of risk mandates and limits for finance activities for managing financial risks. The CEO is responsible for the Group's financial transactions and risks. The overall objective of the finance function is to provide cost-efficient financing and to minimize the negative impact on consolidated earnings arising from market risks. Reporting is undertaken on a continuous basis to the company's Board of Directors.

MARKET RISK

A market risk is the risk that the fair value or future cash flows of a financial instrument may vary due to fluctuations in market prices. Market risks are divided into three categories: exchange rate risk, interest rate risk and other price risks. The market risks that primarily affect the Group consist of exchange rate risk, interest rate risk and risks attributable to the price trends of electricity and electricity certificates.

The Group's objective is to manage and control market risks within fixed parameters, while optimizing the profits from risk taking within given frameworks. The parameters are fixed with the aim that short-term (6-12 months) market risks should only affect the Group's profit and position marginally. However, persistent changes to exchange rates, interest rates and prices of electricity, electricity certificates and guarantees of origin will have an impact on consolidated profit in the longer term.

PRICE RISKS IN ELECTRICITY SALES

Rabbalshede Kraft is a net producer of electricity, which makes the price of electricity a crucial parameter in the Group's profit. A lower electricity price results in direct negative impact on the Group's sales and earnings. It is thus of great importance that electricity price risks are managed in a professional and cost-efficient manner.

With the aim of achieving stable earnings, Rabbalshede Kraft has prepared a cooperation agreement with Axpo Sweden AB, one of the leading players at Nord pool. Axpo assists with advisory services concerning the markets for electricity and electricity certificates and functions as a support in Rabbalshede Kraft's risk management, and offers hedging products that provide Rabbalshede Kraft with the scope to balance risks and opportunities. The partnership aims to secure future production revenue, reach long-term profitability, reduce the risk of fluctuations in market prices negatively affecting the company's revenue, achieving favorable results from price hedges and managing the need for balance power in a cost-efficient manner.

Price risk refers to fluctuations in the price of electricity and electricity certificates and their impact on profit. To minimize such exposure, derivative instruments are used as a hedge against future sales. The Group hedges its sale of electricity using forward contracts existing in the market, as well as PPA and EPA products. Fixed limits were set on the maximum permitted deviations in volume between normal hedge volumes and price-hedged volumes relating to ongoing electricity sales. Similarly, there are limits on the volumes that may be stored and sold in advance concerning electricity certificates.

The Group's sale of electricity in 2020 totaled 633 GWh (518).

SENSITIVITY ANALYSIS

A fluctuation of 10% in the electricity price results in a change in the profit for the year of MSEK 2.8 (4.3). The sensitivity analysis is based on all other factors remaining unchanged and the non-application of hedge accounting.

EXCHANGE RATE RISK

Exchange rate risk arises in connection with the planning and ordering of wind turbines, which is preferably from European suppliers in EUR. In most cases, payment occurs on a number of predetermined dates. With the aim of restricting the exchange rate risk, Rabbalshede Kraft will, early in the process, reduce the uncertainty by hedging the currency exposure, in full or in part, when the order is placed, to safeguard profits and estimates. This risk is referred to as transaction exposure.

Exchange rate risks are thus hedged if they are attributable to the purchase of future investments in wind turbines for which permits have been obtained. Hedge accounting is applied in the Group.

The Group's transaction exposure on the balance sheet date was distributed over the following currencies:

Group	2020	2019
Wind turbines ordered*, MEUR	14.6	14.6-
Of which hedged, %	100%	95-

* Includes investments made during the year and orders for turbines for which delivery has not yet been made.

The Group classifies its currency futures that are used for the hedging of forecast purchases as cash flow hedges. Hedge accounting is applied in the Group. The fair value of outstanding forward contracts on the balance sheet date amounted to MSEK 0.7 (4.3) net.

SENSITIVITY ANALYSIS

A fluctuation of +/- 5% in the SEK/EUR rate at December 31, 2020 would mean a change in cost of MSEK 732 (732). The sensitivity analysis is based on all other factors (for example interest) remaining unchanged and the non-application of hedge accounting.

INTEREST RATE RISKS

Interest rate risk is the risk that the value of a financial instrument may vary due to fluctuations in market interest rates. Interest rate risks may result in changes in fair value and changes in cash flows. A significant factor that affects interest rate risk is the fixed interest period. The Group's interest rate exposure is managed by the Group's financial control function, which is responsible for identifying and managing this exposure. On the balance sheet date the Group had MSEK 821 (584) in loan payables outstanding.

Derivative instruments such as interest rate swaps may be utilized to control the Group's interest rate risk. According to the financial policy, the norm risk has been set at five years. The company has a mandate to allow the debt portfolio's average fixed interest period to deviate from the norm risk by +/- 12 months. A maximum of 50% of the total debt portfolio including derivatives may be subject to a change in interest rate within a 12-month period and a maximum of 50% of the loan maturity (tied-up capital) may be within a 12-month period.

During the year, the company's average interest rate on bank loans was 3.77 (3.95)%. During the year, there were also shareholder loans with an average interest rate of 5.0%.

Interest rate swaps are utilized for switching between variable and fixed interest rates with the aim of adapting interest rates and fixed interest periods. At December 31, 2020, the average fixed interest period was 1.85 years (2.01) and the average capital maturity term for the debt portfolio was 1.89 years (2.75). On the balance sheet date, the company had interest derivatives with a nominal value of MSEK 603 (347).

The fair value of outstanding interest derivatives on the balance sheet date was MSEK -13 (-17) net. These figures were recognized as long-term liabilities in the balance sheet. Hedge accounting is applied in the Group.

SENSITIVITY ANALYSIS

A change in interest rates of 100 basis points would result in an annual change of MSEK 1.7 (1.3) in profit or loss on the balance sheet date.

The sensitivity analysis is based on all other factors remaining unchanged and the non-application of hedge accounting.

LIQUIDITY RISKS

Liquidity risk refers to the risk the Group may have problems in meeting its obligations that are associated with financial liabilities.

The Group has rolling 24-month liquidity planning that is updated monthly. Liquidity planning is used to manage liquidity risks and costs for financing the Group. The objective is for the Group to be able to manage its financial obligatio

ns in upturns and downturns without significant unpredictable costs. Liquidity risks are managed by the Group's financial function. According to the financial policy, there must always be sufficient cash and cash equivalents (liquidity reserves) totaling a minimum of MSEK 50 within the Group. The liquidity reserve pertains to cash, overdraft facility, listed investments that can be sold within five days and unutilized confirmed lines of credit. In 2020, liquidity reserves comprised bank funds in accounts. In addition, the due dates for financial liabilities were distributed over time in order to limit the liquidity risk. The Group's financial liabilities at year-end amounted to MSEK 814 (733).

Environmental information

Wind power is a clean and renewable energy source that has an environmental impact throughout the useful life of a turbine. Environmental impact under operation is primarily in the form of sound and shadow. Through its portfolio of wind power facilities, Rabbalshede Kraft operates a business that is licensable or notifiable under the Swedish Environmental Code. The company holds all necessary environmental permits. Where activities are notifiable, application is required under the Environmental Code for building permits to be granted.

In 2010, Rabbalshede Kraft secured ISO 9001 quality certification and ISO 14001 environmental certification. In 2018, the company was certified under ISO 9001:2015, the standard for quality management systems, and 14001:2015, the standard for environmental management systems. Being certified is an important part of the company's operations, as this provides security in both internal and external processes.

Financing

Rabbalshede Kraft's goal is that the company's debt/equity ratio will not fall below 1.25 and that the equity/assets ratio will be at least 40%.

Bank loans totaled MSEK 821 (584) at December 31, 2020 and are all with Swedbank.

Board activities

The Board consisted of five directors as of December 31, 2020. During the 2020 fiscal year, the Board held 14 Board meetings. The Board has a written work plan and instructions regulating the duties of the Board and the CEO. Accordingly, the Board's meetings and its work follow an agenda programme dedicated to securing the Board's need for information and control of business activities as well as the Group's organization.

EXPECTATIONS FOR FUTURE DEVELOPMENT

The opinion of the Board of Directors is that the company's future business activities under normal market conditions, meaning when electricity revenues are at historically average levels, will generate a cash flow that results in value growth for the shareholders. The company's project portfolio, from planning to operation, comprises nearly 1,886 (213) MW represented by some ten wind farms in favorable wind locations across Sweden. In addition, the company has a pipeline of attractive projects in the market ready for construction. In addition to the possibility of building from its own project portfolio, the company also evaluates the possibility of acquiring permits in attractive locations from other players in the

market.

The Board's risk assessment regarding Covid-19

The continued spread of coronavirus has affected many companies in terms of both their operations and their future development. Rabbalshede Kraft is no exception. Rabbalshede Kraft will continue to work according to the contingency plan drawn up by management and the Board in early 2020. This means that the company must ensure that staff are not subjected to stress and unnecessary health risks and that the operation of our wind turbines and those of our customers is affected as little as possible in the event of severe staff shortages. The company continues to conduct a dialogue with suppliers, licensing authorities and other stakeholders.

The financial consequences are hard to grasp in their entirety. The company has locked in a large part of its power sales over the next two years, meaning that short-term cash flow will not be greatly affected by Covid-19.

Future capital requirements

If developments follow the predicted expansion plan, a natural need for fresh capital will arise in the future. Additional shareholders' equity in the company is required before a bank will grant any loans for new wind farms. This means that from time to time the need for cash and cash equivalents may be substantial. Accordingly, additional share issues may be carried out in parallel with the company continuing to sell entire or parts of existing and future wind farms.

To date, Rabbalshede Kraft has secured financing for its expansion on an ongoing basis.

Proposed appropriation of profits

The following funds in SEK are at the disposal of the Annual General Meeting:

Share premium reserve	693,247,593
Retained earnings	-49,642,622
Profit for the year	-28,070,631
Total	516,431,791

Proposed appropriation of profits

The Board of Directors proposes that unappropriated earnings and unrestricted reserves be appropriated as follows (SEK):

To be carried forward	-77,713,253
Share premium reserve	693,247,593
Total	615,534,340

For information regarding the earnings and financial position of the company, please refer to the following financial statements and balance sheets with accompanying notes.

GROUP FINANCIAL STATEMENTS

Consolidated income statement

Tkr	Note	2020	2019
OPERATING REVENUE			
Net sales	3	199,139	247,165
Own work capitalized	4	9,202	6,575
Other operating revenues	5	18,439	21,267
Total revenue		226,779	275,007
OPERATING COSTS			
Service and maintenance		-73,348	-74,302
Other external costs	6, 7	-24,752	-26,907
Personnel costs	8	-33,794	-33,063
Depreciation, amortization and impairment		-123,910	-119,179
EBIT		-29,025	21,556
PROFIT/LOSS FROM FINANCIAL ITEMS			
Earnings from other securities and receivables classified as fixed assets	9	4,329	4,318
Interest expenses and similar loss items	10	-37,916	-39,712
Profit/loss after financial items		-62,610	-13,838
Tax on profit/loss for the year (income tax, current and deferred)	11	480	-
Profit/loss for the year		-62,130	-13,838



Consolidated balance sheet

Tkr	Note	Dec. 31, 2020	Dec. 31, 2019
ASSETS			
Non-current assets			
Intangible fixed assets			
Business systems	12	6,881	2,124
Leases and similar rights	13	18,131	19,030
Total		25,012	21,154
Property, plant and equipment	14		
Land and buildings		18,805	17,972
Operational wind farms		1,862,214	1,620,552
Equipment, tools, fixtures and fittings		449	778
Planning in progress		424,076	239,266
Total		2,305,544	1,878,568
Financial fixed assets			
Receivables from associated companies and joint ventures	15	108,226	108,226
Other long-term securities holdings	16	41,749	24
Deferred tax assets	11	29,885	31,544
Total		179,860	139,794
Total fixed assets		2,510,416	2,039,482
Current assets			
Inventory, etc			
Electricity certificates		17,389	61,591
Spare parts		2,144	1,202
Total		19,533	62,793
Current receivables			
Accounts receivables		833	2,830
Receivables from associated companies and joint ventures		12,718	11,547
Other receivables		57,258	22,988
Orepaid costs and accrued income	19	31,680	34,744
Total		102,489	72,109
Blocked bank funds		51,019	48,024
Cash and cash equivalents	29	31,473	176,430
Total current assets		204,514	359,356
Total assets		2,714,930	2,309,048

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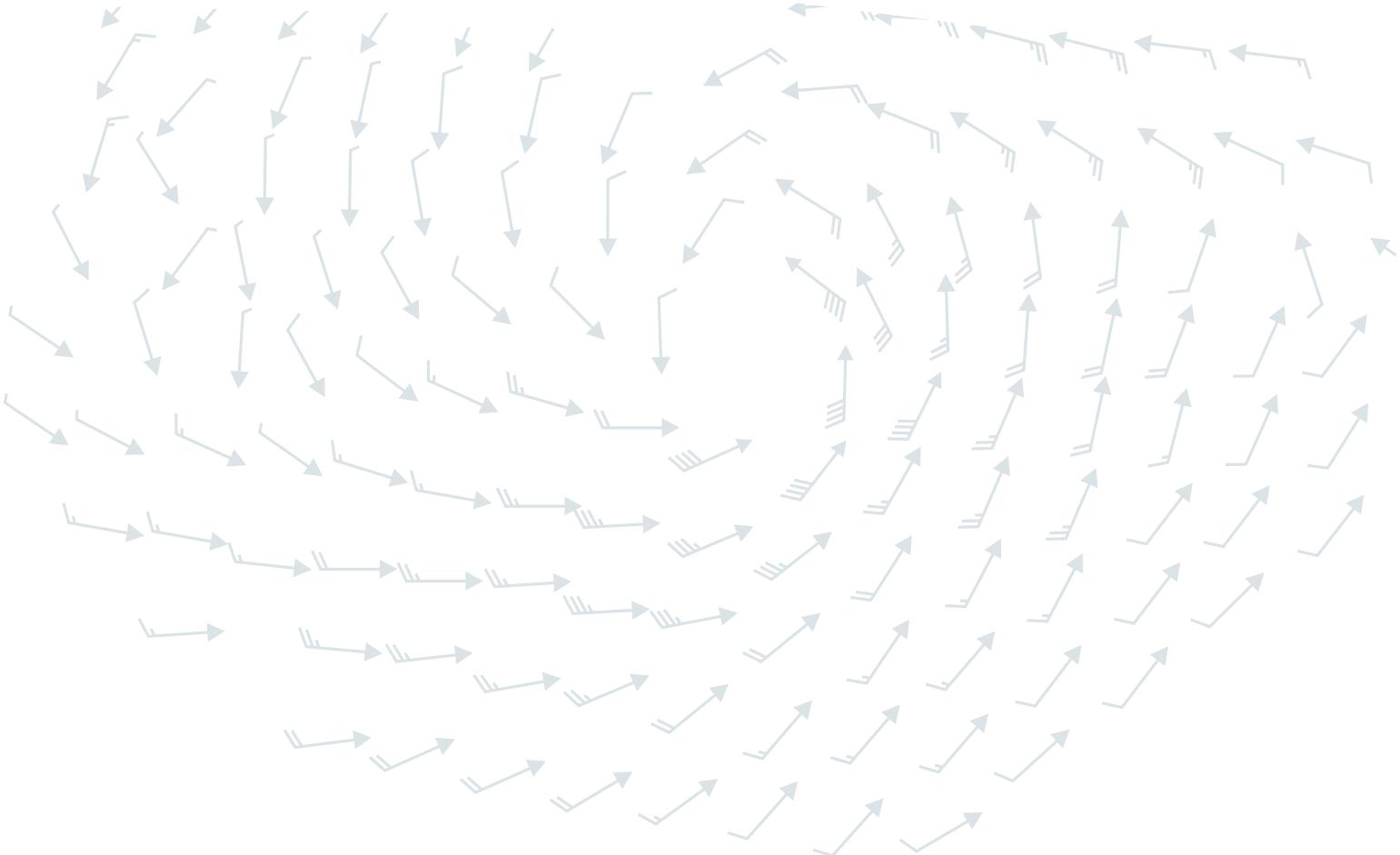
Consolidated balance sheet, cont.

Tk ^r	Note	Dec. 31, 2020	Dec. 31, 2019
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	20, 21, 22		
Share capital		1,046,913	904,614
Other capital contributions		735,813	608,640
Reserves		-8,617	-16,089
Retained earnings		8,873	22,710
Profit/loss for the year		-62,130	-13,838
Shareholders' equity attributable to Parent Company's shareholders		1,720,851	1,506,037
Total shareholders' equity		1,702,851	1,506,037
Provisions			
Other provisions	23	11,272	9,758
Long-term liabilities			
Liabilities to credit institutions	24	720,355	524,131
Other liabilities, derivatives	25	10,854	20,468
Shareholder loans	25	-	155,802
Total		742,481	710,159
Current liabilities			
Liabilities to credit institutions	24	93,481	53,178
Accounts payable		113,749	81,505
Other liabilities		1,596	3,011
Accrued expenses and deferred income	26	42,772	44,948
Total		251,598	182,642
Total liabilities		994,079	892,801
Total equity and liabilities		2,714,930	2,398,838



Consolidated statement of changes in shareholders' equity

Shareholders' equity attributable to Parent Company's shareholders, KSEK	Share capital	Share premium reserve	Retained earnings	Profit/loss for the year	Total shareholders' equity
Opening shareholders' equity, Jan. 1, 2019	800,543	515,948	-18,531	22,709	1,320,669
Profit/loss for the year			2,443	-13,838	-11,395
Total changes in equity excluding transactions with the company's owners	800,543	515,948	-16,089	8,872	1,309,274
Transactions with the Group's owners	-	-	-	-	-
New share issue	104,071	93,663			197,734
Expenses attributable to the new share issue		-971			-971
Closing shareholders' equity, Dec. 31, 2019	904,614	608,640	-16,089	8,872	1,506,037
Opening shareholders' equity, Jan. 1, 2020	904,614	608,640	-16,089	8,872	1,506,037
Profit/loss for the year			7,472	-62,130	-54,658
Total changes in equity excluding transactions with the company's owners					
Transactions with the Group's owners					
New share issue	142,299	128,069			270,368
Expenses attributable to the new share issue		-896			-896
Closing shareholders' equity, Dec. 31, 2020	1,046,913	735,813	-8,617	-53,258	1,720,851



Consolidated cash flow statement

KSEK	Note	Jan. 1, 2020-Dec. 31, 2020	Jan. 1, 2019-Dec. 31, 2019
Operating activities			
Profit/loss before tax		-62,610	-13,838
Adjustment for non-cash items	29	125,711	118,061
<i>Cash flow from operating activities before changes in working capital</i>		63,101	104,223
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in electricity certificates		43,260	-14,551
Increase (-)/Decrease (+) in operating receivables		-30,383	-28,133
Increase (+)/Decrease (-) in operating liabilities		27,978	54,975
<i>Cash flow from changes in working capital</i>		40,855	12,291
Cash flow from operating activities		103,956	116,514
Investing activities			
Acquisition of intangible assets incl. advance payments		-4,840	-3,323
Acquisition of property, plant and equipment, including advances		-549,944	-182,995
Divestment of property, plant and equipment		-	141,944
Acquisition of shares associated companies		-41,725	-
Cash flow from investing activities		-596,509	-44,374
Financing activities	29		
New share issue		270,368	197,734
Issue costs		-896	-971
Loans raised		262,132	74,190
Shareholder loans raised		88,284	-
Amortization of shareholder loans		-244,086	-137,623
Amortization of loans		-25,209	-83,155
Changes in blocked funds		-2,995	-7,179
Cash flow from financing activities		347,598	42,996
Cash flow for the period		-144,955	115,136
Cash and cash equivalents on the opening date	29	176,428	61,292
Cash and cash equivalents at end of period		31,473	176,428
Blocked funds		51,019	48,024
Total cash and cash equivalents and blocked funds		82,492	224,452

PARENT COMPANY

Parent Company income statement

KSEK	Note	2020	2019
OPERATING REVENUE			
Net sales	3	12,148	13,510
Own work capitalized	4	6,976	4,488
Other operating revenues	5	13,036	19,195
Total revenue		32,160	37,193
OPERATING COSTS			
Other external costs	6, 7	-21,487	-23,750
Personnel costs	8	-34,703	-33,063
Depreciation, amortization and impairment		-910	-1,790
EBIT		-24,940	-21,410
PROFIT/LOSS FROM FINANCIAL ITEMS			
Earnings from other securities and receivables classified as fixed assets	9	4,329	4,318
Interest income and similar profit items	10	472	-
Interest expenses and similar loss items	10	-7,932	-12,936
Profit/loss after financial items		-28,071	-30,028
Appropriations		-	-1,868
Profit/loss before tax		-28,071	-31,896
Tax	11	-	-
Profit/loss for the year		-28,071	-31,896

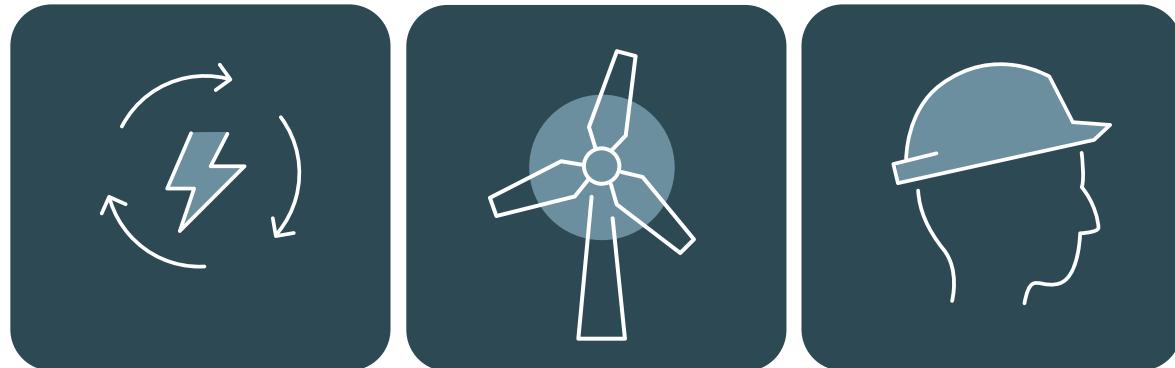
Parent Company balance sheet

KSEK	Note	Dec. 31, 2020	Dec. 31, 2019
ASSETS			
Non-current assets			
Intangible fixed assets			
Business systems	12	6,881	2,124
Property, plant and equipment	14		
Land and buildings		15,613	14,680
Equipment, tools, fixtures and fittings		137	415
Planning in progress		72,863	59,076
Total		88,613	74,171
Financial fixed assets			
Participation in Group companies	17	1,405,675	1,317,538
Participations in associated companies and joint ventures	18	41,738	13
Receivables from associated companies and joint ventures	15	108,226	108,226
Other long-term securities holdings	16	15	15
Deferred tax assets	11	2,110	2,110
Total		1,557,764	1,427,902
Total fixed assets		1,653,258	1,504,197
Current assets			
Inventory, etc.			
Spare parts		2,144	1,202
Current receivables			
Accounts receivable		352	1,668
Receivables from Group companies		15,717	36,844
Receivables from associated companies and joint ventures		12,718	11,547
Other receivables		2,415	2,274
Prepaid costs and accrued income	19	1,613	1,597
Total		32,814	53,930
Cash and cash equivalents	29	4,223	46,858
Total current assets		39,182	101,990
Total assets		1,692,440	1,606,187

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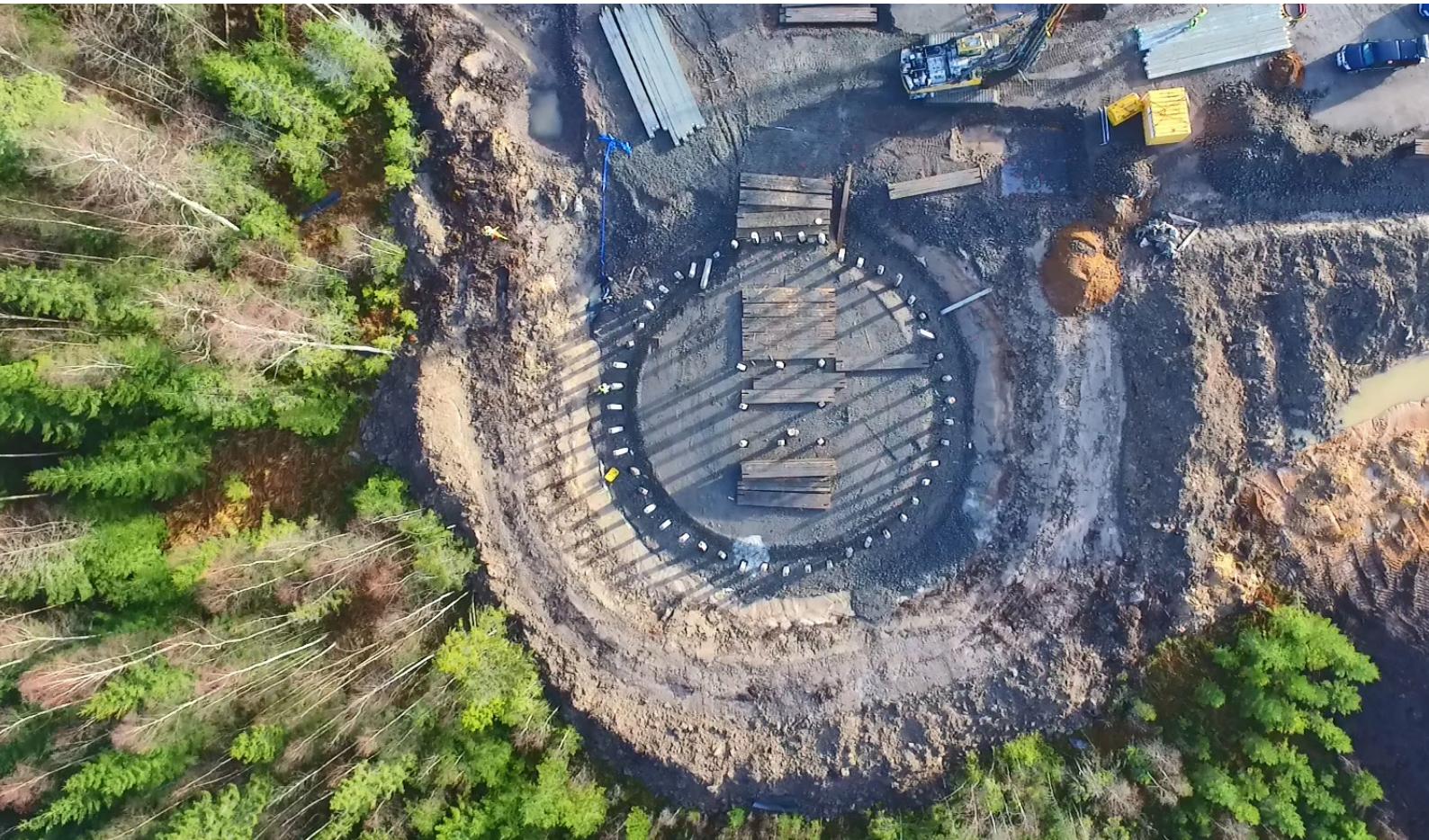
Parent Company balance sheet, cont'd.

KSEK	Note	Dec. 31, 2020	Dec. 31, 2019
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	20, 21, 22		
Share capital		1,046,913	904,614
Share premium reserve		693,247	566,074
Retained earnings		-49,642	-17,746
Profit/loss for the year		-28,071	-31,896
Total shareholders' equity		1,662,447	1,421,046
Provisions			
Other provisions	23	-	675
Long-term liabilities			
Liabilities to credit institutions	24	2,531	2,700
Shareholder loans	25	-	155,802
Total		2,531	158,502
Current liabilities			
Liabilities to credit institutions	24	675	675
Accounts payable		4,659	1,969
Liabilities to Group companies		63	1,868
Other liabilities		1,336	1,328
Accrued expenses and deferred income	26	20,729	20,124
Total		27,462	25,964
Total shareholders' equity and liabilities		1,692,440	1,606,187



Changes in Parent Company's shareholders' equity

KSEK	RESTRICTED SHAREHOLDERS' EQUITY		UNRESTRICTED SHAREHOLDERS' EQUITY			Total shareholders' equity
	Share capital	Share premium reserve	Retained earnings	Profit/loss for the year		
Opening shareholders' equity. Jan 1, 2019	800,543	473,383	-31,513	13,767	1,256,180	
Appropriation of profits	-	-	13,767	-13,767	-	
Profit/loss for the year	-	-	-	-31,896	-31,896	
New share issue	104,071	93,663			197,734	
Expenses attributable to the new share issue	-	-971			-971	
Closing shareholders' equity. Dec. 31, 2019	904,614	566,074	-17,746	-31,896	1,421,046	
Opening shareholders' equity. Jan 1, 2020	904,614	566,074	-17,746	-31,896	1,421,046	
Appropriation of profits			-31,896	31,896	-	
Profit/loss for the year				-28,071	-28,071	
New share issue	142,299	128,069			270,368	
Expenses attributable to the new share issue	-	-896			-896	
Closing shareholders' equity. Dec. 31, 2020	1,046,913	693,247	-49,642	-28,071	1,662,447	



Parent company cash flow statement

KSEK	Note	Dec. 1, 2020-Dec. 31, 2020	Dec. 1, 2019-Dec. 31, 2019
Operating activities			
Resultat före skatt och bokslutsdispositioner		-28,071	-31,896
Adjustment for non-cash items	29	917	25,163
Income tax paid		-	-
Cash flow from operating activities before changes in working capital		-27,154	-6,733
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in inventory		-942	-668
Increase (-)/Decrease (+) in operating receivables		-2,984	-49,966
Increase (+)/Decrease (-) in operating liabilities		823	-2,396
Cash flow from changes in working capital		-3,104	-53,030
Cash flow from operating activities		-30,257	-59,763
Investing activities			
Acquisition of intangible assets incl. advance payments		-4,840	-2,041
Acquisition of property, plant and equipment incl. advance payments		-15,277	-9,010
Divestment of intangible fixed assets		-	137,541
Acquisition of shares, associated companies		-41,725	-
Shareholders' contributions paid		-88,138	-137,831
Cash flow from investing activities		-149,980	-11,341
Financing activities	29		
Dividend from Group companies		24,100	20,000
New share issue		270,368	197,734
Issue costs		-896	-971
Shareholder loans raised		88,284	-
Amortization of shareholder loans		-244,086	-137,624
Amortization of loans		-169	-675
Changes in blocked funds		-	300
Cash flow from financing activities		137,602	78,464
Cash flow for the period		-42,635	7,660
Cash and cash equivalents on the opening date	29	46,858	39,198
Cash and cash equivalents on the closing date		4,223	46,858
Summa likvida medel		4,223	46,858

NOTES TO THE FINANCIAL STATEMENTS

Note 1 Accounting policies and valuation policies

COMPLIANCE WITH STANDARDS AND LEGISLATION

The consolidated financial statements have been prepared in accordance with the Annual Accounts Act and Swedish Accounting Standards Board general guidelines BFNAR 2012:1, Årsredovisning och koncernredovisning (K3) [Annual Accounts and Consolidated Financial Statements].

The Parent Company applies the same accounting policies as the Group except in cases listed below in the section "Parent Company accounting policies."

VALUATION BASIS APPLIED WHEN PREPARING THE FINANCIAL STATEMENTS OF THE PARENT COMPANY AND GROUP

Assets and liabilities are recognized at historical cost, except for certain financial assets and liabilities that are measured at fair value. Financial assets and liabilities measured at fair value consist of derivative instruments.

FUNCTIONAL CURRENCY AND REPORTING CURRENCY

The Parent Company's functional currency is SEK, which is also the reporting currency for the Parent Company and the Group. This means that the financial statements are presented in SEK. All amounts, unless otherwise stated, are rounded to the nearest thousand.

Classification

Fixed assets and long-term liabilities essentially comprise amounts that are expected to be recovered or paid more than twelve months after the balance-sheet date.

Current assets and current liabilities mainly comprise amounts that are expected to be recovered or paid within 12 months of the balance-sheet date or where the liability is subject to terms that could require repayment of the debt within 12 months.

BASIS OF CONSOLIDATION

Subsidiaries

Subsidiaries are companies over which Rabbalshede Kraft AB has a controlling influence. A controlling influence entails the direct or indirect right to formulate a company's financial and operational strategies in order to receive financial benefits. Acquisitions of subsidiaries are recognized using the purchase method. An acquisition is regarded as a transaction whereby the Group indirectly acquires the subsidiary's assets and takes over its liabilities and contingent liabilities. When an acquisition takes place, an acquisition analysis is performed, through which the cost is established for shares or the business, as well as the fair value of acquired identifiable assets, and assumed liabilities and contingent liabilities on the acquisition date. Amortized cost comprises the sum of the fair values on the acquisition date of assets acquired, arising or assumed liabilities, issued equity instruments submitted as payment in exchange for the acquired net assets and expenses directly attributable to the acquisition. If in a business combination the acquisition cost exceeds the fair value of acquired assets and assumed liabilities, as well as any contingent liabilities that are recognised separately, the difference is recognised as goodwill. When the difference is negative, this is recognized directly in profit or loss.

The financial statements of subsidiaries are included in the consolidated financial statements as from the acquisition date to the date on which the control ceases.

DEFINITIONS OF KEY METRICS

Return on capital employed

Profit before taxes plus financial expenses divided by average capital employed

Total assets

The total value of all of the assets held by the company

Shareholders' equity per share

Shareholders' equity divided by the number of shares

Net debt

Interest-bearing liabilities less cash and cash equivalents

Earnings per share

Profit after tax divided by the number of shares

Debt/equity ratio

Interest-bearing liabilities divided by shareholders' equity

Equity/assets ratio

Shareholders' equity as a percentage of total assets

Capital employed:

Total assets less non-interest-bearing liabilities

FINANCIAL INSTRUMENTS

Financial instruments are reported in accordance with Chapter 12 (Financial instruments measured in accordance with Chapter 4, Paragraphs 14a-e of the Annual Accounts Act) of BFNAR 2012:1. Financial instruments recognised in the balance sheet include, on the assets side, cash and cash equivalents, loans and accounts receivable, as well as derivatives with a positive fair value. The liabilities side includes accounts payable and loan payables, as well as derivatives with a negative fair value. At inception, financial instruments are recognized at a cost corresponding to the instrument's fair value, including direct transaction costs for all financial instruments except those belonging to the category; financial assets measured at fair value in profit or loss and all derivatives, which are recognized at fair value less transaction costs.

Recognition in and derecognition from the balance sheet

A financial asset or financial liability is recognized in the balance sheet when the company becomes a party to the instrument's contractual terms and conditions. Accounts receivable are recognized in the balance sheet when invoices have been sent. A liability is recognised when the counterparty has performed and there is a contractual obligation to pay, even if the invoice has not been received. Accounts payable are recognised when an invoice has been received.

A financial asset is derecognized from the balance sheet when the rights inherent in the agreement are realized or expire or if the company loses control over them. The same applies to a portion of a financial asset. A financial liability is removed from the balance sheet when the obligation arising from the agreement has been met or is extinguished for other reasons. The same applies to a portion of a financial liability.

A financial asset and a financial liability are offset and recognized in a net amount in the balance sheet only when there is a legal right to offset the amounts and there is an intention to settle

the items in a net amount or to simultaneously realize the asset and settle the liability.

Acquisitions and sales of financial assets are recognized at the transaction date, which is the date when the company commits to acquire or sell the asset.

Classification and measurement

A non-derivative financial instrument is initially recognized at cost, which corresponds to the instrument's fair value including direct transaction costs for all financial instruments except those belonging to the category financial assets measured at fair value in profit or loss, which are recognized at fair value excluding transaction costs. When entered for the first time, a financial instrument is classified on the basis of the purpose for which the instrument was acquired. This classification determines how the financial instrument is measured following the first reporting occasion.

At inception, derivative instruments are recognized at fair value. This means that transaction costs are charged to profit or loss for the year. The main rule is that these financial instruments are recognized on an ongoing basis in profit or loss at fair value unless hedge accounting is applied. Where derivative instruments are used for hedge accounting and, insofar as this is efficient, changes in the value of derivative instruments are recognized on the same line as the hedged item in profit or loss if it pertains to fair-value indexing. Increases and decreases in the value of derivatives are recognized in profit or loss as income and expenses, respectively, or under net financial items based on the purpose of the holding. Refer also to the heading below, "Derivative instruments and hedge accounting."

Financial assets held for trade

Financial assets in this category are measured at fair value, and the changes in value are recognized in profit or loss. The category includes derivatives with positive fair value, excluding derivatives that are an identified and effective hedging instrument.

Loan receivables and accounts receivable

Loan receivables and accounts receivable are non-derivative financial assets with payments that are fixed or can be determined and that are not listed on an active market. These assets are measured at amortized cost. Amortized cost is determined based on the effective rate calculated on the acquisition date. Accounts receivable are recognized at the amounts expected to be received, that is, after deductions for doubtful receivables.

Financial liabilities in this category are measured continuously at fair value, and the changes in value are recognized in profit or loss. The category includes derivatives with negative fair value, excluding derivatives that are an identified and effective hedging instrument.

Other financial liabilities

Loans and other financial liabilities, such as accounts payable, are included in this category. Liabilities are measured at amortised cost.

Impairment of financial assets and liabilities

On each reporting occasion, the company assesses whether there is objective evidence of impairment of a financial asset or group of assets. Objective evidence comprises observable circumstances that have occurred and that have a negative impact on the possibility of recovering the cost. Rabbalshede Kraft receives objective evidence of any impairment of financial assets through credit-assessment reports on borrowers provided by external parties. Unforthcoming interest rates or a lack of ongoing communication from the borrower may constitute an indication that such a report should be ordered. Impairment of accounts receivable is recognized as a cost in profit or loss.

DERIVATIVES AND HEDGE ACCOUNTING

The Group's derivative instruments have been acquired to financially hedge risks associated with interest-rate exposure, and with the selling price or currency exchange rates to which the Group is subject. At inception, derivative instruments are recognized at fair value, entailing that transaction expenses are charged against profit or loss for the year. After initial recognition, derivative instruments are measured at fair value and changes in value are reported in the manner described below. Derivative instruments are recognized in the balance sheet as current receivables and liabilities, or as longterm receivables and liabilities, depending on the duration of the agreement.

Meeting the requirements for hedge accounting in accordance with K3 requires a documented connection to the hedged item. It is also required that the hedge effectively protects the hedged item, that hedge documentation is prepared and that the effectiveness can be measured. Gains and losses pertaining to hedges are recognized in profit or loss at the same date that the gains or losses are recognized for the hedged items. Derivative instruments are used to hedge interest-rate risk, future cash flows from the sale of electricity (where the derivative is settled in cash) and for the hedging of purchases of wind turbines in foreign currencies. Interest-rate swaps are used to hedge future interest-rate flows pertaining to loans borrowed at variable interest rates. Interest-rate swaps are measured at fair value in the balance sheet. The interest coupon portion is recognized continuously in profit or loss as interest income or interest expense. Other changes in the value of interestrate swaps are recognized as fair value reserve until the time when the hedged item impacts profit or loss and as long as the criteria for hedge accounting are fulfilled and the hedged is deemed to be effective. The gain or loss attributable to any ineffective portion is recognized in profit or loss.

Cash-flow hedging is applied to derivative instruments and electricity futures that are used for the hedging of future electricity sales. The majority of electricity agreements consist mainly of baseload and EPA contracts that are also used to hedge electricity prices and that are not settled in cash but through physical deliveries, which is why these agreements are not included under hedge accounting. Cash-settled electricity futures are recognised at fair value in the balance sheet. Changes in value are recognized in fair value reserve until the time when the hedged flow impacts recognized profit/loss, at which time the hedge instrument's accumulated changes in value are transferred to profit or loss in order to match the effects of the hedged transaction.

The currency forward contracts that are used to hedge future cash flows, pertaining to forecast purchases of wind turbines in foreign currencies, are recognized at fair value in the balance sheet. Changes in value are recognized in fair value reserve until the time when the hedged flow impacts profit or loss, at which time the hedge instrument's accumulated changes in value are transferred to property, plant and equipment. This takes place long as the criteria for hedge accounting are fulfilled and the hedge is deemed to be efficient. The gain or loss attributable to the ineffective portion of the ongoing hedge, where hedge accounting is applied, is recognized in profit or loss.

If hedge accounting in the above case is terminated due to the forecast flows no longer being probable or because transactions will not occur, the items in fair value reserve will be transferred to profit/loss for the year.

EMPLOYEE BENEFITS

Defined-contribution pension plans

The company has only defined-contribution pension plans in its operations. Plans in which the company's obligation is limited to the contributions that the company undertakes to pay are classified

as defined-contribution pension plans. In such cases, the amount of the employee's pension depends on the contributions that the company pays to the plan or to an insurance company and the return generated by the contribution. Accordingly, it is the employee who bears the actuarial risk (that the payment will be lower than expected) and the investment risk (that the investment assets will be inadequate to provide the expected benefits). The company's obligation regarding contributions to defined-contribution plans are recognised as an expense in profit and loss at the rate in which they are earned by employees performing services for the company during a period.

Remuneration for termination of employment

A provision is recognised in connection with termination of employment only if the company is clearly obligated, without a realistic possibility of reversal, to a formal and detailed plan to terminate employment before the normal time.

When a termination benefit is offered to encourage voluntary redundancy, a cost is recognized if it is probable that the offer will be accepted and the number of employees who will accept the offer can be reliably estimated.

Short-term remuneration

Short-term benefits to employees are calculated without discounting and are recognized as a cost when the related services are received.

A provision is recognized for the anticipated cost of profit-share and bonus payments when the Group has a valid legal or informal duty to make such payments as a result of services received from employees and when the obligation can be reliably calculated.

REVENUES

Revenue primarily comprises sales of produced electricity, sales of electricity certificates and remeasurement of awarded electricity certificates. Other operating revenue primarily comprises payments for the sale of wind-power projects, re-invoiced construction costs and the sale of asset management services.

Revenue from the sale of produced electricity: Revenue from produced electricity is recognized in the period in which delivery is made. The unhedged portion of electricity produced is valued at the wind production hour (WPH) price from Nasdaq Commodities and the hedged portion is valued at the hedged price. Hedging is carried out using PPAs. Revenue from electricity sales is recognized as accrued revenue in the balance sheet until payment has been received.

Revenue regarding awarded electricity certificates and guarantees of origin (GoO) are recognized in the period in which the delivery of electricity based on certificates or GoO occurred. Electricity certificates and GoO are recognized in the balance sheet as intangible assets when they are registered in the Swedish Energy Agency's account and recognized as accrued revenue provided that they have been earned but not yet registered. Other revenue from sales of wind turbines is recognized during the period in which the purchaser acquires the wind turbines.

FINANCIAL INCOME AND EXPENSES

Financial income comprises interest income and exchange-rate gains and divestments of financial instruments. Interest income on financial instruments is recognised in accordance with the effective interest-rate method. Gains on the disposal of a financial instrument are recognised when the risks and benefits associated with owning the instrument are transferred to the buyer and the Group no longer controls the instrument.

Financial expenses primarily comprise interest expenses for loans, interest derivatives and other financial expenses. Borrowing

costs are recognized in profit or loss applying the effective interest rate method. Borrowing costs during construction are included in the asset's cost. Exchange-rate gains and exchange-rate losses are recognised at gross amounts. The effective interest rate is the rate used to discount estimated future cash payments or receipts during the expected life of the financial instrument to the net carrying amount of the financial asset or financial liability. The calculation includes all fees paid or received by contractual parties that are an integral part of the effective interest rate, transaction costs and all other fair value adjustments.

TAX

Income tax comprises current and deferred tax. Income tax is recognised in profit and loss, except when the underlying transaction is recognised directly against shareholders' equity or as other comprehensive income, at which time the related tax effect is recognised in equity or other comprehensive income.

Current tax comprises tax that is to be paid or received in the current year, with the application of the tax rates that have been determined, or determined in practice, on the balance-sheet date. Current tax also includes adjustments of current tax attributable to prior periods.

Deferred tax is calculated in accordance with the balance-sheet method, proceeding from the temporary differences existing between the carrying amounts and tax bases of assets and liabilities. Temporary differences are not considered when they arise from the initial recognition of goodwill or from initial recognition of assets and liabilities in a transaction that is not a business acquisition and that affect neither recognized nor taxable earnings at the time of the transaction. Nor are temporary differences attributable to shares in subsidiaries or associated companies that are not expected to be reversed in the foreseeable future taken into consideration. Measurement of deferred tax is based on how the carrying amount of underlying assets or liabilities is expected to be recovered or settled.

Deferred tax is calculated using the tax rates and regulations enacted or substantially enacted at the balance-sheet date. Deferred tax assets relating to deductible temporary differences and loss carryforwards are recognized only insofar as it is probable that they can be utilized. The value of deferred tax assets is adjusted when it is no longer likely that they can be utilised.

INTANGIBLE ASSETS

Leasehold agreements

Intangible assets acquired by the Group take the form of leasehold agreements that are recognized at their respective cost, less accumulated amortization and impairment losses.

Other intangible assets

Other intangible assets comprise acquired computer software and received electricity certificates and guarantees of origin (GoO). A certificate system is in place for the purpose of promoting the use of renewable electricity. Facilities affected by these systems receive certificates, free of charge, in pace with the generation of electricity that qualifies under the scheme. Received electricity certificates are registered in accounts maintained by the Swedish Energy Agency. Electricity certificates are recognized as intangible current assets in the balance sheet of the Rabbalshede Kraft Group.

Whenever certificates are awarded, they are measured at the fair value on the date of receipt and on every balance-sheet date. The Group recognizes electricity certificates and their remeasurement as net sales. In connection with measurement, historical daily prices are provided by Svensk Kraftmäklning.

Amortization policies

Amortization is recognized on a straight-line basis in profit or loss over the estimated useful life of the intangible asset. Useful lives are reviewed at least on an annual basis. Intangible assets with determinable useful lives are amortized as from the date the asset is available for use.

The applied useful lives of the assets are:

- Leasehold agreements, 25 years
- Software, 5 years

PROPERTY, PLANT AND EQUIPMENT

Owned assets

In the Group, property, plant and equipment are recognized at cost, less accumulated depreciation and any impairment. Cost includes the purchase price, a reasonable share of indirect costs and expenses directly attributable to bringing the asset to where it belongs and in the condition required for it to be used in accordance with the aim of the purchase. When calculating each asset's depreciable amount, consideration is given to the asset's potential residual value. The estimated residual value and applied useful life are continuously reviewed and recognition adjusted to the extent necessary.

In the event that property, plant and equipment comprise components that are significant in relation to the entire asset's value, these are processed separately. Each component is recognized and amortized in accordance with individual depreciation schedules. In the case of Rabbalshede Kraft, differences in the useful life of components may vary between 3 and 25 years.

The carrying amount of a tangible fixed asset is derecognized from the balance sheet when the asset is scrapped or divested, or when no future financial benefits are expected from the use or scrapping/divestment of the asset. Gains or losses arising from the divestment or scrapping of an asset comprise the difference between the selling price and the asset's carrying amount, less direct selling costs. Capital gains are recognised as other operating income and Capital losses are recognised as other expenses.

Additional expenses

Additional expenses are added to the cost only if it is probable that the future financial benefits associated with the asset will accrue to the company and the cost can be reliably calculated. All other additional expenses are expensed in the period they are incurred. An additional expense is added to the cost if the expense pertains to the replacement of identified components or parts thereof. The expense is also activated in cases where new components are created. Any remaining carrying amounts for replaced components, or parts of components, are retired and recognized in conjunction with the exchange. Repairs are expensed on a current account basis.

Borrowing costs

Borrowing costs directly attributable to the purchase, construction or production of assets that take a considerable amount of time to complete for their intended use or sale are included in the asset's cost. Interest expenses are capitalized during the construction phase.

Amortization policies

Depreciation is applied on a straight-line basis over the estimated useful life of assets, while ongoing planning is not amortized. The Group applies component depreciation, which means that the components' estimated useful life provides the basis for the depreciation. However, the useful lives for all components of the wind turbines, foundations and electrical installations are deemed to be the same, which is why there is no further division.

The applied useful lives of the assets are:

- Tower and foundation, 30 years
- Rotor blades 25 years
- Transmission case 13 years
- Generator 15 years
- Buildings and land improvements, 20–25 years
- Equipment, tools, fixtures and fittings 3–5 years

Impairment of tangible and intangible assets

If there is an indication of an impairment requirement, the recoverable amount of the asset is calculated (see below). If it is not possible to determine essentially independent cash flows for an individual asset and its fair value less selling expenses cannot be used for impairment testing, the assets are to be grouped at the lowest level at which it is possible to identify essentially independent cash flows – this is known as a cash-generating unit (CGU). An impairment loss is recognized when the carrying amount of an asset or CGU exceeds the recoverable amount. An impairment loss is recognised as an expense in profit or loss. Impairment of assets identified for a CGU is distributed proportionally between other assets included in the unit.

The recoverable amount is the higher of the fair value minus selling costs and value in use. When calculating the value in use, future cash flows are discounted using a discount factor taking into account risk-free interest and the risk associated with the specific asset.

Reversal of impairment losses

An asset's impairment loss is reversed if there is an indication that impairment no longer exists and also that a change has occurred in the assumptions on which the estimate of recoverable value was based. A reversal is only performed to the extent that the asset's carrying amount after reversal does not exceed the carrying amount that would have been recognised, minus appropriate depreciation, if no impairment loss had been recognised.

LEASES

Leased assets

Lease agreements are classified in the consolidated financial statements either as finance leases or operating leases. A finance lease substantially transfers the economic risks and rewards associated with ownership to the lessee; any other case is an operating lease.

Assets under a finance lease agreement are recognized as assets in the consolidated balance sheet. The obligation to pay future lease payments is recognised as either long-term or current liabilities. Leased assets are depreciated on a straight-line basis over the leasing period or useful life, whichever is shorter, while leasing payments are recognised as interest payments and debt amortisation.

Costs for operating leases are recognised in profit or loss for the year on a straight-line basis over the term of the lease. Benefits received in connection with signing an agreement are recognized in profit or loss as a reduction of the lease payment on a straight-line basis across the duration of the leasing agreement. Variable fees are expensed in the period in which they were incurred. The Group's leases consist primarily of ground rent in the form of leasehold agreements.

INVENTORY

Inventory is recognised in accordance with the lowest value principle and the first-in-first-out method (FIFO).

FOREIGN CURRENCIES

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the transaction date. Functional currency is the currency of the primary economic environments in which the entity operates. Monetary assets and liabilities in foreign currency are translated into the functional currency using the exchange rate prevailing on the balance-sheet date. Exchange-rate differences arising on translation are recognized in profit or loss under net financial items. Exchange-rate differences on investments are capitalized in the balance sheet. Exchange-rate differences arising on business combinations are recognized in EBIT. Exchange-rate differences from financial items are recognized under net financial items. Non-monetary assets and liabilities that are recognised at their historic cost are translated to the exchange rate at the date of the transaction.

PROVISIONS

The agreements and obtained permits are subject to requirements regarding the restoration of land following the expiry of leasehold terms and cessation of production by wind-power plants. This entails an obligation to dismount and remove all facilities, buildings and pipelines. The Company recognizes a provision under Long-term liabilities: Provisions, and this has been discounted to present value.

CONTINGENT LIABILITIES

A contingent liability is recognized when a possible obligation arising from past events exists whose existence will only be confirmed by one or more uncertain future events or when there is an obligation that is not recognized as a liability or provision since it is not likely that an outflow of resources will be required (see above). Refer to Note 30 for further information.

EARNINGS PER SHARE

The calculation of earnings per share is based on the Group's net profit for the year attributable to Parent Company shareholders and on the weighted average number of shares outstanding during the year. In calculating earnings per share after dilution, the earnings and average number of shares are adjusted to take into account the effects of potentially diluting ordinary shares, which derive from issued shares and options distributed to employees during the reported periods. Dilution from options impacts the number of shares and occurs only when the exercise price is lower than the market price. The larger the difference between the exercise and market price, the greater the dilution.

PARENT COMPANY ACCOUNTING POLICIES

The differences between reporting in the Group and the Parent Company are described below. The accounting policies for the Parent Company stated below have been consistently applied in all periods presented in the financial statements of the Parent Company.

Subsidiaries

Shares in subsidiaries are recognised in the Parent Company in accordance with the acquisition-value method. Only dividends received are recognised as revenue.

Group and shareholders' contributions

Group contributions received/paid are recognized as an appropriation in profit and loss. Shareholders' contributions are recognized by the donor as an increase in the recognized value of the participation and by the recipient as an increase in shareholders' equity.

Anticipated dividends

Anticipated dividends from subsidiaries are recognized in cases where the Parent Company has sole rights to decide on the size of the dividend and the Parent Company has passed a resolution on the size of the dividend prior to the Parent Company publishing its financial statements.

Tax

In the Parent Company, untaxed reserves including deferred tax liability are recognized. However, in the consolidated financial statements, untaxed reserves are divided into deferred tax liability and shareholders' equity.

Note 2 Assumptions and estimates

Preparing financial statements requires management to make assumptions, estimates and presumptions that affect the application of the accounting policies and the carrying amounts for assets, liabilities, revenue and expenses. The actual outcome may diverge from these estimates and assumptions.

Estimates and assumptions are reviewed regularly and revised when necessary. Changes in the estimates are recognized in the period they are made if this is the only period affected by the change, or in the period the changes are made and in future periods if they also affect future periods. For Rabbalshede Kraft, impairment testing of the Group's fixed assets comprises the area that requires a high degree of assumptions and where estimates are of material significance. Impairment testing of the Group's fixed assets uses revenue that is based on the average of a price curve from Wattsgård, the forecasting agency, which is converted in accordance with the EUR/SEK exchange rate on the balance-sheet date. A price curve comprises information on the electricity and certificate price trends, indicated as SEK per MWh for a given forecast period. If, for example, global economic conditions should take a considerable change for the worse following the reporting period, this could lead to an impairment requirement that is not reflected in the annual accounts. When testing ongoing projects among the Group's property, plant and equipment for impairment, the carrying amounts for the projects are compared with their respective market values. The market values are mainly based on quotations or

information received from other market operators.

Deferred tax assets are recognized to the extent that it is probable they will be used against future generated profits. The value of deferred tax assets is adjusted when it is no longer likely that they can be utilized. Refer to Note 14 for further information.

Joint ventures

Cooperation arrangements in the form of joint ventures, which for Rabbalshede Kraft (publ) consist of jointly managed companies, are recognized using the equity method in the consolidated financial statements.

The shares in a joint venture are initially recognized as cost at the acquisition date and adjusted on an ongoing basis to the Group's share of the jointly controlled company's income adjusted for dividends, internal profits and depreciation of assets. The Group's share of earnings generated in the joint venture is recognized in the consolidated income statement. When the Group's holding is reduced to zero, additional losses and a liability are recognized, but only to the extent that the Group has incurred legal or constructive obligations or made payments on the joint venture company's behalf. If the joint venture company later reports profits, the Group returns to recognizing its share of those profits only when these total the same amount as the share of losses not recognized by the Group.

Note 3 Net sales

KSEK	GROUP		PARENT COMPANY	
	2020	2019	2020	2019
Income per significant income category				
Sale of electricity	162,268	169,755	-	-
Income from electricity certificates	32,240	72,155	-	-
Income from guarantees of origin	4,631	5,255	-	-
Other income from Group companies	-	-	12 148	13 510
Total	199,139	247,165	12 148	13 510

The Group's sale of electricity in 2020 totaled 632,771 (517,545) MWh. Other income from Group companies consists of planning services, operation and maintenance services, as well as administrative services.

Note 4 Own work capitalized

KSEK	GROUP		PARENT COMPANY	
	2020	2019	2020	2019
Capitalized costs for ongoing projects	9,202	6,575	6,976	4,488
Total	9,202	6,575	6,976	4,488

The company capitalized all personnel costs for planning personnel in ongoing projects.

Note 5 Other operating income

KSEK	GROUP		PARENT COMPANY	
	2020	2019	2020	2019
Technical and financial management	13,346	17,857	11,775	15,612
Others	5,094	3,410	1,261	3,583
Total	18,440	21,267	13,036	19,195

Note 6 Leases

The Group leases no assets through financial leases.

Assets the Group leases through operational leases comprise land where wind turbines are located, office premises and vehicles.

KSEK	GROUP		PARENT COMPANY	
	2020	2019	2020	2019
Operating leases				
Within one year	7,178	9,531	1,925	1,730
Between one year and five years	24,251	33,773	3,239	2,573
Longer than five years	73,193	106,152	-	-
Total	104,622	149,456	5,164	4,303

The cost of operating leases in 2020 totaled KSEK 10 017 (10 979). Operating leases mainly comprises leases with landowners. The term correlates with the economic life of the wind turbines. Leases comprise no variable fees.

Note 7 Information on remuneration to the auditors

Fees and cost reimbursement paid to auditors

KSEK	GROUP		PARENT COMPANY	
	2020	2019	2020	2019
KPMG				
Audit engagements	670	764	190	185
Tax advice	108	184	108	184
Other services	83	318	83	318
Total	861	1 266	381	687

Not 8 Employees, personnel expenses and remuneration of senior executives employees in Sweden

Average number of employees	2020			2019		
	Women	Men	Total	Women	Men	Total
Parent company	9	23	32	8	21	29
Group total	9	23	32	8	21	29

Distribution of company management by gender	GROUP				PARENT COMPANY			
	2020		2019		2020		2019	
	Women	Men	Women	Men	Women	Men	Women	Men
The Board of Directors	2	3	2	3	2	3	2	3
Other senior executives	1	6	1	5	1	6	1	5

Löner och andra ersättningar fördelade mellan styrelse/ledande befattningshavare och övriga anställda samt sociala kostnader.

KSEK	2020			2019		
	Board of Directors/ Senior executives (12 persons)	Other employees	Total	Board of Directors/ Senior executives (14 persons)	Other employees	Total
PARENT COMPANY						
Sweden, salary	9,219	13,515	22,734	11,275	11,894	23,169
Social security expenses	5,120	5,871	10,991	5,822	5,276	11,098
(of which pension costs)	(1,789)	(1,308)	(3,097)	(1,838)	(1,238)	(3,076)
Group total	14,339	19,386	33,725	17,097	17,170	34,267

All of the employees are in the Parent Company, and consequently, the Parent Company and the Group's payroll expenses are the same.

Senior executives

A fixed monthly salary is paid to senior executives. All of the pension plans in the Group are defined-contribution plans. For senior executives, with the exception of the Board of Directors, a defined-contribution pension agreement is paid into. Premiums correspond to the applicable premium provisions under ITP 1 at that time.

Remuneration and other benefits, KSEK	2020			2019				
	Basic salary/ Board fee	Other remu- neration/ benefits	Pension cost	Total	Basic salary/ Board fee	Other remu- neration/ benefits	Pension cost	Total
Stine Rolstad Brenna, ny styrelseordförande från 2019-02-07	692	-	-	692	570	-	-	570
Peter Wesslau, Verkställande direktör, 2019-04-01	3,023	147	775	3,945	1,576	95	585	2,256
Andra ledande befattningshavare (7 personer)	5,271	87	1,014	6,372	5,050	210	739	5,999
Koncernent totalt	8,986	234	1,789	11,009	10,931	343	1,839	13,113

Notice period and severance pay

A mutual notice of termination period of 9 months shall apply in conjunction with notice of termination.

Defined-contribution pension plans KSEK	GROUP		PARENT COMPANY	
	2020	2019	2020	2019
Costs for defined-contribution pension plans	3,097	3,077	3,097	3,077

There are only defined-contribution pension plans in the Group that are completely paid by the companies. The plans are paid into continuously, according to the rules of each plan. The company capitalizes all personnel costs for planning personnel in ongoing projects. Personnel costs for management/administration (overheads) are capitalized at an appropriate percentage for projects that are approved or in the construction phase, and the remaining costs impact earnings. KSEK 6,976 (4,488) was capitalized for the year; refer to Note 4.

Note 9 Earnings from other securities and receivables classified as fixed assets

KSEK	GROUP		PARENT COMPANY	
	2020	2019	2020	2019
Interest income, Lyrestad Holding AB	4,329	4,318	4,329	4,318
Total	4,329	4,318	4,329	4,318

Note 10 Interest expenses and similar loss items

KSEK	GROUP		PARENT COMPANY	
	2020	2019	2020	2019
Interest expenses	23,741	23,878	81	374
Interest expenses, shareholder loans	7,849	12,562	7,849	12,562
Exchange-rate losses	3,967	60	-472	-
Other financial expenses	2,339	3,212	-	-
Total	37,916	39,712	7,458	12,936

Of the group's interest expenses, KSEK 16,847 (15,140) pertains to interest attributable to liabilities. The corresponding amount for the Parent Company was KSEK 81 (374). Remaining interest expenses pertain to current interest attributable to the Group's interest derivatives.

Note 11 Tax

Recognized in profit or loss, KSEK	GROUP		PARENT COMPANY	
	2020	2019	2020	2019
Current tax cost (-)/tax revenue(+)	-	-	-	-
Deferred tax regarding temporary differences	480	0	-	-
Total tax	480	0	-	-
Reconciliation of effective tax, KSEK				
Profit/loss before tax	-62,610	-13,838	-28,071	-31,896
Tax according to applicable tax rate for the Parent Company, 21.4%	13,399	2,961	6,007	6,826
Tax effects of non-deductible expenses	44	-2,561	-831	-1,862
Tax effects of non-taxable revenues	0	1	0	0
Temporary differences	480	299	-	-
Reversal of previously capitalized loss	192	208	192	208
Changes to capitalized loss	0	-299	-	-
Uncapitalized loss carryforwards	-13,634	-609	-5,368	-5,172
Recognised effective tax	480	0	0	0

Note 13 Tax, cont.

Recognized in the balance sheet

Change to deferred tax in temporary differences and tax loss carryforwards.
Deferred tax assets and liabilities are attributable to the following:

GROUP KSEK	Balance at January 1, 2020				Balance at December 31, 2020			
	Deferred tax assets	Deferred tax liabilities	Net balance	Recognized in profit/loss for the year	Reserves	Deferred tax assets	Deferred tax liabilities	Net balance
Intangible assets	-	-3,866	-3,886	345	-	-	-3,541	-3,541
Interest derivatives	4,378	-	4,378	-	-2,140	2,237	-	2,237
Capitalized exchange rate gains	-	-2,194	-2,194	231	-	-	-1,963	-1,963
Untaxed reserves	-	-7,249	-7,249	-	-	-	-7,248	-7,248
Capitalized Group interest	59	-	59	-9	-	50	-	50
Internal profits	763	-	763	-65	-	698	-	698
Provisions for rehabilitation	62	-	62	-22	-	41	-	41
Capitalized loss carryforwards	39,611	-	39,611	-	-	39,611	-	39,611
Tax assets/liabilities	44,873	-13,329	31,544	480	-2,140	42,637	-12,752	29,885

GROUP KSEK	Balance at January 1, 2019				Balance at December 31, 2019			
	Deferred tax assets	Deferred tax liabilities	Net balance	Recognized in profit/loss for the year	Reserves	Deferred tax assets	Deferred tax liabilities	Net balance
Intangible assets	-	-3,838	-3,838	234	-282	-	-3,886	-3,886
Interest derivatives	5,230	-	5,230	-3	-849	4,378	-	4,378
Capitalized exchange rate gains	-	-2,351	-2,351	157	-	-	-2,194	-2,194
Untaxed reserves	-	-7,249	-7,249	-	-	-	-7,249	-7,249
Capitalized Group interest	68	-	68	-9	-	59	-	59
Internal profits	822	-	822	-59	-	763	-	763
Provisions for rehabilitation	83	-	83	-21	-	62	-	62
Capitalized loss carryforwards	39,910	-	39,910	-299	-	39,611	-	39,611
Tax assets/liabilities	46,113	-13,438	32,675	0	-1,131	44,873	-13,329	31,544

PARENT COMPANY KSEK	Dec. 31, 2020			Dec. 31, 2019		
	Deferred tax assets	Deferred tax liabilities	Net balance	Deferred tax assets	Deferred tax liabilities	Net balance
Capitalized loss carryforwards	2,110	-	2,110	2,110	-	2,110
Other temporary differences	-	-	-	-	-	-
Tax assets/liabilities	2,110	-	2,110	2,110	-	2,110

The parent's total closing tax deficit was SEK 178,735,000 as at 31 December 2020. The Group's total closing tax loss was SEK 532,707 as at 31 December 2020. The capitalised loss is lower than the estimated tax effect of 10 years' future forecast earnings.

Note 12 Business systems

Intangible fixed assets	GROUP		PARENT COMPANY	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
KSEK				
Accumulated costs				
Opening balance	3,083	0	3,083	0
New acquisitions	4,840	2,041	4,840	2,041
Reclassifications	0	1,042	0	1,042
Sales/scrappage	-1,042	0	-1,042	0
Closing balance	6,881	3,083	6,881	3,083
Accumulated depreciation				
Opening balance	-959	0	-959	0
Depreciation for the year	0	-41	0	-41
Reclassifications	0	-918	0	-918
Sales/scrappage	959	0	959	0
Closing balance	0	-959	0	-959
Carrying amount	6,881	2,124	6,881	2,124

Note 13 Leases and similar rights

Intangible fixed assets	GROUP		PARENT COMPANY	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
KSEK				
Accumulated costs				
Opening balance	28,062	27,662	-	1,042
New acquisitions	0	1,282	-	-
Reclassifications	-160	-1,042	-	-1,042
Closing balance	27,902	27,902	-	-
Accumulated depreciation				
Opening balance	-8,906	-9,051	-	-918
Depreciation for the year	-865	-773	-	-
Reclassifications	0	918	-	918
Closing balance	-9,771	-8,906	-	-
Carrying amount	18,131	18,996	-	-

Note 14 Property, plant and equipment

GROUP	Land and buildings				Operational windfarms		Equipment, tools, fixtures and fittings		Wind farms in construction phase and ongoing planning		Total
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	
KSEK											
Accumulated costs											
Opening balance	25,307	24,915	2,515,668	2,515,668	14,591	14,726	239,266	56,680	2,794,832	2,611,989	
New acquisitions	-	-	-162,469	0	0	-135	-	-	-162,469	-135	
Reclassifications	1,361	392	363,644	-	-	-	184,939	182,607	549,944	182,999	
Sales/scrappage	-	-	-760	-	-3,127	-	-129	-21	-4,016	-21	
Closing balance	26,668	25,307	2,716,083	2,515,668	11,464	14,591	424,076	239,266	3,178,291	2,794,832	
Accumulated depreciation and impairment losses											
Opening balance	-7,335	-6,809	-895,116	-778,694	-13,813	-13,275	-	-	-916,264	-798,778	
Depreciation for the year*	-528	-526	-121,705	-116,422	-330	-670	-	-	-122,563	-117,618	
Reclassifications	-	-	483	-	-	-	-	-	-	-	
Sales/scrappage	-	-	162,469	0	0	132	-	-	162,469	132	
Closing balance	-7,863	-7,335	-853,869	-895,116	-11,015	-13,813	-	-	-872,746	-916,264	
Carrying amount	18,805	17,972	1,862,214	1,620,552	449	778	424,076	239,266	2,305,545	1,878,568	

PARENT COMPANY	Land and buildings				Equipment, tools, fixtures and fittings		Wind farms in construction phase and ongoing planning		Total
	2020	2019	2020	2019	2020	2019	2020	2019	
KSEK									
Accumulated costs									
Opening balance	21,508	21,116	13,655	13,655	59,076	52,644	94,238	87,415	
New acquisitions	1,361	392	-	-	13,916	8,618	15,277	9,010	
Reclassifications	-	-	-3,128	0	-129	-2,187	-3,257	-2,187	
Sales/scrappage	22,869	21,508	10,527	13,655	72,863	59,076	106,258	94,238	
Closing balance									
Opening balance	-6,827	-6,401	-13,240	-12,664	-	-	-20,067	-19,066	
Depreciation for the year*	-429	-426	-278	-575	-	-	-707	-1,001	
Sales/scrappage	-	-	3,128	0	-	-	3,128	0	
Closing balance	-7,256	-6,827	-10,390	-13,240	-	-	-17,646	-20,067	
Carrying amount	15,613	14,680	137	415	72,863	52,645	88,613	74,171	

* Of the depreciation for the year, KSEK 14 (120) was capitalized in property, plant and equipment pertaining to wind measurement equipment. Wind farms in a construction phase are reclassified as operational wind farms when wind turbines are commissioned. Vindparker i byggfas omklassificeras till driftsatta vindparker när vindkraftverket tas i drift.

Note 15 Receivables from associated companies and joint ventures

	GROUP		PARENT COMPANY	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
KSEK				
Lyrestad Holding AB	108,226	108,226	108,226	108,226
Carrying amount	108,226	108,226	108,226	108,226

Note 16 Other long-term securities holdings

KSEK	GROUP		PARENT COMPANY	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Opening balance	24	24	15	15
Acquisition of securities	-	-	-	-
Carrying amount	24	24	15	15

Note 17 Participation in Group companies

PARENT COMPANY		Dec. 31, 2020	Dec. 31, 2019
KSEK		Dec. 31, 2020	Dec. 31, 2019
Accumulated costs			
On 1 January		1,317,538	1,228,027
Purchasing		0	1,000
Sales		0	-17,053
Shareholders' contribution		88,137	149,663
Impairment losses		0	-44,099
Carrying amount		1,405,675	1,317,538

A dividend of KSEK 0 (44,099) was paid out during the year, and from that an impairment of shares.

Specification of the Parent Company's direct holdings of shares in subsidiaries

Subsidiaries	Corp. reg. no.	Domicile	Votes, %	Dec. 31, 2020 Carrying amount	Dec. 31, 2019 Carrying amount
Brattön Elnät AB	556775-1358	Rabbalshede	100	500	500
Rabbalshede Vind AB (fd Rabbalshede Vind 6 AB)	556872-2879	Rabbalshede	100	1,398,291	1,310,153
RK Halland AB	556794-0340	Rabbalshede	100	3,991	3,991
Lygnern Vind AB	556792-4039	Rabbalshede	100	179	179
Åndberg Elnät AB	556865-6069	Rabbalshede	100	2,614	2,614
Rabbalshede Värdepapper AB	556732-7852	Rabbalshede	100	100	100
Total				1,405,675	1,317,538

Shareholdings owned by Group Companies other than the Parent Company

Company	Corp. reg. no.	Domicile	Votes, %	Dec. 31, 2020 Carrying amount	Dec. 31, 2019 Carrying amount
Hud Vind AB	556872-2820	Rabbalshede	100	-	71,511
Töftedal Vind AB	556753-8599	Rabbalshede	100	-	139,763
Kil Vind AB,	556782-8305	Rabbalshede	100	-	27,816
Brattön Vind AB	556753-8870	Rabbalshede	100	-	96,017
Dingleskogen Vind AB	556840-0864	Rabbalshede	100	-	217,269
Skaveröd Gurseröd Vind AB	556809-3453	Rabbalshede	100	-	205,431
Årjäng Nordväst Vind AB	556812-2666	Rabbalshede	100	-	136,242
Årjäng Sydväst Vind AB	556872-2804	Rabbalshede	100	-	217,840
RK Vind AB (Rabbalshede Vind 2 AB)	556872-2838	Rabbalshede	100	-	19,370
Gårdshyttan Vind AB	556903-5180	Rabbalshede	100	87,369	87,369
Sköllunga Vind AB	556855-9008	Rabbalshede	100	105,991	68,024
Summa				193,360	1,286,652

Note 18 Participations in associated companies and joint ventures

	GROUP	
	Dec. 31, 2020	Dec. 31, 2019
KSEK		
Profit participation in associated companies*	41,725	0
Carrying amount	41,725	0
PARENT COMPANY		BOKFÖRT VÄRDE
Associated companies	Domicile	Number of shares
Lyrestad Holding AB	Tanums kommun	25%
Vind AX Ab	Åland	20.8%
Total participation in associated companies, Parent Company		41,738

* Refers to Vind AX Ab. As the Group's holding is initially valued at zero, losses and a liability are recognized only to the extent that the Group has incurred legal or constructive obligations, or has made payments on behalf of the joint venture company. No such legal or constructive obligations exist. If the joint venture company later reports profits, however, the Group returns to recognizing its share of those profits only when these total the same amount as the share of losses not recognized by the Group.

Note 19 Prepaid costs and accrued income

	GROUP		PARENT COMPANY	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
KSEK				
Accrued electricity sales	16,446	18,041	-	-
Accrued electricity certificates	1,891	7,875	-	-
Accrued guarantees of origin (GoO)	303	488	-	-
Prepaid insurance expenses	2,890	2,496	369	302
Prepaid service contracts	4,727	4,944	-	492
Insurance compensation	3,911	-	-	-
Other	1,512	900	1,244	802
Total	31,680	34,744	1,613	1,597

Note 20 Earnings per share

GROUP	Dec. 31, 2020	Dec. 31, 2019
KSEK		
Earnings per share were calculated as follows:		
Net profit attributable to Parent Company shareholders (KSEK)	-62,130	-13,838
Weighted average number of shares		
Total number of ordinary shares at January 1	164,898,735	160,108,636
Effect of new shares	28,459,759	20,814,122
Weighted average number of shares before dilution	181,078,276	164,898,735
Weighted average number of shares after dilution	181,078,276	164,898,735
Earnings per share before dilution	-0,34	-0,08
Earnings per share after dilution	-0,34	-0,08

Note 21 Shareholders' equity

Share capital in Rabbalshede Kraft totaled SEK 1,046,912,585 December 31, 2020. The share capital is distributed among 209,382,517 shares, of which 1,000,000 were Class A shares and 208,382,517 Class B shares. Class A shares entitle the holder to one vote and Class B shares entitle the holder to one tenth of a vote. The quotient value of the shares is SEK 5 per share.

GROUP

Other capital contributions

Pertains to shareholders' equity contributed by the owners. Includes premiums that are paid in connection with share issues.

Retained earnings including profit/loss for the year

Retained earnings including profit/loss for the year include funds earned by the Parent Company and its subsidiaries, as well as paid option premiums.

Hedging reserve

The hedging reserve includes the effective portion of the accumulated net change in the fair value of cash flow hedging instruments (interest rate swaps, electricity futures and currency forwards) attributable to hedging transactions that have not yet occurred.

PARENT COMPANY

Restricted funds

Restricted funds are not reduced through dividends.

PARENT COMPANY

Number of shares	2020	2019
Opening number of shares	180,922,758	160,108,636
Nyemission	28,459,759	20,814,122
Closing number of shares	209,382,517	180,922,758

Note 22 Proposed appropriation of profits

Proposed appropriation of profits

The following funds in SEK are at the disposal of the Annual General Meeting:

Share premium reserve	693,247,593
Retained earnings	-49,642,622
Profit/loss for the year	-28,070,631
Total	615,534,340

Proposed appropriation of profits

The Board of Directors proposes that unappropriated earnings and unrestricted reserves be appropriated as follows (SEK):

To be carried forward	-77,713,253
Share premium reserve	693,247,593
Total	615,534,340

UNRESTRICTED SHAREHOLDERS' EQUITY

Share premium reserve

When shares are issued to premium reserves, i.e. when more than the shares' quotient value is to be paid for the shares, an amount corresponding to the amount received in excess of the shares' quotient value is transferred to the share premium reserve. The amount that was provided to the share premium reserve as of January 1, 2006 is included under unrestricted capital.

Retained earnings

This consists of the previous year's unrestricted equity after any dividend payments. Combined with profit for the year and the share premium reserve, it constitutes the total unrestricted shareholders' equity, i.e. the amount that is available for dividends to shareholders.

Note 23 Provisions

KSEK	GROUP		PARENT COMPANY	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Opening value	9,758	11,759	675	3,150
Change in value for the year	1,514	-2,001	-675	-2,475
Closing value	11,272	9,758	0	675

The item relates to a provision for site restoration costs (i.e. that the land where the wind turbines stand is to be restored to its original state regarding commissioned wind turbines). The provision follows the wind farm's useful life

Note 24 Liabilities to credit institutions

KSEK	GROUP		PARENT COMPANY	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Current liabilities, 0-1 yr				
Liabilities to credit institutions	93,481	53,178	675	675
Long-term liabilities, 2-5 yrs				
Liabilities to credit institutions	727,777	524,131	2,531	2,700
Long-term liabilities, 6-10 yrs				
Liabilities to credit institutions	-	-	-	-
Total long-term liabilities	821,258	524,131	3,206	2,700

Collateral for bank loans is issued through what is known as collateral transfer, whereby assets are transferred, as well as mortgage deeds on properties and chattel mortgages; refer to Note 27. Recognized liabilities are reduced by capitalized financing expenses, which are accrued over the term of the loan agreement. Capitalized financing expenses total KSEK 7,422 (7,027).

Note 25 Other long-term liabilities

KSEK	GROUP		PARENT COMPANY	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Interest derivatives	13,051	17,072	-	-
Currency forward contracts	722	4,318	-	-
Financial contracts	-2,919	-922	-	-
Shareholder loans, interest-bearing	0	155,802	0	155,802
Total	10,854	176,270	0	155,802

Note 26 Accrued expenses and deferred income

KSEK	GROUP		PARENT COMPANY	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Accrued holiday pay	4,608	3,829	4,608	3,828
Accrued social security contributions	712	592	712	591
Accrued interest expense	494	407	13	-
Accrued leasehold payments	21,548	23,157	14,583	14,557
Accrued project costs	4,693	3,905	-	-
Accrued property tax	6,674	9,765	23	23
Other	4,043	3,293	790	1,126
Total	42,772	44,948	20,729	20,124

Note 27 Pledged assets and contingent liabilities

KSEK	GROUP		PARENT COMPANY	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Pledged assets				
In the form of pledged assets for own liabilities and provisions				
Collateral transferred for ordered wind turbines and leaseholds	1,855,416	1,615,093	-	-
Mortgage deeds on properties	14,400	14,400	13,500	13,500
Chattel mortgages	5,000	5,000	5,000	5,000
Blocked bank funds	51,019	48,024	-	300
Pledged shares in Rabbalshede Vind AB (Rabbalshede Vind 6 AB)	1,435,929	1,478,190	1,405,675	1,310,153
Total pledged assets	3,361,764	3,160,707	1,424,175	1,328,953
Contingent liabilities*	-	260,840	-	260,840

*See allocation below in SEK

Pledged assets

Collateral transferred for ordered wind turbines and leaseholds mean that the company has transferred to the bank the right of use to leasehold areas for wind turbines, other rights/permits/agreements, etc. that exist or which will exist to enable the construction of wind turbines that will subsequently produce, distribute and sell electricity, and titles to all buildings, plants, etc. that exist or will be constructed within the leased area. The transfer of collateral occurs solely for the bank to obtain security for the borrower's liabilities with the bank, which, after the utilization of the collateral, may sell the transferred assets at a market price in order to assimilate payments from the purchase price. The transfer of collateral falls under Chapter 3, Section 37, of the Contracts Act. Although it is a matter of a formal transfer of property, it is typical for collateral transfers – unlike real asset transfers – for the transferred property to remain in the transferor's possession and that it may be utilized by the transferor during the time the collateral is availed and the credit liabilities are contractually fulfilled. The transferor also retains all its obligations to third parties such as shareholders and/or beneficial owners of property. No prices are set on the collateral transfer and there are no tax consequences or register changes as in asset transfers. When the credits are repaid, the bank is to transfer the property back to the transferor without charge.

Parent company guarantee

The subsidiary Skaveröd Gurseröd Vind AB has signed a partnership agreement with Tanum Vindkraft AB regarding settlement of potential obligations jointly linked to the accumulated sound for the two neighboring wind farms. Rabbalshede Kraft AB issued a Parent Company guarantee as a safeguard for its subsidiary's obligations. The guarantee is not limited to a certain amount.

The previously issued parent guarantee in favour of Tuike Finland Oy (Google) was terminated at the year-end and replaced with a bank guarantee.

Note 28 Related parties

Relations with related parties and transactions with key management personnel

For remuneration of senior executives, see note 8.

During the year, Rabbalshede Kraft settled the shareholder loan to the two largest shareholders, Trei's Group and TD Asset Management (formerly Greystone). Interest of SEK 7.9 million was recognised during the year. The closing balance of the total shareholder loan was SEK 0 as at 31 December 2020.

Note 29 Cash flow statement

	GROUP		PARENT COMPANY						
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019					
Cash and cash equivalents, KSEK									
The following sub-components are included in cash and cash equivalents:									
Cash and bank balances	82,492	224,452	4,223	46,858					
Liquidity regulated interest, KSEK									
Interest received	4,329	4,318	4,329	4,318					
Interest paid	-31,112	-36,423	-7,936	-12,920					
Total	-26,783	-32,121	-3,607	-8,602					
	GROUP		PARENT COMPANY						
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019					
Adjustment for non-cash items, KSEK									
Depreciation and impairment losses	123,558	118,431	835	1,042					
Impairment of shares	-	-	-	24,100					
Inefficient interest-rate hedging	-	-12	-	-					
Capitalized financing expenses	-396	-853	-	-					
Reversal charges	2,190	474	-	-					
Divestment/disposal of property, plant and equipment/intangible fixed assets	359	21	82	21					
Total	125,711	118,061	917	25,163					
	GROUP		PARENT COMPANY						
	Dec. 31, 2019	Changes to loans	Not affecting cash flow	Dec. 31, 2020					
Changes in financing activities, KSEK	Dec. 31, 2019	Affecting cash flow	Capitalized interest	Dec. 31, 2020	Dec. 31, 2019	Changes to loans	Affecting cash flow	Capitalized interest	Dec. 31, 2020
Interest-bearing liabilities									
Shareholder loans	155,845	-155,845	0	0	155,845	-155,845	0	0	0
Loans from credit institutions	584,335	236,922	0	821,257	3,375	-169	0	3,206	
Total	740,180	81,077	0	821,257	159,220	-156,014	0	3,206	

Note 30 Events after the balance sheet date

On 18 January 2021, TD Greystone Infrastructure Fund became the majority shareholder in Rabbalshede Kraft when Treïs and Ernst Rosén sold their holdings to TD Greystone Infrastructure Fund, increasing its holding to 87%. With TD Greystone Infrastructure Fund as the majority shareholder, we can continue to grow with a long-term ownership structure and a clear vision: to create the sustainable, renewable energy of the future with partners and local actors.

Note 31 Information about the Parent Company

Rabbalshede Kraft AB (publ.) is a Swedish limited liability company headquartered in Rabbalshede, Sweden. The address of the head office is Marknadsvägen 1, SE-457 55 Rabbalshede, Sweden. The consolidated financial statements for 2020 relate to the Parent Company and its subsidiaries, jointly designated the Group, and the associated companies Lyrestad Holding AB and Vind AX AB.

The Board of Directors and CEO give their assurance that the consolidated financial statements have been compiled in accordance with K3 and provide a fair and accurate impression of the financial position and earnings of the Group. The Annual Report was compiled in compliance with generally accepted accounting policies and provides a fair and accurate view of the financial position and earnings of Parent Company.

The Administration Report for both the Group and the Parent Company accurately reviews the Group's and the Parent Company's operations, financial positions and earnings and describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

The Annual Report and the consolidated financial statements were approved for release by the Board of Directors on April 1, 2021. The Parent Company's and Group's balance sheets and income statements will be presented to the Annual General Meeting on April 28, 2021 for adoption.

SUBMISSION OF THE REPORT

RABBALSHEDÉ, APRIL 6, 2021

Stine Rolstad Brenna
Chair of the Board Directors

Jeffrey Mouland
Director

Adam Thouret
Director

Mikael Kowal
Director

Peter Wesslau
CEO

Our auditors' report was submitted on April 6, 2021
KPMG AB

Fredrik Waern
Authorized Public Accountant
revisor

Daniel Haglund
Aukthorized Public Accountant
revisor



AUDITORS' REPORT

To the general meeting of the shareholders of Rabbalshede Kraft AB (publ), corp. id 556681-4652.

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of Rabbalshede Kraft AB (publ) for the year 2020. The annual accounts and consolidated accounts of the company are included on pages 4-37 in this document.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company and the group as of 31 December 2020 and their financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

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

Basis for Opinions

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

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

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

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement in the annual accounts and consolidated accounts, 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 opinions. 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 the company's internal control relevant to our 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause a company and a group to cease to continue as a

going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient and appropriate audit evidence regarding the financial information for the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also provide information about significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration by the Board of Directors and the Managing Director of Rabbalshede Kraft AB (publ) for the year 2020 and the proposed appropriations of the company's profit or loss.

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

Basis for opinions

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

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

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

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

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

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

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

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with the starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Göteborg,

KPMG AB

Fredrik Waern
Authorized Public Accountant

Daniel Haglund
Authorized Public Accountant