

**PKO Finance AB (publ)**

**Årsredovisning för perioden 2021-01-01 - 2021-12-31**

(Org. nr. 556693-7461)

c/o AB 1909 Corporate Services  
Norrländsgatan 18 (Huvudkontor)  
111 43 Stockholm (Säte)  
Sverige (Registreringsland)

## MANAGEMENT REPORT

The company is a wholly owned subsidiary of Powszechna Kasa Oszczednosci Bank Polski Spolka Akcyjna ("PKO Bank Polski SA").  
The company is domiciled in Stockholm.

### *Business*

The business of the company is to directly or indirectly own, manage and trade securities and to conduct other non-licensed financial business including lending and other activities compatible therewith.

During 2008 the company has entered into a "Programme for the issuance of Loan Participation Notes". Under the Programme, the company may issue bonds (Loan Participation Notes) in series. The sole purpose of issuing each series is to finance loans to the parent company. The company charges certain rights under the loans to the parent company for the benefit of the note holders.

In accordance with the "Programme for issuance of Loan Participation Notes", four tranches of Participation Notes denominated in CHF and EUR have been issued during 2010- 2012. Additionally a bond loan for the American market was issued during 2012 based on such documentation binding on the debt market in the United States and in accordance with the Rule 144A in the US Securities Act. In January 2014 an additional bond loan has been issued in accordance with the above-mentioned programme which amounts to EUR 500 000 000. This bond repayment date was January 23, 2019.

All notes issued run with fixed interest and have been used to finance loans to the parent company on basically the same terms.

At the reporting date, there are two active tranches: One in EUR and one in USD (for more information please refer to Notes 5 and 8).

The notes in USD and EUR are quoted on the Luxembourg Stock Exchange (LSE).

In December 2017 EUR 5 500 000 was lent to the group company PKO Leasing Sverige AB, with the maturity date till December 2023. The interest is variable.

### *The financial year*

The increase in balance sheet turnover follows the strengthening of USD against EUR. At the same time interest income is lower since the average USD/EUR rate was lower than in 2020. Income before taxes has been effected partly by lower expenses for advisors than in 2020, but also by the SEK decrease against EUR which has had the opposite effect. Since the tax exposure for capital gains tax on currency gains regarding 2015 and 2016 has disappeared following a statute of time limitation for the tax office to reopen these years the income tax provision for capital gains tax on currency gains has been removed. Concurrently the tax office has re-opened 2019 and resolved to tax the company for capital gains tax on currency gains that year. A full provision was made already in 2019 for this tax exposure and it is covered by a guarantee from the parent company. The Company has appealed the tax office resolution. See also note 4 and 13 for further information re the company's income tax situation.

The financial position, income and cash flow have not in any material way been affected of the COVID-19 pandemic.

The company has not had any employees.

	2021	2020	2019	2018
Interest income	41 546	43 137	53 492	55 342
Income before taxes	119	890	132	202
Equity	25 006	11 270	6 386	6 329
Total assets	1 016 918	947 965	1 451 708	1 411 761

## *Risks and uncertainties*

### Market risk

The loans granted to the parent company constitute the main assets of the company and are financed by bond loans in the same currencies and with the same interest and repayment terms. The interest rates on the loans granted to the parent company are fixed as are the interest rates on the bond loans. The loans to the parent company are in all cases financed by bond loans in the same currency. All material cash at banks is held in EUR which is the reporting currency of the company.

### Liquidity risks

As mentioned above the company's interest payments on the bond loans and the interest payments from the parent company occur simultaneously (actually the interest payments on the loans to the parent company occur shortly before the interest on the bond loans are due for payment). Consequently, the company will always have access to funds in order to finance its interest payments. See also note 5.

### Credit and counterparty risk

PKO Bank Polski SA is the company's main borrower. The financial situation of PKO Bank Polski SA is very good (the Moody's long-term rating is A3 ) for which reason the credit risk of the company is deemed to be low. Additionally, PKO Bank Polski SA has issued a guarantee in order to secure all obligations of PKO Leasing Sverige AB resulting from the loan agreement with the company. All material cash at banks is placed in SEB, Sweden.

## *Corporate governance report*

### Principles for corporate governance

The Company is headed by the Board of Directors and the Managing Director whom exercise their duties as set out according to the Articles of Association, the Instruction for the Managing Director, Rules of Procedures for the Board of Directors and the Company's Act.

### Important elements of control and risk-management related to financial reporting

The Company has established routines in order to secure the accuracy of the financial reports which among other procedures include the preparation of quarterly financial reports that -in addition to review by the Board of Directors - also are reviewed by representatives from the parent company.

### Parent Company

Details regarding the parent Company, that owns all shares are shown in note 9.

### General meetings of Shareholders

The owners decision making rights are exercised at the General Meeting of Shareholders in accordance with law and Articles of Association.

### Board of Directors

The Board of Directors work in accordance with law, Articles of Association and based on Rules of Procedure established by the General Meeting of Shareholders. The Board of Directors makes all decisions which it has the right to make and has not established any committees.

In view of the limited activities and low number of transactions the Board of Directors considers the control system described above to be appropriate for which reason Swedish code for Corporate Governance has not been applied.

#### *Future activities of the company*

The future activities of the company are linked to the development of the financial markets and the macroeconomic environment. The future activities will also be affected by the final outcome of the tax issue described in note 13.

During 2022 the two remaining bond loans become repayable and thereby the corresponding loans to the parent company. The company does not plan to issue any new bond loans.

As a consequence of the recent outbreak of the new Corona virus (COVID 19) the Swedish economic situation is difficult to assess. However as of the day of the publication of this Annual report the outbreak of the Corona virus has not affected net income or cash flow in any material way.

#### **Proposal for appropriation of profits and losses**

The following earnings are available for the

General Meeting of Shareholders to appropriate:

Retained earnings	EUR	5 723 120
The profit of the year	EUR	<u>13 735 193</u>
Total profit of the year and retained earnings	EUR	19 458 312

To be distributed as dividend to the shareholder (EUR 27, 47 per share)	EUR	13 735 193
To be carried forward	EUR	<u>5 723 119</u>
	EUR	19 458 312

As regards profit and loss and balance sheet see financial reports with comments below.

The board of directors finds the proposed dividend reasonable in relation to the objectives, size and risks of the business, also taking into account the possibility for the company to fulfill its' future obligations. The company will, subsequent to the distribution of the dividend, continue to hold an acceptable cash position and debt to equity ratio. Therefore the proposed dividend can be defended in relation to what is stated in the Companies' Act 17 Ch. 3 § 2-3. paragraphs (the prudence principle). The dividend will be made by reducing the receivable the company has on the parent company and will be paid not later than May 31, 2022.

#### **PROFIT AND LOSS STATEMENT**

Amounts in euro.	Note 1,2	2021	2020
Administration and commission revenues from group companies		105 353	107 756
Other operating expenses	Note 3	-149 072	-249 740
<b>Operating income</b>		<b>-43 719</b>	<b>-141 984</b>
<b>Financial items</b>			
Interest income, group companies		41 545 830	43 136 915
Interest expenses		-40 626 450	-43 399 758
Net currency effects		-756 793	1 295 299
<b>Income before taxes and appropriations</b>		<b>118 868</b>	<b>890 471</b>
<b>Appropriations</b>			
Dissolution of profit equalization reserve		147 825	130 614
Appropriation to profit equalisation reserve		0	-396 394
<b>Income before taxes</b>		<b>266 693</b>	<b>624 691</b>
Deferred tax income/expense	Note 13	13 468 499	5 365 997
Current tax expense	Note 4	0	-267 568
<b>Net income</b>		<b>13 735 193</b>	<b>5 723 120</b>

The comprehensive income of the company equals the net income.

## BALANCE SHEET

Note 1, 2

Amounts in euro		2021-12-31	2020-12-31
<b>Assets</b>			
<i>Long-term financial assets</i>			
Loans granted to group companies	Note 5, 6	0	865 762 731
<i>Current assets</i>			
Loans granted to group companies	Note 5, 6	2 236 000	816 000
Receivables, parent company	Note 13	65 611 955	66 840 996
Loans granted to parent company	Note 5, 6	932 718 413	-
Prepaid expenses		13 653	13 721
Accrued income, group companies	Note 7	11 798 511	10 737 006
Cash and cash equivalents		<u>4 539 220</u>	<u>3 794 737</u>
<i>Total current assets</i>		1 016 917 752	82 202 460
<b>Total assets</b>		<b>1 016 917 752</b>	<b>947 965 192</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
<i>Restricted equity</i>			
Share capital (500 000 shares with quote value EUR 11,09)		5 547 358	5 547 358
<i>Unrestricted equity</i>			
Retained earnings		5 723 120	0
Net income		<u>13 735 193</u>	<u>5 723 120</u>
<i>Total unrestricted equity</i>		19 458 312	5 723 120
<b>Total equity</b>		<b>25 005 670</b>	<b>11 270 478</b>
<b>Untaxed reserves</b>			
Profit equalisation reserve		607 850	755 675
<b>Liabilities</b>			
<i>Long-term liabilities</i>			
Bond loans	Note 6, 8	932 726 257	863 542 789
<i>Short-term liabilities</i>			
Current income tax liability	Note 4, 13	15 715 310	33 282 138
Deferred income tax liability	Note 4, 13	31 020 474	28 253 237
Accrued interest expenses	Note 10	11 772 722	10 712 887
Other short-term liabilities		3 119	306
Other accrued expenses		<u>39 103</u>	<u>78 308</u>
<i>Total short-term liabilities</i>		58 577 976	72 396 251
<b>Total liabilities</b>		<b>991 304 233</b>	<b>935 939 040</b>
<b>Total liabilities and equity</b>		<b>1 016 917 753</b>	<b>947 965 192</b>

## Cash-flow statement

Amounts in EUR	2021	2020
<b>Operating activities</b>		
Interest and other payments from parent company	42 216 802	44 300 522
Income taxes	-105 298	-49 784
Payments to suppliers, remunerations to directors	-199 047	-186 650
Other interest income	-20 103	-14 456
<b>Investing activities</b>	-	-
<b>Financing activities</b>	-	-
<b>Cash flow of the period</b>	<b>746 129</b>	<b>784 232</b>
Opening cash balance	3 794 737	3 002 037
Currency difference in cash balance	-1 647	8 468
<b>Closing cash balance</b>	<b>4 539 220</b>	<b>3 794 737</b>

## REPORT ON CHANGES IN EQUITY

	<i>Share capital</i>	<i>Retained earnings</i>	<i>Net income</i>	<i>Total equity</i>
Amount 2020-01-01	5 547 358	65 173 277	-65 173 277	5 547 358
Retained earnings		-65 173 277	65 173 277	0
Net income			5 723 120	5 723 120
Amount 2020-12-31	5 547 358	0	5 723 120	11 270 478
Amount 2021-01-01	5 547 358	0	5 723 120	11 270 478
Retained earnings		5 723 120	-5 723 120	0
Net income			13 735 193	13 735 193
Amount 2021-12-31	5 547 358	5 723 120	13 735 193	25 005 670

The quote value of the shares is EUR 11,09.



## NOTES

### **Note 1 Basis for the preparation of the report**

The annual report is prepared in accordance with the Annual Accounts Act and recommendation number 2 from the Financial Reporting Council (RFR 2); Reporting for legal entities. RFR 2 obligates the company to apply International Financial Reporting Standards (IFRS) as adopted by the European Union, to the extent this is possible within the framework of the Annual Accounts Act and taking into account the connection between accounting and taxation. The recommendation indicates exceptions and additions that are needed in relation to IFRS.

The Annual report is based on the assumption of going concern during a foreseeable future.

The functional currency is EUR which also is the reporting currency.

### **Note 2 Important accounting principles.**

#### **New and revised standards – applicable 1 January 2020:**

None of the new applicable IFRS or IFRIC interpretations effective for the financial year starting 2021-01-01 has had any material impact of the annual report of the financial reports of the Company.

#### **New and amended standards and interpretations which have been published but comes into effect later than 2022-01-01**

At the time of preparing the consolidated financial statements as of 31 December 2021 there are some standards and interpretations which are to take effect 2022 or later. None of these is expected to have a significant effect on the annual financial statements of PKO Finance AB.

The Company is considered to be one business segment

#### Foreign currency

Transactions in other currencies than EUR have been valued at the exchange rate which prevailed on the day of transaction. As at the reporting date all assets and liabilities denominated in other currencies than EUR have been valued using the exchange rate prevailing on the reporting date according to Oanda.

The following rates have been used :

	2021-12-31	2020-12-31
	EUR	EUR
1 SEK =	0,09759	0,09938
1 PLN =	0,21754	0,21947
1 USD =	0,88295	0,89286

#### Reporting of revenues and expenses

Interest income and expenses are reported in accordance with the effective interest method.

Other revenues are reported at the time of earning and to the extent it is probable that the future economic benefits will be made available to the company and that the revenues can be estimated in a reliable way.

#### Valuation of assets and liabilities

Assets and liabilities are reported at acquisition cost and nominal value respectively if nothing else is stated.

In those cases when it can be expected that the impairment exists, the value of the asset is decreased by an relevant amount of an impairment allowance.

#### Financial instruments

Loans granted to group companies and bond loans have been reported in accordance with the effective interest method which means that the difference between the discounted (book) value and the nominal values of the loans are amortized over the term over the respective loans. These amortizations are included in reported interest income/expense thus reflecting the effective interest of the respective loans. Reporting of feared credit losses is done in accordance with the simplification rule according to RFR 2 with individual impairment tests and loss provisions.

#### The first valuation reporting

Accounts receivable and debt instruments are reported when they are issued. Other financial assets and financial liabilities are reported when the company becomes party to the agreed terms of the instrument.

Financial liabilities are classified to accrued cost.

#### Financial assets

The company removes a financial asset from the balance sheet when the agreed rights to the cash flows from the financial asset ceases or if the company transfers the right to receive the rights to the agreed cash flows by a transaction in which all material risks and rewards connected with the ownership have been transferred.

#### Financial debts

The company removes a financial debt from the balance sheet when the agreed obligations have been met, are annulled or cease. The company also removes a financial debt when the agreed terms are modified and the cash-flows of the modified debt is materially different. In this case a new financial liability - at real value - based on the new terms is reported.

When a financial liability is removed the difference between the reported value which has been removed and the payment made (including transferred non-monetary assets and assumed debt) in the profit- and loss statement.

#### *Income tax*

Reported income taxes includes taxes that are to be paid or received relating to the reported period and adjustments regarding earlier periods. Tax-liabilities/receivables are valued at the amounts, that, in the opinion of the company are expected to be paid to or received from the tax office. Please note however the uncertainty described in note 13 and its effect on the reporting below in this paragraph.

Taxable income can differ from income before taxes as reported in the profit and loss statement as this income excludes revenues and expenses that are taxable or deductible in other periods and it also excludes revenues and expenses that permanently are non-taxable or non-deductible. The tax liability which is described in in note 13 relate to such tax which is uncertain if the company finally will have to pay.

This liability relates both to such tax which - in a situation where the Company finally is considered liable to pay tax on the capital gains described in note 13 - relates to capital gains realised during 2019 and deferred tax liabilities on unrealized capital gains.

In accordance with RFR2 no deferred tax liability relating to the company's untaxed reserves is reported.

#### *Share capital*

Reported share capital corresponds to registered nominal value.

#### *Estimation of fair value*

Fair value of the loans granted to the parent company and of the bond loans have been calculated based on listed value on the Luxembourg stock exchange according to Bloomberg as at the reporting date.

The fair value for the loan to the other group company PKO Leasing Sverige AB is estimated using yield curve and margin model.

For other financial assets and liabilities it is the opinion of the company that the reported values constitute the best possible estimate of fair value, since these assets and liabilities are short-term and have high liquidity.

#### *Estimations and assumptions*

In preparing the report the company has made estimates and assumptions. Actual results may differ from these estimates. Such an estimation relates to the final outcome in the tax matter which is referred to in note 13.



**Note 3 Other external expenses**

	<u>2021</u>	<u>2020</u>
Audit fees KPMG	-	29 220
Audit fees PwC	33 181	27 330
Remunerations to directors	24 119	16 739
Administration fees	44 904	51 885
Other external fees	22 246	104 619
Bank fees	<u>24 623</u>	<u>19 948</u>
<i>Total other external expenses</i>	149 072	249 741

The remuneration paid to the Board of Directors amounted to 23 657 (2021) and 22 318 (2020).

As in 2020 there are two males and one female in the Board of Directors.

Other external fees include external legal and advisory fees.

**Note 4 Reconciliation of effective tax**

	<u>2021</u>	<u>2021</u>	<u>2020</u>	<u>2020</u>
	(%)		(%)	
Income before tax but after appropriations		266 693		624 691
Tax according to current tax rate	20,60%	54 939	21,40%	133 684
Non-deductible expenses		63 398		108 279
Non-taxable income		-220 483		
Upward adjustment on dissolution of profit equalisation reserve		1 655		337
Flat-rate interest on profit equalisation reserve		757		480
Tax relating to currency gains not included in the accounts (note 13)		2 868 802		-5 365 997
Reversal of reserves for income taxes relating to 2015 and 2016		-16 235 737		
Currency effects		-1 829		24 788
Reported effective tax	-5050,18%	-13 468 499	-816,15%	-5 098 429

**Note 5 Loans granted to group companies**

<i>Issued</i>	<i>To be repaid</i>	<u>2021-12-31</u>	<u>2020-12-31</u>	<u>2021-12-31</u>	<u>2020-12-31</u>
		<i>Currency of denomination</i>		<i>Reportingcurrency (EUR)</i>	
2012-07-25	2022-07-25	€ 49 936 844	€ 49 823 844	49 936 844	49 823 844
2012-09-26	2022-09-26	\$999 817 808	\$999 567 808	882 781 569	813 702 888
2017-12-28	2023-12-25	€ 2 236 000	€ 3 052 000	<u>2 236 000</u>	<u>3 052 000</u>
Total				934 954 412	866 578 731
				Opening balance	866 578 731
				Final payments/amor	0
				Currency effects	68 375 681
				Closing balance	934 954 412

**Note 6 Financial assets and liabilities**

*Information on fair values*

	2021-12-31	2021-12-31	2020-12-31	2020-12-31
	Reported value	Fair value	Reported value	Fair value
Loans to parent company incl. accrued interest income	944 491 135	1 032 042 064	874 263 208	955 499 785
Accrued administrative fee, parent company	25 401	25 401	23 589	23 589
Cash and cash equivalents	4 539 220	4 539 220	3 794 737	3 794 737
Bond loans incl. accrued interest expenses	944 498 979	992 409 609	874 255 676	918 958 873

Book values are reasonable approximations of fair values in the cases where no fair values are reported for financial instruments above since their terms are short. The information above that relates to Loans and Bond Loans belongs to level 1 in the fair-value hierarchy and have been valued to the latest market value noted on the Luxembourg stock exchange. The Loans to the Parent company are valued at the same value since the parent company loans are pledged as security for the bond loans. The fair value for the loan to the other group company PKO Leasing Sverige AB is estimated using yield curve and margin model.

*Structure of maturity for financial debts*

	Book value	Maturities up to	Maturities between	Maturities over
	2021-12-31	one year	one and five years	five years
Loans to group companies	2 236 000	2 236 000	-	-
Bond loans	932 726 257	932 726 257	-	-

	Book value	Maturities up to	Maturities between	Maturities over
	2021-12-31	one year	one and five years	five years
Loans to group companies	866 578 731	816 000	865 762 731	-
Bond loans	863 542 789	0	863 542 789	-

The amounts relate to contractual non-discounted payments.

For other information concerning risks in financial instruments please refer to the Management report under "Risks and Uncertainties".

**Note 7 Accrued income, group companies**

	2021-12-31	2020-12-31
Accrued interest income	11 773 110	10 713 417
Accrued administrative fee income	<u>25 401</u>	<u>23 589</u>
Total accrued income, group companies	11 798 511	10 737 006

**Note 8 Bond loans**

Issued	Due for repayment	2021-12-31	2020-12-31	2021-12-31	2020-12-31
		Currency of denomination		Reporting currency (EUR)	
2012-07-25	2022-07-25	€ 49 937 123	€ 49 824 623	49 937 123	49 824 623
2012-09-26	2022-09-26	\$999 791 507	\$999 541 507	<u>882 789 134</u>	<u>813 718 166</u>
Total				932 726 257	863 542 789

## Note 9 Parent company

The company is a wholly-owned subsidiary of Powszechna Kasa Oszczednosci Bank Polski Spółka Akcyjna, Warsaw, Poland with corporate identity number 525-000-77-38.

## Note 10 Related party transactions

	<u>2021</u>	<u>2020</u>
<i>Cash flow items</i>		
Interest and other payments from parent company	42 216 802	44 300 522
Interest payments from other group companies than the parent company	816 000	0
Repayment of loans from the parent company	0	0
Repayment of loans from other group companies than the parent company	0	816 000
Repayment of bond loan	0	0
<i>Balance sheet items</i>		
Loans granted to other group companies than the parent company - current assets	2 236 000	816 000
Loans granted to parent company - current assets	932 718 413	
Loans granted to parent company - long term financial assets	-	862 710 731
Loans granted to other group companies than the parent company - long term financial assets	-	3 052 000
Receivable parent company - capital cover guarantee	65 611 955	66 840 996
Accrued income, parent company	11 798 123	10 736 476
Accrued income, other group companies than the parent company	388	530
<i>Profit-and loss items</i>		
Interest income, parent company	41 512 059	43 092 785
Interest income, other group companies than parent company	33 771	44 129
Administration and commission revenues	105 353	107 756
Remunerations to parent company	0	0

The loans granted to the parent company are payable in full at maturity and carries fixed interest. The loan to the group company PKO Leasing Sverige AB are amortized on a monthly basis with variable interest, linked to EURIBOR. The parent company has guaranteed the loan to PKO Leasing Sverige AB. Based on the above and the fact that the parent company is a bank no credit losses are expected or projected.

## Note 11 Proposal for appropriation of profits and losses

	<u>2021</u>	<u>2020</u>
The following profit is to be appropriated by the Annual General Meeting of Shareholders		
Retained earnings	EUR 5 723 120	0
The profit of the year	EUR <u>13 735 193</u>	<u>5 723 120</u>
Total profit of the year and retained earnings	EUR 19 458 312	5 723 120

The Board of Directors proposes that the retained earnings are appropriated as follows:

To be distributed as dividend to the shareholder	EUR 13 735 193	-
To be carried forward	EUR <u>19 458 312</u>	5 723 120
	EUR 19 458 312	5 723 120

**Note 12 Pledged assets and contingent liabilities**

		2021-12-31	2020-12-31
<b>Pledged assets</b>			
Loans, group companies	EUR	942 280 536	874 263 208

**Note 13 Provisions, deferred tax liability, capital injection**

In the beginning of 2018 it was discovered that a strict application of current income tax rules for companies with EUR as their reporting currency, possibly could have the effect that the fluctuations of the exchange rates SEK/EUR during the period between the disbursements and repayments of the intergroup loans are differently taxed than if the same loans had been made by a company with SEK as reporting currency. Due to the doubts relating to taxation of foreign exchange differences on loans granted to the Bank and issue commitments in the territory of Sweden, PKO Finance AB, whose reporting currency is the EUR, applied to the Swedish Council for advance ruling for such a ruling. PKO Finance AB lends funds obtained from bonds issued to PKO Bank Polski ("Bank") and at the same time recognizes receivables from the loans and liabilities relating to the issue.

Changes in foreign exchange rates have a symmetrical impact on the valuation of such receivables and liabilities, because foreign exchange differences on the valuation of loans granted are matched with the opposite foreign exchange differences on the valuation of liabilities in respect of the bonds issued. According to the individual ruling obtained by PKO Finance AB from the Swedish Council for Tax Rulings (Skatterättsnämnden) on 14 March 2019, a company for which EUR is the reporting currency should tax the EUR/SEK exchange differences on the loans (SEK/EUR) between the maturity date and repayment date. At the same time it is not possible to recognize a tax cost related to foreign exchange differences on the company's liabilities in respect of the bond issue at the maturity date. If the Council's ruling would gain legal force, it would mean that a different approach is applied in Sweden to companies reporting in EUR compared with companies reporting in SEK (which can also include foreign exchange differences on liabilities in their tax settlements), and this would increase the economic risk and hamper effective hedging of the currency risk. In the opinion of the Company, such an approach would be contrary to Article 63 of the Treaty on the Functioning of the European Union (TFEU) related to the need to ensure free flow of capital in the EU or Article 49 and 54 of TFEU related to the freedom of business activities.

On May 4, 2020 the SAC resolved to quash (set aside) the ruling of the Council for Tax Rulings. During 2020 the STA accepted the company's tax return for 2019. In the end of 2021 however the tax office resolved to make a reassessment of the 2019 tax return, based on - in broad terms - the same arguments that the Council for advance tax rulings used in the quashed advance ruling, referred to above. The company has, as has been reported previously, for prudence reasons made a provision in the accounts for the income tax and interest which follows from the abovementioned re-assessment relating to 2019 and which amounts to EUR 15 668 110.

**Note 14 Events subsequent to the end of the financial year**

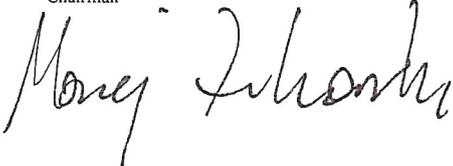
The company has in the beginning of 2022 paid the income tax for 2019 referred to in note 13 and made an appeal to administrative court to overturn the tax office resolution

The company's balance sheet and income statement will be presented to the annual general meeting during 2022 for adoption.

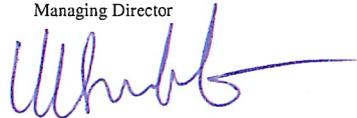
The board of directors and the managing director certifies that the annual report has been prepared in accordance with the annual accounts act and RFR 2. The annual report has been prepared in accordance with generally accepted accounting principles and gives a true and fair view of the company's income and financial position. The management report for the company provides a fair overview of the development of the business of the company, financial position and income and describes material risks and uncertainties that face the company.

Stockholm 2022-

Maciej Żukowski  
Chairman



Magnus Sundström  
Managing Director



  
Iwona Jankowska  
Board Member

Our audit report was issued 2021-  
Öhrlings PricewaterhouseCoopers AB

Susanne Sundvall  
Authorized auditor