

**Annual Report**  
**for**  
**Ellevio Holding 4 AB**

559005-2451

Financial year

1 Jan 2019-31 Dec 2019

The Board of Directors of Ellevio Holding 4 AB hereby presents its annual report for the financial year 1 January 2019 – 31 December 2019.

## Directors' Report

### Ownership

Ellevio Holding 4 AB is a wholly owned subsidiary of Ellevio Holding 3 AB, corp. ID no. 559005-2436. Consolidated financial statements are prepared by Ellevio Holding 1, corp. ID no. 559005-2444.

### Operations

Ellevio Holding 4 AB is engaged in the management, directly or through Group companies, of immovable and movable property (including shares of Group companies) and in related activities, mainly in the form of intercompany financing activities. Ellevio Holding 4 AB owns all shares of Ellevio AB (publ), corp. ID no. 556037-7326, see also Note 14 Summary of Group. The Board of Directors has its registered office in the municipality of Stockholm in Stockholm County.

### Results and financial position:

| Sek '000                          | 2019       | 2018       | 2017       | 2016       | 2015 <sup>2)</sup> |
|-----------------------------------|------------|------------|------------|------------|--------------------|
| Net sales                         | -          | -          | -          | -          | -                  |
| Profit before tax                 | -          | -          | -          | 81         | -81                |
| Total assets                      | 28 003 394 | 26 511 482 | 29 154 068 | 27 862 984 | 27 800 909         |
| Equity                            | 7 335 202  | 7 335 202  | 7 335 202  | 7 335 202  | 7 335 139          |
| Equity/assets ratio <sup>1)</sup> | 26,2%      | 27,7%      | 25,1%      | 26,3%      | 26,4%              |

1) Adjusted equity / Total assets

2) Refers to the company's first year of operations, 26 February 2015 – 31 December 2015

### Significant events during the financial year

No significant events occurred during the financial year affecting the limited operations conducted within the company.

### Group contributions

In 2019 the company received a Group contribution of SEK 31,250.

### Proposed appropriation of retained earnings

The board of directors proposes allocation of profit available for distribution (SEK) as follows:

|                       |                      |
|-----------------------|----------------------|
| retained earnings     | 7,335,151,546        |
| profit for the year   | -                    |
|                       | <b>7,335,151,546</b> |
| To be carried forward | <b>7,335,151,546</b> |

Further information about the company's results and financial position is provided in the following income statement, balance sheet and additional disclosures. Unless otherwise stated, amounts in the annual report refer to thousands of Swedish kronor (SEK '000). Due to rounding of amounts to the nearest thousand Swedish kronor, some totals may not be exactly equal to the sum of all sub-totals.

| <b>Income statement</b><br>SEK '000               | <b>Note</b> | <b>1 Jan 2019</b><br><b>-31 Dec 2019</b> | <b>1 Jan 2018</b><br><b>-31 Dec 2018</b> |
|---|-------------|--|--|
| <b>Operating expenses</b>                         |             |  |  |
| Other expenses                                    | 2           | -31                                      | -31                                      |
| <b>Operating loss</b>                             |             | <b>-31</b>                               | <b>-31</b>                               |
| <b>Financial income and expense</b>               |             |  |  |
| Other interest income from Group companies        | 1           | 1,491,912                                | 1,609,114                                |
| Interest expense to Group companies               | 1           | -1,491,912                               | -1,609,114                               |
|   |             | -  | -  |
| <b>Results after net financial income/expense</b> |             | <b>-31</b>                               | <b>-31</b>                               |
| Appropriations                                    | 1, 3        | 31                                       | 31                                       |
| <b>Results before tax</b>                         |             | -  | -  |
| Tax on profit for the year                        |             | -  | -  |
| <b>Results for the year</b>                       |             | -  | -  |

| <b>Balance sheet</b>                | <b>Note</b> | <b>31 Dec 2019</b> | <b>31 Dec 2018</b> |
|-------------------------------------|-------------|--------------------|--------------------|
| SEK '000                            |             |                    |                    |
| <b>ASSETS</b>                       |             |                    |                    |
| <b>Non-current assets</b>           |             |                    |                    |
| <i>Non-current financial assets</i> |             |                    |                    |
| Investments in Group companies      | 1, 4, 5     | 7,335,202          | 7,335,202          |
| Receivables from Group companies    | 1, 6        | 20,668,161         | 19,176,249         |
|                                     |             | <b>28,003,363</b>  | <b>26,511,451</b>  |
| <b>Total non-current assets</b>     |             | <b>28,003,363</b>  | <b>26,511,451</b>  |
| <b>Current assets</b>               |             |                    |                    |
| <i>Current receivables</i>          |             |                    |                    |
| Receivables from Group companies    |             | 31                 | 31                 |
|                                     |             | <b>31</b>          | <b>31</b>          |
| <b>Total current assets</b>         |             | <b>31</b>          | <b>31</b>          |
| <b>TOTAL ASSETS</b>                 |             | <b>28,003,394</b>  | <b>26,511,482</b>  |

| <b>Balance sheet</b>                 | <b>Note</b> | <b>31 Dec 2019</b> | <b>31 Dec 2018</b> |
|--------------------------------------|-------------|--------------------|--------------------|
| SEK '000                             |             |                    |                    |
| <b>EQUITY AND LIABILITIES</b>        |             |                    |                    |
| <b>Equity</b>                        |             |                    |                    |
| <i>Restricted equity</i>             |             |                    |                    |
| Share capital                        |             | 50                 | 50                 |
|                                      |             | <b>50</b>          | <b>50</b>          |
| <i>Non-restricted equity</i>         |             |                    |                    |
| Retained earnings                    |             | 7,335,152          | 7,335,152          |
| Profit for the year                  |             | -                  | -                  |
|                                      |             | <b>7,335,152</b>   | <b>7,335,152</b>   |
| <b>Total equity</b>                  |             | <b>7,335,202</b>   | <b>7,335,202</b>   |
| <b>Non-current liabilities</b>       |             |                    |                    |
| Liabilities to Group companies       | 7           |                    |                    |
|                                      | 1           | 20,668,161         | 19,176,249         |
| <b>Total non-current liabilities</b> |             | <b>20,668,161</b>  | <b>19,176,249</b>  |
| <b>Current liabilities</b>           |             |                    |                    |
| Liabilities to Group companies       | 1           | 31                 | 31                 |
| <b>Total current liabilities</b>     |             | <b>31</b>          | <b>31</b>          |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |             | <b>28,003,394</b>  | <b>26,511,482</b>  |

## Statement of changes in equity

SEK '000

|  | <b>Restricted equity</b> | <b>Non-restricted equity</b>                           |                     |
|--|--------------------------|--|---------------------|
|  | <b>Share capital</b>     | <b>Retained earnings including profit for the year</b> | <b>Total equity</b> |
| <b>Opening balance, 1 January 2018</b>   | <b>50</b>                | <b>7,335,152</b>                                       | <b>7,335,202</b>    |
| Profit of the year                       |                          | -  | -                   |
| <b>Closing balance, 31 December 2018</b> | <b>50</b>                | <b>7,335,152</b>                                       | <b>7,335,202</b>    |
| <br>                                     |                          |  |                     |
| <b>Opening balance, 1 January 2019</b>   | <b>50</b>                | <b>7,335,152</b>                                       | <b>7,335,202</b>    |
| Profit for the year                      |                          | -  | -                   |
| <b>Closing balance, 31 December 2019</b> | <b>50</b>                | <b>7,335,152</b>                                       | <b>7,335,202</b>    |

The company has 50,000 shares. The quotient value is SEK 1 per share.

## **Additional disclosures**

### **Accounting policies and valuation principles**

#### **General information**

Ellevio Holding 4 AB (corp. ID no. 559005-2451) is a limited company with registered office in Stockholm, Sweden. The address of the head office is Valhallavägen 203, SE-115 53 Stockholm. In accordance with Chapter 7 Section 2 of the Swedish Annual Accounts Act, consolidated financial statements are not prepared for Ellevio Holding 4 AB and its subsidiaries. Ellevio Holding 1 AB (corp. ID no. 559005-2444) with registered office in Stockholm is the parent company of the largest group of which Ellevio Holding 4 AB is a part, for which consolidated financial statements are prepared. The consolidated financial statements are available from Ellevio Holding 1 AB, Box 242 07, SE-104 51 Stockholm. Ellevio Holding 3 AB (corp. ID no. 559005-2436) is the parent company of the smallest group of which Ellevio Holding 4 AB is a part.

The annual report has been prepared in accordance with the Swedish Annual Accounts Act and BFNAR 2012: 1 Annual Accounts and Consolidated Financial Statements.

#### **Valuation principles**

Assets, provisions and liabilities have been recognised at cost unless otherwise indicated.

#### **Revenue**

Revenue is measured at the fair value of the consideration received or receivable. Other revenue earned is recognised as follows

Interest income: in accordance with the effective return.

Dividend received: when the right to receive the dividend is deemed to be secure.

#### **Income tax**

Reported income taxes include tax payable or due in respect of the current year, adjustments related to current tax for previous years and deferred tax. All tax liabilities and assets are valued at their nominal amounts and based on the tax rules and tax rates that have been enacted or that have been announced and are highly likely to be confirmed. Tax is recognised in the income statement, except when the underlying transaction is recognised directly in equity, in which case the associated tax effect is also recognised in equity. Deferred tax is calculated using the balance sheet liability method for all temporary differences between the carrying amounts and tax bases of assets and liabilities. Deferred tax assets relating to deductible temporary differences and tax losses are recognised only to the extent that it is likely that these will result in lower tax payments in future.

#### **Group contributions**

All Group contributions paid and received are accounted for as appropriations.

#### **Financial instruments**

A financial asset or financial liability is recognised in the balance sheet when the company becomes a party to the contractual terms and conditions of the instrument. A financial asset is derecognised when the contractual right to the cash flow from the asset expires or is settled or when the company loses control of it. A financial liability, or portion of a financial liability, is derecognised when the contractual obligation is fulfilled or is otherwise expired.

Current assets and current liabilities are measured at cost on initial recognition.

Non-current receivables and non-current liabilities are measured at amortised cost on initial recognition.

Borrowing costs are allocated to accounting periods as part of the interest expense of the loan.

After initial recognition, current assets are measured using the lower of cost or market method, i.e. at the lower of cost and net realisable value at the balance sheet date. Current liabilities are measured at their nominal amount. After initial recognition, non-current receivables and non-current liabilities are measured at amortised cost.

#### *Amortised cost*

Amortised cost refers to the amount at which the asset or liability is measured at initial recognition less principal repayments, plus or minus the cumulative amortisation of the initial difference between the amount received/paid and the amount payable/receivable at maturity and less impairment losses.

### **Impairment of non-current financial assets**

#### *General policies*

At each balance sheet date, an assessment is made of whether there is any indication of impairment of one or several non-current financial assets. If such indication exists, the recoverable amount is determined.

#### *Valuation of the recoverable amount*

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted using a discount rate which reflects the risk-free rate and the risk associated with the asset or cash-generating unit. The calculation is made for each asset or cash-generating unit.

#### *Reversal of impairment*

Impairment of non-current financial assets is reversed if the reasons for the impairment have changed.

### **Dividends from subsidiaries**

Dividends from subsidiaries are recognised when the parent company's right to receive the dividend is deemed to be secure and the amount can be reliably measured.

### **Receivables**

Receivables due more than 12 months after the balance sheet date are classified as non-current assets. Other receivables are classified as current assets. Receivables are recognised at the amounts expected to be realised.

### **Receivables and liabilities in foreign currency**

Receivables and liabilities in foreign currency have been translated at closing rates. Unrealised foreign exchange gains and losses are included in profit or loss. Foreign exchange gains (losses) on operating receivables and liabilities are recognised in the same item of income and expense as that to which the income or expense refers. Foreign exchange differences related to financial assets and liabilities are recognised in financial income and expense.

### **Current investments**

In accordance with the Annual Accounts Act, current investments are valued at the lower of cost and net realisable value.

### **Significant estimates and judgments**

No estimates or judgments which are considered to be significant have been made in the financial statements.

## Notes

SEK '000

### Note 1 Related party transactions

Information on transactions with related parties is provided in Notes 3, 4, 5, 6, and 7.

### Note 2 Fees to auditors

Audit engagement refers to the audit of the annual accounts and accounting records, and of the Board of Directors' management of the company, other tasks incumbent upon the company's auditor as well as advice and other assistance occasioned by observations made in the course of such examination or the carrying-out of such other tasks.

|                                    | <b>1 Jan 2019</b><br><b>-31 Dec 2019</b> | <b>1 Jan 2018</b><br><b>-31 Dec 2018</b> |
|------------------------------------|--|--|
| Audit engagement, Ernst & Young AB | 31                                       | 31                                       |
|                                    | <b>31</b>                                | <b>31</b>                                |

### Note 3 Appropriations

|                             | <b>1 Jan 2019</b><br><b>-31 Dec 2019</b> | <b>1 Jan 2018</b><br><b>-31 Dec 2018</b> |
|-----------------------------|--|--|
| Group contribution received | 31                                       | 31                                       |
|                             | <b>31</b>                                | <b>31</b>                                |

### Note 4 Investments in Group companies

|  | <b>31 Dec 2019</b> | <b>31 Dec 2018</b> |
|--|--------------------|--------------------|
| Cost at beginning of year              | 7,335,202          | 7,335,202          |
| <b>Accumulated cost at end of year</b> | <b>7,335,202</b>   | <b>7,335,202</b>   |
| <br>                                   |                    |                    |
| <b>Carrying amount at end of year</b>  | <b>7,335,202</b>   | <b>7,335,202</b>   |

**Note 5 Specification of investments in Group companies**

| <b>Name</b>       | <b>Share of Equity</b> | <b>Share of votes</b> | <b>No. of shares</b> | <b>Carrying Amount<br/>31 Dec 2019</b> |
|-------------------|------------------------|-----------------------|----------------------|--|
| Ellevio AB (publ) | 100%                   | 100%                  | 50,000               | 7,335,202                              |
|                   | <b>Corp. ID no.</b>    | <b>Reg office</b>     | <b>Equity</b>        | <b>Profit/loss</b>                     |
| Ellevio AB (publ) | 556037-7326            | Stockholm             | 7,604,874            | -1,248,165                             |

**Note 6 Receivables from Group companies**

|   | <b>31 Dec 2019</b> | <b>31 Dec 2018</b> |
|---|--------------------|--------------------|
| Interest-bearing loans to Group companies | 20,668,161         | 19,176,249         |
|   | <b>20,668,161</b>  | <b>19,176,249</b>  |

**Note 7 Non-current liabilities**

|                            | <b>31 Dec 2019</b> | <b>31 Dec 2018</b> |
|----------------------------|--------------------|--------------------|
| Maturity over 10 years     | 20,668,161         | 19,176,249         |
|                            | <b>20,668,161</b>  | <b>19,176,249</b>  |
| All loans are due in 2040. |                    |                    |

**Note 8 Pledged assets**

|   | <b>31 Dec 2019</b> | <b>31 Dec 2018</b> |
|---|--------------------|--------------------|
| Shares in the subsidiary company Ellevio AB have been pledged             | 7,335,202          | 7,335,202          |
| Receivables related to intercompany loans to Ellevio AB have been pledged | 20,668,161         | 19,176,249         |
|   | <b>28,003,394</b>  | <b>26,511,482</b>  |

All collateral has been provided as collateral for external loans in Ellevio AB (publ).

## Note 9 Group composition

At 31 December 2019 the Group had the following subsidiaries:

| Name                        | Corp. ID no. | Operations                                   | Holding (%) |
|-----------------------------|--------------|--|-------------|
| Ellevio Holding 1 AB        | 559005-2444  | Management of immovable and movable property | 100%        |
| Ellevio Holding 2 AB        | 559001 -1937 | Management of immovable and movable property | 100%        |
| Ellevio Holding 3 AB        | 559005-2436  | Management of immovable and movable property | 100%        |
| <b>Ellevio Holding 4 AB</b> | 559005-2451  | Management of immovable and movable property | 100%        |
| Ellevio AB (publ)           | 556037-7326  | Electricity distribution                     | 100%        |

## Note 10 Significant events after the end of the financial year

No significant events occurred after the end of the financial year affecting the limited operations conducted within the company.

Stockholm, 28 April 2020

Sören Mellstig  
Chairman

Anna Belfrage

Lars Clausen

Göran Hägglund

Karin Jarl Månsson

Michael Mc Nicholas

Sten Olsson

## Auditor's certification

We submitted our audit report on 28 April 2020

Ernst & Young AB

Henrik Jonzén  
Authorised Public Accountant

## Auditor's report

To the general meeting of the shareholders of Ellevio Holding 4 AB, corporate identity number 559005-2451

### Report on the annual accounts

#### *Opinions*

We have audited the annual accounts of Ellevio Holding 4 AB for the year 2019.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Ellevio Holding 4 AB as of December 31, 2019 and its financial performance 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.

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

#### *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 Ellevio Holding 4 AB 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*

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

In preparing the annual accounts, the Board of Directors is responsible for the assessment of the company'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 intends 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 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 ISAs 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the annual 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.

Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting in preparing the annual 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 ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

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

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

## THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

### Report on other legal and regulatory requirements

Stockholm, April 28, 2020

Ernst & Young AB

#### *Opinions*

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors of Ellevio Holding 4 AB for the year 2019 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 be discharged from liability for the financial year.

Henrik Jonzén  
Authorized Public Accountant

#### *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 Ellevio Holding 4 AB 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*

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company'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 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.

#### *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 in any material respect:

has undertaken any action or been guilty of any omission which can give rise to liability to the company, 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 liability to the company, 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 skepticism 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 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.