



The Soltech company Soldags has created a sustainable energy solution for a house in Lidingö. The plant consists of 71 solar panels with an installed power output of 22.1 kW.



YEAR-END REPORT

JANUARY – DECEMBER 2022

SOLTECH ENERGY SWEDEN AB (publ)

Soltech's subsidiary 365zon has won an auction for the Netherlands' largest homeowners organisation. The winning assignment means that the company will install solar panels on 1,000 homes in the next six months in an order value totalling SEK 55 million.

THE BUSINESS RETURNED TO PROFITABILITY

SUMMARY OF FOURTH QUARTER

- Adjusted* total income for the Group amounted to SEK 755.2 (238.2) million, an increase of 217%.
- The Group's organic growth in the quarter was 81% and was driven by high demand for solar energy solutions.
- Adjusted EBITDA* amounted to SEK 47.4 (-25.8) million.
- Adjusted EBIT* amounted to SEK 18.2 (-64.3) million.

The Group's revenue for the quarter amounted to SEK 804.6 (565.8) million, an increase of 42%. The Group's earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to SEK -24.5 (267.3) million. EBITDA was affected by the earnings and impairment of shares in Advanced Soltech in the sum of SEK -121.3 (288) million. The negative effect on EBITDA was dampened by SEK 49.4 million from the deconsolidation of Neabgruppen. The Group's earnings before interest and tax (EBIT) amounted to SEK -53.7 (166.3) million.

- Loss after tax for the period amounted to SEK -67.4 (138.2) million.
- Cash flow from operating activities for the period amounted to SEK -5.2 (31) million.
- Consolidated cash flow for the period amounted to SEK 26.7 (-157.2) million.
- Earnings per share amounted to SEK -0.52 (-1.55).

JANUARY – DECEMBER IN BRIEF

- Adjusted* total income for the Group amounted to SEK 1,915.6 (792.5) million, an increase of 142%. The Group's organic growth amounted to 57% (29%).
- Adjusted EBITDA* amounted to SEK -23.3 (-63.9) million.
- Adjusted EBIT* amounted to SEK -121.1 (-131.4) million.

The Group's revenue for the year amounted to SEK 2,001.5 (1,239.8) million. This is an increase of 61%. The Group's earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to SEK -148.6 (317.6) million. EBITDA was negatively affected by the earnings and impairment of shares in Advanced Soltech and the effects of Neabgruppen. The Group's earnings before interest and tax (EBIT) amounted to SEK -246.3 (150.7) million.

- Loss after tax for the year amounted to SEK -269.9 (77.6) million.
- Cash flow from operating activities for the period amounted to SEK -191.7 (-103.7) million.
- Consolidated cash flow for the period amounted to SEK -60.8 (115.2) million.
- Earnings per share amounted to SEK -2.03 (-0.86).

* The adjustment consists of effects from the deconsolidation of Neabgruppen and the separate listing, deconsolidation and impairment of shares in the associated company Advanced Soltech Sweden AB. The effects are explained in the text on [page 8](#).

SIGNIFICANT EVENTS DURING THE FOURTH QUARTER

- On 21 September, Soltech acquired 100% of the shares in **Takab** i Jönköping AB (TAKAB), which it took possession of on 3 October.
- The subsidiary **Sud Renovables** has constructed the largest rooftop solar plant in Catalonia. In total, the installation covers an area of just over 20,000 square metres and has an installed power output of 4.2 MW.
- The subsidiary **365zon** has won two major contracts totalling SEK 155 million for solar energy solutions for approximately 3,500 rental apartments and houses.
- On 28 October, Soltech Energy Sweden AB acquired 20% of the shares in the subsidiary **Takrekond** i Småland AB, taking possession on the same day. Soltech Energy now owns 100% of the company, and acquisition of the remaining shares in the company is part of its efforts to continue strengthening Takrekond's transformation into a solar roofing company.

- On 14 October, Neabgruppen filed for bankruptcy. At the time of its acquisition, Neabgruppen was a case of a clear turn-around, which Soltech had worked actively to achieve. The assessment was that there was a lack of provisions to continue running the business. Administrators were appointed on 14 October and since this date Soltech has no longer had a controlling influence over the company. This means that from this date Neabgruppen will not be consolidated and will therefore have no financial impact from 2023 onwards. In the quarter, the deconsolidation will receive a positive effect of SEK 49.4 million, which is excluded in adjusted EBITDA and EBIT.
- Value adjustment and impairment of the holdings in Advanced Soltech total SEK -121.3 million. Impairment has taken place at market value on the balance sheet date and is excluded in the adjusted EBITDA and EBIT.

KEY EVENTS AFTER THE REPORTING PERIOD

- On 31 January 2023, Soltech, through the wholly owned subsidiary **Takbyrån**, made an additional acquisition of 100% of the shares in the solar energy company Vårgårda Solenergi AB.
- On 1 February 2023, through **Wettergrens** Tak, it made an additional acquisition of 100% of the shares in Plåtteamet i Örnsköldsvik AB.



The largest rooftop solar plant in Catalonia, with more than 20,000 square metres and an installed power output of 4.2 MWp. Installed by the subsidiary Sud Renovables.

SELECTED KEY RATIOS

AMOUNT IN SEK THOUSAND	GROUP				PARENT COMPANY			
	Q4 2022	Q4 2021	01/01/2022 31/12/2022	01/01/2021 31/12/2021	Q4 2022	Q4 2021	01/01/2022 31/12/2022	01/01/2021 31/12/2021
1. Operating income	804,616	565,811	2,001,501	1,239,829	13,287	5,272	36,446	16,106
2. Sales trend	42%	247%	61%	148%	152%	72%	126%	105%
3. Gross profit margin	39%	73%	33%	60%	100%	100%	100%	94%
4. Operating profit/loss (EBIT)	-53,693	166,267	-246,285	150,715	-4,247	-17,835	-30,292	-38,917
5. Operating profit/loss (EBITDA)	-24,511	267,286	-148,550	317,577	-4,205	-17,831	-30,182	-38,905
<i>Capital structure</i>								
6. Equity ratio	48%	63%	48%	63%	75%	80%	75%	80%
<i>Data per share</i>								
7. Outstanding number of shares	129,648,994	94,581,000	129,648,994	94,581,000	129,648,994	94,581,000	129,648,994	94,581,000
8. Average number of shares	116,717,018	94,558,781	105,036,642	80,358,480	116,717,018	94,558,781	105,036,642	80,358,480
9. Number of shares after dilution	129,648,994	94,581,000	129,648,994	94,581,000	129,648,994	94,581,000	129,648,994	94,581,000
10. Earnings per share, SEK	-0.52	1.55	-2.03	0.86	-0.48	-1.12	-1.18	-1.41
11. Earnings per share after dilution	-0.52	1.55	-2.03	0.86	-0.48	-1.12	-1.18	-1.41
12. Dividend per share	0	0	0	0	0	0	0	0
13. Equity per share	8.61	9.92	8.61	9.92	8.56	8.63	8.56	8.63
14. Equity per share after dilution	8.61	9.92	8.61	9.92	8.56	8.63	8.56	8.63

CEO STATEMENT

FOCUS ON PROFITABILITY YIELDED RESULTS

Soltech's underlying business showed profitability and a new revenue record in the fourth quarter. Our underlying business achieved an impressive SEK 755.2 (238.2) million in revenue and provided an EBITDA of SEK 47.4 (-25.8) million. In the fourth quarter, we grew organically by an incredible 81%, which I am incredibly proud of, and total growth amounted to 217% including acquisitions.

In 2022 we successively increased our focus on profitability. This means that more focus will be placed on synergy effects in purchasing, sales, marketing and HR matters, among other things. Our subsidiaries are doing a very good job and it now shows in the fourth quarter. However, what I am most proud of is our company's success in generating profitability while growing organically by 81%.

FROM SEK 50 MILLION TO SEK 2,000 MILLION

In autumn 2018, we decided to change our strategy and start acquiring companies in the solar energy, roof, facade and electrical engineering industries. In 2018, we had revenues of approximately SEK 50 million. We have now ended the fourth quarter of the year following a change in strategy and are very proud to have increased our revenue forty-fold to SEK 2,000 million. Generating this extreme growth obviously requires major investments, and we have made losses during these years, as anticipated. For 2023, we plan to gradually return to profitability. It is therefore especially gratifying that the underlying business is already doing this in the fourth quarter of 2022.

FIXED PRICE PROJECTS AND CONTRACTUAL REVIEW

One problem in 2022 was that many subsidiaries were stuck with large projects with fixed prices, where extreme price increases on input goods could not be charged to the customer. The good news is that the majority of these projects were delivered in the third and fourth quarters of 2022, although some of them still remain in the first quarter of 2023.



At group level, we have implemented a number of initiatives to mitigate similar situations occurring in future. These include everything from group-wide purchase agreements, updated customer agreements and implementation of better adapted system support in combination with additional resources.

THE SUN AND SOLTECH HAVE A BRIGHT FUTURE AHEAD

I cannot think of any industry that is as timely as solar energy. A long series of macro trends is like a strong headwind for us. I'm thinking of private individuals, companies and the public sector who want to produce their own energy from the sun, not just to bring down electricity bills, but to feel like they are part of a modern energy movement that is creating a green future. A couple of other trends that benefit us are obviously the political will to support solar energy and the entire financial sector, which wants, and is required, to invest in a sustainable future.

Come join us as we create a modern energy movement and value for shareholders.

Stefan Ölander
Chief Executive Officer



The Soltech company Fasadsystem is installing a 160-square-metre mocha-brown building-integrated solar cell facade for Berner's car showroom in Östersund for commissioning in spring 2023.

SOLTECH'S OPERATIONS

Soltech Energy's origins lie in an innovation that was conceived at the KTH Royal Institute of Technology at the start of the 2000s. Since then, the company has developed, sold and installed solar energy solutions for property owners, landowners and individuals, as well as for agriculture and community development projects. By 2019, Soltech had decided on a new strategy and embarked on an acquisition and growth journey to speed up the green transition.

Soltech is a turnkey supplier with market-leading competence in solar technology and green energy solutions. The Group's overall goal is to integrate solar into the everyday, and we are working to contribute to the green transition while also creating value for our shareholders, who number around 78,000.

Our companies develop, sell, instal and optimise not only solar energy solutions but also charging and smart storage solutions, as well as services in electrical engineering, roofing and facade contracting.

By taking responsibility for the entire value chain, from innovation and development to installation and service, all types of properties can be converted into efficient energy producers with our help. Many customers also request large-scale external solar energy solutions for

roofs, not least within the commercial sector, and therefore we often design large-scale solutions within the Group's companies.

We are facing a major energy revolution where the rapidly increasing demand for electricity will create new requirements. In order to meet the increased demand, we are helping property owners and landowners to both produce their own green electricity and make optimal use of it. Our aim is therefore to grow within the area of charging and storage solutions, as well as in smart technical combination solutions, so as to optimise the properties' use of energy.

AN ACQUISITION JOURNEY THAT CHANGES SOCIETY

We have an aggressive acquisition and growth strategy that includes the acquisition of companies in the solar, roofing, electrical engineering and facade industries, both nationally and in Europe.

In addition to new business opportunities, the acquisition strategy also creates synergy effects for existing subsidiaries, our customers and shareholders and, not least, for the climate. Acquiring prosperous companies with strong local ties makes us an entrepreneurial group with interdisciplinary competences where everyone is needed, contributes and creates value.

On 1 April, Soltech took the plunge and made its first European acquisition, the Dutch solar energy company 365 Energie Holding B.V. (365zon).

Shortly afterwards, on 22 June, it acquired the Spanish solar energy company Sud Renovables SL (Sud Renovables). This has established the Group in the growing European solar energy market. Soltech is currently represented by subsidiaries in Sweden, the Netherlands and Spain. By transforming companies in traditional industries, we also become a force for societal change. We transform companies into companies of the future with solar energy as a platform. Adding solar energy to the acquired companies' product offering future-proofs the businesses and meets customers' changed demands and needs for solar energy solutions.

Through company acquisitions, Soltech has welcomed many committed contractors and their employees who, with their various core competencies, open new doors for each other. Our various competencies mean that, together, we can offer the market overall solutions, and it is not uncommon for several of our subsidiaries to collaborate on projects. To continue growing, efforts are ongoing to identify more companies, while we grow organically and invest in existing companies, all in aid of building a strong solar energy group that makes a difference and integrates solar into the everyday lives of more people.

SOLTECH'S BUSINESS AREAS

Soltech's operations are divided into four business areas based on service provision. These segments are solar, facades, roofs, and electrical engineering.

Solar companies

The Soltech Group encompasses the solar companies 365zon, Measol, Soldags, Soltech Energy Solutions and SUD Renovables. The companies deliver solar energy solutions to all kinds of customers and conduct operations relating to the design and installation of solar panel systems, charging, batteries and other energy-optimising services.

Solar facade companies

Fasadsystem and Essa Glas & Aluminium are the Group's two solar facade companies. The companies provide exterior and interior glass and aluminium facades and develop solar energy solutions for integrated solar panels.

Solar technology companies

The Group's solar technology companies are Provektor, Rams EI, TG:s EI i Finspång and E-Mobility. The companies supply complete solutions in electrical installation and automation, as well as solar energy solutions with control and storage, all to promote smart energy use.

Solar roofing companies

The Soltech Group also has eleven solar roofing companies: NP Gruppen, Takorama, Din Takläggare i Värmland, Takrekond in Småland and Kalmar, Annelunds Tak and Ljungs Sedum Entreprenad, Takbyrå i Alingsås, Wettergrens Tak och Plåtslageri, Tak & Bygg i Falun, Falu Plåtslageri, and Takab i Jönköping and Plåtteamet i Örnsköldsvik. The roofing companies work with all types of roofs and, with the Soltech transformation, can integrate solar energy into their roof solutions.



FINANCIAL SUMMARY GROUP

REVENUE AND PROFIT/LOSS

October – December 2022

The Group's revenue increased to SEK 804.6 million, compared with SEK 565.8 million in the same period last year. This is a 42% increase in revenue. Adjusted for one-off effects related to the separate listing of Advanced Soltech ("ASAB") in 2021 and the deconsolidation of Neabgruppen in 2022, total Group revenue rose to SEK 755.2 (238.2), an increase of 217%. The strong growth was driven by acquisitions and organic growth in all business areas. Organic growth in the quarter was 81%, driven primarily by increased demand for solar energy solutions.

The Group's earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to SEK -24.5 million, compared with SEK 267.3 million in the corresponding period last year. EBITDA was heavily affected by value adjustments of shares in associated companies of SEK -121.3 (288) million and by deconsolidation of Neabgruppen with a positive effect of SEK 49.4 million. Adjusted EBITDA amounted to SEK 47.4 (-25.8) million and the Group is therefore showing an improvement in profitability compared with previous periods.

The Group's earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to SEK -53.7 million, compared with SEK 166.3 million in the corresponding period last year. EBIT was also affected by non-cash flow affecting value adjustments of shares in associated companies, and adjusted EBIT amounted to SEK 18.2 (-64.3) million.

The items that make comparability difficult that affected both this year and the previous year were the separate listing and deconsolidation of Soltech Energy Sweden AB's former subsidiary ASAB and the deconsolidation of Neabgruppen. In the quarter, the deconsolidation of Neabgruppen had a positive effect of SEK 49.4 million. Value adjustment of the holdings in ASAB amounted to SEK -121.3 million in the quarter, of which SEK -100.7 million derives from the impairment of shares in associated companies at market value on the balance sheet date. In connection with the separate listing of ASAB in 2021 there was a positive profit effect of SEK 288 million.

Tax and deferred tax have affected the profit/loss of the period by SEK -8.6 (-2.7) million, and the loss after tax for the period amounted to SEK -67.4 (138.2) million.

January – December 2022

The Group's revenues during the year increased to SEK 2,001.5 (1,239.8) million, corresponding to growth of 61%. Eleven acquisitions took place in 2022, which contributed a total of SEK 652 million in sales during 2022. Adjusted for one-off effects related to the separate listing of ASAB in 2021 and the deconsolidation of Neabgruppen in 2022, total Group revenue increased to SEK 1,915.6 (792.5) million, an increase of 142%. The growth was driven partly by the aforementioned acquisitions but also by strong organic growth in the business areas. Organic growth for the year amounted to 57%, which was driven by increased demand for solar energy solutions.

The Group's earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to SEK -148.6 (317.6) million. Adjusted EBITDA amounted to SEK -23.3 (-63.9) million and, despite major investments in growth and negative effects associated with Covid, component shortages and price increases, the Group achieved improved profitability levels. This was driven by business adaptations and an increased focus on profitability in projects. The Group's earnings before interest and tax (EBIT) amounted to SEK -246.3 million, compared with SEK 150.7 million in the previous year. Adjusted EBIT amounted to SEK -121.1 (-131.4) million.

Items that make comparability difficult that affected both this year and the previous year were the special listing and deconsolidation of Soltech Energy Sweden AB's former subsidiary ASAB and the deconsolidation of the Neab group. During the year, Neabgruppen reported a loss of SEK -60.6 million, which was dampened by a deconsolidation effect of SEK 49.4 million. ASAB's effect during the year amounted to SEK -114.1 million, of which SEK -100.7 million derives from the impairment of shares in associated companies at market value. In connection with the separate listing of ASAB in 2021 there was a positive profit effect of SEK 288 million.

Tax and deferred tax have affected the profit/loss by SEK -12.2 (-8.5) million, and the loss after tax for the year amounted to SEK -269.9 (77.6) million.

CASH FLOW AND FINANCIAL POSITION

October – December 2022

The Group's available cash and cash equivalents as of 31 December 2022 amounted to SEK 275.3 (336.1) million.

Interest-bearing liabilities at the end of the fourth quarter amounted to SEK 149.5 (133.7) million.

Cash flow for the period amounted to SEK 26.7 (-157.2) million and was affected by cash from the new share issue which took place in the third quarter and an increased capital tie-up to meet the strong organic growth.

The Group's equity ratio as of the reporting date amounted to 48% (63%).

January – December 2022

Cash flow for 2022 amounted to SEK -60.8 (115.2) million. The cash flow has been affected by, among other things, increased tied-up capital, the acquisition of subsidiaries and a new share issue of SEK 239.2 million after issue costs.

Financial items

Financial items consist of currency effects, interest income and interest expenses. For more information, see [note 2](#).

INVESTMENTS

October – December 2022

On 21 September, Soltech acquired 100% of the shares in Takab i Jönköping AB (TAKAB), which it took possession of on 3 October.

On 28 October, the remaining 20% of the shares in the subsidiary Takrekond i Småland AB were acquired, with possession being taken on the same day.

January – December 2022

International acquisitions

On 1 April, 53.3% of the shares in the Dutch solar energy company 365 Energie Holding B.V. were acquired. (365zon) is domiciled in Eindhoven, the Netherlands.

On 22 June, 65% of the shares were acquired in the Spanish solar energy company Sud Energies Renovables SL, which it took possession of on 5 July. The company is domiciled in Catalonia, Spain.

Acquisitions in Sweden

On 20 December 2021, 70% of the shares in Falu Plåtslageri AB and Tak och Bygg i Falun AB were acquired, with possession taken on 5 January.

On 21 March, the remaining 30% of the shares were acquired in the subsidiary Fasadsystem i Stenkullen AB, which, following the acquisition, is now a wholly owned subsidiary.

On 31 March, the remaining 40% of the shares were acquired in the subsidiary Din Takläggare i Värmland-Dalsland AB, which has subsequently become a wholly owned subsidiary. At the same time, the Group made its first additional acquisition.

On 1 July, 100% of the shares in TG:s El i Finspång AB were acquired, as well as the wholly owned subsidiary Smart Solkraft.

On 1 September, 80% of the shares in Kalema E-Mobility AB were acquired, with possession taken on the same date.

On 21 September, Soltech acquired 100% of the shares in Takab i Jönköping AB (Takab), which it took possession of on 3 October.

Additional acquisitions

On 1 April, Soltech acquired 100% of the shares in the solar energy company Solexperterna Värmland AB. The acquired company will become part of the wholly owned subsidiary Din Takläggare i Värmland-Dalsland AB.

On 18 May, it acquired 100% of the shares in the electricity company Trönninge Elektriska AB. The acquired company will become part of the wholly owned subsidiary Provektor Sweden AB.

PERSONNEL

October – December 2022

Personnel expenses in the fourth quarter amounted to SEK -147.1 (-114.8) million. The increase was primarily a result of company acquisitions that have been made, but it is also

a result of investments and further efforts made in existing operations.

January – December 2022

Personnel expenses in 2022 amounted to SEK -498.5 (-300.8) million. The increase is explained above.

FUTURE PROSPECTS

The solar energy market is growing rapidly, and more and more companies, property owners, public sector entities and individuals are investing in solar energy. Soltech is a turnkey supplier of all types of solar energy plants and technical energy solutions, and it is a force in construction-integrated solutions for roofs and facades.

On 1 January 2022, the Swedish Government decided to expand the exceptions in the Electricity Act for so-called network concessions. As a result of this, it will be easier for buildings in local networks to share electricity. This means that you can share electricity with buildings on your own property or with others nearby. Microproducers are allowed to make joint solar cell solutions/investments where they can share electricity supply networks and they thereby have the opportunity to optimise the use and share the investment.

The political interest in and the general support for solar energy continue to grow. The EU Commission has proposed more funds than ever for green investments. On 18 May 2022, the EU Commission presented its REPowerEU plan, with suggestions for measures to phase out the EU's dependence on energy imports from Russia as soon as possible. Among other things, the Commission proposes that the goal for the proportion of renewable energy in the EU until 2030 be raised from the Commission's current proposal of 40 per cent to 45 per cent, and it also proposes requirements for the installation of solar energy plants for certain buildings. Parts of the REPowerEU plan will likely be negotiated during Sweden's presidency of the Council of the EU from 1 January through 30 June 2023.

In an expansive market such as solar energy, changes in the industry are constant, such as acquisitions, new establishments, mergers and bankruptcies. Competition for key skills is also intensifying, while we are seeing higher inflation and rising interest rates. Soltech is active in the market and can act quickly to take advantage of the skills and business opportunities that arise.

Great uncertainty in the outside world and macroeconomic factors such as interest rate hikes and inflation are considered to have some effect on the business but at the same time are counteracted by an increased need for investment in green energy.

The future prospects for expansion are still deemed to be very favourable.

PARENT COMPANY

The parent company's activities consist primarily of acquisition activities, as well as supporting the subsidiaries in marketing and communication, business development/innovation, finance and sustainability and HR, among other things.

October – December 2022

Revenue for the parent company in the fourth quarter amounted to SEK 13.3 (5.3) million. The parent company's earnings before interest, tax, depreciation and amortisation (EBITDA) during the fourth quarter amounted to SEK -4.2 (-17.8) million and EBIT amounted to SEK -4.2 (-17.8) million.

January – December 2022

The parent company's revenue for year amounted to SEK 36.4 (16.1) million. The parent company's earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to SEK -30.2 (-38.9) million and EBIT amounted to SEK -30.3 (-38.9) million. The parent company's equity ratio as of the reporting date amounted to 75% (80%).

TRANSACTIONS WITH RELATED PARTIES

No significant related party transactions, besides normal business transactions, have taken place in the Group or in the parent company during the year.

SHARES

The number of shareholders in Soltech Energy Sweden AB (publ) amounts to approximately 78,000. The shares are traded on Nasdaq First North Growth Market under the short name SOLT (ISIN code SE0005392537). The number of shares amounted to 129,648,994 as of 31 December 2022.

ACCOUNTING AND VALUATION PRINCIPLES

The company applies the Swedish Annual Accounts Act and the general guidelines of the Swedish Accounting Standards Board's BFNAR 2012:1 Annual Report and Consolidated Accounts (K3). The interim report has been prepared in accordance with chapter 9 of the Swedish Annual Accounts Act. Companies in which Soltech holds the majority of votes at the annual general meeting are classified as subsidiaries and are consolidated in the consolidated accounts.

KEY RATIOS

Soltech's financial reports include financial key ratios that are specified in the applicable rules for financial reporting, or key ratios according to ESMA's definition and other key ratios related to the business. The alternative key ratios are considered to be relevant for an investor who wants to better understand the Company's financial results and position.

SUMMARY OF SIGNIFICANT RISKS

There is a degree of risk associated with running any business and owning shares, and the operations of Soltech Energy Sweden AB (publ) are therefore no exception. When assessing the Company, it is important to consider a number of risk factors, a selection of which are presented in a heavily summarised form below.

Business risks

Business risks occur in all companies, such as the risk of less interest in a company's products, the risk of a market turn-

ing out to be smaller than expected, the risk of complaints, accounts receivable risks, the risk of disputes and the risks of warranty obligations. These risks can have a negative effect on the Company's financial results and position. Within the business area of solar panels for the generation of electricity, there are market players with similar or different technology which would adversely affect the Company's profits and position should customers prefer a competing system.

Financial risks

The financial risks are evaluated on an ongoing basis. To fulfil long-term aims, additional financing is deemed necessary.

Macroeconomic risks

Events in the wider world that affect the circumstances and conditions of the local and global economy could lead to unforeseen consequences for the Company, with an impact on both revenues and profits. Risk factors such as economic and market fluctuations, including inflation and increased interest rates, pose a risk to demand for the new production of properties as well as the investment appetite of public enterprises, industry and individuals. The demand for service and maintenance work is, however, affected to a lesser extent by such changes. Other risks include fluctuating exchange rates and changes in different countries' energy and sustainability policies. For example, when interest rates change, customers' borrowing costs, and thus their investment calculations, are affected, which are also affected by changes in energy costs. Regarding the assessment of goodwill, there are no significant changes in the Group's future business plans that will affect the valuation of goodwill. The Group's goodwill is tested for impairment annually. During the period, no significant impairment needs were identified. For further information on risks, please refer to [page 17 of the Annual Report](#) for 2021.

The war in Ukraine

The war in Ukraine has had a major impact on the world economy, and a sharp economic downturn may affect Soltech's business. The war has an indirect effect on the Group's expenses, as the price trend for the components required for the manufacture of solar cell systems, roof systems, electrical installations and facades may be affected. Soltech is also dependent on functioning supply chains and distribution channels. Soltech makes no sales to Russia or Ukraine.

COVID-19

Although there were unusually high sick leave numbers initially in 2022, Soltech's operations and work have continued as normal to the greatest extent possible. Employees have continued to work from home where this has been deemed necessary and travel has been limited. Dialogue with customers and various partners has taken place both through various digital platforms and through site visits.

During the first part of the year, we saw the impact of increased prices of goods and component shortages, as well as increased absence due to illness. Increased transportation costs and China's lockdowns and zero-COVID policy are having an impact on the industry and our business.

DIVIDEND

No dividend is proposed.

AUDIT

This year-end report has not been subject to review by the Company's auditor.

THE BOARD OF DIRECTORS' STATEMENT

The Board of Directors and the Chief Executive Officer state that the report provides a true and fair view of the Company's and the Group's business, position and financial results and describes the significant risks and uncertainty factors that the Company and the Group companies are facing.

Stockholm, 23 February 2023

Mats Holmfeldt

Chair of the Board

Hellen Wohlin Lidgard

Board Member

Vivianne Holm

Board Member

Göran Starkebo

Board Member

Johan Thiel

Board Member

Stefan Ölander

Board Member and CEO

FINANCIAL CALENDAR

11/05/2023 Annual General Meeting 2023

11/05/2023 Quarter 1 Report

23/08/2023 Quarter 2 Report

15/11/2023 Quarter 3 Report

INCOME STATEMENTS

AMOUNT IN SEK THOUSAND	Note	GROUP				PARENT COMPANY			
		Q4 2022	Q4 2021	01/01/2022 31/12/2022	01/01/2021 31/12/2021	Q4 2022	Q4 2021	01/01/2022 31/12/2022	01/01/2021 31/12/2021
Operating income									
Net sales		732,403	271,157	1,931,412	912,697	13,896	5,834	36,316	15,791
Intra-group transactions		-	-	-	-	-608	8	-	8
Other operating income	1	72,213	294,654	70,089	327,132	-1	-570	130	307
Total income		804,616	565,811	2,001,501	1,239,829	13,287	5,272	36,446	16,106
Operating expenses									
Raw materials, consumables and goods for resale		-489,996	-151,145	-1,334,288	-492,156	42	-	-	-895
Other external expenses		-70,676	-34,001	-203,182	-118,592	-11,977	-13,551	-40,406	-34,309
Employee benefit costs		-147,142	-114,804	-498,482	-300,835	-5,556	-9,552	-26,221	-19,807
Depreciation/amortisation and impairment		-29,182	-101,019	-97,735	-166,862	-43	-4	-111	-12
Profit from participations in associated companies		-121,313	1,785	-114,099	1,785	-	-	-	-
Other operating costs		-	-360	-	-12,454	-	-	-	-
Operating profit/loss		-53,693	166,267	-246,285	150,715	-4,247	-17,835	-30,292	-38,917
Profit/loss from financial investments									
Interest income and similar profit/loss items	2	1,033	1,049	4,448	1,462	2,179	-1,293	6,134	2,383
Interest expenses and similar profit/loss items		-6,153	-26,403	-15,859	-66,127	-5,082	-5,965	-8,310	-6,288
Profit/loss from participations in Group companies		-	-	-	-	-17,257	-58,585	-83,536	-58,585
Profit/loss after financial items		-58,813	140,913	-257,696	86,050	-24,407	-83,678	-116,004	-101,407
Appropriations		-	-	-	-	-37,192	-22,387	-37,192	-32,387
Tax		-8,603	-2,708	-12,155	-8,459	-	-	-	-
PROFIT/LOSS FOR THE PERIOD		-67,416	138,205	-269,851	77,591	-61,599	-106,065	-153,196	-133,794
Attributable to the parent company's owners		-67,835	146,757	-263,024	81,710				
Minority interest		419	-8,552	-6,827	-4,119				

BALANCE SHEETS

IN SUMMARY

AMOUNT IN SEK THOUSAND	GROUP		PARENT COMPANY	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Assets				
Non-current assets				
<i>Intangible assets</i>				
Capitalised expenditure for development work	1,129	933	-	-
Goodwill	934,955	377,185	-	-
Other intangible assets	40	-	-	-
Total intangible assets	936,124	378,118	0	0
<i>Property, plant and equipment</i>				
Buildings and land	53,156	32,196	-	-
Machinery and equipment	67,596	50,250	677	21
Ongoing new facilities	9,709	-	-	-
Total property, plant and equipment	130,460	82,446	677	21
<i>Financial assets</i>				
Participations in Group companies	-	-	1,044,231	502,905
Participations in associated companies	213,148	317,735	123,125	123,125
Deferred tax asset	146	-	-	-
Receivables from Group companies	-	-	79,861	45,092
Other long-term receivables	5,196	12,000	459	11,500
Long-term receivables associated companies	28,377	-	28,377	-
Total financial assets	246,866	329,735	1,276,052	682,622
Total non-current assets	1,313,451	790,299	1,276,729	682,643
Current assets				
<i>Inventories</i>				
Inventories	210,432	95,011	-	-
Advance payments to suppliers	30,334	7,618	-	-
Total inventories	240,766	102,629	0	0
<i>Current receivables</i>				
Accounts receivable	316,754	143,667	-	448
Receivables from Group companies	-	-	26,980	16,971
Receivables associated companies	-	26,079	-	26,079
Accrued but not invoiced income	107,773	56,941	-	-
Tax assets	9,212	2,379	-	-
Other receivables	29,665	8,729	2,763	396
Prepaid expenses and accrued income	38,620	18,452	5,817	3,980
Prepaid expenses and accrued income, Group	-	-	13,580	-
Other short-term investments	53	-	-	-
Total current receivables	502,079	256,247	49,140	47,874
Cash and bank balances	275,298	336,127	162,968	288,369
Total current assets	1,018,143	695,003	212,108	336,243
TOTAL ASSETS	2,331,593	1,485,302	1,488,837	1,018,886

BALANCE SHEETS

IN SUMMARY, CONTINUATION

AMOUNT IN SEK THOUSAND	GROUP		PARENT COMPANY	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Equity and liabilities				
Equity	1,127,231	938,516	1,110,021	815,981
Minority interest in equity	10,996	34,965	-	-
Provisions				
Deferred tax liability	10,718	9,924	-	-
Guarantee debts	7,658	3,091	300	-
Other provisions	223,505	140,877	223,074	140,206
Total provisions	241,881	153,892	223,374	140,206
Non-current liabilities				
Non-current liabilities to credit institutions	110,976	44,610	-	-
Other liabilities	224,155	26,197	-	-
Liabilities to Group companies	-	-	-	15,051
Total non-current liabilities	335,131	70,807	0	15,051
Current liabilities				
Invoiced, not accrued income	81,471	32,163	-	-
Overdraft facility	26,721	16,215	-	-
Current liabilities to credit institutions	11,833	22,359	-	-
Accounts payable	214,856	82,430	4,664	3,893
Liabilities to Group companies	-	-	45,806	1,359
Current tax liabilities	7,363	7,102	557	231
Other liabilities	194,435	94,218	97,962	36,202
Accrued expenses and deferred income	90,670	67,600	6,454	5,963
Total current liabilities	627,350	322,087	155,442	47,648
TOTAL EQUITY AND LIABILITIES	2,331,593	1,485,302	1,488,837	1,018,886

EQUITY, GROUP

2022	Share capital	Other contributed capital	Translation reserve	Profit/loss brought forward, including profit/loss for the year	Total	Holdings with a non-controlling interest	Total equity
AMOUNT IN SEK THOUSAND							
At beginning of year, 01/01/2022	4,729	888,736	8,853	1,313	903,631	34,885	938,516
Profit/loss for the year				-263,024	-263,024	-6,827	-269,851
Transactions with minorities		-4,995			-4,995	-24,856	-29,851
Other changes		-1,812			-1,812	-303	-2,115
Translation differences		-4,237	39,436		35,199		35,199
New share issue	1,753	474,955			476,708		476,708
New issue costs		-29,472			-29,472		-29,472
Invested capital minority					-	8,097	8,097
At end of period, 31/12/2022	6,482	1,323,175	48,289	-261,711	1,116,235	10,996	1,127,231

2021	Share capital	Other contributed capital	Translation reserve	Profit/loss brought forward, including profit/loss for the year	Total	Holdings with a non-controlling interest	Total equity
AMOUNT IN SEK THOUSAND							
At beginning of year, 01/01/2021	3,476	339,171	-19,716	-80,396	242,535	296,597	539,132
Profit/loss for the year				81,709	81,709	-4,119	77,590
Transactions with minorities		1,015			1,015	-32,238	-31,223
Other changes		-113			-113		-113
Translation differences			8,853		8,853		8,853
Separate listing Advanced Soltech		9,976	19,716		29,692	-296,376	-266,684
New share issue	1,253	537,821	-	-	539,074	71,021	610,095
Ongoing new issue		866			866		866
At end of period, 31/12/2021	4,729	888,736	8,853	1,313	903,631	34,885	938,516

EQUITY, PARENT COMPANY

2022 AMOUNT IN SEK THOUSAND	Share capital	Profit/loss brought forward	Share premium reserve	Profit/loss for the year	Total equity
At beginning of year, 01/01/2022	4,729	-148,209	1,093,255	-133,794	815,981
Appropriation of profits		-133,794		133,794	-
New share issue	1,753		445,483		447,236
Profit/loss for the year				-153,196	-153,196
At end of period, 31/12/2022	6,482	-282,003	1,538,738	-153,196	1,110,021

2021 AMOUNT IN SEK THOUSAND	Share capital	Profit/loss brought forward	Share premium reserve	Profit/loss for the year	Total equity
At beginning of year, 01/01/2021	3,476	-122,878	549,353	-25,330	404,621
Appropriation of profits		-25,330		25,330	-
New share issue	1,253		543,036		544,289
Ongoing new issue			866		866
Profit/loss for the year				-133,794	-133,794
At end of period, 31/12/2021	4,729	-148,208	1,093,255	-133,794	815,981

CASH FLOW STATEMENTS

AMOUNT IN SEK THOUSAND	GROUP				PARENT COMPANY			
	Q4 2022	Q4 2021	01/01/2022 31/12/2022	01/01/2021 31/12/2021	Q4 2022	Q4 2021	01/01/2022 31/12/2022	01/01/2021 31/12/2021
Operating activities								
Operating profit/loss	-53,693	166,267	-246,285	150,715	-4,247	-17,835	-30,292	-38,917
Non-cash flow items	134,767	-193,747	211,560	-115,167	-1,187	-590	-1,104	-458
Received interest and dividends	1,033	1,049	4,448	1,462	1,814	188	6,790	4,116
Interest paid	-5,090	-23,065	-14,471	-110,824	-240	-13	-3,413	-24
Income tax paid	-2,151	-4,518	-18,962	-9,583	-	-	-	-
Cash flow from operating activities before changes in working capital	74,866	-54,014	-63,710	-83,397	-3,860	-18,250	-28,019	-35,283
Cash flow from changes in working capital								
Increase/decrease in inventories etc.	-27,944	-24,402	-76,169	-56,943	-	-	-	-
Increase/decrease in operating receivables	8,426	-6,985	-147,746	-115,804	-18,960	-2,186	-32,221	-9,955
Increase/decrease in current liabilities	-60,563	54,421	95,946	152,448	21,141	6,389	54,314	3,805
Cash flow from operating activities	-5,215	-30,980	-191,679	-103,696	-1,680	-13,477	-5,927	-41,433
Investing activities								
Intangible assets	-20	-	-541	-	-	-	-	-
Property, plant and equipment	-5,518	-9,314	-27,904	-177,124	-	-	-766	-
Acquisitions of subsidiaries	-21,546	-12,748	-138,410	-48,910	-54,542	-15,240	-287,790	-69,419
Financial assets	-573	-51,199	11,346	-33,750	-37,489	-86,083	-70,151	-107,804
Cash flow from investing activities	-27,657	-73,261	-155,509	-259,784	-92,031	-101,323	-358,707	-177,223
Financing activities								
New share issue	52,999	-2,370	239,234	459,191	52,999	-	239,234	394,377
Change in loans	7,786	-17,614	43,935	53,450	-	-	-	-
Other financing activities	-1,255	-32,946	3,191	-33,900	-	-	-	-
Cash flow from financing activities	59,530	-52,930	286,360	478,741	52,999	0	239,234	394,377
Cash flow for the period – increase/decrease in cash and cash equivalents	26,658	-157,171	-60,828	115,261	-40,712	-114,800	-125,400	175,721
Cash and cash equivalents at the start of the period	248,641	494,830	336,127	222,488	203,681	403,169	288,369	112,648
Cash and cash equivalents at the end of the period	275,299	337,659	275,299	337,749	162,968	288,369	162,968	288,369

NOTE 1. OTHER OPERATING INCOME

AMOUNT IN SEK THOUSAND	GROUP			
	Q4 2022	Q4 2021	01/01/2022 31/12/2022	01/01/2021 31/12/2021
Revaluation effect separate listing Advanced Soltech Sweden AB	-	288,016	-	288,016
Deconsolidation effect Neabgruppen AB	49,441	-	49,441	-
Other operating income	22,772	6,638	20,648	39,116
TOTAL	72,213	294,654	70,089	327,132

On 14 October 2022, Neabgruppen filed for bankruptcy. At the time of its acquisition, Neabgruppen was a case of a clear turn-around, which Soltech had worked actively to achieve. This means that from this date Neabgruppen will not be consolidated and will therefore have no financial impact from 2023 onwards. During the year, Neabgruppen had a negative effect on the profits of SEK -60.6 million, which was dampened by the deconsolidation effect of SEK 49.4 million.

On 29 October 2021, Soltech Energy Sweden AB's subsidiary Advanced Soltech Sweden AB (ASAB) was separately listed on the Nasdaq First North Growth Market. From 30 October 2021, the holdings of ASAB will be recorded in the consolidated accounts as an associated company according to the equity method. In connection with the separate listing, there was a revaluation result in the Group of approximately SEK 288 million, which does not affect cash flow.

NOTE 2. FINANCIAL ITEMS

AMOUNT IN SEK THOUSAND	GROUP				PARENT COMPANY			
	Q4 2022	Q4 2021	01/01/2022 31/12/2022	01/01/2021 31/12/2021	Q4 2022	Q4 2021	01/01/2022 31/12/2022	01/01/2021 31/12/2021
Interest income	1,118	363	1,782	551	4,228	944	6,051	1,589
Currency effects of foreign receivables and liabilities	1,373	-7,224	2,666	50,923	-1,993	564	84	471
Interest expenses	-7,611	-16,279	-15,859	-93,845	-5,137	-5,958	-8,310	-5,965
Profit/loss from participations in Group companies	-	-	-	-	-17,257	-61,393	-83,536	-58,585
Capitalisation of borrowing costs charged to expenses	-	-2,214	-	-22,294	-	-	-	-
TOTAL	-5,120	-25,354	-11,411	-64,665	-20,160	-65,843	-85,712	-62,490

NOTE 3. DEFINITION OF KEY RATIOS

- All revenue, including changes in work in progress.
- Increase in total revenue compared with the same period in the previous year.
- Gross profit/loss as a percentage of total revenue.
- Operating profit/loss, including depreciation of non-current assets and goodwill.
- Operating profit/loss, excluding depreciation of non-current assets and goodwill.
- Equity as a percentage of the balance sheet total.
- Number of outstanding shares at the end of the period, excluding outstanding options.
- Average of outstanding shares during the period, excluding outstanding options.
- Number of outstanding shares after allocation and utilisation of outstanding options whose issue price is below the average market price for the period.
- Profit/loss after tax for the period, less the minority's share/outstanding number of shares at the end of the period.
- Earnings per share, including outstanding options whose issue price was below the average market price for the period.
- Decided and/or unpaid dividend for the period.
- Equity at the end of the period, less the minority's share/outstanding number of shares at the end of the period.
- Equity per share, including outstanding options whose issue price was below the average market price for the period.



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*Net zero energy means that the property supplies as much renewable energy as it needs for heating, cooling, hot water and electricity on an annual basis.

NOMINATED FOR THE 2023 SOLAR ENERGY AWARD:
Soltech Energy Solution and Skanska have jointly developed net zero energy homes* in Öjersjö Hagar outside Gothenburg. The reduced CO₂ in materials and construction processes, as well as the solar cells on the roof, mean that several of the buildings will be climate neutral.