



# 2021

## ANNUAL REPORT

ELOF HANSSON HOLDING AB 556064-6977

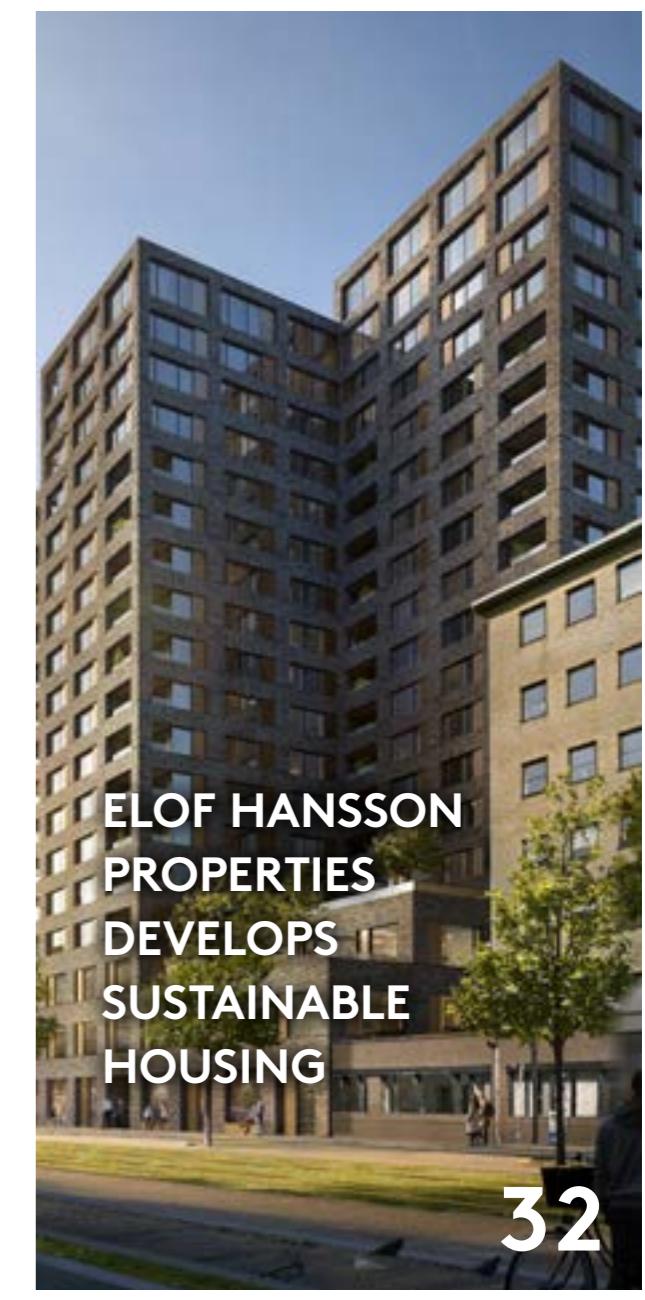
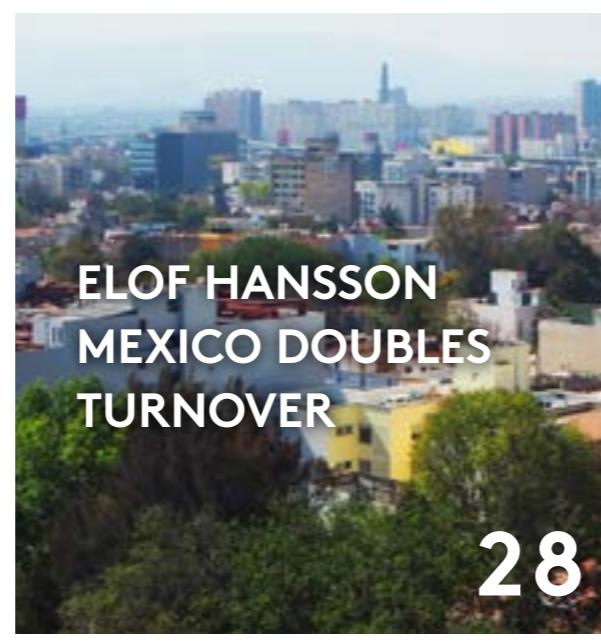


# 2021

ANNUAL REPORT

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## A MESSAGE FROM THE CEO

# 2021 – a year with a focus on development, sustainability and growth

As I reflect on 2021, I can proudly state that, despite the ongoing global pandemic, we have succeeded in delivering strong financial results. We have continued to focus on development, sustainability and growth. With our vision "Always provide business partners with added and sustainable value" as a guiding principle, we have succeeded in delivering in all areas.

Together, our business areas have reached excellent results for 2021. We have struggled with globally rampant prices for raw materials and transportation within our core businesses. A comprehensive travel ban was in place for much of the year. In these difficult circumstances, it is of course satisfying for me to refer to our progress. As a global company with the whole world as our home market, it has become clear to us that our local offices around the world play an even bigger role now than they did before the pandemic. Hard local work has been key to maintaining our business contacts and completing projects.

We have had one of our best financial years ever at Elof Hansson Trade AB. This is of course the result of many factors, but ultimately, it is the result of the hard work by everyone who works in the divisions. We have been successful in maintaining both networks and sales around the world. One factor that had a positive impact on 2021 is that the rapid expansion of the packaging industry. There is a major transition from the use of plastic materials to more sustainable materials such as paper. For a trading house within the paper industry, we play an important role in driving this sustainable change.

Elof Hansson Properties AB is also experiencing exciting times, as the City of Gothenburg is in the process of signing an agreement with a contractor for construction of the new peninsula at Masthuggskajen. On this peninsula, the Global Business Gate office project, which will be a meeting place for companies and organizations operating in international business, will be created. We are also carrying out a housing project in central Gothenburg in partnership with Riksbyggen. There will be more than 150 apartments in this building, and the aim is for the building to be certified as a Green Building Silver. The fact that Elof Hansson Properties AB initiates and runs projects with a focus on sustainability represents an important part of our sustainability work as a group. They are a role model. During the year, a new Managing Director was appointed, following the retirement of the previous Managing Director. Michael Walmerud will continue to run Properties in the spirit of Elof Hansson going forward.

The year and its challenges in moving globally have primarily impacted on Elof Hansson International AB, which is dependent on having a local presence in order to keep projects rolling. However, we have used the time well, with some restructuring and a clearer focus on sustainability, which resulted in a strong order intake during 2021. There are many exciting projects at the planning stage leading into 2022. With a stronger focus on sustainability, Elof Hansson International AB will only invest in projects which contribute to a more sustainable future, in accordance with the UN's 17 Global Sustainable

**"Our local offices around the world are playing an even bigger role now"**

Development Goals. Our main focus areas are infrastructure, energy, water treatment and medical equipment. An example of an initiative in line with this is a water treatment project in Ghana, where we are facilitating solar-powered deep-hole pumps to secure access to clean water. I see a bright future for the commitment of the company. With the available expertise, we will be able to deliver even more sustainable projects in the future.

In conclusion, I would like to thank Elof Hansson Foundation and the Board of Directors for all their hard work and team spirit, not to mention all the many amazing employees who have contributed to making 2021 another successful year for the Elof Hansson Group. Thanks to their impressive flexibility, commitment, and professionalism, we have together with our subsidiaries and suppliers managed to tackle the pandemic in a constructive way, with excellent results and important lessons as a result.

I look forward to 2022 with confidence and enthusiasm, not least because we are entering our 125th (!) year as a company. This is something truly worth celebrating and I'm extremely proud to be a part of a company that is 125 years old, yet still constantly developing, with forward momentum.

Yours sincerely,



Mikael Forslund  
CEO, Elof Hansson Group





#### ELOF HANSSON IN BRIEF

# A leading international trading house

Everything we do today can be traced back to our solid heritage. Elof Hansson Trading Company was established by a young, ambitious man who lived and worked in Hamburg at the turn of the last century. With a nose for good business opportunities, he saw the potential of this fantastic trading city, which in 1897, at the age of just 28, led him to found Elof Hansson. Soon after, he met the enterprising entrepreneur Mr. Nagasaki, an agent for Mitsui & Co in Japan who was in search of pulp. He appointed Elof as his supplier, who knew there and then that he had found his niche. The rest is history – our history, on which we continuously build. Drive is in our DNA, as reflected by the presence we have in all the relationships we create.

Today, the Elof Hansson Group consists of 255 employees and 25 global offices divided into three business areas: Elof Hansson Trade, Elof Hansson International and Elof Hansson Properties.

#### BUSINESS CONCEPT

Elof Hansson initiates, develops and maintains sustainable and global business relationships in well-defined business areas. In-depth industry knowledge and exper-

tise in sales, business financing, risk management and transport solutions, as well as the ability to perceive and transition to new conditions, enable us to contribute, in a profitable and sustainable way, to growth and development for our partners, while strengthening Elof Hansson's position as a leading international trading house.

#### VALUES

Common values and a clearly defined set of rules have always been an important factor of success for Elof Hansson. This is evidenced not least by the fact that the values laid down by the company's founder in 1904 still live on as a mantra within the organization – trust, commitment and professionalism.

These core values influence the way in which we work, permeate meetings and guide us in the decisions we make. Our conviction is that this is crucial to achieving sustainable goals and long-term relationships.

ELOF HANSSON'S GLOBAL NETWORK

# Global presence, local expertise

**255**

employees

**45%**

equity/assets ratio

**25**  
global offices

**40**  
countries  
with agents

**675**

MUSD sales





# Elof Hansson is owned by a foundation

Elof Hansson, founded in 1897, is owned by the Elof Hansson Foundation. The Elof Hansson Foundation was created in 1985 by Bo-Elof Hansson. The purpose of creating a foundation was to secure the future expansion of the Group and maintain the Group's independence, free from external influence. As a result, the Foundation retains the majority of its profits within the business, so that the company can continue to grow. The purpose of the Foundation is to promote long-term scientific research and education in the mercantile field. The main focus is on trade and business activities such as marketing, international



Elof Hansson

trade, accounting, commercial law and business languages. The Foundation currently distributes grants to the following institutions:

- Chalmers University of Technology, Supply and Operations Management
- University of Gothenburg, School of Business, Economics and Law
- Swedish Chamber of Commerce for the UK
- The Sweden-America Foundation
- INSEAD
- London Business School
- Stiftelsen svensk-tyska Språkfonden (Swedish-German Language Fund Foundation)

The Foundation also provides an annual contribution to Lutherhjälpen (the Church of Sweden's international work and its international aid activity).

## SUSTAINABILITY WORK WITHIN THE ELOF HANSSON GROUP

It was in founder Elof Hansson's nature not only to give something back to the city of Gothenburg, but also to do good wherever he did business. An example of this is Elof Hansson's "House Rules" dating back to 1925, which to this day still govern how we do business, our work ethic and how we treat our fellow human beings. "The Foundation believes it is important to be on your toes when it comes to sustainability work and continually develop the work. Elof Hansson's main focus is on social sustainability, economic sustainability and reducing our environmental footprint." – Peter Hertz, Chairman of Elof Hansson Foundation.



## ELOF HANSSON VISITING PROFESSOR PROGRAMME IN INTERNATIONAL BUSINESS AND TRADE

Thanks to support from the business community, including the Elof Hansson Foundation, Gothenburg School of Business, Economics and Law has been able to run a visiting professor programme. Every year since 2009, leading researchers from countries around the world have visited Gothenburg School of Business, Economics and Law. Since 2019, the Elof Hansson Foundation has been involved in sponsoring researchers from the USA, New Zealand, France and Australia. All the researchers are experts in fields such as trade, transport and sustainability. One of the aims of the Visiting Professor Program is to invite researchers in order to strengthen the international profile and global competitiveness. "Through the 'Elof Hansson Visiting Professor Program in International Business and Trade', we have been able to recruit internationally leading researchers in the field of international trade. This field is of great relevance to society. The Visiting Professor Program makes a tangible contribution to the knowledge-based development of international business and trade relations in an increasingly complex world," says Per Cramér, Dean of the School of Business, Economics and Law.

## TOPICAL TRANSPORTATION PROJECTS

During 2021, the Elof Hansson Foundation gave an additional grant to a project being run by Chalmers University of Technology. The project focuses on analyzing new initiatives to support the transformation of the transport sector. The project, entitled "The role of new business models in the transformation of the transport system", will identify the driving forces behind these initiatives, as well as their underlying technologies and business logic. These include, for example, initiatives

## PROFESSORS

- » USA – internationally prominent researcher in logistics, with particular expertise in urban freight transport, port operations and intermodality, as well as spatial issues concerning warehouse localisation
- » New Zealand – internationally prominent researcher in International Business, with expertise in business internationalisation with a focus on the importance of the network
- » France – internationally prominent researcher in national economics, with significant contributions to the theoretical literature concerning decisions made under uncertainty. In addition to applied research in climate economics, financial economics and cost-benefit analysis
- » Australia – internationally prominent researcher in the field of business and economic history, with complementary expertise in economics and law

relating not only to the electrification of the transport system, such as improved batteries, electrofuels, hydrogen fuel cells, charging infrastructure and electric roads, but also to the digitalisation of the transport system using technologies such as artificial intelligence, 5G, the Internet of Things, etc. "This project gives us an opportunity to go into detail and map and analyse new initiatives and pilot projects based on new business models and new technology. We are extremely grateful for the opportunity to study the transition to a more sustainable transport system which this project funded by the Elof Hansson Foundation provides," said Kajsa Hultén, Professor, Technology Management and Economics, Chalmers University of Technology.

VISION

*Always provide business partners with added and sustainable value.*



# SUSTAINABILITY REPORT

## GLOBAL SUSTAINABILITY

# The Global Sustainable Development Goals

World leaders have reached an agreement on 17 global goals which are to be implemented by 2030. The ambition is to eradicate extreme poverty, reduce inequality, solve the climate crisis and promote peace. Although some progress has been made in recent years, we still have work to do. Based on the goals, it is up to governments, companies and individuals to work together in order to achieve the goals. Together, we are building a better future.

The global goals aim to create a model for the future where all economic growth is achieved without compromising our environment or placing unfair burdens on society and social challenges.

## GLOBAL GOALS – PROFITABLE BUSINESS OPPORTUNITIES

The global goals are a prerequisite for our future. They create an opportunity and entail a responsibility to drive development forward in the right direction. Elof Hansson has a strategic framework that summarises our focus areas regarding

sustainable development. We have chosen to work within the areas where we can have the greatest impact. Throughout the annual report, we will describe activities and partnerships that contribute to attainment of the global goals.

### SUSTAINABLE AND PROFITABLE BUSINESS OPPORTUNITIES

Incorporating global goals into growth strategies opens up endless opportunities for companies. Elof Hansson is committed to continuing to create sustainable economic growth when we support the global goals. Our approach enables us to remain a strong business partner.



## ELOF HANSSON AND SUSTAINABILITY

# Values and relationships that matter

Elof Hansson has worked on sustainability issues since the company was founded in 1897. Our ambition is to continue to grow together with our business partners, and to create long-term and sustainable value for our owners, stakeholders and society at large. We consider all our stakeholders to be our business partners and we work together to achieve results, while taking our environmental and social responsibilities seriously.

We focus our work on four main areas, which in turn are reflected in all our interactions with our business partners to create circular business models and values for the future.

### ENVIRONMENT MANAGEMENT

### SUSTAINABLE BUSINESS

**SOCIETY**  
Tax revenues, supporting global development, infrastructure, support for education and innovation

**SHAREHOLDERS**  
Profitable and financially strong business which enables the Foundation to give back to the community

**FINANCIAL COUNTERPARTIES**  
Sustainable business transactions and financing



**SUPPLIERS**  
Procurement of sustainable raw materials and services

**EMPLOYEES**  
Personal and professional development that contributes to a growing company

**CUSTOMERS**  
Offer sustainable raw materials/products to reduce carbon footprint and improve people's living standards

## IMPROVING OUR ENVIRONMENT

# Rethink how we use resources

A circular transition will be needed to solve the climate crisis. We must protect our environment and actively work with our customers and other partners, not only to understand and reduce risks, but also to facilitate a rapid transition to a fossil-free world and a fossil-free value chain.



### ELOF HANSSON TRADE

Elof Hansson Trade buys and sells renewable products from the forest which can replace fossil-based alternatives and thereby help to reduce global warming. Forests also contribute through their ability to absorb carbon dioxide.

### CIRCULARITY

The circular economy can design away waste, emissions and reduce the need for raw materials. Circularity can extend the life of products and materials and support a transition away from unsustainable production and consumption patterns. In order for the circular economy to be sustainable, it must be based on renewable resources (and thus

avoid fossil-based materials). The forestry sector and Elof Hansson Trade are therefore well-positioned to play a key role.



### REPLACEMENT OF FOSSIL-BASED MATERIALS

"The traditional use of cellulose as paper and packaging has been expanded to increasingly replace fossil materials, such as lignin and textile fibres. It will be very exciting to see all the products where cellulose will reduce the use of fossil-based materials over the coming years."

*- Christian Kellgren, Vice President Pulp Division, Elof Hansson Trade AB*



### INCREASE RESOURCE EFFICIENCY

"Today, degraded material is normally of good quality and can be used as a substitute for plastics, e.g. in the food industry."

*- Pernilla Erixon, Stock Lots Division, Elof Hansson Trade AB*

"We are actively working to identify new uses for paper grades that are fit for purpose; often, a much better quality is used than is traditionally necessary. Our customers are grateful when we help them become more resource efficient."

*- Isak Danielsson, Vice President Stock Lots Division, Elof Hansson Trade AB*

### TRANSFORMATION OF THE CONSTRUCTION INDUSTRY

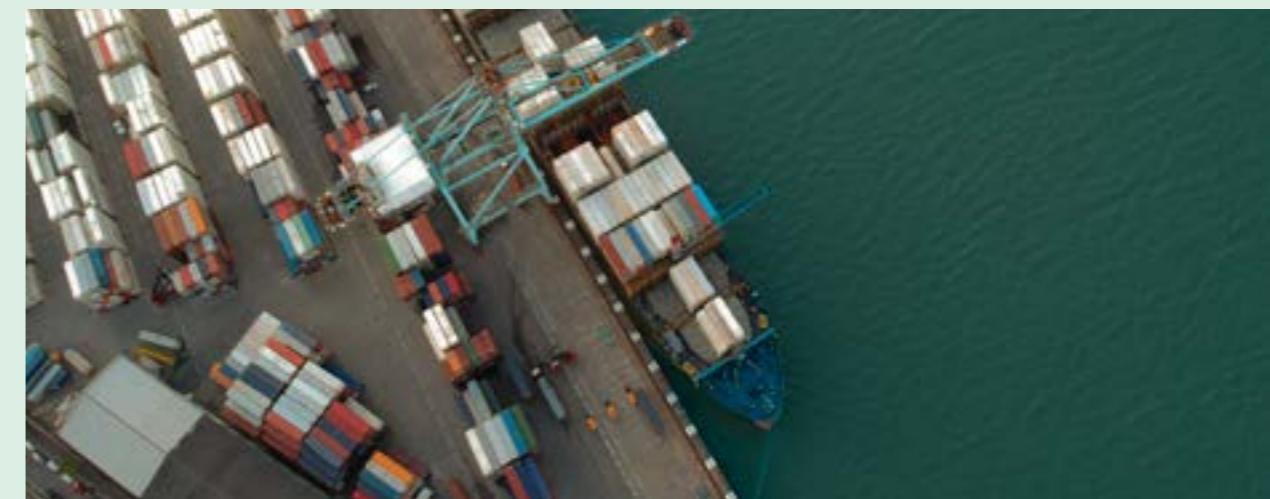
"Timber products in the construction industry can help to lower the carbon footprint of buildings. We are pleased to have seen a significant increase in demand in 2021 for our newly established sawn timber business in the USA."

*- Andreas Siberg, President, Elof Hansson USA Inc.*

### CERTIFICATIONS:

Forestry certification is a key aspect of our work to protect our forests.

For over a decade, Elof Hansson Trade has held traceability certification in accordance with FSC® (FSC-C074512), PEFC standards and RCS.



### TRANSPORT

Transport accounts for a significant proportion of our greenhouse gas emissions in the same way that transport in general is a major contributor to global emissions. The majority of our global deliveries take place by sea, supplemented by rail and road regionally/locally. Sustainable and environmentally efficient transport is very much in focus for us and is achieved by consolidating volumes and building long-term partnerships with carriers which can demonstrate a systematic approach to sustainable logistics from which we and our business partners benefit.

Elof Hansson has made an active decision not to work with shipping companies that do not meet our requirements. In addition, the Elof Hansson Foundation supports technical research aimed at accelerating the transition to sustainable logistics.

### INTERNAL BUSINESS PROCESSES

Our internal business processes help to reduce the carbon footprint through the greater use of digital solutions and scanning, this work has been accelerated as a result of Covid-19. During 2021, a new consolidation system was implemented on a standardised financial reporting. The system offers greater transparency, and thus a better sense of what is happening throughout the organization. The way forward is to continue to develop the support for our sales organizations and also act as an active business partner internally.



## ELOF HANSSON INTERNATIONAL

We provide long-term funding and expertise to improve environmental, social and economic conditions in communities around the world. We work with companies and institutions, sharing common values and ambitions to work towards the global goals.

### SOLAR FARM IN ANGOLA – OUR ENVIRONMENTAL CONTRIBUTION HAS BEEN EXPANDED TO INCLUDE SOCIAL IMPROVEMENTS

"Our involvement in the project in Angola is well underway. The seven solar farms, with a total capacity of 370 megawatts (MW), will make a big difference to the electricity supply because the country's economy is far too dependent on oil. Elof Hansson International AB's role in the project is to provide Swedish content, such as buildings, fences, cables, steel, masts, technical equipment, etc.



**"The project also includes a number of social projects where we are exploring how we can facilitate the everyday lives of people in rural Angola."**

The project financing is structured by ING Bank, with the support of EKN, and primarily financed by SEK, where it follows the principles of green loans. The project also includes a number of social projects where we are exploring how we can facilitate the everyday lives of people in rural Angola." – Karin Lindroth, Finance Manager, Elof Hansson International AB.



## ELOF HANSSON PROPERTIES

Within Elof Hansson Properties AB, our vision is to "Always provide business partners with sustainable added value". We focus on developing sustainable properties, both by developing our own property portfolio and from the very first stage of our development projects.

As a result, we are constantly striving to make our buildings energy-efficient, to increase the use of sustainable and/or recycled materials, and to carry out other measures aimed at reducing our environmental footprint.

We are also one of the driving forces behind the transformation of Gothenburg into a more environmentally friendly city. The urban development project that Elof Hansson Properties is involved in, Masthuggskajen, is the first project to be certified by Citylabs, developed by the Sweden Green Building Council. Our commercial office project Global Business Gate – a hub for international

business – will at least be certified as Green Building Silver (Sweden Green Building Council) and have green external funding. Global Business Gate has also developed a climate strategy for sustainable construction. In all our development projects, we perform carbon impact calculations and select environmentally friendly materials aimed at reducing the environmental impact.

**"We strongly believe that our sustainability work will boost environmental, social and economic performance"**

## BIODIVERSITY

Elof Hansson also has flying tenants in the form of bees living in beehives on the roof of Elof Hansson's head office in Gothenburg. The bees give something back in the form of nectar, which is used to produce honey. In this way, we are contributing to biodiversity in Gothenburg.

## FINANCIAL RESULTS 2021

- » During 2021, we reduced electricity consumption and district cooling for our properties
- » Developed documentation to facilitate the environmental certification of one of our properties in 2022
- » We provide grants to The Rescue Mission, both through subsidies and directly in the form of clothing and materials for their work
- » All our staff have undergone environmental training

## GOALS GOING FORWARD

- » Reduce energy consumption by 50% from 2017 to 2025
- » 50% of our properties environmentally certified by 2023
- » 50% green funding by 2023

## SOCIETY AND OUR EMPLOYEES

# Commitment to people

## PASSIONATE INVOLVEMENT IN THE COMMUNITY

We are proud that all profit distribution from the Elof Hansson Foundation is returned to the community in the form of support and scholarships, not only for education, but also to support organizations that protect the vulnerable in the community. In addition to the Foundation's support, Elof Hansson Holding AB contributes to a wide range of organizations, including: The Rescue Mission, Faktum and WaterAid.

## GROW WITH OUR EMPLOYEES

We have a clear growth strategy for our employees. In order to continue to be a leading global player, knowledgeable and committed employees are a

crucial success factor. We therefore invest in attracting and developing the very best colleagues.

For many years, we have invited students to come and work with us in order to complement their education with relevant work experience.

As a company, we stand up for an inclusive environment and culture. We strive for a balance on every level within the company. At individual level, we work to promote a healthy work-life balance.

## FINANCIAL RESULTS 2021

- » To create an inclusive environment where co-workers participate in the development of our strategic plan and KPIs
- » Career and development opportunities internally between our global subsidiaries
- » To flexibly face up to the pandemic and always offer a safe and secure work environment during the pandemic
- » Gender equality in Group Management
- » We offer 10 days of skills development per employee per year

## GOALS GOING FORWARD

- » To continue to roll out existing training and further develop employee skills and careers
- » To further develop our digital platform for education and learning
- » To continue to strengthen our leadership at different levels



## SUSTAINABLE BUSINESS

# Trust in everything we do

## SHARED VALUES

Our business creates lasting and sustainable value for local communities. Trust has been a guiding principle since our House Rules were established in 1925. We promote a culture where all employees act responsibly.

Elof Hansson respects and promotes human rights in our relationships with customers, suppliers, employees, business partners and society at large. We stand squarely behind the UN Declaration of Human Rights. Responsible business practices and efforts being made to combat corruption are vital because corruption could hinder the achievement of human rights and the global sustainable development goals. We educate ourselves and arrange

inspiring seminars. Our policies and guidelines define how we conduct business and contribute to attainment of the global goals. This work is strongly supported by the management team. We continued to expand the Compliance Program during 2021 in order to improve procedures and processes by having an open dialogue, following up and mapping out what is important. The momentum that this provides bodes well for further progress over the coming year.

We shall be the most trusted business partner. Continuous cooperation with our partners is essential if we are to constantly improve.

## FINANCIAL RESULTS 2021

- » All employees in the Elof Hansson Group have signed our Code of Conduct
- » Our Code of Conduct for Partners sets out the expectations on all our partners globally and is available on our website.
- » Anti-corruption and compliance training for all employees, as well as inspiring seminars on compliance culture
- » Stakeholder engagement with our partners
- » No legal action or proceedings against any company in the Elof Hansson Group
- » A whistleblowing function is available on Elof Hansson's website

## GOALS GOING FORWARD

- » New e-learning platform with mandatory and voluntary compliance training for all employees
- » Stakeholder engagement – continue to develop our stakeholder engagement
- » Continue to foster a culture of trust and responsibility
- » Conduct a cultural survey on regulatory compliance in order to evaluate and improve the success of our work

## SUSTAINABILITY GOALS

# Goals that lead us in the right direction

	GOAL	OUTCOME 2020	OUTCOME 2021
CODE OF CONDUCT	100%	100%	100%
SUSTAINABLE INTERNATIONAL PROJECTS	>90%	83%	100%
GENDER EQUALITY IN GROUP MANAGEMENT	100%	100%	100%
ENVIRONMENTALLY CERTIFIED PROPERTIES WITH GREEN FINANCING	>50%	0%	0%
VISIBLE SOLVENCY	>35%	45%	45%

**CODE OF CONDUCT**

Ethics form the basis for a long-term and sustainable business. Common values are communicated and anchored within the Group. All employees must confirm that they work in accordance with the Code of Conduct established by the Board of Directors.

**SUSTAINABLE INTERNATIONAL PROJECTS**

Elof Hansson International delivers sustainable projects. Our definition of sustainable projects are the ones that clearly support the global goals. We measure the number of projects that contribute to the global goals in relation to the total number of projects.



"The strategy helps us to focus on new business opportunities, for example within healthcare, where we see enormous opportunities. Equally, it helps us to immediately reject any projects that do not meet our investment criteria, such as fossil energy," says Björn Olausson, Managing Director at Elof Hansson International AB.

**GENDER EQUALITY IN GROUP MANAGEMENT**

Our CEO's goal of having a 50/50 gender balance in the Group Management team has been clear ever since he started as CEO in 2016. He wants to create dynamics and expertise not only in each area, but also in the team he has chosen. He strongly believes that an even gender balance is a strong success factor. "It is also vital that we lead by example as a company both within the industry in particular and from a global perspective."

– Mikael Forslund, CEO of the Elof Hansson Group.



Elof Hansson Holding AB's management team

**ENVIRONMENTALLY CERTIFIED PROPERTIES WITH GREEN FUNDING**

Half of the property portfolio shall be environmentally certified and have green financing by 2023. This goal requires long-term and continuous work.



Global Business Gate

In the new district of Masthuggskajen in Gothenburg, a meeting place for international business is being created in the form of our planned office property Global Business Gate. It will be an innovative hub where export-oriented business meets global specialist companies within everything from transport and law to communication and IT technology. A vibrant ecosystem which creates new business opportunities. The entire district has been praised for its sustainability thinking by the Sweden Green Building Council and has been nominated for the World Property Award (find out more at [www.globalbusinessgate.se](http://www.globalbusinessgate.se)).

**EQUITY/ASSETS RATIO**

The equity ratio (equity/assets) gives an indication of financial sustainability. This is important not only in order to maintain long-term partnerships, but also to facilitate operation during both good and difficult times.

The equity ratio exceeds the target and is expected to continue to do so in the future.





# Elof Hansson in Africa: Sustainable growth and belief in the future

Through financial stability, strong local roots and long-term business relationships, Elof Hansson has created successful business on the African continent over a period of many years. In Ghana, for example, Elof Hansson Trade has many established business relationships in both the packaging industry and the school system.

At the same time, Elof Hansson International is contributing to the societal development of the country. Thanks to infrastructure projects, more residents will have access to clean drinking water and better healthcare. Enhanced rail capacity will contribute to more sustainable development. The company is also active in a project in Côte d'Ivoire, which will secure access to clean water in rural areas.

Solar-powered borehole pumps will supply fresh water to 1,000 villages on the Côte d'Ivoire. This is the fundamental idea behind one of the projects in Africa in which Elof Hansson International is involved. "It's an exciting project, and sustainable both socially and

environmentally. We are involved in developing the system and are responsible for ensuring that everything works as intended. We become enablers by mediating contact and acting as a cohesive link for Swedish players," says Henrik Lauenstein, General Manager Project Execution at Elof Hansson International AB. At the same time, an infrastructure project is underway in Ghana which will involve the upgrading of the existing railway and the construction of new sections along the route between the

**"We become enablers by mediating contact and acting as a cohesive link for Swedish players"**

port city of Takoradi and the Huni Valley. In the next stage, the railway will continue on to Kumasi, the country's second largest city. There is an urgent need for this project as the road network is poor,

creating major problems for businesses that depend on a reliable and efficient transport network (such as the cocoa industry and the mining industry). On certain sections, the roads are so poor that it can take 8-10 hours to drive 300 km.

With a total project budget of around EUR 500 million, the Ghana Railway Development Authority has now begun work on relieving the roads and modernising the country's infrastructure. SEK is funding certain aspects of the project while the National Export Credits Guarantee Board (EKN) is guaranteeing payments up to 85%. One of the conditions for the guarantees and funding is that the project has at least 30% Swedish content. Elof Hansson International's primary mission is to obtain suppliers in order to meet this quota. This applies to everything from machinery and trucks to signalling systems, generators, fastening systems, concrete sleepers, switches, locomotives, wagons, etc. The project is due to be completed in 2025 and we will continue to deliver through until

the end of 2024. While the project is under way, for us it is a question of ensuring that deliveries take place and finding products for the needs that arise along the way. We are a proud facilitator in this project.

"We also have an exciting client who, through their own foundation, carries out charity projects in their project areas, contributing, for example, to schools and healthcare in rural areas through charity projects. This is entirely consistent with our own business," says Henrik Lauenstein.

In addition to the packaging industry Elof Hansson Trade has been an important supplier in the school system in Ghana through paper for textbooks, writing and arithmetic booklets, as well as for newspapers.

"Elof Hansson was one of the first to establish business relationships in Africa generally; many years ago, we were the only ones there to help build business relationships and companies. There are so many resources that Ghana can benefit from. The outlook in Ghana

looks bright, and we believe there is considerable potential both in Ghana and across Africa generally. Together with customers, being able to take risks and trust each other in order to build up business in the long term. This is the key to our successes" says Rickard Andersson, Vice President Paper Division, Elof Hansson Trade AB.





# Elof Hansson Mexico doubles its turnover two years in a row



2021 was one of the most successful years ever for the Trade business area. The outlook is bright and we expect the order intake to remain strong leading into 2022. One of the most important success factors is spelled "global network". Through its local offices around the world, the company has managed to maintain – and in many cases even strengthen – its relationships with suppliers and customers in the local markets. A good example of this can be found at Elof Hansson in Mexico City.

Since 2018, the Mexico office has become an increasingly integral part of the global Elof Hansson. Between 2019–2020, the company's turnover doubled, and this trend continued unabated in 2021. This has partly been made possible by a conscious effort to reduce the distance between the head office in Gothenburg and Mexico City as much as possible. This has been achieved through a close dialogue, training and direct communication and collaboration between a number of contact persons in each office.

"It's about creating credibility in our local markets through transparency and a long-term approach. Customers and suppliers should receive the same service and get the same feeling from Elof Hansson, regardless of which part of the company they come into contact with. It then becomes vital that we create understanding and commitment with regard to our working methods and procedures at the local offices. Everyone at the Mexico office has received training concerning our values and compliance, and they have

participated in our information seminars in the same way as all the employees in Sweden. Staying in close contact is also vital. I am in daily contact with the office in Mexico. "The pandemic has changed the way we work. Many employees have been working from home and it is natural for colleagues to have meetings online" says Rickard Andersson, Vice President Paper Division, Elof Hansson Trade AB.

José Portilla, Managing Director, Elof Hansson de México S de RL de CV, agrees that the collaboration offers many business benefits.

"The approach has given us the opportunity to work in a more organised way. Personal development, training and clear communication are key; it gives us the opportunity to focus on what we do best: being a facilitator for our customers based on financing and logistics. Despite the time difference, we know that we will always receive support from the team in Gothenburg immediately and that makes everyone's job so much easier here. It also means that we have a strong sense of



responsibility towards the company, customers and suppliers. The company's core values are firmly anchored in us," says José.

## "Personnel development, training and clear communication are key"

The Mexican market has continued to grow despite certain government decisions which have not favoured foreign investments. However, Elof Hansson in Mexico has a competitive advantage thanks to the commercial relationship and proximity to the United

States and Canada. As in the rest of the world, the packaging industry has grown considerably as a result of the expansion of e-commerce and digitalisation, while the demand for writing and printing paper is in decline.

"Customers request more sustainable products from certified mills. In Mexico, a ban on single-use plastics is already in force, so having and being able to offer different types of paper gives us broad business opportunities," says José.

The successful integration of the local office is one of many factors that have contributed to Elof Hansson's success in Mexico.

"Even in difficult circumstances, we have managed to create new regular business. Mexico is a market that has remained at the same price levels as Europe, and our shipping department has also managed to maintain very competitive freight rates during the pandemic. Many of the products we sell in the Mexican market are of the highest quality and are manufactured by suppliers with strong brands which appeal to long-term customers in the region and facilitate repeat business," notes Rickard.

However, it is still the cooperation between the head office, local offices, suppliers and customers that he believes are most crucial when it comes to doing good business. Especially in the long run.



# Swedish Care and Elof Hansson digitalise primary care in China

Swedish Care is the umbrella term for a global initiative where Swedish players are working together to accelerate the digitalisation of primary care in a number of countries. First in line is China, where the planning and construction of the new venture is already in full swing. One of the main players is Doktor.se, which through its advanced digital platform contributes valuable insight into digital primary care and facilitates rapid establishment.

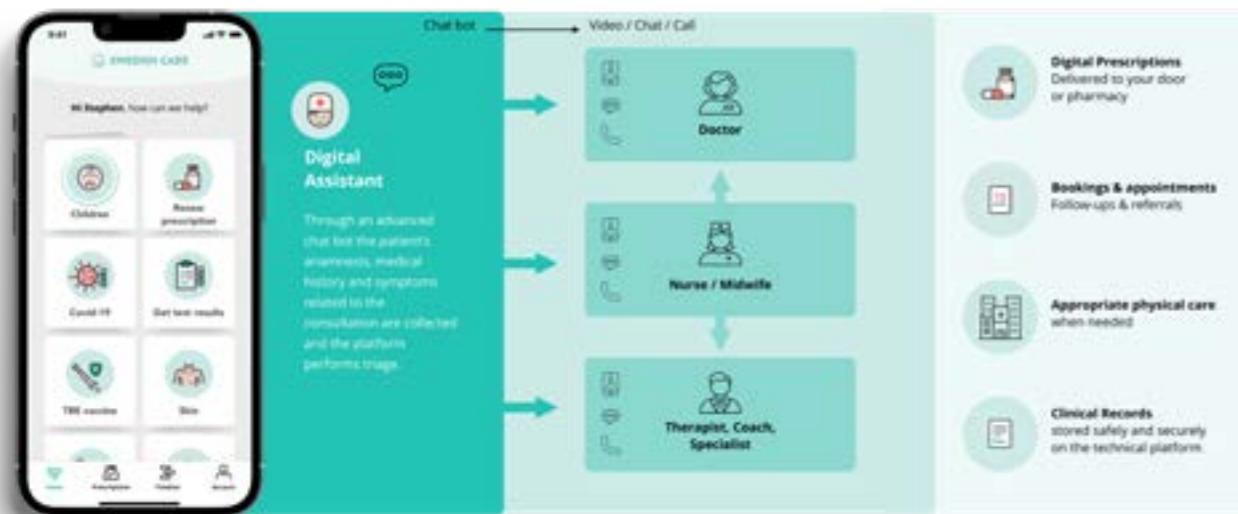
Elof Hansson International has an important role to play in making the project successful, both in

China and in other markets going forward. Primarily through investments and commitment, Elof Hansson will deliver Swedish medical equipment to the health centres that are affiliated to Swedish Care. But, of course, the company also contributes by providing access to established financial, legal and commercial structures, thanks to its knowledge and experience of the Chinese market.

"We think it's an incredibly important business idea. As a close partner of Swedish Care, we can also represent Swedish companies

in all the markets in which it is launched. The digital product is always linked to a physical care-centre that will be established in central areas where people move about, and where the target group is represented. When health centres like these need to be newly established, we will deliver Swedish products that have an excellent reputation in China," says Jonas Heiman of Elof Hansson.

Primary care is the focus of Swedish Care in China, but the ambition is to jointly develop additional concepts and solutions based on



the same platform and business premises.

"In the long run, through the collaboration, we want to include Swedish companies and represent them on the Chinese market.

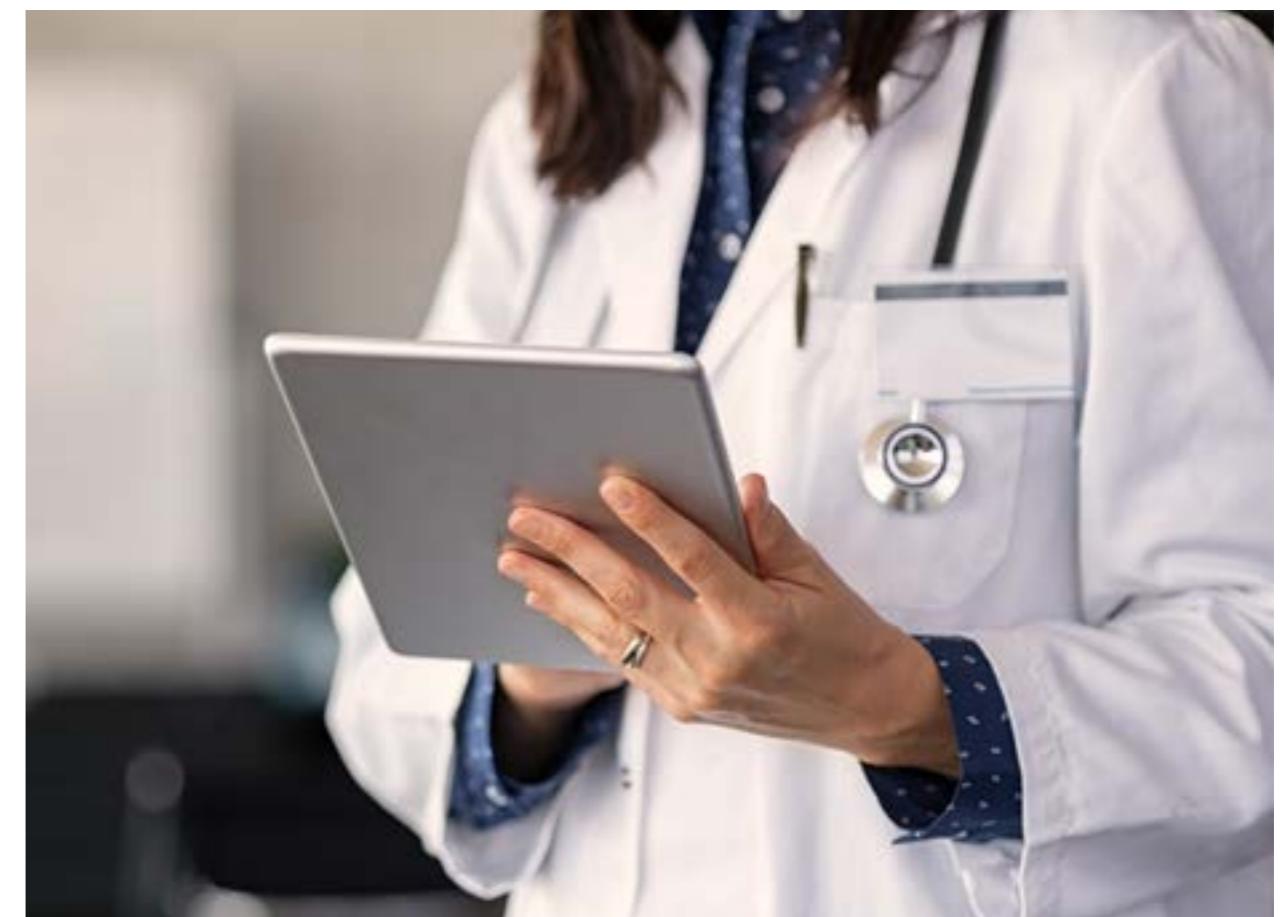
**"Our model can reduce the pressure on emergency care services"**

There are excellent opportunities to showcase the products in the

right context on site, for example in the lobby of the health centres, but of course also digitally," says Jonas Heiman. India is another market where there is considerable demand and enormous potential which Swedish Care is currently exploring. "We are on the board of the company in India and are already working closely with the local team there. In India, there is health insurance for the very poorest, which essentially means that they have access to free care. The idea is to streamline and facilitate these through the system by bringing care closer. Many people are unable to seek care because of a loss of wages or inaccessibility, but everyone has access to a mobile

phone," says Jonas. In many parts of the world, there is no primary care at all, which often results in emergency care services becoming overloaded. Our model can reduce the pressure on emergency care services, making more efficient use of doctors' time and improving distribution.

"These types of initiatives are perfectly in line with our ambitions to contribute to the UN's global sustainable development goals," concludes Jonas Heiman.





# Elof Hansson Properties develops sustainable housing

With a strong environmental policy as a basis, economic and social sustainability, along with low energy consumption, are important components and prerequisites for value creation in Elof Hansson Properties' operations.

"2021 felt like the year in which the industry really crossed the threshold to become fully focused on prioritising sustainable solutions in every phase," says Daniel Holmén, Head of Property Development at Elof Hansson Properties.

A good example of this is the company's housing initiative in Masthuggskajen, which will become one of the most attractive areas in Gothenburg to live and work.

Elof Hansson Properties is a young property company in Gothenburg based on a near 125-year tradition of seeing and grasping business opportunities. During 2021 the company was engaged in the sustainability work that is continuing concerning the detailed development plan for Masthuggskajen.

For example, Masthuggskajen received sustainability certification in accordance with SGCB's Citylab. In addition, Masthuggskajen was awarded Citylab Project of the Year by the Sweden Green Building Awards. As part of this overall initiative, the company is developing and planning a number of homes on Första Långgatan below Masthuggstorget.

"We want to take advantage of the enormous potential of the area, while at the same time helping to



meet the strong demand for sustainable housing in Gothenburg. The development rights include approximately 150 apartments with a total area of around 15,000 square metres. Together with Riksbyggen, we have signed a collaboration agreement to jointly construct the

**"We stand for long-term thinking and credibility, which makes it important to have partners who think in the same way"**

building as an industrial engineering unit, known as a "three-dimensional property formation". We own the basement level and the first seven floors above ground level for commercial premises and rental housing. Riksbyggen's plans anticipate a tenants' association with 80 apartments on levels 8–16. They are the perfect partner for us, with stable finances and a

strong sustainability angle to everything they do. We stand for a long-term perspective and credibility, and it is important to have partners who think in the same way," says Daniel Holmén.

The design of the homes has been developed through an architectural competition, where an assessment group and the City of Gothenburg jointly chose the winning proposal from four entries. The first building is planned for early 2023, and the homes are scheduled to be completed by 2025. Elof Hansson Properties is aiming to have the building classified as Green Building Silver, an environmental classification system established by the Sweden Green Building Council. Together with Riksbyggen, they are heavily involved with the socially sustainable issues, where, for example, premises, smart recycling solutions and local bicycle workshops are planned.

"Green Building Silver is an excellent certification as regards residential properties, as we are obliged to

declare environmental impacts before, during and after the building has been erected. We focus on sustainability in this project, in everything from climate-friendly cement mixes and timber frames, to solar panels on roofs and food waste grinders. We also have a number of other projects at the planning stage. As a development company, we have gradually gained more and more trust from both the city and our partners. Elof Hansson's strong brand helps us to aim correctly and create new business opportunities far into the future," Daniel concludes.





# Trust, commitment and professionalism

Elof Hansson's business orientation acquired its first written form in the "House Rules" which were written down by founder Elof Hansson and dated 30 January 1925. Of course, a lot has happened in both the company and the outside world since then. Despite this, the basic principles of the house rules are still applicable today, e.g. our culture has always been characterised by hard work and diligence. Both then and now, common values and a clearly defined set of rules are an important factor for business success for Elof Hansson. The values that Elof Hansson put down on paper in 1904 also live on as a mantra within the organizations – Trust, Commitment and Professionalism.

The timelessness of our rules and values is clearly evident in a year like 2021. The year has largely been characterised by the pandemic which still holds the world in its grip, but together all our employees have persistently and purposefully taken us towards yet another successful year. It has been a year of rapid change and challenges not only in terms of working methods and accessibility in our markets, but also

above all as regards how we work with and manage change. Together, we have looked at the bigger picture and established new goals to work towards and formulated strategies in order to get there. We have looked inward and clarified our why; "Always provide business partners with added and sustainable value". In order to continue adding value for our business partners, both external and internal, we invest time, energy and money on training and development at every level within the company.

The most important thing we have is our employees. We will grow with our employees and we therefore invest in the development of every single employee. As a company, we stand up for an inclusive environment and culture, a balance at every level within the company between men and women, and we are committed to a healthy work-life balance. Every one of us can always get better and learn more in order to contribute more to doing good business with and for our business partners in a sustainable way, both now and for the next 125 years.

# ANNUAL REPORT

The Board of Directors of Elof Hansson Holding AB presents  
the following annual report and consolidated financial  
statements for the financial year 01/01/2021 – 31/12/2021.

The Group operates in three business areas: Trade, Industry and Properties. Elof Hansson Holding AB, a subsidiary of Elof Hansson Foundation, reg. no. 857204-9032, has been the parent company of Elof Hansson Group since 2011. All amounts are reported in SEK thousand, unless stated otherwise.



## ADMINISTRATION REPORT

# Significant events during the financial year

In 2021 the ongoing Covid-19 pandemic caused further disruption to the global economy, and the year has been characterised by considerable uncertainty. The sharp rise in freight costs and an imbalance in the availability of containers have presented major challenges for us. Still, it has been another successful year for the Group, especially within the Trade business area. The turnover of the largest subsidiary within the trading house, Trade AB, still accounts for most of this year's profit increase. Furthermore, the Group's cellulose operations in Singapore developed strongly during 2021. We also saw a growth in sales of no less than 57% for Elof Hansson USA Inc. during the year.

The Properties Business Area delivered a strong result, free from operational disruptions caused by the current pandemic. The sale of 3D development rights (F2) to Riksbyggen had a significant positive impact on the Group's profit. Work on the development of Masthuggskajen continued through Global Business Gate JV KB, a joint venture with Alecta. In March 2021, an agreement was signed with the parties for the construction of a public space and a construction site on the new peninsula which is to be built in Göta Älv. The selection of contractors remains but is expected to be completed during Q1 2022. Elof Hansson GBG Fastighets AB submitted an unconditional capital contribution to the jointly owned company on 30 November 2021, with the condition that Alecta retirement insurance contributed a corresponding amount of capital subject to the same terms and conditions.

The pandemic had a negative impact on the International business area in 2021, both ongoing and new projects have either been delayed or postponed until 2022. The

positive aspect that we take with us from the year is that we have built up a good order backlog which will be activated in 2022. The component business also faced major challenges in 2021 but showed a slight upturn at the end of the year when the world began to reopen.

**FUTURE EXPECTATIONS**

The outside world is characterised by considerable unrest. Russia's invasion of Ukraine is changing the global geopolitical situation and global market developments are difficult to assess. However, Elof Hansson has no subsidiaries in Ukraine or Russia, business exposure in the region is minimal. The continuing spread of Covid-19 is likely to have an impact on both national and international economies. Despite the considerable uncertainty ahead of 2022, we are looking to the coming year with confidence. In the wake of the pandemic, we saw an increase in the demand for construction materials such as pulp, paper, and inventory items, which is benefiting the Trade business area. The packaging industry's transition from plastic to paper is also a positive development. Therefore, we expect Trade to continue to deliver strong results over the coming years. Elof Hansson Properties' Global Business Gate project will enter an implementation phase, with the commencement of construction expected within the next few years. The first stage in the procurement process for the construction of the peninsula is soon to be finalized. The International business area enters 2022 with a strong order backlog within both the project business and the component business.

**RISK MANAGEMENT**

The Elof Hansson Group's has a global presence with units, sales offices and representatives in Europe, The

Americas, Africa, Asia, Middle East, and Australia. We are exposed to several risks and uncertainties, but also new business opportunities. The Group's Risk Management strives to prevent and minimise the main risk factors for the Group's financial position. The most significant risks are described below:

**Covid-19**

The pandemic continued to affect people and communities in 2021. However, through flexible solutions and adaptations, we continued to operate in similar markets whilst maintaining business volume.

**Ukraine**

It is with great sadness that we witness the human suffering taking place in Ukraine, it is nothing but a tragedy. A limited proportion of Elof Hansson's earnings related to products originating from Russia in 2021. We therefore expect the direct impact on earnings in the future to be limited.

**Political and regulatory risk**

Elof Hansson's global operations may be affected by political decisions in areas such as forestry, environmental policy, trade policy and sanctions, transport policy, etc. Through a diversified business and flexible organization, the aim is to reduce risks. New requirements and regulations could impact on the opportunities open to us in one or more markets.

**Credit risk**

One of the Group's most significant financial risks is the credit risk, i.e. our customers being unable to pay their liabilities. Accounts receivable represent 37% of the Group's balance sheet. In part, credit risk is limited by the large number of customers, which are spread globally and in several different segments. The Group works closely with leading banks and insurance companies, all with a high credit rating. Elof Hansson's global policy for sales and credit granting includes a structured process for credit granting and follow-up. With a flexible product range of hedging instruments a very high degree of risk cover of accounts receivable is achieved.

**Price changes**

The price risk mainly relates to changes in world market prices and the effects of these fluctuations on our business. The risk is handled through customer and supplier agreements, where our business model does not involve long agreements that carry the risk of price changes. On the other hand, the Group's sales vary with changes in world market prices.

**Financing risk**

The Group has bilateral credit facilities with banks, where the financing risk is linked to the ability to refinance them on maturity. A low credit volume and a spread over the maturity dates of credit facilities reduces the financing risk. The Group's borrowing opportunities in 2021 were good.

**Interest rate risk**

Interest rate risk may arise in the financing of accounts receivable and of properties. Through a mix of variable and fixed interest rates, the interest rate risk in the Group's borrowings is reduced.

**Currency risks**

Elof Hansson operates internationally and is exposed to currency risks arising from various currency exposures, which can mainly be described as translation exposure and transaction exposure respectively.

**Translation exposure**

Items included in each subsidiary's annual report are calculated according to the currency in which the subsidiary is domiciled. Translation exposure occurs when the subsidiaries' accounts are converted to SEK. The exchange rate differences that arise are recognised in equity. Elof Hansson is also exposed to a translation exposure when the parent company's financial lending to individual subsidiaries takes place in the currency of each subsidiary, which is handled in accordance with our financial policy.

**Transaction exposure**

The Group's main currency exposure is in USD and EUR for both incoming and outgoing payment flows, although some exposure exists to a larger number of currencies. Different types of currency hedging instruments are used to minimise currency risk. Normally, hedge accounting is applied.

**Liquidity risk**

Liquidity risk is the risk that the company will not be able to meet its payment obligations without significantly increasing the cost of obtaining funds. Liquidity risk is limited by a combination of our own liquidity in the form of assets in bank accounts and liquidity buffers in the form of credit facilities, which were virtually unused throughout 2021.

**Surplus liquidity**

Surplus liquidity can be invested in accordance with the financial policy, as an account placement or short-term investments in securities/interest-bearing instruments at very low credit risk.

**Legal risks**

No fines, sanctions or legal action have incurred during 2021 due to violations of the law in compliance or anti-competitive activities. Common core values and a Code of Conduct guide all employees. The Group works continuously to develop procedures and processes further in compliance with both internal and external regulations.

**Significant changes**

Besides Covid-19, there are no significant changes for the Group. With a low risk profile in every business transaction, a strong balance sheet, as well as the ability to quickly adapt the organization, the Group is well prepared to create growth and further develop the business in the future.

**Transparency**

Elof Hansson has an open and transparent business environment and focuses on long-term partnerships. We encourage initiatives that improve us as a company. Any concerns, violations against a law, fraud or harassment can anonymously be reported on our website.

**MULTI-YEAR COMPARISON OF THE GROUP (SEK MILLION)**

THE GROUP	2021	2020	2019	2018	2017
Net sales	5,607	5,558	6,705	6,403	6,229
Profit after financial items	153	102	61	83	75
Balance sheet total	2,596	2,325	2,419	2,789	2,717
Number of employees	255	271	270	277	242
Equity/assets ratio %	44.76	45.12	40.31	34.30	34.40
Return on total capital, %	7.60	5.27	4.00	4.30	4.20
Return on equity %	13.20	9.70	6.00	8.70	8.20

For definitions of key figures, see Note 1 Accounting and valuation principles.

The registered office of the company is in Gothenburg.

**PROPOSAL FOR THE ALLOCATION OF PROFITS**

The board proposes that the disposable profit funds (SEK):

Retained profit	175,775,529
Share premium reserve	178,459,000
Loss for the year	-66,841,842
	<b>287,392,687</b>
Dividend paid to shareholders is	3,000,000
Carried forward	284,392,687
	<b>287,392,687</b>

The dividend proposed by the Board of Directors reduces the Parents Company's equity/assets ratio to 31,3% and the Group's equity/assets ratio to 44,6%. The equity/assets ratio is adequate given that the Company and Group continues to operate profitably.

The Board is of the opinion that the proposed dividend is reasonable considering the ability to meet the Company's future obligations, and the Group's consolidation needs, liquidity, and position in general. Consequently, the proposed dividend can be justified according to the provisions of Chapter 17, Section 3, Paragraphs 2 and 3 of the Swedish Companies Act.

The Group's and Parent Company's result of operations and position in general are shown in the following income statements, balance sheets, statements of changes in shareholders' equity, cash flow statements and notes to the financial statements.

**CONSOLIDATED INCOME STATEMENT**  
TSEK

	NOTE -31/12/2021	01/01/2021 -31/12/2020
Net sales	2, 3	5,606,997 5,557,721
Other operating income		121,475 84,534
		<b>5,728,471</b> <b>5,642,255</b>
<b>Operating expenses</b>		
Merchandise		-5,124,658 -5,128,667
Other external expenses	4, 5	-132,625 -138,572
Personnel expenses	6	-252,515 -230,261
Depreciation and impairment of tangible and intangible non-current assets		-35,123 -34,859
<b>Operating profit</b>		<b>183,550</b> <b>109,896</b>
<b>Profit from financial items</b>		
Other interest income and similar income items	7	12,541 12,708
Interest expenses and similar income items	20	-42,888 -20,798
<b>Profit after financial items</b>		<b>153,204</b> <b>101,806</b>
<b>Profit before tax</b>		<b>153,204</b> <b>101,806</b>
Tax on profit for the year	28	-38,930 -17,192
<b>PROFIT FOR THE YEAR</b>		<b>114,274</b> <b>84,614</b>

**CONSOLIDATED BALANCE SHEET**

NOTE      31/12/2021      31/12/2020

TSEK

**ASSETS****Non-current assets**

INTANGIBLE NON-CURRENT ASSETS			
Software and capitalised development work	8	4,155	5,067
Goodwill	9	15,246	28,049
<b>Total intangible non-current assets</b>		<b>19,401</b>	<b>33,116</b>

**TANGIBLE NON-CURRENT ASSETS**

Buildings and land	10	652,297	627,018
Inventory	11	13,725	16,296
<b>Total tangible non-current assets</b>		<b>666,022</b>	<b>643,314</b>

**FINANCIAL NON-CURRENT ASSETS**

Shares in associated companies	15, 16	22,841	13,751
Deferred tax assets	33	14,519	11,517
Other non-current receivables		37,957	32,226
<b>Total financial non-current assets</b>		<b>75,317</b>	<b>57,494</b>

**Total non-current assets**

		<b>760,740</b>	<b>733,924</b>
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**Current assets**

GOODS IN STOCK ETC.			
Completed goods and merchandise		274,905	221,605
Advances to suppliers		8,334	40,116
<b>Total goods in stock etc.</b>		<b>283,239</b>	<b>261,721</b>

**CURRENT RECEIVABLES**

Accounts receivable		957,922	855,042
Current tax receivables		28,190	4,581
Other receivables	17	174,670	133,806
Prepaid expenses and accrued income	18	55,451	13,580

**Total current receivables**

		<b>1,216,233</b>	<b>1,007,009</b>
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CASH AND BANK DEPOSITS		335,362	322,305
<b>Total current assets</b>		<b>1,834,834</b>	<b>1,591,035</b>

**TOTAL ASSETS**

		<b>2,595,574</b>	<b>2,324,959</b>
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**CONSOLIDATED BALANCE SHEET**

TSEK

**EQUITY AND LIABILITIES**

NOTE      31/12/2021      31/12/2020

19

**Equity**

Share capital		75,000	75,000
Other equity		972,500	889,471
Profit for the year		114,274	84,614
<b>Total equity</b>		<b>1,161,774</b>	<b>1,049,085</b>

**Provisions**

Provisions for pensions and similar obligations		39,827	47,709
Deferred tax liabilities		29,496	12,546
Other provisions		27,813	0
<b>Total provisions</b>		<b>97,136</b>	<b>60,255</b>

**Non-current liabilities**

Liabilities to credit institutions		21	257,448
Other liabilities		22	89,270
<b>Total non-current liabilities</b>		<b>346,718</b>	<b>458,294</b>

**Current liabilities**

Liabilities to credit institutions		21	78,815
Advance payments from customers			8,324
Trade accounts payable		37,363	19,498
Current tax liabilities		592,007	445,589
Other liabilities		35,661	4,598
Accrued expenses and prepaid income		57,983	65,605
<b>Total current liabilities</b>		<b>188,118</b>	<b>213,712</b>

<b>Total current liabilities</b>		<b>989,946</b>	<b>757,325</b>
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**TOTAL EQUITY AND LIABILITIES**

2,595,574      2,324,959

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
TSEK

	Share capital	Retained profit incl. profit for the year	Total	Minority interest	Total equity
<b>Opening equity 01/01/2020</b>	<b>75,000</b>	<b>901,628</b>	<b>976,628</b>	<b>-1,141</b>	<b>975,487</b>
Dividend		-5,000	-5,000		-5,000
Exchange rate differences		-7,345	-7,345		-7,345
Acquisition of minority interest				1,141	1,141
Profit for the year		84,614	84,614		84,614
Effect of tax rate change OR		188	188		188
<b>Total comprehensive income</b>	<b>72,457</b>	<b>72,457</b>	<b>1,141</b>	<b>73,598</b>	
<b>Closing equity 31/12/2020</b>	<b>75,000</b>	<b>974,085</b>	<b>1,049,085</b>	<b>0</b>	<b>1,049,085</b>
<b>Opening equity 01/01/2021</b>	<b>75,000</b>	<b>974,085</b>	<b>1,049,085</b>	<b>0</b>	<b>1,049,085</b>
Dividend		-5,000	-5,000		-5,000
Exchange rate differences		-5,271	-5,271		-5,271
Actuarial pensions		8,686	8,686		8,686
Profit for the year		114,274	114,274		114,274
<b>Total comprehensive income</b>	<b>112,689</b>	<b>112,689</b>		<b>112,689</b>	
<b>Closing equity 31/12/2021</b>	<b>75,000</b>	<b>1,086,774</b>	<b>1,161,774</b>	<b>0</b>	<b>1,161,774</b>

**CONSOLIDATED CASH FLOW STATEMENT**  
TSEK

NOTE	01/01/2021 – 31/12/2021	01/01/2020 – 31/12/2020
<b>Current operations</b>		
Profit after financial items	153,204	101,806
Adjustments for non-cash flow items etc.	30	75,947 7,479
Tax paid	-31,475	-16,957
<b>Cash flow from operating activities before changes in working capital</b>	<b>197,676</b>	<b>92,328</b>
<b>Cash flow from changes in working capital</b>		
Change in goods in stock and work in progress	-21,518	58,521
Change in current receivables	-185,616	239,714
Change in current liabilities	119,357	-69,906
<b>Cash flow from current operations</b>	<b>109,899</b>	<b>320,656</b>
<b>Investment activities</b>		
Investment in tangible non-current assets	-182,531	-182,804
Sale of tangible non-current assets	141,474	36,704
Investment in financial non-current assets	-21,474	-9,118
<b>Cash flow from investment activities</b>	<b>-62,531</b>	<b>-155,218</b>
<b>Financing activities</b>		
New borrowing	2,448	261,777
Repayment of loans	-31,759	-358,979
Dividends paid	-5,000	-5,000
<b>Cash flow from financing activities</b>	<b>-34,311</b>	<b>-102,202</b>
<b>CASH FLOW FOR THE YEAR</b>	<b>13,057</b>	<b>63,236</b>
Cash and cash equivalents at start of year		
Cash and cash equivalents at start of year	322,305	259,069
<b>Cash and cash equivalents at end of year</b>	<b>335,362</b>	<b>322,305</b>

**PARENT COMPANY INCOME STATEMENT**  
TSEK

	NOTE	01/01/2021 – 31/12/2021	01/01/2020 – 31/12/2020
Net sales	2	43,007	42,771
<b>Total operating income</b>		<b>43,007</b>	<b>42,771</b>
<b>Operating expenses</b>			
Other external expenses	4, 5	-57,975	-49,803
Personnel expenses	6	-35,048	-28,773
Depreciation and impairment of tangible and intangible non-current assets		-14	-14
Other operating expenses		-2,122	-5,466
<b>Total operating expenses</b>		<b>-95,159</b>	<b>-84,056</b>
<b>Operating profit</b>		<b>-52,152</b>	<b>-41,285</b>
<b>Profit from financial items</b>			
Profit from interests in Group companies	26	-73,296	745
Profit from interests in associated companies and jointly operated companies		292	225
Interest income and similar income items	7	17,963	21,872
Interest expenses and similar income items		-5,877	-7,814
<b>Total financial items</b>		<b>-60,918</b>	<b>15,028</b>
<b>Profit after financial items</b>		<b>-113,070</b>	<b>-26,257</b>
Appropriations	27	45,780	24,610
<b>Profit before tax</b>		<b>-67,290</b>	<b>-1,647</b>
Tax on profit for the year	28	448	0
<b>PROFIT FOR THE YEAR</b>		<b>-66,842</b>	<b>-1,647</b>

**PARENT COMPANY BALANCE SHEET**  
TSEK

	NOTE	31/12/2021	31/12/2020
<b>ASSETS</b>			
Non-current assets			
INTANGIBLE NON-CURRENT ASSETS			
Software	8	0	0
<b>Total intangible non-current assets</b>		<b>0</b>	<b>0</b>
TANGIBLE NON-CURRENT ASSETS			
Inventory	11	0	14
<b>Total tangible non-current assets</b>		<b>0</b>	<b>14</b>
FINANCIAL NON-CURRENT ASSETS			
Shares in Group companies	12, 13, 14	556,300	483,883
Receivables from group companies	32	388,937	485,600
Shares in associated companies	15, 16	22,841	13,751
Other non-current receivables	31	21,902	17,907
<b>Total financial non-current assets</b>		<b>989,980</b>	<b>1,001,141</b>
<b>Total non-current assets</b>		<b>989,980</b>	<b>1,001,155</b>
Current assets			
CURRENT RECEIVABLES			
Receivables from Group companies		68,149	23,218
Other receivables		7,821	5,363
Prepaid expenses and accrued income	18	3,538	2,979
<b>Total current receivables</b>		<b>79,508</b>	<b>31,560</b>
CASH AND BANK DEPOSITS			
Total current assets		76,858	61,801
<b>TOTAL ASSETS</b>		<b>156,366</b>	<b>93,361</b>
		<b>1,146,346</b>	<b>1,094,516</b>

**PARENT COMPANY BALANCE SHEET**  
TSEK

	NOTE	31/12/2021	31/12/2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>RESTRICTED EQUITY</b>			
Share capital		75,000	75,000
Statutory reserve		2	2
<b>Total restricted equity</b>		<b>75,002</b>	<b>75,002</b>
<b>UNRESTRICTED EQUITY</b>			
Unrestricted share premium reserve		178,459	178,459
Retained profit		175,776	182,423
Profit for the year		-66,842	-1,647
<b>Total unrestricted equity</b>		<b>287,393</b>	<b>359,235</b>
<b>Total equity</b>		<b>362,395</b>	<b>434,237</b>
<b>Non-current liabilities</b>			
Liabilities to Group companies		196,717	620,060
<b>Total non-current liabilities</b>		<b>196,717</b>	<b>620,060</b>
<b>Current liabilities</b>			
Trade accounts payable		2,541	3,066
Liabilities to Group companies		848	26,432
Other liabilities		560,478	1,953
Accrued expenses and prepaid income	23	23,368	8,768
<b>Total current liabilities</b>		<b>587,234</b>	<b>40,219</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,146,346</b>	<b>1,094,516</b>

**PARENT COMPANY'S STATEMENT OF CHANGES IN EQUITY**

TSEK	Share capital	Restricted re-serves	Unrestricted equity	Total equity
<b>Opening equity 01/01/2020</b>	<b>75,000</b>	<b>2</b>	<b>365,858</b>	<b>440,860</b>
Dividend		-5,000	-5,000	
Profit for the year		-1,647	-1,647	
Profit from merger		24	24	
<b>Closing equity 31/12/2020</b>	<b>75,000</b>	<b>2</b>	<b>359,235</b>	<b>434,237</b>

TSEK	Share capital	Restricted re-serves	Unrestricted equity	Total equity
<b>Opening equity 01/01/2021</b>	<b>75,000</b>	<b>2</b>	<b>359,235</b>	<b>434,237</b>
Dividend		-5,000	-5,000	
Profit for the year		-66,842	-66,842	
<b>Closing equity 31/12/2021</b>	<b>75,000</b>	<b>2</b>	<b>287,393</b>	<b>362,395</b>

Share capital consists of 750,000 shares.

**PARENT COMPANY CASH FLOW STATEMENT**

	NOTE	01/01/2021 – 31/12/2021	01/01/2020 – 31/12/2020
<b>Current operations</b>			
Profit after financial items		-113,070	-26,257
Adjustments for non-cash items	30	48,922	14
Tax paid		448	0
<b>Cash flow from current operations before change in working capital</b>		<b>-63,700</b>	<b>-26,243</b>
<b>Cashflow from change in working capital</b>			
Change in current receivables		-2,168	48,802
Change in current liabilities		162,073	17,550
<b>Cash flow from current operations</b>		<b>96,205</b>	<b>40,109</b>
<b>Investment activities</b>			
Acquisition of operations		0	1,000
Investment in financial non-current assets		-26,584	77,845
Sales of financial non-current assets		437	0
<b>Cash flow from investment activities</b>		<b>-26,147</b>	<b>78,845</b>
<b>Financing activities</b>			
New borrowing		-50,000	-74,400
Dividends paid		-5,000	-5,000
<b>Cash flow from financing activities</b>		<b>-55,000</b>	<b>-79,400</b>
<b>Cash flow for the year</b>		<b>15,058</b>	<b>39,554</b>
<b>Cash and cash equivalents at start of year</b>			
Cash and cash equivalents at start of year		61,801	22,247
<b>Cash and cash equivalents at end of year</b>		<b>76,859</b>	<b>61,801</b>

# Notes

TSEK

## NOTE 1- ACCOUNTING AND VALUATION PRINCIPLES

### GENERAL FINANCIAL REPORTING PRINCIPLES

The annual report and consolidated report have been prepared in accordance with the Annual Reports Act (1995:1554) and also in accordance with the Swedish Accounting Standards Board's general guidelines BFNAR 2012:1 Annual reports and consolidated reports (K3).

### CONSOLIDATED FINANCIAL STATEMENTS

Elof Hansson Holding AB prepares consolidated accounts. Companies where Elof Hansson holds the majority of the votes at the general meeting and companies where, through an agreement, Elof Hansson has a controlling influence are classified as subsidiaries and consolidated in the consolidated financial statements. Information about Group companies can be found in the note on financial non-current assets. Subsidiaries are included in the consolidated accounts from the date on which the controlling influence is transferred to the Group. They are excluded from the consolidated accounts from the date on which the controlling interest ceases.

### Consolidation method

The consolidated financial statements are prepared in accordance with the acquisition method. The date of acquisition is the date on which the controlling influence is obtained. Identifiable assets and liabilities are initially measured at fair value at the time of acquisition. The minority's share of the acquired net assets is measured at fair value. Goodwill consists of the difference between the acquired identifiable net assets at the time of acquisition and the acquisition value including the value of the minority interest, and is initially valued at acquisition value.

### Reporting of associated companies

Investments in associates are recognised in the consolidated financial statements in accordance with the acquisition value method. The method means that the share in associates is included in the balance sheet at acquisition value. Dividends received from associates are recognised as income in the income statement.

For part-owned companies where no party has the controlling influence, the proportional method has been applied. This refers to the companies Masthugget 28:9 Fastighets AB and Första Långgatan Fastigheter i Göteborg HB, which are partly owned by Elof Hansson Fastigheter AB.

### Transactions between Group companies

Outstanding balances between Group companies are eliminated in full.

### Translation of foreign subsidiaries

Subsidiaries in other countries prepare their annual accounts in foreign currency. In consolidation, the items in the balance sheet and income statement of these companies are converted at the balance sheet and spot rates respectively for the day each business event took place. The exchange differences that arise are recognised in accumulated exchange rate differences in the group's equity.

## FOREIGN CURRENCY

When currency hedging is not applied, monetary asset and liability items in foreign currency are valued at the spot rate on the balance sheet date. Transactions in foreign currency are translated at the spot rate on the transaction date.

For the valuation of transactions and balance sheet items when currency hedging is applied, see the section on financial instruments, subheading documented hedges of foreign currency financial liabilities (*hedge accounting*).

## REPORTING FOR BUSINESS SEGMENTS AND GEOGRAPHICAL MARKETS

The group operates in three business areas: Trade, Industry and Properties. The group operates in 25 countries.

## INCOME

Income has been incorporated at fair value of what is received or will be received and entered to the extent that it is probable that the financial benefits will be credited to the company and the income can be calculated reliably. Other revenues include public grants received in the form of transition support amounting to SEK 677 thousand.

## Goods

Sale of goods is reported when significant risks and benefits transfer from the seller to the buyer in accordance with the sales conditions. Sales are reported after deductions for VAT and discounts.

## Service assignments

For fixed-price service assignments, the income and expenses attributable to a service assignment performed are recognised as income and expense in relation to the degree of completion of the assignment at the balance sheet date (successive profit settlement). The degree of completion of an assignment is determined by comparing expenditure incurred at the balance sheet date with estimated total expenditure. Where the outcome of an assignment cannot be reliably calculated, income is recognised only to the extent that corresponds to assignment expenses which are likely to be reimbursed by the client. An anticipated loss on an assignment is immediately recognised as an expense.

For service assignments on an ongoing account basis, income that relates to a service assignment that has been performed is reported as income as and when work is performed and material is delivered or consumed.

## Other types of income

Interest income is reported in accordance with the effective interest rate method. Dividend is reported when the right to receive the dividend has been ensured.

## LEASING AGREEMENTS

The group does not have any significant financial leases. Leasing agreements where financial benefits and risks referring to the leasing object remain in all significant respects with the lease provider are classified as operational leasing. Payments, including an initial increased rent, are recognised under these agreements as expense on a straight-line basis over the lease term.

## REMUNERATION TO EMPLOYEES

### Short-term remuneration

Short-term remuneration in the group consists of salary, social security contributions, paid leave, paid sick leave, healthcare and bonuses. Short-term remuneration is recognised as an expense and a liability when there is a legal or informal obligation to pay remuneration.

### Remuneration to employees after end of employment

The company only has defined benefit pension plans. Reporting is done according to the simplification rules. The company has defined benefit pension plans where a pension premium is paid and reports these plans as defined contribution plans in accordance with the simplification rule of BFNAR 2012:1 (K3). The company has defined benefit pension plans financed through Alecta, which are reported as defined contribution plans when there is not enough information to report the plan as defined benefit.

The company has a defined benefit pension obligation that is linked to a pension foundation. The company reports a provision for the part of the foundation's assets, valued at market value, that is less than the obligation.

The company has defined benefit pension plans in the group's American subsidiaries, which comprise a total of 63 employees. Reporting is in accordance with the same principles as in the subsidiary; FASB ASC 715-30. The pension plans are unconditional and there are no earning requirements.

### Termination benefits

Termination benefits are payable when any company within the group decides to terminate an employment

before the normal date of termination of employment or when an employee accepts an offer of voluntary resignation in exchange for such remuneration. If the remuneration does not confer any future financial advantage on the company, a liability and an expense are recognised when the company has a legal or informal obligation to provide such remuneration. The remuneration is valued at the best estimate of the remuneration that would be required to settle the obligation on the balance sheet date.

## INCOME TAXES

Current taxes are valued on the basis of the rates of tax and tax rules that apply on the balance sheet date. Deferred tax is valued on the basis of the rates of tax and tax rules that are decided before the balance sheet date.

Deferred tax liability for temporary differences related to investments in subsidiaries is not recognised in the consolidated financial statements as the parent company can in all cases control the timing of reversal of the temporary differences and it is not considered likely that a reversal will take place in the foreseeable future.

Deferred tax assets relating to loss carry-forwards or other future tax deductions are recognised to the extent that the deduction is likely to be used against future taxable profits. For further information, see Note 26.

Receivables and liabilities are only reported net when there is a legal right to offset them. Current tax and changes in deferred tax are reported in the income statement if the tax does not relate to an event or transaction that is reported directly in equity. In such cases, the tax effect is also recognised in equity.

## NON-CURRENT ASSETS

### Intangible non-current assets

Intangible non-current assets are reported at acquisition value after deduction of accumulated depreciation and impairment. The consolidated financial statements apply the activation model for internally generated intangible assets. Depreciation occurs on a straight line basis over the assessed useful life.

Software and capitalised development work are depreciated over 5 years. Goodwill is depreciated on a straight line basis over the estimated useful life, which is 5 - 10 years.

### Tangible non-current assets

Tangible non-current assets are reported at acquisition

value with a deduction for depreciation. The acquisition value includes expenses that can be directly attributed to the acquisition of the asset.

When a component in a non-current asset is replaced, any remaining part of the old component is scrapped and the new component's acquisition value is capitalised.

Subsequent expenses that refer to assets that are not divided into components are added to the acquisition value to the extent that the asset's performance increases in relation to its value on the date of acquisition.

Expenses for ongoing repairs and maintenance are reported as costs. In connection with property acquisitions, an assessment is made of whether the property is expected to give rise to future costs for demolition and restoration of the site. In such cases, a provision is made and the acquisition value is increased by the same amount.

Realisation gains and losses on the disposal of a non-current asset are reported as *Other operating income* and *Other operating expenses* respectively. Tangible non-current assets are depreciated systematically over the estimated useful life of the asset. When determining the depreciable amount of the assets, the residual value of the assets is taken into account where appropriate. Depreciation is included in the income statement items *Cost of goods sold*, *Sales expenses* and *Administrative expenses*. The group's land has an unlimited useful life and is not depreciated. Other types of non-current assets are depreciated on a straight line basis.

Building shells	150 years
Façades	75 years
Roofs	20 years
Windows	20 years
Technical equipment	20 years
Inventory buildings	10 years
Inventory tools and installations	5-20 years

## FINANCIAL INSTRUMENTS

### Financial instruments

Financial instruments are recognised in accordance with the rules in chapter 11 of K3, which means that valuation is made on the basis of acquisition value. Financial instruments that are recognised in the balance sheet include accounts receivable and other receivables, accounts payable, loan liabilities and derivative instruments. The instruments are recognised in the balance sheet when the company becomes a party to

the instrument's contractual terms. Financial assets are removed from the balance sheet when the entitlement to receive cash flows from the instrument has expired or been transferred and the group has transferred more or less all the risks and benefits associated with ownership. Financial liabilities are removed from the balance sheet when the obligations have been settled or otherwise terminated.

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

When there is an indication that an asset's value has decreased, a test is made of the need for impairment. If the asset has a recoverable value that is less than the reported value, it is impaired to the recoverable value. When assessing the impairment requirement, assets are grouped at the lowest levels where there are separate identifiable cash flows (cash-generating units). For assets, other than goodwill, that have previously been impaired, a test is made on each balance sheet date to determine whether reversal is necessary. In the income statement, impairments and reversals of impairment losses are recognised in the function in which the asset is used.

#### **Accounts receivable and other receivables**

Receivables are included in current assets, with the exception of items with maturity dates more than 12 months after the balance sheet date, which are classified as non-current assets. Receivables are reported at the amount that is expected to be received after deduction for individually assessed uncertain receivables. Receivables that are interest-free or that carry interest that deviates from the market rate and that have a maturity in excess of 12 months are recognised at a discounted present value and the time value change is recognised as interest income in the income statement.

#### **Other non-current receivables**

This item primarily consists of endowment insurance. The holding is held on a long-term basis. Assets included in this item are initially reported at acquisition value. Adjustments are affected depending on endowment insurance payments.

#### **Loan liabilities and supplier liabilities**

Loan liabilities and supplier liabilities are initially reported at acquisition value after deduction of transaction costs. If the reported amount differs from the amount that shall be repaid on the maturity date, the difference is divided into instalments as interest expense over the duration of the loan, using the instrument's effective interest rate. In this way, on the maturity date the reported amount and the amount to be repaid agree.

#### **Derivative instruments included in hedge accounting**

Elof Hansson uses currency futures to manage the currency risk that arises from all purchases and sales of goods. For these transactions, hedge accounting is normally applied. When the transaction is entered into, the relationship between the hedging instrument and the hedged item is documented, as well as the group's risk management objectives and the hedging risk management strategy. Elof Hansson also documents the company's assessment, both when the hedging is entered into and on an ongoing basis, of whether the derivative instruments used in hedging transactions are to a large extent effective in counteracting changes in cash flows attributable to the hedged items.

#### **Documented hedges of financial liabilities and foreign currency (hedge accounting)**

Elof Hansson hedges all purchases and sales of goods within trading and industry. The forward contracts protect Elof Hansson against changes in exchange rates by setting the rate at which the foreign currency liability will be realised. When currency hedging of these purchases and sales occurs, the hedging instruments are not revalued at changed exchange rates and the currency future is not recognised in the balance sheet. The difference between the forward rate and the spot rate (the interest element) of a contract is accrued over the term of the contract as interest if the difference is material. If the difference is not material, the alternative rule is used and the asset or liability is valued at the hedged rate.

#### **Cessation of hedge accounting**

Hedge accounting ceases when the hedging instrument matures, is sold, disposed of or redeemed, as well as if the hedging no longer fulfils the conditions for hedge accounting. Any profit from a hedging transaction that is terminated early is immediately recognised in the income statement.

#### **Offset of financial receivables and financial liabilities**

A financial asset and a financial liability are offset and reported as a net amount in the balance sheet only where there is a legal right to offset and when an adjustment by a net amount is intended to occur or when simultaneous disposal of the asset and of the liability is intended to occur.

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

At each balance sheet date, Elof Hansson assesses whether there is any indication of impairment requirements in

any of the financial non-current assets. Impairment occurs if loss of value is considered to be permanent. Impairment loss is recognised in the income statement item Profit from other securities and receivables that are non-current assets. The impairment requirement is tested individually for shares and units and other individual financial assets that are material. Examples of indications of impairment requirements are negative financial circumstances or unfavourable changes in industry conditions in companies whose shares Elof Hansson invested in.

Impairment of assets valued at accrued acquisition value is calculated as the difference between the reported value of the asset and the present value of management's best estimate of future cash flows discounted at the asset's original effective interest rate. For floating rate assets, the interest rate at the balance sheet date is used as a discount rate.

#### **GOODS IN STOCK**

Goods in stock are valued by application of the first in, first out principle at the lower of acquisition value and net sales value on the balance sheet date.

#### **PROVISIONS**

The company makes a provision when there is a legal or constructive obligation, and a reliable estimate of the amount can be made. The company estimates the current value of obligations that are expected to be settled after more than 12 months. The increase in the provision due to time passing is recognised as interest expense. Provisions for restructuring are made when there is an established and detailed restructuring plan and the relevant individuals have been informed.

#### **CASH FLOW STATEMENT**

The cash flow statement is prepared in accordance with the indirect method. The cash flow reported only covers transactions that involve receipts or payments. Besides cash and bank balances, short-term financial investments that are exposed to low risk in value fluctuations are classified as cash and cash equivalents.

#### **THE PARENT COMPANY'S ACCOUNTING AND VALUATION PRINCIPLES**

The same accounting and valuation principles are applied in the parent company as in the group, except in the cases listed below.

#### **Income**

Income has been incorporated at fair value of what is received or will be received and entered to the extent that it is probable that the financial benefits will be credited to the company and the income can be calculated reliably.

#### **Leasing**

All leasing agreements where the company is the lessee are reported as operational leasing, regardless of whether the agreement is financial or operational. Leasing charges are reported as a cost on a straight line basis over the leasing period.

#### **Appropriations**

Changes in untaxed reserves are reported as appropriations in the income statement. Group contributions are reported as appropriations.

#### **Shares and participations in subsidiary companies**

Shares and participations in subsidiaries are recognised at acquisition value after deductions for any impairment losses. The cost includes the purchase price paid for the shares and acquisition costs. Any capital injections and group contributions are added to the cost when they are given. Dividends from subsidiaries are recognised as income.

#### **Equity**

Equity is divided into restricted and unrestricted capital, in accordance with the classification of the Annual Reports Act.

#### **Untaxed reserves**

Untaxed reserves are reported as a gross amount in the balance sheet, including the deferred tax liability that is attributable to the reserves.

#### **KEY FIGURE DEFINITIONS**

##### **Equity/assets ratio**

Equity in relation to balance sheet total.

##### **Return on total capital**

Profit before deduction of interest expenses in relation to balance sheet total.

##### **Return on equity**

Profit after financial items in relation to equity.

## NOTE 2 - ESTIMATES AND ASSUMPTIONS

### THE GROUP

The company/group makes estimates and assumptions about the future. The estimates for accounting purposes resulting from these will, by definition, rarely correspond with the actual outcome. The estimates and assumptions that involve a substantial risk of adjustments in the reported values for assets and liabilities within the next year are discussed below.

### Project accounting

The group conducts project activities regarding international supplies of goods and services. The group applies successive profit settlement in accordance with a method aimed at reflecting the degree of completion of the project. If the income cannot be reliably determined, the income is assumed to be equal to the costs that are expected to be recovered.

The degree of completion is the percentage of an assignment considered completed at the balance sheet date. If the project shows a loss, provision is made for this as of the balance sheet date.

### Valuation of accounts receivable

The company/group makes an individual assessment regarding the reservation requirement in outstanding accounts receivable. Determining the reserve requirement is a significant and difficult assessment issue.

### Valuation of goods in stock

The group makes an individual assessment regarding the valuation of goods in stock. Determining any obsolescence is a significant and difficult assessment issue.

### Valuation of deferred tax assets

Deferred tax assets relating to loss carry-forwards or other future tax deductions are recognised to the extent that the deduction is likely to be used against future taxable profits.

### Valuation of goodwill

Goodwill has arisen in connection with acquisitions. The item is depreciated in a straight line over the useful life, which is within 5-10 years. The item is tested annually for possible impairment.

### Valuation of properties

The group's properties are reported at acquisition value after deduction of cumulative depreciation. Note 10 Buildings and land provides information about assessed market value carried out by an external party.

## NOTE 3 - SALES BY MARKET

### THE GROUP

	01/01/2021 – 31/12/2021	01/01/2020 – 31/12/2020
<b>Sales, stated in %</b>		
Africa	4	3
Asia and Australia	39	42
China	19	23
Middle East	3	4
North and South America	24	18
Rest of Europe	8	6
Sweden	2	2
Rest of Scandinavia	1	1
	<b>100</b>	<b>100</b>
<b>Sales by business segment, %</b>		
Properties	1	1
International	4	4
Trade	95	95
	<b>100</b>	<b>100</b>

**NOTE 4 - AUDIT FEES, ETC.****THE GROUP**

	<b>01/01/2021 – 31/12/2021</b>	<b>01/01/2020 – 31/12/2020</b>
<b>Ernst &amp; Young AB</b>		
Audit assignment	2,776	2,210
Tax consultancy	189	226
Other services	430	402
	<b>3,396</b>	<b>2,838</b>
<b>Other agencies</b>		
Audit assignment	783	1,284
Tax consultancy	17	0
Other services	222	257
	<b>1,022</b>	<b>1,541</b>

**PARENT COMPANY**

	<b>01/01/2021 – 31/12/2021</b>	<b>01/01/2020 – 31/12/2020</b>
<b>Ernst &amp; Young AB</b>		
Audit assignment	1,506	358
Tax consultancy	20	42
Other services	319	402
	<b>1,845</b>	<b>801</b>

**NOTE 5 - OPERATIONAL LEASING AGREEMENTS****THE GROUP**

	<b>01/01/2021 – 31/12/2021</b>	<b>01/01/2020 – 31/12/2020</b>
<b>As a lessee</b>		
Lease payments	5,882	9,721
	<b>5,882</b>	<b>9,721</b>
<b>Future minimum lease payments</b>		
Within 1 year	2,790	3,616
2-5 years	5,132	894
Later than 5 years	8	43
	<b>7,930</b>	<b>4,553</b>
<b>As a lessor</b>		
Lease charges to be received in respect of non-cancellable agreements	144,120	173,883
	<b>144,120</b>	<b>173,883</b>

**PARENT COMPANY**

	<b>01/01/2021 – 31/12/2021</b>	<b>01/01/2020 – 31/12/2020</b>
<b>As a lessee</b>		
Lease payments	4,692	4,188
	<b>4,692</b>	<b>4,188</b>
<b>Future minimum lease payments</b>		
Within 1 year	2,416	2,127
2-5 years	142	103
	<b>2,558</b>	<b>2,230</b>
<b>As a lessor</b>		
Lease charges to be received in respect of non-cancellable agreements	5,966	5,081
	<b>5,966</b>	<b>5,081</b>
<b>Future minimum lease payments</b>		
Within 1 year	5,996	5,081
	<b>5,996</b>	<b>5,081</b>

Of the parent company's leasing costs, most relate to intra-group office rent that is re-invoiced to subsidiaries. In the amounts of future lease payments, this is shown gross in the note for the parent company as lessee and lessor.

## NOTE 6 - EMPLOYEES AND PERSONNEL COSTS BROKEN DOWN BY COUNTRY

### THE GROUP

	Total	of which male	Total	of which male
Average number of employees broken down by country	01/01/2021 – 31/12/2021		01/01/2020 – 31/12/2020	
Australia	4	50%	5	80%
Belgium	0	0%	1	100%
Brazil	14	57%	14	57%
Chile	2	50%	2	50%
Denmark	8	64%	8	63%
U.A.E.	1	100%	1	100%
Netherlands	0	0%	4	57%
India	29	93%	32	94%
Indonesia	1	100%	0	0%
Japan	10	60%	5	60%
China	12	58%	13	62%
Cuba	2	50%	2	50%
Mexico	3	67%	3	67%
Russia	0	0%	6	67%
Singapore	10	50%	11	45%
Sweden	92	47%	94	47%
Thailand	1	100%	1	100%
Germany	40	70%	45	64%
USA	18	72%	17	67%
Vietnam	5	20%	5	20%
Austria	3	100%	3	100%
<b>Total</b>	<b>255</b>	<b>61%</b>	<b>271</b>	<b>60%</b>

### Salaries and other remuneration

	01/01/2021 – 31/12/2021	01/01/2020 – 31/12/2020
Board of Directors and CEO	30,696	22,723
Other employees	121,440	135,605
	<b>152,137</b>	<b>158,328</b>
Of which, bonuses to the board and CEO	2,481	2,822
<b>Social expenses</b>		
Board of Directors and CEO	6,530	8,307
Other statutory and contractual social expenses	38,408	57,541
	<b>44,939</b>	<b>65,848</b>
<b>Pension obligations</b>		
Present board and CEO	3,843	3,913
Former board and CEO	14,197	14,083
	<b>18,039</b>	<b>17,996</b>
<b>PARENT COMPANY</b>		
	01/01/2021 – 31/12/2021	01/01/2020 – 31/12/2020
<b>Average number of employees broken down by country</b>	<b>Total</b>	<b>Total</b>
Sweden	19	25
<b>Total</b>	<b>19</b>	<b>25</b>
<b>Salaries and other remuneration</b>		
Board of Directors and CEO	5,874	5,353
Other employees	13,817	13,014
	<b>19,691</b>	<b>18,367</b>
Of which, bonuses to the board and CEO	0	0
<b>Social expenses</b>		
Board of Directors and CEO	2,214	1,783
Other employees	5,041	3,785

<b>Pension obligations</b>	<b>7,255</b>	<b>5,567</b>
Pension costs for the board and CEO	1,519	1,504
Pension costs for other employees	1,255	2,371
	<b>2,773</b>	<b>3,876</b>

Bonus to CEO is taken up by the subsidiary Elof Hansson Trade AB.

During the autumn, a payment was received through Fora from the health insurance company Afa sjukförsäkringsaktiebolag regarding consolidation funds from the collective health insurance AGS. The payment amounted to SEK 734,000 and has been recognised as a cost reduction under personnel expenses.

<b>Gender balance amongst senior executives</b>		
Proportion of women on the Board of Directors	25%	25%
Proportion of men on the Board of Directors	75%	75%
Proportion of women among other senior executives	50%	50%
Proportion of men among other senior executives	50%	50%

## NOTE 7 - INTEREST INCOME AND SIMILAR PROFIT ITEMS

### THE GROUP

	<b>01/01/2021 – 31/12/2021</b>	<b>01/01/2020 – 31/12/2020</b>
Other interest income	11,135	9,620
Other financial income	1,406	3,088
	<b>12,541</b>	<b>12,708</b>

### PARENT COMPANY

	<b>01/01/2021 – 31/12/2021</b>	<b>01/01/2020 – 31/12/2020</b>
Interest income from group companies	17,055	21,163
Other financial interest income	908	708
	<b>17,963</b>	<b>21,872</b>

## NOTE 8 - SOFTWARE AND CAPITALISED DEVELOPMENT WORK

### THE GROUP

	<b>31/12/2021</b>	<b>31/12/2020</b>
Opening acquisition value	9,053	8,300
Purchasing	0	197
Sales	0	-179
Reclassifications	45	768
Translation differences	211	-34
<b>Closing accumulated acquisition value</b>	<b>9,308</b>	<b>9,053</b>
Opening depreciation	-3,985	-1,974
Reclassifications	-44	-742
Depreciation for the year	-1,265	-1,270
Translation differences	142	0
<b>Closing accumulated depreciation</b>	<b>-5,153</b>	<b>-3,985</b>
<b>Closing reported value</b>	<b>4,155</b>	<b>5,067</b>

### PARENT COMPANY

	<b>31/12/2021</b>	<b>31/12/2020</b>
Opening acquisition value	0	179
Sales	0	-179
<b>Closing accumulated acquisition value</b>	<b>0</b>	<b>0</b>
<b>Closing reported value</b>	<b>0</b>	<b>0</b>

**NOTE 9 - GOODWILL****THE GROUP**

	<b>31/12/2021</b>	<b>31/12/2020</b>
Opening acquisition value	93,966	92,231
Investments	0	2,744
Translation differences	575	-1,008
<b>Closing accumulated acquisition value</b>	<b>94,540</b>	<b>93,966</b>
Opening depreciation	-65,917	-53,684
Translation differences	-312	459
Depreciation for the year	-13,065	-12,692
<b>Closing accumulated depreciation</b>	<b>-79,294</b>	<b>-65,917</b>
<b>Closing reported value</b>	<b>15,246</b>	<b>28,049</b>

**NOTE 10 - BUILDINGS AND LAND****THE GROUP**

	<b>31/12/2021</b>	<b>31/12/2020</b>
Opening acquisition value	743,309	675,807
Purchasing	39,982	173,003
Sales/disposals	-3,699	-59,250
Reclassifications inventory	-18,916	-35,967
Translation differences	7,396	-10,284
<b>Closing accumulated acquisition value</b>	<b>768,073</b>	<b>743,309</b>
Opening depreciation	-116,291	-137,308
Reclassifications inventory	17,063	35,965
Depreciation for the year	-16,459	-15,137
Translation differences	-89	190
<b>Closing accumulated depreciation</b>	<b>-115,776</b>	<b>-116,291</b>
<b>Closing reported value</b>	<b>652,297</b>	<b>627,018</b>
<b>Information on managed properties</b>		
Reported value	421,977	422,671
Fair value	1,409,805	1,448,655

**NOTE 11 - INVENTORY****THE GROUP**

	<b>31/12/2021</b>	<b>31/12/2020</b>
Opening acquisition value	128,159	131,092
Purchasing	1,408	9,604
Sales/disposals	-2,689	-8,511
Reclassification differences	2,016	-4,025
Reclassification from building	-95	0
<b>Closing accumulated acquisition value</b>	<b>128,799</b>	<b>128,159</b>
Opening depreciation	-110,270	-114,205
Sales/disposals	2,617	6,775
Reclassifications	328	0
Depreciation for the year	-4,336	-5,760
Translation difference	-1,821	2,919
<b>Closing accumulated depreciation</b>	<b>-113,481</b>	<b>-110,270</b>
Opening impairment	-1,593	-1,593
<b>Closing accumulated impairment</b>	<b>-1,593</b>	<b>-1,593</b>
<b>Closing reported value</b>	<b>13,725</b>	<b>16,296</b>

**PARENT COMPANY**

	<b>31/12/2021</b>	<b>31/12/2020</b>
Opening acquisition value	265	265
<b>Closing accumulated acquisition value</b>	<b>265</b>	<b>265</b>
Opening depreciation	-250	-236
Depreciation for the year	-14	-14
<b>Closing accumulated depreciation</b>	<b>-265</b>	<b>-250</b>
<b>Closing reported value</b>	<b>0</b>	<b>14</b>

## NOTE 12 - INFORMATION ABOUT THE PARENT COMPANY

### THE GROUP

Elof Hansson Holding AB, corp. reg. no. 556064-6977, based in Gothenburg, is the parent company of the Elof Hansson Holding Group. Elof Hansson Holding AB is 100% owned by the Elof Hansson Foundation, corp. reg. no. 857204-9032, based in Gothenburg.

The parent company's net sales to other group companies amounted to SEK 43 million (45). Purchases from group companies amounted to SEK 7 million (5).

The parent company of the smallest group in which the company is included and which prepares consolidated financial statements is Elof Hansson Holding AB with corporate registration number 556064-6977 and its registered office in Gothenburg.

The parent company of the largest group in which the company is included and which prepares consolidated financial statements is the Elof Hansson Elof Hansson Foundation with corporate registration number 857204-9032 and its registered office in Gothenburg.

## NOTE 13 - SHARES IN GROUP COMPANIES

### PARENT COMPANY

	31/12/2021	31/12/2020
Opening acquisition value	671,959	680,466
Purchasing	0	1,000
Liquidation	-2	0
Merger	0	-16,507
Shareholder contribution	82,496	7,000
<b>Closing accumulated acquisition value</b>	<b>754,454</b>	<b>671,959</b>
Opening impairment	-188,076	-188,076
Impairment for the year	-10,078	0
<b>Closing accumulated impairment</b>	<b>-198,154</b>	<b>-188,076</b>
<b>Closing reported value</b>	<b>556,300</b>	<b>483,883</b>

During the year, shareholder contributions were made to Elof Hansson USA Inc, Elof Hansson International AB and Adexi A/S. The share value of Paper Testing Instruments Gmbhs was also written down, and the company Elof Hansson LLC was liquidated.

## NOTE 14 - SPECIFICATION OF SHARES IN GROUP COMPANIES

### PARENT COMPANY

Name	Share of equity	Share of votes	Number of shares	Book value
Elof Hansson Trade AB	100	100	750,000	264,959
Elof Hansson USA Inc	100	100	7,500	88,703
Elof Hansson International AB	100	100	500	33,000
Singapore Pulp & Paper Pte Ltd	100	100	10,000	0
Elof Hansson (India) Pvt Ltd	100	100	999	23
Elof Hansson Fastigheter AB	100	100	500	91,858
Elof Hansson Ltda	100	100	899,999	4,874
Elof Hansson Fiber B.V	100	100	102	0
Adexi A/S	100	100	1,200	22,105
Paper Testing Instruments GmbH	100	100		12,282
Pinnau Holz GmbH	100	100		2,000
Conrad Jacobson Zellstoff GmbH	100	100	100	36,495
				<b>556,300</b>

Name	Corp. reg. no.	Headquarters
Elof Hansson Trade AB	556088-5633	Gothenburg
Elof Hansson USA Inc	13-3430782	New York
Elof Hansson International AB	556835-3535	Gothenburg
Singapore Pulp & Paper Pte Ltd	201301772D	Singapore
Elof Hansson (India) Pvt Ltd		Chennai
Elof Hansson Fastigheter AB	556874-2232	Gothenburg
Elof Hansson Ltda		São Paulo
Elof Hansson Fiber B.V	66514835	Heemstede
Adexi A/S	25057708	Aarhus
Paper Testing Instruments GmbH	FN139822	Birkenau
Pinnau Holz GmbH	HRB39766	Hamburg
Conrad Jacobson Zellstoff GmbH	HRB75032	Hamburg

**NOTE 15 - HOLDINGS IN ASSOCIATED COMPANIES AND JOINTLY OPERATED COMPANIES**

<b>THE GROUP</b>		<b>31/12/2021</b>	<b>31/12/2020</b>
Opening acquisition value		13,751	9,481
Purchasing		9,065	0
Shareholder contribution		25	4,270
<b>Closing accumulated acquisition value</b>		<b>22,841</b>	<b>13,751</b>
<b>Closing reported value</b>		<b>22,841</b>	<b>13,751</b>

<b>PARENT COMPANY</b>		<b>31/12/2021</b>	<b>31/12/2020</b>
Opening acquisition value		13,751	9,481
Purchasing		9,065	0
Shareholder contribution		25	4,270
<b>Closing accumulated acquisition value</b>		<b>22,841</b>	<b>13,751</b>
<b>Closing reported value</b>		<b>22,841</b>	<b>13,751</b>

During the year, Elof Hansson Holding AB made a shareholder contribution to Nano Infra Tech GmbH and acquired shares in four new associates: KEE Swedish Care Turkey AB, KEE Swedish Care India Ab, KEE Swedish Care AB and KEE Swedish Care China Ab.

**NOTE 16 - SPECIFICATION OF SHARES IN ASSOCIATED COMPANIES**
**THE GROUP**

<b>Name</b>	<b>Share of equity</b>	<b>Share of votes</b>	<b>Number of shares</b>	<b>Book value</b>
Tyumen Invest Pte Ltd	10	10	110	13,631
Nano Infra tech GmbH	40	40	10,000	145
K.E.E Swedish Care Turkey AB	4	4	10,000	2,000
K.E.E Swedish Care India AB	6	6	15,000	2,000
K.E.E Swedish Care AB	6	6	3,000	3,032
K.E.E Swedish Care China AB	6	6	3,000	2,032
				<b>22,841</b>

**Corp. reg. no.**    **Headquarters**

Tyumen Invest Pte Ltd	201701177E	Singapore
Nano Infra tech GmbH	HRB247942	Stornburg
K.E.E Swedish Care Turkey AB	559338-4182	Stockholm
K.E.E Swedish Care India AB	559338-4174	Stockholm
K.E.E Swedish Care AB	559286-5132	Stockholm
K.E.E Swedish Care China AB	559159-1523	Stockholm

**PARENT COMPANY**

<b>Name</b>	<b>Share of equity</b>	<b>Share of votes</b>	<b>Number of shares</b>	<b>Book value</b>
Tyumen Invest Pte Ltd	10	10	110	13,631
Nano Infra tech GmbH	40	40	10,000	145
K.E.E Swedish Care Turkey AB	4	4	10,000	2,000
K.E.E Swedish Care India AB	6	6	15,000	2,000
K.E.E Swedish Care AB	6	6	3,000	3,032
K.E.E Swedish Care China AB	6	6	3,000	2,032
				<b>22,841</b>

**Corp. reg. no.**    **Headquarters**

Tyumen Invest Pte Ltd	201701177E	Singapore
Nano Infra tech GmbH	HRB247942	Stornburg
K.E.E Swedish Care Turkey AB	559338-4182	Stockholm
K.E.E Swedish Care India AB	559338-4174	Stockholm
K.E.E Swedish Care AB	559286-5132	Stockholm
K.E.E Swedish Care China AB	559159-1523	Stockholm

## NOTE 17 - OTHER CURRENT RECEIVABLES

### THE GROUP

	31/12/2021	31/12/2020
Receivable sale of shares	0	52,239
Compensation for costs incurred in the sale of shares	0	40,253
Other receivables	174,760	41,314
	<b>174,760</b>	<b>133,806</b>

## NOTE 18 - PREPAID EXPENSES AND ACCRUED INCOME

### THE GROUP

	31/12/2021	31/12/2020
Prepaid insurance	2,663	1,662
Prepaid rents	2,773	2,753
Other	45,551	0
Accrued income	4,464	9,166
	<b>55,451</b>	<b>13,580</b>

### PARENT COMPANY

	31/12/2021	31/12/2020
Prepaid rents	2,234	2,187
Other	946	443
Accrued income	359	350
	<b>3,538</b>	<b>2,979</b>

## NOTE 19 - EVENTS AFTER THE BALANCE SHEET DATE

### THE GROUP

There have been no events after the balance sheet date that are considered to materially affect the group's financial results or position or which require special disclosure. However, the development of the ongoing war in Ukraine and its impact on both the business and the national and international economy is difficult to assess.

## NOTE 20 - PROVISIONS

### THE GROUP

	31/12/2021	31/12/2020
<b>Pensions and similar commitments</b>		
Amounts at the start of the year	47,709	37,451
Provisions for the year	0	17,472
Amount utilised during the year	-10,967	-1,379
Conversion	3,085	-5,835
	<b>39,827</b>	<b>47,709</b>
<b>Other provisions</b>		
Amounts at the start of the year	0	0
Provisions for the year	26,986	0
Reclassification	814	0
Conversion	13	0
	<b>27,813</b>	<b>0</b>
<b>Deferred tax</b>		
Amounts at the start of the year	12,546	27,406
Amount utilised during the year	1,059	171
Reclassification	17,172	-16,200
Conversion	-1,282	1,169
	<b>29,496</b>	<b>12,546</b>

The item "Other provisions" includes an estimated loss in connection with the divestment of the sub-group Paper Testing Instruments GmbH of SEK 26,850,000. The item was recognised in the income statement under "Interest expenses and similar profit items".

## NOTE 21 - LIABILITIES TO CREDIT INSTITUTIONS

### THE GROUP

	Loan amount 31/12/2021	Loan amount 31/12/2020
<b>Non-current liabilities</b>		
Liabilities to credit institutions	257,448	357,250
	<b>257,448</b>	<b>357,250</b>
<b>Current liabilities</b>		
Overdraft facilities utilised	28,815	8,324
Liabilities to credit institutions	50,000	0
	<b>78,815</b>	<b>8,324</b>
<b>Credit granted</b>		
Overdraft facilities granted	492,098	457,845
	<b>492,098</b>	<b>457,845</b>

All non-current liabilities mature within 1-5 years.

### PARENT COMPANY

The parent company has not had any debts to credit institutions in the last two years.

## NOTE 22 - NON-CURRENT LIABILITIES

### THE GROUP

	31/12/2021	31/12/2020
<b>Other non-current liabilities</b>		
Notes payable	84,039	96,655
Other liabilities	5,230	4,389
	<b>89,270</b>	<b>101,044</b>

## NOTE 23 - ACCRUED EXPENSES AND PREPAID INCOME

### THE GROUP

	31/12/2021	31/12/2020
Accrued salaries and holiday pay	38,108	35,288
Accrued social expenses	23,262	23,401
Project balance on successive profit settlement	17,591	63,736
Other accrued expenses	45,819	91,286
Prepaid income	63,337	0
	<b>188,118</b>	<b>213,712</b>

### PARENT COMPANY

	31/12/2021	31/12/2020
Accrued salaries and holiday pay	3,318	7,048
Accrued social expenses	3,070	1,716
Other accrued expenses	16,981	5
	<b>23,369</b>	<b>8,768</b>

## NOTE 24 - PLEDGED ASSETS

### THE GROUP

	31/12/2021	31/12/2020
<b>For own liabilities and provisions</b>		
<b>For liabilities to credit institutions</b>		
Properties	440,118	540,045
Accounts receivable	28,814	7,912
Business mortgages	231,000	230,200
Shares	58,771	58,771
	<b>758,703</b>	<b>836,928</b>
<b>For other non-current liabilities</b>		
Regarding Bank Guarantees (Blocked Funds)	5,463	15,116
For own pension commitments (endowment insurance)	2,085	2,581
	<b>7,548</b>	<b>17,697</b>

## NOTE 25 - CONTINGENT LIABILITIES

### PARENT COMPANY

	31/12/2021	31/12/2020
Guarantee commitment for group companies	145,551	124,929
	<b>145,551</b>	<b>124,929</b>

The guarantees are either linked directly to the external credit of the subsidiaries and their maturity or general.

At present, there is no information that they will have to be redeemed.

## NOTE 26 - PROFIT FROM SHARES IN GROUP COMPANIES

### PARENT COMPANY

	01/01/2021 – 31/12/2021	01/01/2020 – 31/12/2020
Dividends from group companies	11,049	0
Impairment of shares in group companies	-10,078	0
Impairment of loans to group companies	-74,703	0
Liquidation of subsidiaries	436	0
Merger of subsidiaries	0	-745
	<b>-73,296</b>	<b>-745</b>

## NOTE 27 - GROUP CONTRIBUTIONS RECEIVED

### PARENT COMPANY

	01/01/2021 – 31/12/2021	01/01/2020 – 31/12/2020
Group contributions received	45,780	24,610
	<b>45,780</b>	<b>24,610</b>

## NOTE 28 - TAX EXPENSES FOR THE YEAR

### THE GROUP

	01/01/2021 – 31/12/2021	01/01/2020 – 31/12/2020
<b>Tax on profit for the year</b>		
Current tax	-37,784	-17,021
Change in deferred tax relating to temporary differences	-1,146	-171
<b>Total reported tax</b>	<b>-38,930</b>	<b>-17,192</b>

### Difference between the year's tax cost and the tax cost based on prevailing tax rates

	01/01/2021 – 31/12/2021	01/01/2020 – 31/12/2020
	Total	Total
Reported profit before tax	153,204	101,806
Tax at current rate	-31,560	-19,687
Tax effect of other tax rates abroad	-835	-1,443
Undisclosed deferred tax on loss carryforwards	-1,667	-1,094
Non-deductible costs/non-taxable income	-9,761	9,849
Previous undisclosed deferred tax on loss carryforwards	6,499	-4,816
Deferred tax	-1,146	0
Other taxes and adjustment of the previous year's provision for tax	-460	0
<b>Reported effective tax</b>	<b>-38,930</b>	<b>-17,192</b>

**PARENT COMPANY**

	<b>01/01/2021 – 31/12/2021</b>	<b>01/01/2020 – 31/12/2020</b>		
Tax on profit for the year		448		0
Current tax				
<b>Total reported tax</b>	<b>448</b>	<b>0</b>		
<b>Difference between the year's tax cost and the tax cost based on prevailing tax rates</b>				
	<b>01/01/2021 – 31/12/2021</b>	<b>01/01/2020 – 31/12/2020</b>		
	<b>Per cent</b>	<b>Total</b>	<b>Per cent</b>	<b>Total</b>
Reported profit before tax		-67,290		-26,257
Tax at the applicable tax rate in Sweden	20.60	13,862	21.40	5,619
Profit from interests in group companies		0		0
Non-deductible costs/non-taxable income		-15,267		-5,619
Previous undisclosed deferred tax on loss carryforwards		1,406		0
Other taxes and adjustment of the previous year's provision for tax		448		0
<b>Reported effective tax</b>	<b>20.60</b>	<b>448</b>	<b>21.40</b>	<b>0</b>

**NOTE 29 - ALLOCATION OF PROFIT OR LOSS****PARENT COMPANY**

Proposed allocation of profit	<b>31/12/2021</b>	<b>31/12/2020</b>
The following funds in the parent company are at the disposal of the annual general meeting		
Share premium reserve	178,459	178,459
Retained earnings	175,776	182,423
Profit for the year	-66,842	-1,647
	<b>287,393</b>	<b>359,235</b>
<b>Is allocated so that</b>		
Dividend paid to shareholders is	3,000	5,000
Carried forward	284,393	354,235
	<b>287,393</b>	<b>359,235</b>

**NOTE 30 - NON-CASH ITEMS****THE GROUP**

	<b>31/12/2021</b>	<b>31/12/2020</b>
Depreciations as per schedule	38,775	34,859
Acquisitions minority share	0	1,141
Rate differences	2,187	-987
Change in provisions	29,097	-4,602
Capital gain	-2,798	-22,932
Recalculation pension	8,686	0
	<b>75,947</b>	<b>7,479</b>

**PARENT COMPANY**

	<b>31/12/2021</b>	<b>31/12/2020</b>
Depreciation	14	14
Impairment of shares in group companies	10,078	0
Impairment of loans to group companies	39,266	0
Capital gain	-436	0
	<b>48,922</b>	<b>14</b>

**NOTE 31 - OTHER NON-CURRENT RECEIVABLES****PARENT COMPANY**

	<b>31/12/2021</b>	<b>31/12/2020</b>
Opening acquisition value	17,907	20,929
Additional receivables	3,995	3,761
<b>Closing accumulated acquisition value</b>	<b>21,901</b>	<b>24,690</b>
Opening impairment	0	-6,783
<b>Closing accumulated impairment</b>	<b>0</b>	<b>-6,783</b>
<b>Closing reported value</b>	<b>21,901</b>	<b>17,907</b>

**NOTE 32 - RECEIVABLES FROM GROUP COMPANIES**

Gothenburg, 23/05/2022

**PARENT COMPANY**

	<b>31/12/2021</b>	<b>31/12/2020</b>
Opening acquisition value	609,330	684,363
Reclassifications / Correction IB 2019	0	19,476
Amortisation for the year	-57,397	-94,509
<b>Closing accumulated acquisition value</b>	<b>551,933</b>	<b>609,330</b>
Opening impairment	-123,731	-104,254
Reclassifications / Correction IB 2019	0	-19,477
Impairment for the year	-39,266	0
<b>Closing accumulated impairment</b>	<b>-162,996</b>	<b>-123,731</b>
<b>Closing reported value</b>	<b>388,973</b>	<b>485,600</b>

Finn T. Jacobsen  
Chair

Magnus Örtorp

Anette Asklin

**NOTE 33 - DEFERRED TAX ASSETS****THE GROUP**

	<b>31/12/2021</b>	<b>31/12/2020</b>
Amounts at the start of the year	11,517	11,684
Amounts recognised in the income statement during the year	-87	0
Reclassification	1,786	0
<b>Conversion</b>	<b>1,304</b>	<b>-167</b>
	<b>14,519</b>	<b>11,517</b>

Per-Åke Färnstrand

Mikael Forslund  
CEO

Our auditor's report has been submitted on 23/05/2022  
Ernst & Young AB

Thomas Nilsson  
Certified Public Accountant



## BOARD OF DIRECTORS

### Finn Jacobsen (1956)

**Chair of the board since:** 2020

**Member since:** 1992

**Education:** Lic.oec HSG, St. Gallen, Switzerland

**Main occupation:** CEO African Plantations for Sustainable Development - Ghana Ltd.

**Other board memberships:** PSD Ghana Ltd.

### Magnus Örtorp (1968)

**Board member since:** 2015

**Education:** Bachelor of Law

**Main occupation:** Lawyer, Setterwalls

**Other board memberships:** Ongoing assignments as a member of boards in various industries

### Anette Asklin (1961)

**Board member since:** 2020

**Education:** Degree in Business Administration, School of Business, Economics and Law at the University of Gothenburg

**Main occupation:** Lawyer, Setterwalls

**Other board memberships:** Chair of the board of GU Ventures AB, Inhouse Tech Göteborg AB, RO-Gruppen Förvaltning AB, board member of Fabege AB, Jernhusen AB and member of the funding committee at the University of Gothenburg

### Per-Åke Färnstrand (1951)

**Board member since:** 2013

**Education:** M.Sc Chem Eng KTH

**Main occupation:** Independent board member (Board Director)

**Other board memberships:** Chair of the board of BIM Kemi AB



## THE FOUNDATION

### Elof Hansson

Elof Hansson is owned by the Elof Hansson Foundation. The foundation gives support to academic education and research, as well as education in the commercial sector. The main focus is on trade and business activities such as marketing, international trade, accounting, commercial law and business languages.

### Foundation

**Peter Hentz** (1945)  
Chair, Member since 2007

**Finn Jacobsen** (1956)  
Member since 2015

**Magnus Örtorp** (1968)  
Member since 2016

**Camilla Hansson Ahlbom** (1975)  
Member since 2010

### Funding

The foundation distributes grants to institutions such as:

- Chalmers University of Technology, Supply and Operations Management
- University of Gothenburg, School of Business, Economics and Law
- Swedish Chamber of Commerce for the UK
- The Sweden-America Foundation
- INSEAD
- London Business School
- Stiftelsen svensk-tyska Språkfonden (Swedish-German Language Fund Foundation)



The background of the image is a wide-angle photograph of a natural landscape during sunset or sunrise. The sky is filled with warm, orange, and yellow hues, with some wispy clouds. In the foreground, there's a dark silhouette of a forested hillside. Behind it, several layers of mountains are visible, their peaks and ridges catching the light from the setting sun. The overall atmosphere is peaceful and dramatic.

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