

Annual Report for
Sagax EURO MTN AB (publ)
559209-9690

The financial year
2020-01-01 - 2020-12-31

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Below text is a translation of the official annual report, which is presented in Swedish.

Directors' Report

The Board of Directors of Sagax EURO MTN AB (publ), 559209-9690 , hereby submit the Annual Report for 2020.

Company overview

The company is to directly or through subsidiaries own and manage properties and securities as well as compatible operations. The company is based in Stockholm, Sweden.

Significant events during the financial year and after the end of year

Covid-19 and its side effects create uncertainty and risks. The effects of the ongoing pandemic are difficult to assess and are affected, among other things, by the policy measures taken to prevent the spread of infection and mitigate the economic consequences. With this background, the company works to identify short-term solutions and takes the necessary measures to minimize the negative effects. The assessment is, however, that the impact on the company is limited.

Expected future development and significant risks and uncertainties

The company is expected to continue to conduct its operations.

Events after the end of the fiscal year

Covid-19 continues to create uncertainty, we believe that the impact on the company is limited.

Ownership

The company is a wholly owned subsidiary of AB Sagax (publ.), Corp. Reg. No. 556520-0028, based in the city of Stockholm, Sweden. AB Sagax (publ.) prepares the consolidated financial statements.

Development of company operations, result and position

	<i>Amounts in H Euro</i>	
	<i>2020</i>	<i>2019</i>
Net sales	-	-
Operating margin %	-59	-2 777
Balance Sheet Total	4 249 962	4 230 871
Equity ratio, %	2,9	2,2

Proposed allocation of company profit or loss

The Board of Directors proposes that the unappropriated earnings, euro 12 387 874, are distributed as follows:

	<i>Amounts in Euro</i>
Retained earnings	9 160 739
Profit of the year	3 227 135
	<hr/>
	12 387 874
Carried forward	12 387 874
Total	<hr/>
	12 387 874

For the company's results and financial position, please refer to the Profit and Loss Account and Balance Sheet with their accompanying notes.

Income Statement

<i>Amounts in H Euro</i>	<i>Note</i>	<i>2020-01-01- 2020-12-31</i>	<i>2019-06-24- 2019-12-31</i>
Operating expenses			
Goods for resale		-48	-
Gross profit		-48	-
Other external costs	2,3	-11	-2 777
Operating profit		-59	-2 777
Profit from financial items			
Income from participations in group companies		84 060	-
Other interest income and similar income	4	29 192	9 808
Interest expenses and similar expenses	5	-80 946	-38 062
Profit after financial items		32 247	-31 031
Appropriations		24	2 777
Profit before tax		32 271	-28 254
Tax on profit for the year	6	-	-
Net profit for the year		32 271	-28 254

Balance Sheet

<i>Amounts in H Euro</i>	<i>Note</i>	<i>2020-12-31</i>	<i>2019-12-31</i>
ASSETS			
Fixed assets			
<i>Financial assets</i>			
Participations in group companies	7	3 100 046	3 100 046
		<u>3 100 046</u>	<u>3 100 046</u>
Total fixed assets		<u>3 100 046</u>	<u>3 100 046</u>
Current assets			
<i>Current receivables</i>			
Receivables from group companies		1 133 408	1 110 190
Prepaid expenses and accrued income		16 508	20 635
		<u>1 149 916</u>	<u>1 130 825</u>
Total current assets		<u>1 149 916</u>	<u>1 130 825</u>
TOTAL ASSETS		<u>4 249 962</u>	<u>4 230 871</u>
EQUITY AND LIABILITIES			
<i>Equity</i>			
<i>Restricted equity</i>			
Share capital		600	600
		<u>600</u>	<u>600</u>
<i>Non-restricted equity</i>			
Profit or loss brought forward		91 607	119 861
Profit for the year		32 271	-28 254
		<u>123 878</u>	<u>91 607</u>
Total equity		<u>124 478</u>	<u>92 207</u>
<i>Non-current liabilities</i>			
Bond loans	9,10	4 000 000	4 000 000
		<u>4 000 000</u>	<u>4 000 000</u>
<i>Current liabilities</i>			
Accrued expenses and deferred income		125 484	138 664
		<u>125 484</u>	<u>138 664</u>
TOTAL EQUITY AND LIABILITIES		<u>4 249 962</u>	<u>4 230 871</u>

Note Equity in opening balance sheet

	<i>Restricted equity</i>	<i>Nonrestricted equity</i>	<i>Nonrestricted equity</i>	<i>Total equity</i>
Opening balance 2019-06-24	-	-	-	-
Deposit of share capital	600			600
Received shareholder contribution		119 861		119 861
Profit of the year			-28 254	-28 254
Outgoing balance 2019-12-31	600	119 861	-28 254	92 207
Ingoing balance 2020-01-01	600	119 861	-28 254	92 207
Prior year's profit transferred to balance		-28 254	28 254	-
Profit of the year			32 271	32 271
Closing Balance 2020-12-31	600	91 607	32 271	124 478

Notes

Note 1 Accounting principles

Amounts in H Euro unless otherwise stated.

General accounting principles

The annual report has been prepared in accordance with the Annual Accounts Act and the Accounting Standards Board's general guidelines BFNAR 2012:1 Annual and Group Reports (K3). Reporting currency is euro.

Valuation principles etc

Assets, provisions and liabilities are valued based on cost unless otherwise stated.

Revenue

Interest income is recognized as it is earned.

Tax

Taxes are recognized in the income statement except when the underlying transaction is recognized directly in equity, with the associated tax effect being recognized in equity. Current tax is tax that must be paid or received in respect of the current year. This also includes adjustment of current tax attributable to earlier periods. Deferred tax is calculated according to the balance sheet method, based on temporary differences between the reported and tax values of assets and liabilities. The amounts are calculated based on how the temporary differences are expected to be offset and based on the tax rates and tax rules that are decided or announced on the balance sheet date.

Deferred tax assets relating to deductible temporary differences and loss carryforwards are recognized only to the extent that it is probable that these will result in lower tax payments in the future.

Note 2 Employees and HR expenses

The company has not had any employees in the fiscal year. No salaries or remuneration was paid to the Board.

Note 3 Remuneration to, and expenses of, auditors

	2020-01-01- 2020-12-31	2019-06-24- 2019-12-31
<i>Ernst & Young AB</i>		
Audit fee	6	6
Total	6	6

Note 4 Other interest income and similar income

	2020-01-01- 2020-12-31	2019-06-24- 2019-12-31
Interest income, group companies	29 158	9 808
Interest income, other	34	-
Total	29 192	9 808

Note 5 Interest expenses and similar result items

	2020-01-01- 2020-12-31	2019-06-24- 2019-12-31
Interest costs, other	80 946	38 062
Total	80 946	38 062

Note 6 Tax on annual profit

	2020-01-01- 2020-12-31	2019-06-24- 2019-12-31
	-	-

Reconciliation of effective tax

	2020-01-01- 2020-12-31	2019-06-24- 2019-12-31
Reported profit before tax	32 271	-28 254
Tax on reported profit according to current tax rate 21.4%	-6 906	6 046
Tax effect of:		
Other tax adjustments, deferred tax	6 906	-6 046
Reported effective tax	-	-
Effective tax rate %	-	-

Note 7 Participations in group companies

	2020-12-31	2019-12-31
Accumulated acquisition costs:		
- At beginning of year	3 100 046	3 100 046
Carrying amount at year-end	3 100 046	3 100 046

Specification of parent company's holdings of shares and participations in group companies

<i>Subsidiary, Corp. ID No., Reg. Office</i>	<i>Number of shares</i>	<i>Number of shares as %</i>	<i>Carrying value</i>
Sagax SEK AB, 559199-7415, Stockholm	1 000	100	3 100 046
			3 100 046

Note 8 Number of shares and quota value

	2020-12-31	2019-12-31	2020-12-31	2019-12-31
	<i>Quotient value</i>	<i>Quotient value</i>	<i>No. of shares</i>	<i>No. of shares</i>
Shares	1	1	60 000	60 000

Note 9 Long-term liabilities

	2020-12-31	2019-12-31
Liabilities that fall due more than five years after the balance-sheet day		
Bond loans	4 000 000	4 000 000
	4 000 000	4 000 000

The bond loan (ISIN: XS1962543820)
is registered at Euronext in Dublin with a term of 2019-2025.

Note 10 Pledged assets and contingent liabilities

Securities pledged

	2020-12-31	2019-12-31
No. of pledged assets	None	None

Note 11 Contingent liabilities

The company has no contingent liabilities

Note 12 Significant events after the end of the financial year

Covid-19 continues to create uncertainty, we believe that the impact on the company is limited.

Note 13 Definitions of key ratios

Net sales

Operating rental revenue, invoiced costs, incidental revenue and income corrections.

Balance sheet total:

Total assets.

Equity/assets ratio:

Equity and untaxed reserves less deferred tax in relation to the balance sheet total.

Signatures

The annual report is signed on the day stated in our electronic signature.

Björn Garat
Chairman of the board

David Mindus
CEO

Agneta Segerhammar
Board member

Our auditor's report is signed on the day stated in our electronic signature.
Ernst & Young AB

Oskar Wall
Authorised Public Accountant

Auditor's report

To the general meeting of the shareholders of Sagax EURO MTN AB (publ), corporate identity number 559209-9690

Report on the annual accounts

Opinions

We have audited the annual accounts of Sagax EURO MTN AB (publ) for the year 2020-01-01 - 2020-12-31.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Sagax EURO MTN AB (publ) as of December 31, 2020 and its financial performance for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

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

Basis for Opinions

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

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

Responsibilities of the Board of Directors and the Managing Director

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

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

Auditor's responsibility

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

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

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and the Managing Director of Sagax EURO MTN AB (publ) for the year 2020-01-01 - 2020-12-31 and the proposed appropriations of the company's profit or loss.

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

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the Sagax EURO MTN AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

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

Responsibilities of the Board of Directors and the Managing Director

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

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

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

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

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

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

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

Stockholm May 19, 2021

Ernst & Young AB

Oskar Wall
Authorized public accountant