



Annual Report 2022

GreenGold Group AB (publ)

GREENGOLD

Disclaimer

This report contains forward-looking statements. All statements other than statements of historical facts included in this presentation, including without limitation, those regarding the Company's financial position, business strategy, plans, objectives, goals, strategies and future operations and performance and the assumptions underlying these statements are forward-looking statements. Such forward-looking statements involve known and unknown risks and uncertainties and other factors which are or may be beyond the Company's control, which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. Some numerical figures included in this Presentation have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in certain graphs or tables may not be an exact arithmetic aggregation of the figures that preceded them.

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Description of Operations

GreenGold Group AB (publ) and its subsidiaries (together "the Company" or "the Group") is a dynamic and entrepreneurial organization. The founding team has a background in the private equity environment with many previous successful "GreenGold" funds and companies, dating back to 2007, before establishing the current GreenGold Group. The Company offers a pure exposure to forests and forestland in Europe, through a unique platform, where the company continuously acquires new forest properties to manage.

To achieve its goals, the Company has established several wholly-owned subsidiaries, which own all the forest properties within the Group. These subsidiaries are currently located in seven different European countries, giving the group a strong local presence and the opportunity to work closely with communities and local stakeholders in each market. The Group is supported by dedicated teams in each country, staffed with some of the best forestry specialists in Europe.

The local presence and employees are crucial for the Company's success, as the markets for forest properties are generally specific to each country, with their own set of legislation, rules, and market dynamics.

The Company's goal is to create lasting value for our investors by unlocking the commercial potential of Europe's forests while prioritizing sustainable and cost-effective management practices. As a responsible forest owner, we are committed to balancing economic growth with the ecological integrity of our properties, and to ensuring that environmental, social, and financial goals are achieved.

The Company has a pronounced diversification strategy and seeks broad geographical and biological exposure and to capitalize on the unique opportunities each property offers and incorporate the best available methods to promote forest health and resilience. This diversification enables the Company to minimize risks and generate a stable, long-term income stream for its investors.

The Company's buy-and-hold-forever strategy reflects the commitment to maximizing the value of assets over time. By abstaining from leverage, financial stability and flexibility are maintained, allowing us to focus on our core business of promoting the best long-term sustainable and profitable forest ecosystems.

The Company values independence and prioritizes the freedom to make strategic decisions that align with its strategy and financial goals. By avoiding long-term delivery contracts, we can quickly adapt to changing market conditions.

The commitment to being cost-effective ensures that the Company continuously optimizes its operations, using technology and innovation to minimize expenses without compromising the dedication to sustainable management. This focus on efficiency enables the Company to deliver competitive returns to our investors while adhering to our core values and our commitment to the environment.

Together, these guiding principles shape the Company's strategy to be a leader in European forest ownership and drive both commercial success and a legacy of sustainability, prosperity, and stewardship for future generations.

ESTABLISHED EUROPEAN FOOTPRINT

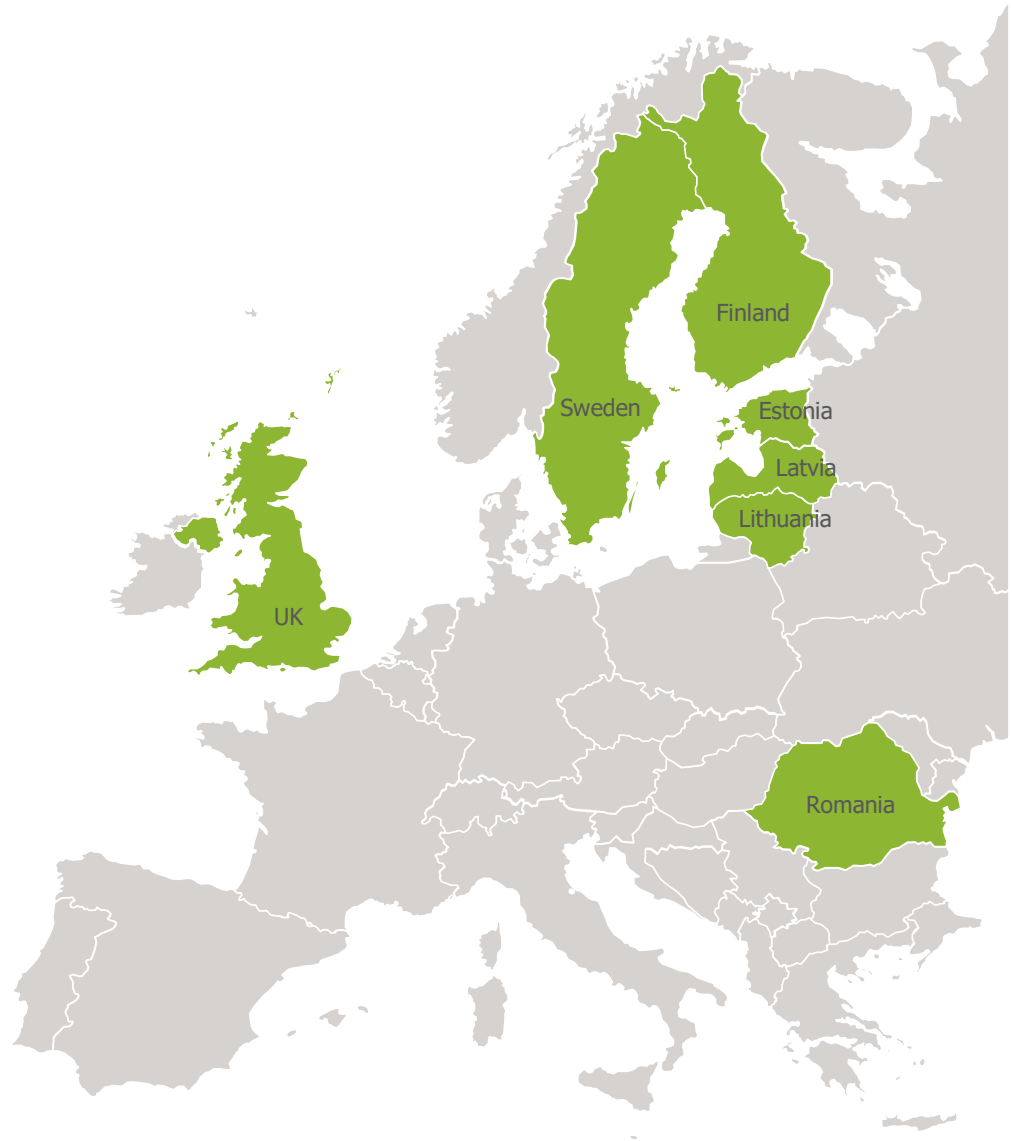
Per 31 Dec 2022

73,181
ha total
area

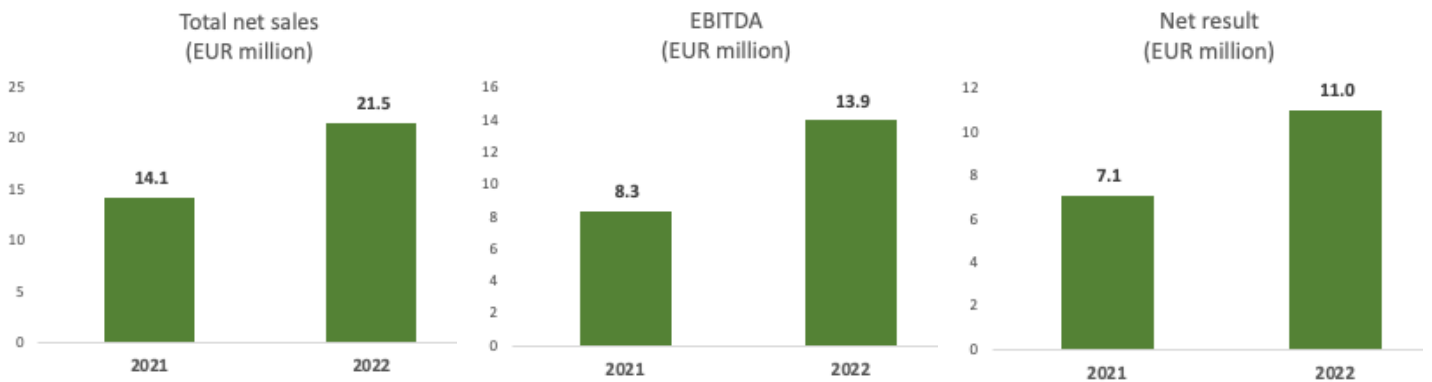
19.5
million m³
SFI

Active in
7
countries

272
K ton CO₂
Sequestered in
2022



Increasing profitability



Directors' report

The Board of Directors and Chief Executive Officer of GreenGold Group AB, corporate identity number 559168-7719 (the "Company" or jointly with subsidiaries, the "Group") hereby present their Annual Report together with the consolidated financial statements of the Company for the year ended 31 December 2022, prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general advice BFAR 2012:1 (K3) on Annual Reports and consolidated reporting.

This report has been prepared in Swedish with an English translated copy. In case of variations in the content between the two versions, the Swedish version shall govern.

Incorporation

GreenGold Group AB is a public limited liability company, corporate identity number 559168-7719, with its registered office in Stockholm, Sweden. GreenGold Group AB was incorporated in Sweden on 23 August 2018.

Principal activities

The company shall, directly or indirectly through subsidiaries, associated companies, or other collaborations, conduct industrial forestry operations with continuous delivery capacity, as well as activities compatible therewith.

Reporting currency

The Company reports Group consolidated financials in EUR.

Significant events during the year

In 2022, the company raised a total of 38.0 million EUR in capital from shareholders. At the same time, they acquired approximately 14.1 thousand hectares of land and about 3.0 million cubic meters of timber reserves in 2022. The organization has been strengthened with new key personnel, including in Finland, Latvia, and the United Kingdom, and a CFO for the group has been recruited who took office in October 2022. Both sales and profit reached new all-time highs.

Sustainability

The group has a strong focus on sustainability related to its operations, which means conducting sustainable forestry in cooperation and harmony with local communities and stakeholders over the long term. The group's operations generate a net uptake of CO₂, which amounted to 272 thousand tons of CO₂ in 2022, calculated according to Peter Holmgren's accepted methodology and the company's own estimate of the organization's CO₂ emissions. The company has several policies in place related to sustainable forestry, ethical conduct, employee health, as well as transparent and proper corporate governance. Through selective acquisitions, skilled personnel, and active management, the group works fundamentally and continuously to minimize biological and other risks associated with its operations and assets. In 2022, the group successfully avoided the negative impact of fires and pests that occurred in some other European forest areas.

Comments regarding the development, position and performance of the activities of the Group

2022 was a year of stability and continued improvement of operational and financial performance for the Company. Both harvesting and total area and Standing Forest Inventory (SFI) increased year-on-year. The Company was especially active in forest property acquisitions in Finland, where the Company surpassed the 15,000 ha mark in the end of the year. At the same time the year was characterised by uncertain macro environment related to steep global interest rate rise and continued inflation. The softwood market saw some weakness in certain markets during the year, while hardwood markets held up and overall timber prices are still at historically high levels, while below its recent peak. The improved operational performance and continued strong prices led to a significantly improved result with new all-time highs for net sales and EBITDA, as well as net profitability.

Loans and equity

The business is entirely financed with equity and, as of December 31, 2022, the group has no loans. For further information on equity, see changes in equity.

Total operating revenue

The Group's total operating revenue for the year ended 31 December 2022 was EUR 21.4 million compared with EUR 14.1 million in 2021, representing a 52% increase year-on-year. The increase in total operating revenue is mainly attributable to an increase in harvesting volumes from an increased land footprint but also increase in prices driven by both market factors and sales mix. Romania continues to be the Group's largest operation representing about 67% of net sales in 2022. The Group remains well diversified in terms of softwood and hardwood mix and number and types of customers.

The Group's results

While total operating revenue increased by 52% in 2022 compared with 2021, the net results in 2022 improved by 55% compared with 2021. The improved Group results were also driven by expenses which only increased by 22%, which resulted in an operating profit in 2022 of EUR 12.3 million, representing an 84% improvement over 2021. Net result was also negatively affected by a -50% reduction in net financial items, which amounted to EUR 0.7 million compared with EUR 1.4 million in 2021. The taxes increased by 98% as most of the previous tax loss carryforwards were used up by 2022. The year ended with a net profit of EUR 11.0 million compared with a profit of EUR 7.1 million in 2021.

Dividends

The Company has carried out 2 extraordinary dividends during 2022, amounting to a total of EUR 10.1 million. The Board does not propose any regular dividend for 2022.

Future developments

The Board of Directors does not anticipate any significant changes to the strategy of the Group in the near future.

GreenGold intends to continue to develop its current assets, raise more capital to pursue new acquisitions to continue to grow the business profitably. The Company is currently preparing for a future IPO, putting in place all the necessary procedures and corporate infrastructure to be able to apply for and be approved for listing on a European main market, at such a time when the board deems it appropriate. IPO readiness project will take most of 2023 to complete and includes a transition to International Financial Reporting Standard (IFRS).

Share capital

Authorised capital

In accordance with the Articles of Association adopted on the Extraordinary General Meeting held on 15 March 2021, the Company's share capital shall not be less than EUR 230,500 and not more than EUR 922,000.

Issued capital

On 31 December 2022 the issued share capital of the Company amounted to EUR 376,080 divided among 10,287,731 shares of EUR 0.036556148 each.

Board of Directors

The members of the Board of Directors of the Company as at the date of this report are Göran Persson, Fredrik Persson, Martin Randel, Johanna Ikäheimo and Guðmundur Halldór Jónsson.

Independent auditors

The independent auditors of the Company in 2022 were KPMG AB.

Parent company data

The Parent company shall, directly or indirectly through subsidiaries, associated companies, or other collaborations, conduct industrial forestry operations with continuous delivery capacity, as well as activities compatible therewith. The Parent company is currently owner of 12 wholly owned subsidiaries in 7 countries, mainly financed with capital contributions from the parent. The Parent company's net profit in 2022 amounted to EUR 0.3 million (2021: EUR 5.9 million profit). The administrative costs related to parent GreenGold Group AB were slightly larger in 2022 compared with 2021, personnel expenses increased by EUR 167 thousand. During 2022 the Company received EUR 1.8 million in dividend from Group companies compared with EUR 6.1 million in 2021.

The profit of the Parent company was also significantly influenced by a reduction in interest income and similar financial items which amounted to EUR 0.8 million in 2022 compared with EUR 2.1 million in 2021, the difference was mainly due to large realised FX gains in 2021. No impairment of any investments in group companies were made in 2022.

The Parent company's cash and cash equivalents amounted to EUR 14.0 million at the end of the period (EUR 50.9 million on 31 December 2021).

Historical financial data

GROUP (EUR THOUSAND)	2022	2021		
Total net sales	21,233	12,075		
Operating profit	12,358	6,719		
Net result	13,054	8,118		
PARENT COMPANY (EUR THOUSAND)	2022	2021	2020	2019
Total net sales	157	141	182	902
Operating profit	- 2,352	- 2,389	- 1,713	898
Net result	296	5,868	1,375	776

Proposal for profit allocation

The Board proposes that the available profit funds, 350,022,464 EUR, be allocated as follows:

Total available funds for distribution (EUR)	
Share premium	326,102,333
Retained earnings incl profit for the year	23,920,131
Total non-restricted equity	350,022,464
Proposed to be allocated as follows: (EUR)	
To be carried forward ¹	350,022,464
Sum	350,022,464

1) Of which share premium 326,102,333 EUR

Corporate governance

GreenGold Group AB is not listed on any stock exchange nor large enough that the Company is subject to the Swedish Code of Corporate Governance. However, the Company's Board of Directors will observe the development of the practical implications of the Code and take inspiration, in order to gradually adapt its activities to the Code in areas where it is regarded as being of relevance to the Company and its shareholders. The Board has not deemed it relevant yet to prepare a Corporate Governance and internal control report.

Nomination Committee

The Nomination Committee for the Annual General Meeting 2023 is comprised of Carl Lindgren (PP Pension, Global Challenges Foundation), Sorin Chiorescu (Forestum Capital) and Staffan Persson (Swedia Capital) with Göran Persson as deputy member (Chairman of the Board of GreenGold Group AB (publ)).

Significant risks and Uncertainty Factors

The Group is exposed to market risks from changes in global timber prices, exchange rates, inflation, and interest rates. The Group is exposed to currency risk to the extent that sales revenues, costs, receivables, loans, and liabilities are in currencies other than EUR. The Group is also exposed to biological risks specific to forests and forestry. The Group is constantly working to mitigate the risks and reduce the potential damage from any of the below described risks materializing.

Impact of Climate Change

The Company faces risks with climate change, which can lead to reduced forest productivity, damage to infrastructure, and increased susceptibility to pests and diseases. These factors can negatively affect tree growth, yield, and overall forest health, which in turn can impact the company's profitability and sustainability.

Regulatory and Political Uncertainty

The Company is exposed to risks of changes in environmental legislation, land use policy, and forest management practices at national and EU levels. Such changes can lead to increased operating costs, restrictions on harvests, or even conversion of land use, which can affect the company's operations and profitability.

Market Volatility

The Company is exposed to fluctuations in demand and supply in the timber market, which can affect timber prices and the company's overall profitability. Factors such as economic downturns, trade policies, and changing consumer preferences can lead to variations in market conditions, posing risks to the company's financial results.

Fire Risk

The Company is exposed to the risk of forest fires, which can cause significant damage to timber resources, infrastructure, and other assets. Climate change exacerbates fire risk, with rising temperatures and prolonged drought periods making forests more susceptible to ignition and spread of wildfires. However, the Company actively manages its properties and collaborates with local authorities to reduce fire risk and ensure a rapid response in case of fire.

Property Price Fluctuations

The Company is exposed to fluctuations in property prices, which can affect the value of its assets and the potential return on investments. Variations in property prices can pose challenges for the company when it comes to acquiring, selling, or managing forest properties in a volatile market.

Risk of Dependence on Key Personnel

The Company relies on the expertise and leadership of key personnel, which poses a risk to its operations, performance, and strategic direction if a key person is suddenly lost. This dependence highlights the need for the company to focus on effective succession planning, knowledge transfer, and talent development to ensure its long-term success and resilience. The company's success largely depends on its continued ability to identify, hire, and retain qualified and experienced members of management and other key employees.

Geopolitical and War Risks

The Company faces potential risks related to geopolitical tensions and the ongoing armed conflict between Russia and Ukraine, which can affect the stability and security of the regions where its forest properties are located. War or military actions can lead to disruptions in operations, damage to forest properties, and negative effects on local and international markets. Additionally, these events can lead to increased uncertainty and fluctuations in financial, regulatory, and business environments, posing challenges for the company's long-term growth. With Finland's inclusion in NATO, however, all of the company's operating countries, except Sweden, are currently NATO members.

Macroeconomic Risks

The general economic environment at the international level can significantly affect the company's operations. Inflation, unemployment, and GDP growth are directly linked to the economic framework of each country, and variations therein and the general economic environment can create chain reactions across all areas, affecting the company. In particular, the correlation between the international construction cycle and the price of sawn timber is traditionally high. The company's prices are linked to international prices for sawn timber. External factors such as general macroeconomic development, housing construction, geopolitical events, and natural disasters can negatively affect the company's operations and financial position.

Group Income statement

EUR THOUSAND	Note	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
<i>Operating revenue</i>			
Net sales	4	21,233	12,075
Other operating income		220	2,067
Total operating revenue		21,453	14,142
<i>Operating expenses</i>			
Forestry-related costs		- 1,181	- 816
Other external costs	6,7	- 2,321	- 1,791
Personnel costs	5	- 3,974	- 3,189
Depreciation	11,12,13	- 1,583	- 1,568
Other operating expenses		- 36	- 59
Total operating expenses		- 9,095	- 7,423
Operating profit		12,358	6,719
<i>Financial items results</i>			
Interest income and similar profit items		1,186	2,019
Interest expenses and similar loss items	9	- 490	- 620
Total financial items		696	1,399
Profit before tax		13,054	8,118
Tax on the year's result	10	- 2,036	- 1,030
Net profit for the year		11,018	7,088

Group statement of financial position

EUR THOUSAND	Note	2022-12-31	2021-12-31
ASSETS			
FIXED ASSETS			
<i>Intangible fixed assets</i>			
Goodwill	11	2,883	3,999
Other intangible assets	12	383	375
Total intangible fixed assets		3,266	4,374
<i>Tangible fixed assets</i>			
Forestry assets	13	335,785	266,965
Buildings		150	154
Machinery and equipment		448	291
Ongoing new construction		752	595
Total tangible fixed assets		337,135	268,005
<i>Financial fixed assets</i>			
Long-term receivables	16	1,108	1
Other long-term receivables		2	-
Total financial fixed assets		1,110	1
TOTAL FIXED ASSETS		341,511	272,380
CURRENT ASSETS			
<i>Inventory</i>			
Raw materials and consumables		8	38
Total inventory		8	38
<i>Short-term receivables</i>			
Accounts receivable		846	326
Other receivables		659	1,147
Prepaid expenses and accrued income	17	386	383
Total short-term receivables		1,891	1,856
<i>Cash and cash equivalents</i>			
Bank	22	22,470	54,795
Total cash and cash equivalents		22,470	54,795
TOTAL CURRENT ASSETS		24,369	56,689
TOTAL ASSETS		365,880	329,069

Group statement of financial position

EUR THOUSAND	Note	2022-12-31	2021-12-31
EQUITY AND LIABILITIES			
EQUITY			
Share capital	19	376	350
Other contributed capital		326,102	288,105
Retained earnings including the current year's result		30,484	38,256
Equity attributable to the parent company's shareholders		356,962	326,711
TOTAL EQUITY		356,962	326,711
<i>Interest-bearing long-term liabilities</i>			
Other long-term liabilities		55	82
<i>Non-interest-bearing long-term liabilities</i>			
Deferred tax liabilities		-	7
Other long-term liabilities		179	-
Total long-term liabilities		234	89
<i>Interest-bearing short-term liabilities</i>			
Other short-term liabilities		56	277
<i>Non-interest-bearing short-term liabilities</i>			
Advances from customers		499	439
Accounts payable		503	279
Current tax liabilities		629	525
Other short-term liabilities ¹		6,547	582
Accrued expenses and deferred income	18	450	167
Total short-term liabilities		8,684	2,269
TOTAL LIABILITIES		8,918	2,358
TOTAL EQUITY AND LIABILITIES		365,880	329,069

1) The item includes a decided but unpaid dividend to shareholders of 5.7 million EUR.

Group statement of changes in equity

EUR THOUSAND	Attributable to the equity holders of the parent				Total equity
	Share capital	Other paid in capital	Translation reserve	Retained earnings incl result for the year	
Equity, 2021-01-01	231	156,593		35,490	192,314
Result for the year	-	-	-	7,088	7,088
Translation differences	-	-	653	-	653
New share issue	119	131,511	-	-	131,630
Dividends to owners	-	-	-	- 4,975	- 4,975
Equity, 2021-12-31	350	288,105	653	37,603	326,710

EUR THOUSAND	Attributable to the equity holders of the parent				Total equity
	Share capital	Other paid in capital	Translation reserve	Retained earnings incl result for the year	
Equity, 2022-01-01	350	288,105	653	37,603	326 710
Result for the year	-	-	-	11,018	11,018
Translation differences	-	-	- 3,047	-	- 3,047
New share issue	26	37,997	-	-	38,023
Dividends to owners	-	-	-	- 15,743	- 15,743
Equity, 2022-12-31	376	326,102	- 2,394	32,877	356,962

Group cash flow statement

EUR THOUSAND	Note	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Profit before tax		13,054	8,118
Adjustment for non-cash affecting items	21	1,556	- 343
Paid tax		- 1,911	- 828
Cash flow from operating activities before changes in working capital		12,699	6,947
Change in other receivables		- 28	- 882
Change in other liabilities		656	- 1,222
Change in working capital		628	- 2,104
Cash flow from operating activities		13,327	4,843
Acquisition of subsidiaries		-	- 90,983
Acquisition of intangible assets		- 68	- 39
Sale of intangible assets		-	4
Acquisition of tangible assets		- 72,412	- 46,819
Sale of tangible assets		32	2,946
Loans to third parties		- 1,108	-
Other changes in non-current assets		- 13	- 58
Cash flow from investing activities		- 73,569	- 134,949
New share issue		38,024	131,630
Dividends paid		- 10,085	- 4,975
Cash flow from financing activities		27,939	126,655
Cash flow for the year		- 32,303	- 3,451
Cash and cash equivalents at the beginning of the year		54,795	58,270
Exchange rate differences in cash and cash equivalents		- 22	- 24
Cash and cash equivalents at the end of the year		22,470	54,795

Parent company income statement

EUR THOUSAND	Note	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
OPERATING REVENUE			
Net sales	4	157	141
Other operating income		175	-
Total operating revenue		332	141
OPERATING EXPENSES			
Other external expenses	6,7	- 351	- 364
Personnel costs	5	- 1,217	- 1,050
Depreciation	11	- 1,116	- 1,116
Total operating expenses		- 2,684	- 2,530
Operating profit		- 2,352	- 2,389
RESULTS FROM FINANCIAL ITEMS			
Dividends from group companies		1,846	6,166
Interest income and similar profit/loss items	8	802	2,138
Interest expenses and similar profit/loss items	9	-	- 46
Total financial items		2,648	8,258
Profit before tax		296	5,868
Tax on the year's result	10	-	-
Net profit for the year		296	5,868

Parent company balance sheet

EUR THOUSAND	Note	2022-12-31	2021-12-31
ASSETS			
FIXED ASSETS			
<i>Intangible fixed assets</i>			
Goodwill	11	2,275	3,391
Total intangible fixed assets		2,275	3,391
<i>Financial fixed assets</i>			
Shares in group companies	14	329,949	245,106
Receivables from group companies	15	10,196	3,000
Total financial fixed assets		340,145	248,106
TOTAL FIXED ASSETS		342,420	251,497
CURRENT ASSETS			
<i>Short-term receivables</i>			
Customer receivables		-	1
Other receivables from group companies		-	25,246
Other receivables		27	701
Prepaid expenses and accrued income	17	35	30
Prepaid expenses and accrued income from group companies	17	3	-
Total short-term receivables		65	25,978
<i>Cash and cash equivalents</i>			
Bank	22	13,965	50,924
Total cash and bank		13,965	50,924
TOTAL CURRENT ASSETS		14,031	76,901
TOTAL ASSETS		356,451	328,398

Parent company balance sheet

EQUITY AND LIABILITIES	Note	2022-12-31	2021-12-31
EQUITY			
Share capital	19	376	350
Share premium reserve		326,102	288,105
Retained earnings		23,624	33,499
Profit for the year		296	5,868
Total equity		350,398	327,822
LIABILITIES			
<i>Interest-bearing long-term liabilities</i>			
Long-term liabilities to group companies		-	206
Other long-term liabilities		105	-
Total long-term liabilities		105	206
<i>Short-term non-interest-bearing liabilities</i>			
Supplier payables		25	64
Tax liabilities		20	10
Other short-term liabilities 1)		5,759	176
Accrued expenses and prepaid income	18	144	120
Total short-term liabilities		5,948	370
TOTAL LIABILITIES		6,053	576
TOTAL EQUITY AND LIABILITIES		356,451	328,398

1) The item includes a decided but unpaid dividend to shareholders of 5.7 million EUR.

Parent company statement of changes in equity

EUR THOUSAND	Restricted equity	Non-restricted equity			Total
	Share capital	Share premium	Retained earnings	Total non-restricted equity	
Equity 21-01-01	231	156,593	38,474	195,067	195,298
Profit for the year	-	-	5,868	5,868	5,868
<i>Transactions with shareholders</i>					
New share issue	119	131,512	-	131,512	131,631
Dividend	-	-	- 4,975	- 4,975	- 4,975
Equity 21-12-31	350	288,105	39,367	327,472	327,822

EUR THOUSAND	Restricted equity	Non-restricted equity			Share capital
	Share capital	Share premium	Retained earnings	Total non-restricted equity	
Equity 22-01-01	350	288,105	39,367	327,472	327,822
Profit for the year	-	-	296	296	296
<i>Transactions with shareholders</i>					
New share issue	26	37,997	-	37,997	38,023
Dividend	-	-	- 15,743	- 15,743	- 15,743
Equity 22-12-31	376	326,102	23,920	350,022	350,398

Parent company cash flow statement

EUR THOUSAND	Note	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Profit before tax		296	5,868
Adjustment for non-cash affecting items	21	1,221	1,116
Paid tax		10	- 21
Cash flow from operating activities before changes in working capital		1,527	6,963
Change in other receivables		671	- 1,109
Change in other liabilities		- 93	- 323
Change in working capital		578	- 1,432
Cash flow from operating activities		2,105	5,531
Acquisition of subsidiaries		-	- 92,800
Capital contributions to subsidiaries	14	- 84,844	- 55,086
Change in internal receivables and liabilities		17,842	10,539
Cash flow from investing activities		- 67,002	- 137,347
New share issue		38,024	131,630
Dividends paid		- 10,085	- 4,975
Cash flow from financing activities		27,939	126,655
Cash flow for the year		- 36,959	- 5,159
Cash and cash equivalents at the beginning of the year		50,924	56,083
Cash and cash equivalents at the end of the year		13,965	50,924

Notes to the financial statements

1. INCORPORATION AND PRINCIPAL ACTIVITIES

GreenGold Group AB (publ) is a public limited company, organization number 559168-7719, with its registered office in Stockholm, Sweden. GreenGold Group AB (publ) was established in Sweden on August 23, 2018. The consolidated financial reports for the company for the year ended December 31, 2022, include the company and its subsidiaries (together referred to as the "Group" or "Company" and individually as "Group Companies"). The primary operations of the Group are investments in forest properties and management.

2. BASIS OF PREPARATION

(a) Declaration of conformity

The financial reports have been prepared in accordance with the Swedish Annual Accounts Act and the General Advice BFNAR 2012:1 (K3) of the Swedish Accounting Standards Board on accounting for larger companies. The consolidated financial reports were approved for publication by the Board of Directors on April 28, 2023.

(b) Basis for calculations

The consolidated financial reports have been prepared based on historical acquisition values.

(c) Functional and reporting currency

Where applicable, items included in the Group's financial reports are first measured in the currency of the primary economic environment in which the Group Company operates, corresponding to the functional currency. The items are then translated into EUR at the closing rate applicable on December 31, 2022. Assets and liabilities are translated at the closing rate, and revenues and expenses are translated at the average rate for the period.

All financial information presented in EUR has been rounded to the nearest thousand unless otherwise stated. The Company has chosen EUR as the reporting currency for the Group because it is an internationally established currency and the currency of the parent company, as well as the functional currency in several Group Companies.

(d) Use of estimates and judgments

In order to prepare the consolidated financial reports in accordance with K3, management must make judgments, estimates, and assumptions that affect the application of accounting principles and the reported amounts of assets and liabilities, revenues, and expenses. Actual results may differ from such estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Information about critical judgments in applying accounting principles that have the most significant effect on the amounts recognized in the consolidated financial reports is described below:

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting principles stated below have been applied consistently for all periods presented in these consolidated financial statements and have been applied consistently by the group companies.

The following is a summary of the main accounting principles applied by the group in the preparation of its annual report for the year ended December 31, 2022. These principles have been applied consistently for all years presented unless otherwise stated. The financial reports have been prepared in accordance with the Annual Accounts Act and the Accounting Board's general advice BFNAR 2012:1 (K3) on Annual reports and consolidated reporting.

(a) Accounting principle

The financial reports have been prepared based on historical cost.

(b) Subsidiaries

Subsidiaries are companies controlled by the Group. The financial reports of subsidiaries are included in the consolidated financial statements from the date when control commences until the date when control ceases. The accounting principles for subsidiaries have been changed when necessary to align them with the principles adopted by the Group. Control exists when the group has the right to design the financial and operational strategies of a company in order to obtain economic benefits from its operations. In assessing control, potential voting rights that are currently exercisable are taken into account.

(c) Transactions eliminated on consolidation

Group internal balances and transactions, as well as any unrealized income and expenses arising from group internal transactions, are eliminated in the preparation of the group accounts.

(d) Revenue recognition

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, the revenue amount can be measured reliably, and it is probable that the economic benefits associated with the transaction will accrue to the entity. Revenue from services is recognized when the service has been provided and the revenue amount can be measured reliably.

(e) Property, plant, and equipment

(i) Recognition and measurement

Property, plant, and equipment are measured at cost less accumulated depreciation and accumulated impairment. The cost includes expenses that can be directly attributed to the acquisition of the asset. The cost of self-constructed assets includes costs for materials and direct labor, other costs that are directly related to getting the asset in a working condition for its intended use, and costs for dismantling and removing the asset and restoring the site where it is located, as well as capitalized borrowing costs.

Purchased software that is an integral part of the functions of the associated equipment is capitalized as part of the equipment. Any gains or losses on the disposal of property, plant, and equipment (calculated as the difference between net proceeds from the sale and the asset's carrying amount) are recognized in the income statement.

If the carrying amount of an asset is greater than its estimated recoverable amount, the asset is immediately written down to its recoverable amount.

(ii) Subsequent costs

Subsequent costs that meet the asset criteria are included in the asset's carrying amount. Expenses for ongoing maintenance and repairs are recognized as costs when they arise.

(f) Intangible assets

Separately acquired intangible assets are measured at cost, while those acquired through business combinations are recognized at fair value at the acquisition date. Intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives and are assessed for impairment when there is an indication that the asset may be impaired.

(g) Lease agreements

Lease agreements are classified as finance leases when substantially all risks and rewards of ownership are transferred to the lessee. All other lease agreements are classified as operating leases. Payments for operating lease agreements are recognized as an expense on a straight-line basis over the lease term.

(h) Financial instruments

Financial instruments are initially measured at fair value plus transaction costs. Subsequent measurement depends on the classification of the financial instrument. Financial assets and liabilities are classified into the following categories: held to maturity, loans and receivables, available

(i) Income tax

The income tax expense consists of current and deferred tax. Current tax is the expected tax payable on the taxable income for the year, using tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognized for temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

(j) Provisions

Provisions are recognized when the company has a current legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be estimated reliably. Provisions are valued at the present value of the expenditures expected to be required to settle the obligation.

(k) Contingent liabilities and contingent assets

Contingent liabilities are recognized when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the company's control, or when there is a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent assets are not recognized in the financial statements but are disclosed when an inflow of economic benefits is probable.

(l) Events after the reporting period

Events after the end of the financial year that provide additional information about the company's position at the balance sheet date (adjusting events) are reflected in the financial statements. Events after the end of the financial year that are not adjusting events are disclosed in the notes when they are material.

(m) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(n) Employee benefits

(i) Severance pay

Severance pay is recognized as an expense when the Group demonstrably commits to a formal, detailed plan to either terminate employment before the normal retirement date or provide severance pay as a result of an offer made to encourage voluntary departure. If the severance pay is due more than twelve months after the balance sheet date, it is discounted to its present value.

(ii) Short-term employee benefits

Short-term employee benefits are valued at an undiscounted amount and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus plans if the Group has a legal or informal obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(iii) Long-term employee benefits

Long-term compensation is valued on a discounted basis and expensed in relation to a probability-adjusted future outcome. Liabilities for other long-term compensation are recognized at the present value of the obligation on the balance sheet date.

(o) Financial income and expenses

Financial income consists of interest income on invested funds. Interest income is recognized in the income statement using the effective interest method. Financial expenses consist of interest costs on loans. Borrowing costs that are not directly attributable to the acquisition, construction, or production of a qualifying asset are recognized in the income statement according to the effective interest method. Similar items refer to foreign exchange gains and foreign exchange losses.

4. NET SALES DISTRIBUTED BY GEOGRAPHIC MARKET

EUR THOUSAND	Group		Parent company	
	2022	2021	2022	2021
Nordics	2,689	770	68	58
Great Britain	1,116	897	75	73
Baltics	3,212	1,944	9	7
Romania	14,305	8,549	5	4
Intercompany sales, elimination	- 89	- 85	-	-
Net sales	21,233	12,075	157	141

5. EMPLOYEES AND PERSONNEL EXPENSES

	Group		Parent company	
	2022	2021	2022	2021
Number of employees				
Number of employees	108	104	5	6
<i>Of which men</i>	97	93	3	2
Average number of employees	104	93	4	4
Of which men	92	81	2	1

EUR THOUSAND	Group		Parent company	
	2022	2021	2022	2021
Salaries and other remuneration				
Salaries and other remuneration for the board, CEO, and other senior executives	- 1,068	- 809	- 673	- 517
Salaries and other remuneration for other employees	- 2,341	- 1,890	- 214	- 237
Total salaries	- 3,410	- 2,699	- 887	- 754
Social costs				
Social costs for the board, CEO, and other senior executives	- 225	- 170	- 208	- 155
Social costs for other employees	- 151	- 143	- 75	- 85
Total social costs	- 376	- 313	- 283	- 240
Pension costs for the board, CEO, and other senior executives	- 33	- 34	- 20	- 24
Pension costs for other employees	- 50	- 34	- 20	- 21
Total pension costs	- 83	- 67	- 40	- 45

Salaries and remuneration as well as social costs include variable remuneration and costs for long-term incentive programs.

The term of the current board of directors runs until the Annual General Meeting (AGM) in 2023.

Long-term incentive program 2022 - 2026

At the AGM on June 30, 2022, it was decided to adopt a long-term incentive program (LTIP 2022) for key personnel within the Group. Participants in the LTIP 2022 include up to 18 key employees, including senior executives in the GreenGold Group. Participants have the opportunity to receive a cash bonus that should primarily be used to subscribe for shares in GreenGold. The maximum bonus amount that can be paid to each participant corresponds to 3 times each participant's fixed annual salary during 2022, calculated as the fixed monthly salary in June 2022 (gross before tax) multiplied by 12. The size of the bonus is determined based on the degree of fulfillment of performance conditions. Such performance conditions consist of continued employment until December 31, 2026, for all participants except the CEO, as well as total return per share during the period, within different ranges. In addition to the paid bonus amounts, the costs for the LTIP Bonus 2022 consist of customary personnel costs in connection with cash compensation and the cost of administering the program. The costs will vary depending on the degree of fulfillment of the performance conditions and the participants' salary and tax residence. According to initial calculations, GreenGold's total costs for the program are estimated to amount to a maximum of 3.6 million EUR (gross before income tax and before employer contributions). During the reporting period, the total recorded cost for LTIP 2022 in the group amounts to 179 thousand EUR, including a base cost of 150 thousand EUR and social charges of 30 thousand EUR. The LTIP 2022 liability is also recorded under Other long-term liabilities in the group's balance sheet.

6. AUDIT EXPENSES

Included in Other external expenses are the costs for auditor fees listed below.

EUR THOUSAND	Group		Parent company	
	2022	2021	2022	2021
<i>KPMG</i>				
Audit engagement	-98	-60	-53	-36
Audit-related tasks	-3	-	-3	-
Tax advisory/Other services	-4	-	-3	-
Total	-105	-60	-59	-36
Other				
Audit engagement	-16	-9	-6	-
Total	-16	-9	-6	-

7. OPERATIONAL LEASING

Included in Other external expenses are the costs for operational leases listed below.

EUR THOUSAND	Group		Parent company	
	2022	2021	2022	2021
Maturity of operational leases	-	-	-	-
Within one year	108	110	50	50
Within 2-5 years	299	194	250	-
Within more than 5 years	-	-	-	-
Expensed leasing fees				
Leasing fees expensed during the fiscal year	117	103	50	50

Entered significant leasing agreements

Rent for premises is included in the expensed leasing fees for the group with 73 (62) TEUR and for the parent company with 50 (50) TEUR.

8. INTEREST INCOME AND OTHER FINANCIAL INCOME

EUR THOUSAND	Group		Parent company	
	2022	2021	2022	2021
Interest income	113	306	47	330
Interest income from group companies	-	-	140	427
Foreign exchange rate changes on financial items, realized	734	6	728	-
Foreign exchange rate changes on financial items, unrealized	339	1,707	- 113	1,381
Total financial income	1,186	2,019	802	2,138

9. INTEREST EXPENSES AND OTHER FINANCIAL EXPENSES

EUR THOUSAND	Group		Parent company	
	2022	2021	2022	2021
Interest expenses	- 3	- 42	-	- 40
Interest expenses to group companies	-	-	-	- 6
Write-down of financial receivables	-	- 27	-	-
Foreign exchange rate changes, realized	-	- 1	-	-
Foreign exchange rate changes, unrealized	- 483	- 550	-	-
Financial expenses	- 490	- 620	-	- 46

10. TAX ON THE YEAR'S RESULT

EUR THOUSAND	Group		Parent company	
	2022	2021	2022	2021
Current tax	-2,043	-1,030	-	-
Deferred tax	7	-	-	-
Tax on the year's result	-2,036	-1,030	-	-
Specification of reported tax				
Reported profit before tax	13 054	8 118	296	5 868
Calculated tax according to the current tax rate in Sweden 2021 and 2022: 20.6%	-2 689	-1 672	-61	-1 209
Effect of foreign tax rates	288	268	-	1 209
Non-deductible expenses	-298	-19	-232	-231
Non-taxable income, dividends from subsidiaries.	-	-	380	1 270
Non-taxable income	601	355	628	1 687
Change in deficit deductions and changes in deferred taxes	56	37	-335	-247
Deferred tax	7	-	-	-
Reported tax for the period	-2 036	-1 030	-	-

11. GOODWILL

EUR THOUSAND	Group		Parent company	
	2022	2021	2022	2021
Opening acquisition value	6,188	6,097	5,580	5,362
Investments for the year	-	100	-	218
Translation difference	-	- 10	-	-
Closing accumulated acquisition values	6,188	6,187	5,580	5,580
Opening depreciation	- 2,188	- 1,072	- 2,188	- 1,072
Depreciation for the year	- 1,117	- 1,116	- 1,117	- 1,116
Closing accumulated depreciation	- 3,305	- 2,188	- 3,305	- 2,188
Carrying amounts	2,883	3,999	2,275	3,391

12. OTHER INTANGIBLE FIXED ASSETS

EUR THOUSAND	Group							
	2022				2021			
	Licenses, IT systems	Forest management plans	Other intangible fixed assets	Total	Licenses, IT systems	Forest management plans	Other intangible fixed assets	Total
Acquisition value								
Balance 1 January	182	539	24	745	152	213	2	367
Current year's direct investments	28	40	-	68	3	60	-	63
Acquisition of subsidiaries	-	-	-	-	30	311	22	363
Sales/disposals	-	-	-	-	8	- 41	-	- 33
Reclassifications	-	-	-	-	- 9	1	-	- 8
Translation differences	-	-	-	-	- 2	- 5	-	- 7
Closing balance 31 December	209	579	24	812	182	539	24	745
Accumulated depreciation								
Balance 1 January	- 116	- 230	- 24	- 370	- 99	- 60	- 1	- 160
Acquisition of subsidiaries	-	-	-	-	- 2	- 162	- 23	- 187
Sales/disposals	-	-	-	-	-	14	-	14
Reclassifications	-	-	-	-	1	-	-	1
Current year's depreciations	- 16	- 43	-	- 59	- 18	- 24	-	- 42
Translation differences	-	-	-	-	2	2	-	4
Closing balance 31 December	- 132	- 273	- 24	- 429	- 116	- 230	- 24	- 370
Carrying amounts	77	306	-	383	66	309	-	375

13. TANGIBLE FIXED ASSETS

EUR THOUSAND	Forest assets		buildings		Machinery and equipment		Ongoing new construction		Total tangible fixed assets	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Acquisition value										
Balance 1 January	268,106	129,749	175	-	604	597	595	415	269,480	130,761
The year's investments	41,483	43,195	-	-	293	75	30,610	6,232	72,385	49,502
Acquisition of subsidiaries	-	92,568	-	176	-	123	-	39	1	92,906
Sales/disposals	-	- 3,722	-	-	- 22	- 181	-	- 10	- 22	- 3,913
Reclassifications	30,479	6,073	-	-	-	- 2	- 30,452	6,073	27	- 2
Translation differences	- 2,866	243	-	- 1	- 3	- 8	- 1	- 8	- 2,869	226
Closing balance 31 December	337,202	268,106	175	175	872	604	752	595	339,002	269,480
Accumulated Depreciation										
Balance 1 January	- 1,141	- 905	- 22	-	- 312	- 250	-	-	- 1,475	- 1,155
Year's investments	-	- 5	-	- 20	-	- 33	-	-	-	- 58
Acquisition of subsidiaries	-	30	-	-	12	95	-	-	12	125
Reclassifications	-	-	-	-	-	2	-	-	-	2
Sales/disposals	- 279	- 278	- 3	- 2	- 125	- 130	-	-	- 407	- 410
Depreciation for the year	3	17	-	-	1	4	-	-	3	21
Closing balance 31 December	- 1,417	- 1,141	- 25	- 22	- 424	- 312	-	-	- 1,867	- 1,475
Carrying amounts	335,785	266,965	150	154	448	291	752	595	337,135	268,005

Ongoing new constructions

Ongoing new constructions include road constructions and other infrastructure investments that are under construction, as well as ongoing forest land investments that, when completed and registered, are reclassified as Forest Assets.

14. SHARES AND PARTICIPATIONS IN GROUP COMPANIES

EUR THOUSAND	Parent company	
	2022	2021
Opening acquisition values	245,106	125,692
Investment	84,844	119,414
Closing accumulated acquisition values	329,949	245,106

Parent company's shares in subsidiaries

31 December 2022

EUR THOUSAND	Org. No.	Capital	Voting rights	Book value
GreenGold Timberlands 1 AB	559034-8644	100%	100%	1,757
GreenGold Timberlands 1 OY	2958340-6	100%	100%	56,575
GreenGold Timberlands 1 LTD	SC643927	100%	100%	50,612
GreenGold Timberlands 1 OÜ	10340116	100%	100%	1,531
GreenGold Timberlands 1 SIA	LV41203034208	100%	100%	5,149
GreenGold Timberlands 1 UAB	304217043	100%	100%	17,585
GreenGold Timberlands 2 UAB	303461361	100%	100%	12,180
GreenGold Management SRL	RO29600496	100%	100%	700
GreenGold Timberlands 1 SRL	RO35487155	100%	100%	62,550
GreenGold Timberlands 2 SRL	RO33742642	100%	100%	10,910
GreenGold Timberlands 3 SRL	RO15051614	100%	100%	32,922
Romtimb A (1)	RO25391672			
Romtree B (2)	RO25391672			
GreenGold Romwood SRL (3)	RO25391672	100%	100%	77,480
				329,949

1) merged with Romwood 22.02.23

2) merged with Romwood 22.02.23

3) owned 31 December 2022 by Romtimb A and B, after merger 23 February 2022 owned 100% by GreenGold Group AB (publ).

15. RECEIVABLES FROM GROUP COMPANIES

EUR THOUSAND	Parent company	
	2022	2021
Opening acquisition value	3,000	9,217
Lending during the year	9,132	3,000
Amortization during the year	- 1,936	- 9,217
Closing receivable	10,196	3,000

16. FINANCIAL FIXED ASSETS

EUR THOUSAND	Group	
	2022	2021
Opening balance	1	118
Loans issued	1,108	1
Amortization during the year	-	- 116
Reclassification	- 1	- 1
Other receivables	2	-
Translation difference	-	- 1
Closing balance	1,110	1

17. PREPAID EXPENSES AND ACCRUED INCOME

EUR THOUSAND	Group		Parent company	
	2022	2021	2022	2021
Prepaid insurance	275	211	2	1
Prepaid rent	17	15	13	13
Prepaid IT costs	15	17	15	16
Other prepaid expenses	31	-	-	-
Accrued interest income	14	-	-	-
Accrued income from group companies	-	-	3	-
Other accrued income	34	140	5	-
Prepaid expenses and accrued income	386	383	38	30

18. ACCRUED EXPENSES AND PREPAID INCOME

EUR THOUSAND	Group		Parent company	
	2022	2021	2022	2021
Accrued personnel-related costs	129	96	93	81
Other accrued expenses	92	71	45	39
Other prepaid income	229	-	6	-
Accrued expenses and prepaid income	450	167	144	120

19. SHARE CAPITAL

2022	Amount of shares	Nominal-value (EUR)	EUR
Issued and fully paid share capital			
Opening balance January 1	9,563,876	0.0365561	349,618
Balance as of December 31	10,287,731	0.0365561	376,079
2021			
2021	Amount of shares	Nominal-value(EUR)	EUR
Issued and fully paid share capital			
Opening balance January 1	6,305,848	0.0365561	230,517
Balance as of December 31	9,563,876	0.0365561	349,618

As of December 31, 2022, the share capital consisted of 10,287,731 ordinary shares with a nominal value of 0.0365561 EUR each (2021: 9,563,876 ordinary shares with a nominal value of 0.0365561 EUR each). The company has two categories of shares, A and B, with different voting rights.

A-shares - only GreenGolds management team, 1 share = 10 voting rights

B-shares - common shares, 1 share = 1 voting right

A and B shares have equal rights to GreenGolds assets and profits.

20. RELATED PARTY TRANSACTIONS

EUR THOUSAND		Parent company	
		2022	2021
Sales to/income from related parties.	Type of transaction		
Forestum Capital AB - Sorin Chiorescu CEO	Accounting services	8	-
Forestum Capital AB - Sorin Chiorescu CEO	Receivable from previous acquisitions	175	-
	Total	183	-
		Parent company	
		2022	2021
Purchases from/expenses to related parties.	Type of transaction		
Baven AB - Göran Persson, board chairman	Capital raise	39	20
Öregard AB - Martin Randel, board member	Capital raise	15	20
	Total	54	40

21. ADJUSTMENT FOR NON-CASH ITEMS

EUR THOUSAND	Group		Parent company	
	2022-01-01	2021-01-01	2022-01-01	2021-01-01
	-2022-12-31	-2021-12-31	-2022-12-31	-2021-12-31
Depreciation	1,583	1,568	1,116	1,116
Profit from sold fixed assets	- 23	- 1,921	-	-
Provisions	- 2	- 164	-	-
Exchange rate differences	- 167	161	-	-
Interest	- 14	-	-	-
Other non-cash flow affecting items	179	13	105	-
Total non-cash flow affecting items	1,556	- 343	1,221	1,116

22. CASH AND CASH EQUIVALENTS

EUR THOUSAND	Group		Parent company	
	2022-01-01	2021-01-01	2022-01-01	2021-01-01
	-2022-12-31	-2021-12-31	-2022-12-31	-2021-12-31
Unrestricted cash	22,089	54,362	13,965	50,924
Restricted cash 1)	381	433	-	-
Total cash and cash equivalents	22,470	54,795	13,965	50,924

1) Cash set aside for planting and replanting in Romania, in accordance with Romanian legislation.

23. POST BALANCE SHEET EVENTS

In February 2023, the company carried out an extraordinary dividend of 5.7 million EUR or 0.55 EUR/share, that was approved at an EGM on 22 December 2022.

GreenGold Group AB (publ)
28 April 2023

Göran Persson
Chairman of the Board

Martin Randel
Board member

Fredrik Persson
Board member

Johanna Ikäheimo
Board member

Gudmundur Jonsson.
Board member

Sorin Chiorescu
Chief executive officer

Our audit report was submitted

KPMG AB

Torbjörn Larsson
Authorized auditor

Auditor's Report

To the general meeting of the shareholders of Greengold Group AB (publ), corp. id 559168-7719

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Greengold Group AB (publ) for the year 2022.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company and the group as of 31 December 2022 and their financial performance and cash flow 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 and consolidated accounts.

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

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 parent company and the group 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.

Other Information than the annual accounts and consolidated accounts

The other information comprises of report "Description of Operations" which we obtained prior to the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 consolidated 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 and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the

assessment of the company's and the group'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.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated 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 and consolidated accounts.

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

- Identify and assess the risks of material misstatement of the annual accounts and consolidated 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 and consolidated 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 and the group'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 and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated 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 and a group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.
- 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 and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Greengold Group AB (publ) for the year 2022 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 parent company and the group 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 and the group's type of operations, size and risks place on the size of the parent company's and the group'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 and the

group'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 scepticism 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

KPMG AB

Torbjörn Larsson
Authorized Public Accountant