



Skellefteå Kraft

Skellefteå Kraftaktiebolag

Corporate registration number: 556016-2561

This is Skellefteå Kraft

We endeavour to be Sweden's best energy company and see ourselves as the industry's challenger. We put the customer and the customer's needs first and are a driving force in the for a sustainable future by focusing on our own renewable energy production and investing in research and development. The assignment from our owner, Skellefteå Municipality, is to safeguard the region's energy supply while creating profitable growth that promotes the development of the region.

This report summarises the results and position for the municipality's entire energy operation.*

Our business

Skellefteå Kraft is one of Sweden's five biggest electricity producers and the biggest of the municipally owned power companies. Our production is concentrated in the north of Sweden and we have our own production facilities for wind power, hydropower, heating and bioenergy.

Energy production

We produce electricity from renewable energy sources. The major part of the electricity comes from northern hydro and wind power. In 2020, a total of 736 GWh of heat and 3,881 GWh of electricity was produced.

Electricity grid

Our grid is 12,000 kilometres long and covers nine municipalities. It's one of Sweden's regional grids.

District heating

Our largest district heating network is located in Skellefteå; we also have several smaller networks in the region. Our district heating is produced primarily with biofuel.

Fibre network

We build and own the fibre network in Skellefteå and the surrounding area. Eight out of ten local residents have access to one of Sweden's fastest and best networks.

Development for the future

We focus on research and collaboration projects to develop tomorrow's energy supply.

Focused on the customer

We put our customers and their needs first. The reliability of energy deliveries has first priority, along with good service and great agreements.



780
employees**



72
motivated
employee index



SEK -238
million
our profit



89%
proportion of renewable
energy production



91%
of households and com-
panies have a fibre optic
broadband connection

**The Annualised number of employees in 2020 was 675.

*Skellefteå Kraft is a fictitious group consisting of the municipal administration Skellefteå Kraftverk (parent company) and the sub-group Skellefteå Kraftaktiebolag, company registration number 556016-2561. The purpose of this report is to show the results and position of the municipality's total energy operation and is thus a summary of the results and position of the corporate sphere and Skellefteå Kraftverk. The Skellefteå Kraftaktiebolag sub-group has been subject to scrutiny by the company's auditor and the municipal board Skellefteå Kraftverk has been scrutinised by Skellefteå municipality's auditor. On the other hand, the consolidated financial statements of the fictitious group have not been scrutinised, since there is no requirement for such scrutiny.

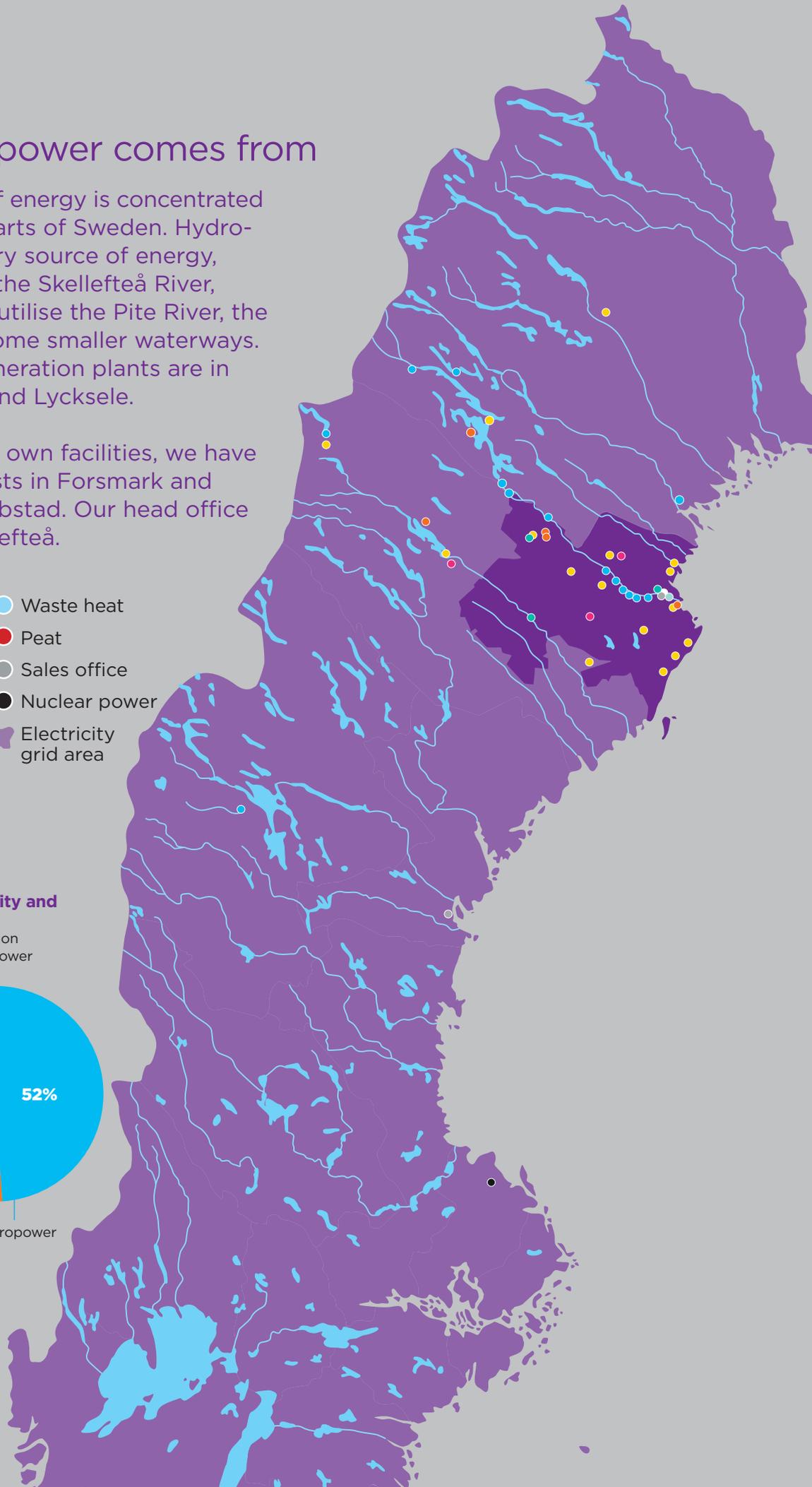
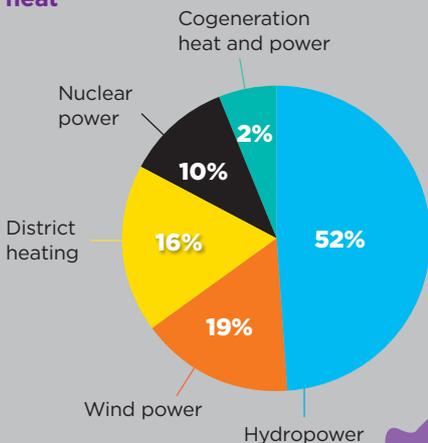
Where the power comes from

Our production of energy is concentrated in the northern parts of Sweden. Hydropower, our primary source of energy, is primarily from the Skellefteå River, however we also utilise the Pite River, the Indal River and some smaller waterways. Our largest cogeneration plants are in Skellefteå, Malå and Lycksele.

In addition to our own facilities, we have ownership interests in Forsmark and Alholmen in Jakobstad. Our head office is located in Skellefteå.

- Hydropower
- Wind power
- District heating
- District cooling
- Cogeneration
- Waste heat
- Peat
- Sales office
- Nuclear power
- Electricity grid area

Production mix electricity and heat



Directors' report

The organisation

Skellefteå Kraft is a fictitious group consisting of the municipal administration Skellefteå Kraftverk (parent company) and the sub-group Skellefteå Kraftaktiebolag. The purpose of this report is to show the results and position of the municipality's total energy operation. The report is thus a summary of the results and position of the corporate sphere and Skellefteå Kraftverk. The Skellefteå Kraftaktiebolag sub-group has been subject to scrutiny by the company's auditor and the municipal board Skellefteå Kraftverk has been scrutinised by Skellefteå municipality's auditor. The consolidated financial statements of the fictitious group have not been scrutinised, however, since there is no requirement for such scrutiny.

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

The corporate sphere consists of the parent company Skellefteå Kraftaktiebolag, company registration number 556016-2561, with the wholly owned subsidiaries Skellefteå Kraft Elnät AB, Skellefteå Kraft Service AB, Energiservice i Skellefteå AB, Skellefteå Kraft Fibernät AB, Skellefteå Kraft Industry Locations AB, BlaikenVind AB and Skellefteå Kraft Fastighetsutveckling AB with its subsidiary Skellefteå Kraft Fastighetsförvaltning AB.

The municipality's political parties nominate candidates for the boards of the municipally owned companies. Nominations take into account, for example, gender, age and geographical place of residence. The municipal council appoints the board for each mandate period. Skellefteå Kraft's present board consists of nine members (no deputies): three women and six men. The chair is Alf Marklund.

Skellefteå Kraft is one of Sweden's five largest electricity producers and the largest among the municipally owned power companies, with its own production facilities for wind, hydropower, heat and bioenergy. The business is mainly in Västerbotten and consists of both technical development and sales and delivery. With substantial investments in renewable energy production, the company is a driving force in the development of renewable energy in Sweden. Skellefteå Kraft has its own electricity grid and offers energy and maintenance services. There are also property leasing and fibre network operations.

The owner has stated in the owner's directive that the group shall create profitable growth that promotes the development of the region. In brief, this means that the group shall secure the region's energy supply, create a good infrastructure for energy, telecom and data communications and provide capital and business competence to the region.

Society is entirely dependent on the availability of reliable and competitive energy. For Skellefteå Kraft, sustainable energy production means that the production and delivery of energy is done responsibly and with awareness of the organisation's environment and societal impact. Skellefteå Kraft works for resource-efficient investments, so as to achieve 100 per cent renewable energy production in the

longer term. Read more about Skellefteå Kraft's responsibility in the group's sustainability report.

The annual and consolidated financial statements are written in SEK millions unless otherwise stated.

Significant events during the financial year

The year 2020 was characterised by low prices for electricity and electricity certificates, while the pandemic also left its mark. There was a large surplus in the water balance during the year, resulting in a large supply of hydroelectric power. It was also a windy year, with more wind power generation in northern Sweden. The winter was a mild one, meaning that demand for electricity was low, and the ability to transfer electricity to southern parts of Sweden is limited for technical reasons. These factors are the main reasons why the spot price remained very low for the entire year. In 2020, the spot price averaged SEK 0.1503 per kWh, compared with 2019 when the price was SEK 0.4010 per kWh in electricity price areas SE1 and SE2, where Skellefteå Kraft has its main production operations. The downward trend for the price of electricity certificates continued during the year, from SEK 0.019 per kWh in January to SEK 0.002 per kWh in December. The reason behind the fall in the price of electricity certificates is supply being significantly greater than demand. The spot price is likely to be higher in 2021 compared with 2020, but the price of electricity certificates will remain low.

There was an operating loss for the year of SEK -238 million, which is considerably worse than the previous year and includes write-downs of wind power plants. Before the write-downs for wind power, operating profit for the year was SEK 328 million, which is SEK 174 million lower than in 2019. Current operations have delivered a poorer financial result than in the previous year in all types of production due to lower prices and in the case of heating also reduced volumes. Investment in new business has also increased costs slightly. On the other hand, results from operations within the group that are not dependent on the price of electricity, such as fibre network, grid and electricity trading operations, have provided a good balance in the business portfolio, and these areas have delivered in line with expectations or have performed even better.

It was hoped that the shareholding in Oy Alholmen Kraft AB would have been brought to an end during the year. This did not happen but the hope is that this will now take place during the first quarter of 2021. All the costs relating to the shareholding have therefore been charged to the whole of 2020, despite not being included in the plan for the year. The year has seen a number of changes to internal procedures as a result of the pandemic, as well as low prices for electricity and electricity certificates. Previously made price hedges have played an important role in offsetting the lower electricity prices, as have internal efforts to reverse the loss of revenue in a manner that is sustainable in the long term. One of the ways this has been done is by reducing planned investments during the year. During the pandemic, the focus

has been on preventive action and on protecting functions critical to society, such as electricity generation and grid, heating and fibre network operations.

Business operations functioned very well during the pandemic and its impact on financial results in 2020 has been limited to the deferral of customer debt totalling approximately SEK 2 million and bankruptcies of approximately SEK 1 million. The company has benefitted from reduced employer's contributions, totalling approximately SEK 2 million.

Hydropower business delivered an operating profit of SEK 71 million, which is approximately SEK 318 million lower than in 2019, as a result of the low electricity prices. In contrast, however, both the opening reservoir levels at the beginning of the year and the inflow during the year were higher than the previous year and the production volume was therefore 63 GWh higher than in 2019. At year-end, the reservoirs contained approximately 463 GWh more than the median for the period. Wind power production was also affected by low prices for electricity and electricity certificates and returned a significantly worse result than the previous year, despite the very good wind levels and availability. The mild year also affected heat production, which returned a worse result than the previous year despite a continued increase in the number of new customers. The supply of fuel was very good in 2020, which has pushed prices downwards. The Alholmen thermal power station was not operational for five months due to both technical challenges and low prices. Nuclear power in Sweden experienced some delays to its planned audits during the year and, in a remarkable development, Svenska kraftnät was required to pay Vattenfall to keep Ringhals running to ensure the stability of the grid.

The average price per month for Skellefteå Kraft's electricity-producing facilities was within a range of SEK 56 to 245 per MWh. The lower price of electricity has led to a decrease in average income from electricity production, while the total production volume has increased due to good winds and high reservoir levels and inflow. Despite the higher level of production, earnings from electricity sold during 2020 were lower than in the previous year.

For wind power, the year has generally been good in terms of wind, with high levels of production, except in December when production was limited by major problems with ice. Production for the full year was 898 GWh, which is 26 GWh lower than budgeted, but 159 GWh higher than in 2019. The low prices for electricity and electricity certificates, together with the technical capacity of the wind farms and the anticipated wind volume on site, have resulted in the assessment that the book value no longer corresponds to the market value and this has therefore been written down.

In 2019, the Swedish Energy Agency put forward a proposal for a time-based instead of a volume-based stop rule for electricity certificates. The proposal means that facilities commissioned after the end of 2021 cannot be allocated electricity certificates. Electricity production facilities that are commissioned in Sweden before the cut-off date, and

which fulfil the requirements for being allocated an electricity certificate, can be approved up to 2035. The allocation of electricity certificates will then take place for the remaining period and for no longer than until the end of 2035.

Electricity production in the combined heat and power plants has functioned satisfactorily but has been limited by the low electricity prices during the year. The development of Hedensbyn's industrial area continues as part of an ongoing major industrial establishment in Skellefteå. Solutions for cooling and process water, as well as heating solutions, were installed in 2020 and the work to deliver steam continues and is expected to be completed in 2021.

Work to achieve fossil-free district heating production is ongoing and in Lycksele the summer burning of peat has been replaced with dried wood chips, while bio oil is now used as ignition fuel in Skogsbacka. A new top-up boiler for Skellefteå is expected to be operational in early 2021.

In the private market business, customer growth has continued and profitability has increased. The acquisition of electricity trading company Enefit's customer base was completed during the year. This year's customer satisfaction survey (SKI) shows that Skellefteå Kraft is highly ranked in all six categories and top in five: Electricity trading commercial, District heating private & commercial, Electricity grid private & commercial. In this year's survey, customers have highlighted quality of delivery and reliability as important factors to a greater extent than before. During the year, Skellefteå Kraft was also named Sweden's strongest brand in the energy company category in the Evimetrix Swedish Brand consumer survey. The brand strength on which the award is based is measured in terms of the satisfied customer index and awareness.

Skellefteå Kraft Elnät continues to invest heavily in weather-proofing the electricity grid. The main investment has been in laying cable, but also in replacing uninsulated overhead lines with coated lines. In 2020, there has also been a focus on preventive work. Among other things, power transmission corridors have been cleared of branches with the aid of helicopters and line switches have been fitted. Between 2016 and 2020, approximately 39,500 old household meters have been replaced with the new generation of household meters with advanced remote communication. To meet the requirements of the authorities, approximately 20,000 remaining household meters must be replaced by the end of 2023.

The regional grid that supplies the city of Skellefteå with electricity has seen reinvestment and reinforcement to maintain a high level of delivery reliability and fulfil Skellefteå municipality's expansion plans.

Implementation of regional grid reinforcements began in 2019 and is expected to continue until 2025. With the current interest in the establishment of new businesses in Skellefteå municipality, the utilisation rate of the main grid station at Högnäs is rising, for which reason an investigation into increasing capacity has begun.

Skellefteå Kraft Elnät's role as owner of substantial societal infrastructure is being steadily strengthened. It is

clear that the role of electricity grid operator is becoming increasingly important in the current market situation in and around Skellefteå. Any expansion will mainly occur in connection with the present geographical grid area and/or to support existing and new production activities there. Many customer inquiries are still being received, ranging from house connections to larger consumption customers such as industrial start-ups and major wind power production customers. The Energy Markets Inspectorate, which monitors and develops energy markets, has decided on changes in the regulatory model for the entire electricity grid industry. The weighted average cost of capital (WACC) has been reduced from 5.85% to 2.16% and Skellefteå Kraft has received a decision on the new revenue framework for the years 2020–2023.

The decision of the Swedish Energy Markets Inspectorate has been appealed against to the Administrative Court. Skellefteå Kraft Fibernät continues to show good growth in customers and profitability.

In the Swedish Quality Index (SKI) survey, the Customer Satisfaction Index (NKI) for private customers was 78.8, while the NKI for commercial was 74.5, which was far above the industry average for telecoms.

Skellefteå Kraft Fibernät AB has been granted investment funding by the County Administrative Board of Västerbotten County, within the framework of the Swedish Board of Agriculture's rural development programme, totalling approximately SEK 52 million for the period from 2017 to 2021. This funding enables the continued expansion of the fibre network in sparsely populated rural areas and the aim is that 98% of all households and businesses will have access to, or be in close proximity to, a fibre network by 2025 at the latest. According to the Swedish Post and Telecom Authority's most recent broadband survey (2019 survey, published March 2020), 91% of all households and businesses in Skellefteå municipality had a connection to a fibre network or had a fibre network to connect to in their vicinity. Skellefteå Kraft Fibernät AB is the largest owner of fibre infrastructure in the municipality in terms of the number of customers connected.

In 2020, an Internet of Things (IoT) platform for the administration of sensors and sensor data was brought into operation. A LoRa network initially covering the city of Skellefteå has also been expanded and connected to the IoT platform.

During the year, Energiservice Skellefteå AB has worked on developing the business with the aim of increasing the market share within the field of operation and of developing into an efficient contractor. The focus during the year has been on internal projects, where Energiservice acted as a strategic partner to the Skellefteå Kraft group. The company has achieved positive development during the year and increased the number of employees by more than ten. Safety and protection work continued during 2020, as part of the SES programme.

Investments continued to be made to expand the charging infrastructure for electric vehicles during the year. In Skellefteå, a number of new charging stations have come into operation and two bus charging stations are also in place. Public fast-charging facilities have been provided in Arvidsjaur. A major new agreement was also signed during the autumn for fast charging at OKQ8 stations around the country, enabling the construction of Sweden's largest charging network.

Construction continues on the cultural centre in Skellefteå. Skellefteå Kraft, together with ABB, has an agreement here to build an energy solution at the cutting edge of technology, so as to ensure optimal energy use with modern technology. Skellefteå Kraft has also launched an electric car pool with the aim of making more efficient use of the company's pool cars and so encouraging resource management and contributing to the transport transition in society.

Skellefteå Kraft Fastighetsförvaltning AB was divested at the end of January 2020.

Significant events after the end of the financial year

The beginning of the new year 2021 has been colder and drier than usual. The lower temperature has been felt mainly in the two southern electricity areas SE4 and, in particular, SE3. Supply has been good, however, as we began the new year with well-stocked hydropower reservoirs. The high demand for electricity, as a consequence of the cold weather, meant that the spot price in January was considerably higher than the same month last year. In electricity area SE1, the average spot price in January was SEK 450.61 per MWh, compared with SEK 245.27 per MWh in 2020. The futures market points to the spot price remaining relatively high during the winter and we envisage little risk of a repeat of the at times very low spot prices in 2020. Despite the high spot prices at the beginning of the year, our forecast for the year 2021 as a whole in SE1 remains a moderate average price of SEK 300 per MWh. This is because power generation in the north exceeds demand by a significant margin and the limitations of the grid make it difficult to transfer this power to the south.

The sale of the shareholding in the Alholmen Oy thermal power station is expected to be completed during the first quarter of 2021.

The pandemic continues to have an impact on the company in the form of forbearance and potential bankruptcies among customers, as well as changes to working methods.

Multi-year Summary

Consolidated for the Group

(SEK millions)	2020	2019	2018	2017	2016
Net sales	3,333	4,436	4,421	3,465	3,369
Operating profit (EBIT)	-238	502	680	337	437
Balance sheet total	11,968	12,548	12,294	11,256	11,366
Shareholder equity	5,835	6,202	6,058	5,720	5,663
Return on equity (before tax), %	neg	5.1	7.2	3.9	5.0
Equity ratio, %	48.8	49.4	49.3	50.8	49.8
Annualised number of employees	675	646	607	587	578

Sustainability Report

Skellefteå Kraft's sustainability report, based on Global Reporting Initiative (GRI) standards, Core level, is available at skkraft.se.

Compulsory permits and obligation to notify according to the Environmental Code

The group has 46 operations requiring a permit and 30 with an obligation to notify according to the Environmental Code. The operations requiring permits include one for peat extraction, seven combustion plants for the production of district heating and electricity, as well as a wind farm. Nine permits are for the intermediate storage/transport of hazardous waste, 24 are for the handling of flammable goods, two are water court judgments for district cooling and the use of river water respectively and two concession permits refer to peat extraction. Of the notifiable activities, 26 refer to biofuel-based production of district heating, three to wind power plants and one refers to the construction of a fuel plant. All operations have valid permits.

The environmental impact of the operations requiring permits comes mainly from the combustion of wood fuel, peat and oil, which in turn results in emissions to the air. The emissions consist of both

fossil CO₂ from peat and oil and biogenic CO₂ from wood fuels, as well as NO_x and a certain amount of sulphur and dust. All our combustion plants are equipped with different types of purification of flue gases and at the Hedensbyn plant there is also equipment for NO_x reduction.

The new national hydropower plan will establish modern environmental conditions for hydropower through the review of such plants. The first of Skellefteå Kraft's plants to be reviewed is Rickleån and this will take place in 2022.

Future development

Skellefteå Kraft continues to work with a focus on the core business as well as the development of new partnerships, products and services in the future digitalised energy landscape with, among other things, solar and charging. The rapid transition in the market is leading to an increased

internal focus on working methods and leadership in order to best meet the pace of change that exists in the world around us.

There is a great deal of interest from electricity-intensive industries in finding possible establishments in northern Sweden. Skellefteå Kraft Elnät AB continues to reinvest in and develop the electricity grid to enable more electricity production.

The work of listening to and conducting a dialogue with politicians continues, so as to create good conditions for taking the business forward. Issues being pursued include the role of hydropower in the energy system, mechanisms that create the conditions for investments in both renewable energy production and in output and securing the transfer link from north to south.

Skellefteå Kraft has a clear image of the future and a positive view on the transition that is taking place in the energy system.

Risk management

The development of risk management work continued within the group during 2020. Risk analyses of operational processes have become part of risk management, which in turn has become a basis for improvement work and internal auditing.

Risk analyses of business plans, which each business area and unit are expected to draw up and manage, have not been updated at the same frequency as in the previous year. This makes it difficult to ascertain the overall risk picture in the short term, but measures to improve continuity have been implemented and planned.

New risk controllers have been in place since 1 April, existing risk analysis tools have been improved and new ones have been added. The risk function has also been very much involved this year in providing risk management support to the operations.

Risks and uncertainty factors

The coronavirus pandemic has left a deep impression on the business in 2020, including from a risk management perspective. Despite Skellefteå Kraft faring relatively well in terms of major/direct economic impact, the year has been characterised by new forms of social/technical cooperation and new experiences of crisis management. Other risks that are currently considered to have the greatest impact at group level include the following:

Price risk

The prices of electricity and electricity certificates may change more than we have anticipated. The unexpectedly low electricity prices in 2020 are an indication of how significant this risk is. Climate change may also have longer-term effects and result in major variations. Has a significant impact on financial performance.

Volume risk

It is considered that the risk of bottlenecks in the main grid meaning that Skellefteå Kraft is unable to optimise production or to deliver electricity to the extent desired, resulting in electricity having to be sold at a discount or wasted, will remain high for the foreseeable future. Interacts partially with price risk.

Strategic risk

Tough competition, restrictive licensing processes, public opinion on fossil-free in relation to renewables, the conditions for turning innovations into profitable business, and the uncertainty to which this also leads in major investment decisions, are considered to be the main strategic risks.

Greatly affected by political decisions.

Organisational risk

Work on process orientation, compliance with internal regulations and procedures, internal cooperation between units, targeting, planning and prioritisation need to be developed further. This is necessary for the long-term sustainable management of strategic and operational risks.

IT/Information security risk

Technical debt in the IT area, which is a risk for both performance and security, has been the focus of improvement work in 2020. The level of risk is still considered to be relatively high, however. Combined with new and constantly changing cyber threats and increasing digitisation, this provides many reasons why it is vital for the business that IT-related risks continue to be managed well.

Financial risk management

The financial risks consist of currency, interest rate, credit, refinancing, liquidity and cash flow risks. These are regulated at an overall level by the governing documents Finance Policy Skellefteå Municipality Group and Rules for Financial Operations in Skellefteå Municipality.

Interest and liquidity risk

The liquidity risk is reduced by the internal bank of Skellefteå Stadshus AB guaranteeing Skellefteå Kraft's liquidity, based on established needs forecasts.

The Skellefteå Kraft group's external loan liabilities amounted to SEK 4,020 million (4,054) as of 31 December 2020, with an average fixed interest period of 2.2 years (2.8). 26% (21) of borrowing had a variable interest rate.

Interest rate risk is handled by the internal bank of Skellefteå Stadshus AB by spreading interest rates in the debt portfolio over time. Most of the fixed-rate interest is distributed relatively evenly over a six-year period. A benchmark is that the average fixed interest rate shall be for between 3-4 years with a deviation of 1.0 year in either direction. The market situation affects the fixed interest rate position.

Credit risk

Credit risks related to accounts receivable are handled in the operational organisation. Credit risks related to bilateral

trade in electricity are treated as counterparty risk and are regulated in the guidelines for power trading. The highest single credit loss that could occur is of the order of SEK 50 – 80 million.

Price risk

This refers primarily to the risks associated with price fluctuations for electricity. For the management of these risks there are guidelines that describe how risk management should be handled, clarify responsibilities and roles and establish a trading mandate.

Our trading activities have divided all flows into a structure built up of several portfolios that represent different parts of production and sales. The portfolios are filled with forecasts of future deliveries of electricity. The production and sales operations are responsible for these forecasts. The forecasts are processed according to the established price hedging strategy, and prices are hedged based on guidelines and price hedging strategies. Price hedging occurs on the Nasdaq Exchange.

Volume risk

In the production portfolio, there is a volume risk depending on variations in precipitation. This risk is limited via a mandate for optimisation of production that can be initiated depending on the hydrological balance and the price situation on the futures market. In the consumption portfolio, there is a volume risk that is temperature sensitive. This risk is reduced by continuous updates of current volumes in the consumption portfolio.

Sensitivity analysis

In the short term, earnings are not affected by a change in the price of electricity on the end user market, due to fixed margins and the hedging described above. On the other hand, a lasting change of SEK 0.01 in the Nord Pool forward prices affects annual profit by approximately SEK 40 million under normal production conditions. A change in the sales price of district heating of SEK 0.01 affects earnings by nearly SEK 7 million.

In the event of a dry year, i.e. low precipitation, there could be a production loss of 800 GWh. An extremely wet year can give a production increase of close to 500 GWh. At an electricity price of SEK 0.30 per kWh, 500 GWh corresponds to SEK 150 million. A dry year is very likely to result in a higher electricity price and a wet year a lower one.

Of the company's borrowing, 74% is at fixed rate. A change in the interest rate of +/- 1% would affect net financial items by +/- SEK 10.5 million (8.5) in the short term if no measures were taken. A long-term change in interest rates would affect net financial items by +/- SEK 40 million (41) under the same assumption.

Consolidated Income Statement, SEK million

	2020	2019
OPERATING INCOME		
Net sales	3,333.2	4,436.0
Capitalised work on own account	30.8	30.7
Other operating income	35.2	26.1
	3,399.2	4,492.8
OPERATING EXPENSES		
Energy and production expenses	-1,569.7	-2,440.4
Other external expenses	-477.3	-491.7
Personnel expenses	-580.5	-538.7
Depreciation and impairment	-1,001.9	-407.4
Other operating expenses	-5.7	-5.0
Share of associated company profit	-1.6	5.5
	-3,636.7	-3,990.5
OPERATING PROFIT	-237.5	502.3
PROFIT FROM FINANCIAL ITEMS		
Profit from other securities and receivables that are fixed assets	8.8	12.4
Other interest and similar income items	2.2	6.8
Interest and similar income items	-45.5	-56.6
	-34.5	-37.4
PROFIT AFTER FINANCIAL ITEMS	-272.0	464.9
Appropriations	80.0	21.6
Tax on profit for the year	76.7	-61.3
PROFIT FOR THE YEAR	-115.3	425.2

Consolidated Balance Sheet, SEK million

	31/12/2020	31/12/2019
ASSETS		
Non-current assets		
<i>Intangible fixed assets</i>		
Capitalised development costs	7.6	10.2
Concessions and similar rights	2.6	2.6
Acquired customer values	25.9	26.6
Goodwill	29.9	33.4
	66.0	72.8
<i>Tangible fixed assets</i>		
Buildings	1,017.2	1,037.5
Land and other immovable property	2,071.0	2,080.6
Machinery and other technical facilities	5,645.2	6,017.0
Equipment, tools and installations	163.1	164.0
Construction in progress	1,121.5	1,137.3
	10,018.0	10,436.4
<i>Financial assets</i>		
Shares in associated companies	105.8	31.8
Receivables from associated companies	116.8	116.8
Other securities held as non-current assets	108.5	154.8
Other non-current receivables	542.1	458.9
	873.2	762.3
TOTAL NON-CURRENT ASSETS	10,957.2	11,271.5
Current assets		
<i>Goods in stock etc</i>		
Raw materials and consumables	191.2	139.6
<i>Current receivables</i>		
Accounts receivable	171.1	242.1
Receivables from group companies	121.0	53.8
Receivables from associated companies	0.1	3.9
Other receivables	34.2	105.8
Prepaid expenses and accrued income	383.2	546.4
	709.6	952.0
Cash and bank deposits	110.3	185.1
TOTAL CURRENT ASSETS	1,011.1	1,276.7
TOTAL ASSETS	11,968.3	12,548.2

Consolidated Balance Sheet, SEK million

	31/12/2020	31/12/2019
EQUITY AND LIABILITIES		
Equity		
<i>Restricted equity</i>		
Share capital	204.0	204.0
	204.0	204.0
<i>Unrestricted equity</i>		
Unrestricted reserves	5,745.9	5,573.0
Profit for the year	-115.3	425.2
	5,630.6	5,998.2
TOTAL EQUITY	5,834.6	6,202.2
Provisions		
Provisions for pensions and similar obligations	17.2	19.9
Deferred tax liability	964.7	1,041.4
Other provisions	280.3	287.5
TOTAL PROVISIONS	1,262.2	1,348.8
Non-current liabilities		
Other liabilities to credit institutions	4,019.4	4,053.0
Other liabilities	141.5	81.2
TOTAL NON-CURRENT LIABILITIES	4,160.9	4,134.3
Current liabilities		
Advance payments from customers	52.9	91.1
Trade accounts payable	240.8	256.7
Liabilities to Group companies	2.6	3.7
Liabilities to associated companies	7.8	9.0
Current tax liability	3.8	10.8
Other liabilities	176.1	175.2
Accrued expenses and deferred income	226.6	316.4
TOTAL CURRENT LIABILITIES	710.6	862.9
TOTAL EQUITY AND LIABILITIES	11,968.3	12,548.2

Consolidated Cash Flow statement, SEK million

	2020	2019
CURRENT OPERATIONS		
Profit after financial items	-272.0	464.9
Adjustment for items excluded from the cash flow		
Depreciation and impairment	1,001.9	407.4
Profit/loss on the sale of fixed assets	4.3	-7.9
Share of associated company profit	1.6	-5.5
	735.8	858.9
Income tax paid	0.0	-0.7
Cash flow from current operations before changes in working capital	735.8	858.2
Cash flow from changes in working capital		
Increase (-)/decrease in goods in stock etc.	-51.6	-13.6
increase(-)/decrease in operating receivables	242.4	300.0
increase/decrease(-) in provisions	-9.9	110.6
increase/decrease(-) in operating liabilities	-152.3	-91.5
Cash flow from current operations	764.4	1,163.7
INVESTMENT ACTIVITIES		
Acquisition of subsidiaries excluding cash and cash equivalents	-	-35.1
Acquisition of intangible assets	-8.4	-
Acquisition of tangible fixed assets	-770.0	-1,216.2
Sale of tangible fixed assets	197.4	326.0
Acquisition of associated companies	-29.4	-
Sale of associated companies	0.0	47.0
Acquisition of other non-current securities holdings	-	-26.2
Increase(-)/decrease in other non-current receivables	-83.1	349.4
Provided (-) and repaid shareholder contributions	-	8.0
Cash flow from investment activities	-693.5	-547.1
FINANCING ACTIVITIES		
Increase/decrease (-) in utilised credit	-33.7	-106.4
Increase/decrease(-) in other non-current liabilities	60.3	-302.5
Group contributions given (-)/received	80.0	21.6
Dividends paid	-80.3	-118.8
Contributions to other activities of the municipality	-172.0	-162.0
Cash flow from financing activities	-145.7	-668.1
Cash flow for the year	-74.8	-51.5
Cash and cash equivalents at start of year	185.1	236.6
CASH AND CASH EQUIVALENTS AT END OF YEAR	110.3	185.1

Multi-year Summary, SEK million

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
FROM INCOME STATEMENT, SEK MILLIONS										
Net sales	3,333.2	4,436.0	4,420.8	3,464.9	3,369.3	3,458.5	3,800.1	4,249.8	4,606.5	5,139.5
Expenses incl. other operating items	-2,568.8	-3,526.3	-3,368.0	-2,582.3	-2,530.1	-2,594.6	-2,949.8	-3,367.6	-3,492.2	-4,110.0
Depreciation	-1,001.9	-407.4	-373.1	-545.4	-402.6	-372.8	-364.6	-555.6	-451.7	-514.2
OPERATING PROFIT (EBIT)	-237.5	502.3	679.7	337.2	436.6	491.1	485.7	326.6	662.6	515.3
Financial income etc.	11.1	19.2	32.7	29.9	36.0	255.2	26.4	-54.0	48.5	30.9
Financial expenses	-45.6	-56.6	-61.9	-78.1	-87.6	-97.5	-112.7	-116.0	-112.3	-117.3
PROFIT AFTER NET FINANCIAL ITEMS	-272.0	464.9	650.5	289.0	385.0	648.8	399.4	156.6	598.8	428.9
Group contributions	80.0	21.6	-6.5	-6.4	-	-	-	-7.3	-	-
Taxes	76.7	-61.3	-54.2	-42.8	-71.9	-42.8	-39.1	-16.3	63.2	-19.3
PROFIT FOR THE YEAR	-115.3	425.2	589.8	239.8	313.1	606.0	360.3	133.0	662.0	409.6
FROM THE BALANCE SHEET, SEK MILLIONS										
Intangible fixed assets	66.0	72.8	50.4	2.4	24.6	0.0	3.5	8.0	148.6	159.9
Tangible fixed assets	10,018.0	10,436.4	9,570.9	9,295.1	9,232.8	9,237.9	8,871.9	8,527.5	8,054.1	7,769.7
Financial assets	837.2	762.3	1,130.6	922.5	914.3	848.9	827.6	750.2	851.5	616.5
Current receivables and stocks	900.8	1,091.6	1,305.5	806.1	839.4	872.0	939.7	880.8	1,071.5	1,043.6
Cash/cash equivalents and investments	110.3	185.1	236.6	230.3	355.0	417.1	426.7	483.9	379.0	132.1
TOTAL ASSETS	11,968.3	12,548.2	12,294.0	11,256.4	11,366.1	11,375.9	11,069.4	10,650.4	10,504.7	9,721.8
Equity	6,202.2	6,057.8	5,720.5	5,662.6	5,497.4	5,085.4	4,936.1	4,993.6	4,539.8	
Interest-bearing non-current liabilities and provisions	4,072.9	4,184.0	3,777.8	3,908.6	3,913.4	4,303.2	4,010.2	3,816.4	3,456.6	
Non-interest-bearing non-current liabilities and provisions	1,359.5	1,183.4	1,072.3	1,016.1	932.3	905.9	850.8	842.0	875.7	
Interest-bearing current liabilities	0.0	0.0	0.0	0.0	6.1	0.0	5.4	0.0	5.0	
Non-interest-bearing current liabilities	862.9	868.8	685.8	778.8	1,026.7	774.9	847.9	852.7	844.7	
TOTAL EQUITY AND LIABILITIES	12,497.5	12,294.0	11,256.4	11,366.1	11,375.9	11,069.4	10,650.4	10,504.7	9,721.8	
KEY FIGURES										
Return on equity (before tax), %	neg	7.6	11.0	5.1	6.9	12.3	8.0	3.2	12.6	9.7
Return on capital employed, %	neg	5.1	7.2	3.9	5.0	7.9	5.6	3.1	8.5	6.9
Return on total capital, %	neg	4.2	6.1	3.2	4.2	6.6	4.7	2.6	7.0	5.7
Operating margin, %	neg	11.3	15.4	9.7	13.0	14.2	12.8	7.7	14.4	10.0
Net margin, %	neg	10.5	14.7	8.3	11.4	18.8	10.5	3.7	13.0	8.3
Equity ratio, %	48.8	49.6	49.3	50.8	49.8	48.3	45.9	46.3	47.5	46.7
Self-financing rate, %	59.8	50.3	92.7	96.4	125.2	88.7	76.5	69.7	112.7	81.9
Interest coverage ratio, multiple	neg	9.2	11.5	4.7	5.4	7.7	4.5	2.4	6.3	4.7
Debt to equity ratio, multiple	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8
Capital turnover rate, multiple	0.33	0.43	0.45	0.36	0.35	0.37	0.41	0.48	0.55	0.65
OTHER INFORMATION (SEK MILLIONS)										
Capital employed	9,888.7	10,275.2	10,241.8	9,498.3	9,571.2	9,416.9	9,388.6	8,951.7	8,810.0	8,001.4
Net investment in plant	778.4	1,216.2	728.2	623.4	410.1	900.3	721.2	898.3	726.4	921.6
Net investment in shares	29.4	26.2	130.9	0.5	41.3	0.0	0.0	0.0	1.8	4.0
Contribution to other activities of the municipality	248.1	242.3	228.8	226.5	220.0	220.0	211.0	215.0	205.0	196.0

Note: The years 2011 to 2012 above have not been recalculated according to K3.



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