



Annual and Sustainability Report 2024

Sekab

Welcome to our Annual and Sustainability Report 2024

In Sekab's Annual and Sustainability Report, you'll find a summary of our operations over the past year. The report includes both financial and non-financial results. We share our key initiatives, challenges, opportunities, and how we create value for our customers through our bio-based chemicals.

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Sekab BioFuels & Chemicals AB | 556263–4088

This Annual and Sustainability Report for Sekab BioFuels & Chemicals, covering the 2024 financial year, has been prepared in accordance with Chapter 6 of the Swedish Annual Accounts Act. It offers stakeholders insight into how we create value not only for our shareholders, but also for the society in which we operate.

Local power for global change

Chemicals are the backbone of modern industry and everyday life. They're found in everything from paints and coatings to adhesives, plastics, cosmetics, pharmaceuticals, and packaging. But today's global chemical industry still relies heavily on fossil raw materials. Sekab offers a different path – rooted in a tradition of innovation and local resource refinement. We carry forward the lessons of the past while driving the transition toward fossil-free solutions for the future.



CEO's Statement

Separating the signal from the noise

For a sonar operator aboard a submarine, identifying and interpreting patterns—signals—in an overwhelming stream of incoming data is a matter of survival. The same skill is just as essential when trying to make sense of the complex reality that is corporate governance in turbulent times.

In 2024, the noise was overwhelmingly negative in the market where Sekab operates. European industry in general, and our chemical sector in particular, is struggling. Following a downward shift in the autumn of 2022, 2024 marked the third consecutive year of weak economic conditions for Europe's process industries. Positive signs on the horizon remain scarce. Germany's economic challenges are well known—and as long as the German engine falters, all of Europe feels the impact.

Yet for those able to detect the signal within the noise, 2024 also held meaningful progress. At Sekab, we look back on a year of important steps forward—across sustainability, organization, and customer engagement:

- Sekab advanced our ambition to become the world's greenest chemical company. Thanks to our supplier Övik Energi's full transition to fossil-free steam production, we eliminated the last major fossil footprint in Sekab's own production and processing (Scope 1 and 2).
- Our customer dialogues evolved significantly. The chemical market must move away from pricing structures based solely on fossil-based market prices. Sekab is actively driving this shift. In 2024, we saw greater maturity in the industry, as more players recognized that fossil-free chemicals must be priced according to the reality of their production and raw materials.
- Sekab's organization was further developed to meet the potential we see ahead. A more focused sales and marketing team has been established, while key business-enabling functions such as procurement, logistics, contracts, production planning, and market analysis have also been strengthened. Our work on new, green product development continued at pace. To underline that sustainability is core to Sekab's strategic direction, a new combined Strategy & Sustainability unit was formed, led by the company's Deputy CEO.

Much remains to be done. Sekab's journey to play a larger role in the European and global chemical industry is still in its early stages. But we move forward from a strong position—our production capacity, experience, and delivery reliability, together with our clear ambitions, make us an attractive partner for both current and future collaborations. In the years ahead, Sekab will grow in both revenue and results, driven by the very trends we began to see emerge in 2024. And we will do so with the confidence that few others can match our ability to combine business acumen with a firm commitment to sustainability. Virtually every deal we make helps phase out the old, fossil-based, and ultimately unsustainable alternatives.

EMIL KÄLLSTRÖM
CEO SEKAB



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CHAPTER ONE
COMPANY OVERVIEW

About Sekab

100 years of experience meets the challenges of the future

At Sekab, we produce fossil-free chemicals from bio-based raw materials, with the same properties as their fossil-based counterparts. This enables our customers to easily reduce their climate footprint by switching from fossil chemicals to Sekab's bio-based alternatives. We offer the chemical industry sustainable solutions without contributing to increased greenhouse gas emissions.

Ninety-six percent of all manufactured goods require chemicals. They're present in virtually every everyday product around us—from paints and coatings to adhesives, plastics, cosmetics, pharmaceuticals, and packaging. Yet the vast majority of chemicals used globally are still produced from fossil raw materials. To reach global climate targets, that dependency must be broken.

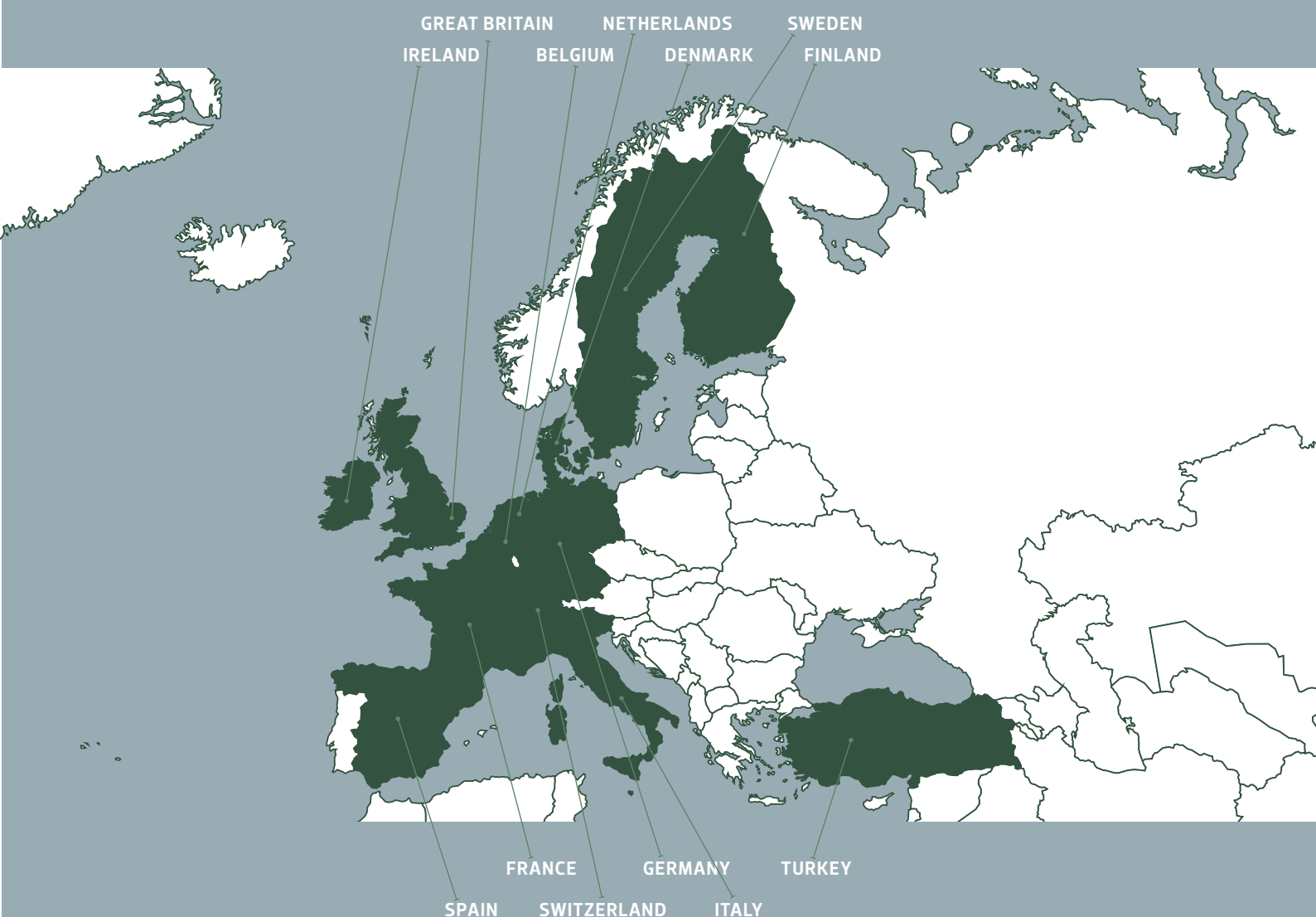
Sekab is a chemical company based in Örnsköldsvik, Sweden, with a clear mission: to do business that drives industrial transformation. With 100 years of experience and bold ambitions, we are a challenger and a vital part of the transition the industry must make.

At our production facility in the High Coast Innovation Park, we refine and transform large volumes of bio-based ethanol—every day, all year round—into chemical products such as acetaldehyde, ethyl acetate, acetic acid, and various custom blends. These are offered as fossil-free alternatives to the chemicals used in industry today.

Sekab's research and development department is a strategically important area, key to driving the company's future growth through new initiatives and partnerships. Our development efforts focus on using bio-based raw materials and advanced technologies to replace fossil products and meet the growing demands for sustainability within the chemical industry.



We make the map greener



■ Sekab products have been sold to these countries during 2024.

Certified and verified for sustainability

Sekab's fossil-free chemicals are produced from bio-based raw materials in a circular process. Our products help our customers phase out unsustainable inputs and processes. We are part of a green industrial revolution that is fundamentally reshaping how goods and services are produced. Through certifications—both at company level and for individual products—we ensure that our methods and solutions meet high sustainability standards.



SEKAB IS RANKED BY ECOVADIS
in their annual international assessment of corporate sustainability management systems.



SCIENCE-BASED TARGETS
Sekab's climate goals have been scientifically validated by the Science Based Targets initiative.



ISCC CERTIFICATION
Both Sekab as a company and all our products are sustainability-certified according to ISCC – the International Sustainability & Carbon Certification system.



SEKAB IS CERTIFIED IN ACCORDANCE WITH THE STANDARD
ISO 14001 – environmental management system

SEKAB OPERATES IN ACCORDANCE WITH
ISO 9001 – Quality Management System

SEKAB REPORTS CARBON FOOTPRINTS IN ACCORDANCE WITH
ISO 14067 – Greenhouse gases – Carbon footprint of products – Requirements and guidelines for quantification and communication.



EUROPE'S CLIMATE LEADERS
Sekab has been named one of Europe's Climate Leaders in the Financial Times list for 2024.

CERTIFICATES AND DECLARATIONS WE PROVIDE TO CUSTOMERS

COA – Certificate of Analysis confirms that a product batch meets all agreed-upon specifications, signed and dated by an authorized representative from Quality Control or the Quality Department.

KOSHER – This certification confirms that production complies with the dietary laws of kashrut as outlined in the Shulchan Aruch, the standard for religious Jewish law.

SDS – The safety data sheet provides information on the physical, health, and environmental hazards of a chemical, along with guidance on protective measures, handling, storage, and transport.

CO₂ VALUE – We report our products' carbon footprints in full transparency, in accordance with the international standard ISO 14067.

HALAL STATEMENT – Indicates that the product is acceptable in accordance with Islamic law.

SUSTAINABILITY CERTIFICATE – Our products are certified under ISCC+, a globally recognized sustainability certification system.



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CHAPTER TWO SUSTAINABILITY REPORT

*Our approach to
sustainability*

Global goals as part of our core business

Sustainability isn't just part of what we do—it's at the heart of everything we do. Our commitment to sustainability is firmly rooted in the United Nations Sustainable Development Goals (SDGs) under Agenda 2030. These goals provide the overarching framework that guides us in identifying and managing various aspects of sustainability across our operations.

IN OUR SUSTAINABILITY REPORT, the SDGs serve as a structuring force. We have integrated them into our four focus areas and clearly identified the seven specific goals where we can make the greatest impact. This gives us a solid foundation for implementing and measuring our sustainability efforts.

OUR BIO-BASED CHEMICALS are produced and sold from our facility in Örnsköldsvik. We operate in accordance with the environmental standard ISO 14001 and the quality standard ISO 9001. These standards are essential for ensuring both internal efficiency and transparency toward external stakeholders.

OUR TARGETS ARE SCIENCE-BASED as we have joined the independent Science Based Targets initiative, with approved targets to reach net zero emissions in scopes 1 and 2, and to reduce scope 3 emissions by 42% by 2030. By 2040, we aim to have reduced total emissions across all scopes by 90%.

OUR CERTIFICATIONS AND AMBITIOUS GOALS are reflected in our guiding documents. The overarching company policy for environment, safety, and occupational health serves as our primary roadmap for achieving these goals. This policy forms the basis for both internal and external guidelines, creating a robust framework for our sustainability efforts.

OUR CODE OF CONDUCT PROVIDES CLEAR GUIDANCE on how we act as an employer and business partner. It is grounded in the ten principles of the UN Global Compact and is supported by three additional policies: our gender equality and diversity policy, our procurement policy, and our sales policy. These are all integrated into our overall sustainability strategy and reflect our commitment to a sustainable and ethical business. We continue to strive to be a leader in sustainability and look forward to continuing our efforts toward a better and more sustainable world.

Focus areas

Sustainability across every aspect of our business

Sekab's operations affect people and the environment throughout the entire value chain; from the selection of raw materials and production, to distribution and end use. We run our business in a long-term and responsible way. In dialogue with customers, suppliers, and other stakeholders, we focus on the issues and areas where we can make a difference, and where our sustainability efforts truly matter.

THROUGH OUR EXPERTISE and the nature of our operations, we are well-positioned to contribute to the UN Sustainable Development Goals (SDGs). We place particular emphasis on Goals 5, 8, 9, 11, 12, 13, and 14. Within our four operational focus areas, we work actively to align our efforts with the SDGs most relevant to each area. See markings on the following pages for details.

SEKAB'S FOCUS AREAS:

- + Responsible business
- + Climate and energy
- + Social responsibility
- + Employees



Focus area: EMPLOYEES

- + Safe working environment
- + Gender equality and diversity
- + Talent acquisition and competence development

Examples of goals and performance indicators

- + Safety targets
- + Sick leave
- + Continued high score in employee survey



Focus area: RESPONSIBLE BUSINESS

- + Customer satisfaction
- + Responsibility in the supply chain

Examples of goals and performance indicators

- + Customer satisfaction
- + Annual revenue
- + Share of chemicals sold with a price formula based on bio-based raw materials



Focus area: SOCIAL RESPONSIBILITY

- + Advocacy work
- + Product development

Examples of goals and performance indicators

- + Active participation in public discourse
- + Increased visibility for Sekab and its representatives



Focus area: CLIMATE AND ENERGY

- + Renewable products and technology
- + Energy use
- + Emissions to air
- + Emissions to water

Examples of goals and performance indicators

- + 100 % bio-based and renewable raw materials and inputs
- + Share of renewable energy
- + Amount of TOC released to air and water
- + Reduced CO₂ footprints according to Science Based Targets



Focus area
Responsible business

Fossil-free pricing models

Sekab's fossil-free chemicals are unique on the market. This also places high demands on both sellers and buyers to find pricing models beyond the prevailing fossil-based norm. Developing a new approach to pricing was a major focus area for Sekab's responsible business efforts in 2024.

Chemicals remain predominantly fossil-based products, sold according to an old market logic tied to the price of oil. Leading market institute ICIS still provides weekly price indexes based on a model where they call around to buyers and fossil-based producers to ask about the week's prices. When you overlay chemical price curves with the price of oil, it becomes clear how closely intertwined they are.

Sekab's chemicals are not produced from oil and have no relation to that market index. Our raw material, ethanol, follows a different pricing logic. Convincing buyers who have sourced chemicals in the same way for their entire careers to adopt a new way of calculating prices is a process that takes time. "Of course, it's easier to buy the way it's always been done, but the industry is changing. There's now a growing awareness of the need for sustainable alternatives. The next step is understanding that the added value of fossil-free chemicals also means they must be priced differently," says Adam Lindholm, Head of Sales and Business Development at Sekab.

4,3

out of 5 was the score our customers gave us during the year.

Despite a weak industrial economy, demand for sustainable alternatives is growing. A clear trend is that large organizations are choosing specific production facilities to fully transition to fossil-free operations. They want to secure fossil-free volumes through multi-year contracts.

"We are the only company offering completely fossil-free alternatives produced in Europe. Naturally, those looking to transition want a partner they can rely on for the long term. A sustainable deal must be fossil-free at every level—including in pricing," says Adam Lindholm.

“A sustainable deal must be fossil-free at every level—including in pricing

To help customers feel confident using a non-oil-based pricing model, it's crucial for Sekab to build trust by sharing knowledge about the ethanol market, both today and into the future. Sofia Winternell, Head of Procurement and Supply Chain at Sekab, has daily contact with ethanol producers regarding both upcoming purchases and longer-term price forecasts. "The strength of ethanol, beyond being fossil-free, is that availability is very strong. The challenge is that many industries want access to it, and competition is tough because bioethanol is an affordable way to source sustainable carbon atoms. Partnering with us means tapping into our network and long-standing supplier relationships," she says.

In the process of explaining to customers how a different pricing model impacts the long term, another advantage has become clear. Although ethanol-based chemicals tend to have slightly higher prices over time, they are far less volatile than oil-based chemicals.



ADAM LINDHOLM
HEAD OF SALES AND BUSINESS DEVELOPMENT

SOFIA WINTERNELL
HEAD OF PROCUREMENT AND SUPPLY CHAIN

"That's a major advantage of ethanol—the price is stable. Since we can source ethanol from different producers and based on different crops, it gives us the flexibility to always find a cost-effective raw material. We can also adapt to what customers demand in terms of carbon footprint," says Sofia Winternell.

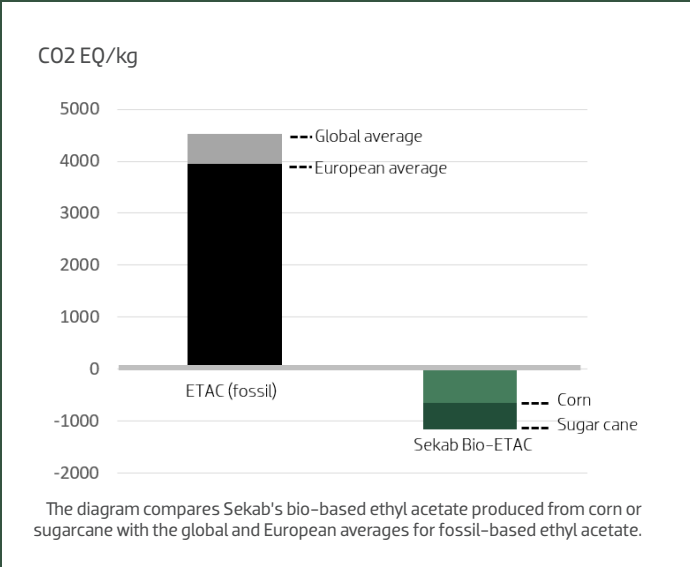
Transforming industrial purchasing patterns and breaking the fossil dependency isn't achieved overnight—but 2024 was a year when major steps were taken in the right direction.

New certification highlights sustainability benefits

The willingness to pay for sustainability is closely linked to having proof that you are getting what you pay for. Customers who choose a fossil-free chemical want to be able to demonstrate this in their own reporting and in communication with their customers.

Sustainability calculations can often be complex and difficult to navigate. In 2024, Sekab initiated a transition to calculating the carbon footprint of its products according to the international standard ISO 14067. This is a recognized methodology that makes it easier for customers to compare products.

Because the ISO 14067 method includes biogenic uptake—that is, the fact that the raw material for a bio-based product captures carbon dioxide as it grows—combined with the low process emissions from our facility, Sekab's products have a negative carbon footprint when they leave the factory in Örnsköldsvik.





Focus area
Climate and energy

Climate-negative chemicals for the climate-positive industry of the future

As a company that sells sustainability, we carry a major responsibility to practice what we preach. Our products contribute to achieving climate goals, and our own processes are designed to be resource-efficient and renewable.

SEKAB IS CERTIFIED according to the ISO 14001 environmental standard, and our production is also certified under the German sustainability system ISCC. These certifications help us maintain control over our environmental progress and continually reduce our total environmental impact. Environmental work is carried out at all levels of the organization and is fully integrated into our operations. While most of the environmental work is directly connected to our production facility, we systematically address environmental issues across all parts of the business. Sekab's ambition is to take responsibility for the company's environmental impact along the entire value chain. We focus on reducing our climate impact through efficient use of raw materials, energy, other natural resources, and transport. By manufacturing and developing fossil-free products, we contribute to a sustainable society.

RENEWABLE PRODUCTS AND TECHNOLOGY

We are convinced that the path to a sustainable future lies in fossil-free alternatives. Sekab is one of the few chemical producers in Europe that can offer chemicals made from bio-based raw materials, as an alternative to oil-based products. Moreover, we produce them using renewable energy sources such as steam and electricity.

This guarantees our customers 100% fossil-free chemicals, produced with very low emissions to air and water. By using bio-based raw materials in our processes, we contribute to lowering society's overall carbon footprint.

In 2024, we took an important step forward by beginning the implementation of ISO 14067, a standard for calculating the carbon footprint of products. This method accounts for the carbon uptake of the raw material during its growth and tracks the footprint until the product leaves our facility. Thanks to our work with bio-based raw materials and renewable energy, we are able to achieve negative CO₂ values—meaning that by choosing our products, customers can significantly reduce their own carbon footprint. Our goal is to be a partner for companies seeking to minimize their climate impact. Even during a challenging economic period for European manufacturing, interest in bio-based solutions has continued to grow.

Many large companies are undergoing transitions toward more sustainable operations, driving increased demand for certifications and detailed carbon footprint data. In 2024, Sekab took further steps to clearly demonstrate the benefits of fully bio-based products compared to fossil-based alternatives.

ENERGY USE

Sekab continuously works to reduce energy consumption across its operations. Today, all electricity and all steam used in

Did you know...
Sekab's products have a negative CO₂ value because we use bio-based raw materials that capture carbon dioxide as they grow. Combined with our low emissions during production, the overall value becomes negative when the product leaves our facility.

our facility are renewable. Part of the steam Sekab uses is produced in our own boiler, utilizing waste gases from production. Energy consumption is closely monitored and considered when making changes to processes. In 2024, total steam consumption was 80,854 tons, and total electricity consumption was 3,862 MWh.

EMISSIONS TO AIR

Air emissions primarily come from process exhaust gases during manufacturing, as well as from venting of storage tanks and loading operations. Sekab's NO_x and TOC emissions are among the lowest in Sweden relative to the amount of energy produced. In 2024, we recorded emissions of 0.8 mg TOC/m³, well within permitted limits.

To minimize unnecessary emissions, all major storage tanks have been equipped with technical solutions designed to reduce emissions to air.

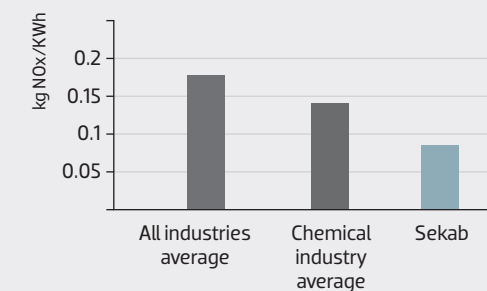
EMISSIONS TO WATER

Process water is treated in the biological treatment facility located at the industrial site before being discharged into the recipient. The biogas generated in the treatment process is used within the industrial area for electricity and district heating production. In 2024, the daily average was 1.08 tons of TOC per day, which is within current permit limits.



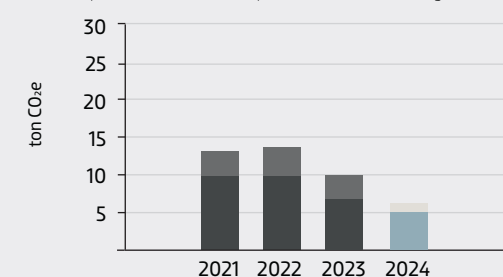
Sekab generates some of the lowest NO_x emissions in Sweden relative to the amount of energy produced.

KG NO_x PER KWH PRODUCED IN SWEDEN



GREENHOUSE GAS EMISSIONS, SCOPE 1 AND 2

Scope 1 – darker color, Scope 2 (market-based) – lighter color



Milestone on the path to net zero

Sekab is part of the rapidly growing climate movement Science Based Targets initiative (SBTi) and has had its own climate targets approved by external experts. The initiative is important both for Sekab as an individual organization and for Sekab's role in helping others meet their climate challenges.

Companies and industry have a special role to play in the transition. To create both frameworks and sufficient momentum, the Science Based Targets initiative was launched several years ago. Through the initiative, companies publicly set targets to reduce their climate impact. Scientific experts then review the targets to ensure they align with what is needed to limit global warming to 1.5°C. As of December 2024, 6,800 companies have had their targets approved, and over 9,700 have joined the initiative to develop their own goals.

Sekab joined the Science Based Targets initiative in 2023 and has had its climate targets scientifically validated by external experts. The approved targets mean that the company will achieve net zero emissions in Scope 1 and 2 and reduce Scope 3 emissions by 42 percent by 2030. By 2040, total emissions across all scopes are to be reduced by 90 percent.

For Sekab, which helps others lower their climate impact through bio-based alternatives to fossil-based chemicals, the Science Based Targets framework is an extremely important tool.

Sekab is already well ahead in its own climate efforts and has made significant progress. In 2024, we phased out the last major fossil stream in our production and have essentially reached net zero emissions in Scope 1 and 2—well ahead of our 2030 target.

This change has had a direct and powerful impact on our emissions, highlighting the importance of partnerships in sustainability work.

"This is a major milestone for us, and we are grateful for the collaboration with Övik Energi, which has helped us reach the point where our fossil emissions can now be measured in just a few tons," says Eva-Marie Byberg, Head of Sustainability at Sekab.

However, Sekab is not resting on this success. The focus is now shifting to the next major challenge—Scope 3 emissions. "The next step is tackling Scope 3, where the largest share of our footprint comes from our raw materials. Analyzing and working with our customers to choose even better bio-based raw materials will be an important task in the coming years. Of course, it feels especially rewarding to take on this challenge with such strong results behind us," says Anna C. Olsson, Environmental and Sustainability Engineer.



ANNA C. OLSSON
ENVIRONMENTAL AND
SUSTAINABILITY ENGINEER

EVA-MARIE BYBERG
HEAD OF SUSTAINABILITY

Collaborating with Sekab strengthens our ambitions

Roland Nordin is CEO of Övik Energi, which during the autumn enabled a transition at its combined heat and power plant to fully renewable biofuels sourced from by-products of the forestry and pulp industries. Övik Energi previously used a small share of peat in production, but as of October 2024, peat has been completely phased out from the company's production chain and replaced with fully renewable by-products. Sekab purchases a share of the steam used in production from Övik Energi, meaning the company's last fossil stream has now been eliminated.

You recently replaced peat with renewable biofuels at the combined heat and power plant in High Coast Innovation Park, which means Sekab now purchases 100% fossil-free steam from you. Can you tell us more about this transition and its impact on your emissions and production capacity?

In terms of volumes, our production capacity remains unchanged, but the fact that we've enabled climate-neutral energy production by phasing out peat is, of course, highly positive for us, our owners, and naturally for our customers.

” Access to fully renewable energy is one of the most critical enablers for the green transition to actually succeed.

How does this affect Övik Energi's business and market position going forward?

Access to fully renewable energy is one of the most critical enablers for the green transition to actually succeed. Being able to offer this is naturally something that's highly sought after by industries with ambitious sustainability targets.

100%

FOSSIL FREE ELECTRICITY AND STEAM

As a board member of Sekab and CEO of Övik Energi, how do you see our joint path forward?

I definitely see it as promising. It strengthens our ties and makes us more dependent on one another. We will certainly benefit from a deeper collaboration that strengthens both our brands.

What do you see as the biggest advantages for Övik Energi in working with companies like Sekab, which have clear climate goals?

Personally, I'm extremely proud both to be a part-owner of Sekab and to work with a 100% green chemical company. It also strengthens our ambitions as a group, for example through networks like the Haga Initiative.



Focus area
Social responsibility

Sekab sets the standard for a fossil-free future

An industry in urgent need of transformation needs to be challenged. Sekab takes its role as an experienced green pioneer seriously, and the work done in 2024 clearly demonstrates the company's deep commitment to a fossil-free future. By sharing knowledge and raising critical questions across every part of the value chain, Sekab strengthens its role while driving the transition forward.

The climate debate in 2024 has been marked by both progress and challenges. COP29, held at the end of the year, highlighted the remaining difficulties in effectively combating climate change. Despite some discussions and initiatives aimed at accelerating the climate transition, the conference was not as decisive as previous COP meetings, particularly when it came to reaching agreements on concrete, powerful measures to reduce global emissions.

Industry still accounts for one-third of emissions, and while much can be addressed through electrification, chemicals remain an area that requires other solutions. Industry is not only a major source of emissions but also a crucial arena for solutions. This is where the transition must happen. Moving toward fossil-free production is not optional—it is a necessity. Industry players now have a historic responsibility not just to adapt, but to lead the way.

LEADERSHIP AND CLEAR GOALS

Sekab takes its leadership role in the chemical industry seriously. In 2024, the company continued to take responsibility in processes that create frameworks for sustainability in the sector.

Sekab monitors and actively works to ensure that bio-based raw materials are not overlooked or deliberately disadvantaged when forces concerned about the transition's impact on their own business attempt to make regulations ambiguous.

In 2024, Sekab played an active role in developing Fossil Free Sweden's roadmap for how the chemical industry will achieve fossil-free operations, prepared by the industry association IKEM (Innovation and Chemical Industries in Sweden). The roadmap targets net zero emissions as early as 2038, seven years ahead of Sweden's national goal and twelve years ahead of the EU's goal. This ambitious initiative also calls for a transition to 80% recycled or bio-based raw materials by 2045. Sekab, which already today uses 100% bio-based raw materials, is proud to contribute to this critical transformation that will shape the future of the chemical industry and society's journey toward fossil-free production.

Sekab has been highly active in this effort and hosted one of the workshops for business leaders and policymakers focused on northern Sweden's role in the green transition. "The roadmap is ready, but the work has only just begun. Now we need concrete action from both industry and policymakers," says Lena Nordgren, Public Affairs Specialist at Sekab.

In 2024, Sweden and SIS assumed responsibility for the European secretariat for CEN/TC 411 Bio-based Products. Sekab is actively engaged in the secretariat and also participates in the Swedish mirror committee, SIS/TK 565 Bio-based Products. With its experience and dedication, Sekab is strategically and practically shaping the conditions for bio-based products and the development of a bioeconomy.

In 2024, Sekab was named one of Europe's Climate Leaders by the Financial Times, an award that confirms the company's role as a sustainability pioneer. This recognition highlights the concrete steps Sekab has taken to reduce its climate impact.

The chemical industry's ambitious roadmap launched

Pernilla Åhrlin is Head of Climate and Environmental Policy at IKEM – Innovation and Chemical Industries in Sweden. She has been the project manager for developing the roadmap designed to show how the chemical industry can strengthen its competitiveness by becoming fossil-free or climate-neutral.

How do you view Sekab's contribution to the roadmap?

Sekab is one of our member companies at the forefront when it comes to climate and chemical transition work. It's incredibly important that our member companies set the tone and help shape the roadmap since it's the industries together that will implement the roadmap's goals. Sekab has been instrumental in ensuring that we have such an ambitious roadmap.

What stood out about Sekab's workshop to gather and map out actions for northern Sweden?

There was incredible engagement at Sekab's workshop, with various external stakeholders such as regional and local politicians, academia, and other companies. It's clear that sustainable use of forests was a top priority in northern Sweden, but logistics and talent supply were also highlighted as crucial components for enabling the transition.

80%

**BIO-BASED RAW MATERIALS IN THE
CHEMICAL INDUSTRY BY 2045**

How important is the roadmap for influencing political decisions that support the chemical industry's transition?

Fossil Free Sweden is a national initiative that's well established with the government and parliament. Developing

a roadmap within the framework of Fossil Free Sweden has meant that we've gained political attention and helped create an understanding of the conditions the chemical industry needs.

What steps do you think are most urgent now that the roadmap has been launched?

From a short-term perspective, it's urgent that politicians ensure grid connections for the electricity that's needed and establish predictable, efficient, and fast permitting processes. However, it's absolutely critical to create incentives for the supply and demand of recycled and bio-based raw materials at competitive prices. Only then can we achieve the roadmap's vision of making Sweden the world's first climate-neutral, circular, and competitive welfare society.

If you were to highlight one specific goal or action in the roadmap that's particularly significant, what would it be and why?

Our three industries chemicals, pharmaceuticals, and plastics have together developed 10 goals and 26 industry commitments, all of which are important for achieving a competitive transition. But if I had to highlight one, which is also unique to our roadmap, it would be the Scope 3 target: by 2035, 40% of the raw materials we use should be recycled or bio-based, increasing to 80% by 2045. That might seem far off, but considering how heavily dependent our industries are on fossil raw materials, it's an extremely ambitious goal.

Knowledge as a catalyst for change

In 2024, Sekab strengthened its position as a leader in green chemistry through increased visibility, strategic collaborations, and active participation on international and national stages. By sharing knowledge, engaging in research, and using digital communication, the company is driving the transition toward a fossil-free future and reinforcing its role as a natural partner for sustainable industry.

Sekab believes that increased awareness of the chemical industry's climate impact benefits its own business. Sekab's newsletter, *New Solutions – the Latest in Green Chemistry*, saw subscriber numbers grow during 2024. This monthly mailing shares best practices and new knowledge with customers, partners, and interested readers.

Another important way to spread knowledge is through participation in conferences, both as speakers and as attendees. In 2024, Sekab took to both international and national stages to share our expertise on sustainable chemistry and industrial solutions. Notably, we were invited to an expert seminar at the Swedish Government Offices on how Swedish industry can strengthen its competitiveness.

Acting as a thought leader is also possible through participation in strategic collaborations. Alongside companies such as Polestar, SKF, SSAB, Stora Enso, and Volvo Cars, we play an active role in the Mission O House research collaboration, driven by our commitment to a sustainable chemical industry. This initiative aims to position itself at the forefront of the materials and manufacturing industries by eliminating future greenhouse gas emissions.

Sekab was one of the sponsors of the major research conference Nordic Wood Biorefinery Conference held in Örnsköldsvik. We participated with a keynote presentation titled *Transforming a Fossil Industry – Embracing the Past to Shape the Future*, highlighting how Sekab's long history of transforming bio-based ethanol into chemical products has established us as a leading player in fossil-free solutions. We also presented our research on producing bio-based butanediol from forest residues.

In addition, we took part in several key events, industry fairs, and conferences. These platforms have been crucial for spreading our vision of a fossil-free future while giving us the opportunity to identify new partners and customers. By participating in these events, we strengthen our position as a leader in sustainable chemistry and work to drive the transition toward a greener industry, both in Sweden and internationally.

Sekab has also contributed to the public dialogue on climate issues, publishing an op-ed in *Dagens industri* together with partners such as Perstorp, BASF, SCA, Boliden, and Nouryon.

An active communications strategy is critical for strengthening our position in the industry. In 2024, Sekab further expanded its reach through digital channels. For example, by ramping up digital marketing efforts, Sekab increased visibility both for itself and for the issues it champions. "Being active and present in digital channels is crucial for reaching our target audiences and raising awareness of the potential of bio-based chemicals. Through inspiring, audience-focused communication, we hope to reach more companies facing the transition and show that Sekab is the natural partner on their journey toward sustainability," says Ylva Strömstedt, Head of Communications at Sekab.

To summarize, 2024 has been a year in which Sekab has sharpened its green profile across all relevant arenas, laying the groundwork to take an even stronger position in future industry discussions. Given the new EU Commission's focus on industrial competitiveness in the transition and the changes unfolding under the new U.S. administration, this will be a strength for Sekab and our partners.



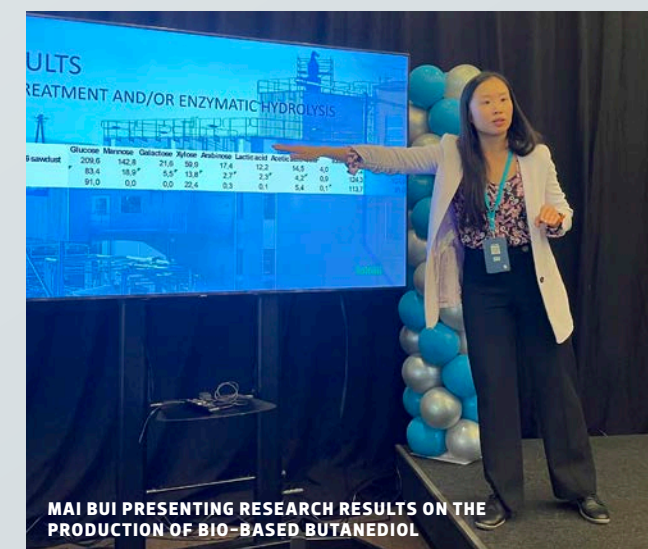
MATHILDA JOHANSSON, JOHAN ÖSTENSSON, AND ANNA SVEDBERG REPRESENT SEKAB IN THE MISSION O HOUSE RESEARCH COLLABORATION



MIKAEL JONSSON AND SOFIA DOMEIJ IN CUSTOMER MEETINGS AT THE EPCA CHEMICAL CONFERENCE



EMIL KÄLLSTRÖM AND ANNA SVEDBERG DELIVERING A KEYNOTE PRESENTATION AT THE NORDIC WOOD BIOREFINERY CONFERENCE



MAI BUI PRESENTING RESEARCH RESULTS ON THE PRODUCTION OF BIO-BASED BUTANEDIOL



HAMPUS PETERSSON AT A STUDENT CAREER FAIR AT UMEÅ UNIVERSITY



Focus area Employees

Employees in focus for safety and development

At Sekab, we prioritize safety, the work environment, and employee well-being. Through extensive systematic efforts and clear targets, we strive to create a safe and inspiring workplace. We also see diversity, gender equality, and continuous competence development as key factors in meeting future challenges and opportunities.

As an employer, we have a responsibility to guarantee a safe workplace where health and safety always come first. Sekab's HSM policy serves as the foundation for our safety and work environment efforts. Several employees have completed training in "Work Permits and Safe Shutdown," "Introduction to Process Safety with IPS," as well as "Hot Work" and crane operation training in line with the set intervals for each training area. One employee has been trained in BAM (Better Work Environment).

"At Sekab, employee health and safety always come first. We actively work to create a supportive and empowering workplace for everyone," says Kristina Lindkvist, HR Manager.

Systematic work environment efforts are carried out in collaboration between Sekab and employees, represented by safety representatives. We continuously monitor work environment efforts while also working preventively to promote good health.

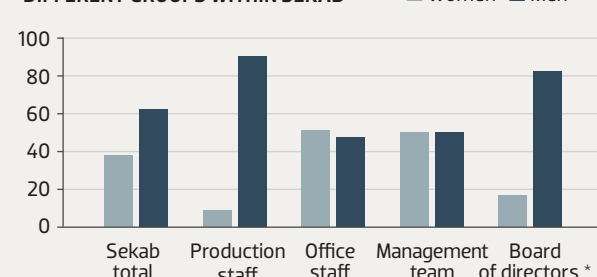
Organizational and social work environment (known as OSA) is part of the systematic work environment management, where workload and working hours are continuously monitored. OSA surveys are conducted in each department, covering issues such

as cooperation, discrimination, workload, and mutual respect. In 2024, particular focus was given to the areas of harassment and work environment and safety. The OSA work is part of living our core values every day, with the aim of safeguarding the work environment.

“ At Sekab, employee health and safety always come first. We actively work to create a supportive and empowering workplace for everyone

Handling flammable chemicals on a daily basis requires extensive systematic safety work. Sekab has a zero-accident vision. A continued interim goal is to reduce the number of uncontrolled events. To achieve this, Sekab focuses on increased incident reporting, improved change management including safety reviews, shutdowns, and lockout/tagout procedures, as well as training. Medical check-ups and noise measurements are conducted in line with legal requirements. In 2024, we introduced new, safer procedures for visiting the plant and updated the evacuation routines, including an evacuation drill for the office.

**GENDER DISTRIBUTION, % ACROSS
DIFFERENT GROUPS WITHIN SEKAB**



* Including the board of the parent company Sekab BioFuel Industries AB (BFI). The board work for BFI and Sekab BioFuels & Chemicals is conducted in parallel.

SOME OF OUR BENEFITS

Our employees are our most valuable asset, and creating a sustainable workplace is a top priority.

We offer:

- + Health insurance
- + Sandwiches and fruit at work every day
- + Wellness activities that foster a sense of community
- + Wellness subsidy

GENDER EQUALITY AND DIVERSITY

Sekab's gender equality and diversity policy is based on the fundamental principles of equal treatment and non-discrimination, regardless of gender, age, disability, sexual orientation, gender identity, ethnicity, religion, or belief.

It clarifies our work with equality and diversity. Together, people's different experiences, education, life situations, and values create a dynamic that brings new perspectives and ideas.

Our gender equality and diversity plan aims to actively address these issues.

The employer and employee representatives from the unions jointly review activities and goals. Wage differences by gender are mapped and analyzed annually. In the 2024 wage survey, no discrepancies were found.

COMPETENCE

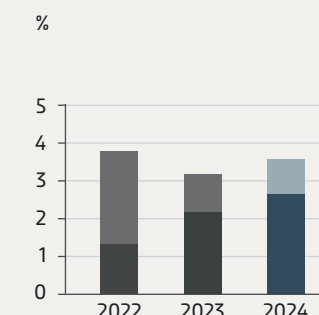
Sekab aims to be an attractive employer with strong leadership and employee engagement. We want to achieve this by encouraging development. Over time, we ensure the company has the right skills through strategic work with competence supply plans.

During the annual performance review, a development/training plan is set between the manager and employee. In parallel, employees are invited to health and safety training. Sekab maintains an ongoing dialogue with universities and high schools.

SICK LEAVE

The diagram shows sick leave and sick leave longer than 14 days (darker section).

SICK LEAVE
TOTAL 3,62 %



AS PART OF THE SYSTEMATIC OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT, WE INCLUDE:

- + Risk analyses and safety assessments
- + Measurements
- + Assessments of chemical work environment risks and other occupational risks
- + HSE-inspections
- + OSA-surveys
- + Follow-up of incidents and accidents
- + Participation in HSE committees and safety committee

In 2024, the company hosted an intern and supervised a thesis project.

We also collaborate with the municipal technology and entrepreneurship center KOMTEK, supporting its efforts to spark children's and young people's interest in chemistry and technology as part of securing future local competence.

Additionally, in the summer of 2024, we welcomed eight young people, giving them their first insight into working life and the chemical industry.

DEVELOPMENT

As part of our efforts to continue achieving high results in employee surveys and to live up to our core values of engagement, creativity, and trust, we conducted three pulse surveys in 2024 for all employees at Sekab. These provided direct feedback on the experience of our shared work environment.

HEALTH PROFILE

As an employer, Sekab aims to support a healthy working life through wellness allowances and by offering activities led by our health ambassadors, where colleagues meet outside the workplace and across functions to get to know each other better. During the year, eleven activities were organized, and we believe these initiatives have contributed to our strong results in employee surveys.



“It's a small plant, and everyone knows everyone – you're not just a face in the crowd

GUNNAR "ÅNÄSET" HOLMGREN
PROCESS OPERATOR

GUNNAR 40 YEARS AT SEKAB

A changing industry in a career as a process operator

When Gunnar "Ånäset" Holmgren started as a process operator at Sekab in Örnsköldsvik 40 years ago, the work was, to say the least, very different from today. Back then, his days were filled with rounds through the plant – checking processes and machines that had no digital monitoring yet. "There was endless running around," he recalls, "but you learned the plant much faster than you do today."

A CAREER THAT STARTED YOUNG

Gunnar's path to Sekab began when, at 17, he left Ånäset and Skellefteå to work as a process operator in Örnsköldsvik, together with two classmates. Because he was too young for shift work, he initially worked daytime hours, but when he turned 18, he started working shifts and began staying more often in town during his weeks off. "There was a great sense of camaraderie, especially among the younger employees. We even had our own 'young workers' union,' and eventually I put down roots here," he says.

Gunnar has enjoyed working with his colleagues and appreciates the family-like atmosphere. "It's a small plant, and everyone knows everyone – you're not just a face in the crowd," he says, which he believes is one reason he stayed. Over the years, the job has given him not only experience but also deep knowledge of the plant and its chemical processes.

FROM MANUAL WORK TO DIGITAL CONTROL

One of the biggest changes Gunnar has seen over the years is the digitalization of Sekab's production processes.

At the start of his career, he had to physically walk around the plant to monitor production – an activity that gave him a detailed understanding of the facility. "Today it's less physically demanding," he says, adding, "and if we're sitting back with our feet up in the control room, that's a good sign – it means the plant is running smoothly."

Thanks to his deep knowledge of the facility, Gunnar had the opportunity to be part of the project to upgrade the control system. Because he knew the plant so well, he was selected to undergo training and then help digitally map the entire facility. "Creating the map we now use to manage production was a fun experience and something I'm really proud of."

SEKAB AS A PIONEER IN FOSSIL-FREE CHEMISTRY

Today, Sekab is one of the few players producing chemicals from bio-based raw materials, and the company has made great strides toward sustainable production.

For Gunnar, this doesn't change his daily work much, but he takes pride in the company's decision to invest in fossil-free solutions. "Sekab has always been at the forefront, and I hope more companies in the chemical industry will follow in the green transition," he says.

ADVICE FOR THE NEXT GENERATION OF OPERATORS

Over the years, Gunnar has trained many new employees, and he always shares his most important advice: "Small steering movements," meaning that adjustments to the processes should be made carefully and gradually. "It gives you time to see the results of each change and adjust if needed. It's also important not to be too scared – chemicals are dangerous if handled incorrectly, but you shouldn't be overly cautious either. You need respect and confidence."

THE FUTURE OF THE PROCESS OPERATOR'S ROLE

Looking ahead, Gunnar sees a future where digitalization continues, but he's convinced that the operator's presence will remain essential. "Sure, it would be convenient to monitor everything from home, but some things just have to be handled on-site," he says. After all these years, he can tell if something's wrong in production just by listening to the sounds of the plant. "You can't replace everything with machines – we're needed on-site when unexpected things happen."

Gunnar has no plans to leave Sekab.

"I really enjoy it here, and it's hard to imagine a better place to be," he says. With his experience and dedication, he remains a rock in the company and a role model for the next generation of process operators.



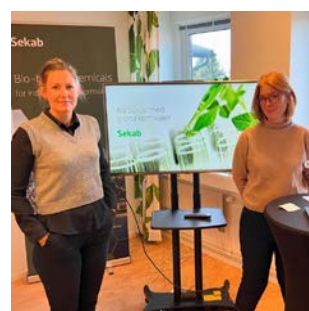
A sustainable workplace for our employees

At Sekab, our employees are our most valuable asset. To keep growing, it's crucial that we both attract new talent and care for our existing colleagues by supporting their development. Our ability to be an attractive workplace is built on a foundation of collaboration, equality, diversity, and clear values. We work to create a culture where engagement, trust, and creativity are guiding principles, influencing everything from recruitment processes to everyday interactions.

Lunch & Learn

Our Lunch & Learn sessions continued throughout 2024, giving employees the opportunity to present various topics during lunchtime. This is a fun and engaging way to learn about each other's roles and daily work, while also spreading knowledge and

experience across the organization. Lunch & Learn contributes to an open, knowledge-sharing culture where we have the opportunity to grow and succeed together.



8,4
OUT OF 10 IS THE AVERAGE
FROM OUR THREE EMPLOYEE
PULSE SURVEYS IN 2024

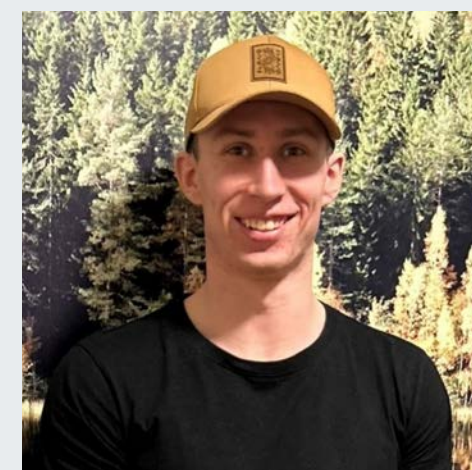
15.4
YEARS
IS OUR AVERAGE
LENGTH OF EMPLOYMENT

75%
MAKE USE OF OUR
wellness subsidy

5
new colleagues
IN 2024

Internships and thesis projects

We collaborate with universities and colleges by welcoming students for internships and thesis projects. In this way, we help provide students with practical experience and development opportunities while strengthening the connection between academia and industry. These collaborations are part of our commitment to education and talent development within the chemical industry. In 2024, we hosted one master thesis project and one intern.



Johan Östensson
Master's thesis, spring 2024

Johan studied for a Master of Science in Process and Chemical Engineering and wrote his master's thesis on various processes for producing green propylene from ethanol.



Batool Assaf
Internship, spring 2024

Batool is studying Digital Marketing and completed an internship in the Communications Department.

New employees at Sekab 2024

This year, we proudly welcomed five new team members to Sekab.



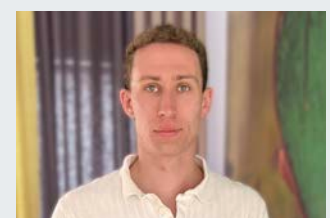
Pontus Signarsson
Process operator C-shift



Hampus Pettersson
Market analyst
Sustainability and Strategy



Karin Hägglund
Innovation Engineer
Research and Development



Johan Östensson
Innovation Engineer
Research and Development



Ulf Sundström
Finance Controller
Finance department



As a key player in our industry, we take significant responsibility for developing both Sekab's and the industry's contribution to ecological, economic, and social sustainability through ongoing dialogue with our stakeholders. The opinions, insights, and input from employees, customers, and partners are crucial for us to understand what is expected of us.

DIALOGUE TOPICS BY STAKEHOLDER GROUP

| EMPLOYEES | CUSTOMERS | SUPPLIERS | OWNERS | SOCIETY |
|---------------------------------|----------------------------|----------------------------------|--|---|
| · Safe work environment | · Certification | · Profitable business | · Corporate governance and development | · Climate impact |
| · Positive work climate | · Quality and traceability | · Delivery reliability | · Profitability | · Sustainable development |
| · Core values | · Climate impact | · Quality | · Sustainable development | · Employment opportunities |
| · Good leadership and teamwork | · Production process | · Certification | · Responsible conduct | · Domestic production of chemicals and biofuels |
| · Gender equality and diversity | · Profitable business | · Climate impact | | |
| · Attractive employer | · Delivery reliability | · Work environment | | |
| · Talent acquisition | · Code of conduct | · Responsible business practices | | |
| · Skills development | | | | |

For a supplier in the industrial value chain, it is crucial to be a reliable partner. That's why our structured work to analyze and manage risks is a top priority.

To maintain a clear overview of the risks the company is exposed to, we work systematically to identify, analyze, assess, and manage risks. Risk analyses are also carried out regularly in connection with projects, investments, and operational changes. The annual strategic risk process results in a number of identified risks with varying levels of priority. Risks are grouped as financial, operational, or strategic.

Operational risks are directly linked to Sekab's business operations, with potential impacts on sustainability, results, and financial position.

Our sustainability-related risks are primarily operational and closely linked to our focus areas. Here's an overview:

A secure, well-maintained IT environment is essential for Sekab's operations. Identified risks include IT attacks and insufficient maintenance, which can lead to direct operational disruptions. We conduct systematic IT security work, including IT risk mapping, environmental monitoring, and ongoing development and maintenance.

WORK ENVIRONMENT RISKS

Focus area: Employees

Sekab's operations involve handling large quantities of chemicals. Events in this area could have major consequences for the entire operation, including emissions, fire, or explosions that pose serious risks to human health and the environment both inside and outside the site. Preventive efforts are therefore critical, and environmental considerations are always a high priority at Sekab. As part of our environmental work, we continuously

Focus area: Climate and energy

Laws, regulations, and policies regarding ethanol, fuels, and chemicals can affect production conditions and profitability. Active monitoring of regulatory changes and operational adaptations are therefore essential. By participating in public debate and decision-making groups, Sekab works to create favorable conditions for bio-based chemicals.

Focus area: Social responsibility

Sekab's products are primarily delivered by sea and rail transport. Reliable, on-time deliveries are a high priority for our customers. By maintaining the ability to deliver through multiple transport modes, we reduce dependency on any single option. We also actively participate in forums, provide information, and engage in dialogue with decision-makers to ensure that infrastructure issues related to our operations remain a societal priority.

Focus area: Responsible business

Ethical risks may involve Sekab employees not acting in accordance with the company's code of conduct, or ethical breaches in the supply chain. Good business ethics and transparency are fundamental to all we do. A clear code of conduct, a new internal structure for contract drafting, and ongoing supplier assessments help prevent ethical risks and corruption.

Focus area: Responsible business

If suppliers act in violation of applicable laws, conventions, or agreed terms, this can result in quality issues, delivery delays, and production interruptions, negatively impacting Sekab's profitability and brand. Sekab's environmental and code of conduct policies are always communicated to suppliers to clarify our expectations. Supplier assessments provide a qualitative evaluation of our major suppliers.

Focus area: Responsible business

Attracting, recruiting, retaining, and developing employees is crucial for competitiveness in both the short and long term. We encourage continuous professional development and ensure the company has the right skills through strategic workforce planning.

Focus area: Employees



03

CHAPTER THREE
FINANCIAL REPORTS AND NOTES

Annual report

FOR THE FINANCIAL YEAR 2024-01-01 – 2024-12-31

The Board of Directors and the Chief Executive Officer of Sekab Biofuels & Chemicals AB hereby submit the following annual report for the financial year 2024. The report is presented in KSEK (thousands of Swedish kronor).

CONTENTS

- + Board of Directors' report
- + Income statement
- + Balance sheet
- + Cash flow statement
- + Notes

Board of Directors' report

OPERATIONS

Sekab BioFuels & Chemicals AB manufactures and sells ethanol-based chemicals and biofuels. Sekab is a leading European producer of acetaldehyde, acetic acid, and ethyl acetate, all based on bioethanol. The company maintains a strong focus on developing both the production and market for bioethanol-based and renewable chemicals. This is described in greater detail in the combined annual and sustainability report.

The company is headquartered in Örnsköldsvik, Sweden.

OWNERSHIP STRUCTURE

The company is wholly owned by Sekab Holding AB (556670-2527), which in turn is 90.1% owned by Sekab BioFuel Industries AB (556666-7654). The parent company of the entire group is Norrlands Etanolkraft AB (556303-6986).

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Sekab's operations in 2024 are described in detail starting on page 12, based on our focus areas linked to the UN Sustainable Development Goals under Agenda 2030.

The year 2024 was marked by continued weak economic conditions for European industry, which affected the demand for certain bio-based chemical products from Sekab. In particular, market challenges in Germany negatively impacted demand. However, the development since 2023 has shown clear improvements. Demand for Sekab's refined ethanol products remained strong throughout the year.

Despite lower demand for some chemical products, interest in Sekab's bio-based alternatives has grown in a market still dominated by fossil-based products. During the year, Sekab maintained its focus on promoting the advantages of bio-based chemicals and preparing for a green industrial transition once the market recovers. Beyond the current economic slowdown, we see a strong trend toward sustainable solutions, which is increasing both demand and customers' willingness to pay for our green alternatives. Sekab initiated and deepened several promising collaborations during the year, engaging in positive dialogue with customers across various industries. Today, we work with world-leading companies in several sectors.

Given that ethanol is the raw material for Sekab's chemical products, the market price of ethanol is of great importance. The price of imported ethanol to Europe was relatively high at the beginning of the year but

dropped during the second quarter and remained stable for the rest of the year. Domestic demand in Brazil increased due to higher blending quotas in gasoline, leading to a significant decrease in Brazilian ethanol exports and a corresponding price increase. Brazil is gradually increasing its production of second-generation ethanol, which is primarily exported to Europe where demand for that type of ethanol is strongest. The United States has exported ethanol to Brazil and remains the largest exporter of first-generation ethanol to Europe.

Sekab reports an operating profit of SEK 54 million (1 million) for 2024, with net sales of SEK 693 million (786 million). The company's financial position remains strong.

RISKS

Sekab's primary risk exposure relates to raw material price fluctuations. The company strives to minimize this risk through back-to-back agreements with customers. Where such agreements are not possible, the company is exposed to price volatility—mainly in ethanol and ethyl acetate. Sekab is also affected by currency fluctuations, primarily in EUR and USD.

OUTLOOK

Industry remains responsible for one-third of global emissions, while also offering significant potential for progress toward decarbonization. The demand for sustainable industrial products is increasing, and the market outlook for Sekab's portfolio of bio-based chemicals and fuels is considered highly favorable—despite the continued economic downturn at the beginning of 2025.

BOARD ACTIVITIES

The Board's work is governed by the Swedish Companies Act, the company's Articles of Association, the owner's directive, and the Board's rules of procedure. During the 2024 calendar year, the Board held seven meetings, including the statutory meeting. Board activities are conducted in parallel with those of the parent company, Sekab BioFuel Industries AB. At each meeting, the CEO has reported on the company's current status, financial position, cash flow, and quality performance. Additional matters addressed by the Board during the year included: company policies, internal control, risk assessment and insurance, product and process development, investment follow-up, personnel development, GDPR compliance, strategic review, and budget and business planning.

All topics were prepared and documented by company management, and the Board's considerations were recorded in the meeting minutes.

RESEARCH AND DEVELOPMENT

Sekab continued its work on developing green chemistry during the year, in part based on the company's existing product portfolio. The company also collaborated with external partners to develop new bio-based products, with positive results. Several of these projects were conducted in cooperation with research institutes and the Swedish Energy Agency.

ENVIRONMENTAL IMPACT

Sekab operates a permitted facility in Örnsköldsvik, manufacturing and handling organic products that impact the external environment through emissions to air and water. The operations also generate some noise. Due to the scale and nature of its activities, the company is subject to the Act on Flammable and Explosive Goods and falls under the upper tier of the Seveso legislation. Sekab is certified according to the environmental management standard SS-ISO 14001.

The Environmental Court has granted the company a permit under the Environmental Code to produce up to 155,000 tonnes of ethanol derivatives annually, with the right to manufacture any proportion of acetaldehyde, acetic acid, and ethyl acetate within that volume. Sekab is also authorized to purify up to 310,000 tonnes of ethanol and blend up to 200,000 tonnes of motor fuels annually. The company holds a handling permit under the Act on Flammable and Explosive Goods, and a safety report in accordance with the Seveso legislation has been submitted to the relevant authorities. A more detailed account of Sekab's environmental impact is provided in the section on the focus area Climate and Energy on pages 17–18.

Multi-year overview

| Multi-year overview | 2024 | 2023 | 2022 | 2021 |
|--|---------|---------|-----------|---------|
| Net sales (KSEK) | 692 661 | 785 785 | 1 094 503 | 844 286 |
| Profit/loss after financial items (KSEK) | 28 685 | -9 206 | 46 359 | 95 727 |
| Return on equity (%) | 7,9 | -2,5 | 12,1 | 24,9 |
| Total assets (KSEK) | 448 149 | 473 364 | 471 964 | 471 546 |
| Equity ratio (%) | 80,8 | 78,8 | 80,9 | 81,6 |

For definitions of key performance indicators, see Notes.

Changes in equity

| Opening balance | Share capital | Development expenditure fund | Statutory reserve | Retained earnings | Net profit for the year |
|---|---------------|------------------------------|-------------------|-------------------|-------------------------|
| | 2 000 | 12 600 | 18 000 | 349 008 | -8 487 |
| Appropriation of prior year's profit: carried forward | | | | -8 487 | 8 487 |
| Development expenditure fund | | 9 100 | | -9 100 | |
| Net profit for the year | | | | | -10 903 |
| Closing balance | 2 000 | 21 700 | 18 000 | 331 421 | -10 903 |

Appropriation of profit (SEK)

Proposed appropriation of the company's profit

The following is available to the Annual General Meeting:

| | |
|---|-------------|
| Retained earnings | 331 420 996 |
| Loss for the year | -10 903 278 |
| Total | 320 517 718 |
| The Board of Directors proposes that the amount be carried forward. | 320 517 718 |

For further information regarding the company's financial result and position, reference is made to the following income statement, balance sheet, and accompanying notes.

Income statement

| | Note | 2024-01-01 2024-12-31 | 2023-01-01 2023-12-31 |
|--|------|--------------------------|--------------------------|
| Operating income, etc. | | | |
| Net sales | 3,4 | 692 661 | 785 785 |
| Change in inventories of work in progress, finished goods, and work performed for others | | 23 978 | -40 345 |
| Capitalized work for own account | 12 | 9 100 | 12 600 |
| Other operating income | 5 | 16 122 | 8 801 |
| | | 741 861 | 766 841 |
| Operating expenses | | | |
| Raw materials and consumables | | -456 806 | -551 086 |
| Other external costs | 6,7 | -136 210 | -127 316 |
| Personnel costs | 8 | -69 422 | -66 142 |
| Depreciation, amortization, and impairment of tangible and intangible fixed assets | | -19 075 | -14 958 |
| Other operating expenses | | -6 239 | -6 256 |
| | | -687 752 | -765 758 |
| Operating profit | | 54 109 | 1 083 |
| Financial items | | | |
| Other interest income and similar items | 9 | -1 886 | 5 114 |
| Interest expenses | 10 | -23 538 | -15 402 |
| | | -25 424 | -10 288 |
| Profit after financial items | | 28 685 | -9 205 |
| Appropriations | | | |
| Group contributions made | 21 | -38 869 | 0 |
| Profit before tax | | -10 184 | -9 205 |
| Tax on profit for the year | 11 | -719 | 719 |
| Net profit for the year | | -10 903 | -8 487 |

Balance sheet

| ASSETS | Note | 2024-12-31 | 2023-12-31 |
|---|------|------------|------------|
| | | | |
| Non-current assets | | | |
| Capitalized development expenditures and similar assets | 12 | 21 700 | 12 600 |
| | | 21 700 | 12 600 |
| Tangible assets | | | |
| Buildings and land | 13 | 26 076 | 494 |
| Machinery and other technical installations | 14 | 141 679 | 181 926 |
| Equipment, tools, and installations | 15 | 1 855 | 2 199 |
| Ongoing construction in progress and advance payments for tangible assets | 16 | 3 103 | 3 825 |
| | | 172 713 | 188 444 |
| Financial assets | | | |
| Receivables from group companies | 17 | 23 580 | 60 470 |
| Deferred tax asset | 19 | 0 | 719 |
| | | 23 580 | 60 470 |
| Total non-current assets | | 217 993 | 262 233 |
| | | | |
| CURRENT ASSETS | | | |
| Inventories | 18 | | |
| Raw materials and consumables | | 94 458 | 63 103 |
| Finished goods and goods for resale | | 95 777 | 71 798 |
| | | 190 235 | 134 901 |
| Current receivables | | | |
| Accounts receivable | | 35 120 | 45 505 |
| Receivables from group companies | | 491 | 192 |
| Current tax asset | | 87 | 208 |
| Other receivables | | 504 | 589 |
| Prepaid expenses and accrued income | 20 | 3 720 | 3 377 |
| | | 39 922 | 49 871 |
| Cash and bank | 23 | 0 | 26 360 |
| Total current assets | | 230 157 | 211 132 |
| | | | |
| TOTAL ASSETS | | 448 149 | 473 365 |

Balance sheet

| EQUITY AND LIABILITIES | Not | 2024-12-31 | 2023-12-31 |
|--------------------------------------|-----|------------|------------|
| | | | |
| Equity | | | |
| Restricted equity | | | |
| Share capital | | 2 000 | 2 000 |
| Statutory reserve | | 18 000 | 18 000 |
| Development expenditure fund | | 21 700 | 12 600 |
| | | 41 700 | 32 600 |
| Unrestricted equity | | | |
| Retained earnings | | 331 421 | 349 008 |
| Net profit/loss for the year | | -10 903 | -8 487 |
| | | 320 518 | 340 521 |
| Total equity | | 362 218 | 373 121 |
| Non-current liabilities | 22 | | |
| Other liabilities | | 460 | 627 |
| Total non-current liabilities | | 460 | 627 |
| Current liabilities | | | |
| Liabilities to credit institutions | | 47 577 | 0 |
| Accounts payable | | 24 349 | 77 301 |
| Liabilities to group companies | | 0 | 5 |
| Other liabilities | | 3 749 | 10 749 |
| Accrued expenses and deferred income | 24 | 9 796 | 11 562 |
| Total current liabilities | | 85 471 | 99 617 |
| | | | |
| TOTAL EQUITY AND LIABILITIES | | 448 149 | 473 365 |

Cash flow statement

| | Not | 2024-01-01 2024-12-31 | 2023-01-01 2023-12-31 |
|--|-----|--------------------------|--------------------------|
| Operating activities | | | |
| Operating profit | 3 | 54 109 | 1 082 |
| Adjustments for non-cash items, etc. | 26 | 19 075 | 14 008 |
| Interest received, etc. | | -1 886 | 5 114 |
| Interest paid | | -23 538 | -15 402 |
| Income tax paid | | 121 | -115 |
| Cash flow from operating activities before changes in working capital | | 47 881 | 4 687 |
| Cash flow from changes in working capital | | | |
| Decrease(+)/increase(-) in inventories/work in progress | | -55 334 | 64 448 |
| Decrease(+)/increase(-) in accounts receivable | | 10 086 | 21 604 |
| Decrease(+)/increase(-) in other receivables | | -257 | 1 787 |
| Decrease(-)/increase(+) in accounts payable | | -52 956 | 29 164 |
| Decrease(-)/increase(+) in current liabilities | | -8 766 | 323 |
| Cash flow from operating activities | | -59 346 | 122 013 |
| Investing activities | | | |
| Acquisition of capitalized development expenditures and similar assets | 12 | -9 100 | -12 600 |
| Acquisition of buildings and land | 13 | 0 | 0 |
| Acquisition of machinery and other technical installations | 14 | 0 | -73 819 |
| Acquisition of equipment, tools, and installations | 15 | -368 | 0 |
| Acquisition of construction in progress and advance payments for tangible assets | | -2 978 | 44 558 |
| Changes in receivables/liabilities to group companies | 17 | 36 890 | -35 140 |
| Cash flow from investing activities | | 24 444 | -77 001 |
| Financing activities | | | |
| Group contribution | | -38 869 | 0 |
| Change in short-term financial liabilities | | 47 577 | 4 742 |
| Repayment of long-term loans | | -167 | -168 |
| Cash flow from financing activities | | 8 542 | 4 574 |
| Change in cash and cash equivalents | | -26 360 | 49 586 |
| Cash and cash equivalents at beginning of year | | 26 360 | -23 227 |
| Cash and cash equivalents at end of year | | 0 | 26 359 |

Noter

NOTE 1
ACCOUNTING AND VALUATION PRINCIPLES

The annual report has been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Accounting Standards Board's general recommendation BFNAR 2012:1 Annual and Consolidated Accounts (K3). Receivables and liabilities in foreign currencies have been translated at the exchange rate on the balance sheet date. Exchange gains and losses on operating receivables and liabilities are reported in operating profit, while gains and losses on financial receivables and liabilities are reported as financial items. Forward exchange contracts are used to hedge assets and liabilities against currency risk. The principles are unchanged from the previous year.

Financial instruments
Financial instruments are measured at acquisition cost. An instrument is recognized in the balance sheet when the company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the right to receive cash flows from the instrument has expired or been transferred and the company has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognized when the obligations have been settled or otherwise terminated.

Receivables
Accounts receivable and other short-term receivables are recognized as current assets at the amount expected to be received, less individually assessed doubtful receivables.

Borrowings and accounts payable
Borrowings and accounts payable are initially recognized at acquisition cost, net of transaction costs. If the recognized amount differs from the amount to be repaid at maturity, the difference is allocated as interest expense over the term of the loan using the effective interest method. This ensures that the carrying amount at maturity matches the amount to be repaid.

Revenue recognition
Revenue is recognized at the fair value of the consideration received or expected to be received and is reported to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. For sales of goods, revenue is normally recognized when the significant risks and rewards of ownership have been transferred from the company to the buyer.

Interest or dividends are recognized as income when it is probable that the economic benefits will flow to the company and the income can be reliably measured.

Interest income is recognized using the effective interest method. Dividends are recognized as income when the company's right to receive payment is established. Government grants intended to cover part of the costs in specific

projects are recognized in the same period as the related costs are reported.

Tangible fixed assets
Tangible fixed assets are recognized at acquisition cost less accumulated depreciation and any impairment losses. Depreciation is applied on a straight-line basis over the estimated useful life of the asset. The following useful lives are applied:

| | |
|---|--------------|
| | Years |
| Buildings | 20-100 |
| Machinery and other technical equipment | 5-20 |
| Equipment, tools, and installations | 3-10 |

Component depreciation
Tangible fixed assets are divided into components when components are significant and have substantially different useful lives. When a component is replaced, the remaining book value of the old component is derecognized and the acquisition cost of the new component is capitalized. Expenditures for ongoing repairs and maintenance are recognized as expenses.

Intangible fixed assets
Intangible fixed assets are recognized at acquisition cost less accumulated amortization and any impairment losses. Amortization is applied on a straight-line basis over the asset's estimated useful life. Ongoing projects are not amortized but are tested annually for impairment. The following useful lives are applied:

| | |
|---|--------------|
| | Years |
| Capitalized development expenditures and similar assets | 5 |

The company applies the capitalization model for internally generated intangible assets. This means that all expenses related to the development of an internally generated intangible asset are capitalized and amortized over the estimated useful life of the asset, provided that the criteria in BFNAR 2012:1 are met.

Group contributions
Group contributions received and paid are recognized as appropriations.

Leasing
The company classifies all lease agreements, both finance and operating leases, as operating leases. Operating lease payments are recognized as an expense on a straight-line basis over the lease term.

Inventories
Inventories are measured at the lower of acquisition cost and net realizable value at the balance sheet date. Net realizable value refers to the estimated selling price less selling expenses.

Income tax
Total tax comprises current and deferred tax. Taxes are recognized in the income statement, except when the underlying transaction is recog-

nized directly in equity, in which case the associated tax effects are also recognized in equity.

Current tax
Current tax refers to income tax for the current financial year and any portion of income tax from previous financial years that has not yet been recognized. Current tax is calculated based on the applicable tax rate on the balance sheet date.

Deferred tax
Deferred tax is income tax relating to future financial years as a result of past events. Recognition is based on the balance sheet method. Under this method, deferred tax liabilities and deferred tax assets are recognized for temporary differences between the carrying and tax values of assets and liabilities, as well as for other tax deductions or loss carryforwards.

Deferred tax assets and liabilities are offset only when they can be settled on a net basis. Deferred tax is calculated based on the applicable tax rate on the balance sheet date. The effects of changes in tax rates are recognized in the period in which the change is enacted. Deferred tax assets are recognized as financial non-current assets and deferred tax liabilities as provisions.

Deferred tax assets related to tax loss carryforwards or other future deductible items are recognized to the extent it is probable that they can be offset against future taxable profits.

Due to the relationship between accounting and taxation, the portion of deferred tax liabilities related to untaxed reserves is not reported separately.

Employee benefits
Employee benefits refer to all forms of compensation provided by the company to employees. These include salaries, paid vacation, paid absences, and post-employment benefits (pensions). Benefits are recognized as they are earned. Post-employment benefits are classified as either defined contribution or defined benefit plans. Defined contribution plans are those where fixed contributions are made and the company has no further obligations beyond those payments. All other plans are classified as defined benefit plans. The company has no other long-term employee benefits.

Receivables and liabilities in foreign currencies
Receivables and liabilities in foreign currencies are measured at the exchange rate on the balance sheet date. Exchange gains and losses on operating receivables and payables are recognized in operating profit, while exchange gains and losses on financial receivables and liabilities are recognized as financial items.

Cash flow statement
The cash flow statement is prepared using the indirect method. Reported cash flow includes only transactions that result in inflows or outflows of cash. In addition to cash on hand, the company classifies as cash equivalents available balances with banks and other credit institutions, as well as short-term liquid investments that are listed on a market-place and have a remaining maturity of less than three months from the acquisition date. Changes in restricted funds are reported under investing activities.

**NOTE 2
ESTIMATES AND JUDGMENTS**
The preparation of the financial statements and the application of accounting principles often require management to make judgments, estimates, and assumptions that are considered reasonable at the time they are made. These estimates and judgments are based on historical experience and various other factors that are deemed reasonable under the prevailing circumstances. The results of these are used to assess the carrying amounts of assets and liabilities when these values are not readily apparent from other sources. Actual outcomes may differ from these estimates and judgments. Estimates and assumptions are reviewed regularly.

| NOTE 3 NET REVENUE | | |
|---------------------------------|---------|---------|
| Net revenue by business segment | 2024 | 2023 |
| Chemicals | 432 969 | 485 598 |
| Biofuels | 259 692 | 300 187 |
| | 692 661 | 785 785 |

| Net revenue by geographic region | 2024 | 2023 |
|----------------------------------|---------|---------|
| Sweden | 264 304 | 287 936 |
| Other Nordic countries | 3 457 | 5 271 |
| Other European countries | 424 900 | 492 578 |
| Countries outside Europe | 0 | 0 |
| | 692 661 | 785 785 |

| NOTE 4 PURCHASES AND SALES WITHIN THE GROUP | | |
|--|------|------|
| | 2024 | 2023 |
| Share of sales to group companies | 0,2% | 0,2% |
| Share of purchases from group companies | 0,0% | 0,0% |

| NOTE 5 OTHER OPERATING INCOME | | |
|-----------------------------------|-------|------|
| | 2024 | 2023 |
| Accrued income from public grants | 4 523 | 0 |
| Other public grants | 67 | 0 |

Part of the company's operations receives support in the form of public grants. These grants are linked to research and development projects.

The grants are provided to cover part of the costs in various projects and are recognized on an ongoing basis in line with reported project costs. Grants received are recognized in the income statement under "Other operating income." If the grant is prepaid, only the portion corresponding to the incurred costs is recognized as income. The remaining amount is recorded as a liability in the balance sheet until the corresponding costs have been incurred and the grant can be recognized as income. Any receivable from the funding body for unpaid grants is reported as a receivable in the balance sheet under "Prepaid expenses and accrued income."

| NOTE 6 LEASE AGREEMENTS – OPERATING LEASES (LESSEE) | | |
|---|--------|--------|
| | 2024 | 2023 |
| During the year, the company's lease payments amounted to | 13 906 | 14 080 |

| | | |
|---|--------|--------|
| Future minimum lease payments for non-cancellable lease agreements fall due as follows: | | |
| Within 1 year | 10 399 | 12 982 |
| Between 2 and 5 years | 5 732 | 11 655 |
| | 16 131 | 24 637 |

| NOTE 7 AUDITOR'S FEES | | |
|--------------------------|------|------|
| Firm: Ernst & Young | 2024 | 2023 |
| Statutory audit | 222 | 194 |
| | 222 | 194 |

Statutory audit refers to the auditor's work on the legally required audit. Audit-related services refer to various types of assurance services. Other services refer to assignments not included in the statutory audit, audit-related services, or tax advisory.

| NOTE 8 EMPLOYEES | | |
|------------------------------------|------|------|
| | 2024 | 2023 |
| Average number of employees, total | 69 | 69 |
| of which women | 26 | 25 |
| of which men | 43 | 44 |

Salaries, remuneration, and social security contributions
Salaries, remuneration, social security contributions, and pension costs were as follows:

| Board of Directors and CEO | | |
|---------------------------------|--------|--------|
| Salaries and remuneration | 2 599 | 2 522 |
| Pension costs | 596 | 576 |
| | 3 195 | 3 098 |
| Other employees | | |
| Salaries and remuneration | 42 730 | 40 430 |
| Pension costs | 5 634 | 5 470 |
| | 48 364 | 45 900 |
| Social security contributions | 15 613 | 14 659 |
| Total (Board and all employees) | 67 172 | 63 657 |

| NOTE 9 INTEREST INCOME AND SIMILAR INCOME ITEMS | | |
|--|--------|-------|
| | 2024 | 2023 |
| Interest income | 493 | 1 424 |
| Exchange rate differences | -2 379 | 3 690 |
| | -1 886 | 5 114 |

| NOTE 10 INTEREST EXPENSES AND SIMILAR INCOME ITEMS | | |
|---|---------|---------|
| | 2024 | 2023 |
| Interest expenses to group companies | -22 409 | -9 056 |
| Other interest expenses | -1 129 | -6 346 |
| | -23 538 | -15 402 |

| NOTE 11 TAX ON PROFIT FOR THE YEAR | | |
|---|---------|--------|
| | 2024 | 2023 |
| Change in deferred tax asset related to tax loss carry-forwards | -719 | 719 |
| | -719 | 719 |
| Reconciliation of effective tax | | |
| Profit before tax | -10 184 | -9 206 |
| Tax expense 20.60% (20.60%) | 2 098 | 1 896 |
| Tax effect of: | | |
| Non-deductible expenses | -2 831 | -1 394 |
| Non-taxable income | 4 | 208 |
| Tax adjustments | 9 | 9 |
| Tax loss carry-forwards utilised | 719 | 0 |
| Tax loss carry-forwards generated this year | 0 | -719 |
| Change in deferred tax | -719 | 719 |
| Rounding difference | 1 | 0 |
| Total | -719 | 719 |

| NOTE 12 CAPITALISED EXPENDITURE FOR DEVELOPMENT WORK AND SIMILAR WORK | | |
|--|------------|------------|
| | 2024-12-31 | 2023-12-31 |
| Opening acquisition value | 12 600 | 0 |
| Capitalised development work | 9 100 | 12 600 |
| Closing accumulated acquisition values | 21 700 | 12 600 |
| Closing carrying amount | 21 700 | 12 600 |

| NOTE 13 BUILDINGS AND LAND | | |
|--|------------|------------|
| | 2024-12-31 | 2023-12-31 |
| Opening acquisition values | 13 057 | 13 472 |
| Sales/disposals | -645 | -415 |
| Reclassifications | 26 503 | 0 |
| Closing accumulated acquisition values | 38 915 | 13 057 |
| Opening depreciation | -12 562 | -12 942 |
| Sales/disposals | 642 | 415 |
| Depreciation for the year | -919 | -35 |
| Closing accumulated depreciation | -12 839 | -12 562 |
| Closing carrying amount | 26 076 | 495 |
| Carrying amount buildings | 25 757 | 154 |
| Carrying amount land improvements | 154 | 175 |
| Carrying amount land | 165 | 165 |
| | 26 076 | 494 |

NOTE 14
MACHINERY AND OTHER TECHNICAL EQUIPMENT

| | 2024-12-31 | 2023-12-31 |
|--|------------|------------|
| Opening acquisition values | 369 690 | 328 637 |
| Purchases | 0 | 75 |
| Sales/disposals | -179 | -32 629 |
| Reclassifications | -22 629 | 73 607 |
| Closing accumulated acquisition values | 346 882 | 369 690 |
| | | |
| Opening depreciation | -180 153 | -198 699 |
| Sales/disposals | 180 | 31 788 |
| Reclassifications | 2 | 840 |
| Depreciation for the year | -17 621 | -14 082 |
| Closing accumulated depreciation | -197 592 | -180 153 |
| Opening impairments | -7 611 | -7 611 |
| Closing accumulated impairments | -7 611 | -7 611 |
| Closing carrying amount | 141 679 | 181 926 |

NOTE 15
EQUIPMENT, TOOLS AND INSTALLATIONS

| | 2024-12-31 | 2023-12-31 |
|--|------------|------------|
| Opening acquisition value | 15 463 | 17 872 |
| Purchases | 368 | 0 |
| Sales/disposals | -65 | -2 546 |
| Reclassifications | -177 | 137 |
| Closing accumulated acquisition values | 15 589 | 15 463 |
| | | |
| Opening depreciation | -13 264 | -14 968 |
| Sales/disposals | 66 | 2 545 |
| Depreciation for the year | -536 | -841 |
| Closing accumulated depreciation | -13 734 | -13 264 |
| Closing carrying amount | 1 855 | 2 199 |

NOTE 16
ONGOING NEW CONSTRUCTION AND ADVANCE
PAYMENTS FOR TANGIBLE ASSETS

| | 2024-12-31 | 2023-12-31 |
|--|------------|------------|
| Opening acquisition value | 3 825 | 48 383 |
| Purchases | 5 105 | 29 185 |
| Sales/disposals | -2 131 | 0 |
| Reclassifications | -3 696 | -73 743 |
| Closing accumulated acquisition values | 3 103 | 3 825 |
| Carrying amount | 3 103 | 3 825 |

NOTE 17
RECEIVABLES FROM GROUP COMPANIES

| | 2024-12-31 | 2023-12-31 |
|--|------------|------------|
| Opening acquisition value | 60 470 | 25 517 |
| New receivables | 0 | 44 009 |
| Settled receivables | -36 890 | -9 056 |
| Closing accumulated acquisition values | 23 580 | 60 470 |
| Carrying amount | 23 580 | 60 470 |

NOTE 18
INVENTORIES

| | 2024-12-31 | 2023-12-31 |
|-------------------------------------|------------|------------|
| Raw materials and consumables | 94 458 | 63 103 |
| Finished goods and goods for resale | 95 777 | 71 798 |

NOTE 19
DEFERRED TAX ASSET

| | 2024-12-31 | 2023-12-31 |
|------------------------------|------------|------------|
| Opening balance | 719 | 0 |
| New deferred tax assets | 0 | 719 |
| Reversed deferred tax assets | -719 | 0 |
| | 0 | 719 |

NOTE 20
PREPAID EXPENSES AND ACCRUED INCOME

| | 2024-12-31 | 2023-12-31 |
|---------------------------------|------------|------------|
| Accrued freight support income | 450 | 310 |
| Prepaid rents and subscriptions | 2 641 | 2 340 |
| Prepaid insurance premiums | 629 | 630 |
| Other prepaid expenses | 0 | 97 |
| | 3 720 | 3 377 |

NOTE 21
APPROPRIATIONS

| | 2024-12-31 | 2023-12-31 |
|-------------------------|------------|------------|
| Group contribution paid | -38 869 | 0 |

NOTE 22
NON-CURRENT LIABILITIES

| | 2024-12-31 | 2023-12-31 |
|----------------------------------|------------|------------|
| Amortisation within 1 to 5 years | 460 | 627 |
| Amortisation after 5 years | 0 | 0 |
| | 460 | 627 |

NOTE 23
OVERDRAFT FACILITY

| | 2024-12-31 | 2023-12-31 |
|---|------------|------------|
| Approved overdraft facility amounts to: | 90 000 | 90 000 |
| Utilised facility amounts to: | 47 577 | 0 |

NOTE 24
ACCRUED EXPENSES AND DEFERRED INCOME

| | 2024-12-31 | 2023-12-31 |
|---------------------------------------|------------|------------|
| Accrued salaries | 892 | 980 |
| Accrued holiday pay | 5 887 | 5 765 |
| Accrued social security contributions | 2 130 | 2 119 |
| Other accrued expenses | 887 | 2 698 |
| | 9 796 | 11 562 |

NOTE 25
NUMBER OF SHARES AND QUOTA VALUE

| | 2024-12-31 | 2023-12-31 |
|-------------------------------------|------------|------------|
| Number of A-shares, quota value 100 | 20 000 | 20 000 |

NOTE 26
ADJUSTMENTS FOR NON-CASH ITEMS

| | 2024-12-31 | 202-12-31 |
|--------------|------------|-----------|
| Depreciation | 19 075 | 14 958 |
| Provisions | 0 | -950 |
| | 19 075 | 14 008 |

NOTE 27
PLEDGED ASSETS

| | 2024-12-31 | 2023-12-31 |
|-------------------|------------|------------|
| Company mortgages | 175 000 | 175 000 |

NOTE 28
CONTINGENT LIABILITIES

| | 2024-12-31 | 2023-12-31 |
|---|------------|------------|
| Grants received as project prepayments from Vinnova | 1 077 | 4 742 |

NOTE 29
GROUP STRUCTURE

The company is a wholly owned subsidiary of SEKAB Holding AB, reg. no. 556670-2527, based in Örnsköldsvik. The ultimate parent company of the Group is Norrlands Etanolkraft AB, reg. no. 556303-6986, based in Skellefteå. Norrlands Etanolkraft AB is the only entity that prepares consolidated financial statements in which the company is included.

NOTE 30
DEFINITION OF KEY PERFORMANCE INDICATORS

Equity ratio
Adjusted equity as a percentage of total assets.

Return on equity
Profit after financial items as a percentage of average adjusted equity.

Net sales
The company's core revenues, invoiced costs, secondary revenues, and revenue adjustments.

Total assets
The company's total assets.

Profit after financial items
Profit after financial income and expenses but before appropriations and tax.

Örnsköldsvik

Gunnar Olofsson

Gunnar Olofsson
Chair of the Board

Kristina Säfsten

Kristina Säfsten
Board Member

Emil Källström

Emil Källström
Chief Executive Officer

Our audit report has been submitted

Ernst & Young AB

Rikard Grundin

Rikard Grundin
Authorised Public Accountant

Audit report

TO THE GENERAL MEETING OF SEKAB BIOFUELS & CHEMICALS AB, ORG. NO. 556263-4088

Report on the annual report

OPINIONS

We have audited the annual report of Sekab BioFuels & Chemicals AB for the financial year 1 January – 31 December 2024.

In our opinion, the annual report has been prepared in accordance with the Swedish Annual Accounts Act and presents fairly, in all material respects, the financial position of Sekab BioFuels & Chemicals AB as of 31 December 2024 and its financial performance and cash flow for the year in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual report.

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

BASIS FOR OPINIONS

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Sekab BioFuels & Chemicals AB in accordance with generally accepted auditing standards 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 REPORT

This document also contains other information than the annual report, which is presented on pages 5–34. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual report does not cover this information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual report, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual report. In this review we also consider the knowledge we have otherwise obtained during the audit and assess whether the information otherwise appears to be materially misstated.

If, based on the work we have performed concerning this information, we 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 report and that it gives a fair presentation in accordance with the Annual Accounts Act. They are also responsible for such internal control as they determine is necessary to enable the preparation of an annual report that is free from material misstatement, whether due to fraud or error.

In preparing the annual report, the Board of Directors and the Managing Director are responsible for assessing the company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of account-

ing. The going concern basis of accounting is not applied if the Board of Directors and the Managing Director intend to liquidate the company, cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES

Our objectives are to obtain reasonable assurance about whether the annual report as a whole is 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 ISA 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 the annual report.

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

- Identify and assess the risks of material misstatement of the annual report, 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 internal control relevant to the 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 and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual report, including the disclosures, and whether the annual report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

OPINIONS

In addition to our audit of the annual report, we have also audited the administration of the Board of Directors and the Managing Director of Sekab BioFuels & Chemicals AB for the financial year 1 January – 31 December 2024 and the proposed appropriations of the company's profit or loss.

We recommend that the Annual General Meeting adopt the income statement and balance sheet, allocate the profit in accordance with the proposal in the statutory administration report, and discharge the members of the Board of Directors and the Managing Director 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 section Auditor's Responsibilities. We are independent of Sekab BioFuels & Chemicals AB in accordance with generally accepted auditing standards 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 the appropriation of the company's profit or loss. In connection with a proposed dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size, and risks place on the size of the company's equity, consolidation requirements, liquidity and financial position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes ongoing assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets, and the company's financial affairs are controlled in a satisfactory manner. The Managing Director shall manage the ongoing administration in accordance with the Board's guidelines and instructions and take the measures necessary to ensure that the company's accounting complies with the law and that asset management is conducted in a satisfactory manner.

AUDITOR'S RESPONSIBILITIES

Our objective concerning the audit of the administration, and thereby our opinion on 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 has in any material respect:

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

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

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

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is primarily based on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with a starting point in risk and materiality. This means 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 made, decision-supporting documentation, actions taken, and other circumstances that are relevant to our opinion on 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.

Örnsköldsvik February 28, 2025
Ernst & Young AB

Rikard Grundin

Rikard Grundin
Authorized Auditor