skistar



Memorable mountain experiences – all year round

SKISTAR ANNUAL AND SUSTAINABILITY REPORT 2022/23

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OUR POSITION

As the leading holiday organiser for Scandinavia, our vision is to create memorable mountain experiences all year round.

OUR HISTORY

2022 The new Stockholm Hammarbybacken opens
2021 Launch of SkiStar's all-year-round focus
2005 Acquisition of Trysil
2001 The Group adopts the name SkiStar
2000 Acquisition of Hemsedal
1999 Acquisition of Åre and Vemdalen
1997 Acquisition of Tandådalen and Hundfjället
1994 Lindvallen i Sälen AB is listed on the Stockholm Stock Exchange
1975 Brothers Erik and Mats Paulsson buy the Lindvallen ski resort in Sälen



33
MILLION VISITS TO SKISTAR'S DIGITAL PLATFORMS

10%
REDUCTION IN CO_2 YEAR-ON-YEAR

5.9
MILLION SKIER AND ACTIVITY DAYS

60,360
SHAREHOLDERS AT YEAR-END

8 OUT OF 10
SATISFIED GUESTS

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We are SkiStar

As the leading holiday organiser for Scandinavia, we at SkiStar want to create memorable mountain experiences with a focus on alpine skiing in the winter and active holidays in the summer. Our operations are divided into three segments: Operation of Mountain Resorts, Property Development and Exploitation and Operation of Hotels.

We continuously develop skistar.com as the leading holiday distribution platform in our markets. Skistar.com, skistarshop.com and the SkiStar App have more than 33 million visits per year combined. Thanks to our scalable business model, we are now able to offer core products such as the SkiPass/BikePass, ski school, ski and bike rental and the SkiStar Lodge accommodation concept – always with a focus on our guests' experience. Active business development forms the basis of our efforts to continually grow in both new and existing areas. This active development, along with our fantastic employees, is critical for ensuring satisfied guests.

The staycation trend in Scandinavia – with active mountain holidays all year round together with family and friends – is here to stay. There is strong interest in alpine skiing and this remains the core of our operations, while much of the summer and autumn periods offer further opportunities in the form of lift-assisted hiking, MTB cycling, running and other activities such as climbing parks, events and active recreation in our wonderful mountain environment.





SUSTAINABLE MOUNTAIN EXPERIENCES

We want to protect both nature and humans in the short and long term so that more people can enjoy memorable and sustainable mountain experiences in the future. Our sustainability strategy is based on Agenda 2030 and the UN's 17 Sustainable Development Goals. To best integrate the sustainability initiatives into SkiStar's business, the strategy focuses on three prioritised areas:

ACTIVITY & RECREATION

We work to promote an active lifestyle that contributes to greater wellbeing. We can reach more guests and contribute to active holiday experiences in nature all year round through collaborations and initiatives.

ECOSYSTEM & IMPACT

SkiStar aims to protect nature, just as nature protects us. We work to minimise our impact through ambitious climate targets and more circular systems. We make it possible for our guests to make climate-smart choices.

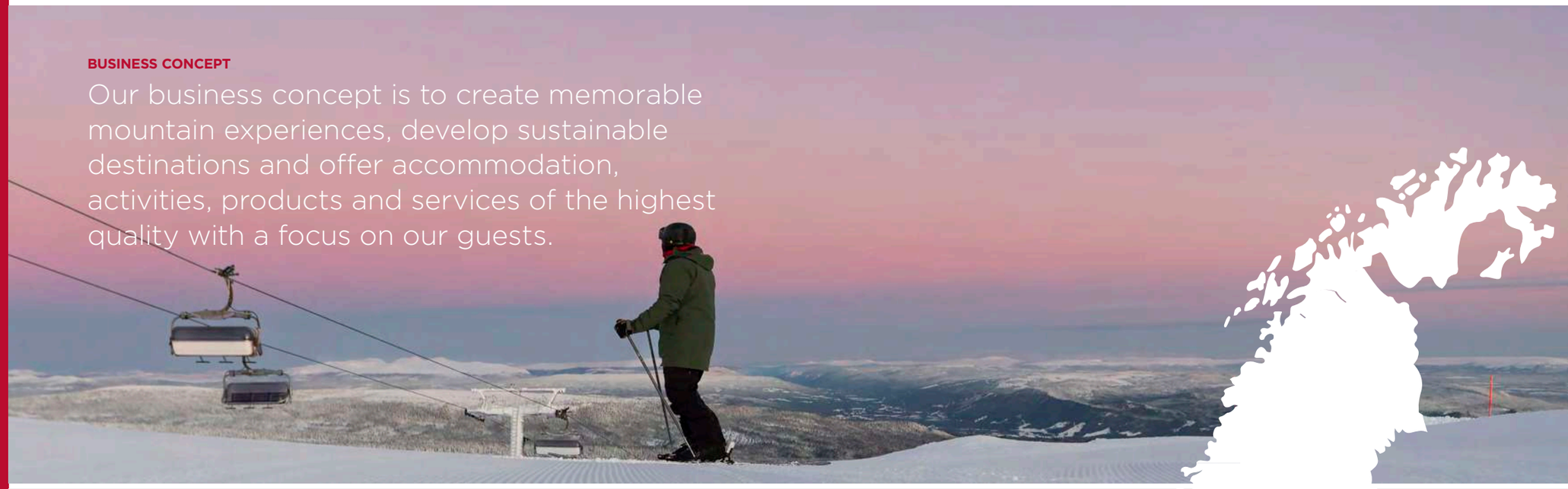
DIALOGUE & INTERACTION

By collaborating, we can accelerate sustainable development. We take responsibility in the areas in which we operate and throughout the entire value chain by focusing on dialogue and interaction. Together with our stakeholders, we enable long-term and sustainable solutions that contribute to positive trends in business and the wider community.

› Read more about our sustainability initiatives on pages 37–76.

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BUSINESS CONCEPT

Our business concept is to create memorable mountain experiences, develop sustainable destinations and offer accommodation, activities, products and services of the highest quality with a focus on our guests.

SkiStar's destinations

Sälen®

Northern Europe's largest alpine skiing area: Scandinavia's best family resort.

HEMSEDAL®

Scandinavia's Alps: High peaks, staggering views and adventurous skiing.

TRYSIL®

Norway's largest ski resort: A modern destination for families who love skiing.

STOCKHOLM® HAMMARBYBACKEN

Stockholm's most central alpine ski slope and now also an all-year-round destination.

VEMDALEN®

A mountain gem: Great skiing with many vertical metres, combined with the best possible carving of the holiday.

ÅRE®

Cosmopolitan atmosphere: A unique combination of skiing and entertainment in northern Europe's friendliest and trendiest mountain village.



› Read more on pages 30–36.

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Stable growth in turnover – high booking rate for the winter

Another financial year has passed as we continue our transformation from the lift company SkiStar into the mountain tourism company SkiStar, which offers active recreation all year round. We can report that we are continuing to grow, while the results for 2022/23 were affected by higher than expected overheads.

604
SEK MILLION
OPERATING PROFIT/LOSS



STEFAN SJÖSTRAND,
PRESIDENT AND CEO OF SKISTAR AB

“ The transformation to an all-year-round company is continuing with stable growth, while the results for 2022/23 were affected by higher than expected overheads.

STABLE GROWTH IN TURNOVER

During the year, we experienced growth, with turnover increasing by 4.5 percent to SEK 4,304 million (4,118) and achieved an operating profit of SEK 604 million (884). During the year, we incurred increased personnel and marketing costs linked to the expanded year-round operations, as well as increased repair and maintenance costs. We have reviewed our costs and, with effect from 1 September 2023, we now have a new organisational structure in place to achieve more efficient and sustainable working methods in the long term for our year-round operation with adapted costs. The savings are estimated to have a full-year effect of SEK 50 million.

We have had many guests during the year, and the number of skier and activity days amounted to 5,935,145 (6,322,000), the second best numbers ever, after last year's record. Of these, the number of activity days was 253,000 (218,000), which is pleasing given the fact that, with the summer season, we are building volume for the future. In addition, continuing to get more people moving all year round represents an important aspect of our sustainability work.

Our digital platforms are the basis of our business model and our main sales channel. We have intensified digitalisation during the year. In total, we had 33 (28) million digital visits and sales of 2.7 (2.3) million Swedish kronor via our digital channels. Currently, 70 percent of all purchases

THE PAST YEAR: SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND AFTER THE END OF THE FINANCIAL YEAR

- In December 2022, SkiStar AB acquired Hovde Hotell AB in Vemdalen, while in May 2023, the Company also completed its acquisition of Platåkåtan restaurang i Åre AB.
- Martin Almgren took up his position as the new CFO on 3 April 2023.
- Ahead of 2023/24, investments totalling over SEK 720 million were made, primarily with a focus on winter operations, including more modern lift systems, better slopes and more efficient snow production. An important part of this investment relates to a completely new six-seater chair lift in Hemsedal, the Lodge Express, and the Söderåsen Express in Lindvallen, Sälen. Investments are also being made in summer activities and business development.
- A review of costs was conducted during the year, and a new organisation took effect on 1 September 2023 with the aim of achieving more efficient working methods for the all-year-round operation with adapted costs. Lina Gabrielson, Hotel & Lodge Director, joined the Group Management on the same date that Petra Hallebrant, Communications and Sustainability Director, left the Group Management.
- Since the end of the financial year, SkiStar has acquired the other owners' shares (65 percent) in Trysilguidene AS, which runs the ski school operation in Trysil. A property was also acquired for sporting goods operations in Klövsjö, Vemdalen.
- Since the end of the financial year, the Board of Directors has decided to update the Company's medium-term financial targets and dividend policy.

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take place on skistar.com or in the SkiStar app, which is wholly in line with our strategy to meet the guest where the guest wants to be. We are also increasing the number of members. Our customer database SkiStar Member, in which we currently have almost 1.8 (1.5) million members, creates good conditions for growth and more business opportunities. We continue to grow our share of the market within retail and increased our sales during the year, both online at skistarshop.com (+39 percent) and in our physical stores (+6 percent). The growth of the operation of the Property Development and Exploitation segment continues at a slightly slower rate in line with our strategy.

ON THE WAY TO MORE SUSTAINABLE MOUNTAIN EXPERIENCES

For SkiStar, climate change will have a direct and considerable impact on our operations in the future. White, cold winters are a prerequisite for winter operations, where our geographical location in Scandinavia will be favourable, according to the latest research, including a study recently published in Nature Climate Change. To reduce our climate impact, we have set ambitious targets to halve our carbon footprint by 2030. To assure ourselves that the work is sufficient, our climate targets have been developed to meet the goals of the Paris Agreement and in line with the Science Based Targets initiative (SBTi) method. It is pleasing that SBTi approved our targets in June 2023. One area we have focused on to both reduce our energy consumption and save costs has been energy efficiency. Thanks to more efficient snow-making processes and a review of our energy use, we have managed to reduce usage by ten percent during the year.

CONTINUED STRONG DEMAND FOR THE WINTER SEASON

Despite the competitive situation and challenging economic times for many households, the strong demand for mountain holidays during the winter continues. Measured in terms of the number of overnight stays booked through SkiStar's mediated accommodation, we have a positive booking rate for the winter, compared with the same time last year. We continue to see great interest from our foreign guests, especially from Denmark, but also from other markets such as Germany, the UK and the Netherlands, driven by an advantageous currency exchange rate, which offers the opportunity for an even more affordable holiday. I am delighted that we are now seeing an increase in our domestic guests from Sweden and Norway.

For the winter season, we have, as previously communicated, made substantial investments in order to deliver even more memorable mountain experiences for our guests, while at the same time creating growth and value for our shareholders in both the short and long term. I am proud of all the improvements we have introduced for the winter such as the new, modern Söderåsen Express in Sälen, Lodge Express in Hemsedal and the increased lift capacity in Sadelmområdet in Åre. This is in addition to even better snow production, more food experiences and, not least, the addition of the new SkiStar Lodge Trysil and SkiStar Lodge Vemdalen to our Lodge & Hotels business area.

Finally, I would like to thank all our employees for all the hard work they have put in during the year. You are a big part of the reason why so many guests return to us year after year. I am, therefore, hopeful for the future due to the continued strong interest in creating memorable mountain experiences at SkiStar's destinations and look forward with confidence to a nice long season.

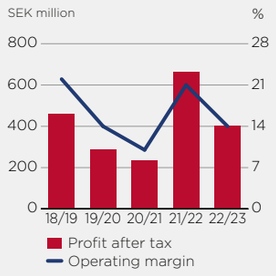
Stefan Sjöstrand
CEO

PERFORMANCE MEASURES

	2022/23	2021/22
Net sales	4,281	4,092
Operating income	4,304	4,118
Operating profit/loss	604	884
Profit/loss before tax	520	866
Profit/loss after tax	402	665
Earnings per share, SEK	5.13	8.50
Cash flow from operating activities	669	1,238
Operating margin, %	14	21
Equity/assets ratio, %	40	42
Equity/assets ratio, % excl. IFRS 16	53	57
Net debt excl. IFRS	2,120	1,586

For definitions of financial performance measures, see page 141.

FINANCIAL TRENDS







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New for the 2023/24 winter season

New express lifts, better snow production and even more food experiences

SÄLEN

A completely new express lift – **the Söderåsen Express** – is opening in Söderåsen, Lindvallen: a six-seater chair lift with wind protection/covers and heated seats for maximum comfort. A **new T-bar lift (Uven)** is also being added in the same area with the aim of ensuring that it is able to operate in all weathers and both add further capacity and improve access to the mountain. We are also investing more in cross-country skiing up on the mountain with a **new high-level ski track on Hundfjället** between the East and West express lifts. This will be an approximately 4-kilometre-long cross-country ski track and will include both skate and classic. The tracks are most easily reached by taking one of the express lifts up on to the mountain.

To ensure that we always have snow on our slopes, to improve access to the entire system and to offer ski-in ski-out at more accommodation locations, **we are upgrading the snow systems in Lindvallen** on the Märta slope and the transfer links to Timmerbyn in the same area. We are also improving snow production in Hundfjället with a focus on Familjebacken.

The range of food experiences available to suit all tastes will be even better this winter. At Experium, **the former O'Learys is set to become a new restaurant, while in Wayne's former premises, we are opening our own café**, and **SkiStar Lodge Lindvallen's lodge bar** is improving its menu with classics and favourites for both young and old alike. At **Experium**, there will be even more activities such as swim discos for the whole family and more sauna experiences.

ÅRE

Efforts to weatherproof and windproof the ski slopes in Åre continue to make it more accessible, even in more challenging weather. This winter, we are, therefore, investing further in **Duved and Tegefjäll** in the form of **improved snow production** and securing more snow on our slopes, partly to ensure that the skiing between and within Duved and Tegefjäll is even more reliable. We will also build the Duved lift mountain station into the mountain in order to protect it against the wind and make it more accessible.

At Tegefjäll, we are improving opportunities for ski rental and supplementing yourski equipment with a **new SkiStarshop in Tegetornet**. An ICA ToGo (unstaffed shop) is also set to open here.

At Åre Torg, we are opening a **new EQPE store,** which will offer a wide range of EQPE's high-quality and functional skiwear and accessories at attractive prices.

VEMDALEN

We are continuing to further develop Vemdalsskalet to increase the amount of space on the slope and begin preparations for the **new Hovde Syd skiing area**. This will see us **extend the Väst lift by around 100 metres** this year in order to improve accessibility in the area in all weathers. We are modernising and increasing **snow production capacity at Vemdalsskalet** to improve the skiing experience. This year, getting to Vemdalen will be even easier and smoother, as we are offering **direct buses from Stockholm-Uppsala-Gävle-Vemdalen**, which will also run on renewable diesel, HVO100.

The major new development as regards ski-in ski-out accommodation is that the SkiStar Lodge family is set to gain yet another member when **Skilodge Skalspasset becomes SkiStar Lodge Vemdalen**. A gym is also being added to the existing relaxation area, ski hire and restaurant. Last but not least, SkiStar has acquired **Klövsjö Sportshop, which will now become a SkiStarshop** with both ski rental and the sale of ski equipment and skiwear.



TRYSIL

We are improving access to the entire skiing area by **upgrading the Hesten T10 and Høgekspressen H1 lifts** this year. We are also improving both snow availability and the skiing experience through **new snow production** on slopes 19 and 62.

The ski school for all ages is very popular and well-liked among guests in Trysil. This winter, the former **Trysil guides will become part of SkiStar and the new SkiStar Guides**, who can be easily booked via skistar.com.

Another member of the SkiStar Lodge family is the **new SkiStar Lodge Trysil**, the former Radisson Blu Mountain Resort & Residences, at Fageråsen, which was renamed last summer. This winter, the lodge will launch a **new restaurant with an Italian menu** and a new head chef who is none other than the **Swedish chef Anders Dahlbom**, past winner of Swedish Chef of the Year. Anders has also been project manager and ultimately responsible for the Nobel Banquet for many years. He has competed as part of the Swedish national culinary team and appeared on numerous cooking and entertainment shows.

HEMSEDAL

To further improve the skiing experience in Hemsedal, we are set to open the **new Lodge Express** this winter. The new six-seater chair lift will depart from SkiStar Lodge Hemsedal, hence the name. The location of the lift will offer much easier and better access to the entire skiing area. The lift is also equipped with wind protection/covers. Snow reliability is also being improved through the provision of **better snow production**. We are also constructing a **new button lift (Olaheisen)** next to the SkiStar Snow Park, in the heart of the skiing area, for easier and more accessible fun in the park. With effect from this year, SkiStar's premium accommodation, the SkiStar Lodge Alpine and SkiStar Lodge Suites, will come under the shared name of SkiStar Lodge Hemsedal.

STOCKHOLM HAMMARBYBACKEN

The children's area will be improved in time for the winter with a new conveyor. In February, Hammarbybacken will also host the first sprint race in the new Olympic discipline of ski mountaineering, as well as the European Cup in mogul skiing.

› All our news can be found on skistar.com: https://www.skistar.com/en/inspiration/news/

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NEW DIGITAL DEVELOPMENTS FOR A SIMPLER AND SMOOTHER GUEST EXPERIENCE

Last year, no fewer than 95 percent of all SkiStar check-ins and -outs were carried out digitally. This year, we are also launching **digital check-in at the SkiStar Lodge Trysil and SkiStar Lodge Lindvallen**. This will enable guests to check in using their mobile in the SkiStar app and go straight to their room/apartment without queuing at reception or by a key locker/box, as their mobile will also act as a digital key. Simple, seamless and secure for our guests.

We are now making the skiing experience even more fun with **QR code challenges in SkiStar Game**. Ski guests have previously been able to collect badges by taking lifts, but the challenges are now being expanded to include searching for and unlocking QR codes which have been placed around the skiing area. Rewards in the form of badges and deals will be given out with the same functionality as at present via your account in the SkiStar app.

ON THE WAY TO MORE SUSTAINABLE MOUNTAIN EXPERIENCES

To make it easier for all our guests who travel by electric car, we are installing **more charging points**, particularly adjacent to our own accommodation in Sälen. Even more charging points will be installed in our car parks adjacent to the skiing areas at all destinations. For guests travelling by electric car to Sälen via route 66, the 'Gröna vägen till Sälenfjällen' (Green road to Sälenfjällen) will become a reality with more charging stations, thanks to a partnership between Destination Sälenfjällen and a number of municipalities along the route. Sveg was always a challenging place for mountain travellers wanting to charge their electric cars en route to Vemdalen and Åre, but SkiStar have now teamed up with Audi and Jämtkraft to install temporary charging stations there. For this winter, the result is 24 new stationary charging points locally in Sveg.

To encourage more guests to recycle both ski equipment and skiwear, we are continuing to focus on selling more pre-used items through the **SkiStar Pre Used** initiative on skistarshop.com, along with pre-used clothing in the SkiStarshop Concept Store in Lindvallen in partnership with Serculate. We are also testing **renting out skiwear** to guests and groups/conferences at the SkiStarshop at SkiStar Lodge Hundfjället.

SKISTAR SNOW PARKS FOR MORE GUESTS

Everyone should feel safe and included in our parks. Regardless of whether you visit once a winter or frequently hang out in our parks, it is important that you feel the same sense of enjoyment and togetherness. Together with our ambassador Jesper Tjäder, we will be launching a SkiStar Snow Parks 'tricks school' on SkiStar's YouTube channel this autumn. This series consists of a number of high-quality episodes where Jesper inspires both beginner park skiers and those who want to develop further. Anyone wanting to meet and hang out with Jesper in person can do so at the Unrailistic Jam competition, which will take place in Åre on 30 December, in Sälen on 2 March and in Vemdalen on 9 March. There will be two chances to come and compete and meet SkiStar's ambassador Birk Ruud this winter. The Bu$i Jam rail competition is taking place on two occasions: in Trysil on 2 March and in Hemsedal on 27 March.







› All our news can be found on skistar.com: https://www.skistar.com/sv/inspiration/nyheter/

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Our strategies

How SkiStar creates growth and success – today and in the future.



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Mountain tourism company SkiStar all year round

A key aspect of our efforts to develop SkiStar from a purely winter and lift company into an all-year-round mountain tourism company with a focus on guests is the updated strategic plan developed in 2020/21. Implementation of the strategy continued during the financial year.



Our foundations permeate everything we do: Safe & Secure is our promise to guests, together with sustainability. We achieve this together with our Employees & Culture, which is a prerequisite today for achieving success and results.

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SkiStar's strategies

SkiStar's vision is to create memorable mountain experiences. As the leading holiday organiser for Scandinavia, our business is designed to create value for our shareholders, guests, customers, employees, municipalities and regions.



1. FURTHER DEVELOP CORE OPERATIONS

To strengthen our position as the leading holiday organiser for Scandinavia, alpine skiing will remain SkiStar's main focus when creating memorable mountain experiences. During the financial year, we continued to invest even more in the summer and autumn seasons, thus creating new sources of revenue. To increase the number of skier and activity days and thus boost revenues, the key is to attract more guests to our destinations who are more satisfied with their experience and more guests who return year after year. Another important aspect is to strengthen the competitiveness of the destinations, with important factors such as the range of products, development of ski systems, summer activities and offering guests better accommodation while away than at home. As people's lifestyles and holiday habits are shifting, with them moving in recent years towards more active holidays spread over different periods of the year, work is under way to review how we can meet demand for adapted opening times, lift-assisted summer activities and guaranteed snow. At the same time, we are continuing to make investments in our mountain resorts, such as new lifts and skiing areas with plans to implement several new lifts to weatherproof and windproof Åre.

2. FIND MORE SOURCES OF REVENUE

SkiStar wants to be at the cutting edge and further develop operations with a focus on increasing the number of guests and activity days at our destinations and driving sustained profitable growth. Sales of our SkiPass are at the heart of our revenue. Based on that successful product, we have since developed new revenue sources in the form of ski rentals through SkiStarshop, our snowman Valle and Valle's Ski School, the SkiStar Living accommodation concept and much more. Another important part of finding new sources of revenue is to even more efficiently base our actions on guests' behaviours, purchasing patterns, satisfaction and preferences through the customer data we have from skistar.com and guest surveys,

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but also through memberships in SkiStar Member, using an updated strategy and development programme. By linking our sustainability target of seven million skier and activity days to the new SkiStar Member (as each skier day or activity day will give entitlement to a bonus), we are linking our guests and members closer to our sustainability targets within 'activity and recreation'. Guests also receive all the benefits of being both loyal guests and members over time, such as bonus points on all purchases in the SkiStarshop, be it in physical stores or online, as well as on bookings and rentals via skistar.com. To put it simply – it should pay to be active.

3. SUSTAINABLE PROPERTY TRANSACTIONS

For SkiStar, it is important for all land exploitation and property development in the Scandinavian mountain world to be sustainable. An important goal for us is to see a positive performance in the value of our exploitable land. This is achieved by active detailed development plans, which lead to new projects being launched more quickly. Another vital aspect of the strategy is to ensure a strong performance in the value of the property portfolio by developing and enhancing the efficiency of properties owned by SkiStar, not least in terms of energy efficiency and systematic maintenance. For more information, see the section 'Property Development and Exploitation' on pages 28–29.

4. DIGITALISATION: MEET CUSTOMERS WHERE CUSTOMERS WANT TO BE

For SkiStar, digitalisation means developing our destinations and digital platforms based on customer insight and data analysis with the concepts of simplicity, satisfaction, accessibility and the safety of our guests serving as a guide. Over the past year, SkiStar has continued to develop a number of products and services – everything from the SkiStar app to digital check-in and check-out at our accommodation. The Valle app is being developed into a 'digiphysical' tool as part of our efforts to give more children a sense of adventure and a love of the great outdoors. Digital business development will continue over the coming years with a focus on further guest-centric adjustments. It is a question of being at the forefront of digital interaction with guests, to create a memorable and carefree alpine experience before, during and after their trip.

5. CREATING FUTURE BUSINESS

Based on our brand and existing assets, we identify, analyse and generate future business through ongoing business development, thus reinforcing and intensifying our pace of innovation. The pace of development was high during the year, not least relating to the all-year-round initiative, with more attractions being developed for the summer season, including the new adventure arenas in Trysil, Sälen and Vemdalen. Read more in the section entitled 'Our operations' on pages 22–36.

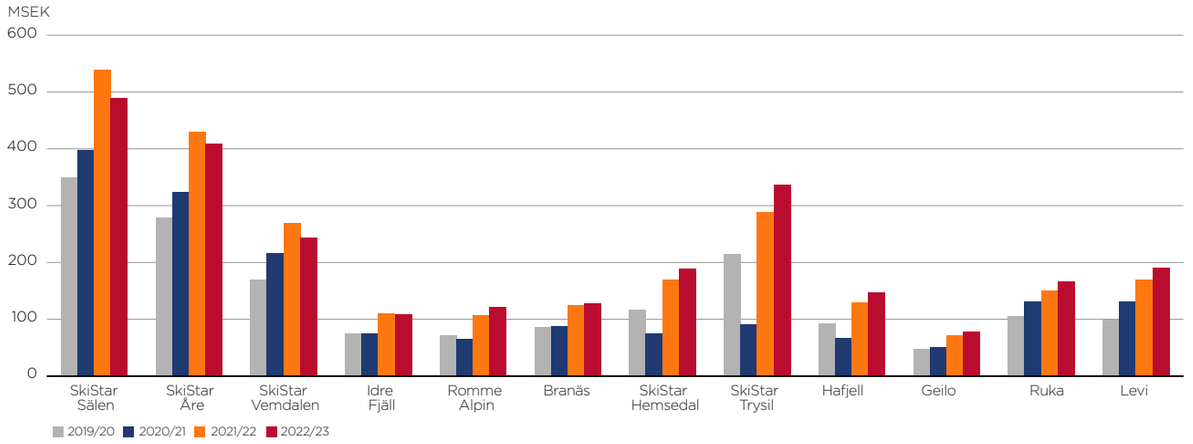
IN 2022/23

92%
HAVE CHECKED INTO THEIR ACCOMMODATION DIGITALLY

76%
HAVE PURCHASED/ DOWNLOADED THEIR SKIPASS DIGITALLY

33 MILLION
VISITS TO SKISTAR'S DIGITAL PLATFORMS

SKIPASS SALES IN THE NORDIC REGION



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How we create valuable and memorable mountain experiences

SkiStar's vision is to create memorable mountain experiences for all of our guests. As the leading holiday organiser for Scandinavia, our business is designed to create value for our shareholders, guests, customers, employees, municipalities and regions.

60
PERCENT OF OUR SEASONAL EMPLOYEES RETURN THE FOLLOWING YEAR



These operations generate growth and business opportunities. We contribute jobs, tax revenue, diversity, culture and the exchange of knowledge for the Company's stakeholders. To ensure our operations are successful, the business model must also be sustainable and consider the environment, social responsibility, employees' perspectives and respect for human rights.

HELPING RURAL AREAS THRIVE

The tourism industry is a linchpin of the municipalities and regions in which we operate. Our presence generates more tourism and enables other operators to work at or near our destinations. Our operations provide jobs in the local area and thus greater tax revenues, which in turn allow opportunities for a positive impact on the region and improvements to infrastructure. In this way, visitors to the region, permanent residents and local businesses benefit from SkiStar, which is an operator that adopts a long-term and sustainable approach to mountain tourism.

INTERACTION BETWEEN GUESTS AND EMPLOYEES

Guests are our focus at SkiStar, and their experience at our destinations is largely influenced by the employees who make their holidays memorable. Our culture is characterised by a high level of dedication and pride in what we do and the areas in which we operate. We offer not only a job, but a lifestyle. Committed, motivated and satisfied employees who are happy at work are a prerequisite for our ability to deliver memorable experiences for our guests and to ensure they return year after year to create thriving communities where we are located.

RESPONSIBLE EMPLOYER

SkiStar is one of the largest employers in the areas where we operate – a responsibility we take seriously. We have employed close to 14,000 young people aged 18 to 24 over the past twelve years, and the Company receives thousands of new applications every year. We consider our role as a major employer of young people and offering a way into the job market to be a vital social responsibility. The combination of stimulating tasks with the opportunity to lead an active lifestyle and a strong sense of belonging among colleagues is a major appeal for us as an employer. We are proud of the fact that 60 percent of our seasonal employees return the following year.

STRONG MUNICIPALITIES AND LOCAL COMMUNITIES

We strengthen the municipalities and local communities in which we are active by participating in and contributing to the development of our destinations and local areas. SkiStar participates in multiple projects to help develop its regions. One example is the European Regional Development Fund project which, since early 2010, has worked to develop the four municipalities in the SITE regions (Sälen, Idre, Trysil and Engerdal). The objective is to create an international and sustainable region with an attractive tourism industry. SkiStar is the largest operator in both the Norwegian and Swedish parts of the project, which led to extensive commitment to the development of the regions.

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Operating environment and trends affect our business

SkiStar takes active steps to monitor, adapt and develop operations based on major trends in the operating environment that affect guest demand and our business. To be in a position to tackle both major societal trends and small consumer trends, SkiStar works continuously to develop its products, concept and service. It is important for us to live up to and exceed guests' expectations before, during and after their journey with SkiStar.

ACTIVE HOLIDAY

People increasingly want to be active on their holiday, whatever the season. This applies to all target groups, from families with children to retirees. SkiStar is meeting this trend by offering the opportunity to have an active holiday, in winter as well as in summer. SkiStar's newly developed 'Active recreation' concept now enables us to offer our guests – in addition to skiing holidays – the opportunity to have an active holiday all year round, with downhill/trail cycling, hiking, climbing and padel all examples of activities. We also offer exciting concepts for children and young people. SkiStar's brand, operations, products and services should contribute to better public health and a love of exercise all year round.

A MORE SUSTAINABLE LIFESTYLE AND HOLIDAY

As more and more people have become sedentary, just as many people want to have a more active and sustainable lifestyle 24/7. This means exercise in their daily routine, active experiences on holiday and living a healthy life in terms of food and physical activity. Society is also changing through the electrification of private cars, for example, which is putting greater demands on us as a company. Guests want to travel to our destinations in a sustainable way, and we want to be able to offer infrastructure on site for electric cars. We are working to make our destinations more sustainable through dialogue and collaboration with partners, politicians and decision-makers at both the national and municipal level.

More people have become interested in holidaying in Scandinavia over the past few years. This increase in demand has been driven not only by a stronger focus on sustainability and the environment, but also by the fact that many people have discovered Scandinavia, including both domestic and foreign guests, particularly as a result of the weak currency. SkiStar's position is to be the leading holiday organiser for Scandinavia, whereby we aim to attract both domestic and international guests to our Scandinavian destinations through an attractive range of products and concepts.

SIMPLICITY AND ACCESSIBILITY

A clear trend in the tourism industry is greater demand for simplicity and accessibility. This means simplicity right from the point of booking, in the form of digital bookings for all products. Simple and accessible transport solutions are in demand, as are simple and accessible on-site services. SkiStar has managed this trend by making it possible to sell all products and services in SkiStar's most important sales channel – skistar.com – all year round. In addition, SkiStar is working to develop various transport solutions to all destinations and to offer guests a broad range of accommodation on site and other relevant products linked to an active holiday. During the financial year, we arranged SkiStar's own bus transport from Gothenburg-Hemsedal with excellent results. This initiative will be expanded to also cover Stockholm-Vemdalen in 2023/24.

INCREASED DEMAND FOR DIGITAL SERVICES

Our guests are increasingly requesting digital services that can make their holiday simpler. This partly means information and booking ahead of the trip, and partly digital services on site during the holiday. SkiStar's objective is to be at the forefront of digital developments in order to interact with guests wherever they are. Today, skistar.com welcomes 33 million visitors per year, including all of SkiStar's digital platforms, with net sales of SEK 2.7 billion. SkiStar's app mainly offers information and purchases on site for guests, but also digital check-in and check-out that make guests' arrival and departure easier.

TAILOR-MADE COMMUNICATION AND OFFERS

To meet the higher demand for individual communication containing relevant offers for our guests, SkiStar is currently working on data-driven communication. The objective is to use SkiStar's customer database and digital investments to enable communication with each unique guest at the right opportunity and the right moment. SkiStar's customer database, along with our own distribution and digital development of systems and products, are all key aspects of SkiStar's sales and communication initiatives. It is, of course, also important for guest satisfaction, extended customer life-cycle and increased loyalty to SkiStar. Another vital aspect of the initiative is individual communication before, during and after the trip, as well as SkiStar's member's club, SkiStar Member, which currently has 1.8 million members.

33
MILLION VISITS TO SKISTAR.COM, SKISTARSHOP.COM AND THE SKISTAR APP

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Business model

SkiStar's offer generates profitable business

The basis of SkiStar's offer is to generate sales before the guest arrives at the destination. Over 70 percent of SkiStar's sales take place on skistar.com, which is the largest sales channel and the most vital component of the business model.

On skistar.com, guests can book their entire holiday, including travel arrangements, accommodation, ski school, ski and bike rental, SkiPass or Bike/TrailPass, activities, sporting goods and insurance all in the same place. A high proportion of the investments made in SkiStar's business systems relate to making it easier for customers to book on skistar.com and creating more satisfied and loyal guests.

MEDIATED BEDS WITH HIGH OCCUPANCY RATES

High and consistent accommodation occupancy rates over the entire winter season are the foundation of high profitability. To achieve this, the sales department works actively with differentiated pricing based on underlying demand. To optimise demand during the low season, different special offers and events are marketed, aimed at the various target groups, such as packages, theme weeks and events. SkiStar actively works to mediate as many quality beds as possible on skistar.com. A basic prerequisite for such high occupancy and early booking is SkiStar's CRM efforts to effectively communicate with our guests through our customer database. This ensures a high level of returning guests and leads to early bookings, often as early as when a guest finishes their holiday.

During the 2022/23 season, SkiStar had a total of 36,397 beds in 5,707 properties (cabins and apartments) to mediate through skistar.com. SkiStar runs seven hotels (mainly apartment hotels) in Trysil, Hemsedal, Sälen and Vemdalen (following the acquisition of Hovde Hotell in December 2022), which comprise a total of 4,183 beds. A total of 75 percent of accommodation sales came from online sales in 2022/23. Accommodation owners who rent out their places via SkiStar are entitled to several benefits and great offers via SkiStar. Such benefits include a unique discount on the SkiStar All Season Pass for themselves and family members.



36,400

BEDS MEDIATED BY SKISTAR AT ALL DESTINATIONS* IN 2022/23, OUT OF A TOTAL OF APPROX. 57,300 AVAILABLE COMMERCIAL BEDS AT THESE DESTINATIONS.

*) SkiStar has no mediated accommodation in Stockholm Hammarbybacken.

› Read more about the number of beds available at each destination under 'Our operations' on pages 22–36.

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TAILOR-MADE ACTIVE HOLIDAY EXPERIENCE

SkiStar's overall market strategy is to offer each individual guest a customised active holiday, tailored to their own specific requirements. Guests can choose between five different means of transport: car, bus, train, plane or boat, or a combination of these, depending on the chosen destination. Transport can in turn be combined with a range of accommodation options in different price ranges, encompassing everything from self-catering cabins to hotels with all amenities under one roof. In addition, guests have access to a broad range of activities and products, such as the ski school, ski and bike rental, SkiPass/BikePass, SkiStarshop and SkiStarshop Concept Store. Your SkiPass will give you access to added value such as free ski buses, Valle activities and SkiStar Snow Parks and Fun Rides, as well as free parking in various SkiPass products, such as SkiStar All Winter and SkiStar All Year.

Guests also have the option of choosing the length of their holiday, whether it happens to be a couple of days, a weekend, a short break, an entire week or an even longer visit on occasion. Specially designed insurance products for mountain holidays at SkiStar destinations are also available via external insurance companies, which can be simply added at the time of booking the winter holiday.

MEMBER

AT THE END OF THE 2022/23 FINANCIAL YEAR, SKISTAR MEMBER HAD OVER 1.8 MILLION REGISTERED USERS, AN INCREASE OF OVER 14 PERCENT COMPARED WITH LAST YEAR.

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Our employees

Our key to success

At SkiStar, our employees are the key to the company's success and our main asset, with commitment and hospitality prerequisites for ensuring our guests have memorable mountain experiences. Our 'Employees & Culture' foundation enables us to strengthen strategic initiatives together with our employees, managers and organisation. The three areas we are continuing to focus on are our culture and values, continuing investments in strong leadership and developing the organisation. Over the past year, we have also worked to develop SkiStar's new values which will permeate everything we do: Together, Credible, Commitment and Simple. To continue to grow and invest in the mountain resorts of the future, we need to find sustainable, effective and long-term working methods for our all-year-round operation. We also want to continue to strengthen our local presence and develop our destinations. We therefore implemented a reorganisation during the financial year, which took effect on 1 September 2023. See more on page 23.

A SPECIAL WORKPLACE

We offer not only a job, but a lifestyle. We offer the opportunity to combine a challenging job with varied tasks and an active lifestyle. Moving to the mountains and living at our destinations is a unique experience that creates a strong community among colleagues. We have a wide range of tasks to perform and, in a normal winter season, we recruit for over 80 different positions. People choose to stay with us for a long time because it is a lifestyle they enjoy, they want to continue developing and they like meeting people. Our goal is for two-thirds of our seasonal employees to return each year, as over 60 percent of our seasonal employees did in 2022/23. Many of our employees choose to work on new tasks or at new destinations, and over 80 percent of our employees state that they enjoy their work.



1,554
AVERAGE NUMBER OF EMPLOYEES

All figures apply to the 2022/23 financial year.

PROPORTION OF RETURNING SEASONAL EMPLOYEES
OVER **60** %

♀ 54% MEN

♂ 46% WOMEN

8 OUT OF **10**
RECOMMEND SKISTAR AS A WORKPLACE

8 OUT OF **10**
ARE HAPPY AT WORK

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EMPLOYER OF YOUNG PEOPLE

We are proud to be a major employer of young people that offers them a start in the labour market. Over the last twelve years, close to 14,000 young people aged 18 to 24 have been given the opportunity to gain a foothold in the labour market at our destinations. This also entails a great responsibility for us as an employer.

RECRUITMENT

SkiStar operates a seasonal business and has a great need for seasonal employees. A major recruitment effort is undertaken before each season, with thousands of applications being received. Much of our recruitment takes place through a web-based recruitment tool and digital group interviews, which also take our values into account, enabling us to attract the best possible recruits. We also collaborate with companies in the tourism industry that have similar seasonal activities during the summer to recruit and supply staff.

TRAINING AND EDUCATION

SkiStar attaches enormous importance to the training and education of our employees, and various professional development and training opportunities are offered depending on their role and skills requirements. Every year, we receive a large volume of seasonal employees, and we have a systematic induction and training programme to prepare them for performing their tasks and thriving with us. Our goal is for all employees to be trained in relevant areas of sustainability.

ONGOING EMPLOYMENT

Many of our employees continue their career at the Company by taking on more qualified tasks, both as seasonal employees and year-round employees. For example, many internal recruitments take place for our various leadership roles each year, and all vacant positions are always made available via our intranet to make internal career opportunities visible. Future objectives are an important point in our regular performance reviews, with a focus on personal motivation among our employees. Thanks to our long-term summer initiative as well as our lodge and hotel operations, we are able to hire more employees all year round, thus making the Company's supply of skills increasingly consistent and long-term.



SKISTAR STAFFING

During the financial year, we launched 'SkiStar Staffing', an initiative which aims to ensure that everyone in the Company pulls together to create the right conditions for employees to find new career opportunities and secure jobs. Through good development opportunities for seasonal employees, we will secure further growth and a high level of expertise within the service, tourism and experience industries in Scandinavia. SkiStar Staffing acts like a staffing pool that assists both employees and other employers within the seasonal activities industries. We offer services within four areas: staffing, recruitment, advertising and advice.

› Read more on pages 63–72 of the Sustainability Report.

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Our guests

The engine of growth and development

Providing memorable mountain experiences is the promise we make to our customers. In addition to offering accommodation, activities, products and services of the highest quality all year round for our guests, our aim is to constantly improve and develop together with our guests and in step with changes to our operating environment. Our goal is to always have highly satisfied guests, both new ones and those who return year after year. We aim to deliver a top-class service and experience whether it's before, during or after the stay, and whether it's digitally, via telephone or in personal interactions at the lift, the ski rental outlet, the climbing park or the ski school. An important part of those efforts is to get to know our guests, who they are, what needs they have, what they are satisfied with or less satisfied with, and ensure they have an opportunity to submit comments concerning areas for improvement. Another piece of this puzzle is contributing to sustainable destinations, helping our guests to make sustainable choices and monitoring how we can improve in that area.

TARGET MAP: OUR THERMOMETER MEASURING CUSTOMER SATISFACTION

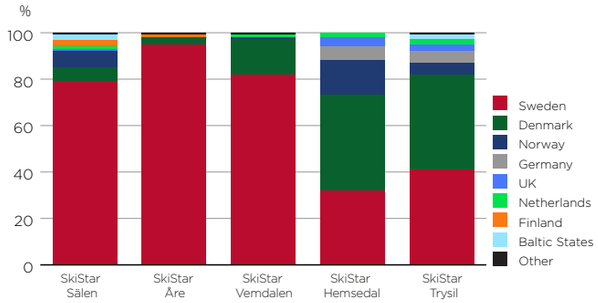
Through our systematic tool known as the 'Target Map', we give our guests the opportunity to submit feedback at the end of their stay continuously throughout the year. The results then become an important part of our guest strategy to work on continuous improvements and areas for development, but also to foster insight and pride among our employees in terms of their interaction with our guests in various channels and contexts. This also gives us an opportunity to monitor our performance measures and targets over time. Guest satisfaction continues, with eight out of ten guests saying that they had a memorable mountain experience and a pleasing nine out of ten feeling better after a stay with us, according to our guest surveys.

SCANDINAVIAN GUESTS DOMINATE

SkiStar's guests primarily come from the Nordic countries, where Sweden, Norway and Denmark are considered domestic markets. During 2022/23, Swedes accounted for 72 percent of all SkiStar's guests. Following them were the Danes, who accounted for 19 percent, and Norwegians at four percent. The figures above and those in the table below only refer to SkiStar's guests at each destination.



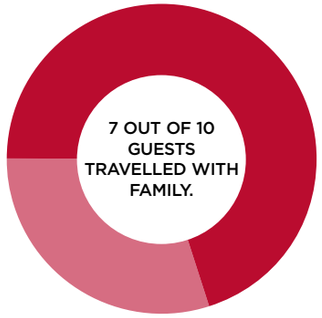
OUR MARKET
Nationalities per destination



All figures apply to the 2022/23 financial year.

86%
TRAVELLED BY CAR

26%
OF ALL CAR TRAVELLERS TRAVELLED BY HYBRID OR ELECTRIC CAR



The most common scenario is with children aged 11–14 and 7–10.

55%
VISITED US FOR SIX OR MORE DAYS

97%
WENT ALPINE SKIING (WINTER)

GUEST SATISFACTION

8 OUT OF 10

- felt safe and secure in the skiing area
- felt that the overall impression contributed to a memorable mountain experience

57%
WENT MOUNTAIN BIKING (SUMMER)

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Targets and target achievement

The overall goal is for the value of shareholders' capital to increase sustainably over the long term.

FINANCIAL TARGETS

Equity/assets ratio

To pursue a proactive strategy while balancing operational risk, SkiStar must have a strong financial base. The target is an equity ratio of at least 35 percent, before additional debt via IFRS 16. The result for the financial year was 53 percent. This year's result was due to a strong financial foundation, which provides a strong basis for SkiStar's further development.

Return on capital employed and equity

It is important for SkiStar's investments to generate a return. At current interest rates, the target for return on equity is at least 14 percent and for return on capital employed at least nine percent. The targets are based on three-month treasury bills, which had an average interest rate of 2.80 percent (0.09) during the 2022/23 financial year. Levels of return declined and ended up below the targets for 2022/23, which represents a natural extension of the weaker operating profit.

Operating margin

It is important for SkiStar to be cost-effective and to focus on profitability in all parts of the business. The operating margin target is to exceed 22 percent in the long term. The result for the financial year was 14 percent. The lower operating profit during the year was primarily due to increases in costs for repairs and maintenance, personnel, advertising and depreciation, which was to some extent driven by the transition to all-year-round operation.

Organic growth above inflation

SkiStar's growth target is an annual organic growth rate exceeding inflation by at least four percentage points, on top of any growth through acquisitions. Inflation in Sweden during the financial year was 7.5 percent (9.8). SkiStar's growth (above inflation) is -3.0 percent. The principal explanation for this is that SkiStar has not been able to generate enough new revenues and adjust prices sufficiently to keep pace with inflation.

Updated financial targets ahead of 2023/24

SkiStar's Board of Directors decided to revised the financial targets for the medium term after the end of the financial year.

- Growth: Operating income is to grow by an average of 6 percent annually. This target refers to organic growth, adjusted for acquisitions and foreign currency effects.
- Margin: The operating margin should average 18%.
- Debt: The net interest-bearing debt to EBITDA ratio should be less than 2.5, excl. IFRS 16 effects.
- For more information, see Note 36.

SUSTAINABILITY TARGETS

Getting people moving

SkiStar aims to offer seven million skier days and activity days per year by 2030, made up of 6.4 million skier days and 600,000 activity days. During the financial year, the number of skier days amounted to 5,682,561, the second best in the Company's history, after last year's record (6,031,000). During the summer, all destinations contributed 252,584 (217,785) activity days, which corresponds to an increase of 16 percent in the number of activity days compared with the previous financial year. Compared with SkiStar's target of achieving 600,000 activity days by the year 2030, this means we have so far achieved 42 percent of the target.

CLIMATE TARGETS

SkiStar aims to protect nature, just as nature protects us. Through ambitious climate targets and the establishment of more circular systems, we are working to reduce our impact and enable our guests to make climate-smart choices. By 2030, we will reduce our total carbon footprint by 50 percent, in line with the target for the Sustainable Development Goals and the Paris Agreement's limit on a global temperature increase of under two degrees. During the year, we reached an important milestone when our climate targets were approved by Science Based Targets, which shows we are heading in the right direction. During the financial year, SkiStar reduced its carbon footprint in scopes 1 and 2 by 56 percent compared with the base year 2020/21.



*) Ten percent reduction in greenhouse gas emissions during 2022/23.

FINANCIAL TARGETS

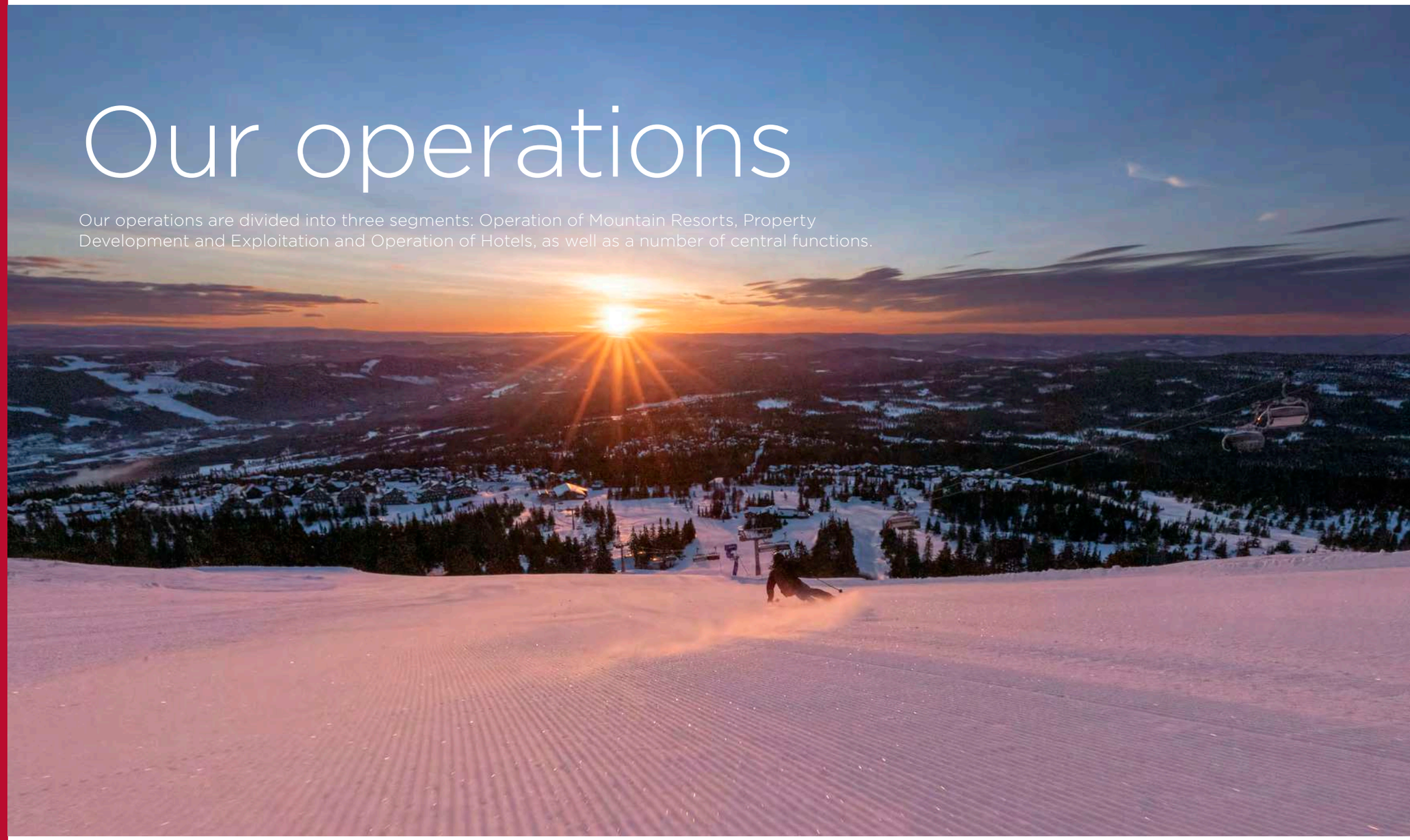
	Outcome 2022/23	Outcome 2021/22	Outcome 2020/21	Outcome 2019/20
Equity/assets ratio[1)]	53	57	51	49
Return on capital employed, %	10	14	6	9
Return on equity, %	12	22	9	11
Operating margin, %	14	21	11	14
Organic growth above inflation, %	-3	35	-1	-11

1) Before additional debt via IFRS 16.

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Our operations

Our operations are divided into three segments: Operation of Mountain Resorts, Property Development and Exploitation and Operation of Hotels, as well as a number of central functions.



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OPERATION OF MOUNTAIN RESORTS

In addition to the operation of the resorts themselves, this area also involves sales of all products and services such as the SkiPass, accommodation, activities and articles in SkiStarshops and SkiStarshop Concept Stores. Focus areas principally include sales and running the resorts as efficiently as possible. Earnings are charged with the segment's own costs as well as internal rents, mainly for guest accommodation rented from Property Development and Exploitation. The segment's non-current assets are mainly property, plant and equipment used directly in the operations, such as pistes and lifts, or used or rented out for activities that complement the segment, such as SkiStarshops, equipment hire and restaurants.

PROPERTY DEVELOPMENT AND EXPLOITATION

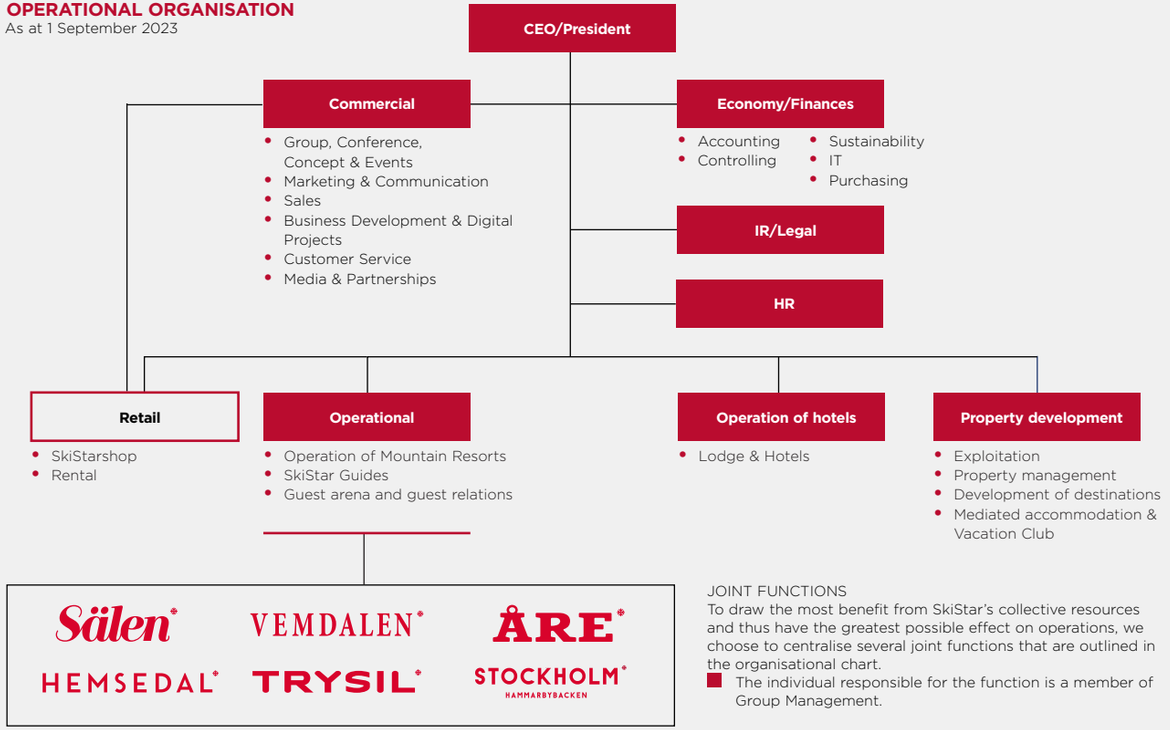
Property Development and Exploitation comprises the management of assets that can be exploited or utilised in the segment or leased to the Operation of Mountain Resorts segment. Segment revenue comes from the sale of land and other properties, the sale of unit weeks in Vacation Club, and the renting of accommodation, both through the segment and associated companies, to guests in the Operation of Mountain Resorts segment. The segment's assets consist of land and other properties, as well as shares in tenant-owner associations and associated companies focusing on hotels and the renting of cabins and apartments close to the Group's skiing and activity areas.

OPERATION OF HOTELS

Operation of Hotels includes activities related to hotels conducted under the SkiStar brand and under SkiStar's management. SkiStar's operation of hotels is conducted as a tenant of the hotel properties in question. Operation of Hotels includes revenue from accommodation, restaurants and other goods and services provided in connection with the hotels. The hotels covered are SkiStar Lodge Lindvallen and SkiStar Lodge Hundfjället in Sälen, SkiStar Lodge Hemsedal, Radisson Blu Resort and SkiStar Lodge Trysil and the Ski Lodge Skalspasset apartment complex (which will change both its name and concept to SkiStar Lodge Vemdalen in winter 2023/24), and Hovde Hotell in Vemdalen.

OPERATIONAL ORGANISATION

As at 1 September 2023



JOINT FUNCTIONS

To draw the most benefit from SkiStar's collective resources and thus have the greatest possible effect on operations, we choose to centralise several joint functions that are outlined in the organisational chart.

■ The individual responsible for the function is a member of Group Management.

NET SALES PER SEGMENT



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Operation of Mountain Resorts

Strategic product areas



LIFT-ASSISTED OPERATIONS

Alpine skiing is SkiStar's core business. The majority of SkiStar's profits are generated by SkiPass sales. The marginal revenue for each additional SkiPass that is sold is high. SkiPass sales during the 2022/23 financial year totalled SEK 1,686 million (1,735). SkiStar's market share of SkiPass sales during the financial year in Sweden was 50 percent (52) and in Norway it was 32 percent (32). The market share in Scandinavia was 42 percent (44). The number of skier days amounted to 5,683,000 (6,030,000), which represents a reduction of six percent compared with the previous year. During the summer season, Bike and TrailPasses account for an important part of revenues, including the SälenPass, for example, which covers many of the new summer activities, something that is also available for Trysil and Stockholm Hammarbybacken. During the summer of 2023 (weeks 22–35), sales amounted to SEK 39 million (33). During the summer season, the number of activity days was 253,000 (218,000).



MEDIATED ACCOMMODATION

To ensure that we have as high a volume of guests as possible, we also need to have control over our ability to have a high number of beds for rental at all of SkiStar's destinations. In this way, we can optimise the occupancy rate and any weak sales can be adjusted at an early stage via proactive marketing efforts. The occupancy rate in cabins and apartments owned and mediated by SkiStar during the 2022/23 winter season (weeks 51–16) amounted to 80 percent (86). The number of mediated beds during the year was 36,397 (39,075). During the summer season, the occupancy rate during weeks 25–34 was 21 percent (21).



SKI SCHOOL

Ski school operations are strategically important for SkiStar as a life-long interest in skiing is established and long-term contacts are forged between the destination, the skiing instructors and the guests. Children and youngsters who learn to ski early in life often develop a lasting interest in the sport, which they, in turn, pass on to their children. We have a unique ski school brand – Valle's Ski School – which is aimed at the 3–9 age group. Net sales for the ski schools amounted to SEK 59 million (61) during the financial year. The number of learners at SkiStar's wholly owned ski schools totalled 103,393. This figure excludes Trysil's ski school, in which SkiStar only has a participating interest. Since 1 September 2023, SkiStar has owned 100 percent of the shares in Trysil's ski school (Trysilguidene).



SKI AND BIKE RENTALS

The equipment from our ski rental shops should always be prepared, waxed and correctly adjusted. Products should also always be offered for all levels of experience, even during the summer for both trail and downhill cycling. Ensuring there is always equipment to rent of the right quality is strategically important for SkiStar. During the financial year, we operated a total of 30 ski rental outlets: nine in Sälen, nine in Åre, six in Vemdalen, two in Hemsedal and four in Trysil. Sales totalled SEK 214 million (212). Bike rentals were offered during the financial year through SkiStarshops at all destinations. Total sales for bike rentals amounted to SEK 9 million (11). It should be noted that a price adjustment was implemented during the summer of 2023 in order to build volume in the number of guests, a measure that was also reflected in the number of bikes rented, which increased by 27 percent during the period.

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Other product areas

SKISTARSHOP AND SKISTARSHOP.COM

SkiStar sells alpine sports goods in stores and online. There are physical SkiStarshop Concept Stores in five of SkiStar's destinations: two in Åre, Sälen and Vemdalen, one in Hemsedal and three in Trysil. At our SkiStarshop ski rental outlets, we also sell sporting goods related to alpine skiing (primarily the EQPE brand) and cycling during the summer. Skistarshop.com is an online store stocking the market's strongest alpine sports brands. The e-store is fully integrated into the flow of bookings of other products and services on skistar.com, which means that customers can buy a ski jacket while topping up their SkiPass. Customers can then choose to have the goods delivered to their home or pick them up from any of our SkiStarshop Concept Stores. During the 2022/23 financial year, the Group's sporting goods operations generated sales of SEK 341 million (289). Online sales continued to increase during the year, with net sales of SEK 156 million (108), an increase of 39 percent.

PROPERTY SERVICES

The property services product area is made up of building superintendents, carpenters, electricians, janitors and other service personnel. Revenues within property services comprise rental income for the business premises and remuneration for cabin service and cleaning. During the financial year, revenues totalled SEK 143 million (127).

SKISTAR ACTIVE RECREATION ALL YEAR ROUND

A new concept known as 'Active Recreation' (formerly SkiStar Sports & Adventures) was launched ahead of summer 2021 to attract more guests to our destinations during the summer and autumn months too. This concept was launched in Sälen, Åre and Trysil. During the financial year, the concept was developed further, particularly in Vemdalen, Sälen, Trysil and Stockholm Hammarbybacken, and included a new climbing park, SummerSki, Mountain Coaster and Mountain Tube, in addition to many other smaller scale activities and upgrades to existing activities at all destinations. Investments related to this initiative amounted to SEK 64 million during the financial year.

OTHER

Other revenue includes income from events, advertising sales, kiosks, sales of Ski*Direct cards (the plastic card for the electronic SkiPass) and grants received. Other income during the financial year amounted to SEK 179 (180) million.

341
MILLION SWEDISH KRONOR OF SALES IN THE SPORT SHOP OPERATION 2022/23

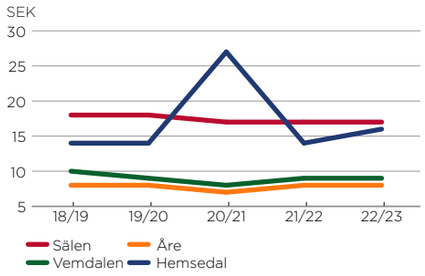
EQPE

EQPESTORE.COM

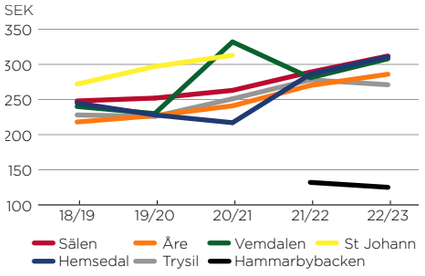
EQPE was launched in 2018 by SkiStar as an initiative aimed at offering high-quality, functional, attractive and comfortable skiwear adapted for Scandinavian conditions. Since then, the range has been expanded with the active lifestyle as a common theme. It now covers clothing and equipment for skiing, running and hiking.

During the financial year, sales increased by 63 percent. EQPE is now available in 16 European countries via the dedicated website eqpestore.com. The brand can also be found at ski-starshop.com and in SkiStarshop Concept Stores. During the 2023/24 winter, the first physical EQPE store, EQPE Store, will open in Åre Torg.

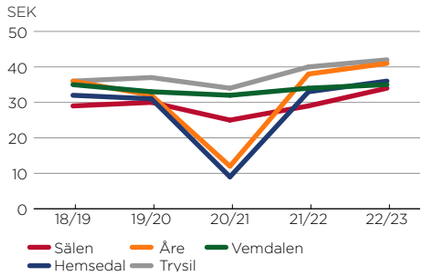
SKI SCHOOL SALES PER SKIER DAY



SKIPASS SALES PER SKIER DAY



SKI RENTAL NET SALES PER SKIER DAY

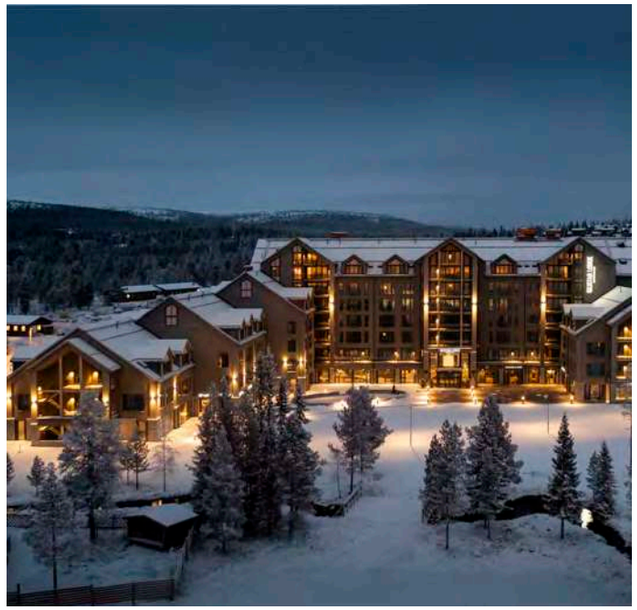


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Operation of hotels

Further investment in and development of our hotel operation

Within the business area for our hotel operations, initiatives and developments are continuing, with facilities such as restaurants, spas, swimming pools, bowling lanes and facilities for conferences, meetings and events. At SkiStar, we are driven by development and have set ourselves an ambitious objective: we offer hotel experiences that create memories. A destination at the destination.





Demand for active and relaxing holiday experiences in Scandinavia – all year round – has increased enormously in recent years, with quality accommodation in attractive locations with a high level of comfort and easy access to experiences on site becoming increasingly important. Since 1 July 2021, SkiStar has operated seven hotels at Norway and Sweden's top mountain destinations. By operating the hotels ourselves, we are able to offer first-rate accommodation while bundling package solutions and sales of SkiStar's entire product portfolio all year round in line with our business strategies. The assets at the facilities include hotel rooms, apartments, restaurants, bars, conference facilities, swimming facilities and spas. Our five SkiStar Lodges are: SkiStar Lodge Hemsedal, SkiStar Lodge Trysil, SkiStar Lodge Lindvallen, SkiStar Lodge Hundfjället and SkiStar Lodge Vemdalen (formerly Ski Lodge Skalspasset, will open for the 2023/24 winter season). We also operate the Radisson Blu Resort in Trysil and own and operate the Hovde Hotell in Vemdalen. In addition to the best possible location in relation to the activities that we offer all year round, all our hotels are guided by the key words: active recreation, comfort and freedom of choice. All the senses must be filled with a high level of personal service and good food, all to ensure the ultimate hotel experience in the mountains.

OUR HOTELS

All our hotels are unique and that is exactly how it should be, but they have many features in common, too. Our hotels are characterised not only by their optimal geographic location for activities and attractive architecture, but also by their warm and welcoming atmosphere. At our hotels, guests can easily join in with an activity or not if they prefer, and then relax in everyone's favourite living room, the lodge bar, and be served a hot or refreshing drink. The fire will be burning and the materials rustic, drawn from the surrounding environment. We are extremely pernickety about details, because it is the tiny things that make all the difference. Our rooms are flexible and carefully thought-out based on an active holiday experience, with many clever storage and sleeping solutions. Here, guests can come together with expectations of a comfortable and eventful mountain experience. We offer individual solutions, tailored to each individual guest. We do our utmost to anticipate, meet and exceed our guests' wishes.

VISION

In line with SkiStar's overarching vision, we are creating memorable mountain experiences and offering much-needed active recreation. We are enhancing and developing our guests' mountain stay with exciting experiences, much-needed recuperation, good food and a rustic and convivial atmosphere. Our hotels must be a safe and comfortable choice, regardless of the destination. Our guests can expect a well thought-out and hearty hotel experience, which offers something special regardless of the company and personal needs.

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Hotel operations

SWEDEN

SkiStar Lodge Lindvallen was built in 2004; it has 121 rooms and apartments spread over 9,860 sq. m. We also run restaurants here, and there is access to Experium's facilities, such as swimming, a relaxation area, spa, conference facilities, sports shop, a cinema and bowling lanes.



SkiStar Lodge Hundfjället was built in 2021. Across its 18,650 sq. m, Skistar Lodge Hundfjället offers 786 beds distributed over 153 apartments, of which 32 are double rooms, eight are studios, 106 are apartments and seven are suites. The site contains a restaurant, lounge bar, gym, spa/relaxation centre, conference area, play area for children and SkiStarshop.



84%

FELT THAT THE WELCOME AND SERVICE FROM HOTEL STAFF WAS VERY GOOD

NORWAY

SkiStar Lodge Hemsedal consists of the SkiStar Lodge Suites (built in 2017) with its 100 apartments across an area of 11,570 sq. m, which is connected via a suspension bridge to the SkiStar Lodge Alpine (built in 2008) with its additional 35 apartments and eight hotel rooms, as well as a supermarket, SkiStarshop, bar and restaurant.



Radisson Blu Resort was built at the foot of Trysil's ski resort in 2008, and has 212 rooms, suites and apartments. There are restaurants, bars, SkiStarshop, conference facilities, a swimming pool, Flowrider, a gym, an arcade, bowling lanes and a spa spread over 22,445 sq. m. The hotel has a franchise agreement with the Radisson Hotel Group.



89%

FELT CHECK-IN WAS EASY AND SMOOTH

84%

FELT THE ACCOMMODATION WAS CLEAN

These figures apply to all of SkiStar's lodges and hotels during the 2022/23 financial year.



NEWS

The former Ski Lodge Skalspasset will open as the **SkiStar Lodge Vemdalen** for the 2023/24 winter season. The hotel was built in 2015 and offers 27 apartments across an area of 2,500 sq. m. The site has a restaurant, SkiStarshop and a gym for the 2023/24 winter season.

Hovde Hotell was built in 2013 and has 22 hotel rooms across an area of 1,000 sq. m. The hotel has a restaurant and associated bar and is situated in Vemdalsskalet's square, where there is a gym, restaurants, a café and shops, just 100 metres from the nearest lift.

NEWS

The former Radisson Blu Mountain Resort & Residences was converted to the **SkiStar Lodge Trysil** on 23 June, making it part of the SkiStar Lodge family. The hotel was built in 2011. There are a total of 369 rooms, suites and apartments here over an area of 21,212 sq. m. The resort hotel contains restaurants, bars, conference facilities, a spa, a gym, an outdoor gym and a SkiStarshop.

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Property Development and Exploitation

The strategy for our Property Development and Exploitation segment is to create value by producing long-term development plans for future investments at SkiStar's destinations.



By identifying interesting plots of land for either exploitation or slopes, the land assets SkiStar has at its disposal constantly increase in value. This trend in value is usually seen on SkiStar's own land, but also in some cases in the form of joint ventures together with other developers. We also continuously review opportunities to acquire land that could enhance our destinations' ongoing development and attractiveness. In all of these cases, the objective is to produce completed development plans. Our strategy is also based on exploiting our own land as much as possible, or selling it to the jointly owned company, Skiab Invest AB.

Whenever SkiStar is involved in property development and exploitation, we also want to ensure that it is sustainable and that the lift and piste system is developed simultaneously to achieve a balance between the development of skiing in winter and summer activities, for example, and property development. Our goal is to build properties that are sustainable and adapted to year-round use as far as possible. A further requirement is that all SkiStar's new builds must be environmentally certified. Hotel Hovde AB, in which SkiStar was previously a tenant, was acquired during the year. The hotel is centrally located in Vemdalsskalet and has 22 guest rooms, a restaurant and a medical clinic.

LAND ASSETS

SkiStar's land development assets and unsold plots total 5.2 million sq. m (5.3). Most of the assets were acquired a long time ago and, therefore, have a low acquisition value. No market valuation of the assets has been conducted as it is difficult to make a reasonable assessment of the possible exploitation rate of the land assets. Based on our own assumptions and experience, around 50 percent of the land can be built on, which is 2.6 million sq. m. If the land is sold as plots, it would mean 2,600 plots, each comprising 1,000 sq. m.

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SKISTAR VACATION CLUB

SkiStar Vacation Club is a form of accommodation that is customised to meet guests' demands and requirements. The apartments are divided into weekly units, and guests purchasing one or more of these units are entitled to the additional benefits of membership of the international exchange and placement organisation, RCI, as well as membership of SkiStar Vacation Club. This form of accommodation is cost-effective, simple and flexible for the timeshare owner. Cost-effectiveness is achieved either through the utilisation of a purchased week, compared with the equivalent cost of renting for that week, or by exchanging the week with a trip abroad through RCI. In addition, owners can purchase foreign trips through the RCI system. SkiStar Vacation Club also provides timeshare owners with a raft of advantages and benefits during their stay. The simplicity of timeshares comes from the fact that the guest is not responsible for the maintenance of their ownership share. Instead, the tenant-owner association, of which the timeshare owner automatically becomes a part, takes care of the maintenance and development. The apartment is always clean, the beds made up, and it is warm and ready ahead of the guest's arrival. Flexibility is achieved as the timeshare owners can enjoy RCI's entire range of over 7,000 destinations worldwide. SkiStar Vacation Club is currently offered in Sälen, Vemdalen and Åre.



INVESTMENTS

The investments expected to be used in the Group's own operations amounted to SEK 12 million (13) during the financial year. During the financial year, the first stage of Timmerbyn Village in Sälen was completed, and all divested apartments were occupied during the summer of 2023. A second stage of this project remains to be built. The timing of the start of construction has not yet been determined, pending determination of demand in the market for mountain accommodation. A further two areas being planned in collaboration with Skiab are Tegefjäll in Åre and Björnrike in Vemdalen. Both of these projects are targeted at those purchasing mountain accommodation. Depending on the market situation, it is anticipated that production will commence when the timing is considered to be favourable.

The final stage of the Sadeln project in Åre is due to be completed in December 2022/January 2023. All 42 apartments have been occupied. This project was also developed by Skiab. The Fjellnest apartment project in Hemsedal continued during the year and is expected to be completed in the autumn of 2023. In Åre, planning for the expansion of Rödkullen is continuing, albeit on a smaller scale, as the capacity of Åre municipality's water treatment works currently represents a limitation. Efforts to restructure and develop the Björnen Centrum are continuing. These two projects are being conducted together with other developers in each area. Work is also under way to draw up detailed plans for all destinations for future projects within the business area.



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Our destinations

Sälen®
Northern Europe's largest alpine skiing area: Scandinavia's best family resort.

HEMSEDAL®
Scandinavia's Alps: High peaks, staggering views and adventurous skiing.

TRYSIL®
Norway's largest ski resort: A modern destination for families who love skiing.

STOCKHOLM® HAMMARBYBACKEN
Stockholm's most central alpine ski slope and now also an all-year-round destination.

VEMDALEN®
A mountain gem: Great skiing with many vertical metres, combined with the best possible carving of the holiday.

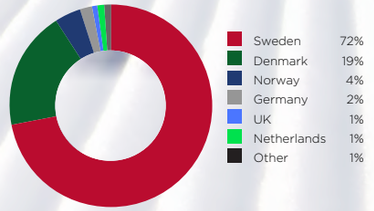
ÅRE®
Cosmopolitan atmosphere: A unique combination of skiing and entertainment in northern Europe's friendliest and trendiest mountain village.





SKIER DAYS **5,682,561**	ACTIVITY DAYS **252,584**	NUMBER OF LIFTS **220**
NUMBER OF SLOPES **371**	OWN & MEDIATED BEDS THROUGH SKISTAR'S ACCOMMODATION AGENCY **36,397***	OBJECT NIGHTS **555,171**
CARBON DIOXIDE EMISSIONS IN SKISTAR'S OWN OPERATIONS, CO_2 TONNES **901**	TOTAL WATER USE m^2 **4,354,031**	ELECTRICITY CONSUMPTION, MWh **76,866****

NATIONALITY OF SKISTAR'S GUESTS WHO BOOKED ACCOMMODATION THROUGH SKISTAR'S ACCOMMODATION AGENCY.



* Of these, 4,183 are hotel beds at SkiStar's own hotels and lodges. The total number of beds at all destinations is approximately 164,248.
** The destinations exclude Stockholm, Hammarbybacken.

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Sälen

SkiStar Sälen consists of four resorts – Lindvallen, Högfjället, Tandådalen and Hundfjället – which together offer varied skiing across 100 slopes. During the financial year, summer operations primarily focused on Lindvallen, as the range of summer activities is continuously growing at this destination.

16th
LARGEST SKI RESORT IN THE WORLD*



The region offers everything from Scandinavia's largest button lift area, to challenging skiing on one of Sweden's steepest groomed pistes, Väggen, along with several park and off-piste areas. Valle the snowman, SkiStar's concept for children, can be found all over Sälen providing theatre performances and the opportunity to meet Valle at various locations. There are over 400 talking wood sculptures in Trollskogen in Hundfjället. To complement the skiing, there is the SkiStar Lodge Lindvallen – an 11,500-sq. m accommodation and experience centre – and the SkiStar Lodge Hundfjället. Sälen's skiing area also offers a wide range of restaurants, nightclubs, cafés, shops, dog sledding and snowmobile operators, cross country ski tracks and much more. A broad range of summer activities were made available as of the summer of 2021, including a climbing park, cycling with downhill/trail/pump track/skills area, lift-assisted hiking, padel courts, crazy golf, Valle Kids' Club and Teen Camp Bike. The summer of 2023 saw the opening of the Mountain Coaster, Mountain Tube and SummerSki.

OPERATIONS

Operations in the skiing and activity areas are pursued almost exclusively on land owned by SkiStar. SkiStar mediated approximately 14,700 beds in the area during the year, around 5,300 of which are owned or part-owned by the Company. Two SkiStar Lodges are available: the classic SkiStar Lodge Lindvallen and the SkiStar Lodge Hundfjället. In addition, SkiStar sublets Sälens Högfjällshotell, two sporting goods shops and all restaurants to external operators.

INVESTMENTS

Investments amounted to SEK 123 million before the 2022/23 season, principally consisting of snow production, summer initiatives and reinvestments.

THE FUTURE

SkiStar Sälen is being developed with a focus on excellent accessibility, modern lift-adjacent beds, guaranteed snow and fun family activities. For the winter season, SkiStar is replacing the Express 303 on Söderåsen and investing in a new express chair lift in Lindvallen with increased capacity and extra wind protection and covers. We are also adding a new T-bar lift on Söderåsen to further boost capacity and weather-proof the facilities so that guests always have access to the skiing areas, even if the new chairlift is closed due to high winds. Efforts to ensure guaranteed snow are continuing with expanded systems for snow production in Hundfjället and Tandådalen, as well as additional snow cannons to boost capacity.

International developments are continuing, with a broad range of airlines flying to Scandinavian Mountains Airport with direct flights from Denmark, Germany, the UK and the Netherlands. During the summer, SkiStar Sälen will continue to offer a wide range of activities in addition to hiking, running and cycling in the mountains, pump track and trail cycling, a climbing park, padel courts and crazy golf.

* 2023 Int. Report on Snow & Mountain Tourism.

WATER USE, m³

2022/23	2021/22
1,073,013	1,534,578

ELECTRICITY CONSUMPTION, MWh

2022/23	2021/22
26,085	27,902

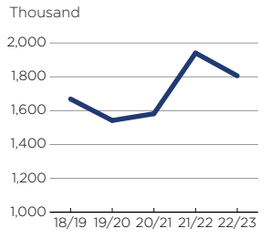
SKIER DAYS
1,806,000

ACTIVITY DAYS
75,000

NUMBER OF LIFTS
90

NUMBER OF SLOPES
100

NUMBER OF SKIER DAYS



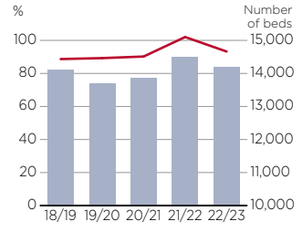
BEDS
Total number in Sälen (in SkiStar's skiing areas)

2022/23
Approx. 67,000

CARBON DIOXIDE EMISSIONS CO_2 TONNES

2022/23	2021/22
268	295

OCCUPANCY RATE OWN AND MEDIATED BEDS



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VEMDALEN

Vemdalen consists of three skiing areas: Björnrike, Vemdalsskalet and Klövsjö/Storhogna. Altogether, 58 varied slopes are offered, with the highest groomed ski area situated at almost 1,000 metres above sea level. The strategic position in the centre of the country means Vemdalen has a long season with guaranteed snow, offering excellent skiing a long way into spring. New from the summer of 2023 is a climbing park and trail cycling at Verndalsskalet.

During the past few years, more and more guests have been discovering Vemdalen and SkiStar's operations. The genuine sense of how the mountains once were, the personal welcome and small-scale nature combined with modern solutions that offer a comfortable mountain holiday are some of the things that lead people to choose a holiday in Vemdalen. Vemdalsskalet is the largest resort in terms of revenue. In addition to varied skiing, Vemdalsskalet also offers a wide range of entertainment and activities. Björnrike is the choice of families with children. Good skiing, with accommodation close to the ski lifts and good service facilities, combine to make Björnrike an attractive destination. Klövsjö, also known as the 'ski resort for skiers' and 'Sweden's most beautiful village', offers good skiing for children and beginners, as well as more challenging skiing. Storhogna offers the option of combining skiing with other activities and experiences, including the mountain world's first mountain spa.

OPERATIONS

SkiStar's operations in Vemdalen include skiing areas, ski schools, six ski rental outlets and two sporting goods outlets. Approximately 6,300 beds in the area were mediated through SkiStar during the year, around 930 of which are owned or part-owned by the Company. Approximately 58 percent of the land on which operations in the skiing areas are conducted is owned by SkiStar. The remaining land is leased on a long-term basis, with the right to renew the lease on expiry. Three slope restaurants are sublet to external operators. Since 2022/23, SkiStar has operated the Ski Lodge Skalspasset (which will become the SkiStar Lodge Vemdalen from the 2023/24 winter season) and associated restaurant and Bergsgården (apartments), as well as the Hovde Hotell in Vemdalsskalet.

INVESTMENTS

Investments for the 2022/23 season amounted to SEK 36 million. This mainly involved reinvestments and summer initiatives.

THE FUTURE

As Vemdalen grows, we will continue to focus on reinforcing the cornerstones of our business: active, genuine, personal, safe and easy to be a sustainable guest. We are continuing to develop our skiing areas so as to ensure there is enough space on our slopes and the requisite infrastructure. A new feature for the winter of 2022/23 was the extension and widening of the Topbranten/Turisten slope at Vemdalsskalet, which gave Mellanliften/Hovdeliften a new main slope. A modern snow system and lighting were also installed. Planning of the new skiing areas in Hovde Syd and at Klyftberget adjacent to the existing skiing area is continuing and will lead to more lift capacity and a larger skiing area once complete. At Björnrike, the cross-country ski track centre and tracks (7.5 km in total) have been redeveloped. This has included the installation of lighting, enabling skiing during the evening. The summer investment at Vemdalen was opened during the summer of 2023 and includes trail cycling, lift-assisted flow trail cycling and a climbing park.



WATER USE, m³

2022/23	2021/22
795,961	827,729

ELECTRICITY CONSUMPTION, MWh

2022/23	2021/22
8,870	9,465

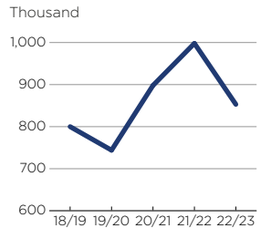
SKIER DAYS
853,000

ACTIVITY DAYS
9,800

NUMBER OF LIFTS
35

NUMBER OF SLOPES
58

NUMBER OF SKIER DAYS



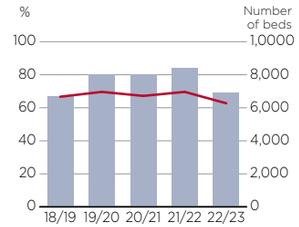
BEDS
Total number in Vemdalen

2022/23
approx. 17,800

CARBON DIOXIDE EMISSIONS CO_2 TONNES

2022/23	2021/22
71	88

OCCUPANCY RATE OWN AND MEDIATED BEDS



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ÅRE®

Åre comprises three resorts: Åre Björnen, Åre By and Duved/Tegefjäll. Each destination has its own profile and target group. Åre offers skiing with a vertical drop of 890 metres and total of over 190 km of groomed slopes, which is unique in Sweden. In summer, it has the world's best lift-assisted bike parks for downhill cycling, as well as a range of other activities.

35th LARGEST SKI RESORT IN THE WORLD*



Åre Björnen, the resort located farthest to the east, is a favourite with children and is also referred to as Barnens Björnen (Children's Björnen). Just one lift away is the more challenging skiing at Åreskutan, offering an extensive choice of ski slopes and varied terrain. Åre By is the most well-known destination. Fantastic skiing can be found here, directly adjacent to a small town with a great atmosphere and a long tradition of ski tourism, as well as a wide selection of restaurants, entertainment and activities. West of Åre By is Duved/Tegefjäll, another resort with long traditions. Duved has a slightly gentler pace and consequently appeals to all types of skiers.

Åre is a summer destination with one of the world's most renowned cycle parks, Åre Bike Park. Ahead of the launch of SkiStar's summer initiative in 2021, a major development was carried out to offer even more guests an active mountain holiday in Åre during the summer months as well. Adventures with trail cycling in the form of new trails and routes, along with a climbing park, can now be experienced and enjoyed; this is another trend that continued in 2023.

OPERATIONS

SkiStar's operations in Åre include the skiing area, ten ski- and bike-rental outlets, three sporting goods outlets and a ski school. Approximately 32 percent of the land on which operations in the skiing area are conducted is owned by SkiStar, while the remaining 68 percent is held through 30–50-year leases. At the end of the leasing period, SkiStar has the right to renew these leases on the same terms as are currently in place. During the year, SkiStar rented out approximately 5,100 beds in the area, around 560 of which are owned by SkiStar. The company also owns and sublets eight slope restaurants, food shops in Åre Björnen and Tegefjäll, as well as the restaurant, nightclub and conference centre Bygget in Åre Fjällby.

INVESTMENTS

Investments ahead of the 2022/23 season amounted to SEK 233 million and concerned wind-proofing during the winter period, summer activities and reinvestments.

THE FUTURE

In Åre, we will continue to attract future guests through adventurous and memorable mountain experiences. Our priority moving forward will be to modernise, expand the capacity of and weather-proof our ski system, all with as little environmental impact as possible. We will continue to strengthen our skiing areas, in part through attractive skiing opportunities but also through initiatives that make it easier to be a guest. We will also continue to develop our arena in the summertime with MTB cycling and lift-assisted hiking as a basis, but also other activities such as climbing parks and children's concepts. SkiStar Åre is proceeding with its long-term commitment to foreign markets via marketing activities in prioritised markets and annually recurring international events. For the 2022/23 season, the 'Worldcupliften' is being replaced with a modern, connectable six-chair lift, which has been given the name Stjärnliften and has a capacity of 2,600 people per hour. The old children's lift in Tegefjäll was replaced with a new one. The snow cannon system is being upgraded ahead of the 2023/24 winter season to enable us to get more slopes up and running faster. Plans are also being drawn up for additional lift capacity both to establish a link between Björnen and the centre of Åre that can be used even in poor weather, e.g. strong winds, and to increase the size of the skiing area. The work on a new detailed plan for the new Lundsgård lift is in its final phase, and we are awaiting a decision to start construction during the summer of 2024, which would enable the lift to be ready for our guests at the start of the next season.

* 2023 Int. Report on Snow & Mountain Tourism.

WATER USE, m³

2022/23	2021/22
1,572,250	1,614,393

ELECTRICITY CONSUMPTION, MWh

2022/23	2021/22
18,865	20,106

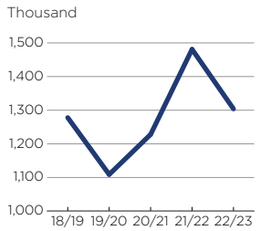
SKIER DAYS
1,304,000

ACTIVITY DAYS
87,000

NUMBER OF LIFTS
41

NUMBER OF SLOPES
89

NUMBER OF SKIER DAYS



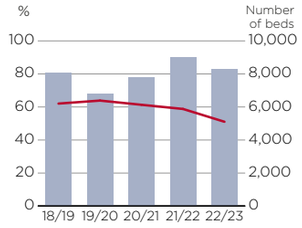
BEDS
Total number in Åre

2022/23
approx. 37,000

CARBON DIOXIDE EMISSIONS CO_2 TONNES

2022/23	2021/22
198	163

OCCUPANCY RATE OWN AND MEDIATED BEDS



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HEMSEDAL®

The destination, often referred to as the Scandinavian Alps, is a complete ski resort, offering a wide selection of activities for skiers of all ages. Fantastic skiing is offered here on the three peaks, Totten, Tinden and Roni, with a highest vertical drop height of 830 metres and the longest descent a full six kilometres.



Hemsedal is home to one of Norway's largest nursery slopes, alongside extremely challenging slopes for the most experienced skiers.

OPERATIONS

SkiStar's operations in Hemsedal include the skiing area, a ski school, four ski rental outlets and three sporting goods outlets. Some 4,000 beds in the area were mediated through SkiStar during the year, just over 1,000 of which are owned by SkiStar. A SkiStar Lodge is also located here. Operations in the skiing area are conducted on leased land. The lease contracts are long-term, and SkiStar is entitled to renew them on expiry. Six slope restaurants are sublet to external operators.

INVESTMENTS

Investments for the 2022/23 season amounted to SEK 40 million. These mainly comprise reinvestments.

THE FUTURE

SkiStar is planning to develop the destination further over the coming years in terms of the skiing area where we work with landowners and investors concerning the future development of alpine skiing. Property development also forms part of these efforts, as we own attractive areas connected to the lift systems. The advantage in Hemsedal is that we already operate a SkiStar Lodge, where we are continuing to develop the Lodge concept. We are also developing summer operations. The aim is to further develop SkiStar Hemsedal, as well as the destination as a strong brand for an active holiday all year round. Besides Norway, Hemsedal's main markets are Denmark and Sweden which, apart from being the domestic market, will also be our most important markets in the future. We will continue to focus on the guest's journey and experience at the destination and prioritise developing our product and training our employees to have a clear guest perspective. For the 2023/24 winter, a new express lift is being built which has been given the name 'Lodge Express'. Boarding will take place immediately adjacent to the lodge, with a total capacity of 2,800 skiers per hour, and a new slope down to the base area. We are continuing to increase snow cannon capacity through the provision of more water and air, as well as new snow cannons. There will also be new lighting for an enhanced evening experience, and a new park lift is being built for the SkiStar Snow Park to make it more accessible to the park's target group.

WATER USE, m³

2022/23	2021/22
277,668	556,468

ELECTRICITY CONSUMPTION, MWh

2022/23	2021/22
6,674	19,116

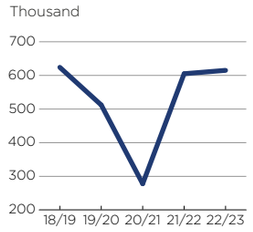
SKIER DAYS
615,000

ACTIVITY DAYS
10,300

NUMBER OF LIFTS
21

NUMBER OF SLOPES
53

NUMBER OF SKIER DAYS



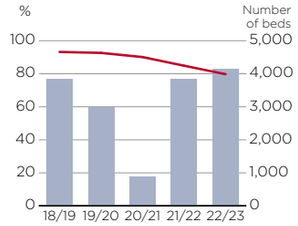
BEDS
Total number in Hemsedal

2022/23
approx. 16,100

CARBON DIOXIDE EMISSIONS CO_2 TONNES

2022/23	2021/22
78	106

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TRYSIL

The mountain, Trysilfjället, offers 78 kilometres of alpine skiing and 68 slopes on three sides of the mountain and is, therefore, suitable for both families with children and more experienced skiers. During the summer, you will also find Scandinavia's leading machine-made trail cycling paths here. Numerous summer activities were launched during the financial year, including Mountain Coaster and Mountain Tube.

48th
LARGEST SKI RESORT IN THE WORLD*



OPERATIONS

SkiStar's operations in Trysil comprise the skiing area, three ski rental outlets and the ski school, in which SkiStar has a 35 percent stake, increasing to 100 percent from 1 September 2023. As of 1 December 2021, the Sport Lodge in Trysil is also included in SkiStar's operations; it consisted of four sporting goods outlets during the year, of which one was bike rental.

During the year, SkiStar mediated approximately 6,400 beds in the area, of which 1,700 are owned or part-owned by the Company, and operates the two activity hotels, Radisson Blu Resort and Radisson Blu Mountain Resort & Residences, which changed both name and concept to SkiStar Lodge Trysil with effect from June 2023. Operations in the skiing area are conducted on leased land. The leases have a term of 50 years, with the possibility for SkiStar to renew upon expiry. SkiStar also sublets 14 slope restaurants in Trysil to external operators.

INVESTMENTS

Investments of approximately SEK 51 million were made ahead of the 2022/23 season, primarily concerning reinvestments and the summer initiative.

THE FUTURE

To develop operations with a focus on guests, SkiStar in Trysil will continue to improve the ski system: slopes, lifts, snow production, restaurants and other service facilities. We will also continue to develop our summer offering in order to create memorable mountain experiences all year round. The summer of 2023 saw the opening of the Mountain Tube and Mountain Coaster, along with other activities for the younger target groups in the Eventyrområdet adventure area. Our focus is on creating positive experiences and having even more satisfied guests who return to us often. Our main target group will continue to be active families in our markets in Norway, Sweden and Denmark, and we will continue to invest in the UK, Germany and the Netherlands. Trysil has been a success in the international market and will continue along this path. In the future, SkiStar will strengthen its position as a provider of high-quality accommodation for guests in Trysil, not only by acting as a mediator of cabins and apartments but also, above all, through operation of the Radisson Hotel and the SkiStar Lodge. The Høgekspressen lift will be modernised ahead of the winter of 2023/24 to ensure future reliability. We are expanding snow capacity through the installation of new snow cannons. A new restaurant is being constructed at the new SkiStar Lodge Trysil in Fageråsen.

* 2023 Int. Report on Snow & Mountain Tourism.

WATER USE, m³

2022/23	2021/22
563,277	550,960

ELECTRICITY CONSUMPTION, MWh

2022/23	2021/22
16,372	19,116

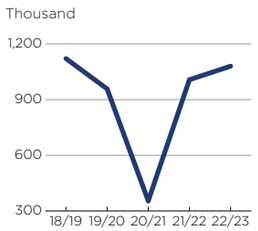
SKIER DAYS
1,080,000

ACTIVITY DAYS
47,000

NUMBER OF LIFTS
31

NUMBER OF SLOPES
68

NUMBER OF SKIER DAYS



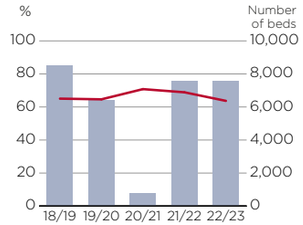
BEDS
Total number in Trysil

2022/23
approx. **27,700**

CARBON DIOXIDE EMISSIONS CO_2 TONNES

2022/23	2021/22
286	305

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STOCKHOLM
HAMMARBYBACKEN

Hammarbybacken has been getting residents of Stockholm moving since 1919, when Djurgården's IF built a ski jump that was in active use until 1953. Today, it is the capital's most central ski slope and, from the summer of 2022, it is also an adventure arena containing Sweden's first and most modern summer skiing offering – SkiStar SummerSki.

Hammarbybacken gained a ski lift in the mid-1960s, with three slopes added in the late 80s. Over the years, efforts to raise the summit of Hammarbybacken have been ongoing, and excavated materials from various projects around the city have been used. In 2006, SkiStar took over the majority of Hammarbybacken AB and its ongoing operation. Today, it is Stockholm's most central ski slope and loved by many. Several alpine world cup competitions have also been held here throughout the years.

Given its attractive location and SkiStar's goal of getting more people moving, a major investment was launched ahead of the summer of 2022 in the new Stockholm Hammarbybacken. Through the new attractions, including the Klätterpark climbing park, Mountain Coaster and Mountain Tube, a new adventure centre was created in the middle of the capital for all Stockholmers and visitors. September 2022 also saw the introduction of SummerSki, the first modern summer skiing in Sweden on artificial grass. In the summer of 2023, the Vallestigen track was also opened for the very youngest guests. This is an activity track that takes skiers right up to the top in a fun way, as well as Klättertorn, Bungy Rocket and trampolines.

OPERATIONS

SkiStar leases the land around Hammarbybacken through a long-term lease with the City of Stockholm. In winter, people can ski using the two T-bar lifts and three slopes, including a children's area with several conveyors, a barbecue area and other facilities. SkiStar offers ski rentals and a small shop in the ski cabin, where food and drink are also served. The Swedish Outdoor Association offered ski school activities at the facility during the financial year. As of the summer of 2022, more comprehensive activities are being conducted all year round.

INVESTMENTS

Investments for the 2022/23 season amounted to SEK 37 million. These mainly comprise summer investments.

THE FUTURE

The long-term investment in making Stockholm Hammarbybacken a year-round facility and adventure arena in the middle of the capital will continue in the coming years through development during both the winter and summer months, with a focus on the joy of being active.



SKIER DAYS
25,000

ACTIVITY DAYS
24,000

NUMBER OF LIFTS
2

NUMBER OF SLOPES
3

NEW SKISTAR GUESTS

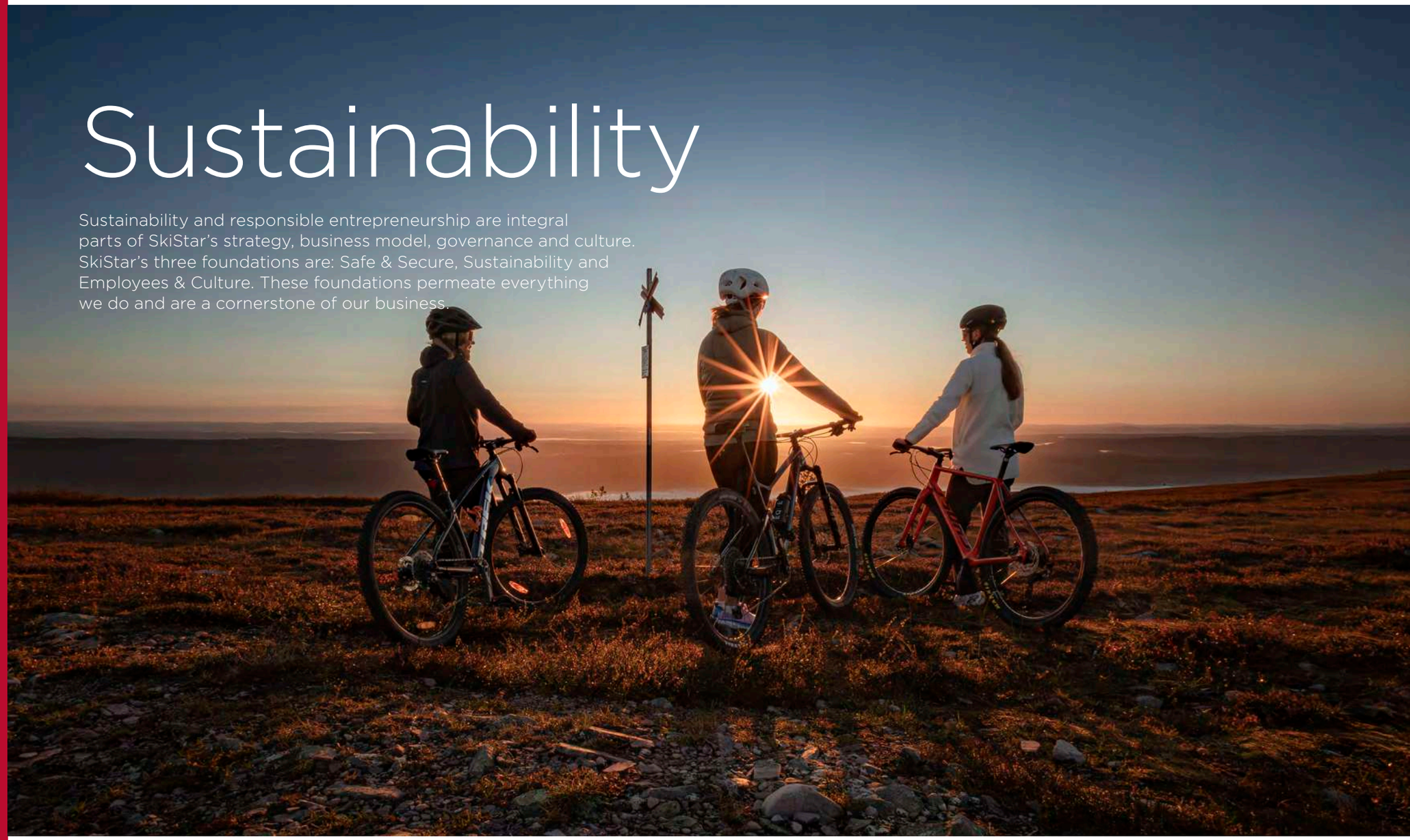
3 out of 10

Covers the period
1 September 2022 – 31 August 2023.

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Sustainability

Sustainability and responsible entrepreneurship are integral parts of SkiStar's strategy, business model, governance and culture. SkiStar's three foundations are: Safe & Secure, Sustainability and Employees & Culture. These foundations permeate everything we do and are a cornerstone of our business.

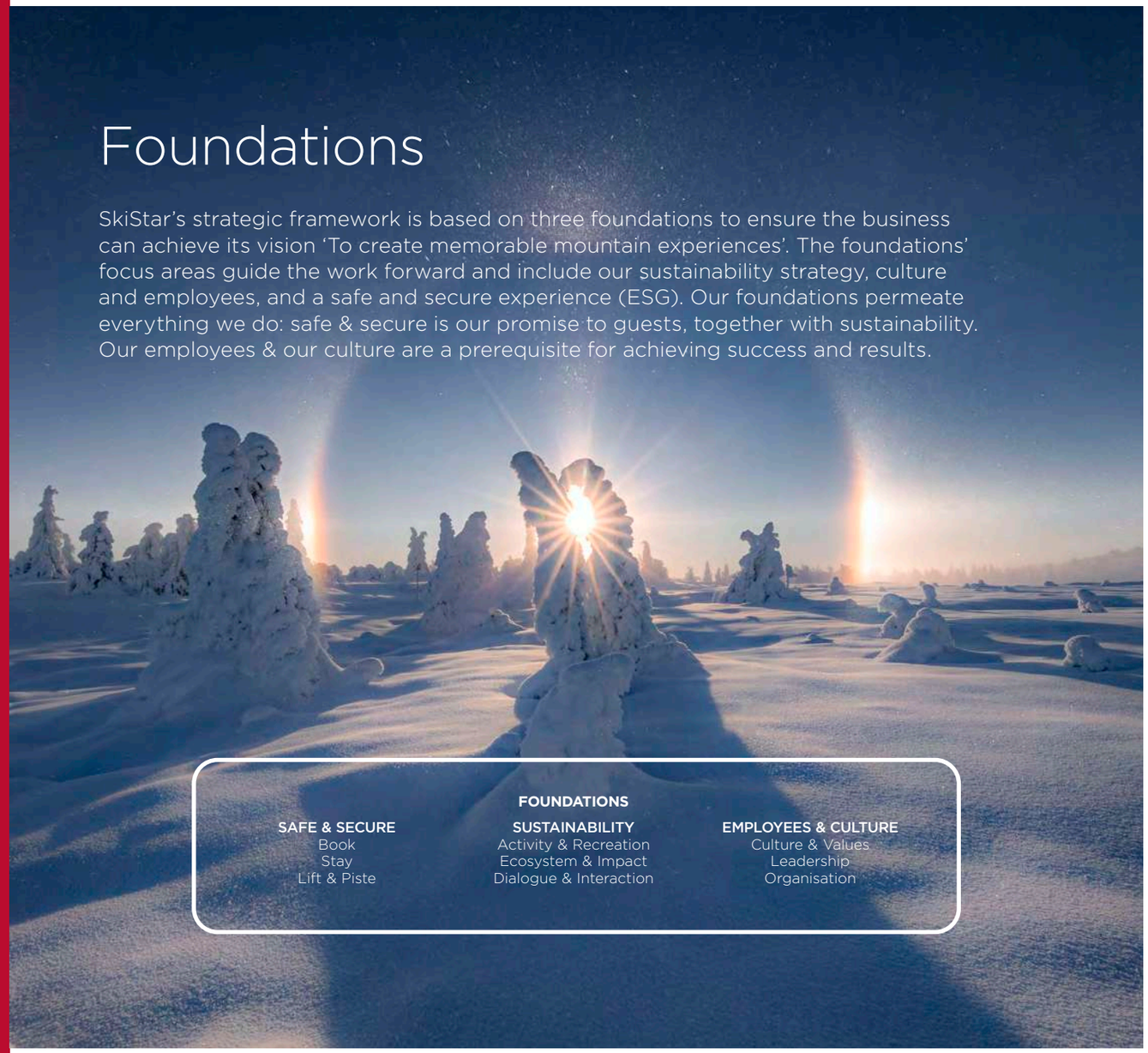


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Foundations

SkiStar's strategic framework is based on three foundations to ensure the business can achieve its vision 'To create memorable mountain experiences'. The foundations' focus areas guide the work forward and include our sustainability strategy, culture and employees, and a safe and secure experience (ESG). Our foundations permeate everything we do: safe & secure is our promise to guests, together with sustainability. Our employees & our culture are a prerequisite for achieving success and results.



SAFE & SECURE
Safe & Secure is SkiStar's promise to our guests. We want our guests to feel safe and to guarantee memorable mountain experiences all year round that offer quality, activity, experiences and safety throughout the customer journey. Read more on page 50.

SUSTAINABILITY
Sustainability and responsible entrepreneurship are integral parts of SkiStar's strategy, business model, governance and culture. Through SkiStar's sustainability strategy, we want to get more people moving while our guests get to enjoy our wonderful mountain environment. We want to protect nature and humans in the short and long term, so that more people can enjoy both memorable and sustainable mountain experiences in the future, too. Read more on pages 41–49.

EMPLOYEES & CULTURE
SkiStar's employees are the Company's most important asset, helping drive our development forward. Our foundation enables us to make visible the obvious role that our employees and our culture represent for the business. Shared core values and a strong corporate culture are at the heart of both a positive employee experience and the successful implementation of SkiStar's strategies. Read more on pages 18–19.

SUSTAINABILITY GOVERNANCE
In order to take advantage of opportunities and counteract risks, SkiStar has a clear sustainability governance structure. Responsibility for sustainability-related issues is ultimately held by SkiStar's Board. The CEO and Group Management, who have overall responsibility, report to the Board at least four times a year. The Sustainability Manager is responsible for operational sustainability initiatives. SkiStar also has a special sustainability forum, which is there to support operational sustainability work. The forum meets regularly to discuss the Company's development, and ensure compliance with policies and guidelines and achievement of established goals. Read more about our sustainability governance on pages 67–69.

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SkiStar and sustainable mountain experiences



Fanny Sjödin, Sustainability Manager at SkiStar.

WHAT DOES SUSTAINABILITY MEAN TO SKISTAR?
'From the beginning, SkiStar's foundation has been, and still is, to promote an active lifestyle all year round. Through our sustainability strategy, we want to get more people moving while our guests get to enjoy our wonderful mountain environment. We want to protect nature and humans in the short and long term, so that more people can enjoy both memorable and sustainable mountain experiences in the future, too. Our sustainability strategy is based on Agenda 2030 and the UN's 17 Sustainable Development Goals containing the three perspectives of social, economic and environmental sustainability. The strategy includes issues that have always been important to SkiStar and that we have worked on for a long time, but we are now enhancing it to include long-term goals and clearer ambitions going forward.'

HOW DOES THIS RELATE TO YOUR STRATEGIC FRAMEWORK?
'Sustainability issues affect all three foundations on which SkiStar's strategic framework rests: Safe & Secure, Sustainability and Employees & Culture. These foundations are the cornerstones that should permeate everything we do and that frame much of what we have worked on for a long time: ensuring safe and secure, memorable mountain experiences, and doing so in a sustainable way together with our employees. The sustainability strategy is one of these foundations and consists of three focus areas: promoting an active lifestyle, protecting nature and our mountain environments, and having a close interaction with society and the people who live wherever we operate.'

WHAT HAVE YOU FOCUSED ON THIS YEAR?
'During the financial year, we have continued to work on our sustainability strategy, developed activities associated with our focus areas, integrated the strategy into our daily work and continued to work on clearer goals.

An important milestone has been the approval of our climate targets by Science Based Targets, which means our targets have been scientifically endorsed and are consistent with the Paris Agreement.

See also page 43. Climate is an important issue for us, as a change in the climate alters the conditions for our business. At the same time, our operations contribute to a healthy lifestyle and improved public health. We also focused on social sustainability and human rights during the financial year. We have scrutinised our entire value chain using a risk-based approach. See also page 66.'

WHAT IS YOUR AMBITION GOING FORWARD?
'We are continuing to work towards our long-term goals. We will focus on our climate work, guided by our ambitious targets, and we plan to take the next step in terms of biodiversity to create a seamless link between climate and the natural environment. In addition, we are looking to produce renewable electricity and make progress so that our guests can travel fossil free.'

Fanny Sjödin, Sustainability Manager at SkiStar.



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Strategy and sustainability goals

The sustainability strategy consists of three focus areas: promoting an active lifestyle, protecting nature and our mountain environments and having a close interaction with society and the people who live wherever we operate. The strategy and goals are based on SkiStar's mission for 2030: SkiStar will promote an active lifestyle and recreation, while generating financial growth and minimising our climate impact throughout the value chain.

Goal outcome
To follow is a summary of the status and outcome of the goals linked to SkiStar's sustainability strategy. There are comments relating to these outcomes on pages 51–76.

	ACTIVITY & RECREATION	ECOSYSTEM & IMPACT	DIALOGUE & INTERACTION
Targets for 2030	By 2030, SkiStar's ambition is to be the primary choice for guests who prioritise active holidays, and to have 7 million skier days and activity days.	By 2030, SkiStar will reduce its carbon footprint by 50 percent and have a circular approach, while creating financial growth, with 2020/21 as the base year.[1]	SkiStar will contribute to sustainable development along with our stakeholders throughout the value chain.
Performance measures	Seven million skier days and activity days, of which: • 6.4 million skier days • 600,000 activity days • Contribute to increasing the number of new mountain guests.	• Net-zero carbon footprint from our operations (cf. SBT 1). • Top 125 suppliers must have climate targets by 2027/28 (cf. SBT 3). • Halve the carbon footprint from guests' and employees' journeys to our destinations (cf. SBT 5). • Reduce emissions from fuel and energy-related activities, as well as waste, by 25 percent (cf. SBT 4). • Increased proportion of self-produced energy (cf. SBT 2). • Promote biodiversity by including the mitigation hierarchy throughout all projects.	• Increased percentage of overnight stays. • 100 percent of all suppliers approve SkiStar's Code of Conduct. • 0 casualties and serious workplace accidents, and a downward trend for minor workplace accidents[2]. • Aim for 50/50 percent equality in all the Company's professional groups • At least 40 percent female managers in senior executive roles.
Outcome	• 5,682,561 (6,030,660) skier days. • 252,584 (217,785) activity days.	• 56 percent CO_2 reduction in SkiStar's operations compared with base year 2020/21. • 150,466 (127,274) tonnes of CO_2 from SkiStar's entire value chain during the financial year. • SkiStar cut its electricity consumption by 10 percent during the year compared with the previous year. • Four new solar panel installations went into operation in Sälen during the financial year. • During the year we developed our targets in line with Science Based Targets for Nature (SBTN). We plan to begin quantifying and measuring these targets over the coming financial years.	• Overnight stays fell by 10 percent compared with the previous year. • In 2022/23, suppliers who account for 83 percent of SkiStar's total debited amounts approved the Code of Conduct. • 39 (71) serious workplace accidents and 139 (114) less serious workplace accidents. • 46/54 percent even distribution with regard to equality in the Company's professional groups. • 45 (46) percent female managers in senior executive roles.

[1] SkiStar's climate targets were approved by SBTi during the financial year. No changes have been made to the overall 2030 targets presented apart from adjustments to how the targets are presented in the text to bring the performance measures in line with SkiStar's approved SBTs. See page 43 for further details.
[2] The target was defined during the financial year; no changes were implemented.

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Activity & Recreation

Getting people moving has been at the heart of SkiStar's operations since the Company was founded almost 50 years ago. By making an active holiday available to more people, we can help promote a more active and sustainable lifestyle and enhance wellbeing.

MORE ACTIVITY FOR MORE PEOPLE

The core of our business is getting people moving. Research shows that we feel good when moving and spending time in nature – even more so if we are active in nature. This has a positive effect on how we feel, both physically and mentally, by lowering our heart rate and reducing stress. Making it easier for more people to be active on their holiday creates the conditions for a more active lifestyle, even beyond the holiday. This is our way of contributing to better public health and to the UN's Sustainable Development Goal 3 for good health and wellbeing. Alpine skiing forms the basis of our operations and is also an important area for us to continue offering and developing. Our goal is to get more people to take part in our activities, both in summer and winter. SkiStar aims to offer seven million skier days and activity days per year by 2030, including 6.4 million skier days and 600,000 activity days. During the year, we have worked towards this goal by focusing on creating new activities at our destinations all year round.

Schools that teach people for life

We want to help everyone discover the joy of an active life. Through our ski schools, we want more people to be given the opportunity to have fun on the ski slopes and stable, basic training that makes everyone feel safe and secure. In 2022/23, 103,400 (95,000) children and adults took part in our ski schools, which is an eight-percent increase on the previous year. During the summer season, we offer both cycling and summer skiing lessons to enable more people to discover the mountains in the summer. Cycling and summer skiing are available as group lessons and with private guides for beginners and for those who have cycled or skied before, at varying levels of difficulty.

Valle's Winter Weeks

An active life often starts at an early stage. Lowering the threshold for activities for children and young people helps encourage an active lifestyle that continues into adulthood. At Valle's Ski School, children learn how to be safe and confident skiers, with the support of our highly qualified ski instructors and Valle the Snowman. To enable more children to discover the mountains, skiing, the ski school and ski rentals are free for children aged six and under during Valle's Winter Weeks. More than 39,100 (41,000) children attended Valle's Ski School during the 2022/23 winter season.

World Snow Day

Promoting physical activity among children is an increasingly important societal issue. Only two out of ten children currently manage the amount of physical activity recommended according to Generation Pep's annual report. In order to encourage more activity, SkiStar and the Swedish Ski Association renewed their World Snow Day schools initiative. Through World Snow Day, the Swedish Ski Association works with municipalities and resorts to offer pupils the chance to try out skiing and snowboarding during school hours. The winter season got off to a great start with skiing at SkiStar's SummerSki slope at Stockholm Hammarbybacken, and continued during the winter season. In week 7–8, almost 750 children aged 10–11 tried out alpine skiing at Stockholm Hammarbybacken. It was a free activity to give more children the opportunity to have a go at winter sports.

AN ACTIVE SUMMER

We want to encourage more people to be active and experience the mountains during the summer months as well. So SkiStar has launched the concept of 'Active Recreation' as part of our year-round operations. We began during the 2020/21 financial year by expanding our destinations at Åre, Sälen and Trysil to offer a wide variety of summer activities adapted to different levels of difficulty during summer and autumn. The destinations offer multiple activities in the mountains to make them more accessible all year round, such as climbing parks, trail biking and hiking

2030

Target	• SkiStar will be the primary choice for guests who prioritise an active holiday
Performance measures	• Seven million skier days and activity days, of which: • 6.4 million skier days • 600,000 activity days • Help attract more new guests
Outcome 2022/23	• 5,682,561 (6,030,660) skier days • 252,584 (217,785) activity days



VALLE INSPIRES MORE CHILDREN TO BE ADVENTUROUS

SkiStar's snowman Valle is the children's best friend in the mountains, and can be found at all SkiStar's destinations. To get more children discovering even more joy of movement and adventures outdoors, along with their parents or friends, SkiStar launched a new version of the Valle app during the year. The aim of the app is to harness the digiphysical approach with children at a time when an increasing number are adopting a sedentary lifestyle, i.e. to inspire children to spend time out-doors, get active and discover nature and the environment they are in. The mobile phone Valle app is a tool to encourage this.

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trails. There is also the chance to play padel and crazy golf and to enjoy a spa and relaxation centre. During the financial year, all destinations were further developed to include, for example, SkiStar SummerSki in Sälen, Mountain Coaster and Mountain Tube in Trysil.

In 2022/23 we also introduced the concept of 'Active Recreation' at SkiStar Vemdalen with the launch of a new climbing park and new cycle trails.

In the summer, all destinations contributed 252,584 (217,785) activity days, which corresponds to an increase of 16 percent in the number of activity days. SkiStar aims to achieve 600,000 activity days by the year 2030, and during the financial year we achieved 42 percent, compared with 2020/21 as the base year.

AN ACTIVE PRESENCE

SkiStar's goal is to get more people moving and active. By opening up our destinations to local communities, we aim to get more people moving. At all SkiStar destinations, children and young people aged 15 and under who live in the municipality are offered a free SkiPass in winter and a free Bike and TrailPass in summer. In the 2022/23 financial year, 2,443 (2,935) children and young people took advantage of this opportunity, which equates to a value of SEK 13.9 million (12.5). In addition to the free Ski/Bike and TrailPass for children and young people, SkiStar also arranges free annual taster days for all local residents, winter and summer, at all our destinations. These days include free SkiPass, Bike and TrailPass, discounts on ski and bike rentals and much more.

PROMOTING AN INCLUSIVE MOUNTAIN EXPERIENCE

At SkiStar we want to get everyone moving, and we aim to ensure our destinations are accessible for everyone. So, we are constantly looking to create guest experiences where everyone feels welcome, and where there is a range of activities adapted to individual needs. 2022/23 saw the launch of the project 'SkiStar for All', aiming to open up opportunities for more people to experience the mountains. The project encompassed surveys and in-depth interviews with families with differently abled children. Some areas that were identified for improvement included information and communication prior to the trip to the mountains, preparations just before arrival and facilities on site. Alongside this project, a number of workshops were held with SkiStar's employees to come up with suggestions and ideas. This work resulted in a report and activity plan for the next three years. Examples of activities include clearer boarding and opportunities for priority boarding.





SUCCESS CONTINUES FOR TJEJMILEN SÄLEN BY EQPE

In the 2021/22 financial year, SkiStar and Marathongruppen entered into a three-year collaboration, bringing the Tjejmilen race to Sälen. This was the first time that Marathongruppen had organised a race in the mountains, and it was a success. This year, 1,819 women and girls took part in Tjejmilen, which is an increase of 75 percent compared to the previous year. The participants ran five or ten kilometres in Sälen's stunning mountains.

In support of efforts to create sustainable events in the mountains, Tjejmilen Sälen donated SEK 20,000 to Destination Sälenfjällen. All the money will be used to refurbish and develop the trails on the mountain, which will both protect the mountain environment and improve accessibility.

To coincide with Lilla Tjejmilen Stockholm, Valles Minsta Tjejmilen was organised, a run for the very youngest children aged 0–4 years including a 200-metre course. All children were welcome to take part in Valles Lopp, which attracted over 500 children.

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Ecosystem & Impact

At SkiStar, we want to take care of nature, just as nature takes care of us. Through ambitious climate targets and the establishment of more circular systems, we are working to reduce our impact and enable our guests to make climate-smart choices.

CLIMATE

Global warming is occurring at a rapid pace, and the world is heading for a rise in temperature above the two degrees that the Paris Agreement and the United Nations' Intergovernmental Panel on Climate Change (IPCC) consider to be safely within planetary boundaries. For SkiStar, a change in the climate will have a direct and significant impact on our operations. Cold white winters are a prerequisite for our winter operations, and more unstable weather changes our ability to plan and run those operations. It is therefore self-evident that we should reduce our own carbon footprint to ensure that our mountain and natural environments can be enjoyed by future generations. It also means that we need to adapt to the fact that the climate and society will change and start contributing innovative and circular solutions.

CONTINUING WORK ON CLIMATE TARGETS

To ensure that our efforts to reduce our climate impact are sufficient and in line with what is needed to achieve the Paris Agreement's goal of limiting global warming, we have developed our Science Based Targets, i.e. our scientifically endorsed climate targets. SkiStar's climate targets were approved by SBTi during the 2022/23 financial year.

SKISTAR'S SCIENCE BASED TARGETS

Scope 1 + 2

- SBT 1: SkiStar undertakes to reduce its Scope 1 and 2 greenhouse gas emissions in absolute figures by 57.2 percent by the 2030/31 financial year, with 2020/21 as the base year.
- SBT 2: SkiStar undertakes to continue buying 100 percent renewable electricity up to 2030.

Scope 3

- SBT 3: SkiStar commits to ensuring that 66.1 percent (125 suppliers) of its suppliers of purchased goods, services and capital goods have climate targets in place by 2027/28.
- SBT 4: SkiStar undertakes to reduce its emissions from fuel and energy-related activities, as well as waste generated by operations, by 25 percent in absolute figures, with 2020/21 as the base year.

Voluntary target for guests' travel

- SBT 5: SkiStar undertakes as a minimum to reduce its Scope 3 greenhouse gas emissions (downstream transportation and distribution) in absolute figures by 50 percent, with 2020/21 as the base year.

2030

Target	• SkiStar will reduce its carbon footprint by at least 50 percent compared with 2020/21 and have a circular approach, while creating financial growth.
Performance measures[1)]	• Net-zero carbon footprint from our operations (cf. SBT 1). • Top 125 suppliers must have climate targets by 2027/28 (cf. SBT 3). • Halve the carbon footprint from guests' and employees' journeys to our destinations (cf. SBT 5). • Reduce emissions from fuel and energy-related activities, as well as waste, by 25 percent (cf. SBT 4). • Increased proportion of self-produced energy (cf. SBT 2). • Promote biodiversity by including the mitigation hierarchy throughout all projects.
Outcome 2022/23	• 56 percent CO_2 reduction in SkiStar's operations compared with base year 2020/21. • 150,466 tonnes of CO_2 from SkiStar's entire value chain during the financial year. • We reduced our electricity consumption during the year by 10 percent compared with the previous year. • Four new solar panel installations went into operation in Sälen during the financial year. • During the year we developed our targets in line with Science Based Targets for Nature (SBTN).

SCIENCE BASED TARGETS

[1)] SkiStar's climate targets were approved by SBTi during the financial year. No changes have been made to the overall 2030 targets presented apart from adjustments to how the targets are presented in the text to bring the performance measures in line with SkiStar's approved SBTs.

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SkiStar's carbon footprint

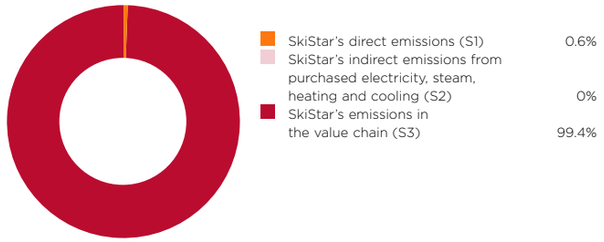
We continued to calculate our total carbon footprint during the year and reported in line with the Greenhouse Gas (GHG) Protocol. For the second year, SkiStar has presented its total carbon footprint with all significant areas included, in accordance with the GHG Protocol. SkiStar's total greenhouse gas emissions in the value chain amounted to approximately 150,466 tonnes for the financial year. 52.1 (51.1) percent of our footprint occurred downstream, primarily from when guests travelled to SkiStar's destinations, while 23.6 (34.5) percent occurred upstream in the supply chain. Scope 1 and 2 emissions constituted less than 0.6 (<1) percent of total emissions. SkiStar is taking action to cut emissions at every stage of the value chain. There is significant potential in supporting our guests to travel more sustainability and reducing emissions in the supply chain via partnerships with our suppliers.

Reduction in direct emissions

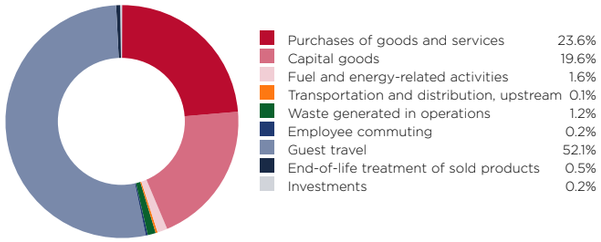
Over the past seven years, we have put a great deal of effort into reducing our own impact. Through new technology to reduce our fuel consumption, energy efficiency improvements and increased resource efficiency, emissions from our own operations have decreased by 86 (84) percent compared with the base year 2015, when our strategic sustainability work started. The reason for this is that most of the ski systems and equipment at our destinations are run on renewable energy and fossil-free fuel. To further reduce emissions from our snow groomers, they all now have snow-depth gauges with GPS devices to optimise and streamline how they drive and make snow. Fossil-free fuel accounts for 91 (88) percent of our total fuel consumption, which is an increase of 3 (25) percent compared with 2021/22. During the financial year, SkiStar's carbon dioxide emissions from operations (S1 and S2) amounted to 901 tonnes (1,002), which is a reduction of 10 percent compared with 2021/22. See Note E2 on page 52–55.

To further reduce the Company's carbon dioxide emissions, work has begun on electrifying our vehicle fleet. A clearer strategy has been adopted to take the next step towards an electrified vehicle fleet, but we are already seeing that larger vehicles will run on other non-fossil alternatives.

TOTAL CARBON FOOTPRINT



BREAKDOWN OF EMISSIONS IN SKISTAR'S VALUE CHAIN





COLLABORATIONS THAT ACCELERATE THE TRANSITION

An important aspect of SkiStar's sustainability journey is contributing to the transition and electrification of our vehicle fleet to cut emissions. In connection with the construction of the new summer initiative at Valleberget in Lindvallen, Sälen, SkiStar teamed up with the Volvo Group and used their electric vehicles.

'We are highly ambitious here at SkiStar when it comes to our sustainability work, and we have already reduced our carbon footprint by 84 percent over the past six years. Our collaboration with Volvo has enabled us to cut CO_2 emissions by 1.7 tonnes and energy costs by 75 percent over a 3.5-week measuring period. This is a great example of how we can work with our partners to reduce emissions, so that our guests also get to enjoy more sustainable mountain experiences both now and in the future,' says Fanny, Sustainability Manager at SkiStar.

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Reduction in indirect emissions

SkiStarshop

To achieve our ambitious climate targets, SkiStar has taken various measures during the year, focusing on areas that generate significant emissions, such as SkiStarshop and our own clothing brand EQPE.

The EQPE brand was launched in 2019 for the Alpine World Championships in Åre and over the past few years has grown to become one of SkiStar's largest brands, both in our own stores and online. SkiStar's business concept with its own brand, EQPE, is to provide the conscious customer with high-quality, functional and affordable products, with a good fit and a design that stands the test of time. The collections are developed to remain in fashion for at least a three-year cycle so they do not need to be sold as clearance items, and to keep production more sustainable. Our suppliers are carefully selected according to exacting requirements in terms of the environment and social responsibility, risk analysis and EQPE's quality and chemical requirements.

Our climate target for the EQPE brand is to reduce EQPE's carbon footprint by 50 percent per product by 2030 compared with the base year 2020. As part of efforts to achieve this target, during the financial year we calculated the entire carbon footprint from our six top-selling products. These products account for over 50 percent of the purchased volume in the 2022 calendar year. We can see from this analysis that the majority of emissions, roughly 77 percent, are attributable to the production of the materials, from raw material to completed material. After that comes the energy consumed to manufacture the products, at around 12 percent.

All our textile products are free from PFCs, phthalates and PVC, and we actively avoid anti-bacterial agents such as silver. All down products are made using down that is sustainably produced and certified, and we never use fur in our products. The wool we buy must be mulesing-free. We will focus on identifying materials that have less of an environmental impact, and we will work alongside our suppliers in making the transition to renewable energy sources in the manufacture of both materials and products, to reduce emissions.

Towards increased reuse

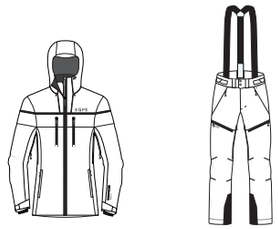
There are several aspects to a mountain trip that consist of reusable resources. For SkiStar, optimisation and reuse of resources is an integral part of our business model. We have a long history of mediating accommodation, whereby we offer accommodation owners the chance to rent via SkiStar, thus increasing the use of available beds at our destinations and reducing the need for new construction. Renting ski and bicycle equipment through SkiStarshop is a natural part of many people's trips to the mountains, and during the financial year we launched SkiStar Pre-Used, selling second-hand skis and bikes. During the year, second-hand sales generated SEK 3 million, and the concept will be expanded for next season.

We believe in sharing as an alternative to ownership. As well as reducing overconsumption, renting is a way of testing whether a product is right for our customers before they buy a new one. In this way, together we can reduce the quantity of products that are not used, which is also a big win for the environment and use of Earth's resources. Renting rather than buying a ski package produces an emissions saving of 11.5 kg. SkiStar rented out 350,000 (360,000) ski packages during the year, representing a total of 4,000 (4,140) tonnes in reduced emissions. During the year we also tested a new concept of hiring out skiwear; we are keen to offer our guests a complete package that includes clothing as well.

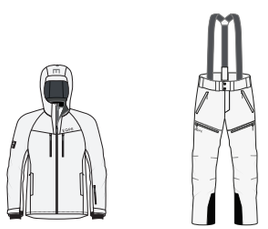
HABLLEK men



GIDA women



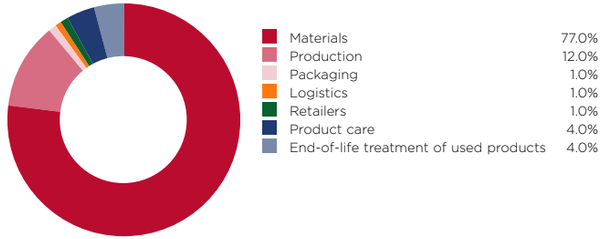
QANUK children



Emissions/product					
jacket 38.5 kg CO_2e	trousers 30.2 kg CO_2e	jacket 33.2 kg CO_2e	trousers 25.9 kg CO_2e	jacket 24.5 kg CO_2e	trousers 19.3 kg CO_2e

CO_2e emissions per product are affected by the product's complexity and the number of materials. The more materials and parts that make up the product, the greater the impact.

CO_2e FROM EQPE COLLECTION AW22

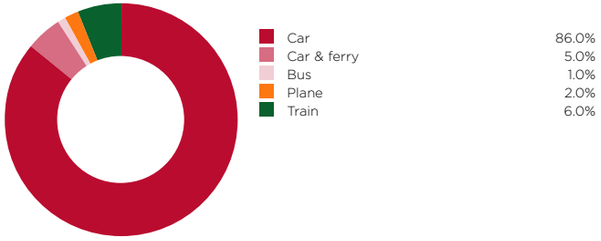


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The guest's journey

The majority of SkiStar's total emissions are derived from travel to our destinations. 86 percent of SkiStar's guests travel by car, with 26 (18) percent of motorists travelling by electric or hybrid car, which is an increase on the previous financial year. The proportion of guests travelling to our destinations by electric car has doubled, from 5 to 10 percent. As part of our climate ambitions, we want to take responsibility for our indirect emissions and reduce guests' climate impact. We achieve this by reducing the need to use a car at our destinations, for example. We offer free bus transport for our guests with a SkiPass, and ensure that all new construction offers solutions allowing the guest to get from their accommodation to the slopes without a car. We ensure that charging stations are provided for all new construction of accommodation. In addition, we are working to develop infrastructure for electric cars both at our destinations and on the journey to our destinations. For example, SkiStar positioned charging stations in Sveg and Ljusdal during the high season, in partnership with Audi and Jämtkraft. We have also contributed to the green road to Sälen, which means that charging stations have been developed from Västerås and further up through Västerdalarna.

THE GUEST'S JOURNEY



ENERGY

We must clearly aim to use energy efficiently to realise our climate ambitions. SkiStar strives to streamline energy use within its own operations. For several years now, all electricity has been purchased from renewable energy sources. For the most energy-intensive processes such as snow production and the operation of properties and lifts, we systematically chart and analyse our electricity consumption in order to run the processes with as little usage as possible. Energy consumption is also an aspect we take into consideration when making new investments and reinvestments. During the financial year we developed a visionary energy map for 2030, in which it is clear that a system-wide strategy is needed for us to achieve the best results from the transition. Work has begun on incorporating the energy map, and this will continue going forward. As an initial step, we installed solar panels at four properties in Sälen during the year. We have also strengthened our collaboration with Jämtkraft and invested in locally produced wind power in Vemdalen.



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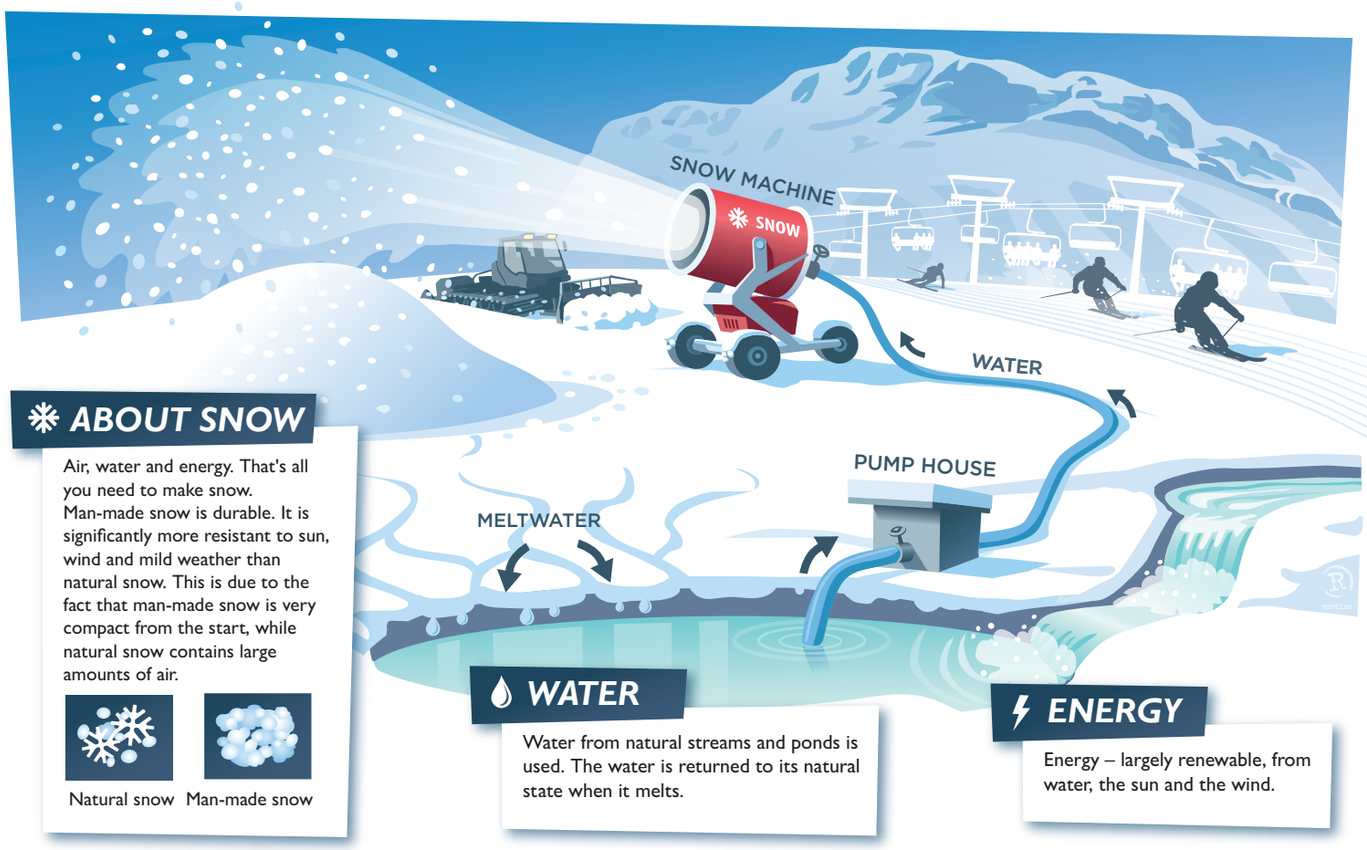
SNOW PRODUCTION

To manage our winter operations and offer skiing at our destinations, there is a recurring need to make snow with cannons. This more durable and robust snow withstands the effects of weather better than natural snow, but cannon snow production is a water- and energy-intensive activity and accounts for the largest proportion of water used in our operations. SkiStar wants to make snow production as resource-efficient as possible. One aspect of this is producing the right amount of snow in the right location. There are snow groomers at all destinations containing GPS equipment that measures snow depth, meaning the snow production is programmed to produce the right amount in the places it is needed. Water consumption during the year amounted to 4.3 million cubic metres, which is a drop of 16 (+13) percent compared with 2021/22. Using an automated system for snow production, the snow is produced when weather conditions are optimal. This means that larger quantities are produced over a shorter period, which in turn means that the energy consumption in snow production has been reduced over the last ten years.

BIODIVERSITY

SkiStar is keen to protect our mountains and the biodiversity that exists in our local environment. SkiStar's business operates in areas that are protected under Natura 2000, which means we are subject to stringent requirements. We therefore aim to implement the mitigation hierarchy in all projects up to 2030. The mitigation hierarchy is a gradual process that is at the heart of our efforts to increase biodiversity. Systematically working with biodiversity based on the mitigation hierarchy means that we look at whether we can:

- firstly, avoid any impact
- secondly, minimise any impact that cannot be avoided using various mitigation measures
- thirdly, restore any impact, for example via ecological aftercare
- as a fourth measure, offset any remaining impact. Offsetting is only considered once all reasonable efforts have been made to avoid and minimise the negative impact.



FROM WATER TO SNOW

During snow production, natural water is extracted from nearby lakes and streams, which in some cases is stored in ponds adjacent to our facilities. Water is collected from these sources in the months before and at the beginning of the winter season, and is regulated for each source by water rights court rulings. When the snow melts in the spring, the water returns to its natural sources.

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Dialogue & Interaction

We take responsibility in the areas in which we operate and throughout the entire value chain by focusing on dialogue and interaction. Collaborations enable us to both accelerate sustainable development together with our stakeholders and create long-term sustainable solutions that contribute to positive trends in business and the wider community.

A PART OF THE LOCAL COMMUNITY

SkiStar will be a driving force for sustainable mountain tourism at our destinations. Part of that commitment is to contribute to the local communities in which we operate through conversations, dialogue and collaborations. We operate in the same place and are all dependent on each other, which is why we want to strengthen our local communities in any way we can. SkiStar's business has an impact on the local economy by creating and generating jobs in sparsely populated areas and in their surrounding areas. It also stimulates more tourism locally, giving other operators the opportunity to work in and around the destinations, such as restaurants and other activities near the mountains. This generates jobs in the local area, meaning more people can stay in sparsely populated areas, thereby increasing the opportunity for capital to be invested and reinvested there.

Initiatives in our municipalities

SkiStar is keen to ensure that residents at our destinations should have access to, and are able to spend time in the mountain environments to which they live so close. In Åre, Sälen and Trysil, we offer a reduced ski school fee for children aged 2–6 who attend preschool there. In Trysil, over 500 children took part in the teacher-led skiing days. This provides greater opportunities for more residents to spend time with us and makes things easier for parents who may otherwise have difficulty taking their children on to the slopes. We offer municipal discounts to adults and have conducted several municipal days during the winter and summer whereby we offered everyone at the resort free activities.

SFI Åre

Making skiing accessible means promoting the opportunity to try out skiing among those who have never done so before. On the initiative of Åre municipality, students from the Swedish for Immigrants courses are offered a day outdoors on the mountain. SkiStar sponsors the day by providing a SkiPass, skiing equipment and ski instructors so that students can experience the nature and activities of the mountain environment in a meaningful way. It is also a way of showcasing the benefits of living in the countryside and the opportunities afforded by living close to nature and the mountains.

SÁPMI

It is important for SkiStar to have a positive dialogue with all stakeholders who are affected by and live in the vicinity of our destinations. As our operations are in a mountain environment, parts of them are run in Sápmi, Lapland, where our destinations Åre and Vemdalen are located. As our summer activities are expanded, it is important to ensure our guests and wildlife can coexist. Respecting native Sami culture and reindeer husbandry is a priority for SkiStar. To provide information and ensure a good symbiosis in the mountains during both the winter and summer season, SkiStar has developed guidelines that constitute rules of etiquette for guests to ensure that they also respect native Sami culture and reindeer husbandry at our destinations. These guidelines clarify how our guests should behave towards the animals and where they can go in the mountains so as not to disturb them. The guidelines are available on skistar.com and guests are informed about them via newsletters and social media, for example.

2030

Target	• SkiStar will contribute to sustainable development along with our stakeholders throughout the value chain
Performance measures	• Increased percentage of overnight stays • 100 percent of all suppliers approve SkiStar's Code of Conduct • 0 casualties and serious workplace accidents, and a downward trend for minor accidents • Aim for 50/50 percent equality in all the Company's professional groups • At least 40 percent female managers in senior executive roles
Outcome 2022/2023	• Overnight stays fell by 10 percent compared with the previous year. • In 2022/23, suppliers who account for 83 (75) percent of SkiStar's total debited amounts approved the Supplier and Partner Code of Conduct. • 39 (71) serious workplace accidents and 139 (114) less serious workplace accidents • 46/54 percent even distribution with regard to equality in the Company's professional groups • 45 (46) percent female managers in senior executive roles

HÅLL SVERIGE RENT.

KEEP THE MOUNTAIN TIDY

Keeping the mountains tidy and doing so with schoolchildren and local people is nothing new to SkiStar, but a commitment that has existed for many years. To highlight the problem, SkiStar works with Keep Sweden Tidy and Keep Norway Beautiful. The initiative is part of the 'Keep the Mountain Tidy' collaboration, which aims to reduce littering and raise awareness of the problem in the mountains. As part of the initiative, SkiStar's staff conducted a litter-picking day at all destinations for the second year running. Despite an information campaign to our guests to discourage littering and encourage more recycling, the amount of litter picked up this year increased from six to almost eight tonnes – an increase of 36 percent compared with the previous year. The most common form of litter was plastic (mainly bag clips and sweet wrappers), cigarette butts and snus pouches.

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SPECIAL COLLABORATIONS

Stefans Stuga, Lindvallen

Next to Experiumtorget in Lindvallen is Stefans Stuga, a specially designed set of accommodation close to the lifts where families affected by cancer can relax and spend precious time together. Every week of the year, two families are offered a free week in Stefans Stuga. The cottage is a result of the commitment of many people and companies, all with a common desire to create a place for positive experiences and good memories. In winter, SkiStar provides a SkiPass, ski equipment, gym and playground during the stay. During the summer months, swimming, bowling and the gym are included. Some 42 families visited Stefans Stuga during the year, and got to experience a mountain holiday.

700,000
RECYCLED PET BOTTLES GENERATED OVER SEK 628,000 FOR KEEP SWEDEN TIDY



PANTA MERA (SWEDISH CAN AND PET BOTTLE RECYCLING CAMPAIGN)

Every year, we collect and donate the money that guests at our Swedish destinations have raised by recycling their PET bottles with us. During the 2022/23 winter season, over 700,000 (671,000) PET bottles were recycled, generating SEK 628,000 (619,600). This year's collection goes to the Keep Sweden Tidy Foundation to support the joint project Keep the Mountain Tidy.



Stefans Stuga, Lindvallen

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Safe & Secure

Safe & Secure is SkiStar's customer promise to our guests. We want our guests to feel safe and to guarantee memorable mountain experiences all year round that offer quality, activity, experiences and safety throughout the customer journey.

80%
OF SKISTAR'S GUESTS FELT SAFE AND SECURE IN THE SKIING AREA



SAFE DESTINATIONS

Offering safe and secure experiences for our guests has been an important aspect of our business over the years. This is why SkiStar developed Safe & Secure, our customer promise that applies from the time of booking through to their stay in our accommodation and ski system. Our customer promise is governed by SkiStar's quality directive, which supports all employees in their efforts to create memorable mountain experiences for our guests, develop sustainable destinations and offer accommodation, activities, products and services of the highest quality. An impressive 80 percent of SkiStar's guests feel safe in the ski area.

BOOK CARE FREE

Protection for cancellation and rescheduling

SkiStar's 'Book Care Free' pledge allows the accommodation to be cancelled up to 21 days before arrival. The SkiPass, ski school and ski rentals can always be cancelled or rescheduled up until the day before arrival. Book Care Free is popular with our guests.

Snow guarantee

SkiStar wants our guests to be able to go alpine skiing on their skiing holiday, but all of the ski resorts have unique geographical locations and differing conditions. Thanks to our snow guarantee, guests at our destinations have the opportunity to reschedule their trip to another of our destinations or get their money back if SkiStar does not deliver the ski product promised during a certain period of time.

LIFT & PISTE

Safe slopes

Our guests should feel safe and confident about skiing and getting involved in activities at our destinations. Having the right judgement, knowledge and equipment minimises the risk of accidents and injuries during a holiday. At our destinations in Norway and Sweden, we collaborate with the ski industry organisations SLAO and ALF to secure our slopes, both in summer and winter. Together with SLAO and ALF, we have also developed rules of conduct that all guests are obliged to follow at our destinations. These are available to download from our website. They describe our rules on the slopes during summer and winter, as well as consequences if the rules are broken. Safe behaviour is particularly important for the youngest skiers. This is why we also have our own Valle's skiing rules, which teach young skiers about the importance of good supervision, skiing together on the slopes and where it is safe to stop. The rules are an important part of our ski school for children and are available to all guests on our website.

Every year we submit reports to our skiing associations SLAO and ALF on the total number of near misses and accidents that have occurred among our guests. The statistics are compiled, and feedback is provided annually to improve, prevent and create safer mountain experiences for our guests. During the financial year, we reported 4,511 near misses and accidents relating to guests. This should be viewed in relation to the fact that 51 million runs were completed on the slopes at our destinations during the same period.

Internal procedures and processes

We make every effort on a daily basis to create a safe product for our guests, in order to keep our customer promise. We conduct daily, monthly, half-yearly and annual checks on our operations. We have annual independent audits that ensure we are following the laws and regulations that relate to running mountain resorts.

We work proactively and preventively to reduce the risk of an incident, and training and safety drills play a key role in this work. We train our staff on an ongoing basis and carry out planned safety exercises, as well as spontaneous drills, for example to practise our response to lift stoppages, avalanches, fire drills and various injury scenarios.

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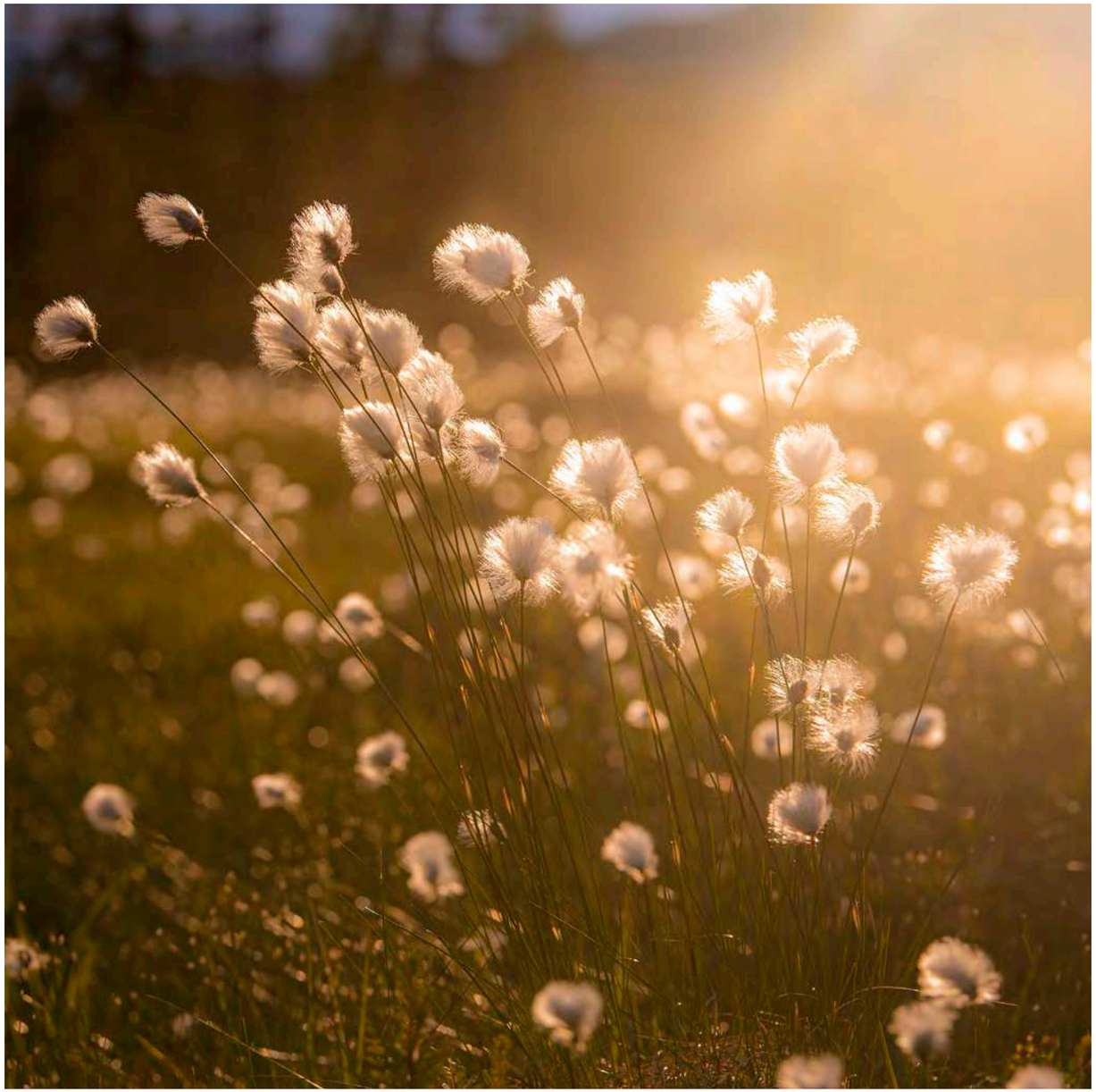
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Section E – Environment

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E1 INTERACTION WITH WATER AS A SHARED RESOURCE

KEY IMPACTS, RISKS AND OPPORTUNITIES

SkiStar uses water from rivers, streams and dams near SkiStar's destinations for snow production. The water that is used at SkiStar's resorts is mainly for SkiStar's snow production. Access to water for snow production is determined based on local water sources at the destination, surrounding factors that may be of significance and prevailing water rights court rulings. SkiStar aims to identify long-term solutions regarding its water supply, using storage ponds where there is a need and opportunity. Efforts are continually being made to prevent any negative impact on the surrounding natural environment, including small watercourses and streams. SkiStar sees opportunities to preserve and develop biodiversity through its water consumption, and has launched an initiative to set frameworks and targets via SBTN.

GOVERNANCE AND MONITORING

Water consumption is governed by SkiStar's sustainability policy. We comply with current legislative requirements relating to water withdrawal via water rights court rulings. These are followed carefully when withdrawing water, and all the water SkiStar withdraws is documented for up to ten years. SkiStar is subject to regular checks by authorities. Water rights court rulings have been reviewed, and new rulings are sought as required. SkiStar has also built and is building new water storage ponds and is focusing on reducing water withdrawal (more efficient snowmaking). We monitor any changes to the relevant regulations.

Checks are built into our automatic snowmaking systems, which monitor withdrawal over a full year, periods when SkiStar can withdraw water, water withdrawal per day and water levels in water sources. SkiStar is making every effort to automate its snowmaking systems at all destinations.

RESULT INDICATORS

The total amount of water used in 2022/23 was 4,354,031 (5,165,564) m^2. This is a reduction of 16 (+13) percent year-on-year. During the financial year, SkiStar has actively engaged in streamlining snow production to reduce water usage, but also to save on electricity.

WATER USE

m^3	2022/23	2021/22	2020/21	2019/20	2018/19
Snow production					
Sälen	1,073,013	1,534,578	1,048,515	1,212,308	1,273,001
Åre	1,572,250	1,614,392	1,597,960	1,611,204	2,008,217
Vemdalen	795,961	827,729	825,595	850,782	817,609
Trysil	563,277	550,960	741,164	806,775	720,000
Hemsedal	277,668	556,468	367,465	404,908	484,000
Stockholm Hammarbybacken[1)]	10,000	10,000	8,000	1,000	
Operation of Hotels[2)]	61,862	71,437			
Total water use	**4,354,031**	**5,165,564**	**4,588,699**	**4,885,977**	**5,302,827**

[1)] The data for Stockholm Hammarbybacken is estimated as no measurements have been taken.
[2)] 2021/22 was the first time that water use in SkiStar's Operation of Hotels was reported.

E2 MITIGATING CLIMATE CHANGE

KEY IMPACTS, RISKS AND OPPORTUNITIES

Global warming is occurring at a rapid pace, and the world is heading for a rise in temperature above the two degrees that the Paris Agreement and the United Nations' Intergovernmental Panel on Climate Change (IPCC) consider to be safely within planetary boundaries. For SkiStar, a change in the climate will have a direct and considerable impact on our operations. Cold white winters are a prerequisite for our winter operations, and more unstable weather changes our ability to plan and run those operations. SkiStar has always been dependent on nature and the weather. From the very beginning, we identified the climate as an important external factor and a significant issue for our operations. For SkiStar, the business benefits of working on climate issues are clear, and we do not see any conflict between profitability and sustainability. Over seven years ago, we began an extensive transformation in our own operations, which made us pioneers in our industry in terms of converting to fossil-free fuel. Over the past seven years, SkiStar has reduced its own carbon footprint by 86 (84) percent. As part of its efforts, SkiStar has also carried out climate analyses throughout our entire value chain, which indicate that the majority of emissions, roughly 52.1 (51.1) percent, occur downstream when our guests travel to our destinations, while 23.6 (34.5) percent occurred upstream in the supply chain. Scope 1 and 2 emissions, which are direct emissions from SkiStar's operations, constituted less than 0.6 (<1) percent of total emissions.

For further information on climate-related risks and opportunities, based on SkiStar's climate scenarios, see Note E4 on pages 57–58.

GOVERNANCE AND MONITORING

SkiStar uses a value-chain perspective in its efforts to limit greenhouse gas emissions. The strategy is to reduce both direct and indirect emissions in line with the Paris Agreement's ambition to limit global warming to 1.5 degrees.

To ensure our efforts to reduce our climate impact are sufficient, we have developed our Science Based Targets, i.e. our scientifically endorsed climate targets, which were approved by Science Based Targets during the financial year. See page 43 for further information about SkiStar's approved targets.

SkiStar's target is to achieve a 50-percent reduction throughout the value chain by the year 2030. A description follows of the most significant measures that SkiStar plans to take to reach this target.

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Scope 1 – Direct emissions

SkiStar's vehicle fleet currently runs mainly on the renewable fuel HVO100. During the 2021/22 financial year, SkiStar reorganised operations in Norway so that all snow groomers run on HVO100. The climate investments alone were responsible for SkiStar reducing its direct CO_2 emissions by 57 percent during the previous financial year. This was a milestone in achieving our targets.

SkiStar regards renewable fuel as a short-term solution during a period of transition. We are actively engaged in replacing combustion engines with a low-emissions fleet. The transition will take place gradually, with certain types of vehicle being replaced quickly while others will need to await technological advances. Furthermore, SkiStar plans to increase the scope and use of systems to manage and optimise its vehicle fleet.

Scope 2 – Indirect emissions

SkiStar currently buys 100 percent renewable electricity for its resorts, and aims to continue doing so up to 2030. In addition, we aim to increase the proportion of self-produced electricity. During the financial year, we began working towards this goal, and have installed solar panels on four roofs in Sälen. SkiStar has also drawn up a vision of our energy map for 2030.

Furthermore, SkiStar is introducing energy efficiency improvements within all its business areas. In SkiStar's property operations, the aim is to achieve an annual reduction of four percent by 2030. District heating consumption is governed by SkiStar's sustainability policy and overall energy strategy. SkiStar is a partner in Fjällvarme i Sälen AB and Hemsedal Bioenergi AS, both of which operate district heating plants. SkiStar does not have operational control over these district heating companies as they are associates. The plants are local and are run on the biomaterial wood chips.

Scope 3 – Upstream: Suppliers

SkiStar's aim is for its 125 biggest suppliers in terms of emissions impact to have climate targets in place by 2027/28. This corresponds to 66.1 percent of the emissions impact from our suppliers. We encourage all suppliers to set their own emission reduction targets in line with the Paris Agreement's 1.5-degree target, and we are actively engaged in influencing strategically important suppliers on the issue. SkiStar is also actively involved with suppliers in creating change in our value chain, our partnership with the Volvo Group being one example. Read more on page 44.

Scope 3 – Downstream: Guest journey

The majority of SkiStar's total emissions are derived from travel to our destinations. As part of our climate ambitions, we want to take responsibility for our indirect emissions and reduce guests' climate impact. That is why SkiStar aims to reduce its Scope 3 greenhouse gas emissions (downstream transportation and distribution) in absolute figures by 50 percent by 2030. It is an ambitious objective as SkiStar has no control over how guests opt to travel to our destinations. But we have created partnerships to facilitate journeys using low-emissions vehicles by, for example, expanding the charging infrastructure at and to our destinations, developing opportunities for shared journeys via SkiStar's buses, operating as an active shareholder in Scandinavian Mountains Airport and evaluating new opportunities within the area.

RESULT INDICATORS

ELECTRICITY CONSUMPTION

MWh	2022/23	2021/22	2020/21	2019/20	2018/19
Sälen	26,085	27,902			
Vemdalen	8,870	9,465			
Åre	18,865	20,106			
Trysil	16,372	19,116			
Hemsedal	6,674	8,276			
Total, Sweden	**53,820**	**57,473***			
Total, Norway	**23,046**	**27,392**			
Total electricity	**76,866**	**84,865***	**72,606**	**72,369**	**82,169**

*A minor adjustment has been made to the figures for 2021/22
During the year we have succeeded in cutting our total electricity consumption in operations by 10 percent compared with the previous year. A reduction of 6.2 percent per m^2 has been achieved in SkiStar's property operations.

DISTRICT HEATING CONSUMPTION WITHIN THE ORGANISATION

MWh	2022/23	2021/22	2020/21	2019/20	2018/19
Sälen property	10,331				
Åre property	1,253				
Operation of Hotels	9,623				
Total district heating	**21,207**	**21,461**	**9,482**	**7,977**	**10,168**

The reported amounts of district heating are actual consumption values. During the year we have allocated district heating per destination that uses district heating. We reduced district heating consumption by one percent during the financial year.

FUEL CONSUMPTION WITHIN THE ORGANISATION

Litres	2022/23	2021/22	2020/21	2019/20	2018/19
Consumption of HVO100	2,539,321	2,176,058	1,450,281	1,417,129	1,518,380
Consumption of diesel	42,254	65,254	656,521	772,632	966,817
Consumption of petrol	216,596	232,430	134,641	166,497	98,718
Total fuel	**2,798,171**	**2,473,742**	**2,241,443**	**2,356,258**	**2,583,914**

Total consumption of fuels increased by 13 percent year-on-year. SkiStar has increased its HVO 100 consumption by 17 percent year-on-year. We have cut our diesel consumption by 35 percent and petrol consumption by 7 percent. The decrease in fossil fuel consumption is due to our switch to HVO100 and electrified vehicles. During the financial year, 91 (88) percent of SkiStar's vehicle fleet ran on renewable fuels. For the remaining 9 (12) percent we are looking to switch to electric snowmobiles, for example.

PROPANE

	2022/23	2021/22
Propane, Operations, kg	20,217	5,602
Propane, Hotels, kWh	619,216	548,153

REFRIGERANTS

Co2	2022/23	2021/22
R134a	6.3	2.5
R410a	0	3.8
R452a	6.4	
R448a	5.5	

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Environmentally certified buildings

Earlier in the year, to reduce the impact of our new construction, SkiStar decided that all larger newly constructed buildings must be environmentally certified according to BREEAM's 'very good' status. This certification ensures that sustainability issues are highlighted throughout the work process and that the building's environmental performance meets requirements for energy use, indoor climate, water management and waste management. For smaller buildings, the minimum requirement is SGBC Silver environmental certification, which sets requirements for energy use, indoor environment and materials.

Training and increased awareness

A framework has been developed to improve skills and increase awareness among all employees based on the requirements of their respective roles and responsibilities. The training is at various levels, from introductory to advanced courses in snow production and climate-smart destination. SkiStar also endeavours via its communication to raise awareness among our guests of the fact that we need to work together to preserve white winters for the future.

SUMMARY OF TOTAL GHG EMISSIONS (CO_2e)

CO_2 in tonnes	2022/23	2021/22	Comments
SCOPE 1	**852**	**871**	
Mobile combustion, m³	**-630**	**725**	Diesel and petrol figures currently reported also include private journeys for SkiStar's company cars. This will be excluded and recalculated for the next financial year.
Diesel	63	122	
Petrol	477	525	
HVO100	90	77	We updated the emissions factors for HVO100 in 2021/22. Figures from previous years have also been adjusted. The increase in emissions from HVO100 is consistent with increased consumption.
Stationary combustion	**203**	**134**	The increase is consistent with increased consumption of propane.
Propane, kg	203	134	
Refrigerants	**18**	**12**	
SCOPE 2	**49**	**131**	
Electricity, mWh	**49**	**131**	
Renewable electricity	0	0	
District heating	49	131	
SCOPE 3	**149,566**	**126,272**	
1. Purchased goods and services*	**35,574**	**43,560**	
2. Capital goods*	**29,505**	**10,826**	The increase is consistent with increased investments.
3. Fuel and energy-related activities	**2,474**	**2,488**	
Diesel	16	15	
Petrol	47	54	
HVO100	1,320	1,164	
Propane, kg	34	28	
Renewable electricity, kWh	1,039	996	
District heating, kWh	17	231	
4. Upstream transportation and distribution*	**123**	**98**	
5. Waste generated in operations*	**1,815**	**2,526**	
6. Business travel*	**17**	**4**	The increase is due to enhanced data reporting.
7. Employee commuting*	**266**	**400**	
9. Downstream transportation and distribution*	**78,439**	**65,806**	SkiStar guests' journeys to destinations have a major climate impact. The figures are estimated based on various relevant parameters, e.g. customer surveys, travel patterns, SkiPasses sold, number of rides completed. An adjustment has been made to the calculations during the year, and as of 2022/23 the calculation includes summer guests as well.
11. Use of sold products*	**729**	**30**	During the year, SkiStar has also included electricity consumption from our accommodation operations. This has meant an increase compared with the previous year.
12. End-of-life treatment of sold products*	**249**	**199**	
15. Investments*	**373**	**335**	Includes SkiStar's associates and JV.

* Reported for first time in 2021/22. Data for previous years not reported.

	2022/23	2021/22	Comments
Biogenic emissions*			
Wood chips, m³	0	0	
HVO100 m³	6,144	5,287	The increase is consistent with increased consumption of HVO100.
Diesel	44		Reported for the first time in 2022/23.
Petrol	28		Reported for the first time in 2022/23.

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TOTAL GHG EMISSIONS, TONNES OF CO_2

	2022/23	2021/22**	2020/21*	2019/20*	2018/19	2017/18	2016/17
Scope 1	852	871	2,021	2,489	3,954	4,406	5,860
Scope 2	49	131	32	9	205.8	243.17	129
Scope 3	149,566	126,272	2,222	4,159	–	–	–
Total	**150,466**	**127,274**	**4,274**	**6,657**	**4,160**	**4,649.42**	**5,989**
Total S1+2	**901**	**1,002**	**2,052**	**2,498**	**4,160**	**4,649**	**5,989**
Change year-on-year (S1+2)	-10%	-51%	-19%	-37%	-10%	-25%	-8%
Change compared with base year 2020/21 (S1+2)	-56%	-51%					
Emissions intensity (tonnes CO_2e/ SEK m revenue)**	**0.8**	**1**	**2**	**2.4**	**–**	**–**	**–**

* During 2020/21, SkiStar carried out an overall analysis of its carbon footprint, resulting in broader reporting of climate data in 2020/21. The climate data for 2019/20 has been recalculated to produce comparative figures.

**SkiStar expanded its emissions for scope 3 in 2021/22, which is why the figures year-on-year are not comparable. For the outcome for emissions intensity to be comparable between years, only S 1 + 2 and the category 'Fuel and energy-related activities' from scope 3 have been included in the calculation.

The following Scope 3 emissions are not considered relevant to SkiStar: 8. Upstream leased assets, 10. Processing of sold products, 13. Downstream leased assets, 14. Franchises.

Significant assumptions and extrapolations	• Emissions from electricity for rented cabins and apartments are included for the 2022/23 calculation. • Emissions from heating in Sälen are set to 0. According to information from SkiStar, all heating used in Sälen, both at hotels and in operational activities, comes from Fjällvärme AB, whose emissions are included in Scope 3, category 15. • The absence of new data led to fuel consumption figures for 2021/22 being used for 2022/23 as well with Hemsedal Bioenergi. • It is assumed that waste in the form of paper, plastic, cardboard, glass and metal has been recycled. • SkiStar owns 50 percent of Fjällvärme i Sälen AB but has no operational control over Fjällvärme i Sälen AB. Thus, only 50 percent of emissions from Tandådalen's and Lindvallen's heating plants, which are run by Fjällvärme in Sälen AB, are allocated in line with the operational management approach. • Other companies over which SkiStar has no operational control: Lima Transtrand Fastighets AB, Scandinavian Mountains AB, Skiab Invest AB, Hemsedal Bioenergi AS, Skitorget AS, Åre Destination AB, Björnrike Torg AB • Hotels in Sälen: Hotels in Sälen have 0 district heating consumption to avoid double counting, as the district heating consumption was already included in Scope 1 stationary combustion. **Guest travel:** The figures are estimated based on customer surveys sent to SkiStar's guests following their stay, with a response rate of over 15 percent, which is the equivalent of over 39,000 responses. Looking at data relating to travel patterns and market share, emissions per guest are calculated based on distance, mode of transport and fuel. These emissions were extrapolated to the number of SkiPasses sold. The extrapolation takes account of visiting guests from the local area, with an estimation that 50 percent visit our destinations. **Purchased goods and services and capital goods:** The majority of purchased goods and services and capital goods are calculated using a cost-based approach. Significant investments were allocated to capital goods, while smaller investments are allocated to purchased goods and services. Products sold via SkiStarshop are calculated based on the material composition method, which gives a more exact emissions calculation than a cost-based calculation. For upstream transportation, the products' country of origin for Skistar Conceptstore is assumed to be the same as for EQPE, due to lack of information.
Methodology	The calculation of greenhouse gas reporting is based on The Greenhouse Gas Protocol: GHG Protocol: A Corporate Accounting and Reporting Standard and its revised edition, GHG Protocol and the complementary 'Corporate Value Chain' (Scope 3). Greenhouse gas reporting is based on the GHG Protocol's principles of: • Relevance: Ensure the GHG inventory appropriately reflects the GHG emissions of the company and serves the decision-making needs of users. • Completeness: Account for and report on all GHG emission sources and activities within the chosen inventory boundary. Disclose and justify any specific exclusions. • Consistency: Use consistent methodologies to allow for meaningful comparisons of emissions over time. Transparently document any changes to the data. • Transparency: Address all relevant issues in a factual and coherent manner, based on a clear audit trail. • Accuracy: Ensure that the quantification of GHG emissions is systematically neither over nor under actual emissions, as far as can be judged, and that uncertainties are reduced as far as practicable.
Limitations	**Organisational boundaries:** GHG reporting covered SkiStar AB and its subsidiaries. The reporting period covered 1 September 2022 to 31 August 2023. The GHG reporting followed an operational control method. **Operational boundaries:** This calculation includes SkiStar AB's Scope 1 and Scope 2 emissions, as well as all applicable Scope 3 categories (purchased goods and services, capital goods, fuel and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, downstream transportation and distribution, use of sold products, end-of-life treatment of sold products and investments). Scope 1 included mobile combustion, stationary combustions and emissions from refrigerants. Scope 2 included emissions from purchased electricity and purchased heating that were not included in Scope 1. In addition, biogenic emissions were calculated.

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SOURCE OF EMISSION FACTOR

Scope 1	Source	Emission factor
Diesel	Emission value according to South Pole's calculation procedure based on producer information and Swedish mixture	South Pole emission factor
Petrol	Emission value according to South Pole's calculation procedure based on producer information and Swedish mixture	South Pole emission factor
HVO100	Swedish Environmental Protection Agency	HVO100: 35.58 $kgCO_2e/m^3$
Propane	ADEME, 2022; BEIS, 2022	Propane: 2.9976 $kgCO_2e/kg$
Refrigerants	IPCC, AR 5; BEIS 2022	R134: 1,100 $kgCO_2e/kg$ R410a: 2,088 $kgCO_2e/kg$
Scope 2		
Electricity	Ecoinvent v.3.9.1.; EI 2022; IEA, 2022	Renewable electricity: 0.0 $kgCO_2e/kWh$; Location-based electricity: licensed emission factor
District heating	SE: Sweco, 2018; Swedenergy, 2021 NO: Eidsiva Bioenergi.	SE: South Pole emission factor NO: South Pole emission factor
Scope 3		
Purchased goods and services	CEDA 6, 2022; BEIS, 2022	
Capital goods	CEDA 6, 2022; BEIS, 2022	
Fuel and energy-related activities	BEIS, 2022; IEA, 2021; IPCC	
Upstream transportation and distribution	BEIS, 2022	
Waste generated in operations	BEIS, 2022; Ecoinvent version 3.9, 2022, World Bank.	
Business travel	BEIS; 2022	
Employee commuting	BEIS, 2022; Swedish Environmental Protection Agency, 2021; Swedish Transport Administration, 2019; EI 2022, Ecoinvent v.3.9.1., 2022; SJ/SBB, 2011	
Downstream transportation and distribution	BEIS, 2022; Swedish Environmental Protection Agency, 2021; Swedish Transport Administration, 2019; EI 2022, Ecoinvent v.3.9.1., 2022; SJ/SBB, 2011	
Use of sold products	OSRAM, 2021; Apple, 2023; GoPro, 2023	
End-of-life treatment of sold products	Ecoinvent 3.8, 2021; BEIS, 2022; World Bank waste statistics	

E3 BIODIVERSITY

KEY IMPACTS, RISKS AND OPPORTUNITIES

The diversity of life on Earth is diminishing at a rate faster than ever before in the history of the human race. This rapid decline in biodiversity is one of the biggest threats to our future. Biodiversity is also in decline in Sweden. Meanwhile, pressure is increasing on natural resources both on land, in freshwater habitats and in our seas. The preservation of biodiversity does not have an intrinsic value, but is important because it provides clean air and pure water, good soil quality and pollination. It helps us combat climate change and adapt accordingly.

SkiStar has year-round operations, which means that preserving our nature and fantastic mountain environment is a business-critical undertaking. We want our guests to enjoy the natural environment for generations to come. SkiStar's work with biodiversity is governed by our sustainability policy and Supplier and Partner Code of Conduct. SkiStar complies with current legislation and uses the mitigation hierarchy as a framework for preserving and promoting biodiversity. SkiStar's aim is to implement the mitigation hierarchy in all projects up to 2030.

GOVERNANCE AND MONITORING

During the year we developed our targets in line with Science Based Targets for Nature (SBTN). Using a sector analysis, we gained an overall picture of the potential impact of factors driving the loss of biodiversity. The analysis is built on three business codes that encompass SkiStar's operations: skiing/activity resorts (land use and maintenance), trading (resource management), and accommodation and food. The analysis indicates, for example, that SkiStar's biggest impact is in changes to land and water use for snow production. Work will continue during this financial year and the subsequent year.

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E4 SCENARIO ANALYSIS FOR CLIMATE-RELATED RISKS AND OPPORTUNITIES

During the previous financial year, SkiStar began reporting on financial climate risks in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The primary aim is to provide information about the risks and opportunities associated with the transition to a low-carbon society with a changing climate. TCFD's recommendations involve reporting in four areas: governance, strategy, risk management and performance measures and targets. Our ambition is to report in line with the recommendations as far as possible to clarify how our operations will be affected by climate change, based on two different future scenarios.

Our account of how we conduct this work in these four areas today appears below, as well as references to other parts of the annual report where more detailed information is available.

BACKGROUND

SkiStar has always been dependent on nature and the weather. From the very beginning, we identified the climate as an important external factor and a significant issue for our operations. Over seven years ago, we began an extensive transformation in our own operations, which made us pioneers in our industry in terms of converting to fossil-free fuel. Over the past seven years, SkiStar has reduced its own carbon footprint by 86 (84) percent.

For SkiStar, the business benefits of working on climate issues are clear, and we do not see any conflict between profitability and sustainability. On the contrary, we can see that climate initiatives have historically been a success factor, both driving and responding to market demand for more climate-smart solutions. However, SkiStar has not only worked to reduce its own impact on the climate, but has also endeavoured to adapt its operations to manage a changing climate.

GOVERNANCE

Planning, management and monitoring of sustainability initiatives follow the organisational structure with a clear delegation of responsibilities and powers. This consists of policies, directives, procedures and overall goals. Furthermore, our work is governed by laws, guidelines and regulations, including the UN Sustainable Development Goals. See pages 67–69 for further information about SkiStar's sustainability governance.

STRATEGY

SkiStar is a long-term operator. It is therefore important for the business strategy to take into account the areas that are expected to have a major impact in the long term, including the climate issue. SkiStar's sustainability strategy is part of the Company's strategic plan. It means, among other things, that our business will be run sustainably and that our sustainability ambitions will influence all the Company's decisions.

For Sweden as a nation, climate work is regulated in the Climate Act of 2018. The overall goal is to achieve zero GHG emissions in Sweden by 2045. SkiStar has adopted an ambitious climate strategy, and has therefore decided that the Company will be climate neutral in all its own operations by 2030, and will have halved its carbon footprint throughout the value chain within the same period. In 2020/21, we therefore updated our strategy model, developing our vision and more concrete targets and strategies. For more information about how we govern our operations, see pages 67–69.

To get the business moving in the right direction, each year we set ambitious short and long-term environmental targets in areas that generate emissions, such as purchasing and guests' travel to and from our destinations.

To ensure that our efforts to reduce our climate impact are sufficient and in line with what is needed to achieve the Paris Agreement's goal of limiting global warming, we have developed our Science Based Targets, i.e. our scientifically endorsed climate targets. These targets were approved by SBTi during the 2022/23 financial year.

RISK MANAGEMENT

Identifying, analysing, managing and monitoring climate risks are a priority area for SkiStar. SkiStar is exposed to various risks related to the business and the business model. To manage and work on the risks faced by the Company, SkiStar engages systematically with risk assessment and risk management, covering all areas. SkiStar's Board of Directors has overall responsibility for ensuring risk management is conducted, as well as managed efficiently and purposefully. In addition, sustainability risks are evaluated separately, including these areas: climate/environment, human rights, labour law and anti-corruption. SkiStar's risk management relates to all risks associated with the Company's sustainability work and the Company's materiality analysis.

SkiStar's risk management is described in the administration report on pages 94–96.

TARGETS AND PERFORMANCE MEASURES

A summary of SkiStar's greenhouse gas emissions for 2016/17 to 2022/23 can be found in sustainability Note E2 on page 55. We have tried to follow TCFD's recommendations as far as possible. Work to further quantify these aspects is in progress.

SCENARIO ANALYSIS

Climate scenarios help us understand what our climate may look like in the future and how it is affected by global issues such as politics, technology, economics and societal change. By analysing the possible effects on operations in different climate scenarios, we are able to identify both transition risks and physical risks. These can then help us to adapt our future strategy. This includes preparing the business for a low-carbon economy, legislation and society. It also includes preparing for the physical impact the changing climate will have on our destinations, visitors and suppliers' operations. SkiStar's aim is to carry out an updated scenario analysis every five years. The last one was carried out in 2020/21.

Risks and opportunities

Based on the climate scenarios, we have identified our financial climate risks as physical risks and transition risks. Physical risks are risks that may involve direct damage to assets or indirect damage, such as interruptions to lift operations. Transition risks are the risks associated with a move to a society with lower carbon emissions. The transition to a low-carbon society may also provide opportunities for businesses. Using only renewable energy, increasing the amount of self-produced energy and continuing to work on energy efficiency means that GHG emissions are reduced, while operating costs are cut.

Analyses have been done on the basis of two possible scenarios – RCP 2.6 and RCP 8.5 – which correspond to the best and worst future scenario identified by the UN Climate Panel, IPCC. The analysis is based on SMHI's reports for Dalarna and Jämtland County, the Norwegian Climate Service Centre and other relevant reports, and covers the period until 2050. The impact of global warming will be similar at each of SkiStar's destinations. Based on the climate scenarios, we have identified our financial climate risks according to the Task Force on Climate-related Financial Disclosures framework.

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EXAMPLES OF MEASURES TO TACKLE FUTURE CLIMATE CHANGE

- Streamline and expand snow production
- Weatherproof exposed resorts
- Develop a more weather-resistant range of activities
- Produce sustainable travel alternatives to our destinations
- Convert from winter destination to year-round destination
- Build sustainable properties and accommodation in the mountain world

SCENARIO 1: WE MAKE THE TRANSITION (RCP 2.6)

Assumption

The world's greenhouse gas emissions are halved by 2050, and the temperature increase is limited to 1.5–3 degrees in Sweden. Renewable energy technology is introduced on a large scale and energy intensity is low. Major adjustments to society, infrastructure and buildings are made, and greenhouse gases are subject to taxes and regulations. Land use and building standards have stricter sustainability requirements. There are good conditions for natural snow and skiing, with less need for snow from cannons.

Risks

- Carbon emissions are regulated: Increased regulation, taxes and fees on carbon emissions affect land use and building standards. Requirements for zero emissions throughout the value chain.
- New business models: Circular economy requires changes in the business model.
- Energy: Increased volatility and higher prices.
- New technology: Requires increased investments.
- Biofuel: Altered and expanded instruments for biofuels may affect the supply of biofuels, and shortages may arise.

Opportunities

- SkiStar continues to run mountain destinations of the future. More tourism, skiing safeguarded for the long term.
- Increased use of renewable energy and self-produced solar energy.
- Greater demand for innovation and new technology.

SCENARIO 2: WE CONTINUE AS NORMAL (RCP 8.5)

Assumption

Emissions of greenhouse gases continue to increase at the same rate as now. Political climate initiatives and collaborations fail, and the worsened climate affects human health through an increased risk of pandemics. The temperature in Sweden and Norway increases by 3–7 degrees, with winters becoming up to 10 degrees warmer in northern Sweden. There are more days with extreme weather, floods and strong winds, and the number of forest fires increases. Annual precipitation increases by 10–35 percent, especially in northern Sweden. There are fewer snow-covered days, which results in poorer skiing conditions.

Risks

- Warmer winters: The average temperature increases by 2–3 degrees at all destinations. Fewer days with natural snow cover, more melting during the operating season, snowfall turns into rain.
- Shorter winter season: The winter cold comes a month later, the start of snow production is delayed and it becomes less possible to guarantee a complete ski resort open for Christmas/New Year.
- Stronger winds: The number of days with outages increases, more wear and tear on infrastructure, worse weather for guests.
- Warmer summers, more precipitation: Poorer guest experience in the exposed areas of the destinations.
- Risk that resources become strained as a result of increased tourism: Increased temperatures will lead to reduced snowfall in the Alps. Changed travel patterns in Europe may in turn lead to increased tourism at SkiStar's destinations to begin with.

Opportunities

- The effect of climate change on human movement patterns.
- Increased tourism in the short term as Scandinavian resorts have a geographical advantage.
- Increased summer tourism with long-term favourable conditions.
- Expand snow production both in terms of scope and capacity.

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E5 REPORTING ACCORDING TO ARTICLE 8 OF THE EU TAXONOMY REGULATION

INTRODUCTION

The EU Taxonomy creates a common language for investors and companies referring to products and services that make a substantial positive contribution to our environment and represents an important tool for achieving the EU's climate targets and green growth strategy.

SkiStar has a positive attitude towards the objectives of the Taxonomy and must report the proportion of SkiStar's economic activities that are eligible under and aligned with the Taxonomy based on turnover, capital expenditure and operating expenditure. At present, SkiStar reports a low level of Taxonomy eligibility, as the Operation of Mountain Resorts and Operation of Hotels are economic activities that are not yet included in our reporting requirements for taxonomy for 2022/23. Technical screening criteria have not yet been drawn up for all economic activities in the sector. The European Commission has stated that additional technical screening criteria may be developed in the future.

An economic activity is considered to be environmentally sustainable according to the Taxonomy Regulation if it makes a substantial contribution to one of the taxonomy's six environmental objectives, while not causing significant harm to any of the other objectives, and fulfils minimum safeguards as regards social and governance issues. The following six environmental objectives have been laid down in the Taxonomy Regulation:

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. The protection and restoration of biodiversity and ecosystems

For 2022/23, SkiStar is reporting on the first two climate-related objectives and will in future report on other environmental objectives adopted by the European Commission in June 2023.

EVALUATION OF SCOPE

Based on our evaluation during 2022/23 of relevant economic activities for the climate-related objectives, we have identified that the following economic activities are relevant:

Sector	Economic activity	Description
6. Transport	6.4 – Operation of personal mobility devices, cycle logistics	Relates to our bicycle rentals.
	6.5 – Transport by motorbikes, passenger cars and commercial vehicles	Relates to leasing of electric vehicles.
7. Construction and real estate	7.1 – Construction of new buildings	Relates to our new buildings.
	7.3 – Installation, maintenance and repair of energy efficiency equipment	Relates to our ongoing energy efficiency projects in our properties.
	7.4 – Installation, maintenance and repair	Covers the installation of charging stations at our properties.
	7.6 – Installation, maintenance and repair of renewable energy technologies	Covers the installation of solar panels on our properties.
	7.7 – Acquisition and ownership of buildings	Relates to properties that we own and the acquisition of new properties during the financial year that are considered to be covered by the Taxonomy.
9. Professional, scientific and technical activities	9.3 – Professional services related to energy performance of buildings	Includes consultants that we have engaged in energy efficiency projects.

Associates and joint ventures co-owned by SkiStar are not included in the assessment in accordance with the Taxonomy.

39 percent of SkiStar's turnover comes from sales of SkiPass, and although the economic activities 6.3 (*Urban and suburban transport, road passenger transport*) and 6.5 (*Transport by motorbikes, passenger cars and commercial vehicles*) refer to a NACE code that includes lifts, following an evaluation, SkiStar's lifts were not deemed to be eligible, as they are not part of any urban or suburban transport system or motor vehicle.

SkiStar's ski rental is also not deemed to be eligible under the Taxonomy based on the fact that the economic activity 6.4 (*Operation of personal mobility devices, cycle logistics*) refers to vehicles, which is not considered to include skis.

SkiStar considers that the renting out of staff accommodation is not covered by the Taxonomy in our report for 2022/23 based on the fact that it is not described as an economic activity, nor is it deemed to fall within the economic activity under 7.7 (*Acquisition and ownership of buildings*).

ACCOUNTING POLICIES

The following section describes our calculations of turnover, capital expenditure and operating expenditure for economic activities that are covered by the Taxonomy.

Double counting in reports of economic activities that are eligible under and aligned with the Taxonomy has been avoided by only using external turnover in the evaluation. Turnover, capital expenditure and operating expenditure that are eligible and aligned with the Taxonomy have also been allocated to the respective relevant economic activities defined in the Taxonomy.

Turnover

Net turnover (see Note 2 on page 115) has been used as a denominator in the calculation of turnover that is Taxonomy-eligible.

The numerator includes external rental income (7.7) and revenue from bike rentals (6.4).

Capital expenditure

The denominator for capital expenditure includes SkiStar's additions to property, plant and equipment and intangible assets in the financial year before depreciation/amortisation and all types of revaluation, including those deriving from impairment and excluding changes in fair value for the financial year. This includes costs under the categories IAS 16 Property, plant and equipment (see Note 14 on page 122), IAS 38 Intangible assets (see Note 13 on page 121) and IFRS 16 Right-of-use assets and Leases (see Note 7 on page 117). The numerator includes the installation of charging stations (7.1), leasing of electric vehicles (6.5) and acquisition of properties (7.7).

During 2022/23, SkiStar did not adopt a capital expenditure plan for expanding economic activities that are aligned with the Taxonomy requirements or enable economic activities that are eligible under the Taxonomy to become eligible within five years. No plan has therefore been reported.

Operating expenditure

The denominator in the calculation of Taxonomy-eligible operating expenditure includes direct costs that are not recognised as assets and that refer to building renovation, short-term leases, maintenance and repairs and all other direct expenditure concerning day-to-day maintenance of property, plant and equipment necessary to ensure the continued and effective function of these assets.

The numerator includes consultant costs linked to projects for energy efficiency (9.3), purchase of electric bicycles for rental (6.4), and maintenance and repair of properties (7.7).

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NOTE E5, CONT.

EVALUATION OF ALIGNMENT

During 2022/23, we focused on evaluating alignment with the Taxonomy for limiting climate change as we consider this to be of greatest relevance to the environmental objective based on SkiStar's economic activities. The evaluation of alignment has been carried out as a project with the involvement of a number of internal experts and external consultants. The central sustainability and economy/finance functions have been responsible for interpretation and evaluation with the support of external consultants.

6.4 – Operation of personal mobility devices, cycle logistics

SkiStar aims to encourage more people to be active and experience the mountains during the summer months as well. So SkiStar has launched the concept of 'Active Recreation' as part of our year-round operations. We want to encourage more people to be active and experience the mountains during the summer months as well. The destinations offer multiple activities in the mountains to make them more accessible all year round, such as climbing parks, trail biking and hiking trails. SkiStar generates revenue from the rental of bicycles/electric bicycles and costs (OPEX) from purchases of bicycles for rental. SkiStar considers this to be a growing business and aims to have 600,000 activity days from the summer by 2030.

Renting ski and bicycle equipment through SkiStarshop is a natural part of many people's trips to the mountains, and during the financial year we launched SkiStar Pre-Used, selling second-hand skis and bikes. During the year, second-hand sales generated SEK 3 million, and the concept will be expanded for next season.

During the 2022/23 financial year, we carried out a physical climate adaptation assessment which corresponds with DNSH's criteria for adaptation to climate change of all personal mobility devices.

6.5 – Transport by motorbikes, passenger cars and light commercial vehicles

SkiStar's vehicle fleet currently runs mainly on the renewable fuel HVO100. SkiStar regards renewable fuel as a short-term solution during a period of transition. A clearer strategy has been adopted to take the next step towards an electrified vehicle fleet, and we are already seeing that larger vehicles will run on other non-fossil alternatives. We are actively engaged in replacing combustion engines with a low-emissions fleet. The transition will take place gradually, with certain types of vehicle being replaced quickly while others will need to await technological advances. Furthermore, SkiStar plans to increase the scope and use of systems to manage and optimise its vehicle fleet.

During the financial year, SkiStar's vehicle fleet was expanded through the addition of 22 electric vehicles.

Despite the fact that a high proportion of the vehicle fleet fulfils the substantial contribution criteria, we have 0% CapEx for economic activity 6.5 because we do not have any information from suppliers for the DNSH criteria for the prevention of pollution.

7.1 – Construction of new buildings

One of SkiStar's business areas is Property Development and Exploitation. SkiStar develops and purchases buildings within this business area. SkiStar defines new buildings in accordance with the following criterion: properties with a building area greater than 150 square metres. During the 2022/23 financial year, SkiStar did not establish any new properties that are classified under this criterion. The economic activity is relevant, but was not applicable during the financial year.

7.3 - Installation, maintenance and repair of energy-efficient equipment

SkiStar aims to reduce its emissions from fuel- and energy-related activities, as well as waste generated by operations, by 25 percent in absolute figures, with 2020/21 as the base year. During the 2022/23 financial year, we identified a number of projects concerning energy efficiency in our properties. These projects have included, for example, the installation and replacement of energy-efficient light sources, the maintenance and repair of air-conditioning systems, and water-saving and energy-efficient fittings. In many cases, the analyses of the projects indicated that it would be difficult to achieve the detailed DNSH criteria that apply because we have no information concerning the prevention and control of pollutants. SkiStar is therefore unable to consider the economic activity as being aligned with the Taxonomy.

7.4 – Installation, maintenance and repair

During the financial year, SkiStar invested in the installation of 186 charging stations for electric vehicles, which is an enabling activity to limit climate change in accordance with the Taxonomy.

SkiStar believes that this activity contributes to the limiting of climate change. SkiStar has carried out physical climate adaptation assessments that are compatible with the DNSH criteria for our charging stations.

During 2022/23, we carried out a physical climate adaptation assessment that corresponds with DNSH's criteria for adaptation to climate change of all charging stations. A physical climate risk analysis has been carried out, which covers the locations of the charging stations and relevant risks.

For economic activity 7.4, the necessary assessments have been carried out, and we are therefore able to claim compliance.

7.6 – Installation, maintenance and repair of renewable energy technologies

The technical criterion for economic activity 7.6 is the installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings.

CapEx for this activity is applicable to the activity 'installation of solar panels'. As part of this activity, SkiStar has installed four new solar panels systems and has a long-term plan for all of its destinations. SkiStar believes that this activity contributes to the limiting of climate change. SkiStar has carried out a physical climate risk analysis for the installation sites, and relevant risks have been taken into account.

For activity 7.6, we have carried out physical climate adaptation assessments that correspond with DNSH's criteria for adaptation to climate change.

For economic activity 7.6, the necessary assessments have been carried out, and we are therefore able to claim compliance.

7.7 – Acquisition and ownership of buildings

The technical requirement for activity 7.7 Acquisition and ownership of properties. During the 2022/23 financial year, SkiStar acquired two properties: Hovde Hotell in Vemdalen and the Platåkåtan restaurant in Åre. Neither of these acquisitions is aligned with the Taxonomy. However, we are working on a number of projects within the field of energy efficiency with the aim of achieving alignment with the Taxonomy.

9.3 – Professional services related to energy performance of buildings

The technical criterion for activity 9.3 Professional services related to energy performance of buildings SkiStar has engaged consultants to provide technical advice in connection with the energy efficiency projects. This has included project management, training, energy simulation and the provision of energy advice.

Minimum safeguards

'Minimum safeguards' means that the company has processes in place to ensure that the business is operated in accordance with the OECD Due Diligence Guidance for Responsible Business Conduct and the UN Guiding Principles for Business and Human Rights throughout the value chain. This means, for example, that companies must have conducted a risk review, adopted policies, implemented risk mitigation measures, followed up outcomes and have transparent communication. SkiStar respects and supports internationally declared human rights and labour law. Based on internal and external expertise, stakeholder consultation and risk analyses of business relationships, SkiStar has identified the most important issues connected to human rights through the value chain. The Code incorporates the UN Global Compact's ten principles regarding human rights, working conditions, the environment and anti-corruption, as well as the ILO's eight fundamental conventions concerning minimum standards for working conditions. Read more about SkiStar's work relating to human rights, anti-corruption, taxation, fair competition and sustainable management on pages 65 to 68 and Note 1 on page 108.

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Proportion of turnover deriving from products or services associated with economic activities that are aligned with the Taxonomy requirements – information covering the year 2022/23

Economic activities (1)	Code/codes (2)	Absolute operating expenditure (3)	Proportion of operating expenditure (4)	Criteria for substantial contribution						Criteria concerning Do No Significant Harm (DNSH)							Taxonomy-aligned proportion of operating expenditure, year 2022/23 N (18)	Taxonomy-aligned proportion of operating expenditure, year 2021/22 N-1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
				Climate change limitation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution prevention and control (9)	Biodiversity and ecosystems (10)	Climate change limitation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution prevention and control (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)				
		SEK million	%	%						Yes/No							Percent	Percent	Enabling	Transitional
A. Activities eligible under the Taxonomy																				
A.1. Environmentally sustainable (Taxonomy-aligned) activities																				
Operation of personal mobility devices, cycle logistics	6.4	11	0%	100%						-	Y	-	Y	-	-	Y	0%		-	-
Turnover by environmentally sustainable activities (not Taxonomy-aligned) (A.1)		11	0%														0%			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		0	0%																	
Acquisition and ownership of buildings	7.7	79	2%																	
Turnover by Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		79	2%																	
Total (A.1+A.2)		90	2%														0%			
B. Taxonomy-non-eligible activities																				
Turnover by Taxonomy-non-eligible activities (B)		4,192	98%																	
Total (A+B)		4,281	100%																	

Proportion of capital expenditure deriving from products or services associated with economic activities that are aligned with the Taxonomy requirements – information covering the year 2022/23

Economic activities (1)	Code/codes (2)	Absolute operating expenditure (3)	Proportion of operating expenditure (4)	Criteria for substantial contribution						Criteria concerning Do No Significant Harm (DNSH)							Taxonomy-aligned proportion of operating expenditure, year 2022/23 N (18)	Taxonomy-aligned proportion of operating expenditure, year 2021/22 N-1 (19)	Category (enabling activity or) (20)	Category (transitional activity) (21)
				Climate change limitation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution prevention and control (9)	Biodiversity and eco-systems (10)	Climate change limitation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution prevention and control (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)				
		SEK million	%	%						Yes/No							Percent	Percent	Enabling	Transitional
A. Activities eligible under the Taxonomy																				
A.1. Environmentally sustainable (Taxonomy-aligned) activities																				
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)*	7.4	4	0%	100%						-	Y	-	-	-	-	Y	0%		E	-
Installation, maintenance and repair of renewable energy technologies	7.6	4	0%	100%						-	Y	-	-	-	-	Y	0%		E	-
Capital expenditure by environmentally sustainable (Taxonomy-aligned) activities (A.1)		8	1%														1%			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	20	2%																	
Acquisition and ownership of buildings	7.7	20	2%																	
Capital expenditure by Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		40	4%																	
Total (A.1+A.2)		48	4%														1%			
B. Taxonomy-non-eligible activities																				
Capital expenditure by Taxonomy-non-eligible activities (B)		1,116	95%																	
Total (A+B)		1,164	100%																	

NOTE E5, CONT.

Proportion of operating expenditure deriving from products or services that are associated with economic activities that are aligned with the Taxonomy requirements – information covering the year 2022/23

Economic activities (1)	Code/codes (2)	Absolute operating expenditure (3)	Proportion of operating expenditure (4)	Criteria for substantial contribution: Climate change limitation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution prevention and control (9)	Biodiversity and ecosystems (10)	Criteria concerning Do No Significant Harm (DNSH): Climate change limitation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution prevention and control (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of operating expenditure, year 2022/23 N (18)	Taxonomy-aligned proportion of operating expenditure, year 2021/22 N-1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
		SEK million	%	%						Yes/No							Percent	Percent	Enabling	Transitional
A. Activities eligible under the Taxonomy																				
A.1. Environmentally sustainable (Taxonomy-aligned) activities																				
Professional services related to energy performance of buildings	9.3	1	0%	100%						–	Y	–	–	–	–	Y	0%		E	–
Operation of personal mobility devices, cycle logistics	6.4	7	2%	100%						–	Y	–	Y	–	–	Y	2%		–	–
Operating expenditure by environmentally sustainable activities (not Taxonomy-aligned) (A.1)		8	2%														2%			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Installation, maintenance and repair of energy efficiency equipment	7.3	5	1%																	
Acquisition and ownership of buildings	7.7	14	3%																	
Operating expenditure by Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		19	4%																	
Total (A.1+A.2)		27	6%														2%			
B. Taxonomy-non-eligible activities																				
Operating expenditure by Taxonomy-non-eligible activities (B)		376	93%																	
Total (A+B)		403	100%																	

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Section S – Social factors

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S1 ACTIVITY AND RECREATION

KEY IMPACTS, RISKS AND OPPORTUNITIES

Getting people moving has been at the heart of SkiStar's operations since the Company was founded more than 45 years ago. By making an active holiday available to more people, we can help promote a more active and sustainable lifestyle and enhance wellbeing. Alpine skiing forms the basis of our operations and is also an important area for us to continue offering and developing. Our goal is to get more people to take part in our activities, both in summer and winter. SkiStar aims to offer seven million skier days and activity days per year by 2030, including 6.4 million skier days and 600,000 activity days. During the year, we have worked towards this goal by focusing on creating new activities at our destinations all year round.

GOVERNANCE AND MONITORING

SkiStar wants to be at the cutting edge and further develop operations with a focus on increasing the number of guests and activity days at our destinations. We create new products and experiences that enable our guests to get active in our beautiful mountain environment. Alpine skiing is SkiStar's core business, which we track through sold SkiPasses and number of runs carried out on our slopes. Activity days are an activity linked to movement that generates income. We follow the development on an ongoing basis and have clear targets that we monitor.

RESULT INDICATORS

	2022/23	2021/22
Skier days	5,682,561	6,030,660
Activity days*	252,584	217,785

During the financial year, the number of skier days amounted to 5,682,561, the second best in the Company's history, after last year's record (6,031,000). The decline is due to the calendar effect and the fact that we have had fewer visitors during the final part of the winter season. Activity days have increased by 16 percent compared with the previous year. The biggest development has taken place in Sälen and Trysil where we have further developed our operations, as well as in Vemdalen where we have launched new summer activities.

* Definition and figures have been adjusted during the financial year. See page 141 for definition.

S2 HUMAN CAPITAL

KEY IMPACTS, RISKS AND OPPORTUNITIES

Our employees are our greatest asset by far. A common commitment and a quest to create a memorable mountain experience for our guests is a large part of our success. SkiStar is a major employer of young people that offers them a start in the labour market. SkiStar recruits around 3,000 young people aged 18–24 annually. In the last ten years, nearly 14,000 young people have been given the opportunity to gain a foothold in the labour market by working for us at our destinations. This also entails enormous responsibility for us as an employer. For many, a job with SkiStar means moving away from home and being thrown into a new world. To support and help our employees, we are also taking responsibility for their well-being through health and climate-promoting activities.

SkiStar is also a major employer in sparsely populated areas – and in some cases the largest employer in the area. We try to recruit and attract employees from local areas to enable more people in sparsely populated areas to work where they live and have the opportunity to stay there.

POLICY

SkiStar's employee strategy is guided by frameworks such as employee, diversity and work environment policy. SkiStar's HR function works both strategically and operationally in competence provision and work environment. Furthermore, the HR function develops ongoing procedures and ways of working to create secure leaders and employees. The HR function is led by the HR Director who is a member of SkiStar's Group Management.

GOVERNANCE AND MONITORING

Compliance with the above policies and related documents must be regularly monitored by both the responsible manager and the HR Director. The review must include an assessment of SkiStar's opportunities for improvement in the organisation's approach based on changes in the world around us, business conditions and legal requirements. Furthermore, the HR Director must report the situation and status regarding compliance with internal approaches and routines to Group Management and the Board of Directors annually. Special reasons, such as serious incidents, deficiencies or needs, may justify additional reporting.

CULTURE AND LEADERSHIP

Shared core values and a strong corporate culture are at the heart of both a positive employee experience and the successful implementation of business strategies. SkiStar's vision is: We create memorable mountain experiences. By welcoming people from all age groups, with different abilities, backgrounds, functional ability, conditions and experiences, SkiStar aims to offer a workplace where everyone can be themselves. SkiStar's core values, which all employees and managers are expected to live by, are:

- Together: We take joint responsibility
- Credible: Attitude makes a difference
- Commitment: Movement takes us forward
- Simple: If it is easy, we do it right

During the last financial year, SkiStar developed its values and in the coming financial year major work will be carried out based on these. SkiStar's cultural transformation aims to strengthen the behaviours needed for the Company to be able to implement its strategies and create a work environment where employees can achieve their full potential.

Employee surveys are conducted several times a year in order to understand how employees experience their work and how they perceive SkiStar as an employer. The results are compiled at Group, departmental and unit level so that managers and leaders can act when and where needed.

EQUALITY, DIVERSITY AND INCLUSIVENESS

SkiStar is engaged in creating a corporate culture that values equality, diversity and inclusion at all levels and gives all employees equal opportunities. All employees have the same rights and the right to equal treatment regardless of gender, sexual orientation, ethnicity, beliefs, functional variation or age. We have a policy of zero tolerance for any form of discrimination and take strong action in response to incidents and conduct that contravene SkiStar's policies and directives. We value and welcome our differences and aim to increase diversity.

The diversity policy applies to all employees in the Group, regardless of their type of employment. It is also a natural part of the Company's leadership programme and employee induction. Employee surveys are conducted annually and include work environment and diversity issues. The results are a measure of SkiStar's success in this area but are also a source for continued improvements.

In close cooperation with the work environment organisations at each destination, the responsibility for operational management of diversity work and implementation of defined procedures lies with each department/business area manager. The HR function is responsible for ensuring that recruitment processes within the Company are ingrained with values and attitudes that are in line with the diversity policy. It is

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important that all employees share and live up to our values in order for SkiStar to have a culture where equality, diversity and inclusion are present.

SkiStar's diversity policy is revised annually and approved by SkiStar's Board of Directors. The policy includes aspects such as processes for recruitment, training, development opportunities and SkiStar in the community. SkiStar aims to have a 50/50 gender distribution in all employee groups and at least 40 percent female managers in senior executive positions. Through the Nomination Committee, SkiStar applies Rule 4.1 of the Swedish Corporate Governance Code as its diversity policy when preparing nominations for the election of Board members.

RECRUITMENT

SkiStar operates a seasonal business and has a significant need for seasonal employees. Before each season, a major recruitment effort is undertaken to find new staff, with thousands of applications being received. This requires a positive and efficient recruitment process that ensures we have the right skills in place before each season, as well as for future needs. Our values are always integrated into our recruitment processes, and we look for diversity in both experience and qualities when engaging new staff. We conduct digital group interviews for our seasonal recruitment, and throughout the rest of the year as needed.

RESULT INDICATORS

EMPLOYEES

	2022/23						2021/22				
	Permanent employees[1]			Seasonal employees[2]			Permanent employees[1]		Seasonal employees[2]		
Number of employees[3]	Men	Women	Proportion women, %	Men	Women	Proportion women, %		Men	Women	Men	Women
Vemdalen	51	10	16	153	148	49	Sweden	278	193	881	933
Sälen	98	54	36	360	475	57	Norway	136	92	444	259
Åre	86	26	23	270	264	49					
Hammarbybacken	4	1	20	19	19	50					
Trysil	78	30	28	209	135	39					
Hemsedal	33	18	35	117	85	42					
Central	44	105	70	1	9	90					
Hotell Norge	33	30	48	74	106	59					
Sweden	**283**	**196**	**41**	**803**	**915**	**53**					
Norway	**144**	**78**	**35**	**400**	**326**	**45**					

[1] Permanent employees refers to those employed as at 31 August 2023.
[2] Seasonal employees refers to the number of seasonal employees as at 28 February 2023.
[3] Information on number of employees, age, gender is retrieved from SkiStar's salary system.
Limitation: Impact occurs internally when recruiting new employees. Reporting only covers individuals employed by SkiStar and Board members. Reporting by destination and professional categories is included for the first time in 2022/23.

DIVERSITY

2022/23	Women	Men	< 29 years	30–50 years	> 50 years	Women, %	Men, %
Board of Directors	3	6	0	2	7	33	67
Group Management	3	5	0	4	4	38	63
Management teams destination	25	30	0	33	22	45	55
Employees[1]	16	16	2	16	14	50	50

[1] Employees here refer to people who report to someone in Group Management. All figures are as at 31 August 2023.
The distribution regarding equality, diversity and inclusion in the Company's professional groups is 46 percent female and 54 percent male.

COLLECTIVE BARGAINING AGREEMENT AND WORKING CONDITIONS

All of SkiStar's destinations are covered by collective agreements that regulate minimum wages and employee rights, with the exception of the CEO. All employees receive a written employment contract and working hours are regulated by the applicable collective agreement in Sweden and Norway. Working conditions are regulated both on the basis of the Work Environment Act and working hours agreements. Through scheduling, which is done according to the relevant rules and regulations linked to the applicable collective bargaining agreements, it is checked that no deviations are made and that all employees work the correct number of hours based on what the collective agreements allow. Close collaboration with our local union representatives ensures that we work together for good employment conditions and work environment based on the needs of both the employer and the employees.

CODE OF CONDUCT

SkiStar's Code of Conduct describes the basic values that form the basis for how our employees should act towards one another and the people they meet. The Code incorporates the UN Global Compact's ten principles regarding human rights, working conditions, the environment and anti-corruption, as well as the ILO's eight fundamental conventions concerning minimum standards for working conditions. The Code is revised annually. The Code is available to all employees via SkiStar's intranet. SkiStar takes violations of the Code of Conduct seriously. A risk that has been identified linked to SkiStar's Code of Conduct is deviation from conflicts of interest. As SkiStar exists in smaller towns and communities, this can happen. We work actively to inform and identify cases. A whistleblower service is available to everyone with a work-related relationship with SkiStar to enable anonymous reporting of violations. Training is governed by several policies such as employee policy, sustainability policy and diversity policy. All new employees undergo online training.

CAREER AND DEVELOPMENT

SkiStar attaches great importance to the training of new and returning seasonal employees and must offer all employees development and training opportunities. Every year we receive a large volume of seasonal employees, and we have a systematic induction and training programme to create good conditions for them to take on their tasks and feel comfortable with us. Our goal is for all employees to also be trained in relevant areas of sustainability. Every year, all employees undergo an online training course that includes the work environment, sustainability and GDPR. We are also working to broaden our training offering to increase opportunities for professional development within the Company. Our employees completed an average of ten training hours during the year.

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S3 HEALTH, SAFETY AND WELLBEING

KEY IMPACTS, RISKS AND OPPORTUNITIES

Employers are responsible for ensuring a good physical and psychosocial work environment. The impact on our own employees occurs within the organisation. The greatest risk for serious accidents is in our Operation of Mountain Resorts and Property Development and Exploitation business areas. In our Operation of Mountain Resorts business area, we work systematically and actively to ensure the safety of our employees and guests. In the Property Development and Exploitation business area, the risk for serious accidents lies outside the organisation among the people managing our properties and working on our construction sites. However, we are aware that, as the purchaser of these services, we should do everything we can to improve the workplaces of these people as well.

GOVERNANCE AND MONITORING

SkiStar's health and safety initiatives are based on the work environment legislation and are described in several governance documents, such as our work environment policy and work environment handbook. SkiStar AB's Board of Directors has overall responsibility for ensuring that the SkiStar Group's work environment initiatives are conducted in accordance with the policy. With the support of Group Management, it is the responsibility of the CEO to ensure that there is an appropriate organisational structure, delegated tasks and sufficient resources for work environment initiatives in accordance with the policy. More detailed instructions that describe our systematic health and safety initiatives can be found in the work environment handbook, which serves as a daily aid. Employees' voices are heard via employee surveys, employee dialogues, work environment meetings and safety representatives. All employees at SkiStar are covered by systematic work environment initiatives.

SkiStar trains managers and supervisors with the right knowledge, skills, resources and powers to be able to work towards maintaining a good and safe work environment and ensures that all employees receive the induction and training they need to be able to work safely and healthily.

We conduct annual employee surveys to ensure a positive and healthy work environment and identify opportunities for improvement. Each employee undergoes at least one performance review per year to ensure a good work situation. Health checks are conducted regularly to prevent risks at work and ensure that our employees are well.

INCIDENT REPORTING AND INVESTIGATION

Reporting and monitoring of deviations is an important part of our systematic work environment management. All deviations linked to the work environment area must be reported according to internal procedures. The internal procedure is based on legal requirements for Sweden and Norway regarding monitoring and investigation of work environment deviations. Managers and leaders with work environment responsibility are responsible for working with deviations that are received. The Central Safety Committee is responsible for following up and monitoring deviations received. Deviations are monitored continuously and reported on a monthly basis. The difference in the number of reported accidents/near misses between SkiStar's countries is due to different reporting requirements among the countries. There is also variation between destinations due to different work procedures and processes. Efforts are being made to enhance reporting of the number of accidents and near misses.

GOOD HEALTH/WELLBEING

As a company, SkiStar wants to be able to inspire an active lifestyle. We want to get more people moving, and this also includes our employees. That is why it makes perfect sense to be able to offer benefits on products that promote an active life for our employees. All employees receive a SkiPass/LiftPass during their employment. All employees are regularly invited to participate in staff promotion activities such as training activities, skiing, mountain tours and socialising. Healthcare is provided in the form of health checks every two years and also access to occupational healthcare if necessary. In addition to this, SkiStar also works through the health initiative 'Live as we learn' by inspiring and making it possible for all employees to participate in various health-promoting activities both during and outside working hours.

RESULT INDICATORS

Work environment, health and safety[1)]

SkiStar's vision is zero casualties and serious workplace accidents, and a downward trend for minor accidents. Furthermore, SkiStar takes a positive view of a rising trend regarding the reporting of near misses, as the right action can be taken to prevent an accident. During the financial year, 290 (163) accidents/near misses occurred among SkiStar's employees. Of these accidents, 39 were classified as serious workplace accidents and reported to the relevant authorities. In addition, 139 (114) were classified as minor workplace accidents. No casualties have occurred during the financial year.

	2022/23		2021/22	
	Sweden	Norway	Sweden	Norway
Casualties	0	0	0	0
Accidents (serious)	37	2	69	2
Accidents (less serious)	121	18	100	14
Near misses	35	86	21	28

[1)] Figures refer to SkiStar employees.

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S4 HUMAN RIGHTS

KEY IMPACTS, RISKS AND OPPORTUNITIES

For SkiStar, it is self-evident that all people are equal. We must interact with and treat our fellow human beings equally, regardless of gender, ethnicity, religion or other belief, functional variation or age. SkiStar respects and supports internationally declared human rights and labour law.

Based on internal and external expertise, stakeholder consultation and risk analyses of business relationships, SkiStar has identified the most important issues connected to human rights through the value chain. The risk of human rights violations is assessed to be primarily found in SkiStar's supply chain, in the areas of trade union rights, forced labour, occupational health and safety, discrimination, long working hours and conflict-related effects.

SkiStar's Supplier and Partner Code of Conduct has its roots in SkiStar's values, the UN Global Impact's 10 principles regarding human rights, working conditions, the environment and anti-corruption, the UN Declaration of Human Rights, the UN Convention on the Rights of the Child, the UN Declaration on the Right of Indigenous Peoples, the OECD Guidelines for Multinational Enterprises and ILO's eight fundamental conventions. Issues the Code covers include environmental responsibility, forced labour, child labour, freedom of association and anti-corruption. In addition to complying with the provisions of the Code of Conduct, SkiStar's suppliers must apply national legislation. In the situations where the Code of Conduct and national legislation indicate provisions related to the same area, the one with the highest standard should apply. Should the Code of Conduct be in direct conflict with the current laws and constitute a breach of applicable legislation, the highest standards apply that are in compliance with current legislation. Suspected violations of human rights are reported and dealt with in line with current legislation.

GOVERNANCE AND MONITORING

SkiStar's Supplier and Partner Code of Conduct must be regularly monitored by the supplier's contact person at SkiStar. If deviations from the Code are identified, SkiStar should ensure that measures are taken by the supplier. Reporting the violation should also be done by the supplier's contact person at SkiStar to SkiStar's Sustainability Manager. Monitoring of compliance with the governance document must be reported to the Group Management and the Board of Directors through the Audit Committee in connection with the annual update of the governance document.

RESULT INDICATORS

During the year, SkiStar noted a possible departure from SkiStar's Supplier and Partner Code of Conduct. Incoming information and deviations are discussed on an ongoing basis in SkiStar's Group Management and measures decided on. In the specific case, a further dialogue was taken up with the supplier as feedback with adequate answers.

S5 TRAINING

KEY IMPACTS, RISKS AND OPPORTUNITIES

Many of SkiStar's employees remain with the Company and often change positions and/or destination. We encourage our employees in their professional development and help them climb the career ladder internally by providing many different opportunities. Good examples of this are SkiStar's internal leadership and trainee programmes, along with various combination positions that have varied tasks. The training is adapted according to professional category, form of employment and security/authorisation requirements. During the financial year, we adapted the training offering in more digital formats in order to become more sustainable based on geographical spread between the destinations. Within the SkiStar Academy, we want to train and inspire within a wide range of topics, from rhetoric and leadership development to employee engagement. The programme covers all managers and leadership roles, be they full-time or seasonal employees. During the financial year, we also carried out a project linked to digitalisation of all onboarding and offboarding processes for all professional groups that will be implemented during the coming year. We do this to simplify the induction phase further by creating the opportunity to acquire knowledge and create security at the start of employment.

GOVERNANCE AND MONITORING

Training is governed by several policies such as employee policy, sustainability policy and diversity policy. We are also working to broaden our training offering to increase opportunities for professional development within the Company. Our employees completed an average of ten training hours during the year.

The training hours are estimated based on planned training hours. The figures for the sustainability training course are the actual outcome. Figures are not broken down by employee due to system limitations. Efforts to eventually be able to collect and report this information are in progress.

RESULT INDICATORS

TRAINING HOURS PER EMPLOYEE

	2022/23	
	Women	Men
Permanent employees	10	10
Employees on fixed-term contracts	25	25

Sustainability training	% of employees
Basic Sustainability	70
Climate-smart at the ski resorts	65

Section G – Governance

G1 GOVERNANCE OF SUSTAINABILITY WORK

Sustainability is an integral part of SkiStar's governance and reporting. An understanding of and commitment to challenges such as climate change and the use of natural resources are of particular importance to SkiStar. Responsibility is thus important both at Group level and at the destinations.

Responsibility for sustainability-related issues is ultimately held by SkiStar's Board of Directors. SkiStar's Board approves all of SkiStar's policies annually. Reporting of SkiStar's sustainability goals to SkiStar's Board takes place twice a year. SkiStar's CEO bears overall responsibility for evaluating and managing sustainability issues, including climate-related issues, which are well integrated in SkiStar's operations.

Operational responsibility for sustainability and climate-related issues at Group level is led by the Sustainability Manager, who during the financial year reported to the Communications and Sustainability Director[1)], a member of Group Management. The Sustainability Manager is responsible for defining, proposing and supporting implementation and communicates decisions made in connection with the sustainability strategy and established goals. Planning, management and monitoring of sustainability initiatives follow the organisational structure with a clear delegation of responsibilities and powers. This consists of policies, directives, procedures and overall goals. Furthermore, our work is governed by laws, guidelines and regulations, including the UN Sustainable Development Goals.

Sustainability forum

SkiStar has a dedicated Sustainability Forum, chaired by the CEO, with the Sustainability Manager as secretary. In addition to the CEO and Sustainability Manager, the forum consists of representatives from the core business: the Communications and Sustainability Director, Property Development Director, HR Director and CEO of SkiStar Norge AS. Two members were added to the forum during the year: the Business Development Manager and the SkiStarshop Manager. The forum meets regularly to discuss the Company's development, and ensure compliance with policies and guidelines and achievement of established goals.

GOVERNANCE AND MONITORING

In addition to the general Code of Conduct, SkiStar works in line with a range of policies and governance documents that clarify the Company's risks, risk management strategy and approach to achieving its objectives. The purpose of these policies is to create transparency and clarify how we intend to pursue operations with a long-term, sustainable approach to generate growth and develop the Company. All policies are reviewed annually and constitute a basic tool to ensure each employee at SkiStar can easily access information regarding how they are expected to act, when and for what reason. The policy owner designs the policy, which is then approved by SkiStar's Group Management and Board of Directors.

Annual online training is provided to increase awareness and understanding of how SkiStar is expected to act and respond to its operating environment. The training covers all policies including the Code of Conduct. It is also aimed at increasing understanding of how sustainability aspects should be observed in all areas of the business, and how they should be a natural consideration for every employee at all levels and in all decisions. All the Company's policies are available to SkiStar's employees via the intranet.

SkiStar aims to achieve full compliance with the Company's policies and other internal governing documents. For everyone to feel confident that the Company is working towards the same goals, and identify all possible policy breaches, SkiStar has established a whistleblower function. The service is designed to give all employees and others who have a work-related relationship with SkiStar the opportunity to anonymously report any suspicions of serious irregularities. The whistleblower function is a warning system aimed at reducing risks, preferably at an early stage in the chain of events. A whistleblower function is an important aspect of effective corporate governance and maintains public confidence in us as a company. Directives and procedures for reporting are available to all employees and others with a work-related relationship with SkiStar.

[1)] Reporting from 1 September 2023 will be directed to the CFO.

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G2 COMPLIANCE AND BUSINESS ETHICS

KEY IMPACTS, RISKS AND OPPORTUNITIES

Corruption and unethical business methods are a hindrance to economic and social development, and often very disproportionally affect fragile communities and undermine democratic institutions. Both stakeholders and rules and regulations impose increasingly greater demands for more transparency concerning working methods and for the Company to have policies of zero tolerance for corruption, as well as implementing robust programmes for ethics and regulatory compliance to ensure a culture of compliance. Furthermore, competition rules in the jurisdictions where the business may have anti-competitive effects must be taken into account and followed.

SkiStar's business is associated with risks related to work environment, corruption and human rights. These risks are partly within the Company and partly with suppliers and partners working on assignments for SkiStar. SkiStar has a policy of zero tolerance for bribery and corruption both in our operations and in our business relationships. Corruption issues are dealt with within the framework of SkiStar's risk management, with policy documents reinforcing efforts to prevent and identify instances of corruption, as well as risks attributable to restrictions on competition. There are also clear guidelines and procedures clarifying what is expected of our employees in the areas of purchasing and procurement. If corruption is suspected or uncovered, there are guidelines governing how such cases should be handled.

To manage the risks, SkiStar has adopted an internal Code of Conduct and a Supplier and Partner Code of Conduct. Violations of the Code of Conduct are difficult to detect, and SkiStar's focus is therefore on minimising the risks of corruption and human rights violations. Training and induction programmes provide SkiStar's employees with knowledge about how the Company's policies and other governing documents are structured and how employees are expected to act in the event of suspected violation of the Code of Conduct. The management have been trained in matters relating to competition, which the employees responsible for the Company's purchasing will also do at regular intervals in the future.

GOVERNANCE AND MONITORING

Effective governance, risk management and regulatory compliance are supported by a strong corporate culture where all of SkiStar's employees use good judgement and act with integrity and in accordance with the Code of Conduct. SkiStar has an anonymous whistleblower function for cases of suspected corruption, other irregularities or violation of our Code of Conduct. The whistleblower function is available to all employees and others who have a work-related relationship with SkiStar. The whistleblower function is anonymous.

Cases reported via the whistleblower function go to an external, independent party. The external recipient carries out an initial assessment of the case. The reported case and the initial assessment are forwarded to a designated individual from among a group of contacts selected by SkiStar (chair of the Board of SkiStar AB, chair of the Board of SkiStar Norge AS, CEO, General Counsel, HR Director) for further processing and planning of action to take. The external recipient decides who is to be contacted for the case in question to ensure that such individual is independent and unconnected to the case and/or person/people affected by the case. At least once a year, cases reported via the whistleblower function and any associated issues are reported back to Group Management and the Board via the Audit Committee. Special reasons, such as serious incidents, deficiencies or needs, may justify additional reporting.

CONFLICTS OF INTEREST

SkiStar applies external rules as well as internal provisions regarding conflicts of interest. Board members may not participate in any decisions concerning agreements between them and SkiStar. The same also applies to agreements between SkiStar and third parties or legal entities in which a Board member has an interest that may be in conflict with SkiStar's interests. Management, including the CEO, may not participate in the Remuneration Committee's or the Board's processing of questions about remuneration for them.

Furthermore, SkiStar's employees are always expected to use good judgement and great integrity concerning SkiStar's business. Agreements concluded on behalf of SkiStar must always be imbued with commercialism and work in the best interests of SkiStar. If an agreement is to be entered into with a party that has any form of close relationship to the person who intends to enter into an agreement on behalf of SkiStar, directly or indirectly, the agreement must be approved and signed by a senior manager.

The Company's Code of Conduct, as well as underlying directives regarding purchases and procedures for related party transactions, include instructions for handling situations where conflicts of interest may arise. SkiStar works to ensure that effective measures are taken to avoid, or where necessary counteract, potential and actual conflicts of interest. Furthermore, the rules of procedure established by the Board, as well as for the work of the committees, include rules on handling situations where conflicts of interest may arise and how these should be dealt with. The Audit Committee has also implemented a process for approving services other than audit services performed by an external auditor to secure the auditor's independent status.

CODE OF CONDUCT

SkiStar's Code of Conduct describes the guidelines and values that form the basis for how our employees should behave towards one another and the people they meet. The Code incorporates the UN Global Compact's ten principles regarding human rights, working conditions, the environment and anti-corruption, as well as the ILO's eight fundamental conventions concerning minimum standards for working conditions. The Code is revised annually. The Code is available to all employees via SkiStar's intranet. SkiStar takes violations of the Code of Conduct seriously.

RESULT INDICATORS

During the 2022/23 financial year, eight cases of suspected violation of SkiStar's Code of Conduct were reported and investigated. At the end of the year, an investigation into one case is in progress.

REPORTING, INVESTIGATING AND CONFIRMING MATTERS REGARDING VIOLATION OF SKISTAR'S CODE OF CONDUCT

number	2022/23	2021/22
Reported cases	8	0

STATUS AT YEAR-END

	2022/23	2021/22
Terminated cases	7	0
Cases in progress	1	0

REPORTED CASES PER CATEGORY

	2022/23	2021/22
Corruption and violations of laws and regulations	0	0
Conflicts of interest	0	0
Employee issues	5	0
Human rights	0	0
Business-related	3	0

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G3 THE SUPPLY CHAIN AND RESPONSIBLE PURCHASING

KEY IMPACTS, RISKS AND OPPORTUNITIES

Effective partnerships and responsible procurement of suppliers are an important factor in the ongoing sustainable development of operational activities. SkiStar works with many different suppliers within the Company's various business areas. Most of SkiStar's suppliers come from Scandinavia and Europe. SkiStar's biggest suppliers are in the Operation of Mountain Resorts and Property Development and Exploitation business areas.

SkiStar's own brand EQPE is mostly produced in China. Production of selected parts of the range have been moved to Sweden and Lithuania during the financial year. The textile industry is characterised by a complex and global supply chain with actors who collaborate across country borders. High risks occur in the areas of human rights and workers' rights in both the production of raw materials and at the manufacturing stage. In the area of the environment, the risks are also considered to be of a serious nature, with potentially far-reaching effects throughout the supply chain. SkiStar has assessed the production of EQPE clothing as one of the highest risks of human rights violations in the SkiStar supplier chain. SkiStar has annual dialogues and reviews with these suppliers to minimise the risks.

SkiStar applies a Supplier and Partner Code of Conduct, which sets out the expectations SkiStar has of them. SkiStar has also worked actively with its suppliers and evaluated them all according to social and environmental requirements. SkiStar's Supplier and Partner Code of Conduct includes respect for human rights, among other areas. It requires suppliers to be familiar with basic human rights and labour conditions, and to respect and comply with them. All SkiStar's suppliers and business partners are expected to accept this Code of Conduct. In the event of any violations, SkiStar will take action.

In order to ensure secure procurement, SkiStar works based on established directives for purchasing, which take into account several perspectives in procurement and purchasing such as availability, price, quality as well as sustainability and competition laws aspects.

GOVERNANCE AND MONITORING

To enhance transparency and control at the supplier level, SkiStar launched a risk assessment of the Company's supplier base during the year. The work has been based on new legal requirements for SkiStar's Norwegian operations. The suppliers are assessed based on five risk parameters to identify possible risks linked to products, areas and industries, for example. The risk of human rights violations is principally deemed to be at the supplier level. Based on the risk analysis, seven areas were prioritised as medium/high risk. These areas are:

- purchase of construction materials and machine parts
- purchase of IT products for own operations
- purchase of cleaning services
- purchase of food and drink
- purchases for EQPE, our own brand

SkiStar did not identify any actual negative consequences in the risk analysis.

The Company's expectations are described in our Supplier and Partner Code of Conduct, which is included as an appendix in the majority of all agreements entered into with SkiStar. The code was updated during the year to clarify SkiStar's expectations and requirements regarding respect for human rights. The right to review suppliers was also added. SkiStar's goal is for all suppliers to sign the Code of Conduct. SkiStar's Supplier and Partner Code of Conduct is available on SkiStar's website, skistar.com/en/corporate.

RESULT INDICATORS

During 2022/23, all new suppliers approved SkiStar's Supplier and Partner Code of Conduct. The suppliers of 83 (75) percent of SkiStar's total debited purchase amounts approved the Code of Conduct during the year.

G4 SECURITY AND DATA PROTECTION

KEY IMPACTS, RISKS AND OPPORTUNITIES

As security threats become more sophisticated, they mean an increased risk of incidents that could have a significant negative impact on companies, society and individuals. The increased prevalence of cybersecurity threats creates both risk and opportunity because effective security can constitute a competitive advantage, while lack of action may risk damaging customer confidence. Stricter rules for security, data protection and data localisation have been introduced, and will be introduced on an ongoing basis. Continuous risk analyses are conducted at all destinations by the Company to minimise the various types of risks and to be sure to have the correct insurance cover in place. SkiStar also has an extensive crisis plan to ensure that the Company is well prepared in the event of any accidents or near misses. Information security is an area requiring more and more resources, due to a negative trend globally involving various types of attacks and intrusions. SkiStar follows established procedures for the development and introduction of new infrastructure and systems. The risk of intrusion, loss of information and business interruption is reduced by focusing on information security, cooperation with suppliers and development of working practices and procedures.

GOVERNANCE AND MONITORING

At SkiStar, we follow our information policy with, inter alia, associated directives, directives for processing of personal data and directives for information security. Furthermore, we work actively on safety and security issues by means of collaboration with trade organisations and unions, regular training, reporting of near misses and a systematic health and safety programme. At SkiStar, we have a data protection group that works with data protection issues according to a set circular planner. The circular planner is meant to promote a proactive way of working and helping the organisation to continuously improve and answer data protection questions. The circular planner reflects the data protection regulation's requirements, and the results of the Group's work are reported annually to both Group Management and Board of Directors through the Audit Committee. We also train our employees in data protection issues annually.

In the area of information security, continuous training takes place for all of the organisation's employees to constantly increase awareness and understanding of the importance of information security work. The staff are trained by means of short, recurring training sessions, and since the turn of the year we have achieved an implementation rate of just under 80 percent. It is worth noting that employees who only work recurrently during the winter season are included in these statistics, which is why the numbers are slightly misleading when this part of the workforce is not working (from May to about mid-November).

Section O – Other – Basis for the report

O1 STAKEHOLDER ENGAGEMENT AND MATERIALITY

Charting and analysing stakeholders' expectations of our operations is a prerequisite for creating sustainable value. That is why we have ongoing dialogue with our stakeholders.

In addition to this ongoing engagement with stakeholders, in-depth interviews with a selection of representatives from our various stakeholder groups were conducted in the previous year. The purpose was to identify SkiStar's most important sustainability issues now and in the future, and to gain an understanding of which issues create significant value for our stakeholders. The stakeholder engagement formed the basis of SkiStar's sustainability strategy.

Dialogue with stakeholders provides insights into the expectations of different stakeholder groups and contributes to the development of long-term relationships and continuous improvement of SkiStar's operations. The engagement also provides valuable information when SkiStar evaluates its sustainability work and prioritises initiatives in the area of sustainability.

Stakeholder engagement included a targeted survey to which approximately 4,050 guests and 500 employees responded. In addition, in-depth interviews were conducted with selected stakeholder groups, such as municipalities, regions, shareholders and destination companies. This was done to get a picture of the stakeholder groups' priorities, and it formed the basis for SkiStar's materiality analysis and sustainability strategy.

Two areas of increasing importance to our stakeholders and our operating environment are 'Biodiversity' and 'Integration'. In terms of biodiversity, the expectation is that stakeholders want more information about SkiStar's impact on biodiversity at our destinations. They also want to know how other places are affected as a result of the Company's purchases of goods and services.

MATERIAL ISSUES

SkiStar conducts surveys with stakeholders annually with the focus on guests and employees. SkiStar holds ongoing dialogues and in-depth interviews with other stakeholders such as suppliers, municipalities and politicians, land owners and industry organisations. These dialogues are processed and included in SkiStar's materiality analysis.

SkiStar revises its materiality analysis on an ongoing basis, as dialogues with a number of stakeholders take place, and will result in updating during the coming financial year in line with the forthcoming framework.

Two areas identified during the financial year as being of increasing importance to our stakeholders and our operating environment are 'Biodiversity', 'Energy Conservation' and 'Integration'. Read more about our work on pages 41–50 and about stakeholder engagement and the materiality analysis on pages 70–71 Note O1.

STAKEHOLDER ENGAGEMENT

Stakeholders	Dialogue	Material issues
Guests/Customers/ Accommodation Owners	• Weekly guest surveys • Daily meetings with guests	• Waste and recycling • Sustainable tourism • Health and safety • Circular economy • Energy conservation
Employees	• Annual employee survey on sustainability • Regular employee surveys • Individual dialogues	• Sustainable working life • Climate and mountain environment • Waste and recycling
Shareholders	• Investor meetings • ESG surveys and assessments	• Climate-related risks and opportunities • Activity days • Biodiversity • New business opportunities: all-year-round operation
SOCIETY		
Suppliers	• One-off meetings • Purchasing dialogue • Collaborations	• Compliance with SkiStar's Supplier Code of Conduct • Working hours and working conditions • Long-term collaborations
Sector organisation	• Board meetings • Forum members • Continuous dialogue	• Climate and mountain environment • Biodiversity • Integration and work environment
Landowners	• One-off meetings • Continuous dialogue	• Protection of mountain environment • Exploitation and development of mountain destination
Municipalities & Politicians	• One-off meetings • Consultation meetings • Continuous dialogue	• Public health and inclusiveness • Sustainable development of destinations
Local businesses	• One-off meetings • Consultation meetings • Continuous dialogue	• Booking conditions and interest in mountain holidays • Sustainable development of destinations
Media	• Interviews • Continuous dialogue	• Climate change • Booking conditions and interest in mountain holidays • Incidents at mountain resorts (avalanche/accidents)

SKISTAR'S STAKEHOLDERS



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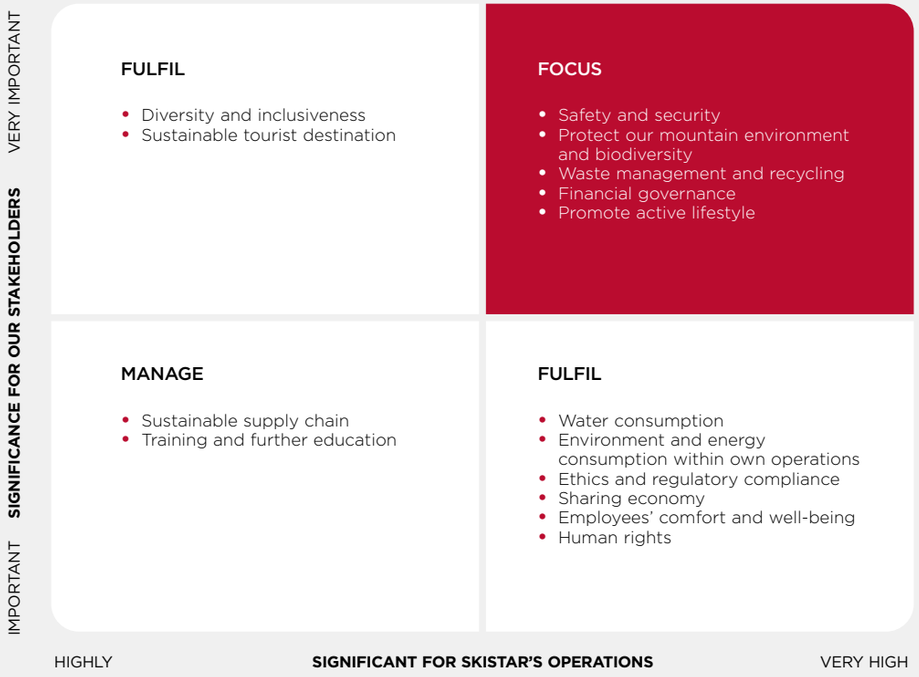
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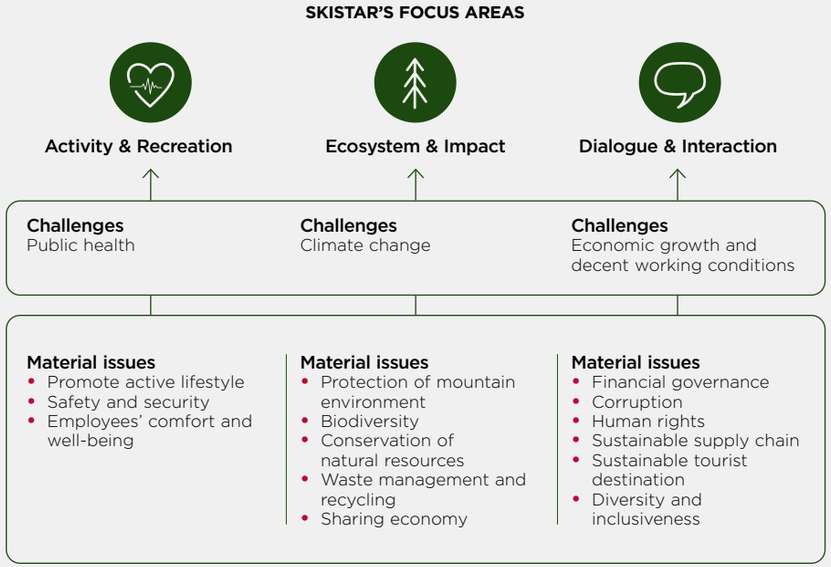
MATERIALITY ANALYSIS

SkiStar's materiality analysis is based on several different areas: stakeholder engagement, external trends and the Company's and Group Management's strategic priorities. The analysis forms the basis of SkiStar's strategic focus and prioritisation of sustainability initiatives.

Based on the survey of stakeholders' expectations and external monitoring, internal priorities have been established, of which sustainability issues are deemed the most significant. When establishing these priorities, SkiStar's actual impact on people, the environment, the economy and society was considered.

SkiStar conducts a materiality analysis every two years. A review of and update to the materiality analysis was carried out during the year, the conclusions of which are shown below. The results show the areas that are most important for SkiStar's business and value initiatives as based on the analysis. SkiStar's contributions and challenges linked to the UN's 17 Sustainable Development Goals also formed part of the analysis.





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O2 ACCOUNTING POLICIES, SCOPE AND EXTERNAL ASSURANCE

SkiStar's sustainability initiatives are reported annually. This report is for the period 1 September 2022 – 31 August 2023. SkiStar's sustainability work is initiated by Group Management and endorsed by the Board of Directors as a priority area for SkiStar. The objective is to run the entire business in a sustainable way. This is why the description of sustainability initiatives is integrated into the Company's annual report.

The sustainability report has been prepared in accordance with GRI Standards, Core Option. The GRI index on pages 73–76 contains references to where the information can be found in the annual report.

By applying the international GRI guidelines, SkiStar strives to provide transparent and balanced reporting of sustainability-related content relevant for our stakeholders.

The EU Taxonomy for Green Investment is part of the EU Action Plan on Sustainable Finance and is aimed at defining environmentally sustainable investments. For an activity to be considered sustainable under the Taxonomy Regulation, it must make a substantial contribution to at least one of the EU's six established environmental objectives and do no significant harm to any of the other environmental objectives. In addition, there are requirements regarding social aspects such as human rights and work environment.

On page 59 is a description of the information to be provided in the 2022/23 annual report regarding the proportion of taxonomy-eligible activities.

The report has been reviewed by SkiStar's auditors, and their statement can be found on page 76.

LIMITATIONS AND CHANGES FROM THE PREVIOUS YEAR

The sustainability report includes the Parent Company and wholly-owned subsidiaries. It has been determined that co-owned associates do not constitute a significant portion of operations, which is why they are not included in the report. Joint-venture companies co-owned by SkiStar are not considered to be a significant part of the operations for the purposes of the sustainability report. In preparing SkiStar's climate report, assessments have been made in accordance with the GHG Protocol. In the climate report, see Note E5, joint ventures and associated companies with a high climate impact have been included as they have been considered significant to SkiStar's climate initiatives. The figures reported in the sustainability notes have been collected from each destination and relevant business areas. Conversion to climate data has been carried out by an external supplier, and SkiStar conducts a reasonability assessment and follows up any differences compared with the previous year. Calculation of SkiStar's total climate data has continued to be carried out with an external supplier during the year. There have been no major updates to the conversion factors used during the financial year compared with the previous year. During the year, SkiStar has continued reporting scope 3 data, with the most relevant categories having been evaluated and calculated. The associated company Fjärrvärme i Sälen AB was reclassified during the previous financial year. SkiStar does not have operational control over the company and the emissions from Fjärrvärme i Sälen AB have therefore been reclassified as indirect climate impact (S3).

GOVERNANCE DOCUMENTS FOR SUSTAINABILITY WORK
Regulations governing SkiStar's sustainability work:

External laws and regulations
- Swedish Companies Act
- Swedish Annual Accounts Act
- Swedish Environmental Code
- Swedish Work Environment Act
- BBR requirements (Boverket – the Swedish National Board of Housing, Building and Planning – Building Regulations)
- UN Guiding Principles on Business and Human Rights
- UN Convention on the Rights of the Child
- EU Taxonomy Regulation
- Other applicable laws and regulations

External initiatives
- GRI Standards
- UN Global Sustainable Development Goals
- Paris Agreement
- Swedish Roadmap for Fossil Free Sweden
- Global Compact
- OECD Guidelines for Multinational Enterprises
- TCFD
- Science Based Targets
- CDP

Key internal rules and regulations
- Supplier and Partner Code of Conduct
- Sustainability Policy
- Work Environment Policy
- Code of Conduct
- Employee Policy
- Diversity Policy
- Quality Directive
- Purchasing Directive

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GRI index

SkiStar's sustainability report for the 2022/23 financial year has been prepared in accordance with Global Reporting Initiative (GRI) Standards guidelines, Core application level. SkiStar's GRI index contains references to where the information can be found in the annual report. To prepare a sustainability report in accordance with the GRI guidelines, SkiStar is required to complete three steps: identification, prioritisation and validation.

Notification of use	SkiStar AB in accordance with GRI standards for the period 01/09/2022 – 21/08/2023
GRI 1 is used	GRI 1: Foundation (2021)

GRI STANDARD	Disclosure	Page reference	Exceptions
GRI 2: General Disclosures 2021	2-1 Organisational details	82, 94	
	2-2 Entities included in the organisation's sustainability reporting	72	
	2-3 Reporting period, frequency and contact point	72, 142	
	2-4 Restatements of information	72	
	2-5 External assurance	76	
	2-6 Activities, value chain and other business relationships	15–17, 20, 23–25	
	2-7 Employees	18–19, 63–66	
	2-8 Workers who are not employees	64–66	SkiStar has no control over employees outside its own operations.
	2-9 Governance structure and composition	82–87, 88–89	
	2-10 Nomination and selection of the highest governance body	82–87	
	2-11 Chair of the highest governance body	82	
	2-12 Role of the highest governance body in overseeing the management of impacts	82–87	
	2-13 Delegation of responsibility for managing impacts	82–87	
	2-14 Role of the highest governance body in sustainability reporting	67	
	2-15 Conflicts of interest	68	
	2-16 Communication of critical concerns	66, 68	
	2-17 Collective knowledge of the highest governance body	84	
	2-18 Evaluation of the performance of the highest governance body	84	
	2-19 Remuneration policies	96–98	
	2-20 Process to determine remuneration	96–98	
	2-21 Annual total compensation ratio	87, 118	No comparisons are reported against median salary.
	2-22 Statement on sustainable development strategy	6–7, 39, 82	
	2-23 Policy commitments	85	
	2-24 Embedding policy commitments	85	
	2-25 Processes to remediate negative impacts	68, 85–86	
	2-26 Mechanisms for seeking advice and raising concerns	67, 68, 85	
	2-27 Compliance with laws and regulations	72, 68	
	2-28 Membership of associations	72	
	2-29 Approach to stakeholder engagement	70–71	
	2-30 Collective bargaining agreements	64	

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GRI STANDARD	Disclosure	Page reference	Exceptions
MATERIAL TOPICS			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	70–71	
	3-2 List of material topics	70–71	
RESPONSIBLE FINANCING			
GRI 3: Material Topics 2021	3-3 Management of material topics	70–71	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	14, 21, 94, 79–80	
	201-2 Financial implications and other risks and opportunities due to climate change	79–80	
REDUCTION IN CARBON FOOTPRINT			
GRI 3: Material Topics 2021	3-3 Management of material topics	70–71	
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	53	
	302-4 Reduction of energy consumption	53	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	54–55	
	305-2 Energy indirect (Scope 2) GHG emissions	54–56	
	305-3 Other indirect (Scope 3) GHG emissions	54–56	
	305-4 GHG emissions intensity	55	
	305-5 Reduction of GHG emissions	55	
MINIMISE WATER AND WASTE			
GRI 3: Material Topics 2021	3-3 Management of material topics	70–71	
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	47, 52	
	303-5 Water consumption	47, 52	
IMPROVE IMPACT ON BIODIVERSITY			
GRI 3: Material Topics 2021	3-3 Management of material topics	70–71	
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	56	
ETHICAL LEADERSHIP			
GRI 3: Material Topics 2021	3-3 Management of material topics	70–71	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	68–69	
	205-2 Communication and training about anti-corruption policies and procedures	68–69	
	205-3 Confirmed incidents of corruption and actions taken	68–69	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	69	

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GRI STANDARD	Disclosure	Page reference	Exceptions
RESPONSIBLE PURCHASING			
GRI 3: Material Topics 2021	3-3 Management of material topics	70–71	
GRI 206: Anti-competitive behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	68	
TRAINING AND EDUCATION			
GRI 3: Material Topics 2021	3-3 Management of material topics	70–71	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	66	
SUSTAINABLE WORKING LIFE			
GRI 3: Material Topics 2021	3-3 Management of material topics	70–71	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	65	
	403-2 Hazard identification, risk assessment and incident investigation	65	
	403-3 Occupational health services	65	
	403-5 Worker training on occupational health and safety	65	
	403-6 Promotion of worker health	65	
	403-9 Work-related injuries	65	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	64	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	68	

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Auditor's Limited Assurance Report on SkiStar AB (publ)'s Sustainability Report and statement on the Statutory Sustainability Report

To SkiStar AB (publ), corporate identity number 556093-6949

INTRODUCTION

We have been engaged by the Management of SkiStar AB (publ) to undertake a limited assurance engagement of the SkiStar AB Sustainability Report for the year 2022/2023. The Company has defined the scope of the Sustainability Report on page 37–75 in this report of which the statutory sustainability report is defined on page 98.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT FOR THE SUSTAINABILITY REPORT

The Board of Directors and the Executive Management are responsible for the preparation of the Sustainability Report in accordance with the applicable criteria, as explained on page 72 in the Sustainability Report, and are the parts of the Sustainability Reporting Guidelines published by GRI (Global Reporting Initiative) which are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

RESPONSIBILITIES OF THE AUDITOR

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed. Our engagement is limited to historical information presented and does therefore not cover future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 (revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report and applying analytical and other limited assurance procedures. The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, a reasonable assurance engagement conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of SkiStar AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The procedures performed consequently do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement.

Accordingly, the conclusion of the procedures performed do not express a reasonable assurance conclusion.

Our procedures are based on the criteria defined by the Board of Directors and the Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

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

CONCLUSION

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Sustainability Report, is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Executive Management.

A Statutory Sustainability Report has been prepared.
Stockholm, 8 November 2023
Deloitte AB

Kent Åkerlund
Authorized Public Accountant

Lennart Nordqvist
Expert Member of FAR

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

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The share



2022/23

REVENUE: SEK 4,281 MILLION

- Operating margin: **14** percent
- Profit after tax: **SEK 402 million**
- **Cash flow: SEK 669** million from operating activities
- The equity/assets ratio excluding IFRS 16 was **53** percent.

Five reasons to invest in SkiStar

1. SkiStar is the leading holiday organiser/planner for Scandinavia with an offering and efficient organisation that has provided continuous growth and stable profitability.
2. The trend of active leisure time and holidays at home means that SkiStar will further consolidate its position in the future.
3. Sales have purposely focussed on skistar.com and the SkiStar app, where guests' engagement has been monitored, thus giving SkiStar a direct relationship with the guest, giving the Company a competitive advantage.
4. The company owns substantial assets in the form of land and properties at the destinations where SkiStar operates. Property development and exploitation operations generate not only capital gains, but also strategic projects that increase the number of beds at destinations, and thus potentially also guest numbers, for core operations.
5. SkiStar offers special benefits to its shareholders.

SHAREHOLDER DISCOUNT

Shareholders who own a minimum of 200 SkiStar shares receive a discount at all SkiStar destinations. The discount amounts to 15 percent on the SkiStar All Year, SkiPass/Bike and Trail Pass, ski school plus activities and ski rentals/bike rentals managed by SkiStar. The discount applies to online purchases via skistarshop.com and in SkiStarshops and Concept stores. Find out more about booking with the shareholder discount and the complete terms and conditions at skistar.com, or contact Shareholder Services at aktieagarservice@skistar.com.

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The SkiStar share

SkiStar's B share is listed on the Mid Cap list of the Nasdaq Stockholm exchange. SkiStar had 60,360 shareholders at 31 August 2023 and the share's closing price was SEK 116.80.

SHARE STRUCTURE

The Company's share capital on the last day of the financial year amounted to SEK 19,594,014 split between 78,376,056 shares. Of these shares, 3,648,000 are Class A shares entitling the owner to ten votes per share, and 74,728,056 are Class B shares entitling the owner to one vote per share. All shares have equal rights to dividends.

SHARE PRICE PERFORMANCE AND TRADING

During the 2022/23 financial year, the share price fell by 15 percent to SEK 116.80. Nasdaq Stockholm's all-share index (OMXSPI) gained six percent over the same period. The highest price paid was SEK 139.20 on 8 May 2023, and the lowest SEK 93.80 on 13 October 2022.

SHAREHOLDERS

According to the shareholder register maintained by Euroclear Sweden AB, there were 60,360 shareholders (57,317) at 31 August 2023. At the end of the financial year, the ten largest shareholders accounted for 65 percent (65) of the capital and 76 percent (75) of the votes. Foreign shareholders accounted for 16 percent (16) and Swedish institutional owners for 15 percent (13) of the capital.

DIVIDEND POLICY

SkiStar's dividend policy is to pay an annual dividend of at least 50 percent of profit after tax. The policy is based on SkiStar's solid financial base combined with a strong cash flow, allowing a generous dividend policy, while ensuring that most investments can be financed by the Company's own funds.

The Board proposes that the AGM adopt a dividend of SEK 2.60 (3.00) per share, totalling SEK 204 (235) million. The proposed dividend comprises 51 (36) percent of the Group's profit after tax.

Updated dividends policy

SkiStar's Board of Directors decided to change the dividend policy after the end of the financial year. For more information, see Note 36.

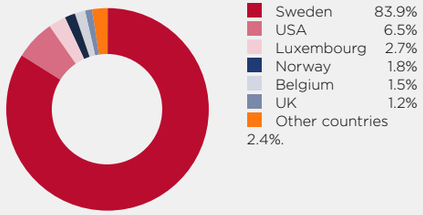
LARGEST SHAREHOLDERS, 31 AUGUST 2023

Owner	Class A shares	Class B shares	Capital, %	Votes, %
Ekhaga Utveckling AB*	3,648,000	15,343,150	24.2%	46.6%
ACapital Sweden SS Holdco AB	–	15,060,000	19.2%	13.5%
Handelsbanken fonder	–	4,374,005	5.6%	3.9%
Swedbank Robur Fonder	–	3,132,292	4.0%	2.8%
Erik Paulsson family incl. company	–	2,963,314	3.8%	2.7%
State Street Bank and Trust Co, W9	–	2,042,398	2.6%	1.8%
Lima Jordägande Sockenmän for Besparingsskogen	–	1,800,000	2.3%	1.6%
JP Morgan Chase Bank NA, W9	–	1,049,441	1.3%	0.9%
Banque Pictet & Cie (Europe) SA, W8IMY	–	950,020	1.2%	0.9%
SEB AB, Luxembourg Branch, W8IMY	–	888,333	1.1%	0.8%
Other shareholders	–	27,125,103	34.6%	24.4%
Total shares outstanding	**3,648,000**	**74,728,056**	**100%**	**100%**

OWNERSHIP STRUCTURE, 31 AUGUST 2023

Holdings	Number of owners	%	Number of Class A shares	Number of Class B shares	Capital, %	Votes, %
1–200	42,659	70.7%		3,113,780	4.0%	2.8%
201–1,000	15,297	25.3%		6,341,478	8.1%	5.7%
1,001–5,000	2037	3.4%		4,248,185	5.4%	3.8%
5,001–100,000	319	0.5%		5,380,133	6.9%	4.8%
100,001–	48	0.1%	3,648,000	55,644,480	75.6%	82.9%
Total	**60,360**	**100**	**3,648,000**	**74,728,056**	**100%**	**100%**

LARGEST SHAREHOLDER COUNTRIES, 31 AUGUST 2023, SHARE OF EQUITY



OWNERSHIP CATEGORIES, 31 AUGUST 2022

Category	Number of shares	Proportion, %
Swedish individuals	18,891,327	24.1%
Swedish legal entities	35,430,276	45.2%
Swedish institutional ownership	11,380,448	14.6%
Foreign individuals	104,865	0.1%
Foreign legal entities and foreign institutional ownership	12,569,140	16.0%
Total	**78,376,056**	**100.0%**

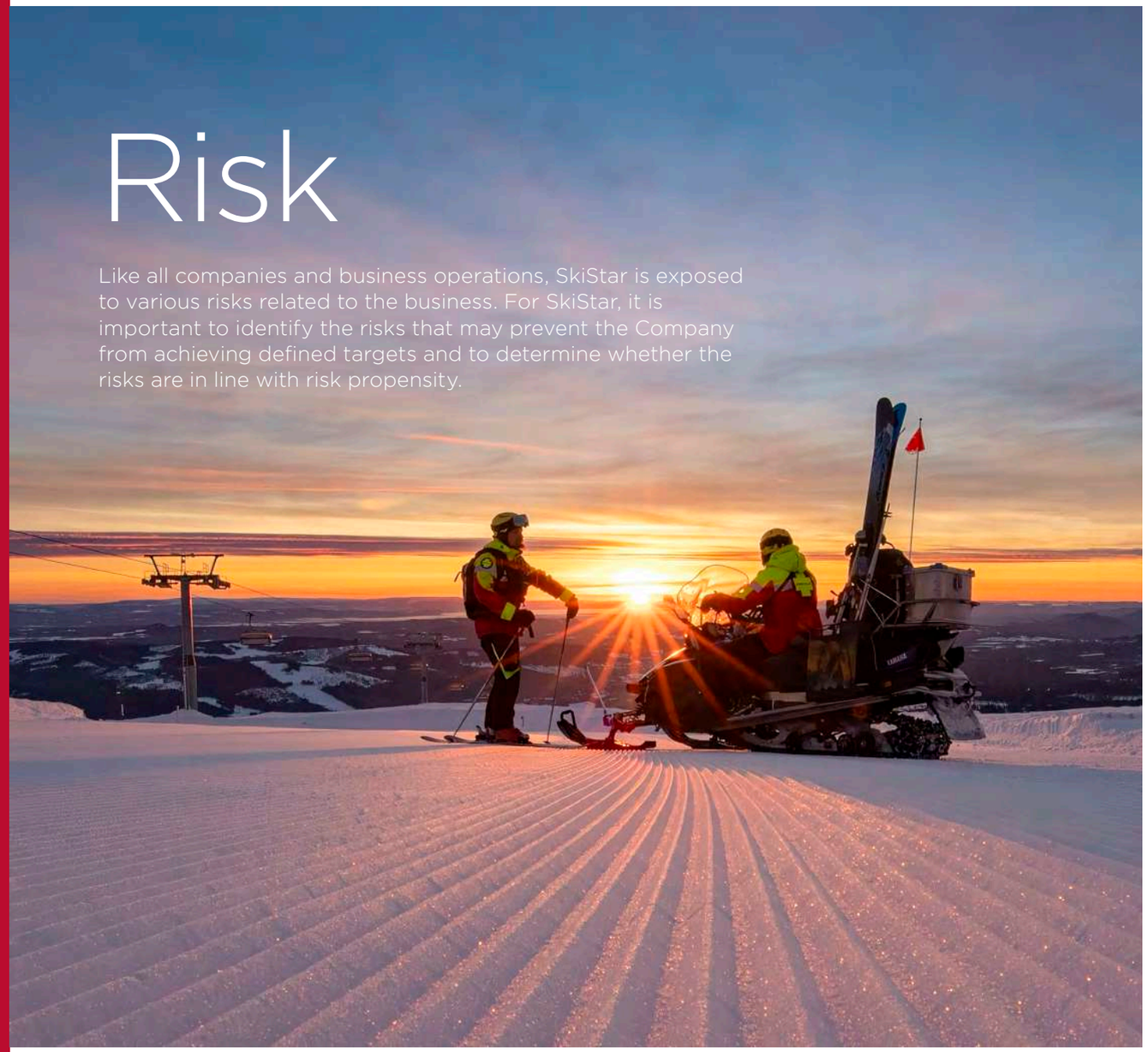
* During the financial year, the former ownership group 'Mats and Fredrik Paulsson incl. company and family' was divided up so that the holding through the Company is now reported as 'Ekhaga Utveckling AB', while a separate ownership group, called 'Mats and Fredrik Paulsson and families', holds the shares that are privately owned. No change in the total overall share ownership has occurred.

SHARE INFORMATION

Marketplace:
Nasdaq Stockholm, Mid Cap
Ticker symbol: SKIS B
ISIN code: SE0012141687

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Risk

Like all companies and business operations, SkiStar is exposed to various risks related to the business. For SkiStar, it is important to identify the risks that may prevent the Company from achieving defined targets and to determine whether the risks are in line with risk propensity.

Risks and opportunities

Where necessary, measures are taken to avoid, minimise or monitor identified risks. The purpose of risk management is to continuously assess and manage the risks that arise in the operations and to ensure that it forms the basis for successful sustainability work. SkiStar's risk process, ownership, governance and management are discussed and evaluated by the Company's Audit Committee and Board of Directors.

OPERATIONAL RISKS

Seasonality

The majority of SkiStar's revenues are generated in the period December to April. SkiStar's operations are well adapted to seasonal variations, particularly in terms of the workforce. Most of the winter bookings are made before the season. An increased proportion of advance sales means that business transactions can be completed at an earlier point, which in turn reduces the operational risk. Seasonal variations are also managed by investing in snowmaking systems to guarantee skiing early in the season.

SkiStar's all-year-round focus in Scandinavia also reduces seasonal variations.

Snow availability

Climate risks are directly linked to SkiStar's operations and include physical climate risks that affect the operation of the business. The number of guests at SkiStar's destinations is influenced by weather and snow conditions. A late winter with a lack of cold weather and natural snow in time for Christmas has an adverse impact on demand. Lower demand can also arise in winters with prolonged cold periods and good snow conditions in the southern, more densely populated parts of Scandinavia, as snow, cold weather and skiing opportunities are available closer to home. However, in a longer perspective, it is positive for the industry if skiing is available throughout Scandinavia, as many new skiers will be recruited. SkiStar addresses these risks through continuous development of snowmaking systems to guarantee skiing, and through early sales to ensure that most of the accommodation capacity is booked before the Christmas week when the high season starts. SkiStar's operations are also dependent on there being no restrictions on travel

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within or between mainly the Scandinavian countries. Risk is managed through proactive dialogues with authorities, regional governments and local municipalities as well as continuing to work for financial stability.

Economic cycle
Changes in people's disposable income are reflected in private consumption, which in turn has a bearing on whether they can travel. SkiStar's historical sales and earnings trend shows that the Company has been able to deal with fluctuations in the economy. A large proportion of SkiStar's guests are families who tend to return year after year and accommodation owners at the destinations.

Competition
Sun and beach holidays and weekend city breaks are considered SkiStar's main competitors, but competition also comes from other sectors that compete for people's disposable income, such as durable goods and home investments. Other competitors include other mountain resorts in Scandinavia and the Alps. The alpine ski industry has a high entry threshold, which limits competition. Initiatives such as large investments in service-oriented employees, leadership, modern lifts and snowmaking systems, IT and restaurants ensure that SkiStar's mountain destinations maintain a high level of quality. SkiStar's destinations have good accessibility to populated areas due to their geographical proximity and affordable transport solutions in the form of trains, aeroplanes and coaches. SkiStar's customers have easy access to the Company's products and services via online marketing and sales systems that facilitate the booking process for them. Other important competitive factors include a strong financial position, known and attractive brands and a strong cash flow.

Accommodation capacity and occupancy rate
SkiStar's profitability is dependent on the number of available beds and the occupancy rate. For SkiStar, it is important to have control over a large accommodation capacity to optimise the occupancy rate by monitoring changes in demand and pricing accommodation correctly at all stages of the season. SkiStar works actively to increase the number of beds at the destinations and to increase the proportion mediated by SkiStar itself. It is also important for older cabins and apartments to be modernised to maintain high demand. In addition to SkiStar's own investments, new investments in cabins and apartments are conducted by external parties or jointly-owned companies.

Employees
Payroll expenses are the Company's largest individual cost item. SkiStar's continuing success is dependent on motivated and committed employees. SkiStar works on leadership issues and training to increase the efficiency, awareness and commitment of its employees. The level of service that guests receive from our staff plays an important role in their overall experience. To retain key personnel, SkiStar offers leadership development, succession planning, training and incentive programmes.

Safety and security
SkiStar works actively on safety by means of trade organisations and unions, regular training, incident reporting and a systematic health and safety programme. Continuous risk analyses are conducted at all destinations to minimise the various types of risks and have the correct insurance cover in place. SkiStar also has an extensive crisis plan to ensure that the Company is well prepared in the event of any accidents or incidents.

Information security
Information security is an area requiring more and more resources, due to a negative trend globally involving various types of attacks and intrusions. SkiStar follows established procedures for the development and introduction of new infrastructure and systems. The risk of intrusion, loss of information and business interruption is reduced by focusing on information security, cooperation with suppliers and development of working practices and procedures.

SUSTAINABILITY RISKS
Sustainability is included as an evaluation factor in SkiStar's business development and decisions. Management of sustainability risks is an integral part of the Group's operations. All identified sustainability risks are managed in the Company's risk management process and play a fundamental part in investments and decisions. A description of SkiStar's work on sustainability and tackling of risks can be found in the sustainability report on pages 37–76.

Dependence on climate and weather
SkiStar's winter business is dependent on cold winters with sub-zero temperatures. Climate change in the form of warmer temperatures and changing weather conditions and precipitation can affect the business and increase the risks of a shorter season, also affecting the number of skier days. To address the risks associated with climate change, the Company works on long-term objectives aimed at minimising its impact on nature and the climate. This is done partly through technical solutions to ensure favourable conditions at SkiStar's destinations, and partly by working towards defined climate and emission targets to reduce emissions and deterioration of the natural environment where SkiStar operates.

Business ethics
SkiStar's business is associated with risks related to work environment, corruption and human rights. These risks are partly within the Company and partly with suppliers and partners working on assignments for SkiStar. To manage the risks, SkiStar has adopted an internal Code of Conduct and a Supplier and Partner Code of Conduct. Violations of the Code of Conduct are difficult to detect, and SkiStar's focus is therefore on minimising the risks of corruption and human rights violations. Training and induction programmes provide SkiStar's employees with knowledge about how the Company's policies and other governing documents are structured and how employees are expected to act in the event of suspected violation of the Code of Conduct. A whistleblowing service is available to all employees and others who have a work-related relationship with SkiStar to enable anonymous reporting of violations.

Loss of biodiversity
SkiStar's operations are conducted in the mountains. Activities may be restricted by protected natural areas. There is a risk that biodiversity will be affected. SkiStar works to reduce the risk of impacts on sensitive natural areas, including reducing the risk of contributing to unauthorised environmental impacts through unauthorised discharges.

Limited water supply
SkiStar's operations require water for snow production and the risk is affected by access to water sources and the current water rights court rulings. SkiStar works to reduce the risk by complying with the relevant water rights court rulings and developing long-term solutions with dams when the need and opportunity arise.

FINANCIAL RISKS
For more information on SkiStar's financial risks and how the Company manages them, see Note 32 on page 132.

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Corporate Governance Report

SkiStar AB (publ), corporate identity number 556093-6949, is a Swedish limited company, whose B shares are traded on Nasdaq Stockholm, Mid Cap.

CORPORATE GOVERNANCE

The purpose of corporate governance is to ensure that SkiStar complies with existing regulations and that the Company is managed in a manner that is efficient and sustainable for shareholders. Corporate governance also helps to systematise and create good order in the work of the Board and management. SkiStar's corporate governance is based on the Articles of Association, internal company policies and governance documents (see overview on page 85), which are available to all employees on the SkiStar Hub intranet. Corporate governance is further adapted on the basis of external regulations such as the Swedish Companies Act, Nasdaq's Nordic Main Market Rulebook for Issuers of Shares (hereinafter Nasdaq's rules)[1], the Swedish Corporate Governance Code (hereinafter the Code)[2] and good stock market practice.

SHARES AND VOTING RIGHTS

SkiStar's share capital at 31 August 2023 amounted to SEK 19,594,014. The number of Class A shares in the Company was 3,648,000 and the number of B shares 74,728,056. Class A shares entitle the holder to ten votes, while Class B shares entitle the holder to one vote. All shares carry equal entitlement to a share of the Company's assets and profit, and equal rights to dividends. SkiStar's Articles of Association do not contain any restrictions on how many votes each shareholder may exercise at a general meeting.

SHAREHOLDERS AND OWNERSHIP STRUCTURE

SkiStar had 60,360 shareholders at 31 August 2023 according to the register of shareholders kept by Euroclear Sweden AB. Together, the two largest owner groups by votes – Ekhaga Utveckling AB[3] and ACapital Sweden SS Holdco AB – held approximately 60 percent of the votes and approximately 43 percent of the share capital. The shareholdings are shown in detail on page 78. Ownership by Swedish residents, either privately or through companies, accounted for 69 percent of the share capital and Swedish institutional ownership accounted for 15 percent. Foreign private individuals accounted for less than one percent of the share capital, while foreign legal entities and foreign institutional ownership accounted for 16 percent.

A word from the Chairman



Anders Sundström
Chairman of the Board

Corporate governance is central to us on the Board in our work to sustainably and in the long term increase the value of SkiStar, while maintaining a high level of trust in the company from the outside world.

During the year, the Board's work has focussed on decisions about business priorities and investments, taking into account the impact of the outside world. Of course, the strategy to achieve the company's goals is also continuously in focus. It was particularly rewarding when the Board and management jointly visited several destinations to see the operations on site. During the year, we achieved an important milestone in our sustainability work when our climate targets were approved by Science Based Targets, which means that the targets we are working to achieve have been verified as scientifically grounded. This is, of course, fundamental to ensuring there will continue to be snowy winters in the mountain environment in which we operate.

As regards SkiStar's reporting, we strive for transparency with the aim of ensuring that both shareholders and other stakeholders are able to continuously monitor the Group's development.

[1] Nasdaq's rules are available on the Nasdaq website.
[2] The Code is available on bolagsstyrning.se.
[3] During the financial year, the former ownership group 'Mats and Fredrik Paulsson incl. company and family' has been divided up so that the holding through the company is reported/recognised/referred to as 'Ekhaga Utveckling AB', while a separate ownership group, called 'Mats and Paulsson and families' contains the shares that are privately owned. No change in the total overall share ownership has occurred.

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GENERAL MEETING OF SHAREHOLDERS

The general meeting of the shareholders is SkiStar's highest decision-making body. The Annual General Meeting shall be held within six months of the end of the financial year. All shareholders who are listed in the register of shareholders and who have notified the Company of their intention to attend within the prescribed time are entitled to participate and vote according to the total number of shares owned. Shareholders who are not able to attend in person may be represented by proxy. A notice convening the Annual General Meeting shall be placed in Post och Inrikes Tidningar (The Official Swedish Gazette) and on the Company's website, skistar.com/en/corporate. The release of the notice shall be announced in Dagens Nyheter. Shareholders wishing to attend the Annual General Meeting must be listed in the full printout of the shareholders' register six banking days before the meeting and must notify the Company of their intention to attend no later than the date specified in the notice convening the meeting. This date may not be a Sunday, any other public holiday, a Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and may not fall earlier than the fifth working day prior to the meeting. The Annual General Meeting shall be held in Sälen, Åre or Stockholm, in accordance with the Articles of Association. Business to be dealt with at the meeting is governed by the Swedish Companies Act and the Articles of Association and may also include any matters that shareholders have requested to be considered.

2022 Annual General Meeting

A total of 243 shareholders attended the Annual General Meeting held at Experium in Sälen on 10 December 2022, either in person, through a proxy or by postal voting. Those attending represented 77 percent of the voting rights. The Annual General Meeting decided on a dividend of SEK 3 per share, totalling SEK 235 million, equivalent to 36 percent of the Group's profit after tax.

At the Annual General Meeting, the Board was granted authorisation to purchase and sell the Company's own shares. The authorisation entitles the Board, on one or more occasions in the period up to the next AGM, to adopt a resolution to purchase the Company's Class B shares, provided the Company's holding of its own shares does not at any time exceed ten percent of the Company's total shares. Purchases shall be conducted in a regulated market and only at a price within the current registered price interval, which is the spread between the highest bid price and the lowest ask price, or through an offer made to all shareholders. The authorisation also entitles the Board, on one or more occasions in the period up to the next AGM, to adopt a resolution to sell the Company's own shares in a regulated market or in some other manner in connection with the acquisition of companies or operations. The authorisation includes the right to derogate from shareholders' preferential rights and to decide whether payment will be in cash, in kind, by set-off or subject to conditions. The Board was also authorised, on one or more occasions in the period up to the next AGM, to decide on a new issue of Class B shares. New issues may be conducted with or without derogation from shareholders' preferential rights. The authorisation shall include the right to decide on an issue with payment in cash, in kind or by off-set and to make the issue subject to conditions. The total number of shares that may be issued under the authorisation may not exceed ten percent of the total number of shares outstanding in the Company at the time of the Annual General Meeting's decision on the authorisation. In the event of derogation from shareholders' preferential rights, shares shall be issued on market terms. The purpose of the authorisation is to give the Board greater flexibility in optimising the Company's capital structure and, where appropriate, making acquisitions or raising capital for such acquisitions or investments. The authorisation had not been used by the Board at the date of issue of this annual report.

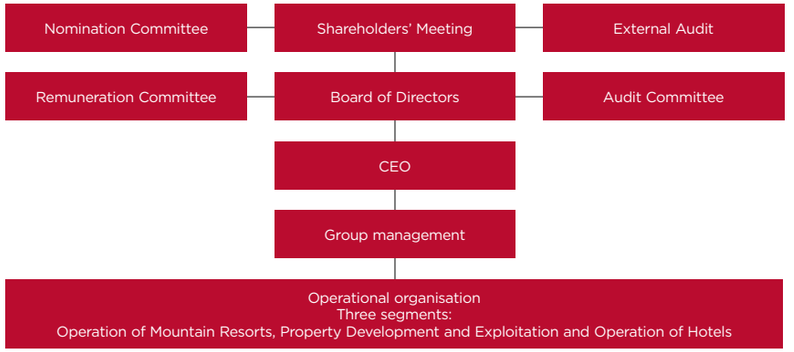
2023 Annual General Meeting

The 2023 Annual General Meeting will be held at Experium in Lindvallen, Sälen, at 2.00 p.m. on 9 December. Shareholders will also be offered the opportunity of postal voting. The notice of the meeting, AGM documents and further information about the meeting are available at skistar.com/en/corporate.

NOMINATION COMMITTEE

The Nomination Committee is appointed in accordance with the instructions for the Nomination Committee adopted by the AGM. The Nomination Committee's duties are to prepare proposals concerning the AGM Chairman, Board members, Chairman of the Board, Board fees and, when applicable, to make proposals for the election of auditors and for auditors' fees, assisted by the Audit Committee. In addition, the Nomination Committee proposes principles for the appointment of its own members, including instructions for the Nomination Committee. The composition of the Nomination Committee prior to the 2023 Annual General Meeting is as follows: Per Gullstrand, appointed by Ekhaga Utveckling AB, Anders Moberg, appointed by ACapital SS Holding AB, Niklas Johansson, appointed by Handelsbanken Fonder, and Marianne Nilsson, appointed by Swedbank Robur. The Nomination Committee has appointed Per Gullstrand as its Chairman. Chairman of the Board Anders Sundström was co-opted onto the Nomination Committee for the majority of its meetings. All shareholders have had the opportunity to submit nomination proposals to the Committee.

CORPORATE GOVERNANCE STRUCTURE



INTERNAL REGULATIONS
- Articles of Association
- Board and Committee rules of procedure
- CEO instructions
- Policies
- Directives
- Procedures

EXTERNAL REGULATIONS
- Swedish Companies Act
- Swedish Annual Accounts Act
- MAR (Market Abuse Regulation)
- Nasdaq's rules
- Swedish Corporate Governance Code
- Other relevant legislation and regulations.

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Prior to the 2023 Annual General Meeting, the Nomination Committee held several minuted meetings and related ongoing reconciliation meetings by telephone and email. The Committee has received the results of the Board's evaluation of its own work and interviewed a selection of the existing elected members of the Board with regard to their views of the Board's composition and working methods. The Board's need for expertise, experience and diversity over the coming years was discussed, as was the issue of independence. In the discussions, particular attention was paid to assessing the composition and competence of the Board in relation to the SkiStar Group's operations, strategies and objectives, including the Group's high ambitions in the area of sustainability, and the associated demands that are expected to be placed on the Board. The Nomination Committee also discussed proposals for the election and remuneration of auditors with the Audit Committee.

BOARD OF DIRECTORS

Composition of the Board

The Board of Directors is appointed by the Annual General Meeting, in accordance with the Companies Act. Employee representatives are appointed by a local employee organisation that is bound by a collective bargaining agreement with a company within the Group, in accordance with the Board Representation (Private Sector Employees) Act. The Board shall consist of four to nine members, with a maximum of three deputies, in addition to members who may be appointed by other parties pursuant to Swedish law. Board members are elected until the end of the next Annual General Meeting after the year of the Board member's election. At the Annual General Meeting held on 10 December 2022, seven members were elected to the Board: Anders Sundström, Chairman, Lena Apler, Sara Karlsson, Fredrik Paulsson, Gunilla Rudebjer, Anders Svensson and Vegard Søraunet. Two employee representatives were also elected to the Board: Tobias Englund, appointed by Unionen from May 2023, and Patrik Svärd, appointed by the Swedish Hotel and Restaurant Workers' Union. Further information about Board members can be found on pages 88–89.

Through the Nomination Committee, SkiStar applies Rule 4.1 of the Code as its diversity policy when preparing nominations for the election of Board members. The rule requires the Board to have a composition that is appropriate to the Company's business, development phase and other circumstances, and Board members elected by the shareholders' meeting must reflect diversity and breadth of qualifications, experience and background. The Company must also strive for gender balance on the Board. The aim of the policy is to satisfy the need for sufficient diversity on the Board in terms of gender, age and nationality, and also experience, occupational background and business areas. The Nomination Committee has concluded that SkiStar's Board has equal gender distribution, an appropriate composition in other respects and diversity including experience and occupational background in the period ahead.

Independence of the Board

Three of the directors are considered to have a connection to the Company's major shareholders: Fredrik Paulsson, Anders Sundström and Vegard Søraunet. Two of the directors are considered to have a connection to the Company and its management: Fredrik Paulsson and Anders Sundström. Other elected Board members are independent of the Company, its management and major shareholders. The majority of the elected Board members are therefore independent of the Company and its management. In addition, in accordance with the regulations of the Code, more than two of the members who are independent of the Company and its management are also independent of major shareholders.

Work of the Board

The work of the Board of Directors is governed by the rules of procedure established by the Board each year. The Chairman of the Board directs the work and maintains continuous contact with the CEO regarding the Group's operations and development. The Board's main task is to ensure SkiStar's future development and safeguard the Company's and shareholders' interests. The Board is also responsible for appointing the CEO and ensuring that the Company follows applicable rules. Corporate governance is also described from a sustainability perspective on pages 67–69.

The work of the Board is mainly related to long-term, strategic issues, such as sustainability, major investments and transactions and financial reporting. The Board meets according to an annually established schedule. Extra meetings may also be arranged. The Board held thirteen meetings – seven ordinary and six extraordinary – during the 2022/23 financial year. Members' attendance, as well as the distribution of fees, is shown in the table on page 87. The Board's work is evaluated regularly in order to develop the Board's working methods and efficiency. As part of the evaluation, the Board also conducted a digital survey during the financial year, showing members' views on how Board work is carried out, what could be improved and whether the Board is well-balanced and diverse in terms of expertise. The results of the Board evaluation have been discussed by the Board. The Chairman has held individual reconciliation meetings with each of the members and has reported the evaluation results to the Nomination Committee. Some of the AGM-elected members also had individual meetings with the Nomination Committee, at which they expressed their views on the Board's procedures and efficiency and desired expertise and experience for Board members. The discussions are used as a basis for the Committee's preparation of proposals for the Board prior to the AGM. The Board also evaluated the CEO's work by means of the Remuneration Committee's reports to the Board.

Remuneration Committee

At the inaugural Board meeting on 10 December 2022, Anders Sundström was elected as Chairman of the Remuneration Committee and Vegard Søraunet was elected as a member. Anders Svensson was elected as a new committee member at the same time. The work of the Remuneration Committee is governed by the rules of procedure established by the Board each year. The Remuneration Committee prepares the Board's decisions on proposals to the Annual General Meeting regarding guidelines for management's remuneration and other terms of employment, the Board's decisions on the CEO's remuneration and other terms of employment, as well as additional related matters. The Remuneration Committee does not have decision-making power, but prepares and reports on matters to the full Board. The Remuneration Committee held two minuted meetings during the financial year. Board members' attendance is shown in the table on page 87.

Audit Committee

At the inaugural Board meeting on 10 December 2022, Lena Apler was reelected as Chairman of the Audit Committee, and Fredrik Paulsson and Gunilla Rudebjer were reelected as members. The work of the Audit Committee is governed by the rules of procedure established by the Board each year. The Audit Committee monitors and ensures that both the financial reporting and sustainability reporting maintain a high standard. Draft interim reports, the year-end report and annual report are processed by the Audit Committee before they are presented to the Board for approval. The Audit Committee further ensures efficiency in terms of internal control and risk management. The Committee also maintains regular contact with the Company's auditors, produces guidelines on negotiating service contracts with the Group's auditing firm and evaluates auditing activities. The Committee assists the Nomination Committee in the nomination and remuneration of auditors. The Audit Committee does not have decision-making power, but prepares and reports on matters to the full Board. The Audit Committee held five minuted meetings during the financial year. Board members' attendance is shown in the table on page 87.

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Policies & other internal governance documents

SkiStar's policies are the overarching governance documents that stipulate minimum requirements, which are determined by SkiStar's Board. Underlying directives, listed below in bullet points under the related policies, are determined by SkiStar's Group Management and are more detailed and clarify application. In addition to these, there are more detailed procedures and work instructions that were established by business area and support function managers and leaders. All governance documents are available to all employees on the SkiStar Hub intranet. The documents that have been assessed to have the most relevance externally are also available at skistar.com/en/corporate.

CODE OF CONDUCT
SkiStar's Code of Conduct sets out the guidelines and values that form the basis for how we expect our employees to behave towards one another and the people they meet. The Code incorporates the UN Global Compact's ten principles regarding human rights, working conditions, the environment and anti-corruption, as well as the ILO's eight fundamental conventions concerning minimum standards for working conditions. The whistleblower function is intended as a reporting channel for employees and others with a work-related relationship with SkiStar in the event of any suspicion of irregularities.
- Directive regarding whistleblower function

CORPORATE GOVERNANCE POLICY
The policy describes the Group's internal governance documents and who is responsible for these.

QUALITY DIRECTIVE
The directive expresses our promise of quality to our guests: safe and secure. It is intended to serve as a benchmark in the daily work of creating memorable mountain experiences, developing sustainable destinations and offering accommodation, activities, products and services of the highest quality with a focus on our guests.

SUSTAINABILITY POLICY
The policy describes in overall terms how, within our three key areas of Activity and Recreation, Ecosystem and Impact and Dialogue and Interaction, we will achieve our long-term objectives in line with the 2030 Agenda and the Paris Agreement.

DIVERSITY POLICY
The policy expresses the self-evident values that apply within SkiStar. SkiStar shall, as an employer, offer a workplace at which people with different backgrounds, abilities and experiences work together, and have an open and affirmative culture in which everyone is treated equally, regardless of age, gender, transgender identity or expression, ethnicity, religion, political persuasion, functional variation or sexual orientation.

SUPPLIER AND PARTNER CODE OF CONDUCT
The Supplier and Partner Code of Conduct covers all of the company's suppliers and partners, who must also undertake to transfer these obligations in their agreements with contractors. Issues the Code covers include environmental responsibility, forced labour, child labour, freedom of association and anti-corruption.

EMPLOYEE POLICY
The policy provides answers to questions that affect all employees, e.g. regarding rules for employment and working hours, business entertainment, annual leave and the like.

WORK ENVIRONMENT POLICY
The policy describes how work environment efforts are managed at the SkiStar Group and embodies our overall work environment goals.
- Work environment handbook
- Directive regarding victimisation

FINANCE POLICY
The policy sets the frameworks for SkiStar's financing and liquidity management. The attestation order clarifies levels for decision and attestation rights, as well as who has the right to sign agreements on behalf of SkiStar.
- Attestation order
- Directive regarding purchasing
- Directive regarding company cars

TAX POLICY
The policy sets the frameworks for SkiStar's tax management.

IT POLICY
The policy clarifies the expectations of employees' management of the company's IT resources.

INFORMATION POLICY
The information policy describes the responsibility for SkiStar's information provision and which individuals are spokespersons in different matters, mainly externally in relation to the stock market and media, but also internally. The underlying directives are there to help protect SkiStar's information, to enable correct management of insider information as well as processing of personal data.
- Directive regarding information security
- Directive regarding insider information
- Directive regarding processing of personal data

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POLICY DOCUMENTS

Articles of Association

SkiStar's Articles of Association were adopted at the 2020 Annual General Meeting and are available at skistar.com/en/corporate. The Articles of Association do not contain any provisions on a special procedure for amending the Articles or on the appointment or dismissal of Board members.

OPERATIONAL MANAGEMENT

CEO

The CEO, who is also the Group President, is responsible for the day-to-day management of the Company in accordance with the Board's instructions. The rules of procedure adopted annually by the Board include instructions for the division of duties between the Board and the CEO and instructions for financial reporting to the Board. The CEO is responsible for ensuring the Board regularly receives the information and support material it needs to assess the Group's financial position and make appropriate decisions. Further information about the CEO can be found on page 90.

SkiStar's Group Management

During the 2022/23 financial year, SkiStar's Group Management consisted of eight individuals: the CEO, CFO, Communications and Sustainability Director, Commercial Director, General Counsel and Head of IR, COO, HR Director and Property Development Director. Further information about the Group Management can be found on pages 90–91.

Guidelines for remuneration of senior executives

The guidelines for remuneration of the CEO and other senior executives, adopted at the 2022 Annual General Meeting, including outcomes, are set out in Note 8 on page 118 and are also available in full at skistar.com/en/corporate. The complete set of proposed guidelines for remuneration of the CEO and Group Management for the 2023 AGM can be found in the Administration report on pages 96–98 and are also available at skistar.com/en/corporate.

EXTERNAL FINANCIAL REPORTING

The Board is responsible for internal control and financial reporting, in accordance with the Swedish Companies Act and the Code. SkiStar applies International Financial Reporting Standards (IFRS) in preparing the consolidated financial statements. The quality of the ongoing external financial reporting is ensured by internal measures and procedures. At each meeting, the Audit Committee highlights a special focus area within financial and external reporting and reviews each interim report and the year-end report at special committee meetings. The auditors review the Company's nine-month report.

DESCRIPTION OF INTERNAL CONTROL

Control environment

The Board bears ultimate responsibility for internal control and risk management. A clear division of roles and responsibilities in the rules of procedure for the Board of Directors and its committees and in the CEO's instructions ensures effective management of operational risks. Together with the Group's policies and other governance documents, these contribute to a good control environment at Skistar. Responsibility for routine work in this area rests with the CEO, who is responsible together with Group Management for the internal control required to manage significant risks in the day-to-day operations. Through the company's governing documents, decision-making paths, powers and responsibilities are clearly defined and communicated between different levels in the organisation, as well as in the business areas and joint support functions.

Having a common business system for both external reporting and internal monitoring, budgeting and forecasts strengthens the control environment and the security of financial reporting. Management reports regularly to the Board – in the first instance via the Audit Committee – in accordance with defined procedures. During the year, management reported on the measures that have been implemented to strengthen internal control, as well as those that are currently being implemented. The Audit Committee assists the Board in its continuous monitoring of internal control, which includes evaluating and discussing important technical accounting and reporting issues.

Risk assessment

Through the Audit Committee, the Board ensures that management continuously assesses significant risks to which the Company may be exposed, especially with regard to financial reporting. This includes identifying income statement and balance sheet items for which the risk of error is significant and designing control systems to prevent and detect such errors. This is mainly achieved by quickly identifying events in the operations or external environment that may affect the financial reporting and by monitoring changes in financial reporting regulations and recommendations that concern the Company's financial reporting. During the year, the changing outside world and related IT and information security issues were also touched upon. The operations' risk assessments are carried out at both central and local levels in the Group. At the same time, an assessment is made of the potential impact of the risks on profits and brand, as well as the likelihood that the risk will occur, in order to decide on appropriate risk management measures, as well as prioritisation and development areas in the ongoing work.

Control activities

The Company works continuously to eliminate and reduce significant risks affecting internal control over financial reporting. The annual review of the controls' relevance has been conducted and resulted in some controls being further developed. Control activities aimed at managing risks include:

- The management group's monitoring and analysis.
- Special review of the Company's IT systems with an emphasis on the sales system.
- Continuous monitoring of compliance with authorisation instructions and structures.
- Account reconciliations and comparisons with profit and loss items.
- Annual adoption of control documents that describe risk management processes.
- Reconciliation and monitoring of compliance with governance documents and Board decisions.
- Other ongoing forms of reconciliation and physical checks.

Information and communication

To comply with the Company's policies, directives and instructions, information must be well documented and communicated within the Company. In order to ensure effective information and communication, the management group holds regular Group and resort meetings with representatives from the Company's destinations and staff functions. Policies and other governance documents are also available to all employees on the SkiStar Hub intranet. For new employees, and when new policies or changed procedures are introduced, internal online training is also provided. The way in which external communication, including financial reporting, is to take place is governed by the Company's overall information policy and the related more detailed governance documents.

Monitoring

The Board of Directors continuously monitors and evaluates the information provided by management and the Audit Committee and ensures that identified internal control deficiencies are addressed.

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BOARD COMPOSITION, ATTENDANCE AND FEES IN 2022/23

	Elected	Independent of the Company & its management	Independent of major shareholders	Attendance, Board of Directors[1]	Attendance, Audit Committee[1]	Attendance, Remuneration Committee[1]	Fees[2] Board of Directors		Fees[2] Committee	
Elected Board members										
Anders Sundström	2019			13/13	-	2/2	650,000	(550,000)	60,000	(60,000)
Lena Apler	2015	✓	✓	12/13	4/5	-	300,000	(250,000)	120,000	(120,000)
Sara Karlsson	2019	✓	✓	13/13	-	-	300,000	(250,000)	–	–
Fredrik Paulsson	2017			13/13	5/5	-	300,000	(250,000)	60,000	(60,000)
Gunilla Rudebjer	2019	✓	✓	13/13	5/5	-	300,000	(250,000)	60,000	(60,000)
Anders Svensson[3]	2021	✓	✓	12/13	-	-	300,000	(250,000)	30,000	(-)
Vegard Søraunet	2021	✓		13/13		2/2	300,000	(250,000)	30,000	(30,000)
Employee representative										
Tobias Englund[4]	2023	–	–	4/4	–	–	–	–	–	–
Patrik Svärd	2017	–	–	13/13	–	–	–	–	–	–

[1] Attendance relates to meetings during the financial year 1 September 2022-31 August 2023.
[2] Fee in accordance with decision of 2022 AGM.
[3] Remuneration Committee member from 10 December 2022.
[4] Employee representative in Board of Directors from 9 May 2023.

This is laid down in the rules of procedure for the Board and the Audit Committee. The Audit Committee's work on strengthening internal controls and the external auditors' reports regarding their observations from the ongoing audit are of particular importance in monitoring work. SkiStar continuously strengthens its internal control environment by further developing the formulation and efficiency of the work.

Internal audit

After consideration of the matter in the Audit Committee, it is the Board's assessment that the control and monitoring described above is sufficient to ensure the efficiency of internal control without the need for a separate auditing function. The need for an internal auditing function is evaluated annually.

AUDITOR

At the Annual General Meeting on 10 December 2022, the audit firm Deloitte AB was appointed as the Company's external auditor for a period of one year. The audit is led by Authorised Public Accountant Kent Åkerlund. The results of the audit are reported regularly to Group Management and the Audit Committee during the year. At least once a year, the auditor meets the Company's Board of Directors without the presence of the CEO or another management. The external auditor's independence is regulated under the Audit Committee's separate rules of procedure, adopted by the Board, which specify how decisions are made regarding areas and in which the external auditor may be engaged in addition to the statutory audit. Fees to the auditor are paid continuously over the period on an approved current account basis. See Note 6.

AUDITOR'S OPINION ON THE CORPORATE GOVERNANCE REPORT

The auditor's opinion on this Corporate Governance Report is presented on page 92.

COMPLIANCE WITH THE SWEDISH CORPORATE GOVERNANCE CODE

SkiStar has complied with the Code during the 2022/23 financial year without any derogations.

Stockholm, 8 November 2023
Board of Directors, SkiStar AB (publ)

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Board of Directors



ANDERS SUNDSTRÖM

Chairman of the Board,
Chairman of the Remuneration Committee

Born: 1952
Elected: 2019

Principal education and professional experience: Bachelor of Arts Former Chairman of Swedbank and KF. Many years of operational experience in industry and the financial sector, including CEO of Folksam. Has held several ministerial posts and other political assignments.

Other significant professional commitments: Chairman of Medicon Village Fastighets AB, NMI Group AB, Kaunis Iron AB, Nordion Energi AB and Ekhaga Utveckling AB. Director of SCA.

Independence: Not independent of the Company, its management and major shareholders.

Shareholding in SkiStar: with family and companies 15,000 B shares.*



LENA APLER

Board member,
Chairman of Audit Committee.

Born: 1951
Elected: 2015

Principal education and professional experience: University studies and SEB Higher internal bank training. Extensive experience in consumer and services market through her role as founder and owner, and previously CEO and executive chairman of listed Collector AB and Collector Bank.

Other significant professional commitments: Director of Dragon Invest AB. Chairman of Redlocker AB, NordiCredit Advisory AB and NordiCredit Sweden AB, as well as Director of Helichrysum Gruppen AB, Loopeli AB and One Cake Sverige AB.

Independence: Independent of the Company, its management and major shareholders.

Shareholding in SkiStar:* 10,000 B shares.



SARA KARLSSON

Board member

Born: 1969
Elected: 2017

Principal education and professional experience: Secondary education, entrepreneur.

Other significant professional commitments: Strategy & Projects at Backahill AB, Director of Backahill AB.

Independence: Independent of the Company, its management and major shareholders.

Shareholding in SkiStar: with family and companies, 2,963,314 B shares, corresponding to 3.8% of the capital and 2.7% of the votes.*



FREDRIK PAULSSON

Board member,
Audit Committee member

Born: 1972
Elected: 2017

Principal education and professional experience: Secondary education. Experience as CEO and Director of Kranpunkten Skandinavien AB and Ekhaga Utveckling AB.

Other significant professional commitments: CEO and Director of Kranpunkten Skandinavien AB and Ekhaga Utveckling AB. Chairman of Bjäre Invest AB and Director of Peab AB, Mats Paulssons Stiftelse and Stiftelsen Stefan Paulssons Cancerfond.

Independence: Not independent of the Company, its management and major shareholders.

Shareholding in SkiStar: with families and companies, through Ekhaga Utveckling AB, 3,648,000 A shares and 15,343,150 B shares, corresponding to 24.2% of the capital and 46.6% of the votes, and through Mats and Mark Paulsson and families, 145,690 B shares, corresponding to 0.2% of the capital and 0.1% of the votes.*



GUNILLA RUDEBJER

Board member,
Audit Committee member

Born: 1959
Elected: 2019

Principal education and professional experience: MBA. Many years of broad experience from the experience industry. Former CFO of Scandic Hotels, Cision, Parks & Resorts Scandinavia, Mandator and TUI Nordic.

Other significant professional commitments: Director of Ambea AB (publ), NCAB Group AB (publ), Scandic Hotels Group AB (publ) and SSC Svenska Rymdaktiebolaget.

Independence: Independent of the Company, its management and major shareholders.

Shareholding in SkiStar: with family 1,900 B shares.*

* Own and closely related natural or legal persons' holdings of shares and other financial instruments in SkiStar AB. The information above is correct at 31 August 2023.

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Board of Directors



ANDERS SVENSSON

Board member

Born: 1964
Elected: 2021

Principal education and professional experience: BA in Business Administration. Former CEO of ICA Sverige AB and Deputy CEO of ICA Gruppen AB, and Director of Svensk Dagligvaruhandel Ekonomisk förening and ICA Banken AB. Former Senior Vice President of Arla Foods Consumer Nordic and CEO of Arla Foods Sweden, various roles at Procter & Gamble Nordic and Procter & Gamble UK, including Logistics Manager Nordic and Sales Manager Sweden.

Other significant professional commitments: Chairman of Svensk Handel AB, Stadium AB and Cibonum Group AB. Director of the Confederation of Swedish Enterprise, Misdona AB, Nicoya AB (publ) and Reocean AB.

Independence: Independent of the Company, its management and major shareholders.

Shareholding in SkiStar:* 3,000 B shares.



VEGARD SØRAUNET

Board member,
Remuneration Committee member

Born: 1980
Elected: 2021

Principal education and professional experience: Master's degree in accounting and business administration, MBA in finance. Previous positions include CIO and Portfolio Manager at ODIN Fonder, Investment Manager at Seatankers Management Norway and Auditor at PwC.

Other significant professional commitments: Partner and Investment manager at Aeternum Management AS, which manages Aeternum Capital AS, Director of ACapital SS Holding AB, ACapital Sweden SS HoldCo AB, ITAB Shop Concept AB, Aeternum Management AS och Søraunet Invest AS.

Independence: Not independent of the Company's major shareholders. Independent of the Company and its management.

Shareholding in SkiStar:* Represents Aeternum Capital AS, which through ACapital Sweden SS HoldCo AB holds 15,060,000 B shares, corresponding to 19.2% of the capital and 13.5% of the votes, and a further 1,600 B shares through family.



TOBIAS ENGLUND

Employee representative, appointed by Unionen.[1)]

Born: 1977
Elected: 2023

Principal education and professional experience: Computer technology at KTH Royal Institute of Technology and physics at Stockholm University. Employed by SkiStar since 2020.

Other significant assignments: –

Independence: –

Shareholding in SkiStar:* 246 B shares.



PATRIK SVÄRD

Employee representative, appointed by HRF.

Born: 1970
Elected: 2017

Principal education and professional experience: Secondary education. Employed by SkiStar since 1998.

Other significant assignments: –

Independence: –

Shareholding in SkiStar:* –

* Own and closely related natural or legal persons' holdings of shares and other financial instruments in SkiStar AB. The information above is correct at 31 August 2023.
1) From 9 May 2023.

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Management



STEFAN SJÖSTRAND

CEO

Born: 1968

Employed by the Company since: 2020

Principal education and professional experience: Marketing Economist DIHM 13 years' experience with IKEA in positions including Commercial Manager IKEA Group, member of the Management Board and Group Management, CEO of IKEA Canada, Deputy CEO of IKEA France and Business Area Manager at IKEA of Sweden. Also has experience from various CEO and management roles at Weibulls, OLW, Malaco, Marabou and others.

Significant professional commitments outside the company: Director of Derome AB.

Significant shareholdings and ownership interests in companies with which the Company has significant business relationships: –

Shareholding in SkiStar:* 37,100 B shares**



MARTIN ALMGREN

CFO

Born: 1976

Employed by the Company since: 2023.

Principal education and professional experience: Master of Business Administration. Former Business Area Manager of Medtech at AddLife AB. From 2015-2021 he was CFO at AddLife AB. Experience of working as Group Controller at Addtech AB, various controller roles at Nefab and from working as an auditor.

Shareholding in SkiStar:* 10,000 B shares



MATHIAS LINDSTRÖM

Commercial Director

Born: 1972

Employed by the Company since: 2007

Principal education and professional experience: Bachelor of Economics. Former Nordic Marketing Manager Fritidsresor (now TUI Sverige). Sales and Marketing Manager for Langley Travel.

Shareholding in SkiStar:* 17,609 B shares.



LINA GABRIELSON

Hotel and Lodge Director

Born: 1980

Employed by the Company since: 2022

Principal education and professional experience: Master's degree in Business Administration and in Tourism and Hospitality Management. Former CEO of Hotel Diplomat and Villa Dagmar, as well as working in Clarion Hotels.

Shareholding in SkiStar:* 307 B shares

The above-mentioned individuals comprise SkiStar's Group Management as of 1 September 2023, with the Hotel & Lodge Director being a newly appointed member on the said date. During the 2022/23 financial year, SkiStar's Group Management consisted of eight people: the CEO, CFO,(Martin Almgren replaced Anders Örnulf as of 8 May 2023), Commercial Director, General Counsel and Head of IR, Operational Director, Property Development Director and Communications and Sustainability Director (Petra Hallebrant).

* Own and closely related natural or legal persons' holdings of shares and other financial instruments in SkiStar AB. The information above is correct at 31 August 2023.

** At 13 October 2023.

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SOFIE ARNELL

General Counsel and Head of IR

Born: 1986

Employed by the Company since: 2017

Principal education and professional experience: Master of Laws. Former associate and lawyer at law firms Lindahl and Ramberg Advokater, district court service as law clerk.

Shareholding in SkiStar:* 2,000 B shares.



NICLAS SJÖGREN BERG

Operational Director

Born: 1969

Employed by the Company since: 1989

Principal education and professional experience: Marketing Economist DIHM. Various management positions previously held within the SkiStar Group.

Shareholding in SkiStar:* 22,259 B shares.



LARS-GÖRAN DAHL

Property Development Director

Born: 1961

Employed by the Company since: 2020

Principal education and professional experience: MBA. Former Director of Business Development at Diös, Head of Riksbyggen's commercial operations in Sweden and former Director of SBC and SkiStar.

Shareholding in SkiStar:* 3,350 B shares.



CAMILLA SUNDQVIST

HR Director

Born: 1983

Employed by the Company since: 2003

Principal education and professional experience: Personnel and working life programme, Stockholms Folkuniversitet, Marketing Economist IHM Business School. Previous experience in various management positions within the SkiStar Group and at the foreign organisation of Ving.

Shareholding in SkiStar:* 2,000 B shares.

The above-mentioned individuals comprise SkiStar's Group Management as of 1 September 2023, with the Hotel & Lodge Director being a newly appointed member on the said date. During the 2022/23 financial year, SkiStar's Group Management consisted of eight people: the CEO, CFO,(Martin Almgren replaced Anders Örnulf as of 8 May 2023), Commercial Director, General Counsel and Head of IR, Operational Director, Property Development Director and Communications and Sustainability Director (Petra Hallebrant).

* Own and closely related natural or legal persons' holdings of shares and other financial instruments in SkiStar AB. The information above is correct at 31 August 2023.

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Auditors's report on the Corporate Governance statement

To the general meeting of the shareholders in SkiStar AB (publ.), corporate identity number 556093-6949

Engagement and responsibility

It is the Board of Directors who is responsible for the corporate governance statement for the financial year 2022-09-01 – 2023-08-31 on pages 81–91 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm, November 8 2023
Deloitte AB

Signature on Swedish original

Kent Åkerlund
Authorized Public Accountant

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ADMINISTRATION REPORT

The Board of Directors and CEO of SkiStar AB (publ), corporate identity number 556093-6949, hereby present the annual report and consolidated accounts for the financial year 1 September 2022 – 31 August 2023.

BUSINESS NAME AND REGISTERED OFFICE

The Company's business name is SkiStar AB (publ). The Company's registered office is in the Municipality of Malung-Sälen in the County of Dalarna. The head office is in Sälen (postal address 780 91 Sälen, Sweden).

NATURE OF THE BUSINESS

SkiStar operates mountain resorts in Sälen, Vemdalen, Åre and Stockholm (Hammarbybacken) in Sweden and in Trysil and Hemsedal in Norway. As the leading holiday organiser for Scandinavia, SkiStar's business concept is to create memorable mountain experiences, develop sustainable destinations and offer accommodation, activities, products and services of the highest quality with our guests in focus. The operations are divided into three segments: Operation of Mountain Resorts, Property Development and Exploitation and Operation of Hotels.

OWNERSHIP

SkiStar's B share has been listed on the Mid Cap list of the Nasdaq Stockholm exchange since 1994. According to the shareholder register maintained by Euroclear Sweden AB, the number of shareholders on 31 August 2023 was 60,360 (57,317). Major shareholders are Ekhaga Utveckling AB, with approximately 24 percent of the capital and approximately 47 percent of the votes, and ACapital SS Holding AB, with approximately 20 percent of the capital and approximately 14 percent of the votes.

THE SHARE

The total number of shares is 78,376,056, distributed as follows: 3,648,000 Class A shares (ten votes per share) and 74,728,056 Class B shares (one vote per share). The highest price paid was SEK 139.20 on 8 May 2023, and the lowest SEK 93.80 on 13 October 2022. The share price at the close of trading on the reporting date was SEK 116.80.

At the Annual General Meeting, the Board was granted authorisation to purchase and sell the Company's own shares. The authorisation entitles the Board, on one or more occasions in the period up to the next AGM, to adopt a resolution to purchase the Company's Class B shares, provided the Company's holding of its own shares does not at any time exceed ten percent of the Company's total shares. Purchases shall be conducted in a regulated market and only at a price within the current registered price interval, which is the spread between the highest bid price and the lowest ask price, or through an offer made to all shareholders. The authorisation also entitles the Board, on one or more occasions in the period up to the next AGM, to adopt a resolution to sell the Company's own shares in a regulated market or in some other manner in connection with the acquisition of companies or operations. The authorisation includes the right to derogate from shareholders' preferential rights and to decide whether payment will be in cash, in kind, by set-off or subject to conditions.

The Board was also authorised, on one or more occasions in the period up to the next AGM, to decide on a new issue of Class B shares. New issues may be conducted with or without derogation from shareholders' preferential rights. The authorisation shall include the right to decide on an issue with payment in cash, in kind or by off-set and to make the issue subject to conditions. The total number of shares that may be issued under the authorisation may not exceed ten (10) percent of the total number of shares outstanding in the Company at the time of the Annual General Meeting's decision on the authorisation. In the event of derogation from shareholders' preferential rights, shares shall be issued on market terms. The purpose of the authorisation is to give the Board greater flexibility in optimising the Company's capital structure and, where appropriate, making acquisitions or raising capital for such acquisitions or investments. The authorisation had not been used by the Board at the date of issue of this annual report.

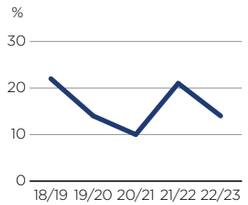
MARKET DEVELOPMENT

According to SLAO (Swedish Ski Lift Organisation), SkiPass sales in Sweden decreased by 5.6 percent in the 2022/23 winter season compared with the season before. SkiStar's market share of SkiPass sales was 50 (52) percent in Sweden and 32 (32) percent in Norway. The market share in Scandinavia was 42 (44) percent.

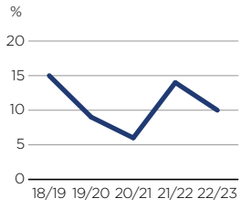
OPERATIONS

All Swedish and Norwegian destinations were fully open throughout the winter season. Revenue continued to increase and amounted to SEK 4,304 million, up by 4.5 percent. The increase is primarily attributable to the Property Development and Exploitation segment, where revenue from exploitation increased by SEK 145 million. During the year, exploitations were carried out mainly in Hemsedal and Sälen. The Operation of Hotels segment has had strong growth during the winter season but finished weaker in the fourth quarter. In total, revenue from hotel operations increased by SEK 53 million, corresponding to twelve percent, and came from accommodation and restaurant operations. The Operation of Mountain Resorts segment decreased revenue by one percent, corresponding to SEK 23 million. The decrease is attributable

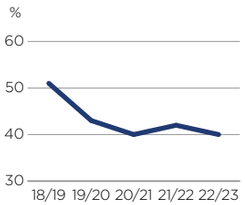
OPERATING MARGIN



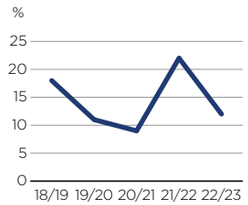
RETURN ON CAPITAL EMPLOYED



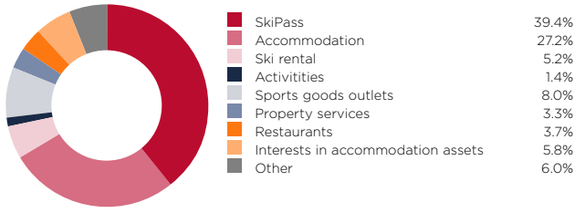
EQUITY/ASSETS RATIO



RETURN ON EQUITY



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to lower sales of SkiPass and accommodation during the third quarter. Repairs and maintenance costs increased during the year, as did personnel and marketing costs. Staff costs increased by SEK 67 million, equivalent to eight percent. Personnel costs for the previous year included SEK 16 million relating to the repayment of consolidation funds from Fora and reduced employer contributions for young people. The transition to a year-round company and expanded hotel operations have also resulted in increased personnel costs. The measures taken to reduce electricity consumption have been effective and fully compensated for the price increases, which resulted in energy costs remaining unchanged compared to the previous year. Profit/loss from shares in Group companies fell by SEK 63 million compared with the previous year, primarily as a result of negative currency effects and the revaluation of investment properties in Skiab Invest. However, the operating result in Skiab Invest has improved compared to the previous year. During the second half of the financial year, a review of the organisation was carried out in order to achieve more efficient and long-term sustainable working methods. The new organisation was in place on 1 September 2023.

The Group's operating profit for the full year was SEK 604 (884) million, a decline of 32 percent or SEK 280 million. Translation from the Norwegian krone and euro had a negative effect of SEK 2 million on operating profit. Share of profit of joint ventures and associates decreased by SEK 63 million to SEK 2 (65) million. The decrease is explained by negative currency effects and revaluation of investment properties. Net financial items for the period declined by SEK 65 million to SEK -84 (-18) million and included SEK 1 (71) million related to changes in the value of interest rate derivatives and SEK -99 (-79) million related to interest expenses, including lease-related interest expense of SEK -41 (-38) million in accordance with IFRS 16. Consolidated profit after tax for the financial year was SEK 402 (665) million, a decline of SEK 263 million, or -40 percent. Earnings per share fell to SEK 5.13 (8.50).

Operation of Mountain Resorts

Revenue, including internal, from Operation of Mountain Resorts for the period amounted to SEK 3,787 (3,642) million, with a profit of SEK 607 (793) million. SkiPass sales fell by 3 percent and accounted for 39 percent of revenue. The corresponding figure for the previous year was 42 percent. The number of skier days (one day's skiing with a SkiPass) fell by 0.3 million to 5.7 million (6.0), while the number of activity days increased from 218,000 to 253,000. Sold accommodation, expressed as the number of overnight stays, fell by ten percent compared with the previous year. The occupancy rate for own and agency-booked accommodation was 80 (86) percent. Revenue from sporting goods outlet sales amounted to SEK 341 (289) million, an increase of approximately 18 percent, mainly related to online sales. Personnel costs increased by SEK 67 million compared with the previous year Other external expenses increased by SEK 101 million.

Property Development and Exploitation

Revenue from Property Development and Exploitation amounted to SEK 324 (135) million, with a profit of SEK 20 (92) million. Profit from exploitation activities related to plot and land sales and the sale of shares in tenant-owner associations and Vacation Club for the period amounted to SEK 75 (56) million. Share of profit of joint ventures and associates declined by SEK 73 million and amounted to SEK -1 (72) million, mainly due to negative currency effects and the revaluation of investment properties in Skiab Invest.

Operation of Hotels

Revenue from Operation of Hotels for the period amounted to SEK 542 (449) million, with a loss of SEK -46 (-26) million.

CASH FLOW

Cash flow from operating activities after changes in working capital during the year amounted to SEK 669 (1,238) million. The decrease was due to a lower profit in the business as well as a decline in working capital, which was mainly driven by increased inventory linked to higher turnover and earlier deliveries of goods within the Sports Shops business. Cash flow from investing activities amounted to SEK -853 (-800) million. The change from the previous year was mainly related to a higher rate of investment. Acquisitions of subsidiaries generated a cash flow item of SEK -29 (-34) million. Cash flow from financing activities amounted to SEK 191 (-442) million. The change was mainly due to loan repayments and lower borrowings.

LIQUIDITY AND FINANCING

The Group's cash and cash equivalents amounted to SEK 31 (25) million at the end of August. Unused overdraft facilities amounted to SEK 344 (657) million. During the fourth quarter, SkiStar signed an agreement with Nordea to increase our overdraft by SEK 300 million until the end of February 2024. Interest-bearing liabilities excluding IFRS 16 amounted to SEK 2,256 (1,661) million, an increase of SEK 595 million. Interest-bearing liabilities including IFRS 16 amounted to SEK 4,320 (3,625) million, an increase of SEK 695 million from the previous year. Of the total interest-bearing liabilities in accordance with IFRS 16 of SEK 2,064 (1,964) million, SEK 1,485 million refers to lease liabilities to the partly owned joint venture holding Skiab Invest AB. The average interest rate during the period was 3.47 (2.35) percent. Net financial liabilities excluding IFRS 16 amounted to SEK 2,120 (1,586) million at the end of August, an increase of SEK 534 million compared with the previous year. Net financial debt including IFRS 16 amounted to SEK 4,184 million (3,550), an increase of SEK 634 million. The equity/assets ratio fell to 40 (42) percent. The equity/assets ratio excluding IFRS 16 was 53 (57) percent.

PROFIT/LOSS BEFORE TAX, BY PERIOD

	2022/23	2021/22
September–November	–474,786	–346,841
December–February	925,708	919,883
March–May	327,605	561,312
June–August	–258,357	–268,684

SENSITIVITY ANALYSIS

	Change	Impact on earnings
Bookings	+/-10%	+/SEK -133 million
SkiPass prices	+/-10%	+/SEK -169 million
Interest	+/-1%	+/SEK -5 million
Payroll expenses	+/-10%	+/SEK -91 million
Market price of electricity	+/-10%	+/- SEK 3 million
Current exposure of profit/loss for the year NOK/SEK	+/-10%	+/SEK -15 million

APPROPRIATION OF PROFITS

Proposed appropriation of the Company's profits. The Board of Directors proposes that the available funds of SEK 1,268,070,771 be distributed as follows:

Dividend 78,376,056 shares x 2.60 SEK	–203,777,746
Carried forward	1,064,293,025
TOTAL	**1,268,070,771**

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INVESTMENTS, DISPOSALS AND OTHER ACQUISITIONS

Investments during the financial year amounted to SEK 860 (804) million gross and SEK 853 (799) million net. Depreciation, amortisation and impairment in the same period amounted to SEK 475 (429) million. The single largest investments were on increased snowmaking capacity, the start of new lifts and expansion of summer activities.

SENSITIVITY ANALYSIS

The sensitivity analysis in the table on the previous page describes how the Group's annual earnings are affected by changes in some of the Group's key variables. The assumptions regarding the earnings impact of changes in the occupancy rate are based on all mediated objects and relate only to the impact on SkiPass sales. Changes in other revenue categories in the sensitivity analysis are considered neutralised by increased and reduced expenses. In calculating the sensitivity of a change in the price of electricity, only the portion of electricity consumption that is directly affected by changes in the market price is considered. SkiStar uses a portfolio management system for the procurement of electricity tariffs, in accordance with an adopted hedging strategy. When calculating the sensitivity of a change in interest rates, loans that are affected by the changed rate are considered. Loans with associated interest rate derivatives are not included in the calculation.

PERSONNEL

The average number of employees for the financial year was 1,554 (1,514), an increase of 40. Each destination has a structured organisation for addressing work environment and gender issues. These groups are coordinated centrally and have common governing documents such as policies, directives and procedures (see also Corporate Governance Report, page 85). Professional development expenses amounted to SEK 6 (6) million during the financial year and were mainly associated with internal training. Staff turnover (permanent employees) during the year was as follows: 197 (197) individuals joined SkiStar and 95 (95) left the Company. The Board's proposed guidelines on the remuneration of senior executives, to be presented for adoption by the AGM in December 2023, are presented in their entirety in the administration report and include certain changes from previous guidelines which are outlined in Note 8.

RISKS

An account of the company's risks is presented on pages 79–80. See also note 32 on page 132 for information on financial risks.

PROPOSAL FOR GUIDELINES FOR REMUNERATION OF SENIOR EXECUTIVES

The Board of SkiStar AB (publ) recommends that the Annual General Meeting adopt the following guidelines for remuneration of senior executives. The guidelines apply until new guidelines are adopted by the general meeting and are valid for a maximum of four years.

Scope

The guidelines below include the Board of Directors (as applicable), the CEO and other members of Group Management, hereinafter referred to as senior executives. The guidelines are applicable to remuneration under new agreements and amendments to remuneration already agreed after adoption of the new guidelines by the AGM. The guidelines do not apply to remuneration decided on by the general meeting.

The guidelines' promotion of the Company's business strategy, long-term interests and sustainability

SkiStar's vision is to create memorable mountain experiences. As a listed company, SkiStar aims to create value for the Company's shareholders and promote long-term sustainability in all operations. For further information about SkiStar's strategy, long-term interests, including financial and operational targets, in addition to sustainability targets, see www.skistar.com/en/corporate and the annual report, which will be made available at the same web address no later than three weeks before the AGM.

Successful implementation of the Company's business strategy and safeguarding of its long-term interests, including sustainability, are contingent on the Company having qualified employees. SkiStar must therefore be able to offer competitive remuneration. The Company's remuneration structure in accordance with these guidelines must

- contribute to a consensus between senior executives and shareholders in terms of the long-term perspective of the operations, including promotion of the Company's business strategy, long-term interests and sustainability;
- ensure that senior executives receive remuneration that is on market conditions and competitive, enabling the Company to recruit, motivate and retain competent employees;
- require senior executives' compliance with the Company's code of conduct, policies and directives; and
- offer a salary based on the Company's financial targets and senior executives' individual responsibility, competence, performance, duties, experience and position.

Variable remuneration covered by these guidelines should aim to promote the Company's business strategy and long-term interests, including sustainability.

Remuneration and forms of remuneration

The total compensation for senior executives must be reviewed regularly, and at least annually, to ensure that it is market-based. To create well-balanced total compensation that strengthens both short- and long-term performance management and target achievement, remuneration may include the following components: fixed cash salary, variable remuneration/bonuses including undertaking to acquire shares, pension benefits and other benefits.

Fixed cash salary

Senior executives are to be offered a fixed cash salary that is individualised and market-based in relation to responsibility, competence, performance and regional salary levels. The fixed salary is to be determined annually, to apply during the period September to August.

Variable remuneration/bonus including undertaking to acquire shares

Senior executives may receive variable cash remuneration/bonuses based on the current bonus programme for SkiStar's senior executives, which is divided into a short-term programme (12 months) and a long-term programme (36 months), as decided by the Board for each financial year and three-year period respectively. Bonuses must be related to measurable criteria established by the Board of Directors, which may be financial or non-financial, qualitative or quantitative, and must be based on factors that support SkiStar's business strategy and long-term interests, including its sustainability, by having a clear link to value creation, committed long-term ownership and SkiStar's development. The criteria could, for example, relate to return for shareholders, the Company's operating margin and organic growth, as well as skiing and activity days, measured for each financial year/three-year period. If the Board considers that the business strategy and the Company's long-term interests, including sustainability, would be better promoted if the

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criteria were supplemented or changed, these guidelines allow such changes to be made.

The bonus paid to the CEO can amount to a maximum of 40 percent of 12 times the current monthly salary in the one-year programme, and 40 percent of 36 times the current monthly salary/average monthly salary in the three-year programme, which therefore constitutes the bonus cap for the CEO. Bonuses paid to other senior executives can amount to a maximum of 30 percent of 12 times the current monthly salary in the one-year programme and 30 percent of 36 times the current monthly salary/average monthly salary in the three-year programme, which therefore constitutes the bonus cap for these executives.

The level of fulfilment of the criteria for awarding variable cash remuneration is to be determined at the end of the measurement period on 31 August. For the one-year programme, the criteria relate to target achievement during the financial year that ended on the said date. For the three-year programme, the Board of Directors will decide at the start of the programme whether the criteria should, for example, refer to target attainment measured over the three-year period which ended on the abovementioned date, or similar. The Remuneration Committee is responsible for the assessment of target achievement where the CEO's and other senior executives' variable cash remuneration is concerned. Receipt of variable cash remuneration assumes that the senior executive is employed by SkiStar on the last day of the financial year in the case of the one-year programme. If a senior executive has been a member of the Group Management for only part of the current financial year, the variable cash remuneration to such senior executive will be paid pro rata in proportion to the part of the year during which he was a member of Group management. Receipt of variable cash remuneration in the three-year programme assumes that the senior executive is employed by SkiStar on the last day of the three-year period. If a senior executive has been a member of Group Management for only part of the three-year period, the Board of Directors will have a right in each individual case to decide whether or not the senior executive concerned is to be entitled to variable cash remuneration in the three-year programme and, where variable cash remuneration is to be paid, the Board will also have the right to decide to what extent the variable cash remuneration should be paid. Financial targets must be assessed based on the most recent financial report published by the Company.

Should it be established that the criteria for payment of variable cash remuneration have not been met in whole or in part, for the one-year and/or three-year bonus programme, the Board of Directors has the possibility to decide that variable remuneration is nevertheless to be paid to senior executives on an individual basis in extraordinary circumstances, up to an amount not exceeding half of the bonus cap. Such extraordinary arrangements are only to be applied either for the purpose of recruitment or retention, or as remuneration for extraordinary work in addition to the person's regular duties. Decisions on such remuneration are to be taken by the Board of Directors, for both the CEO and other senior executives, on the proposal of the Remuneration Committee. Variable remuneration is paid in October of the year after the end of the 12-month and 36-month period respectively.

Under an agreement with the Company, senior executives who receive bonuses must undertake to acquire shares in the Company for long-term ownership (a period of at least three years), investing at least 1/3 of their post-tax bonuses. This applies to bonuses during both the one-year and the three-year bonus programme. The purchase price paid for any SkiStar shares acquired by a senior executive during a given vesting year for the short and the long bonus programme respectively may be included in the amount that the executive has committed to invest in SkiStar shares if a bonus is received for that vesting year. The purpose is to create involvement and engagement by offering senior executives the opportunity to become shareholders in a structured way. The criteria that determine the outcome as described above enable incentives to be created for senior executives to contribute to realisation of the Company's business strategy and safeguarding of the Company's long-term interests, including sustainability, and therefore to long-term value creation.

If a senior executive contravenes the above conditions by, for example, prematurely selling shares acquired under said conditions, the senior executive must, in accordance with the agreement with the Company, be required to repay the full amount (including income tax but not social security contributions) paid for the shares acquired.

Pension benefits

Senior executives are entitled to pension arrangements under collective agreements and agreements with SkiStar. All pension obligations are defined-contribution plans. For the CEO, the Company pays pension contributions corresponding to 30 percent of the pensionable salary. For other senior executives, pension payments are made according to the standard ITP plan. Salary waivers can be used for increased pension provisions through one-time pension premium payments under salary and bonus sacrifice arrangements. The retirement age for senior executives who are Swedish citizens is 65. For others, it is as specified in their own country's pension rules.

Car benefits

Senior executives may be offered car benefits in accordance with the Company's instruction concerning cars for all employees. The CEO may also be entitled to car benefits at a value over and above other applicable instructions in the Company.

Other benefits

Senior executives may be entitled to other benefits such as health insurance, as well as the benefits available to other SkiStar employees. The total value of these benefits may not exceed five percent of a senior executive's fixed cash salary.

In addition, the CEO may be entitled to tax return assistance and supplementary health insurance in addition to collectively agreed health insurance. The total value of such benefits, including car benefits, may not exceed five percent of the CEO's fixed cash salary.

Other

Employment conditions for senior executives who are subject to rules other than Swedish rules on pension and other benefits may be duly adjusted to ensure compliance with mandatory rules or established local practice, taking into account the overall purpose of these guidelines as far as possible.

Period of notice and termination benefits

The maximum period of notice is initially twelve months for termination of employment initiated by SkiStar and six months for termination by the senior executive. Termination benefits are only to be paid when termination of employment is initiated by the Company. Termination benefits are only to be paid up to the date on which the individual in question obtains other employment. Termination benefits are calculated on the fixed cash salary and are not pensionable. Total

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fixed salary during the period of notice and any termination benefits must not exceed an amount corresponding to the fixed salary for 24 months.

Decision-making process to determine, review and implement the guidelines

The Board's Remuneration Committee is responsible for annually reviewing the need to revise the guidelines prior to the Board's proposal to the AGM (if applicable) for adoption. The Board shall prepare a proposal for new guidelines at least every fourth year and present it to the AGM for resolution. The guidelines are to be valid until new guidelines are adopted by the general meeting. The Remuneration Committee must also monitor and evaluate programmes for variable remuneration for senior executives, the application of guidelines for remuneration of senior executives and applicable remuneration structures and remuneration levels in the Company. The Board makes decisions on the salary and other terms of employment for the CEO on the basis of proposals from the Remuneration Committee. The CEO makes decisions on the salary and other terms of employment for other senior executives and consults with the Remuneration Committee on these matters. Decisions on possible variable remuneration in extraordinary circumstances are, however, made by the Board for the CEO as well as for other senior executives on the basis of proposals from the Remuneration Committee. The CEO and other senior executives are not present when the Board and the Remuneration Committee consider and make decisions on remuneration-related matters in so far as they are affected by these matters.

Derogation from the guidelines

The Board may, following a proposal from the Remuneration Committee, decide to make a temporary derogation from the guidelines, in whole or in part, if there are particular reasons to do so in an individual case and such derogation is necessary in order to serve the Company's long-term interests, including sustainability, or to ensure the Company's financial viability. As stated above, the Remuneration Committee's tasks include preparation of the Board's decisions in remuneration-related matters. This includes decisions to derogate from the guidelines. Such derogations are to be reported and explained in the subsequent remuneration report.

Salary and terms of employment for other employees

In preparing the Board's proposal for these remuneration guidelines, the salaries and terms of employment for the Company's employees have been taken into account by including information about the employees' total remuneration, the components of the remuneration and the remuneration increase and rate of increase over time in the Board's decision support material for evaluating the reasonableness of the guidelines and limitations set out herein. The remuneration report on paid and outstanding remuneration covered by the guidelines will include a report on the trend regarding the gap between Company management's remuneration and other employees' remuneration.

Changes from previous guidelines

The Board's proposal for guidelines for remuneration of senior executives prior to the 2023 AGM is largely consistent with the guidelines adopted at the 2022 AGM. In the review before the 2023 AGM, there has been a change regarding the possibility of variable remuneration being divided into a one-year part and a three-year part, as well as regarding benefits for the CEO.

More information

On the date of submission of these proposed remuneration guidelines for senior executives, SkiStar did not have any remuneration commitments not due for payment other than ongoing commitments to senior executives in accordance with the remuneration principles adopted at the 2022 AGM. For more information on remuneration at SkiStar, see the remuneration report and the annual report, which are available at www.skistar.com/sv/corporate no later than three weeks before the Annual General Meeting.

Sälen, November 2023
Board of Directors of SkiStar AB (publ)

ONGOING DISPUTES

SkiStar does not have any ongoing disputes that could have a material impact on the Company's financial position.

PARENT COMPANY

The Parent Company's revenue amounted to SEK 2,898 (2,875) million, while profit before tax was SEK 336 (575) million. Gross investments for the financial year amounted to SEK 527 (845) million and net investments totalled SEK 496 (830) million. Most of the Swedish operations are conducted in the Parent Company.

STATUTORY SUSTAINABILITY REPORT

The sustainability report has been prepared in accordance with the provisions in the Annual Accounts Act, Chapter 6, Section 11, and is described on pages 37–75, with the exception of the description of the Company's business model on pages 16–17 and risk management on pages 79–80. For questions relating to SkiStar's sustainability reporting, contact the Company at hallbarhet@skistar.com.

CORPORATE GOVERNANCE

Information on corporate governance is included in the separate Corporate Governance Report, see pages 81–92.

LOOKING AHEAD TO 2023/24

The effect of the continued uncertain economic situation makes it difficult to assess the outlook for household finances as we move into 2023/24. However, despite the state of the economy, we are seeing increased demand for ski holidays for the winter, with a booking rate measured in the number of nights booked through SkiStar's accommodation agency of +7 percent compared with the same period of the previous year when the year-end report was released. The weak currencies in Sweden and Norway continue to benefit both domestic tourism and affordability for our foreign guests. Next winter, we will also see a positive effect from the dates of the holiday periods both during Christmas/New Year and Easter, unlike last year. SkiStar continues to invest according to the previously communicated plan, which, for the winter, will include, among other things, two new express lifts in Sälen and Hemsedal, as well as an more modern lift system, better slopes and more efficient snow production.

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		2022/23	2021/22	2020/21	2019/20	2018/19
Revenue and profit	Revenue, SEK million	4,281	4,092	2,689	2,794	2,676
	Operating income, SEK million	4,304	4,118	2,759	2,839	2,688
	Profit before depreciation/amortisation, SEK million	1,080	1,298	832	768	877
	Operating profit, SEK million	604	884	296	394	604
	Profit before tax, SEK million	520	866	246	350	553
	Profit after tax, SEK million	402	665	234	287	460
Cash flow	Cash flow before changes in working capital, SEK million	805	1,037	489	671	725
	Cash flow after changes in working capital, SEK million	669	1,238	699	735	722
	Cash flow after investing activities, SEK million	-183	438	68	82	219
Profitability	Return on capital employed, %	9	14	6	9	15
	Return on equity, %	12	22	9	11	18
	Return on total assets, %	8	12	5	8	13
	Gross margin, %	25	32	19	27	33
	Operating margin, %	14	21	10	14	22
	Net margin, %	12	21	9	12	21
Investments	Gross investments, SEK million	860	850	632	656	546
	Net investments, SEK million	853	799	628	653	503
Financial position	Total assets, SEK million	8,761	7,974	6,874	6,023	5,066
	Equity, SEK million	3,484	3,359	2,774	2,561	2,602
	Equity/assets ratio, %	40	42	40	43	51
	Debt/equity ratio, times	1.2	1.1	1.2	1.0	0.7
	Interest coverage ratio, times	7.2	7.8	4.0	4.8	6.6
Liquidity	Current ratio, %	57	103	102	101	116
	Quick ratio, %	37	79	88	80	90
Personnel	Average no. of employees	1,554	1,149	1,196	1,166	1,322
	Revenue per employee, SEK thousand	2,769	3,562	2,300	2,025	2,024

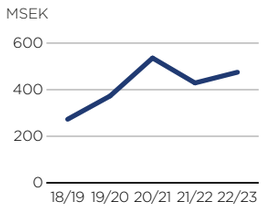
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Statement of comprehensive income

STATEMENT OF COMPREHENSIVE INCOME, SEK THOUSAND	Note	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022
Net sales	2	4,281,497	4,092,252
Other income	4	22,091	25,541
Total operating income	3	**4,303,589**	**4,117,794**
Goods for resale		–1,025,960	–980,227
Other external expenses	6, 7	–1,131,465	–1,029,920
Personnel costs	5, 8	–921,477	–854,126
Costs of sold interests in accommodation/exploitation		–148,373	–21,034
Share of profit/loss of joint ventures/associates	16	2,356	65,095
Depreciation and amortisation of assets	9	–474,827	–429,390
Impairment losses reversed		0	15,688
Operating profit		**603,843**	**883,879**
Profit/loss from financial items			
Finance income	33	95,829	97,999
Finance costs	34	–179,502	–116,210
Profit/loss before tax		**520,170**	**865,669**
Tax	11	–118,388	–201,116
Profit/loss for the year		**401,781**	**664,553**

OTHER COMPREHENSIVE INCOME, SEK thousand	Note	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022
Items that may be reclassified to profit or loss for the year	23		
Change in fair value of cash flow hedges for the year		–79	2,662
Deferred tax on cash flow hedges		0	–586
Exchange differences on translation of foreign operations		–41,943	49,098
Other comprehensive income for the year		**–42,022**	**51,174**
Comprehensive income for the year		**359,759**	**715,727**
Profit/loss for the year attributable to:			
Parent Company shareholders		402,366	666,525
Non-controlling interests		–585	–1,972
Profit/loss for the year		**401,781**	**664,553**
Comprehensive income for the year attributable to:			
Parent Company shareholders		360,450	715,812
Non-controlling interests		–690	–85
Comprehensive income for the year		**359,759**	**715,727**
Earnings per share			
Earnings per share, basic and diluted, SEK	12	5.13	8.50
Average number of shares, basic and diluted	12	78,376,056	78,376,056

DEPRECIATION/AMORTISATION OF TANGIBLE AND INTANGIBLE ASSETS



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Consolidated statement of financial position

ASSETS, SEK thousand	Note	31/08/2023	31/08/2022
Non-current assets			
Intangible assets	13	213,295	197,669
Property, plant and equipment	14	4,741,784	4,239,491
Right-of-use assets	7	1,985,122	1,927,954
Investments in associates and joint ventures	16	847,582	854,263
Other investments and securities held as non-current assets	17	42,572	32,173
Derivative instruments	32	58,998	58,069
Other non-current receivables	18	39,236	50,555
Total non-current assets		**7,928,588**	**7,360,174**
Current assets			
Inventories	19	390,986	295,904
Trade receivables	20	38,798	37,830
Tax receivables		84,115	76,210
Other current receivables	21	140,026	74,365
Prepaid expenses and accrued income	22	147,407	104,430
Cash and cash equivalents	31	31,071	24,610
Total current assets		**832,404**	**613,350**
TOTAL ASSETS		**8,760,992**	**7,973,524**

EQUITY AND LIABILITIES	Note	31/08/2023	31/08/2022
Equity	23		
Share capital		19,594	19,594
Other contributed capital		397,573	397,573
Reserves		–69,912	–27,995
Retained earnings including profit for the year		3,135,242	2,968,005
Equity attributable to shareholders of the Parent Company		**3,482,497**	**3,357,177**
Non-controlling interests		1,439	2,128
Total equity		**3,483,937**	**3,359,306**
Non-current liabilities			
Liabilities to credit institutions	25	1,120,378	1,300,825
Non-current lease liabilities	7	1,890,281	1,865,743
Provisions for pensions	26	18,404	17,335
Deferred tax liabilities	11	195,028	196,266
Total non-current liabilities		**3,224,090**	**3,380,169**
Current liabilities			
Liabilities to credit institutions	25	1,117,433	316,647
Current lease liabilities	7	173,903	124,745
Trade payables		188,041	223,159
Tax liabilities		119,330	132,532
Other current liabilities		285,193	267,369
Accrued expenses and deferred income	29	169,067	169,598
Total current liabilities		**2,052,966**	**1,234,049**
Total liabilities		**5,277,057**	**4,614,218**
TOTAL EQUITY AND LIABILITIES		**8,760,992**	**7,973,524**

Pledged assets and contingent liabilities, see Note 30.

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Consolidated statement of changes in equity

	Equity attributable to shareholders of the Parent							
GROUP, SEK thousand	**Share capital**	**Other contributed capital**	**Translation reserves**	**Hedging reserves**	**Retained earnings and profit for the year**	**Total**	**Non-controlling interests**	**Total equity**
Opening equity, 1 Sep 2021	19,594	397,573	–62,402	–1,998	2,405,537	2,758,305	15,720	2,774,025
Profit/loss for the year					666,525	666,525	–1,972	664,553
Other comprehensive income for the year[1)]			47,210	2,076		49,286	1,887	51,174
Comprehensive income for the year			**47,210**	**2,076**	**666,525**	**715,811**	**–85**	**715,727**
Transactions with non-controlling interests					13,507	13,507	–13,507	–
Sale of subsidiaries			–12,882			–12,882	–	–12,882
Dividend			–	–	–117,564	–117,564	–	–117,564
Closing equity, 31 Aug 2022	**19,594**	**397,573**	**–28,074**	**79**	**2,968,005**	**3,357,177**	**2,128**	**3,359,306**
Opening equity, 1 Sep 2022	19,594	397,573	–28,074	79	2,968,005	3,357,177	2,128	3,359,306
Profit/loss for the year					402,366	402,366	–585	401,781
Other comprehensive income for the year[1)]			–41,838	–79		–41,917	–105	–42,022
Comprehensive income for the year			**–41,838**	**–79**	**402,366**	**360,449**	**–689**	**359,760**
Dividend			–	–	–235,129	–235,129	–	–235,129
Closing equity, 31 Aug 2023	**19,594**	**397,573**	**–69,912**		**3,135,242**	**3,482,497**	**1,439**	**3,483,936**

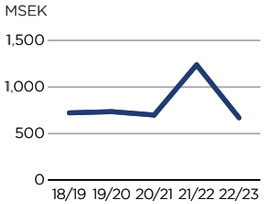
[1)] Items that may be reclassified to profit or loss for the period.

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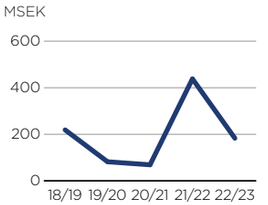
Consolidated statement of cash flows

SEK thousand		Note	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022
Operating activities	Profit/loss before tax		520,170	865,669
	Adjustments for non-cash items etc.	31	421,772	247,824
	Tax paid		–137,001	–76,418
	Cash flow from operating activities before changes in working capital		**804,941**	**1,037,075**
Cash flow from changes in working capital	Increase (–)/Decrease (+) in inventories		–111,043	–93,844
	Increase (–)/Decrease (+) in operating receivables		–66,224	161,682
	Increase (+)/Decrease (–) in operating liabilities		41,690	132,681
	Cash flow from operating activities		**669,364**	**1,237,594**
Investing activities	Acquisition of subsidiaries, net cash effect	31, 37	–28,907	–34,260
	Disposal of subsidiaries		–	45,900
	Acquisition of intangible assets		–41,069	–29,311
	Acquisition of property, plant and equipment		–767,320	–763,192
	Acquisition of financial assets		–22,836	–23,533
	Disposal of property, plant and equipment		7,418	4,639
	Cash flow from investing activities		**–852,714**	**–799,757**
Financing activities	Borrowings		1,036,599	856,382
	Repayment of loans		–448,054	–1,014,932
	Repayment of lease liability		–162,547	–165,419
	Dividend paid		–235,128	–117,564
	Cash flow from financing activities		**190,870**	**–441,533**
	Cash flow for the year		**7,519**	**–3,697**
	Cash and cash equivalents at start of year		24,610	26,556
	Exchange differences		–1,058	1,751
	Cash and cash equivalents at end of year	31	**31,071**	**24,610**

CASH FLOW FROM OPERATING ACTIVITIES



CASH FLOW AFTER INVESTING ACTIVITIES



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Income statement – Parent Company

SEK thousand		Note	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022
	Net sales	2	2,897,718	2,875,348
	Other operating income	4	8,742	13,601
	Total operating income		**2,906,460**	**2,888,949**
Operating expenses	Goods for resale		–707,624	–707,820
	Other external expenses	6.7	–1,041,525	–868,957
	Personnel costs	5.8	–605,760	–564,967
	Costs of sold interests in accommodation/exploitation		–474	–7,250
	Depreciation/amortisation of tangible and intangible assets	9	–186,179	–169,831
	Operating profit		**364,898**	**570,124**
Profit/loss from financial items	Profit/loss from investments in Group companies	10	2,010	–843
	Finance income, external	33	99,726	63,399
	Finance income, Group companies	33	9,968	2,951
	Finance costs, external	34	–113,766	–44,609
	Finance costs. Group companies	34	–7,232	–724
	Profit/loss after financial items		**355,604**	**590,298**
	Appropriations	24	–19,496	–15,340
	Profit/loss before tax		**336,108**	**574,958**
	Tax	11	–83,238	–120,372
	Profit/loss for the year		**252,870**	**454,587**
OTHER COMPREHENSIVE INCOME				
	Items that may be reclassified to profit or loss	23		
	Change in fair value of cash flow hedges for the year		–	2,662
	Deferred tax on cash flow hedges		–	–586
	Other comprehensive income for the year		**–**	**2,076**
	Total comprehensive income for the year		**252,870**	**456,663**

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Balance sheet – Parent Company

ASSETS, SEK thousand		Note	31/08/2023	31/08/2022
Non-current assets	Intangible assets	13	97,605	76,087
	Property, plant and equipment	14	2,417,642	2,159,607
Financial assets	Investments in Group companies	15	291,940	245,473
	Investments in joint ventures/associates	16	2,770	2,770
	Other investments and securities held as non-current assets	17	24,702	17,392
	Derivative instruments	32	31,387	29,883
	Other non-current receivables	18	14,834	26,699
	Receivables from Group companies	27	180,750	192,750
	TOTAL NON-CURRENT ASSETS		**3,061,629**	**2,750,660**
Current assets				
Inventories	Goods for resale		243,540	138,696
			243,540	**138,696**
Current receivables	Trade receivables	20	19,464	12,973
	Receivables from Group companies		514,795	466,959
	Tax receivables			61,599
	Other current receivables	21	93,002	34,408
	Prepaid expenses and accrued income	22	119,909	91,155
			747,169	**667,094**
Cash and cash equivalents	Cash and bank balances	31	784	785
	TOTAL CURRENT ASSETS		**991,492**	**806,575**
	TOTAL ASSETS		**4,053,122**	**3,557,235**

EQUITY AND LIABILITIES		Note	31/08/2023	31/08/2022
Equity		23		
Restricted equity	Share capital		19,594	19,594
	Statutory reserve		25,750	25,750
	Development expenditure fund		–	5,625
			45,344	**50,969**
Non-restricted equity	Share premium reserve		4,242	4,242
	Retained earnings		1,010,959	784,414
	Profit/loss for the year		252,870	454,587
			1,268,071	**1,243,244**
	Total equity		**1,313,415**	**1,294,213**
Non-current interest-bearing liabilities	Liabilities to credit institutions	25	468,485	480,485
Provisions	Provisions for pensions	26	18,404	17,335
Non-current non-interest-bearing liabilities	Deferred tax liabilities	11	172,081	159,863
	Total non-current liabilities		**658,970**	**657,683**
Current liabilities	Liabilities to credit institutions	25	784,797	124,818
	Liabilities to Group companies		880,503	957,434
	Trade payables		146,010	148,008
	Other current liabilities		160,105	269,755
	Accrued expenses and deferred income	29	109,322	105,325
	Total current liabilities		**2,080,737**	**1,605,340**
	Total liabilities		**2,739,707**	**2,263,023**
	TOTAL EQUITY AND LIABILITIES		**4,053,122**	**3,557,235**

Pledged assets and contingent liabilities, see Note 30.

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Statement of changes in equity – Parent Company

	Restricted equity			Non-restricted equity				
PARENT COMPANY, SEK thousand	Share capital	Statutory reserve	Development expenditure fund	Share premium reserve	Hedging reserves	Retained earnings	Profit/loss for the year	Total equity
Opening equity, 1 Sep 2021	19,594	25,750	4,309	4,242	-2,078	903,295		955,112
						–	454,587	454,587
Profit/loss for the year			1,316			–1,316	–	0
Other comprehensive income for the year					2,076	–	–	2,076
Comprehensive income for the year					**2,076**		**454,587**	**456,663**
Dividend						–117,564		–117,564
Closing equity, 31 Aug 2022	**19,594**	**25,750**	**5,625**	**4,242**	**–2**	**784,416**	**454,587**	**1,294,213**
								–1,281,192
Opening equity, 1 Sep 2022	19,594	25,750	5,625	4,242	–2	1,239,004		1,294,213
						1,458	252,870	254,328
Profit/loss for the year			–5,625		2	5,625		2
Comprehensive income for the year					**2**		**252,870**	**252,872**
Dividend					–	–235,129	–	–235,129
Closing equity, 31 Aug 2023	**19,594**	**25,750**	**0**	**4,242**	**0**	**1,010,959**	**252,870**	**1,313,415**

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Cash flow statement – Parent Company

SEK thousand		Note	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022
Operating activities	Profit/loss after financial items		355,604	590,298
	Adjustments for non-cash items etc.	31	183,929	133,413
	Tax paid		–119,752	–61,650
	Cash flow from operating activities before changes in working capital		**419,781**	**662,061**
Cash flow from changes in working capital	Increase (–)/Decrease (+) in inventories		–104,844	–44,569
	Increase (–)/Decrease (+) in operating receivables		–141,674	133,964
	Increase (+)/Decrease (–) in operating liabilities		–90,588	173,624
	Cash flow from operating activities		**82,675**	**925,080**
Investing activities	Acquisition of subsidiaries		–46,466	–44,056
	Acquisition of intangible assets		–41,068	–12,684
	Acquisition of property, plant and equipment		–427,982	–585,423
	Investments in financial assets		–10,800	–202,506
	Disposal of property, plant and equipment		3,434	15,076
	Disposal of financial assets		27,355	–
	Cash flow from investing activities		**–495,527**	**–829,593**
Financing activities	Borrowings		940,868	60,076
	Repayment of loans		–292,889	–38,000
	Dividend paid		–235,128	–117,564
	Cash flow from financing activities		**412,851**	**–95,488**
	Cash flow for the year		**–1**	**–1**
	Cash and cash equivalents at start of year		785	786
	Cash and cash equivalents at end of year	31	**784**	**785**

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COMPLIANCE WITH STANDARDS AND STATUTORY REQUIREMENTS

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU. In addition, the Swedish Financial Reporting Board's Recommendation RFR 1 has been applied.

The Parent Company applies the same accounting policies as the Group, except in the cases described below in the section entitled "The Parent Company's accounting policies".

BASIS OF PREPARATION OF THE PARENT COMPANY'S AND THE GROUP'S FINANCIAL STATEMENTS

The Parent Company's functional currency is the Swedish krona. This is also the presentation currency for the Parent Company and the Group, which means that the financial statements are presented in Swedish kronor. Unless otherwise stated, all figures are rounded to the nearest thousand. Assets and liabilities are recognised at historical cost less any amortisation or depreciation, unless otherwise stated.

Preparation of financial statements in compliance with IFRS requires the use of accounting estimates and judgements. It also requires Group Management to make assumptions that affect the application of the accounting policies and the carrying amounts of assets, liabilities, income and expense. The estimates and assumptions are based on historical experience and several other factors that are considered reasonable in the present circumstances. The results of these estimates and assumptions are used to determine the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual outcomes may differ from these estimates and assumptions. The accounting estimates and assumptions are reviewed regularly. Changes to accounting estimates are recognised in the period of the change. Further information can be found in Note 37.

The Group's accounting policies described below have been applied consistently to all periods presented in the consolidated financial statements, unless otherwise stated. The Group's accounting policies have been applied consistently in the reporting and consolidation of the Parent Company, subsidiaries and associates.

NEW OR AMENDED ACCOUNTING STANDARDS APPLICABLE AT 31 AUGUST 2023

No new or amended accounting standards applicable at 31 August 2023 have had any material effect on the Company's financial statements.

NEW OR AMENDED ACCOUNTING STANDARDS APPLICABLE AFTER 31 AUGUST 2023

A number of new and amended financial reporting standards have been published by the IASB with future effective dates. Among these standards, the amendment to IAS 1 – Disclosure of accounting policies is expected to have an impact because entities will in future be required to disclose information on their material accounting policies, instead of their significant accounting policies. Additional amendments to IAS 1 include explanation of how entities can identify a material accounting policy None of the other new and amended financial reporting standards is expected to have any material effect on the Company's financial reporting.

SEGMENT REPORTING

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. The operating segment's financial results are reviewed regularly by the Company's chief operating decision-maker to allocate resources to the segment and assess its performance. The performance measure that is monitored is the segment's operating profit/loss. In accordance with IFRS 8, segment information is only presented based on the consolidated financial statements. See Note 3 for a further description of the SkiStar Group's classification and presentation of operating segments.

CLASSIFICATION

Non-current assets and liabilities for the Parent Company and Group are essentially amounts that are expected to be recovered or paid more than 12 months after the reporting date. Current assets and liabilities for the Parent Company and Group are essentially amounts that are expected to be recovered or paid within 12 months of the reporting date.

BASIS OF CONSOLIDATION

Subsidiaries

Subsidiaries are entities over which SkiStar AB has control. Control exists if SkiStar AB has influence over the investee, has exposure or rights to variable returns from its involvement and is able to use its influence over the investee to affect those returns. Potential voting rights and the existence of de facto control are taken into consideration when assessing whether control exists.

Subsidiaries acquired as a business combination are accounted for using the acquisition method. The acquisition of a subsidiary is treated as a transaction through which the Group indirectly acquires the subsidiary's assets and assumes its liabilities. The acquisition-date fair values of identifiable assets acquired and liabilities assumed, as well as any non-controlling interests, are determined in the purchase price allocation. Transaction costs are recognised directly in profit or loss for the year, apart from transaction costs attributable to the issue of equity or debt instruments.

In a business combination, goodwill is measured as the difference between (a) the consideration transferred, any non-controlling interest and the fair value of the previously-held interest (in a step acquisition) and (b) the fair value of the assets acquired and liabilities and contingent liabilities assumed (accounted for separately). If the difference is negative, the resulting gain (bargain purchase) is recognised directly in profit or loss. The consideration transferred in connection with the business combination does not include payments related to the settlement of previous business relationships. This type of settlement is recognised in profit or loss. Contingent consideration is recognised at the acquisition-date fair value. Contingent consideration that is classified as an equity instrument is not remeasured and its settlement is accounted for within equity. Any other contingent consideration is remeasured at each reporting date and the change is recognised in profit or loss.

A non-controlling interest (NCI) exists when the ownership of the subsidiary is less than 100 percent. There are two options for the measurement of non-controlling interests: to measure the NCI's proportionate share of net assets or to measure the NCI at fair value (full goodwill method). The accounting policy choice for measuring non-controlling interests is available on a transaction by transaction basis. For business combinations achieved in stages (step acquisitions), goodwill is

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determined on the date on which control arises. Previously held interests are measured at fair value, with any resultant gain or loss recognised in profit or loss for the year. Following a disposal that results in loss of control, any retained holding is measured at fair value, with any resultant gain or loss recognised in profit or loss.

The results of operations of subsidiaries are included in the consolidated financial statements from the date of acquisition until the date on which control ceases.

If a subsidiary's accounting policies differ from those of the Group, the subsidiary's policies are adjusted to reflect the Group's accounting policies.

Losses attributable to a non-controlling interest are allocated to non-controlling interests even if this results in non-controlling interests having a debit balance in equity.

Acquisitions of non-controlling interests are accounted for as equity transactions – that is, between owners of the Parent (in retained earnings) and non-controlling interests. Consequently, goodwill does not arise in these transactions. Changes to holdings of non-controlling interests are based on their proportionate share of net assets.

Sales to non-controlling interests

Sales to non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, between owners of the Parent and non-controlling interests. The difference between the consideration received and the non-controlling interest's proportionate share of the net assets acquired is recognised in retained earnings.

Associates

Associates are entities in which the Group has significant influence but not control. A holding of between 20 and 50 percent of the voting power normally indicates significant influence. Associates are accounted for using the equity method, as are joint ventures.

Joint ventures

In an accounting context, joint ventures are entities in which the Group has joint control through a contractual arrangement with one or more parties. In a joint venture, the Group has rights to the net assets of the arrangement, rather than direct rights to the assets and obligations for the liabilities.

Equity method

Investments in associates and joint ventures are accounted for in the consolidated financial statements using the equity method from the date on which significant influence is established. The equity method means that the carrying amount of shares in associates and joint ventures corresponds to the Group's share of the associates' equity, goodwill on consolidation and any other residual surplus values or deductions for internal gains.

The Group's share of profit/loss of associates and joint ventures after tax is reported under Share of profit/loss of joint ventures and associates in the income statement.

Transactions eliminated on consolidation

Intra-Group receivables and liabilities, income and expense, and unrealised gains or losses arising from intra-Group transactions are eliminated in full when preparing the consolidated financial statements. Foreign currency effects from the translation of internal loans in foreign currency are not eliminated and are recognised in the income statement as finance income and finance costs.

FOREIGN CURRENCY

Foreign currency transactions

Foreign currency transactions are translated to the functional currency using the exchange rate at the date of the transaction. The functional currency is the currency of the primary economic environment in which the companies operate. Foreign currency monetary assets and liabilities are translated to the functional currency using the closing rate. Foreign exchange gains and losses arising on translation are recognised in profit or loss for the year. Non-monetary assets and liabilities carried at historical cost are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities carried at fair value are translated to the functional currency at the rate that existed when the fair values were determined. All resulting exchange differences are reported in the same way as other fair value changes for the assets or liabilities.

Financial statements of foreign operations

Assets and liabilities of foreign operations, including goodwill and other consolidated fair value adjustments, are translated from the foreign operation's functional currency to the Group's presentation currency (SEK) using the closing rate.

Income and expenses in foreign operations are translated to Swedish kronor using an average exchange rate. This average approximates the rates at each transaction date. Exchange differences arising on translation of foreign operations are recognised in other comprehensive income as a translation reserve. On disposal of a foreign operation, the cumulative exchange differences relating to that foreign operation are reclassified to profit or loss.

REVENUE

Sales of goods and services

Revenue from the sale of goods and services is recognised when the control associated with the goods or service has been transferred to the buyer. Revenue from accommodation, SkiPass and other goods and services associated with guest visits is recognised during the guest's stay. Revenue from the sale of goods in shops is recognised at the time of the transaction, when control has been transferred to the buyer.

SkiStar Member

SkiStar's MySkiStar loyalty programme awards points corresponding to 0.5 percent of eligible purchases provided by SkiStar. The points can be used for up to 36 months. At each reporting date, newly accrued points are debited from revenue, while previous provisions for points that have been used during the period, or points that have expired, are credited to revenue. The value of remaining points outstanding is reported as a contract liability in the balance sheet and is included in the item Other current liabilities (see Note 2).

Revenue from property sales

Revenue from property sales is normally recognised on the handover date unless control has been transferred to the buyer at a previous date. Control of the asset may have been transferred prior to the handover date, in which case the property sale is recognised as revenue at the earlier date. Assessment of when to recognise revenue is also based on what has been agreed between the parties regarding control and the degree of managerial involvement. Consideration is also given to circumstances with the potential to affect the outcome of the transaction which are outside the control of the seller and/or buyer.

Revenue from property sold to tenant-owner associations is recognised when the company owning the properties is sold to a tenant-owner association or other party, provided the apartments have been let. Otherwise, the revenue is recognised as the apartments are let. The Company does not have any obligation to a tenant-owner association regarding the apartments the association does not sell. However, SkiStar may rent apartments for use in Operation of Ski Resorts. Unsold interests

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in tenant-owner associations and apartments are reported as financial assets and inventories

Rental income
Rental income from business premises is recognised in profit or loss on a straight-line basis in accordance with the terms of the rental agreement.

Government grants
Government grants are not recognised in the income statement and balance sheet until there is reasonable assurance that the Company will comply with the conditions attached to the grants and that the grants will be received. Grants are recognised in profit or loss over the same periods as the related costs for which the grants are intended to compensate. Government grants in the form of reorientation support in Sweden and business support in Norway are reported under the heading other income. Other government grants related to income, such as support for short-time work, are deducted when the corresponding costs are recognised, i.e., as a cost reduction. Government grants related to assets are recognised in the consolidated statement of financial position as a reduction of the asset's carrying amount.

FINANCE INCOME AND COSTS
Finance income and costs
Finance income and expenses consist of interest income on bank balances, receivables and interest-bearing securities, interest expenses on borrowings, coupons on interest rate swaps, dividend income and exchange differences. Interest income on receivables and interest expenses on liabilities are recognised using the effective interest method. The effective interest rate is the rate that discounts estimated future cash payments or receipts through a financial instrument's expected life to the net carrying amount of the financial asset or liability. Interest income includes accrued amounts of transaction costs and any discounts, premiums or other differences between the original value of the receivable and the amount received at maturity. Dividend income is recognised when the right to receive payment has been established.

FINANCIAL INSTRUMENTS
Financial instruments recognised under assets in the consolidated statement of financial position include shares and participations, non-current receivables, trade receivables, current loan receivables and cash and cash equivalents. Financial instruments reported under equity and liabilities include borrowings, derivatives in the form of interest rate swaps and accrued interest. Financial instruments are initially recognised at cost, which corresponds to the instrument's fair value plus transaction costs. However, financial assets in the category 'at fair value through profit or loss' are recognised at fair value net of transaction costs. Subsequent recognition is based on the instruments' classification in accordance with the description below. A financial asset or liability is recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. A receivable is recognised when the Company has performed and there is a contractual obligation for the counterparty to pay, even if an invoice has not yet been sent. Trade receivables are recognised in the statement of financial position when an invoice has been sent. A liability is recognised when the counterparty has performed and there is a contractual obligation to pay, even if an invoice has not yet been received. Trade payables are recognised on receipt of the invoice. A financial asset is derecognised in the statement of financial position when the contractual rights have been realised, have expired or the Company loses control over them. The same applies to a part of a financial asset. A financial liability is derecognised in the statement of financial position when the contractual obligation has been discharged or extinguished in some other way. The same applies to a part of a financial liability. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Company commits itself to the purchase or sale of an asset. However, the Company's purchases and sales of listed securities are recognised on the settlement date. The fair value of listed financial assets corresponds to the assets' bid price at the reporting date. The fair value of unlisted financial assets is determined using valuation techniques such as recent transactions, prices of similar instruments and discounted cash flows. Further information can be found in Note 32. See also the section on Impairment on page 73. A financial instrument is classified on initial recognition according to the purpose for which it was acquired, which affects subsequent measurement. The financial instrument's subsequent measurement is dependent on its classification in accordance with the categories described below.

Receivables measured at amortised cost
Receivables measured at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables arise when an entity provides money, goods or services directly to a beneficiary with no intention of trading the receivable. This category also includes acquired receivables. Assets in this category are measured at amortised cost. Amortised cost is determined using the effective interest calculated on acquisition. Trade receivables are classified in this category.

Non-current and other current receivables are receivables that arise when the Company provides money without the intention of trading the receivable. If the expected holding period is longer than one year, they are classified as non-current receivables, while if it is less than one year, they are classified as current receivables.

Fair value through profit or loss
This category includes derivatives with fixed payments, and shares and participations with a value that is determinable in an active market. Assets in this category are measured at fair value, with the period's changes in value recognised in other comprehensive income.

Other financial liabilities
Financial liabilities not held for trading are measured at amortised cost. Amortised cost is determined using the effective interest calculated on initial recognition of the liability. This means that surplus and deficit values and direct issue costs are accrued over the period of the liability. Liabilities are classified as other financial liabilities, which means they are initially recognised at the amount received, net of transaction costs. After acquisition, the loans are measured at amortised cost using the effective interest method. Non-current liabilities have an expected maturity exceeding one year, while current liabilities have a maturity of less than one year. Trade payables are classified in the category other financial liabilities. As trade payables have a short expected maturity, they are measured at nominal amounts without discounting.

Cash and cash equivalents
Cash and cash equivalents consist of cash, demand deposits with banks and similar institutions and short-term deposits with an original maturity of three months or less, which are subject to only an insignificant risk of changes in value.

PROPERTY, PLANT AND EQUIPMENT
Owned property, plant and equipment consists of:
- Buildings used in the operations, such as offices, reception areas, warming houses and lift buildings, or buildings rented out to other businesses, such as restaurants and hotels.
- Land
- Land improvements, such as pistes, car parks, underground pipes for snow cannons, etc.
- Lifts, snow groomers, snowmobiles, etc.

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Owned property, plant and equipment

These items are recognised as assets in the statement of financial position when it is probable that future economic benefits associated with the asset will flow to the Company and the cost can be measured reliably. Property, plant and equipment is recognised in the consolidated accounts at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any costs directly attributable to bringing the asset to the location in the condition necessary for it to be capable of operating in the manner intended. Examples of directly attributable costs are delivery and handling costs, installation, land registration certificates, and consulting and legal services.

Accounting policies for impairment are set out below. The Group holds exploitation assets that constitute long-term investments. Many of the properties were not acquired for sale in the near future, but came as part of company acquisitions. Some of the assets, such as cross-country ski tracks, car parks and roads, are used in current operations. The areas that are not currently used are included in long-term development plans for future investments at SkiStar's destinations and are recognised at cost, as it is difficult to make a reasonable assessment of a possible exploitation rate and therefore obtain a reasonable market value.

The cost of self-constructed assets includes expenditure on materials, labour, any other production costs considered directly attributable to the asset and interest on borrowings during the construction phase.

Parts of property, plant and equipment that have different useful lives are treated as separate components of property, plant and equipment.

An item of property, plant and equipment is removed from the statement of financial position on disposal or when it is withdrawn from use and no future economic benefits are expected from its disposal. The gain or loss on disposal is the difference between the selling price and the asset's carrying amount less direct costs to sell. Gains and losses are reported under other operating income/expenses.

Right-of-uses assets – Leases

The leases are reported as a right-of-use asset and a corresponding liability on the date on which the leased asset is available for use by the Group. Each lease payment is apportioned between repayment of the liability and the finance cost. The finance cost is distributed over the lease term so that each accounting period is expensed with an amount corresponding to a fixed interest rate for the liability recognised during each period. Right-of-use assets are depreciated on a straight-line basis, from the start date of the contract, over the shorter of their useful life or the lease term.

Lease liabilities are initially measured at the present value of future lease payments, which include fixed payments, variable payments that depend on an index or a rate, amounts expected to be paid to the lessor under a residual value guarantee, the exercise price of a purchase option if the Company is reasonably certain to exercise the option and the penalty for terminating the lease if the lease term reflects an assumption that this termination option will be exercised. The lease payments are discounted at the rate implicit in the lease if this rate can be readily determined. Otherwise, the incremental borrowing rate is used.

On initial recognition, right-of-use assets are measured at the amount of the lease liability adjusted for any lease payments made on or before the commencement date. Right-of-use assets are subsequently measured at cost less accumulated depreciation and any impairment. Impairment testing is carried out if there is evidence that the right-of-use asset's carrying amount exceeds its recoverable amount.

Right-of-use assets and lease liabilities are presented as separate items in the balance sheet under Right-of-use assets and Non-current and current lease liabilities.

For short-term and low-value leases, lease payments are recognised as an expense on a straight-line basis in the income statement. Short-term leases are contracts with a lease term of 12 months or less. When a new lease is entered, the Company makes an assessment of whether the lease will be extended, purchased or terminated early. In cases where leases are open, without a defined end date, local laws and regulations may provide security of tenure for the lessee. In these cases, the Company makes an assessment of what a reasonable contract length is and determines the term of the contract by referencing factors such as the importance of the asset to the business and the Company's own planned or completed investments. When calculating the lease liability and the amount of the right of use, the implicit interest rate is applied in the contract in the first instance. In cases where it is not possible to determine the implicit interest rate, the incremental borrowing rate is used instead, which corresponds to the rate the Company would have been offered if the acquisition was financed by a loan from a financial institution.

Interest expenses on lease liabilities are presented as finance costs in the income statement.

Cash flows from leases are classified and presented as follows:

- Repayment of the lease liability is included in financing activities.
- Interest payments are included in cash flow from operating activities.
- Payments for short-term leases and payments for leases where the underlying asset is of low value and not included in the measurement of the lease liability are presented in operating activities.

For sale and leaseback transactions, the right-of-use arising from the leaseback transaction is recognised at the proportion of the previously recognised value of the asset that refers to the right-of-use that is retained by the seller/lessee. Therefore, the seller/lessee only recognises any gain or loss from the sale corresponding to the right that was transferred to the buyer/lessor.

Land restoration costs

No dismantling and land restoration costs have been included in the value of either owned or leased assets, as it is the Company's assessment that any dismantling or restoration costs would not be material in relation to the total value of the facility, and the Company does not consider there to be any probable scenarios where such costs would arise. This assessment is based on the fact that if operations in a particular location were to cease, it is highly likely that another player would take over the leased land and facilities.

Subsequent costs

Subsequent costs are added to the cost of acquisition only when it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the item can be measured reliably. All other subsequent costs are recognised as an expense in the period in which they are incurred. The critical factor in the inclusion of subsequent costs in the cost of acquisition is whether they relate to the replacement of identified components or parts thereof. If this is the case, these costs are capitalised. If new components are identified, the related costs are also added to the cost of acquisition. Any residual values of replaced components or part thereof are removed and recognised as an expense at the time of replacement. Repairs are recognised as an expense as incurred.

Depreciation

Depreciation is applied on a straight-line basis over the useful life of the asset. Land and land improvements associated with ski slopes are not depreciated. The Group applies component depreciation, which means depreciation is based on the estimated useful lives of components.

Estimated useful lives:	
Buildings (owner-occupied properties)	15–50 years
Land improvements	20 years
Machinery and equipment	3–33 years

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Owner-occupied properties comprise several components with different useful lives. The primary category is land and buildings. Land is not depreciated, as it has an indefinite useful life. However, buildings consist of several components with different useful lives. The useful lives of these components have been estimated at between 15 and 50 years.

The following primary groups of components have been identified and form the basis of depreciation of buildings:

Structure and foundations	50 years
Structural additions, interior walls, etc.	40 years
Installations: heating, electricity, plumbing, ventilation, etc.	40 years
External surfaces: façades, roofs, windows, etc.	40 years
Fixed equipment, kitchen equipment, etc.	25 years
Heating and ventilation	30 years
Internal surfaces, mechanical equipment, etc.	15 years

Machinery and equipment mainly includes ski lifts and snowmaking facilities consisting of several components with different useful lives. The useful lives of these components have been estimated at between 10 and 33 years.

The following primary groups of components have been identified and form the basis of depreciation of lifts:

Foundations and masts	33 years
Cabins, gondolas, chairs and carriers	15–25 years
Lines	10–15 years
Engines, gearboxes and electronics	15 years
Other movable mechanisms	20 years

The following primary groups of components have been identified and form the basis of depreciation of snowmaking facilities:

Pipes and hydrants	20 years
Compressors	15 years
Pumps, snow cannons and electronics	10 years

Other components are not considered to be of great value. The residual values and useful lives of assets are reviewed annually.

INTANGIBLE ASSETS

Goodwill

Goodwill is the difference between the cost of acquisition and the fair value of the acquired assets and assumed liabilities and contingent liabilities. Goodwill is carried at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised; instead, it is tested annually for impairment. Goodwill arising on the acquisition of an associate is included in the carrying amount of investments in associates.

Other intangible assets

Other intangible assets acquired by the Group are recognised at cost less accumulated amortisation and impairment losses.

Costs incurred for internally generated goodwill and internally generated trademarks are recognised in profit or loss as incurred.

Development expenditure on the Group's booking and sales systems is capitalised to the extent that it is expected to generate future economic benefits. Capitalised expenditure comprises externally invoiced costs and, where applicable, direct costs for the Company's own labour.

Subsequent costs

Subsequent costs for capitalised intangible assets are recognised as an asset in the statement of financial position only when such expenditure increases the future economic benefits for the asset to which it refers. All other expenditure is recognised as an expense when incurred.

Amortisation

Amortisation is recognised in profit/loss for the year on a straight-line basis over the intangible asset's useful life, unless it has an indefinite useful life. Goodwill and intangible assets with indefinite useful lives are tested for impairment annually or whenever there is an indication that the asset in question may be impaired. Amortisation begins when the asset is available for use. The estimated useful lives are:

Rights of tenancy	5–25 years
Capitalised development expenditure, etc.	5 years

The useful lives are reviewed annually.

INVENTORIES

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the costs necessary to make the sale. The cost of inventories is measured using the first-in, first-out (FIFO) method and includes expenditure incurred in the acquisition of the inventories.

The inventory value also includes some shares in tenant-owner associations. These are shares that are for sale and they are measured at cost as they are used in operations until they are sold.

IMPAIRMENT

The carrying amounts of the Group's assets are assessed at each reporting date to determine whether there is any indication of impairment. IAS 36 is applied for impairment of assets other than financial assets (accounted for under IFRS 9), assets held for sale and disposal groups (accounted for under IFRS 5), inventories, plan assets used to finance employee benefits and deferred tax assets. The carrying amounts of assets listed above as exceptions are estimated within the scope of the relevant standard. For goodwill, other intangible assets with indefinite useful lives and intangible assets not yet ready for use, the recoverable amount is calculated at least annually or when there is an indication of impairment.

If it is not possible to determine largely independent cash flows for an asset, it is tested for impairment within its cash-generating unit, which is the smallest identifiable group of assets generating largely independent cash flows. An impairment loss is recognised when the recoverable amount of an asset or a cash-generating unit is less than its carrying amount. Impairment losses are recognised in profit or loss. Impairment recognised for a cash-generating unit (group of units) is initially allocated to goodwill and subsequently to the other assets of the unit (group of units) pro rata based on the carrying amount of each asset. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. In measuring value in use, cash flows are discounted using a discount rate that reflects the risk-free rate of interest and the risk specific to the asset. If an asset does not generate cash flows that are largely independent of other assets, the recoverable amount is calculated for the cash-generating unit to which the asset belongs.

Impairment of financial assets

At each reporting date, the Company assesses whether there is evidence that a financial asset or group of assets is impaired. Impairment is recognised when one or more events have occurred and have had a negative effect on the financial asset's future cash flows. This includes observable data that the asset holder has become aware of regarding:

- The issuer's financial difficulties
- Breaches of contract
- Prolonged financial or contractual reasons.

The Company classifies trade receivables as doubtful debts when they have been due for payment for 180 days. Impairment of receivables is established by reference to historical experience of customer defaults on similar receivables. Impaired trade receivables are recognised at the present value of expected future cash flows. However, receivables of short duration are not discounted.

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Reversal of impairment

Impairment of assets accounted for under IAS 36 is reversed if there is an indication that the impairment no longer exists and there has been a change in the assumptions on which the recoverable amount calculation was based. However, goodwill impairment is never reversed. Impairment is reversed only to the extent that the asset's increased carrying amount due to reversal is not more than what the depreciated historical cost would have been if the impairment had not been recognised.

EMPLOYEE BENEFITS

Defined contribution plans

Defined contribution pension plans are plans under which the Company's obligation is limited to the contributions it has undertaken to provide. In such cases, the size of the employee's pension depends on the contributions the Company pays to the plan or to an insurance company and on the investment returns generated by the contributions. Accordingly, the employee assumes the actuarial risk (that the benefits will be less than expected) and the investment risk (that the assets invested will not provide the expected benefits). The Company's obligations regarding contributions to these plans are recognised as an expense in the income statement as the contributions are earned, which is when employees have rendered services to the Company during a period.

Defined benefit plans

Separately funded defined benefit pension plans are recognised in accordance with IAS 19. Defined benefit liabilities recognised in the balance sheet represent the present value of the defined benefit obligation at the end of the reporting period. Defined benefit plans financed via Alecta are reported as defined contribution plans as there is insufficient information to report the plans as defined benefit plans. The Group has defined benefit pension obligations that are mainly dependent on the current market value of the endowment insurance owned by the Group. Endowment insurance is reported under financial assets, and pension obligations are reported as provisions at the same value as the carrying amount of the endowment insurance.

Termination benefits

Termination benefits are only recognised if the Company is demonstrably committed, without realistic possibility of withdrawal, to terminate employment before the normal retirement date and has a detailed formal plan for the termination. When benefits are provided as an offer made to encourage voluntary redundancy, an expense is recognised if it is probable that the offer will be accepted and the number of employees who will accept the offer can be reliably estimated.

PROVISIONS

A provision is recognised in the statement of financial position when the Group has a present obligation (legal or constructive) resulting from a past event and it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

TAXES

Income tax comprises current and deferred tax. Income tax is recognised in the income statement, except when the underlying transaction is recognised in other comprehensive income or directly in equity, in which case the associated tax effect is recognised correspondingly.

Current tax is the amount of income taxes payable or recoverable in respect of the current year, using the tax rates that have been enacted or substantively enacted at the reporting date. This also includes adjustment of current tax attributable to prior periods.

Deferred tax is recognised using the balance sheet method for temporary differences between the carrying amounts of assets and liabilities and their corresponding tax bases. Exceptions are temporary differences arising from the initial recognition of goodwill, the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting profit nor taxable profit or loss, and investments in subsidiaries and associates where the temporary difference is not expected to reverse in the foreseeable future. The measurement of deferred tax is based on the way the Company expects to recover or settle the carrying amount of its assets and liabilities. Deferred tax liabilities and assets are measured using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets on temporary differences and deferred tax assets arising from the carryforward of unused tax losses are recognised only to the extent that it is probable that they can be utilised. The carrying amounts of deferred tax assets are reviewed and reduced when it is no longer probable that they can be utilised.

EARNINGS PER SHARE

The calculation of earnings per share is based on the Group's profit/loss for the year attributable to Parent Company shareholders and on the weighted average number of shares outstanding during the year.

CONTINGENT LIABILITIES

A contingent liability is recognised when a possible obligation arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, or when there is an obligation which is not recognised as a liability or provision because an outflow of resources is unlikely to be required to settle the obligation.

Assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through sale rather than through continuing use. A non-current asset is measured at the lower of the carrying amount and fair value less costs to sell. One of the conditions that must be met for an asset to be classified as held for sale is that the sale is very probable and that the assets are available for immediate sale in their current condition. One criterion for the sale to be considered very probable is that the authorised level in the company's management team is bound by a plan to sell the non-current assets in their current condition. Determining whether and when non-current assets and disposal groups are to be classified as held for sale requires estimates from management concerning all information and all circumstances related to the transaction, its parties and the market, and companies may reach different conclusions within the framework of IFRS.

PARENT COMPANY ACCOUNTING POLICIES

The Parent Company's annual financial statements have been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2. The Swedish Financial Reporting Board's issued statements concerning listed companies are also applied.

Classification and presentation

An income statement and statement of comprehensive income are presented for the Parent Company. The Parent Company's balance sheet and cash flow statement correspond to the Group's statement of financial position and statement of cash flows. The Parent Company's income statement and balance sheet are presented in accordance with the format described in the Annual Accounts Act, while the statement of comprehensive income, the statement of changes in equity and the cash flow statement are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows. The differences between the consolidated financial statements and the Parent Company's income statement and balance sheet are mainly related to finance income and

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costs, equity and the reporting of provisions as a separate balance sheet heading. Differences between the Group's and the Parent Company's accounting policies are described below. The Parent Company's accounting policies set out below have been applied consistently to all periods presented in the Parent Company's financial statements.

Subsidiaries and associates

Investments in subsidiaries and associates are recognised in the Parent Company using the cost method. This means that transaction costs are included in the carrying amount of investments in subsidiaries and associates. In the consolidated accounts, transaction expenses attributable to subsidiaries acquired in a business combination are recognised directly in profit or loss as incurred. Contingent consideration is measured based on the probability that the purchase consideration will be paid. Any changes in the provision/receivable are added to or deducted from the cost. In the consolidated accounts, contingent consideration is recognised at fair value, with the corresponding gain or loss recognised in profit or loss.

Financial guarantees

The Parent Company's financial guarantee contracts consist mainly of guarantees provided for subsidiaries. Under a financial guarantee, the Company has an obligation to reimburse the holder of a debt instrument for losses it incurs if a specified debtor fails to make payment when contractually due. In its reporting of financial guarantee contracts, the Parent Company applies an exemption from the provisions of IFRS 9 permitted by the Swedish Financial Reporting Board. The exemption applies to financial guarantees provided for subsidiaries, associates and joint ventures. The Parent Company reports financial guarantee contracts as a provision for the Group when the Company has an obligation, and an outflow of resources is likely to be required to settle the obligation.

Financial instruments

The Parent Company applies the provisions of Chapter 4, section 14 a–e, of the Swedish Annual Accounts Act, which permits the fair value measurement of certain financial instruments.

Taxes

Untaxed reserves recognised for the Parent Company include deferred tax liabilities, while in the consolidated accounts, untaxed reserves are divided into deferred tax liabilities and equity.

Group contributions and shareholder contributions for legal entities

Shareholder contributions are recognised directly in the recipient's equity and capitalised in the contributor's shares and interests, to the extent that there is no impairment. Group contributions are recognised in the Parent Company using the alternative method. Group contributions received by the Parent Company from a subsidiary or group contributions provided by the Parent Company to a subsidiary are recognised in the Parent Company as appropriations.

Leases

The Parent Company does not recognise leases as right-of-use assets and lease liabilities in the balance sheet. Lease payments are recognised as an expense on a straight-line basis over the lease term, in accordance with the exemption from IFRS 16 contained in RFR 2 Accounting for Legal Entities.

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NOTE 2 DISTRIBUTION OF NET SALES

GROUP

TOTAL, SEK MILLION	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022*
SkiPass	1,686	1,735
Accommodation	1,167	1,182
Ski rental	223	224
Ski school/Activities	59	61
Sporting goods outlets	341	289
Property services	143	127
Restaurants	158	145
Other	504	328
Total Group	**4,281**	**4,092**

BY SEGMENT, SEK MILLION

Operation of Mountain Resorts	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022*
SkiPass	1,686	1,735
Accommodation	883	920
Ski rental	223	224
Ski school/Activities	59	61
Sporting goods outlets	341	289
Property services	143	127
Restaurants	24	23
Other	178	181
Total Operation of Mountain Resorts	**3,537**	**3,560**
Property Development and Exploitation	**247**	**88**
Operation of Hotels		
Accommodation	284	262
Restaurants	134	122
Other	79	60
Total Operation of Hotels	**497**	**444**
Total Group	**4,281**	**4,092**

BY COUNTRY AND SEGMENT, SEK MILLION

	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022*
Sweden		
Operation of Mountain Resorts	2,498	2,678
Property Development and Exploitation	66	88
Operation of Hotels	204	162
Norway[1)]		
Operation of Mountain Resorts	1,039	862
Property Development and Exploitation	181	–
Operation of Hotels	293	282
Austria[2)]	–	20
Total Group	**4,281**	**4,092**

[1)] There are no Exploitation operations in Norway.
[2)] There are no Property Development and Exploitation or Operation of Hotels segments in Austria.

PARENT COMPANY

TOTAL, SEK MILLION	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022*
Alpine skiing/SkiPass	1,156	1,250
Accommodation	728	773
Ski rental	150	159
Ski school/Activities	49	53
Sporting goods outlets	249	213
Restaurants	48	45
Property services	90	81
Sale of interests in accommodation and exploitation assets	55	9
Other	212	165
Total Parent Company derived from Sweden	**2,737**	**2,749**

BY SEGMENT, SEK MILLION

Operation of Mountain Resorts	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022*
SkiPass	1,156	1,250
Accommodation	649	688
Ski rental	150	159
Ski school/Activities	49	53
Sporting goods outlets	249	213
Property services	90	81
Other	167	165
Total Operation of Mountain Resorts	**2,510**	**2,610**
Property Development and Exploitation	**55**	**9**
Operation of Hotels		
Accommodation	79	75
Restaurants	48	45
Other	45	10
Total Operation of Hotels	**172**	**130**
Total Parent Company derived from Sweden	**2,737**	**2,749**

*) The comparative figures for revenue and profit/loss have been adjusted in connection with the transfer of part of the operations from Operation of Mountain Resorts to Operation of Hotels

The opening balance for contract liabilities as at 31 August 2022 was recognised in the 2022/23 financial year as shown in the following table, where revenue was recognised over the period of the guest's stay.

Contract liabilities	31/08/2023	31/08/2022
Advances from guests		
Opening balance	174	169
Via profit/loss	–163	–162
Repaid	–8	–11
Remaining from previous year	0	1
New receipts	196	173
Translation difference	–3	4
Closing balance	**196**	**174**

SKISTAR MEMBER
Utilised loyalty discounts for the year amount to SEK 6.7 (4.8) million. Expired discounts during the year amount to SEK 1.5 (1.4) million and additional loyalty liabilities are SEK 11.2 (9.4) million. Closing loyalty liabilities amount to SEK 15.2 (12.2) million and are included in other liabilities.

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NOTE 3 THE GROUP'S OPERATING SEGMENTS

	Full year 1 Sep–31 Aug	
SEK THOUSAND	2022/23	2021/22
OPERATION OF MOUNTAIN RESORTS		
External revenue	3,556,474	3,565,902
Internal revenue	227,703	60,309
Capital gains	3,195	15,901
Total revenue	**3,787,372**	**3,642,115**
External operating expenses	–2,662,778	–2,765,858
Costs from other segments	–266,689	–103,552
Capital losses	–2,482	–12,349
Share of capital gain from associates	199	–
Share of profit/loss from investments in joint ventures and associates	2,789	–7,259
Depreciation/amortisation	–251,681	–208,414
Operating profit	**606,730**	**792,680**
Intangible assets	212,566	196,716
Property, plant and equipment	3,633,783	3,162,290
Financial assets	113,451	103,760
Operating loans	1,728,355	1,125,310
PROPERTY DEVELOPMENT AND EXPLOITATION		
External revenue	25,227	18,527
Exploitation revenue	221,973	70,149
Internal revenue	76,715	46,157
Capital gains	–	272
Total revenue	**323,915**	**135,106**
External operating expenses	–89,819	–61,749
Costs from other segments	–37,602	–3,029
Costs of sold exploitation assets	–147,329	–13,835
Capital losses	–946	–8,825
Share of profit/loss from investments in joint ventures and associates	–557	71,804
Depreciation/amortisation	–27,981	–27,379
Operating profit	**19,681**	**92,094**
Intangible assets	–	–
Property, plant and equipment	870,508	868,724
Financial assets	815,933	833,247
Operating loans	509,456	492,162

	Full year 1 Sep–31 Aug	
SEK THOUSAND	2022/23	2021/22
OPERATION OF HOTELS		
External revenue	495,676	445,755
Exploitation revenue	1,045	–
Internal revenue	45,469	2,485
Capital gains	–	1,208
Total revenue	**542,190**	**449,448**
External operating expenses	–505,532	–438,505
Costs from other segments	–45,596	–2,370
Capital losses	–1,945	–1,208
Depreciation/amortisation	–35,400	–33,772
Operating profit	**–46,284**	**–26,408**
Intangible assets	729	953
Property, plant and equipment	237,494	208,476
Internal revenue	–349,888	–108,951
Internal costs	349,888	108,951
Consolidated revenue	**4,303,589**	**4,117,715**
Consolidated operating profit/loss	**580,127**	**858,365**
Recovery of lease costs attributable to IFRS 16	183,562	169,099
Amortisation attributable to IFRS 16	–159,846	–140,860
Reversal of IFRS 16 depreciation related to the sale of subsidiaries	–	–2,726
Capital gain on property transaction	–	–
Operating profit per income statement	**603,843**	**883,877**
Consolidated intangible assets	213,295	196,716
Consolidated property, plant and equipment	4,741,785	4,239,491
Consolidated financial assets	929,384	937,007
Consolidated operating loans	2,237,811	1,617,472
Revenue		
Sweden	2,765,207	2,858,489
Norway	1,538,382	1,239,111
Austria	–	20,115
	4,303,589	**4,117,715**
Non-current assets		
Sweden	4,576,950	4,097,889
Norway	1,307,514	1,276,277
	5,884,464	**5,374,166**

SkiStar reports its operations in the segments Operation of Mountain Resorts, Property Development and Exploitation and Operation of Hotels

Operation of Mountain Resorts comprises the operation of ski resorts and the sale of all products and services in this area, such as SkiPass, accommodation, activities and shops. The focus is on sales and efficient operation. Earnings are charged with the segment's own costs as well as internal rents, mainly for guest accommodation rented from Property Development and Exploitation. The segment's non-current assets are mainly property, plant and equipment used directly in the operations, such as pistes and lifts, or used or rented out for activities that complement the segment, such as ski shops, equipment hire and restaurants.

Property Development and Exploitation comprises the management of assets that can be exploited or utilised in the segment or leased to the Operation of Mountain Resorts segment. Segment revenue consists of the sale of land and other properties, the sale of unit weeks in Vacation Club, and the renting of accommodation, both through the segment and associated companies, to guests in the Operation of Mountain Resorts segment. The segment's assets consist of land and other properties, as well as shares in tenant-owner associations and associated companies focusing on hotels and the renting of cabins and apartments close to the Group's skiing areas.

Operation of Hotels includes activities related to hotel operations conducted under the SkiStar brand and under SkiStar's management from 1 July 2021. Operation of Hotels includes revenue from accommodation, restaurants and other goods and services provided in connection with the hotels.

The segment information is reported using the same model as is used by executive decision-makers during internal follow-up: the CEO, Group Management and Board of Directors.

NOTE 4 OTHER OPERATING INCOME

Other recognised income consists of exchange gains in operations and capital gains on the disposal of non-current assets used in operations and not included in available-for-sale assets. Total other operating income for the Group amounted to SEK 22,091 (25,541) thousand and for the Parent Company SEK 8,742 (13,601) thousand.

NOTE 5 WORK PERFORMED BY THE COMPANY AND CAPITALISED

Work performed by the Company and capitalised comprises investment expenditure on investment-based work performed by the Company's own personnel and expenditure on the Company's own contract business. The year's capitalised amounts were SEK 7,078 (3,359) thousand for the Group and SEK 4,751 (2,030) thousand for the Parent Company.

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NOTE 6 AUDITORS' FEES AND REMUNERATION

SEK thousand	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022
GROUP		
Deloitte		
Audit engagements	2,926	0
Other audit services	573	0
Tax advisory services	212	0
Other engagements	302	0
	4,013	**0**
PriceWaterhouseCoopers		
Audit engagements	0	2,561
Other audit services	0	580
Tax advisory services	0	225
Other engagements	0	868
	0	**4,233**
Q-Rev		
Audit engagements	122	566
Other audit services	29	492
Tax advisory services	0	23
Other engagements	4	35
	155	**1,115**

SEK thousand	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022
PARENT COMPANY		
Deloitte		
Audit engagements	2,120	0
Other audit services	471	0
Tax advisory services	161	0
Other engagements	51	0
	2,803	0
PriceWaterhouseCoopers		
Audit engagements	0	1,940
Other audit services	0	580
Tax advisory services	0	225
Other engagements	0	100
	0	**2,845**

Audit engagements refers to fees for the statutory audit, that is, such work that was necessary to render the auditor's report, and audit advice that is provided in connection with the audit engagement. Other audit services refers to fees for statements of opinion and other statutory engagements that must be performed by external audit. It also includes reviews of interim reports. Other engagements refers to costs that are not classified as audit engagements, other audit services or tax advisory services.

NOTE 7 LEASES

RIGHT-OF-USE ASSETS

GROUP	31/08/2023	31/08/2022
Accumulated cost		
Opening balance	2,168,758	1,537,199
New leases	34,383	561,112
Terminated leases	–84,669	–31,928
Reclassification to liabilities held for sale	316,054	–79
Translation differences	–70,823	102,454
Closing balance	**2,363,703**	**2,168,758**
Accumulated depreciation		
Opening balance	–240,803	-123,538
Depreciation/amortisation	–155,288	-145,959
Terminated leases	59,979	34,186
Reclassification to liabilities held for sale	–49.893	–
Translation differences	7,424	-5,492
Closing balance	**–378,580**	**-240,803**
Residual value, Right-of-use assets		
Opening balance	**1,927,955**	**1,413,661**
Closing balance	**1,985,122**	**1,927,954**

LEASE LIABILITIES

GROUP	31/08/2023	31/08/2022
Accumulated cost		
Opening balance	1,990,488	1,465,304
New leases	33,684	551,002
Lease payments made	–175,485	–170,188
Terminated leases	–19,995	–2,870
Interest applied	41,311	39,467
Accrued expenses	–	8,816
Reclassification to liabilities held for sale	258,066	–
Translation differences	–63,885	98,957
Closing balance	**2,064,184**	**1,990,488**
Of which current liabilities		
Opening balance	124,745	93,294
Closing balance	173,903	124,745
Costs for leases not included in right-of-use assets or lease liabilities		
Leases with variable payments	7,870	26,707
Short-term leases (<12 months)	31,459	27,378
Low-value leases	3,016	1,573
	42,345	**55,659**

Right-of-use assets by asset class	31/08/2023	31/08/2022
Land leases	358,519	291,868
Premises	1,533,596	1,514,437
Ski lift installations	74,450	105,320
Other	18,557	16,329
Total right-of-use assets	**1,985,122**	**1,927,954**

Depreciation of right-of-use assets by asset class	31/08/2023	31/08/2022
Land leases	11,978	11,164
Premises	119,982	107,791
Ski lift installations	12,607	15,415
Other	10,721	11,589
Total depreciation of right-of-use assets	**155,288**	**145,959**

Total cash flow from leases

	Maturity analysis		
Reporting year	Within one year	2–5 years	>5 years
178,813	175,455	615,532	1,659,869

	Maturity analysis		
Comparative year	Within one year	2–5 years	>5 years
170,188	180,425	626,125	1,554,011

The Parent Company does not recognise leases as right-of-use assets and lease liabilities in the balance sheet. Lease payments are recognised as an expense on a straight-line basis over the lease term, in accordance with the exemption from IFRS 16 contained in RFR 2 Accounting for Legal Entities. The Parent Company's leases consist mainly of rental agreements for shop premises, ski rental, and accommodation for guests and seasonal employees. SkiStar AB also has rental agreements for ski lifts in Åre and Vemdalen, with the remaining terms of 7–12 years.

PARENT COMPANY	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022
Lease costs for the financial year	118,128	84,715
Agreed future lease payments under non-cancellable leases are due as follows.		
Within one year	80,813	58,425
Two to five years	265,398	181,911
After five years	677,416	595,168
Total future lease payments	**1,023,627**	**835,504**

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NOTE 8 INFORMATION ON PERSONNEL AND REMUNERATION OF THE BOARD OF DIRECTORS AND CEO

AVERAGE NUMBER OF EMPLOYEES

Average number of employees, classified by gender

GROUP	01/09/2022 –31/08/2023	Proportion, %	01/09/2021 –31/08/2022	Proportion, %
Sweden				
Women	507	46	492	45
Men	599	54	592	55
Foreign entities				
Norway				
Women	166	37	158	39
Men	282	63	251	61
Austria				
Women				
Men			21	100
Total, Group	**1,554**		**1,514**	

PARENT COMPANY	01/09/2022 –31/08/2023	Proportion, %	01/09/2021 –31/08/2022	Proportion, %
Sweden				
Women	496	46	476	45
Men	584	54	575	55
Total, Parent Company	**1,080**		**1,051**	

GENDER DISTRIBUTION, BOARD OF DIRECTORS AND GROUP MANAGEMENT

GROUP	31/08/2023 % women	31/08/2022 % women
Board of Directors	43%	43%
Other senior executives	38%	38%
PARENT COMPANY		
Board of Directors	43%	43%
Other senior executives	38%	38%

SALARIES, OTHER BENEFITS AND SOCIAL SECURITY CONTRIBUTIONS

	01/09/2022–31/08/2023					01/09/2021–31/08/2022				
	Salaries	Bonuses	Other benefits	Social security contributions	Pension contributions	Salaries	Bonuses	Other benefits	Social security contributions	Pension contributions
PARENT COMPANY										
Stefan Sjöstrand	6,610	0	296	2,635	1,919	5,534	3,240	220	3,233	1,676
CEO total	**6,610**	**0**	**296**	**2,635**	**1,919**	**5,534**	**3,240**	**220**	**3,233**	**1,676**
Other senior executives[1)]	13,485	0	717	5,496	4,260	11,831	6,826	783	6,917	3,335
Other personnel	394,375	0	4,124	124,322	24,701	382,147	1,827	3,375	113,863	23,051
Total Parent Company	**414,470**	**0**	**5,137**	**132,453**	**30,880**	**399,512**	**11,893**	**4,378**	**124,013**	**28,062**
SUBSIDIARIES										
Other senior executives[2)]	–	–	–	–	–	–	–	–	–	–
Other personnel	255,992	–	1,492	31,823	22,114	218,438	542	1,244	27,291	11,077
Total subsidiaries	255,992	0	1,492	31,823	22,114	218,438	542	1,244	27,291	11,077
Group	**670,462**	**0**	**6,629**	**164,276**	**52,994**	**617,950**	**12,435**	**5,622**	**151,304**	**39,139**

[1)] The number of senior executives during the financial year amounted to 7 (7).
[2)] The only senior executives are in Sweden

REMUNERATION OF BOARD MEMBERS

Members of the Board received remuneration of SEK 2,810 (2,380) thousand. The distribution between the Chairman and individual members is described in the Corporate Governance Report on page 87. No Board member received any other remuneration in addition to Board fees.

GUIDELINES FOR REMUNERATION OF SKISTAR'S GROUP MANAGEMENT

The Board's proposal to the 2023 AGM for guidelines for remuneration of senior executives, as presented in the administration report on pages 96–98, is consistent with the guidelines applied in the financial year 2022/23, with the exception that the possibility of variable remuneration is split into a one-year part and a three-year part, as well as regards benefits for the CEO.

OUTCOMES IN RELATION TO GUIDELINES

See table above. The retirement age for the CEO and other members of the management group is in line with laws and collective bargaining agreements. The period of notice and termination benefits for the CEO and other members of the management group follow the guidelines above. The above guidelines for remuneration of senior executives established by the 2022 AGM were followed, as reported in the Board's remuneration report, which is presented to the 2023 AGM for approval.

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NOTE 9 DEPRECIATION/AMORTISATION OF ASSETS

GROUP	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022
Capitalised expenditure on IT systems	16,793	14,419
Rights of tenancy and similar rights	3,063	3,500
Land and buildings, land improvements	95,999	89,581
Plant, machinery and equipment	199,176	179,686
Leases[1)]	159,796	142,204
	474,827	**429,392**
PARENT COMPANY		
Capitalised expenditure on IT systems	16,487	14,368
Rights of tenancy and similar rights	3,063	2,977
Land and buildings, land improvements	39,912	34,164
Plant, machinery and equipment	126,717	118,322
	186,179	**169,831**

1) Leases are only reported at Group level. See Note 7.

NOTE 10 PROFIT/LOSS FROM INVESTMENTS IN GROUP COMPANIES AND ASSOCIATES

PARENT COMPANY	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022
Impairment	–	-1,144
Profit/loss from liquidation	2,010	–
Dividend, Group companies	–	301
	2,010	**-843**

NOTE 11 TAX

RECOGNISED IN COMPREHENSIVE INCOME

GROUP	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022
Current tax expense		
Tax for the period	–113,415	–128,083
Adjustment of tax relating to prior years	–9,911	–2,156
	–123,327	**–130,239**
Deferred tax expenses (-) /tax income (+)		
Deferred tax on temporary differences	–16,808	–54,315
Loss carryforwards during the year	3,420	–1,697
Other deferred tax	18,327	–14,865
	4,938	**–70,877**
Total tax expense recognised, Group	**–118,388**	**–201,116**

RECOGNISED IN BALANCE SHEET

PARENT COMPANY	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022
Current tax expense	–65,792	–109,239
Adjustment of tax relating to prior years	–2,069	–2,140
	–67,861	**–111,379**
Deferred tax expenses (-) /tax income (+)		
Deferred tax on temporary differences	–11,051	398
Other deferred tax	–4,326	–9,391
	–15,377	**–8,993**
Total tax expenses recognised, Parent	**–83,238**	**–120,372**

RECONCILIATION OF EFFECTIVE TAX

	01/09/2022–31/08/2023		01/09/2021–31/08/2022	
GROUP	**Percent**	**Amount**	**Percent**	**Amount**
Profit/loss before tax		520,171		865,669
Tax according to Parent's current tax rate	20.6%	–107,155	20.6%	–178,328
Difference in tax rates in foreign operations	0.6%	–2,928	0.1%	–1,057
Non-deductible expenses	1.8%	–9,321	1.0%	–8,922
Non-taxable income[1)]	-0.4%	2,215	-2.0%	17,506
Capital gains, resorts	-0.1%	593	-0.1%	1,026
Tax attributable to prior years	1.9%	–9,911	0.2%	–2,156
Change in temporary differences in non-current assets	-0.7%	3,697	0.1%	–1,082
Other	0.1%	–516	-4.5%	42,773
Recognised effective tax	**23.7%**	**–123,327**	**15.0%**	**–130,239**

[1)] SEK 0 (9) million of non-taxable income relates to the sale of shares in companies

RECONCILIATION OF EFFECTIVE TAX

	01/09/2022–31/08/2023		01/09/2022–31/08/2023	
Parent Company	**Percent**	**Amount**	**Percent**	**Amount**
Profit/loss before tax		336,108		574,959
Tax according to Parent's current tax rate	20.6%	–69,237	20.6%	–118,441
Non-deductible expenses	0.8%	–2,752	0.4%	–2,144
Non-taxable income[1)]	-0.1%	497	-1.4%	8,025
Capital gains, resorts	-0.2%	557	-0.2%	1,026
Tax attributable to prior years	0.6%	–2,069	0.4%	–2,140
Change in temporary differences in non-current assets	-1.4%	4,713	-0.2%	1,154
Other	-0.1%	430	-0.2%	1,141
Recognised effective tax	**20.2%**	**–67,861**	**19.6%**	**–111,379**

[1)] SEK 0 (0) million of non-taxable income relates to dividends from subsidiaries and associates.

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CONT. NOTE 11 TAX

RECOGNISED IN CONSOLIDATED STATEMENT OF FINANCIAL POSITION

GROUP, 31 AUG 2023	Deferred tax assets	Deferred tax liabilities	Net
Non-current assets	–	–200,168	–200,168
Utilised loss carryforwards	14,812	–	14,812
Derivatives	–	–12,154	–12,154
Other			
Deferred tax assets	2,482	–	2,482
	17,293	**–212,322**	**–195,028**
Offset	–17,293	17,293	–
Net deferred tax assets/liabilities	**–**	**–195,029**	**–195,028**

GROUP, 31 AUG 2022	Deferred tax assets	Deferred tax liabilities	Net
Non-current assets	–	–197,313	–197,313
Utilised loss carryforwards	11,391		11,391
Derivatives	–	–11,962	–11,962
Other	1,618		1,618
	13,009	**–209,275**	**–196,266**
Offset	–13,009	13,009	
Net deferred tax assets/liabilities		**–196,266**	**–196,266**

RECOGNISED IN BALANCE SHEET

PARENT COMPANY, 31 AUG 2023	Deferred tax assets	Deferred tax liabilities	Net
Non-current assets	–	–161,599	–161,599
Derivatives	–	–6,466	–6,466
Other	–	–4,016	–4,016
Net deferred tax liabilities	**–**	**–172,081**	**–172,081**

PARENT COMPANY, 31 AUG 2022	Deferred tax assets	Deferred tax liabilities	Net
Non-current assets	–	–152,048	–152,048
Derivatives	–	–6,156	–6,156
Other	–	–1,659	–1,659
Net deferred tax liabilities	**–**	**–159,863**	**–159,863**

CHANGES IN DEFERRED TAX ON TEMPORARY DIFFERENCES AND LOSS CARRYFORWARDS

GROUP 31 AUG 2023	Amount at start of year	Recognised in statement of comprehensive income	Recognised in other comprehensive income	Amount at end of year
Non-current assets	–197,313	–2,855	–	–200,168
IFRS 16	5,221	495	–	5,716
Utilised loss carryforwards	11,391	3,420	–	14,811
Derivatives	–11,962	929	–1,121	–12,154
Other	–3,603	369	–	–3,234
	–196,266	**2,358**	**–1,121**	**–195,029**

PARENT COMPANY 31 AUG 2023	Amount at start of year	Recognised in income statement	Recognised in other comprehensive income	Amount at end of year
Non-current assets	–152,048	–9,551	–	–161,599
Derivatives	–6,156	–1,504	1,194	–6,466
Other	–1,659	–2,357	–	–4,016
	–159,863	**–13,412**	**1,194**	**–172,081**

GROUP, 31 AUG 2022	Amount at start of year	Recognised in statement of comprehensive income	Recognised in other comprehensive income	Amount at end of year
Non-current assets	–142,998	–54,315	–	–197,313
IFRS 16	2,945	2,276	–	5,221
Utilised loss carryforwards	13,088	–1,697	–	11,391
Derivatives	2,162	–13,538	–586	–11,962
	–124,803	**–70,877**	**–586**	**–196,266**

PARENT COMPANY, 31 AUG 2022	Amount at start of year	Recognised in income statement	Recognised in other comprehensive income	Amount at end of year
Non-current assets	–152,446	398	–	–152,048
Derivatives	2,162	–7,732	–586	–6,156
Other	–	–1,659	–	–1,659
	–150,284	**–8,993**	**–586**	**–159,863**

At the end of the financial year, the subsidiary Experium AB has an opening tax loss of SEK 71,728 thousand, but the barrier due to a change of ownership prevents SkiStar from utilising this loss for a three-year period.

NOTE 12 EARNINGS PER SHARE

Number of shares, basic and diluted	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022
Total number of shares, 1 September	78,376,056	78,376,056
Weighted average number of basic shares during the year	**78,376,056**	**78,376,056**
Earnings per share, basic and diluted		
Profit/loss for the year	402,366	666,525
Average number of shares outstanding	78,376,056	78,376,056
Basic earnings per share	**5.13**	**8.50**

Calculation of earnings per share is based on profit for the year attributable to shareholders of the Parent, which amounted to SEK 402,366 (666,525) thousand, and on the weighted average number of shares outstanding, which was 78,376,056 (78,376,056). There are no financial instruments that could have dilutive effects.

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NOTE 13 INTANGIBLE ASSETS

GROUP	Capitalised expenditure on IT systems	Rights of tenancy and similar rights	Goodwill	Total
Accumulated cost				
Opening balance, 1 Sep 2021	208,470	116,013	88,319	412,801
Capitalised expenditure	14,221	–	–	14,221
Business combinations	–	–	7,462	7,462
Reclassifications	7,966	–	–	7,966
Translation differences	–	4,649	6,251	10,900
Closing balance, 31 Aug 2022	**230,657**	**120,662**	**102,032**	**453,350**
Opening balance, 1 Sep 2022	230,657	120,662	102,032	453,350
Capitalised expenditure	23,067	–	–	23,066
Business combinations	–	2,599	–	2,598
Disposals	–	–	-4,557	-4,557
Reclassifications	15,402	–	–	15,402
Translation differences	–	-3,077	–	-3,077
Closing balance, 31 Aug 2023	**269,126**	**120,184**	**97,475**	**486,782**
Accumulated depreciation and impairment				
Opening balance, 1 Sep 2021	-177,563	-57,125	–	-234,688
Depreciation/amortisation	-14,419	-3,500	–	-17,919
Translation differences	–	-3,073	–	-3,073
Closing balance, 31 Aug 2022	**-191,982**	**-63,698**	**–**	**-255,681**
Opening balance, 1 Sep 2022	-191,982	-63,698	–	-255,680
Depreciation/amortisation	-16,793	-3,063	–	-19,856
Translation differences	–	2,049	–	2,049
Closing balance, 31 Aug 2023	**-208,775**	**-64,712**	**–**	**-273,487**
Carrying amount 31 Aug 2022	**38,675**	**56,963**	**102,032**	**197,669**
Carrying amount 31 Aug 2023	**60,351**	**55,472**	**97,475**	**213,295**

PARENT COMPANY	Capitalised expenditure on IT systems	Rights of tenancy and similar rights	Goodwill	Total
Accumulated cost				
Opening balance, 1 Sep 2021	208,328	66,595	18,442	293,365
Capitalised expenditure	12,684	–	–	12,684
Reclassifications	7,966	–	–	7,966
Closing balance, 31 Aug 2022	**228,978**	**66,595**	**18,442**	**314,016**
Opening balance, 1 Sep 2022	228,978	66,595	18,442	314,015
Capitalised expenditure	23,067	0	–	23,067
Acquisitions		2,599	–	2,599
Reclassifications	15,402	0	–	15,402
Closing balance, 31 Aug 2023	**267,447**	**69,194**	**18,442**	**355,083**
Accumulated depreciation and impairment				
Opening balance, 1 Sep 2021	-177,422	-24,719	-18,442	-220,583
Disposals	-14,368	–	–	-14,368
Depreciation/amortisation	–	-2,977	–	-2,977
Closing balance, 31 Aug 2022	**-191,790**	**-27,696**	**-18,442**	**-237,928**
Opening balance, 1 Sep 2022	-191,790	-27,695	-18,442	-237,927
Disposals	0	–	–	0
Depreciation/amortisation	-16,488	-3,063	–	-19,551
Closing balance, 31 Aug 2023	**-208,278**	**-30,758**	**-18,442**	**-257,478**
Carrying amount 31 Aug 2022	**37,188**	**38,900**	**0**	**76,088**
Carrying amount 31 Aug 2023	**59,169**	**38,436**	**0**	**97,605**

IMPAIRMENT TESTING FOR CASH-GENERATING UNITS CONTAINING GOODWILL

THE FOLLOWING CASH-GENERATING UNITS HAVE GOODWILL VALUES	31/08/2023	31/08/2022
SkiStar Sweden	25,827	18,056
SkiStar Norway	71,648	83,976
	97,475	**102,032**

Goodwill and intangible assets with indefinite useful lives are tested annually for impairment. There was no indication of impairment in the 2022/23 testing. The impairment testing was based on the calculated value in use. The value in use is obtained from projected cash flows for a five-year period based on the Company's business plan. The key assumptions in the five-year plan are growth, revenue, profit and cash flow per cash-generating unit. The assumptions are based on historical results and the Company's own plans.

The cash flow projections after the first five years are based on an annual growth rate of 2 (1) percent. The projected cash flows for each cash-generating unit have been discounted to the present value using a pre-tax discount rate of 8 (8) percent. Goodwill has been allocated to each destination's Operation of Mountain Resorts segment as a cash-generating unit. The cash-generating units correspond to the identifiable groups of assets that generate cash flows independently of other assets.

No reasonably possible changes in the assumptions and estimates would give rise to impairment.

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NOTE 14 PROPERTY, PLANT AND EQUIPMENT

GROUP	Land and buildings, land improvements	Plant, machinery and equipment	Construction in progress	Total
Accumulated cost				
Opening balance, 1 Sep 2021	3,319,424	3,394,167	302,532	7,016,124
Acquisitions	195,020	166,357	541,186	902,562
Business combinations	25,740	924		26,664
Disposals	–91,855	–186,032	–4,298	–282,185
Reclassifications etc.	213,106	54,318	–278,980	–11,529
Translation differences	52,485	122,071	3,695	178,253
Closing balance, 31 Aug 2022	**3,713,920**	**3,551,806**	**564,136**	**7,829,862**
Opening balance, 1 Sep 2022	3,713,920	3,551,806	564,136	7,829,862
Acquisitions	78,245	161,361	686,287	925,893
Business combinations	69,968	124,489		194,457
Disposals	–12,129	–66,923	–154,191	–233,243
Reclassifications, etc.	64,017	146,710	–247,191	–36,464
Translation differences	–35,006	–68,530	–11,740	–115,276
Closing balance, 31 Aug 2023	**3,879,015**	**3,848,913**	**837,301**	**8,565,230**
Accumulated depreciation and impairment				
Opening balance, 1 Sep 2021	-1,109,038	-2,295,688	–	-3,404,725
Business combinations	–4,457	–552	–	–5,009
Disposals	28,692	151,531	–	180,223
Depreciation/amortisation	–89,583	–175,249	–	–264,832
Reclassifications etc.		–2,485	–	–2,485
Translation differences	–16,237	–77,305	–	–93,541
Closing balance, 31 Aug 2022	**–1,190,623**	**–2,399,748**	**–**	**–3,590,368**
Opening balance, 1 Sep 2022	–1,190,623	–2,399,748	–	–3,590,370
Business combinations	–25,897	–64,488	–	–90,385
Disposals	6,029	63,434	–	69,463
Depreciation/amortisation	–95,999	–199,176	–	–295,175
Reclassifications, etc.	0	13,728	–	13,728
Translation differences	11,341	57,953	–	69,294
Closing balance, 31 Aug 2023	**–1,295,149**	**–2,528,297**	**–**	**–3,823,445**
Carrying amount, 31 Aug 2022	**2,523,297**	**1,152,058**	**564,136**	**4,239,492**
Carrying amount 31 Aug 2023	**2,583,866**	**1,320,616**	**837,301**	**4,741,784**

	Land and buildings, land improvements	Plant, machinery and equipment
Components		
Buildings	1,765,397	–
Land	356,410	–
Land improvements	401,490	–
Plant and machinery	–	1,110,020
Equipment	–	42,039
Total carrying amount, 31 Aug 2022	**2,523,297**	**1,152,059**
Buildings	1,748,172	–
Land	375,080	–
Land improvements	460,616	–
Plant and machinery	–	1,283,709
Equipment	–	36,907
Total carrying amount, 31 Aug 2023	**2,583,866**	**1,320,616**

	31/08/2023	31/08/2022
Reported value of land for properties in Sweden	275,353	255,340
Carrying amount, slopes in Sweden	261,270	249,533

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CONT. NOTE 14 PROPERTY, PLANT AND EQUIPMENT

PARENT COMPANY	Land and buildings, land improvements	Plant, machinery and equipment	Construction in progress	Total
Accumulated cost				
Opening balance, 1 Sep 2021	1,439,315	2,106,608	170,519	3,716,442
Acquisitions	154,642	130,933	301,192	586,767
Disposals	–18,188	–33,166	–1,729	–53,083
Reclassifications	110,937	18,922	–141,947	–12,088
Closing balance, 31 Aug 2022	**1,686,706**	**2,223,297**	**328,035**	**4,238,038**
Opening balance, 1 Sep 2022	1,686,706	2,223,297	328,035	4,238,038
Acquisitions	54,495	121,458	470,718	646,671
Merger	16,841	–	–196,228	–179,387
Disposals	–892	–49,127	–1,578	–51,597
Reclassifications	20,341	110,752	–151,581	–20,488
Closing balance, 31 Aug 2023	**1,777,491**	**2,406,380**	**449,366**	**4,633,237**
Accumulated depreciation and impairment				
Opening balance, 1 Sep 2021	-606,828	-1,362,248	–	-1,969,076
Disposals	10,783	31,756	–	42,539
Depreciation/amortisation	–34,164	–117,730	–	–151,894
Closing balance, 31 Aug 2022	**–630,209**	**–1,448,222**	**–**	**–2,078,431**
Opening balance, 1 Sep 2022	–630,209	–1,448,222	–	–2,078,431
Disposals	744	46,030	–	46,774
Merger	–17,228	–	–	–17,228
Depreciation/amortisation	–39,912	–126,799	–	–166,711
Closing balance, 31 Aug 2023	**–686,605**	**–1,528,991**	**–**	**–2,215,596**
Carrying amount, 31 Aug 2022	**1,056,497**	**775,075**	**328,035**	**2,159,607**
Carrying amount, 31 Aug 2022	**1,090,886**	**877,389**	**449,366**	**2,417,642**

	Land and buildings, land improvements	Plant, machinery and equipment
Components		
Buildings	593,876	–
Land	169,839	–
Land improvements	292,782	–
Plant and machinery	–	775,075
Total carrying amount, 31 Aug 2022	**1,056,496**	**775,075**
Buildings	596,659	–
Land	170,324	–
Land improvements	323,903	–
Plant and machinery	–	877,390
Total carrying amount, 31 Aug 2023	**1,090,886**	**877,390**

	31/08/2023	31/08/2022
Reported value of land for properties	169,839	169,839
Carrying amount, slopes	261,270	249,533

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NOTE 15 INVESTMENTS IN GROUP COMPANIES

	31/08/2023	31/08/2022
Opening balance	245,473	201,417
-Shareholder contribution	–	37,000
-Disposals	–198	–
-Acquisitions	43,174	35,231
-Reclassification	3,491	–26,979
-Impairment	–	–1,196
Closing balance	**291,940**	**245,473**

SPECIFICATION OF PARENT COMPANY'S PARTICIPATIONS IN GROUP COMPANIES

			31/08/2023	31/08/2022
SUBSIDIARY/CORP. ID/REG'D OFFICE	**No. shares**	**Proportion, %**	**Carrying amount**	**Carrying amount**
Sälens Högfjällshotell AB/ 556200-6311 / Municipality of Malung-Sälen	2,600,000	100.0%	9,427	9,427
SkiOnline AB / 556098-6381 / Municipality of Malung-Sälen	2,000	100.0%	–	–
Vintertorget i Sälen KB / 969618-0786 / Municipality of Malung-Sälen	198	99.0%	–	198
SkiStar Norge AS / NO977107520 / Hemsedal	5,000	100.0%	130,898	130,898
Fageråsen Fjellbygg AS / NO 925167150 / Trysil	800	100.0%	–	–
Knettsetra AS / NO971219807 / Trysil	200	100.0%	–	–
Trysil booking AS / NO989566342 / Trysil	100	100.0%	–	–
Hemsedal booking AS / NO995699656 / Hemsedal	1,000	100.0%	–	–
Hammarbybacken AB / 556650-2570 / Municipality of Malung-Sälen	955	95.5%	37,006	37,006
Fjällinvest AB / 556426-8380 / Municipality of Malung-Sälen	161,000	100.0%	25,279	25,279
Hundfjället Servicecenter AB / 556675-5913 / Municipality of Malung-Sälen	10,000	100.0%	–	–
Hundfjället Centrum AB / 556233-4549 / Municipality of Malung-Sälen	1,000	100.0%	–	–
Ski Invest Sälen AB / 556755-1022 / Municipality of Malung-Sälen	1,425	100.0%	–	–
Fjellinvest Norge AS / NO993753084 / Trysil	21,054	100.0%	–	–
Fageråsen Invest AS / NO990375410 / Trysil	850	85.0%	–	–
Hemsedal Fjellinvest / NO922690669 / Hemsedal	500,500	100.0%	–	–
Hemsedal Fjellandsbyn AS / NO985289158 / Hemsedal	100	100.0%	–	–
Vemdalen Logi AB / 556208-7634 / Municipality of Härjedalen	44,000	100.0%	–	–
Björnrikegården Nya AB / 556914-1467 / Municipality of Stockholm	500	100.0%	–	–
SkiStar Åre Mark AB / 559023-2830 / Municipality of Malung-Sälen	50,000	100.0%	–	–
SkiStar Åre Logi AB / 559004-6446 / Municipality of Malung-Sälen	500	100.0%	–	–
Fjällmedia AB / 556755-1055 / Municipality of Malungs-Sälen	1,000	100.0%	100	100
SkiStar Snöproduktion AB / 556952-7293 / Municipality of Åre	50,000	100.0%	1,405	1,405
SkiStar Invest AB / 559005-8615 / Municipality of Malung-Sälen	500	100.0%	50	50
SkiStar Fastighetsservice AB / 556250-6997 / Municipality of Malung-Sälen	2,000	100.0%	842	842
Entréhuset AB / 556756-7135 / Municipality of Malung-Sälen	20,000	100.0%	7,912	7,912
Experiumtorget AB / 556 / Municipality of Malung-Sälen	1,000	100.0%	0	0
Eveline Fastighets AB / 556805-9579 / Municipality of Malung-Sälen	500	100.0%	0	0
World Cup Åre AB / 556749-7119 / Municipality of Åre	1,000	100.0%	3,000	3,000
Gästservice i Vemdalsskalet AB / 556795-6890 / Municipality of Malung-Sälen	10,000	100.0%	4,286	4,286
Klyftvallen Fastighets AB / 559377-0596 / Municipality of Härjedalen	1,000	100.0%	25,070	25,070
Björnrike Linbane AB / 556788-2526 / Vemdalen	100,000	100.0%	10,002	–
Sadeln Fjällgården Linbane AB / 556659-6747 / Municipality of Åre	160	100.0%	16,454	–
Platåkåtan Restaurang i Åre AB / 559410-9059 / Municipality of Åre	250	100.0%	7,511	–
Hotel Hovde AB / 556889-1856 / Municipality of Malung-Sälen	500	100.0%	12,647	–
SkiStar Bemanning AB / 559432-1225 / Municipality of Malung-Sälen	500	100.0%	50	–
			291,939	**245,473**

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NOTE 16 PARTICIPATIONS IN ASSOCIATES AND JOINT VENTURES

GROUP	31/08/2023	31/08/2022
Opening balance	854,263	762,568
-Acquisitions	0	21,184
-Shareholder contributions	0	3,000
-Disposals	205	-
-Translation differences	-9,243	2,417
-Share of profit/loss	2,356	65,095
Closing balance	**847,582**	**854,263**

PARENT COMPANY	31/08/2023	31/08/2022
Opening balance	2,770	2,812
-Impairment	-	-42
Closing balance	**2,770**	**2,770**

SPECIFICATION OF THE GROUP AND PARENT COMPANY'S SHARES IN ASSOCIATES AND JOINT VENTURES

									31/08/2023	
Associate / Corp. ID / Reg'd office	Revenue	Profit/ loss	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Equity	Share-holding, %	Group's share of equity	Carrying amount in Parent
Lima Transtrand Fastighets AB / 556258-6817 / Municipality of Malung-Sälen	30,291	1,391	109,373	86,864	6,955	42,098	147,184	45%	41,289	-
Åre Destination AB / 556171-5961 / Municipality of Åre	8,560	15,193	16,556	4,359	14,800	2,941	3,174	49%	8,758	1,970
Fjällvärme i Sälen AB / 556536-1895 / Municipality of Malung-Sälen	19,843	-1,309	120,940	32,256	0	50,818	102,378	50%	14,628	-
Trysilguidene AS / NO965147659 / Trysil	39,524	4,238	31,230	30,554	0	2,698	59,086	35%	11,066	-
Hemsedal Bioenergi AS / NO993016632 / Hemsedal	0	-671	13,464	6,012	0	1,672	17,804	33%	2,095	-
Skihytta Trysil AS / NO987561025 / Trysil	13,934	551	1,622	-1,138	528	705	-749	35%	-298	-
Scandinavian Mountains AB / 556973-5631 / Municipality of Malung-Sälen	19,595	-22,877	528,270	20,497	24,039	332,631	192,097	47%	88,284	-

											[1] Profit/loss includes			[2] Current assets include:
Joint ventures / Corp. ID / Reg'd office	Revenue	Profit/ loss[1]	Non-current assets	Current assets[2]	Non-current liabilities	Current liabilities	Equity	Share-holding, %	Group's share of equity	Carrying amount in Parent	Impairments	Interest income (+)/ Interest expense (-)	Tax income (+)/ Tax expense (-)	Cash and cash equivalents
Skitorget AS / NO994110527 / Trysil	4,555	2,275	7,892	15,587	0	310	23,169	50	8,639	-	-574	80	-242	7,340
Skiab Invest AB / 556848-5220 / Municipality of Malung-Sälen	178,801	18,337	1,952,916	414,304	989,480	42,816	1,334,924	50	667,462	-	-1,778	-57,785	6,061	36,218
Staven Naeringseiendom AS / NO988357014 / Hemsedal	7,155	266	46,057	6,251	0	46,906	5,402	50	2,458	-	-2,110	1	2,334	4,204
Björnrike Torg AB / 559069-4161 / Municipality of Härjedalen	2,662	-428	41,796	404	724	32,964	8,512	19	1,727	-	-1,044	-1,436	-	110
Tegefjäll Linbane AB / 556659-6861 / Municipality of Åre	1,644	391	9,667	3,444	7,425	47	5,639	20	1,474	800	-950	7	-	3,266
									847,582	**2,770**				

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NOTE 16 INVESTMENTS IN ASSOCIATES

SPECIFICATION OF THE GROUP AND PARENT COMPANY'S SHARES IN ASSOCIATES AND JOINT VENTURES

									31/08/2022	
Associate / Corp. ID / Reg'd office	Revenue	Profit/ loss	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Equity	Share-holding, %	Group's share of equity	Carrying amount in Parent
Lima Transtrand Fastighets AB / 556258-6817 / Municipality of Malung-Sälen	29,969	8,501	112,998	26,169	9,484	44,600	85,083	45%	38,681	–
Åre Destination AB / 556171-5961 / Municipality of Åre	11,324	416	16,059	4,629	14,800	3,419	2,469	49%	1,485	1,970
Fjällvärme i Sälen AB / 556536-1895 / Municipality of Malung-Sälen	19,195	834	118,526	–6,984	43,503	37,474	30,565	50%	15,985	–
Trysilguidene AS / NO965147659 / Trysil	39,244	8,569	34,643	9,101	12,958	2,696	28,090	35%	6,592	–
HA Aktiviteter AB / 556730-0065 / Municipality of Härjedalen	–	–390	–	246	700	–	–454	42%	–226	–
Hemsedal Bioenergi AS / NO993016632 / Hemsedal	1,898	–1,368	8,258	373	9,799	1,531	–2,699	33%	2,921	–
Skihytta Trysil AS / NO987561025 / Trysil	11,217	434	2,010	2,854	5,950	705	–1,791	35%	344	–
Scandinavian Mountains AB / 556973-5631 / Municipality of Malung-Sälen	17,263	–25,624	532,980	15,413	10,027	330,768	207,598	47%	99,036	–

											[1] Profit/loss includes			[2] Current assets include:
Joint ventures / Corp. ID / Reg'd office	Revenue	Profit/ loss[1]	Non-current assets	Current assets[2]	Non-current liabilities	Current liabilities	Equity	Share-holding, %	Group's share of equity	Carrying amount in Parent	Impairments	Interest income (+)/ Interest expense (-)	Tax income (+)/ Tax expense (-)	Cash and cash equivalents
Skitorget AS / NO994110527 / Trysil	2,163	892	7,896	6,973	252	246	14,371	50	11,963	–	–499	25	152	3,593
Skiab Invest AB / 556848-5220 / Municipality of Malung-Sälen	108,131	164,307	2,117,190	548,566	1,263,066	74,222	1,328,468	50	667,178	–	–2,884	51,990	–40,126	80,737
Staven Naeringseiendom AS / NO988357014 / Hemsedal	5,163	–270	51,076	3,659	–	50,863	3,872	50	7,650	–	–2,146	–1,163	458	1,199
Björnrike Torg AB / 559069-4161 / Municipality of Härjedalen	3,017	629	42,840	1,410	1,340	33,969	8,941	19	1,450	–	–1,044	-462	–	1,120
Tegefjäll Linbane AB / 556659-6861 / Municipality of Åre	3,255	2,074	10,617	4,220	7,425	431	6,981	20	1,205	800	–950	–176	–	2,017
									854,263	**2,770**				

Business description associates	
Lima Transtrand Fastighets AB / 556258-6817 / Municipality of Malung-Sälen	Owns properties in Sälen, with accommodation units that can be booked through SkiStar. SkiStar does not have exclusive rights to these accommodation units.
Åre Destination AB / 556171-5961 / Municipality of Åre	Collaborates with destination companies in Åre.
Fjällvärme i Sälen AB / 556536-1895 / Municipality of Malung-Sälen	Supplies district heating to mountain facilities in Sälen.
Trysilguidene AS / NO965147659 / Trysil	Operates independent ski school in Trysil, whose services can be booked through SkiStar.
Skihytta Trysil AS / NO987561025 / Trysil	Owns properties in Trysil, with accommodation units that can be booked through SkiStar. SkiStar does not have exclusive rights to these accommodation units.
Scandinavian Mountains AB / 556973-5631 / Municipality of Malung-Sälen	Operates the airport between Sälen and Trysil.

Business description joint ventures	
Skiab Invest AB / 556848-5220 / Municipality of Malung-Sälen	Provides premises for hotel properties.
Tegefjäll Linbane AB / 556659-6861 / Municipality of Åre	Owns lift in Tegefjäll, Åre, leased by SkiStar.
Skitorget AS / NO994110527 / Trysil	Owns properties in Trysil.
Staven Naeringseiendom AS / NO988357014 / Hemsedal	Owns properties in Hemsedal.
Björnrike Torg AB / 559069-4161 / Municipality of Härjedalen	Owns properties in Björnrike, with accommodation units that can be booked through SkiStar. SkiStar does not have exclusive rights to these accommodation units.

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NOTE 17 OTHER INVESTMENTS AND SECURITIES HELD AS NON-CURRENT ASSETS

GROUP	31/08/2023	31/08/2022
Available-for-sale financial assets		
Opening cost	32,173	33,784
-Acquisitions	10,800	5,530
-Disposals	–2	–7,200
-Reclassification	–360	–
-Translation difference	-39	59
Closing balance	**42,572**	**32,173**

PARENT COMPANY	31/08/2023	31/08/2022
Available-for-sale financial assets		
Opening cost	17,392	19,091
-Acquisitions	10,800	5,500
-Disposals	–	–7,199
-Reclassifications	–3,490	–
Closing balance	**24,702**	**17,392**

GROUP	31/08/2023	31/08/2022
Participations in tenant-owner associations	34,568	20,638
Other securities held as non-current assets	10	11
Shares and participating interests	7,994	11,524
Closing balance	**42,572**	**32,173**

PARENT COMPANY	31/08/2023	31/08/2022
Participations in tenant-owner associations	17,361	6,561
Shares and participating interests	7,341	10,831
Closing balance	**24,702**	**17,392**

NOTE 18 OTHER NON-CURRENT RECEIVABLES

GROUP	31/08/2023	31/08/2022
Opening cost	50,555	72,890
-Additional receivables	3,148	3,285
-Settlement of receivables	–1,815	–35,522
-Reclassification, other	–12,600	9,827
-Translation difference	–52	75
Closing balance	**39,236**	**50,555**

PARENT COMPANY	31/08/2023	31/08/2022
Opening cost	26,699	13,715
-Additional receivables	1,608	2,526
-Settlement of receivables	–873	–855
-Reclassification, other	–12,600	11,313
Closing balance	**14,834**	**26,699**

GROUP	31/08/2023	31/08/2022
Receivables from associates	–	10,027
Other non-current interest-bearing receivables	38,566	38,956
Other non-current non-interest-bearing receivables	670	1,572
Closing balance	**39,236**	**50,555**

PARENT COMPANY	31/08/2023	31/08/2022
Receivables from associates	–	10,027
Other non-current interest-bearing receivables	14,834	16,672
Closing balance	**14,834**	**26,699**

Receivables from associates and others are primarily loan receivables.

NOTE 19 INVENTORIES

GROUP	31/08/2023	31/08/2022
Goods for resale	302,507	188,810
Participations in tenant-owner associations	88,479	107,094
Closing balance	**390,986**	**295,904**

PARENT COMPANY	31/08/2023	31/08/2022
Goods for resale	243,540	138,696
Closing balance	**243,540**	**138,696**

The Group's cost for goods for resale includes impairment of participations in tenant-owner associations of SEK 13,000 (0) thousand. No significant reversals of previous impairment were made during either 2022/2023 or 2021/2022.

NOTE 20 TRADE RECEIVABLES

Trade receivables are recognised net of the Group's established and expected credit losses for the year, which were SEK 2,615 (211) thousand. Established losses accounted for SEK 803 (113) thousand of the amount. The Parent Company's established and expected credit losses were SEK 2,117 (198) thousand, with established losses amounting to SEK 605 (100) thousand. The Group recovered previous established and expected credit losses of SEK 65 (300) thousand during the year. The Group's provision for expected debts was SEK 1,812 (98) thousand, an increase of SEK 1,714 thousand during the financial year. The Group's trade receivables from related parties amounted to SEK 0 (69) thousand. Further information on related party transactions can be found in Note 35. The credit quality of receivables that are not past due is considered good.

AGE ANALYSIS OF PAST DUE BUT NOT IMPAIRED TRADE RECEIVABLES

GROUP	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022
30–90 days	6,286	7,253
91–180 days	1,998	4,079
>180 days	2,991	0
Closing balance	**11,275**	**11,332**

PARENT COMPANY	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022
30–90 days	2,283	1,745
91–180 days	20	21
>180 days	2,445	0
Closing balance	**4,748**	**1,766**

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NOTE 21 OTHER CURRENT RECEIVABLES

GROUP	31/08/2023	31/08/2022
VAT recoverable	40,773	36,696
Current loan receivables	66,770	1,265
Tax account	3,950	10,242
Other	28,533	26,162
Closing balance	**140,026**	**74,365**

PARENT COMPANY	31/08/2023	31/08/2022
VAT recoverable	15,016	16,240
Current loan receivables	66,771	1,265
Tax account	3,344	9,274
Other	7,871	7,629
Closing balance	**93,002**	**34,408**

NOTE 22 PREPAID EXPENSES AND ACCRUED INCOME

GROUP	31/08/2023	31/08/2022
Prepaid rental charges and lease payments	46,322	50,567
Prepaid insurance	22,466	17,109
Accrued interest income	4,795	3,218
Government grants	16,198	–
Other items	57,626	33,536
Closing balance	**147,407**	**104,430**

PARENT COMPANY	31/08/2023	31/08/2022
Prepaid rental charges and lease payments	37,852	41,919
Prepaid insurance	20,792	15,615
Accrued interest income	2,395	1,017
Government grants	13,843	0
Other items	45,027	32,604
Closing balance	**119,909**	**91,155**

NOTE 23 EQUITY

GROUP	31/08/2023	31/08/2022
Translation reserve		
Opening translation reserve	–28,074	–62,402
Translation differences for the year	–41,838	47,210
Sale of subsidiaries	–	–12,882
Closing translation reserve	**–69,912**	**–28,074**

GROUP	31/08/2023	31/08/2022
Hedging reserve		
Opening hedging reserve	79	–1,997
Value of hedging reserve	–79	2,662
Deferred tax	0	–586
Closing hedging reserve	**0**	**79**

PARENT COMPANY	31/08/2023	31/08/2022
Hedging reserve		
Opening hedging reserve	-2,078	-2,078
Value of hedging reserve	2,078	–
Deferred tax	0	–
Closing hedging reserve	**0**	**-2,078**

GROUP

Other contributed capital
This item relates to capital contributed by shareholders. It also includes share premium reserves transferred to the statutory reserve at 31 August 2006. Future transfers to the share premium reserve on and after 1 September 2006 are also recognised as contributed capital.

Translation reserve
The translation reserve comprises all exchange differences arising on translation of foreign subsidiaries' financial statements prepared in a currency other than the Group's presentation currency. The presentation currency for the Group and Parent Company is the Swedish krona.

Hedging reserve
The Group had interest rate derivatives of SEK 668 million and NOK 200 million during the financial year, with remaining maturities of one to four years. Hedging ceased with effect from the third quarter 2015/16. The value of the derivative is reversed in comprehensive income over the derivative's remaining life. See also Notes 32 and 35.

Retained earnings and profit for the year
Retained earnings comprises the Parent Company's profit and post-acquisition profit for subsidiaries and associates. Previous provisions to the statutory reserve, excluding transferred share premium reserves, are included in retained earnings.

Dividend
After the reporting date, the Board has proposed that a dividend of SEK 2.60 per share (total SEK 203,777,745.60) be distributed to the Parent Company's shareholders. The dividend proposal will be presented for adoption at the AGM on 9 December 2023.

PARENT COMPANY

Restricted equity
Restricted funds may not be reduced through the distribution of dividends.

Statutory reserve
The requirement to make transfers to the statutory reserve was removed from the Swedish Companies Act with effect from 1 January 2006.

Development expenditure fund
The fund is for restricted funds arising from the capitalisation of proprietary intangible assets.

Non-restricted equity
Share premium reserve
When shares are issued at a premium, i.e., when the amount paid for the shares exceeds their nominal value, the portion corresponding to the excess amount is transferred to the share premium reserve. With effect from 1 January 2006, the share premium reserve is classified as non-restricted equity.

Hedging reserve
During the financial year, interest was hedged through interest rate derivatives of SEK 500 million, with remaining maturities of one to four years. Hedging ceased with effect from the third quarter 2015/16. The value of the derivative is reversed in comprehensive income over the derivative's remaining life. See also Notes 32 and 35.

Retained earnings
Retained earnings consist of the previous year's non-restricted equity after distribution of dividends. Retained earnings and profit for the year constitute total non-restricted equity – that is, the amount available for distribution to shareholders.

Number of shares	31/08/2023	31/08/2022
Number of Class A shares outstanding at start of period	3,648,000	3,648,000
Number of Class B shares outstanding at start of period	74,728,056	74,728,056
Number of shares outstanding at end of period	**78,376,056**	**78,376,056**

The overall goal is for the value of shareholders' capital to increase. To pursue a proactive strategy while balancing operational risk, SkiStar must have a strong financial base. The target is an equity ratio of at least 35 percent. At current interest rates, the target for return on equity is 14 percent and for return on capital employed, 9 percent. On 31 August, the equity ratio was 40 (42) percent, return on equity was 12 (22) percent and return on capital employed was 10 (14) percent. The targets are based on three-month treasury bills, which had an average interest rate of 2.80 percent during the 2022/23 financial year. The operating margin target is to exceed 22 percent in the long term. SkiStar's dividend policy is to pay an annual dividend of at least 50 percent of profit after tax. The policy was adopted on the basis that SkiStar has a strong financial base combined with a strong cash flow and is largely able to finance investments with its own funds.

After the reporting period, the Board of SkiStar AB have decided to update the financial targets and the dividend policy. See Note 36.

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NOTE 24 APPROPRIATIONS

PARENT COMPANY	31/08/2023	31/08/2022
Group contributions	-19,496	-15,340
Closing balance	**-19,496**	**-15,340**

NOTE 25 LIABILITIES TO CREDIT INSTITUTIONS

GROUP	31/08/2023	31/08/2022
Due within 1 year after reporting date	1,117,433	316,647
Due 1–5 years after reporting date	1,120,378	1,300,825
Due more than 5 years after reporting date	0	–
Closing balance	**2,237,811**	**1,617,472**
Overdraft facilities granted	1,070,000	770,000
Utilised portion of overdraft facilities	756,747	112,818

PARENT COMPANY	31/08/2023	31/08/2022
Due within 1 year after reporting date	784,797	124,818
Due 1–5 years after reporting date	468,485	480,485
Closing balance	**1,253,282**	**605,303**
Overdraft facilities granted	1,070,000	770,000
Utilised portion of overdraft facilities	756,747	112,818

Further information on loan structures, commitment periods, rates etc. can be found in Note 32.

	Liabilities to credit institutions	Non-current liabilities	Total	Liabilities to credit institutions	Non-current liabilities	Total
GROUP	**31/08/2023**	**31/08/2023**	**31/08/2023**	**31/08/2022**	**31/08/2022**	**31/08/2022**
Opening balance	1,617,472	1,990,488	3,607,960	1,710,760	1,465,304	3,176,064
-New leases	–	33,684	33,684	–	551,002	551,002
-Borrowings	1,036,599	–	1,036,599	865,359	–	865,359
-Repayment	-451,857	-195,480	-647,337	-1,013,170	-173,058	-1,186,228
-Interest applied	37,894	41,311	79,205	35,579	39,467	75,046
-Accrued interest	13,217	–	13,217	5,145	–	5,145
-Accrued expense	–	-34,597	-34,597	–	8,816	8,816
-Interest paid	-49,804	–	-49,804	-41,569	–	-41,569
-Asset acquisitions	67,450	–	67,450	16,670	–	16,670
-Reclassification	–	258,066	258,266	–	–	–
-Translation	-33,160	-63,885	-97,045	38,698	98,957	137,655
Closing balance	**2,237,811**	**2,029,587**	**4,267,398**	**1,617,472**	**1,990,488**	**3,607,960**

Further information about lease liabilities can be found in Note 7.

PARENT COMPANY	31/08/2023	31/08/2022
Opening balance	605,303	583,226
-Borrowings	957,067	395,800
-Repayment	-309,088	-373,723
-Interest applied	19,825	13,558
-Accrued interest	8,903	2,423
-Interest paid	-28,728	-15,981
Closing balance	**1,253,282**	**605,303**

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NOTE 26 PROVISIONS FOR PENSIONS

GROUP	31/08/2023	31/08/2022
Other pension provisions	18,404	17,335
Closing balance	**18,404**	**17,335**

PARENT COMPANY	31/08/2023	31/08/2022
Other pension provisions	18,404	17,335
Closing balance	**18,404**	**17,335**

Provisions for pension obligations amounted to SEK 18.4 (17.3) million, while the fair value of plan assets was SEK 14.8 (13,9) million and payroll tax was SEK 3.6 (3.4) million. In Sweden and the Parent Company, these provisions consist of the fair value of endowment insurance.

The total premium for pension insurance was SEK 53.0 (39.1) million. For salaried employees in Sweden, the ITP 2 plan's defined-benefit obligations for retirement and family pensions are secured through insurance with Alecta, and through individual pension solutions for employees with annual salaries exceeding 10 income base amounts. According to the Swedish Financial Reporting Board's statement UFR 10, Accounting for ITP 2 Plans Financed by Insurance in Alecta, this is a multi-employer defined-benefit pension plan. For the 2022/23 financial year, the Company did not have access to sufficient information to report its proportionate share of the plan's obligations, plan assets and costs, which meant that it was not possible to report the plan as a defined-benefit plan. Consequently, the ITP 2 pension plan insured through Alecta is reported as a defined-contribution plan. The premium for the defined-benefit retirement and family pension is calculated individually and depends on factors that include salary, previously earned pension and expected remaining service.

Expected contributions in the next reporting period for ITP 2 insurance covered by Alecta are SEK 5.0 million (2021/22: SEK 5.0 million). The Group's share of the total contributions to the plan is 0.03 (0.01) percent, while its share of the total number of active plan members is 0.04 (0.03) percent. The ratio is normally permitted to vary between 125 and 175 percent. If the funding ratio is too low, an appropriate measure could be to increase the agreed price for new insurance and extension of existing benefits in order to strengthen it. If the funding ratio exceeds 150 percent, premium reductions could be introduced. At the end of 2022, Alecta's surplus, in the form of a collective funding ratio, was 176 (172) percent.

NOTE 27 NON-CURRENT RECEIVABLES FROM/LIABILITIES TO GROUP COMPANIES

RECEIVABLES FROM GROUP COMPANIES	31/08/2023	31/08/2022
Experium AB	180,750	192,750
Closing balance	**180,750**	**192,750**

NOTE 28 OTHER PROVISIONS

GROUP	31/08/2023	31/08/2022
Other provisions	–	–
Closing balance	**0**	**0**

GROUP	31/08/2023	31/08/2022
Opening balance	0	144
-Cancellations	0	-144
Closing balance	**0**	**0**

NOTE 29 ACCRUED EXPENSES AND DEFERRED INCOME

GROUP	31/08/2023	31/08/2022
Accrued payroll expenses and social security contributions	87,791	89,325
Accrued finance costs	13,217	5,145
Accrued property expenses	6,592	6,952
Accrued electricity costs and electricity tax	5,476	5,963
Accrued rental costs	1,538	-450
Other items	54,453	62,662
Closing balance	**169,067**	**112,729**

PARENT COMPANY	31/08/2023	31/08/2022
Accrued payroll expenses and social security contributions	67,700	73,040
Accrued finance costs	8,903	2,423
Accrued property expenses	6,643	4,952
Accrued rental costs	981	0
Other items	25,095	24,910
Closing balance	**109,322**	**105,325**

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NOTE 30 PLEDGED ASSETS AND CONTINGENT LIABILITIES

PLEDGED ASSETS

GROUP	31/08/2023	31/08/2022
Property mortgages	1,332,834	1,336,684
Floating charges	125,500	30,500
Assets, SkiStar Norway Group	1,031,787	940,546
Other pledged assets	695,504	685,265
Closing balance	**3,185,625**	**2,992,995**
Of which pledged for own liabilities	2,509,277	2,992,995

PARENT COMPANY	31/08/2023	31/08/2022
Property mortgages	540,096	509,636
Floating charges	7,000	7,000
Other pledged assets	19,156	18,086
Closing balance	**566,252**	**534,722**
Of which pledged for own liabilities	566,252	534,722

CONTINGENT LIABILITIES

GROUP	31/08/2023	31/08/2022
Guarantees	394,175	403,364
Other contingent liabilities	86,200	70,500
Closing balance	**480,375**	**473,864**

PARENT COMPANY	31/08/2023	31/08/2022
Guarantees provided for Group companies	972,752	1,115,688
Other guarantees	319,165	324,165
Other contingent liabilities	86,200	70,500
Closing balance	**1,378,117**	**1,510,353**

Guarantees are related to surety for bank loans taken out by associates and other companies as well as travel guarantees.

NOTE 31 CASH FLOW STATEMENT

	Group		Parent Company	
	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022	01/09/2022 –31/08/2023	01/09/2021 –31/08/2022
Interest paid and dividend received				
Interest received	3,075	2,634	11,944	4,625
Interest paid	–49,804	–41,569	–28,728	–15,981
Adjustments for non-cash items etc.				
Share of profit/loss of associates	–2,437	–64,545	–	–
Depreciation/amortisation and impairment of assets	488,040	413,150	186,260	169,168
Unrealised exchange differences	–10,035	25,482	–	–
Capital gains/losses on sale of non-current assets	1,133	4,907	–196	–255
Capital gains/losses on sale of operations/subsidiaries	–	–58,782	–	–
Pension provisions	–	–	1,069	2,800
Other provisions	–	–17	–	–
Other non-cash items	–54,929	–72,371	–3,204	–38,300
	421,772	**247,824**	**183,929**	**133,413**
Acquisition of subsidiaries and other business entities				
Acquired assets and liabilities:				
Property, plant and equipment	96,902	52,260	–	–
Inventories	–	–	–	–
Other assets	3,054	549	–	–
Total assets	**99,956**	**52,809**	**0**	**0**
Purchase consideration	–43,174	–35,228	–	–
Less cash and cash equivalents in acquired operation	14,267	968	–	–
Effect on cash and cash equivalents	**–28,907**	**–34,260**	**0**	**0**
Disposal of subsidiaries and other business entities				
Property, plant and equipment	–	–	–	–
Cash and cash equivalents	–	40	–	–
Total capital gains/losses, liabilities and provisions	**0**	**40**	**0**	**0**
Cash and cash equivalents				
The following components are included in cash and cash equivalents:				
Cash and bank balances	31,071	24,610	784	785
	31,071	**24,610**	**784**	**785**

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NOTE 32 FINANCIAL RISKS AND FINANCIAL POLICIES

FINANCIAL RISKS
Financial risk not only entails a risk of losses, but also presents an opportunity for gains. SkiStar's policy for financial risk management is to avoid excess liquidity and to maximise returns by repaying short-term credit in the event of significant liquidity inflows. The financial policy is determined by the Board. The CFO is responsible for ensuring compliance with the policy. Financing activities within the Company are centralised under the CFO.

CURRENCY RISK
Currency risk includes both translation risk and transaction risk. SkiStar conducts operations in Norway through its subsidiary SkiStar Norge AS and that company's subsidiaries, and is exposed to translation risks in these operations. SkiStar's policy is not to hedge translation risk. To reduce currency risks, assets in foreign subsidiaries are only financed in local currencies. Purchases of mainly lifts, snow groomers and ski rental equipment are partly financed in EUR and USD and are hedged if this is considered beneficial to the Company. In the 2022/23 financial year, the Group purchased goods and services in euros, which totalled EUR 36.1 (25.1) million. Purchases are also made in other currencies, but their value is considered marginal.

CREDIT RISKS
Credit risk is the risk of SkiStar's customers being unable to discharge their obligations. Since most sales are settled in cash or through advance payments and most trade receivables are for small amounts, customer credit risk for any individual receivable is considered low.

INTEREST AND LIQUIDITY RISKS
SkiStar's financial policy requires most borrowings to have a short fixed-interest term of three months or less. With a strong financial base, including an equity/assets ratio of 40 (42) percent and a strong cash flow, SkiStar can take advantage of the effects of short-term interest rates, which are lower than the long-term rates. When the Company considers that the market situation and interest rates are conducive to borrowing at longer fixed-interest rates, this can be done, subject to a decision by the finance team and the Board. Loans are taken out with large credit institutions such as DNB, Nordea and SEB. Interest-bearing liabilities, excluding the effects of IFRS 16 Leases, amounted to SEK 2,256 (1,661) million at the reporting date. Net interest income/expenses for the financial year were SEK -53 (-32) million and average interest expenses were 3.47 (2.35) percent. Net interest-bearing liabilities, excluding the effects of IFRS 16 Leases, were SEK 2,120 (1,586) million at the reporting date. A rise in interest rates of 1 percentage point would increase SkiStar's interest expenses by about SEK 11 (8) million, with virtually the entire amount affecting net financial items in the income statement and therefore equity. To offset the strong fluctuations in cash flow over the year, SkiStar has short maturities for around 50 percent of its loan volume. SkiStar has covenants linked to the interest coverage ratio and equity/assets ratio. At 31 August 2023, the covenants had been fulfilled. The Group's cash and cash equivalents at the reporting date were SEK 31 (25) million. Unused credit facilities amounted to SEK 344 (657) million. In accordance with the disclosure requirements of IFRS 13, there follows a description of the fair value measurement of financial instruments in the balance sheet. This is done by classifying the measurement as follows:

Level 1: Fair value is determined according to quoted prices in active markets for identical instruments.
Level 2: Fair value is determined based on either directly (as prices) or indirectly (derived from prices) observable market data not included in level 1.
Level 3: Fair value that is not based on observable market data.

INTEREST RATE SWAPS
To hedge the uncertainty of highly probable forecasted interest-rate flows from borrowing at variable interest rates, the Company uses swaps, which means it receives a variable interest rate and pays a fixed rate. The interest rate swaps are measured at fair value in the statement of financial position. On 31 August 2023, the value was SEK +59 (+58) million. The interest rate coupon portion is recognised in profit or loss as part of interest expenses. The Group has interest rate swaps of SEK 668 million and NOK 200 million, with remaining maturities of 1–4 years.

FAIR VALUE
Fair value measurement is conducted when reliable observable market data is available at the reporting date. For this reason, interest rate swaps and forward exchange agreements are measured at fair value. Other investments held as non-current assets consist essentially of participations in tenant-owner associations and shares in small companies. Participations in tenant-owner associations are assessed using the rules for property, plant and equipment, and other items are carried at cost, as the carrying amount is considered to correspond with the fair value of these items.

LOAN STRUCTURE 31 AUGUST 2023

Sweden	Nominal amount in original currency	Carrying amount	Maturity	Fair value of loan
Overdraft facilities, variable interest	756,747	756,747	31/08/2026	756,747
accrued interest	5,823	5,823		
Bank loan, variable interest	610,000	610,000	28/03/2026	610,000
accrued interest	4,300	4,300		
Bank loan, variable interest	38,500	38,500	16/06/2024	38,500
accrued interest	87	87		
Bank loan, variable interest	16,050	16,050	30/08/2024	16,050
accrued interest	0	0		
Bank loan, variable interest	192,750	192,750	11/11/2024	192,750
accrued interest	1,753	1,753		
Bank loan, variable interest	111,520	111,520	30/01/2025	111,520
accrued interest	525	525		

Norway	Nominal amount in original currency	Carrying amount	Maturity	Fair value of loan
Bank loan, variable interest	230,000	235,828	20/06/2025	235,828
accrued interest	2,288	2,346		
Bank loan, variable interest	101,250	103,816	21/02/2024	103,816
accrued interest	152	156		
Bank loan, variable interest	24,300	24,916	30/06/2024	24,916
accrued interest	246	252		
Construction loan	144,034	147,684	30/06/2024	147,684
accrued interest	0	0		

Total loans	**2,237,811**
Total accrued interest on bank loans	**15,242**
Accrued interest on derivatives	**–2,862**

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CONT. NOTE 32 FINANCIAL RISKS AND FINANCIAL POLICIES

Other financial liabilities consist of liabilities maturing within one year. In the previous year, the fair value of interest rate swaps was recognised as financial liabilities. In the current financial year, the value is positive and recognised as a fixed asset.

FINANCIAL INSTRUMENTS AT FAIR VALUE

SEK million	31/08/2023	31/08/2022
Interest rate swaps	59	58

The nominal value of the interest rate swaps was SEK 873 (885) million at 31 August 2023.

The fair value of interest rate swaps for the Parent Company is SEK +31 (+30) million.

FINANCIAL ASSETS BY MEASUREMENT CATEGORY

31/08/2023, SEK million	Fair value through profit or loss	Amortised cost	Total carrying amount
Participations and other investments held as non-current assets[1]	43	–	43
Trade receivables	–	39	39
Other current receivables	–	76	76
Cash and cash equivalents	–	31	31
Total financial assets	**43**	**146**	**189**

31/08/2022, SEK million	Fair value through profit or loss	Amortised cost	Total carrying amount
Participations and other investments held as non-current assets[1]	32	–	32
Receivables from associates	–	10	10
Trade receivables	–	38	38
Other current receivables	–	73	73
Cash and cash equivalents	–	25	25
Total financial assets	**32**	**146**	**178**

[1] SEK 43 (32) million of the financial investments are primarily investments in tenant-owner associations and other small shareholdings. These are measured based on level 3 of the IFRS 13 measurement hierarchy.

FINANCIAL LIABILITIES BY MEASUREMENT CATEGORY

31/08/2023, SEK million	Liabilities to credit institutions	Other financial liabilities	Total carrying amount
Liabilities to credit institutions	2,256	–	2,256
Trade payables	–	188	188
Accrued interest	13	–	13
Total financial liabilities	**2,269**	**188**	**2,457**

31/08/2022, SEK million	Liabilities to credit institutions	Other financial liabilities	Total carrying amount
Liabilities to credit institutions	1,634	–	1,634
Trade payables	–	223	223
Accrued interest	5	–	5
Total financial liabilities	**1,639**	**223**	**1,862**

THE GROUP'S MATURITY STRUCTURE FOR UNDISCOUNTED CASH FLOWS FOR FINANCIAL LIABILITIES AND DERIVATIVES, INCLUDING INTEREST

SEK million	Within 1 year	2–5 years	After 6 years
Liabilities to credit institutions	1,218	1,251	–
Derivatives	–25	–49	–
Trade payables	188	–	–

NOTE 33 INTEREST AND SIMILAR INCOME, EXTERNAL

GROUP	01/09/2022–31/08/2023	01/09/2021–31/08/2022
Bank balances	2,420	277
Non-current receivables	1,235	2,887
Trade receivables	-122	147
Dividend	375	550
Unrealised change in value SWAP	0	70,823
Tax account	78	–2
Other	1,045	–1,545
Exchange gains	90,798	24,862
	95,829	**97,999**

PARENT COMPANY	01/09/2022–31/08/2023	01/09/2021–31/08/2022
Bank balances	12,371	3,135
Non-current receivables	548	2,345
Trade receivables	–130	147
Unrealised change in value SWAP	6,694	37,715
Other	533	–
Tax account	0	-3
Exchange gains	89,678	23,011
	109,694	**66,350**
Of which external	99,726	63,399
Of which intra-Group	9,968	2,951

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NOTE 34 INTEREST AND SIMILAR EXPENSES, EXTERNAL

GROUP	31/08/2023	31/08/2022
Liabilities to credit institutions	56,819	35,212
Interest, IFRS 16	41,333	38,351
Trade payables	179	51
Tax account	879	61
Other external interest expenses	0	5,400
Exchange losses	80,293	37,136
	179,502	**116,210**

PARENT COMPANY	31/08/2023	31/08/2022
Liabilities to credit institutions	33,708	14,633
Trade payables	96	47
Tax account	865	43
Other	–1,879	–
Exchange losses	88,208	30,610
	120,998	**45,333**
Of which external	113,766	44,609
Of which intra-Group	7,232	724

All items are derived from financial liabilities, apart from items arising from interest rate swaps, which amount to SEK 1 (71) million for the Group and SEK 7 (38) million for the Parent Company. Interest rate swaps are included in liabilities to credit institutions for both the Group and the Parent Company.

NOTE 35 RELATED PARTIES

RELATED-PARTY RELATIONSHIPS

The Group is under the control of Ekhaga Utveckling AB*, with an ownership corresponding to approximately 47 (47) percent of the votes and 24 (24) percent of the capital in the Group's Parent Company at 31 August 2023.

Peab

Ekhaga Utveckling AB is the principal owner of Peab, with which SkiStar has a business relationship. Purchases from Peab during the financial year amounted to SEK 25 (84) million. The outstanding liability to Peab was SEK 0 (6) million. Sales to Peab totalled SEK 1 (2) million and the outstanding claim was SEK 0 (0) million.

Related party transactions

In addition to the related-party relationships described above, the Parent Company has related-party relationships through its control of subsidiaries. See Note 15. The SkiStar Group also has transactions with associates in which it does not have significant influence. See Note 16. Purchases from associates during the financial year amounted to SEK 181 (221) million and sales to associates amounted to SEK 64 (7) million. Net receivables from associates totalled SEK 72 (21) million, SEK 84 (20) million of which related to loans to associates. Sales to subsidiaries are mainly related to corporate services provided to the Norwegian subsidiaries. Sales to associates are mainly related to the sale of land to the Skiab Invest Group, commission from mediated accommodation operations and accounting and property services on behalf of Lima Transtrand Fastighets AB. Purchases from associates mostly relate to rental of property from the Skiab Invest Group. A transfer pricing agreement is in place for trade with the Norwegian subsidiaries.

SENIOR EXECUTIVES

Information about salaries and other benefits, pensions, etc. for the Board of Directors, CEO and other senior executives can be found in Note 8.

*) The former ownership group 'Mats och Fredrik Paulsson incl company and family' has been divided up so that the holding through the company is referred to as 'Ekhaga Utveckling AB' in SkiStar's list of owners, while the private holding is listed as 'Mats and Fredrik Paulsson and families'. No change in the total share ownership has occurred.

SUMMARY OF RELATED-PARTY TRANSACTIONS

GROUP	Sales to related parties 01/09/22–31/08/23	Purchases from related parties 01/09/22–31/08/23	Receivables from related parties 31/08/2023	Liabilities to related parties 31/08/2023
Associates	64,033	181,303	97,939	26,240
Peab	1,122	24,528	–	291
Other	1,597	7,522	–	1,035
TOTAL	**66,752**	**213,353**	**97,939**	**27,566**
PARENT COMPANY				
Associates	58,950	109,603	64,996	12,771
Peab	1,122	24,528	–	291
Other	1,597	7,522	–	1,035
TOTAL	**61,669**	**141,653**	**64,996**	**14,097**

GROUP	Sales to related parties 01/09/21–31/08/22	Purchases from related parties 01/09/21–31/08/22	Receivables from related parties 31/08/2022	Liabilities to related parties 31/08/2022
Associates	7,128	221,021	21,040	21,892
Peab	1,568	63,199	52	6,384
Other	3,075	3,415	17	762
TOTAL	**11,771**	**287,635**	**21,109**	**29,038**
PARENT COMPANY				
Associates	2,809	146,334	10,979	21,459
Peab	1,338	56,527	5	4,319
Other	3,075	3,415	17	762
TOTAL	**7,221**	**206,276**	**11,001**	**26,540**

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NOTE 36 EVENTS AFTER THE REPORTING DATE

The Board of Directors proposes that the Annual General Meeting adopt a dividend of SEK 2.60 (3.00) per share, totalling SEK 204 (235) million.

We can see very high demand for the winter season and bookings ahead of the new winter season (measured as the number of overnight stays booked through SkiStar's mediated accommodation) are up by 7 percent at the same time last year. Demand for an active holiday in the mountains is strong and the weak Swedish krona and Norwegian krona have led to a sharp rise in demand from international guests.

UPDATED FINANCIAL TARGETS IN THE MEDIUM TERM
SkiStar's Board of Directors have adopted the following financial targets:

- **Growth:** Operating income is to grow by an average of 6 percent annually. This target refers to organic growth, adjusted for acquisitions and foreign currency effects. An acquired company is classified as an acquisition in the twelve months from the date of acquisition. Only after this period is the company included in the measurement of organic growth.
- **Margin:** The operating margin is to average 18%. The updated target takes into consideration the changes to reporting of revenue from mediated accommodation that were introduced by the Company in the second quarter of 2020/21. The previous target was for the margin to exceed 22 percent and the accounting change is the sole reason for the amended target. In addition, the Company's operations have changed since the previous target was established, particularly in Operation of Hotels, where the margin is lower than average.
- **Debt:** The net interest-bearing debt to EBITDA ratio should be less than 2.5, excl. IFRS 16 effects. Temporary deviations may occur but the ratio should not exceed 2.5 over the reporting period.

More flexible dividend policy
The Board has also decided to update the dividend policy. The target is for 40-60 percent of the year's profit after tax to be distributed to shareholders. The actual dividend payout ratio proposed by the Board is to be adjusted each year in line with the Company's strategy, financial position, risk level and need for investment.

ACQUISITIONS AFTER THE REPORTING DATE
After the end of the financial year, SkiStar completed the acquisition of Trysilguidene AS, with ski school operations in Trysil, as well as a property for sporting goods operations in Klövsjö, Vemdalen.

NOTE 37 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

Group Management makes estimates and assumptions concerning the future. The results of these estimates and assumptions are used to assess the carrying amounts of assets and liabilities. The actual outcome may differ from these estimates and assumptions. Estimates and assumptions that involve a risk of adjustments to the carrying amounts of assets and liabilities are described below.

MEASUREMENT OF GOODWILL
Several assumptions about future conditions and parameters have been made when calculating the recoverable amounts of cash-generating units for the purpose of goodwill impairment testing. These are described in Note 13. Any changes to these assumptions and estimates beyond what may reasonably be expected could have an effect on goodwill. However, this risk is low as the recoverable amounts largely exceed the reported goodwill values.

ASSESSED USEFUL LIFE OF OWNED PROPERTY, PLANT AND EQUIPMENT
Assumptions based on historical data and comparisons with equivalent assets are used as a basis when assessing the useful lives of items of property, plant and equipment. Any changes to these assumptions and estimates beyond what may reasonably be expected could have an effect on the estimated useful life.

LEASE ASSETS AND EXTENSION OPTIONS
Extension options are taken into account in the lease term only if it is reasonably certain that such an option will be exercised. See Note 1 for more detailed information. The average borrowing rate for the period in which the contract commences is used to calculate the right-of-use asset and lease liability.

DISPUTES
SkiStar is not currently involved in any dispute of material significance to the Group.

NOTE 38 INFORMATION ABOUT THE PARENT COMPANY

SkiStar AB (publ), corporate identity number 556093-6949, is a Swedish limited company, with its registered office in the Municipality of Malung-Sälen, Dalarna County. The head office is in Sälen and the postal address is SE-780 91 Sälen, Sweden. The Parent Company's Class B shares are listed on Nasdaq Mid Cap Stockholm.

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Reconciliation of alternative performance measures

	Full year 1 Sep-31 Aug	
SEK thousand	**2022/2023**	**2021/2022**
Financing and interest-bearing liabilities		
Non-current interest-bearing liabilities to credit institutions	1,155,378	1,300,825
Non-current lease liabilities	1,890,281	1,865,743
Pension provisions	18,404	17,335
Current interest-bearing liabilities to credit institutions	1,082,433	316,647
Current lease liabilities	173,903	124,745
Interest-bearing liabilities	**4,320,398**	**3,625,295**
Other non-current receivables	39,236	50,555
Non-interest-bearing portion of non-current receivables	-670	-1,572
Current interest-bearing receivables	66,770	1,265
Cash and cash equivalents	31,071	24,610
Interest-bearing receivables	**136,407**	**74,858**
Financial net debt (Interest-bearing receivables – interest-bearing liabilities)	**4,183,991**	**3,550,437**

SEK thousand	**2022/23 Q4**	**2021/22 Q4**	**2020/21 Q4**	**2019/20 Q4**	**2018/19 Q4**
Return on capital employed					
Profit/loss after financial items	520,170	865,668	246,174	350,059	553,242
Finance income	95,829	27,177	32,562	46,656	49,029
Finance costs	–179,502	–45,387	–82,142	–90,960	–99,571
Net financial items	–83,673	–18,211	–49,579	–44,304	–50,542
Profit/loss after financial items plus finance costs	**699,671**	**911,055**	**328,315**	**441,019**	**652,812**

	2022/23 Q4	**08/2022**	**2021/22 Q4**	**08/2021**	**2020/21 Q4**	**08/2020**	**2019/20 Q4**	**08/2019**	**2018/19 Q4**	**08/2018**
Capital employed										
Assets	8,760,993	7,973,524	7,973,524	6,873,998	6,873,998	6,053,251	6,053,251	5,065,776	5,065,776	4,870,568
Non-current non-interest-bearing liabilities	197,511	196,266	196,266	142,008	142,008	225,206	225,206	226,546	226,546	221,113
Current non-interest-bearing liabilities	781,130	792,657	792,657	767,365	767,365	562,156	562,156	478,637	478,637	537,253
Total non-interest-bearing liabilities	978,640	988,924	988,924	909,373	909,373	787,361	787,361	705,182	705,182	758,366
Capital employed	7,782,353	6,984,601	6,984,601	5,964,625	5,964,625	5,265,889	5,265,889	4,360,594	4,360,594	4,112,202
Average capital employed	**7,383,477**		**6,474,613**		**5,615,257**		**4,813,242**		**4,236,398**	
Return on capital employed	**9%**		**14%**		**6%**		**9%**		**15%**	
Return on equity										
Equity	3,483,934	3,359,306	3,359,306	2,774,026	2,774,026	2,590,524	2,590,524	2,602,064	2,602,064	2,421,089
Average equity	3,421,620		3,066,666		2,682,275		2,596,294		2,511,576	
Profit after tax (see also previous reports)	401,781		664,552		233,632		286,715		460,400	
Return on equity	**12%**		**22%**		**9%**		**11%**		**18%**	
Return on total assets										
Total assets	8,760,993	7,973,524	7,973,524	6,873,998	6,873,998	6,053,251	6,053,251	5,065,776	5,065,776	4,870,568
Average total assets	8,367,259		7,423,761		6,463,624		5,559,513		4,968,172	
Return on total assets	**8%**		**12%**		**5%**		**8%**		**13%**	

Conducting skiing operations requires large capital investments and a stable financial base is therefore important. SkiStar uses these alternative performance measures as part its monitoring of the financial base.

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Signatures of the Board and CEO

The consolidated financial statements and annual report have been prepared in accordance with the international accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards and generally accepted accounting principles and provide a true and fair view of the Group's and the Parent Company's financial position and earnings. The administration report for the Group and the Parent Company provides a true and fair view of the development of the operations, financial position and performance of the Group and the Parent Company, and describes material risks and uncertainties faced by the Parent Company and Group companies.

Sälen, 8 November 2023

Anders Sundström
Chairman of the Board

Lena Apler
Board member

Sara Karlsson
Board member

Fredrik Paulsson
Board member

Gunilla Rudebjer
Board member

Anders Svensson
Board member

Vegard Søraunet
Board member

Patrik Svärd
Employee representative

Tobias Englund
Employee representative

Stefan Sjöstrand
CEO

Our audit report was submitted on
8 November 2023
Deloitte AB

Kent Åkerlund
Authorized Public Accountant

The Board has authorised the annual report and consolidated annual financial statements for issue on 8 November 2023.
The consolidated statements of financial position and comprehensive income and the Parent Company's income statement and balance sheet will be presented for adoption at the Annual General Meeting on 9 December 2023.

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Auditor's report

To the general meeting of the shareholders of SkiStar AB (publ), corp. ID no. 556093-6949

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of SkiStar AB (Publ) for the financial year 2022-09-01 – 2023-08-31 except for the corporate governance statements on pages 81–87 and sustainability report on pages 37–75. The annual accounts and consolidated accounts of the company are included on pages 79–80 and 93–137 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of August 31 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of August 31 2023 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance report and the sustainability report on pages 81–87 and 37–75 respectively. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

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

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

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

Other information

The audit of the annual accounts for the financial year 2021-09-01 – 2022-08-31 has been carried out by another auditor who submitted an audit report dated 2022-11-10 with unmodified statements in the Report on the annual accounts.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Revenue recognition

The Group's net sales for the financial year 2022-09-01 – 2023-08-31 amount to SEK 4,281 million. Revenues are divided into three segments, as shown in note 2, and consist mainly of revenues from the segment "Operation of mountain resorts". The company's principles for revenue recognition are described in Note 1 Accounting principles on page 108.

The revenue is significant in terms of its size and includes a large number of smaller transactions, which is why we have assessed revenue recognition as a key audit matter in the audit.

Our audit procedures included, but were not limited to;

- Reviewing the Group's accounting policies to verify compliance with IFRS,
- Evaluation of the company's revenue recognition procedures and related IT systems,
- Review on a sample basis of sales transactions to assess the accuracy of revenue recognition,
- Analytical review using computer-based analytical tools,
- Assessing whether appropriate disclosures in accordance with IFRS are made in the annual report.

Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–36, 77–80, 89–92 and 141–143. Other information also consists of the Remuneration Report for financial year 2022/2023 which is published on SkiStar's website the same time as the annual accounts and consolidated accounts. The Board of Directors and the Managing Director are responsible for this other information.

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

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

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

Responsibilities of the Board of Directors and the Managing Director

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

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

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

Auditor's responsibility

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

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

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

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

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of SkiStar AB (Publ) for the financial year 2022-09-01 – 2023-08-31 and the proposed appropriations of the company's profit or loss.

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

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

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

Responsibilities of the Board of Directors and the Managing Director

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

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

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Auditor's responsibility

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

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

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

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

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

THE AUDITOR'S EXAMINATION OF THE ESEF REPORT

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for SkiStar AB (Publ) for the financial year 2022-09-01 – 2023-08-31.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility uder this recommendation is described in more detail in the Auitors' responsibility section. We are independent of SkiStar AB (Publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

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

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 Esef report in accordance with the Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHMTL format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Deloitte AB, was appointed auditor of SkiStar AB (Publ) by the general meeting of the shareholders on the December 10 2022 and has been the company's auditor since December 10 2022.

Stockholm, 8 November 2023
Deloitte AB

Kent Åkerlund
Authorized Public Accountant

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Definitions

DEFINITIONS OF FINANCIAL PERFORMANCE MEASURES

Financial performance measures are either measures used by Swedish listed companies or measures used by management and analysts.

Share dividend yield
Dividend divided by the share price.

Return on equity
Profit/loss after tax as a percentage of average equity.

Return on capital employed
Profit/loss after net financial items plus finance costs as a percentage of average capital employed. Capital employed is defined as assets less non-interest-bearing liabilities.

Return on total assets
Profit/loss after net financial items plus finance costs as a percentage of average total assets.

Current ratio
Current assets including unutilised credit facilities granted as a percentage of current liabilities.

Gross margin
Operating profit/loss before depreciation/amortisation as a percentage of revenue.

Price/equity ratio
Share price at the reporting date divided by equity per share.

Share price/cash flow
Share price at the reporting date divided by cash flow from operating activities.

CO_2e
Amount of a specific greenhouse gas, expressed as the amount of CO_2 that has the same greenhouse gas effect.

Equity per share
Equity divided by the average number of shares for the reporting period.

ESG
Environmental, social and governance. Refers to three key factors that are considered when evaluating the sustainability and social impact of an investment in a company or business.

Average interest expense
Interest expenses divided by average interest-bearing liabilities.

GHG
Emissions of greenhouse gases (GHG) are calculated as emissions of CO_2 equivalents (CO_2e). CO_2e is defined as the amount of a certain GHG, expressed as the amount of CO2 that produces the same greenhouse effect.

Global Reporting Initiative (GRI) Standards
GRI Sustainability Reporting Standards are the first and most widely used global standards for sustainability reporting. GRI is an independent international organisation that has been developing methods for sustainability reporting since 1997.

Cash flow from operating activities before change in working capital
The reason for this performance measure is that the change in inventories, trade receivables and trade payables is marginal, and these items are therefore eliminated to obtain a fairer presentation of operations.

Cash flow per share
Cash flow before change in working capital divided by the average number of shares.

Quick ratio
Current assets including unutilised credit facilities granted less inventories divided by current liabilities.

Net margin
Profit/loss before tax as a percentage of revenue.

Organic growth
Growth above inflation.

P/E ratio
Share price at the reporting date divided by earnings per share after tax.

Earnings per share
Profit/loss for the year attributable to shareholders of the Parent divided by the average number of shares.

Diluted earnings per share
Profit/loss for the year attributable to shareholders of the Parent, adjusted for interest expenses after tax on convertible debt, divided by the number of shares after full conversion of convertibles subscribed for.

Interest-bearing liabilities
Current and non-current liabilities to credit institutions, provisions for pensions and items in other current liabilities that are interest-bearing.

Interest coverage ratio
Profit/loss after net financial items plus finance costs as a percentage of finance costs.

Operating margin
Operating profit/loss after depreciation/amortisation as a percentage of revenue.

Operating profit/loss
Revenue less cost of goods for resale, personnel costs, other operating expenses, depreciation, plus profit/loss from joint ventures/associates and negative goodwill.

SBTi
SBTi is a partnership between the World Wide Fund for Nature (WWF), the UN Global Compact, the Carbon Disclosure Project and the World Resources Institute. The aim is to ensure that the climate targets set by companies have a scientific basis.

Debt/equity ratio
Interest-bearing liabilities as a percentage of equity.

Equity/assets ratio
Equity as a percentage of total assets.

OTHER DEFINITIONS

Activity day
One day of activities with an Activity pass.

Activity pass
Card providing access to summer activities.

ALF
Norwegian Ski Lift Association.

Occupancy rate
Accommodation bookings as a percentage of the beds mediated by SkiStar at 100 percent capacity in the period beginning the third week in December and ending the third week in April.

Booking volume
A comparison of booked overnight stays between two defined periods.

Overnight stay
One booked night in a cabin, apartment or hotel room.

SkiPass
Card providing access to ski lifts.

Skier day
One day's skiing with a SkiPass.

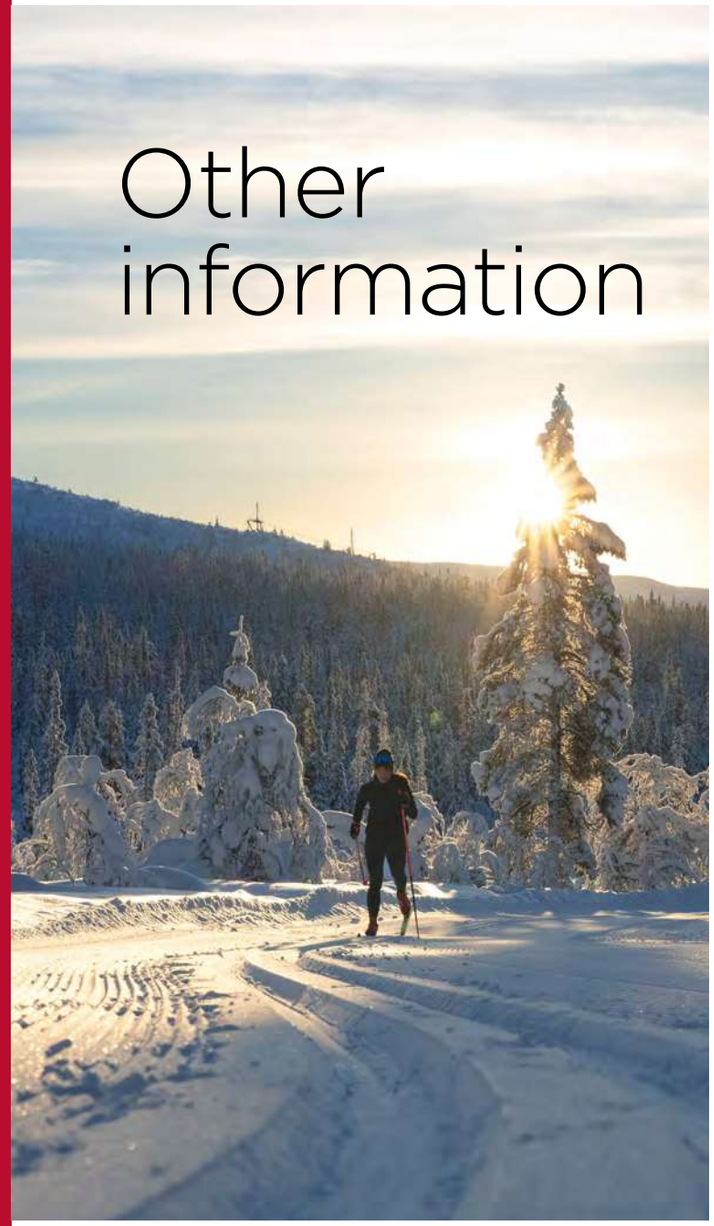
SLAO
Svenska Skidanläggningars Organisation (Swedish Ski Lift Organisation).

Financial year
SkiStar's financial year covers the period 1 September – 31 August.

First quarter (Q1)	September–November
Second quarter (Q2)	December–February
Third quarter (Q3)	March–May
Fourth quarter (Q4)	June–August

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FINANCIAL STATEMENTS

Interim reports and the year-end report for the 2023/24 financial year will be published as follows:

- Q1 interim report,
  1 September 2023–30 November 2023, 19 December 2023, 07.00 a.m.
- Half-year report,
  1 September 2023–28 February 2024, 20 March 2024, 07.00 a.m.
- Q3 interim report,
  1 September 2023–31 May 2024, 20 June 2024, 07 p.m.
- Year-end report,
  1 September 2023–31 August 2024, 1 October 2024, 07.00 p.m.

Financial reports and the annual report are available at www.skistar.com/en/corporate.

ANNUAL GENERAL MEETING

SkiStar's Annual General Meeting will be held at 2 p.m. on 9 December 2023 at Experium in Sälen. Shareholders are being offered the opportunity to vote in advance (postal voting) instead of physically attending the meeting.

Shareholders wishing to attend the Annual General Meeting must be listed in the register of shareholders kept by Euroclear Sweden AB as of Friday 1 December 2023 and must notify the Company of their intention to attend no later than Tuesday 5 December 2023. Notice of intention to attend should be made in writing to SkiStar AB, "Årsstämma", c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, by e-mail to generalmeetingservice@euroclear.com, or on the the Company's website at www.skistar.com/sv/corporate.

More information can be found in the AGM notice and associated documents, available at www.skistar.com/en/corporate.

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