

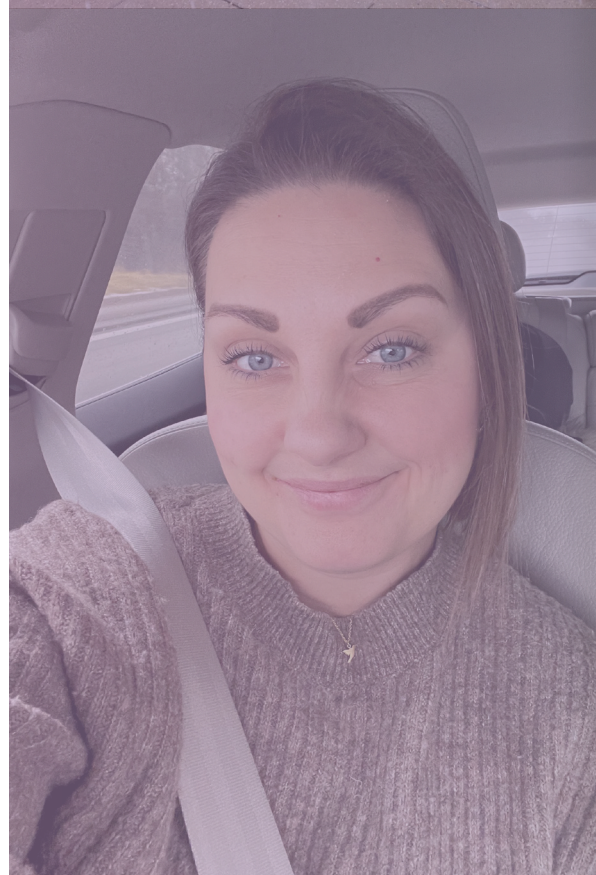
EXSITEC HOLDING AB

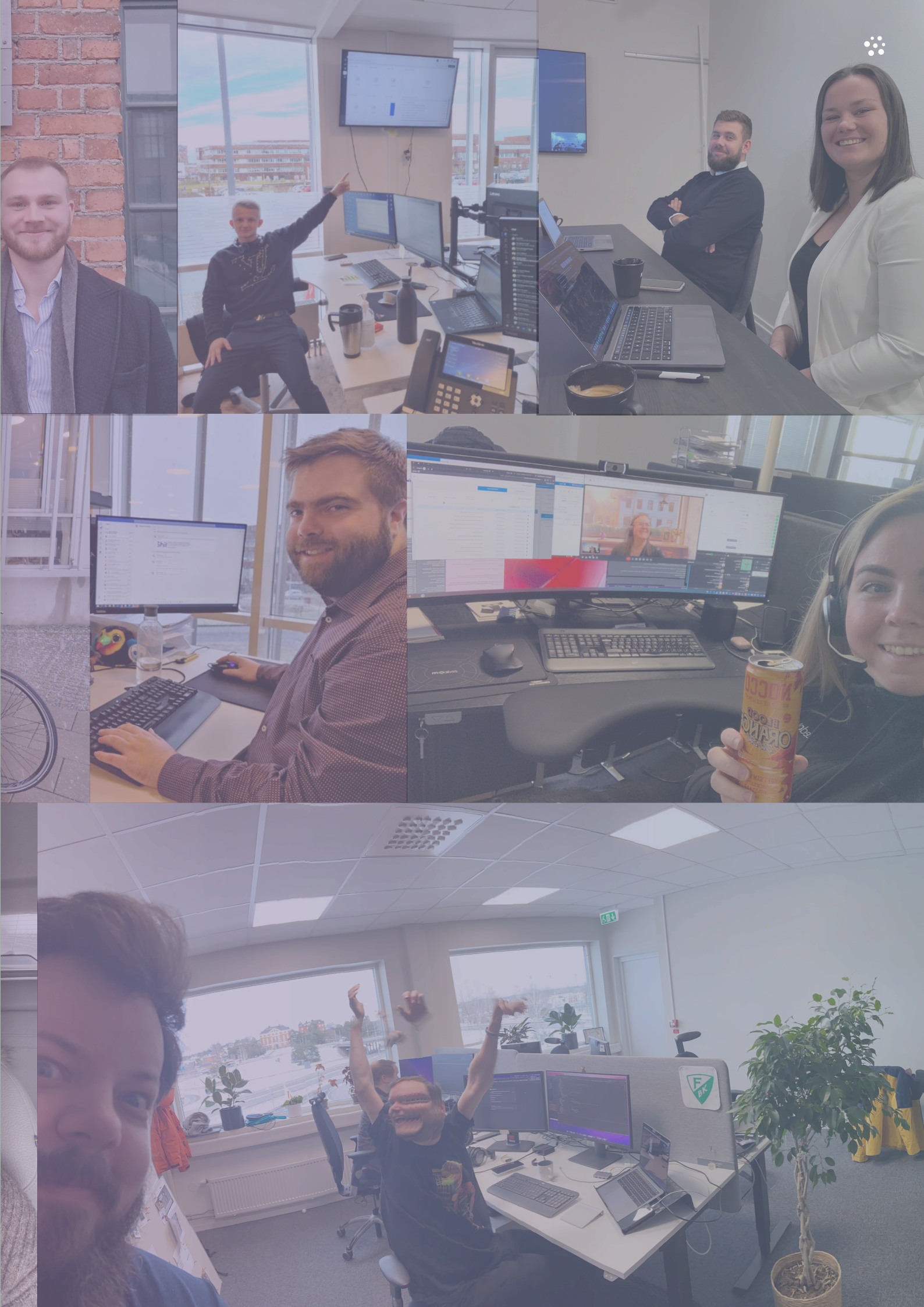
2021

Annual Report

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A word from the CEO

The highly transformative year of 2020 was followed by a 2021 that allowed us to focus more strongly on the execution of our own plans. Assuredly, the pandemic presented us with numerous obstacles over the past year, but overall, the restrictions and changing circumstances is something that we have learned to live with.

I concluded my text in the 2020 annual report by highlighting our ambitions for the coming year. In particular, I made known our intention to broaden our e-commerce capacity to promote the growth of business-to-business operations through digital sales. I also elaborated on our ambition to set up operations in Norway together with our partners Visma Software and Medius.

Moreover, I wrote that we intended to engage in M&A in support of growth during 2021, both to bring in skills to strengthen priority areas and, most importantly, to gain access to a larger customer base to assist with a broader offering.

Looking back on the year, I note that this strategy was fully implemented, the disruption caused by the pandemic notwithstanding. We delivered tremendous growth in number of employees and number of customers served, as well as in the recurring revenue that forms the stable financial basis of our business.

Financial development

Net sales during 2021 amounted to MSEK 536, an increase of 83 percent compared with MSEK 292 in the previous year. This is exceptional growth, which is largely attributable to our successful M&A activities but also to the significant overall demand for our services in the market in which we operate. Our net sales grew organically by 21 percent during the year, compared with 16 percent in the previous year.

Our adjusted EBITA of MSEK 77 corresponds to an increase of 46 percent compared with MSEK 52 in the previous year. As such, we have seen a strong performance but with lower margins than in 2020. This relates in part to the fact that we have been able to increase travel and shared activities somewhat, but also to the historically lower margins of some of our acquirees.

Our recurrent revenue for software accounted for 29 percent of overall net sales, which is an increase over last year's 26 percent. In the coming year, we intend to implement measures to strengthen profitability in some of the acquirees, primarily by focusing more strongly on new sales and on trainee programmes to ensure the supply of skills. This is, however, a change journey, which will take at least 18 to 24 months to complete.

We believe that there is a great business opportunity in a vertical development of our customer offering, which, in addition to our application portfolio, includes services such as secure and green IT operations and a more developed support service; provided at a fixed contract

price, which increases our proportion of recurring revenues. This type of contract revenue accounted for 6 percent of net sales in 2021.

We have a balanced revenue model with revenue streams from the range of software we resell; from services linked to implementing them; and from the support and services that we supply to our customers over time as they utilize the software in their business. This ensures a good balance but also a stability and security that is appreciated by our customers and our employees alike.

The organization

The year started at a fast pace with the acquisition of our industry colleague Millnet B I, which rendered us market leading in business intelligence from Qlik and budgeting/forecasting systems from Planacy. These are two software products that we already were working with and therefore felt very confident about. After that, we acquired the smaller Borås-based company Woocode in order to strengthen our e-commerce capabilities based on the Litium platform. Overall, these two acquisitions increased net sales by approximately MSEK 100 in 2021.

An important goal for us during the year was that we had decided to take up business in Norway, supported by our partners Visma Software and Medius. Part of the plan was to speed up the establishment by seeking an appropriate opportunity to acquire one of the larger existing Visma retailers. The announcement of our

establishment caused several business opportunities to arise. At the end of the second quarter we thus acquired the largest Visma partner in Norway, Vitari AS, thenceforth Exsitec AS, which brought more than 90 new colleagues on board.

In January 2021, new colleagues were welcomed in the context of the slightly shortened version of the trainee programme – the consultant programme – and in August, for the ninth consecutive year, began the trainee programme. In total, more than 75 new employees joined us through these programmes during 2021. Staff onboarding and training has been more challenging. Especially during the consultant programme, the entire training had to be carried out remotely; we believe that this came at the expense of both the quality and the instilling of culture. Because of this, we have gradually returned to in-office work during 2021, particularly for recent hires. Of course, we have had to accept and adapt to the restrictions imposed on society, but we nevertheless draw the conclusion that we benefit from spending a substantial part of our working time together.

During the year, we launched an internal initiative called 'One Exsitec' where we implement the best practices for sales, marketing, supply of skills, and monitoring of our type of operations across the organization. In our experience, it takes about 18 to 24 months until an acquired business fully operates the way we want it to, and we will look to systematize this work in 2022 with the hope of facilitating the integration of future acquisitions.

Sales and the market

Customers' demand for business-supportive IT solutions has been very good during the year, despite the challenges arising from the pandemic. We have had to get used to doing business without meeting our customers, which is a challenge as it may involve major and abstract investments and buyers that are not accustomed to making them. Physical meetings with a committed individual can be essential to ensure confidence in such situations.

Nevertheless, we increased our organic sales significantly in 2021. Both the average order size and the number of new customers increased significantly. During 2020, our marketing shifted to a fully digital focus, and we held a number of very successful seminars – especially on "The Modern Finance Department" – which attracted thousands of listeners, numbers we have never come close to before. We note that more than 300 deals have been concluded with contacts who attended these seminars, and we will thus pursue and intensify our efforts relating to marketing activities of this type.

Our priorities moving forward

During 2021, we revised our long-term business plan and also defined new financial targets and a number of internal initiatives to support them. Our projects for the forthcoming years are organized into three programmes, which at an aggregate level are known as 'One Exsitec', 'My Exsitec', and 'Everyone's Exsitec'.

ONE EXSITEC

We will manage the slightly larger company in an efficient and uniform manner to prepare for rapid further growth.

MY EXSITEC

Our ability to be the best possible employer for our employees. We will offer ways to grow and develop in many directions.

EVERYONE'S EXSITEC

We will expand our offering and our geographic coverage. We will create quality in the customer journey and keep long-term sustainability in focus.

We see a positive underlying trend in demand for what we deliver. In addition, we can continue to leverage our ability to complement existing operations with acquisitions that strengthen our offering and grow our customer base.

The growing share of recurring contract revenue enables us to improve our margins in the long term, as that is less labour intensive over time compared with pure service revenue. There are various ways to build recurring revenue – but when we succeed in our vision of serving our customers in ever-evolving customer relations, it provides a good foundation for stability in our operations and finances.

Our new financial target is to reach net sales of MSEK 1,000 with an EBITA margin of 20 percent sometime during the period between 2023 and 2025. How quickly we reach our target and what comes first, net sales or margin, will depend on the overall market performance and how well we execute our plans.

By becoming a slightly better company in many areas, we ensure that the foundation for delivering good growth with good profitability will be in place for a long time to come. One year from now, we will have a slightly broader offering and be even better at managing and highlighting different career journeys for our staff. We will also have evaluated the feasibility of an expansion into a few more geographic markets.

To lead such a thriving and creative business as Exsitec, for as many years as I have, is a privilege. The turbulence of the wider world notwithstanding, I think we have excellent prospects for a top-level performance in 2022.

*Johan
Kallblad*



Our business

Our vision is to facilitate and streamline the daily lives of our customers, by equipping their businesses with the best possible IT support.

We select leading software and cloud services, ensure that they work together in the customer's operations, and take responsibility after the project by offering support, management, and further development of the customer's IT systems.

We supply IT support to reduce our customers' administration, help our customers derive insights from their data, and provide access to the support systems for as many users as possible in the customer's operations, to enable the customer to concentrate on the essentials: the business and the customers.

Exsitec assumes overall responsibility by implementing, managing and providing support for the software we resell. The aim of our offering is not for each customer to use every component, but for the customer to choose the systems that solve the most important business problems at hand as they arise and are prioritized.

Our offering includes software that helps to reduce administrative costs and streamlines and reduces unnecessary tasks in areas such as ERP systems, inventory management, account payable automation,

planning, and industry-specific operational systems. In addition, we offer support systems that help companies make data-driven decisions, disseminate information to the right people at the right time, and maintain control over their customer communications by means of software for business intelligence, CRM, and e-commerce as well as tailored applications.

As a further step, we also offer our customers secure and green IT operations through our subsidiary Zedcom. Our own server halls in Jämtland, powered by solar energy and hydro power and tempered by cool summers and cold winters, allow us to contribute to our customers' and society's sustainability efforts.

The responsibility we shoulder for our customers is extended beyond delivery by an integrated support service, where our customers are quickly provided specialized expert assistance relating to the software we offer.

Our aim is to ensure that our customers do not have to reach out to several parties to get the assistance they need with their IT systems. Instead, we take the comprehensive responsibility.

Five units – One Exsitec

Exsitec was founded in 2000 in Linköping, Sweden, and today, 20 years later, we are still headquartered there, in one of Sweden's largest university cities. In addition to Linköping, Exsitec today operates a nationwide organization with 15 offices in Sweden and several offices in Norway and Denmark.

The Swedish operations are divided into three business areas, and with Norway and Denmark, the organization can be construed as five units. For us it is important that we operate as One Exsitec in all parts of the business and across all markets, albeit with a certain room for variation of the offering to adapt to the local market.

Our company culture is the most critical building block of our company – One Exsitec.



The Insight business area

Within the Insight business area, we offer our customers the tools to conduct smarter analyses and powerful data processing by means of modern IT system for business intelligence, budgetary management, and planning.

The offering includes, among other things, the following leading tools:

- Qlik Sense
- QlikView
- PowerBI
- Planacy



It was a good year for Insight, as 2021 was the year when we established ourselves as the Swedish market leader in business intelligence from Qlik as well as budgeting and planning from Planacy.

Revenue increased from slightly above MSEK 40 in 2020 to MSEK 134 in 2021. Of this growth, approximately 30 percent was organic, supplemented by the acquisition of Millnet B I AB. The organic growth is the result of our efforts to implement a major trainee programme, in which we make considerable investment on an annual basis. Approximately one third of the revenue consisted of recurring licenses.

During the year, we perceived a high demand for our services in both business intelligence and budgeting and planning. The latter segment demonstrates very strong growth, and revenue has increased to comprise approximately 10 percent of the business area's overall revenue. We combine excellence and extensive experience with a competitive offering that helps our customers monitor their operations and make better decisions. This is a combination which allows us to provide our customers with a high added value, and they, in turn, entrust us to assist them over a long period of time.

We see no slowdown in the demand for our offerings, and we will maintain investment in our trainee programme and take additional market share in both our areas of operation.

*Anders
Uddenberg*



The ERP business area

The ERP business area recorded a strong year in 2021. The offer comprising Visma's ERP system bundled with several associated products such as account payable automation, project management systems, and warehouse management systems continued to perform well in the market. New sales hit all-time highs, and the cloud-based ERP system Visma.net was the dominant product by far.

Our existing customers account for the majority of our revenues and continue to place considerable trust in us to develop and manage our solutions. Thanks to the trust our customers are placing in us, the model with recurring license revenue, and a strong market position, net sales increased from MSEK 146 to MSEK 178.

We maintain close cooperation with our selected software suppliers. Thus, we are thrilled that we this year once again were proclaimed "Partner of the Year" by both Visma Software and Medius. This demonstrates that we are doing things right and constantly strive to improve.

During the last quarter, the acquisition of Zedcom was carried out, strengthening our position as a leader in the Visma.net ERP and Visma.net Project Management products. In conjunction with the acquisition, we also broadened our offering with IT operations and security, and we can now take even greater responsibility for our customers' IT-related issues.

On the basis of 2021 and with a favourable market situation, 2022 is looking to be a good year. To ensure our ability to serve our new and existing customers for a long time to come, a large number of people will be recruited over the coming year.

*Niklas
Ek*

Within the ERP business area, we offer our customers modern financial and logistical tools to reduce administration. With smart ERP systems, powerful invoice management, and industry-specific IT support, our customers day-to-day business becomes more efficient.

The offering includes, among other things, the following leading tools:

- Visma.net ERP
- Visma Business
- Medius AP Automation
- Bitlog
- Eazystock
- NEXT
- Mobigo
- Entré



The Experience business area

For the Experience business area, the year 2021 was eventful, with e-commerce and marketing automation as new focus areas and an acquisition of WooCode. Net sales increased from MSEK 65 to MSEK 98.

In the segment 'Applications development and integration', which comprises approximately 60 percent of the business area, strong demand characterized the year. The technical competence existing in the area is much sought after, and at the same time, more and more customers are opting for a component-based architecture and a Best-of-Breed strategy, fuelling the demand for integration skills.

During the year, we complemented our CRM offering with HubSpot, where we today already offer SugarCRM, which features, inter alia, smart functions for modern marketing – an area where demand is on the rise. At the same time, we also noted an increase in demand for our CRM supply services in the last part of the year.

The acquisition of WooCode accelerated the e-commerce effort but also resulted in a considerably higher staff turnover than desired among the newcomers. Consequently, there is a need to invest in recruitment to ensure continued growth.

During 2022, the focus will be on continued development and growth across all segments. We are investing marketing and sales resources in establishing our e-commerce and marketing automation offering, which in part addresses a target group that is new to us. In integration, we are focusing on the continued strengthening of our offering while maintaining our focus on the Microsoft Azure platform. The goal is to offer cost-efficient solutions by implementing a high degree of reuse, without compromising flexibility or long-term sustainability. We are enjoying a strong position and expect the demand for our services to remain high.

*Eric
Lindholm*



In the Experience business area, we offer our customers tools to improve their customer experience as well as modern digital platforms relating to e-commerce, CRM, and integrations. We help our customers achieve an enhanced customer experience, reduced administration, a higher level of automation, reduced error rates, and a more customer-oriented business.

The offer includes everything from standardized and customer-unique integrations and customized interfaces, to the market's leading tools in the business area's focus:

- SugarCRM
- Hubspot
- Litium



Exsitec Norway

We started out in 2021 as Vitari AS but have now become part of Exsitec as Exsitec AS which is the beginning of an exciting journey. Unfortunately, it is not possible to summarize 2021 without mentioning the pandemic, which impacted much of the year with Norway seeing extensive lockdowns. On the positive side, the situation made most companies see even more value in embracing modern and smart technology. Automation and digitalization became increasingly important for communicating effectively and increasing our customers' productivity and competitiveness.

The year ended well with net sales of just over MSEK 135, of which SEK 78 million in the Exsitec Group. Despite the pandemic and shutdowns, we gained the trust of both existing and new customers to digitize their business. The market picked up in the second half of the year, and service revenue increased significantly over the last 6 months of 2021 compared to the corresponding period last year. Recurring revenue reached almost 50 percent and increased by 10 percent during the year.

Competence is a limited asset that challenges our growth ambitions. However, our long-term commitment to our employees and our culture in which people find meaning and joy put us in a good position. Combined with Exsitec's well-functioning and pro-active trainee programme, the needed skills will be ensured moving forward.

The outlook for 2022 is encouraging, and we anticipate the level of digitalization and automation to increase across all sectors now that society has opened up again. We are well positioned and have the opportunity to help our customers streamline more parts of their operations through the expanded offering available within the Exsitec Group.

*Asle
Sjorbotten*



Exsitec AS/Norway was established in 2021. In the same year, Norway's at the time largest Visma partner Vitari AS was acquired and now forms the basis of our Norwegian operations. Vitari was founded in 2002 and Exsitec AS has almost 100 employees today.

The offering in Norway focuses primarily on ERP, spearheaded by Visma.net and Visma Business, but the aim is to extend the offering to include more solutions from our Swedish portfolio.



Exsitec Danmark

In Denmark, 2021 was marked both by lockdowns and higher than usual absences due to the pandemic. Despite the considerable uncertainty, the customer acquisition rate was good and we achieved our growth target of 20% and a total of MSEK 48. We also organized the largest trainee programme yet in the Danish business during the year. This takes both time and resources in the short term, but it is a good investment in the long term that will be reflected already in the figures for 2022.

Our effort relating to Visma.net is progressing; we spent time on cultivating the market and expect the effort to come to fruition in 2022. Our Visma Business department concluded the three largest deals in iAdvice's history.

The year 2022 will be when we put COVID-19 behind us and look to the future. Our focus is to significantly increase our sales and marketing to ensure a good flow of new leads and, consequently, new customers for our rapidly growing consultancy department. We opened our Copenhagen office in the summer of 2021, and in 2022, we will implement our first trainee programme in the capital, where we expect to grow over the coming years.

We see a great demand from both old and new customers to want to digitize their business. At the same time, it is high demand for skilled employees. Thus, we have focused on creating the right conditions to ensure that we can attract the right profiles.

Our objectives for 2022 are to continue to grow organically while maintaining our growth rate; to assess the market to identify acquisition opportunities; and to help our customers streamline their operations with digital support.

*Johnny
Hansen*

iAdvice, now Exsitec A.S./Denmark, was established in 2008 and has been part of Exsitec since the majority of the company was acquired in 2018.

The company was run as a subsidiary for the first years, but in 2021, the remainder of the company was acquired. A rebranding of the Danish operations is planned for 2022.

The offering in Denmark is focused on business systems and point-of-sale solutions, but an effort has been underway during 2021 to expand the portfolio to include more products and areas.



Customer testimonials

Filippa K

www.filippa-k.se

Filippa K is a global fashion brand focusing on timeless essentials that are wearable in everyday life. The brand represents a sustainable wardrobe based on simplicity and functionality, with the minimalism of the Nordics at its heart.

CUSTOMER SINCE:
2014

EXSITEC SUPPLIES:
Qlik Sense, Planacy Nprinting

”

Already in 2014, Exsitec helped us implement a business intelligence system to monitor our operations. Beginning on a small scale, the business intelligence system has since grown to include finance, sales, purchasing, inventory management, and e-com. Here at Filippa K, Exsitec's business intelligence system has helped us prepare the appropriate and accurate input for important decisions, allowing us to assist our customers in the most effective way.

SUPERHELTEN

www.superhelten.dk

Superhelten sells hobby and toy products through an online store and four physical stores with more than 40,000 items on the shelves.

CUSTOMER SINCE:
2009

EXSITEC SUPPLIES:
Visma.net, FlexPOS, support

”

Thanks to our new ERP solution with its associated inventory management and scanning system, we now have full control of our inventory and are able to pack more orders in much less time than before, thus managing the hundreds of orders we receive every day. In addition, we have achieved full traceability of our orders and products, and the automated purchase management ensures that our shelves are always adequately stocked. Apart from that, the solution has also freed up more time for us to serve customers.



Riksidrottsförbundet

www.rf.se

The Swedish Sports Confederation comprises 71 member associations with around 19,000 sports clubs in total. All in all, the sports movement gathers around 3.3 million members.

CUSTOMER SINCE:
2009

EXSITEC SUPPLIES:
Visma.net, OneStop Reporting,
support

”

At the Swedish Sports Confederation, we always want to stay close to our members and be involved in their activities. Exsitec helped us digitalize our somewhat disorganized administrative IT support. As a result, we are now able to spend more time exactly where we want to be: close to our members.



www.hissen.se

Hissen is a family business that has been around for generations, tracing its history back to 1932. It is a modern company with unparalleled know-how in the lift sector, keen to implement technical and digital solutions that contribute to a great customer experience.

CUSTOMER SINCE:
2009

EXSITEC SUPPLIES:
Visma.net, OneStop Reporting,
integration, support

”

Hissen AB services and maintains lifts. That is what we are good at and want to focus on – we have no desire to focus on administration. After a procurement process, we chose Exsitec because they offered the best value for money and were able to link together our existing case management system and Visma.net, which has resulted in a simpler financial administration.



www.delideluca.no

Since 2003, Deli de Luca has contributed to better culinary experiences "on the go". Deli de Luca strives to provide its customers with Norway's best selection of products from all across the world, every day.

CUSTOMER SINCE:
2019

EXSITEC SUPPLIES:
Visma.net, BX Software
support

”

We save about two and a half hours every day by using Visma.net. Our solution is user-friendly and flexible and has contributed to a much easier everyday life for our customers. Exsitec's knowledge of various solutions and systems and strong service and customer focus have been outstanding.

Growing with Exsitec

Of course, we strive for long-lasting relationships not only with our customers but also with our employees. We put a lot of effort into our development programmes to help both us as a company and each individual to continue to develop at the appropriate pace.

Our different programmes aim to offer our employees a wide range of different career paths and specializations as they grow alongside Exsitec.

Every August since 2013, we have welcomed a group of recent graduates to our trainee programme as a kickstart of their careers. Today, we run one of Sweden's largest trainee programmes, gathering as many as 68 participants in three countries in 2021. Approximately one third of the employees currently working at Exsitec joined through the trainee programme.

The programme format has proven to be a successful concept, and in January 2021, Exsitec's first consultant programme was launched. Conceptually, the consultant programme is quite similar to a trainee programme, but the duration is shorter and it is primarily intended for people with some work experience. Over the course of four months, new colleagues – some of whom just graduated and some of whom with more than 20 years' experience as business systems consultants – are introduced to working life at Exsitec.

Being a strong growth company increases the need for leaders in various roles. It is Exsitec's absolute objective to, whenever possible, recruit our future role models in sales, delivery, and leadership from within our ranks. Based on this philosophy, we have been running our own leadership programme since 2014, where participants are offered basic skills in building and leading teams during a 2-year programme.

In addition to our longer programmes, we develop a range of pathways to help our employees achieve the progress they are looking for. These cover everything from leadership to project management, design, development, and architecture.



TRAINEEPROGRAMMET



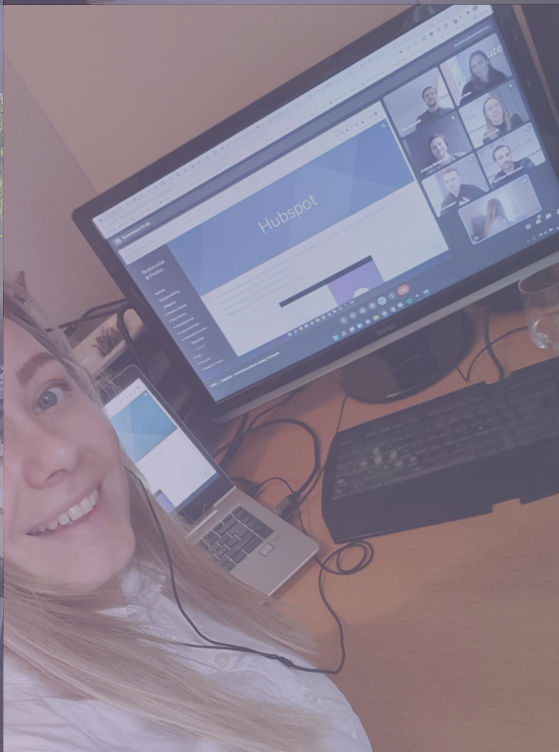
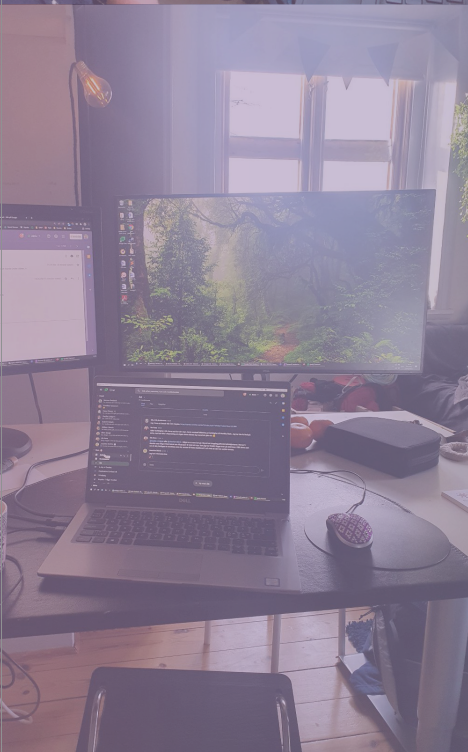
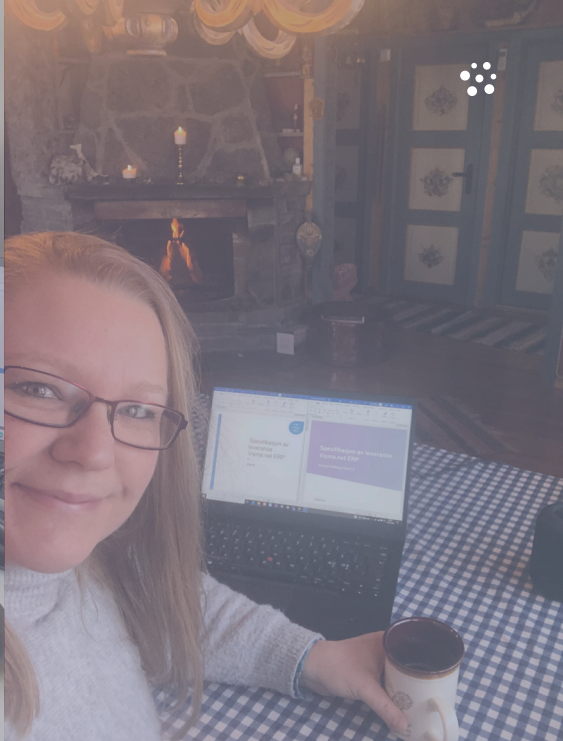
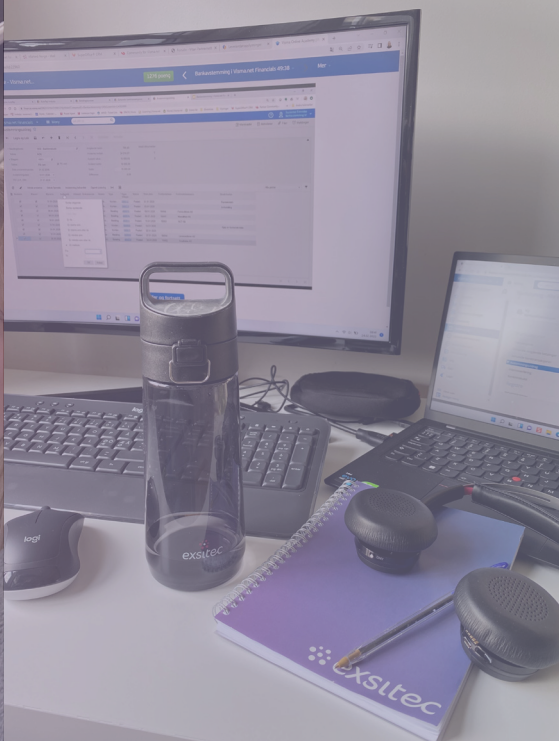
KONSULTPROGRAMMET



LEDARSKAPSPROGRAMMET



LEDARAKADEMIN



Voices of our employees

My journey at Exsitec started in 2020 with the trainee programme. Since then I have been working in the Application & Integration area, where I develop functional solutions for customers. I am also involved in sales processes, I have assumed the role of mentor, and I participate in Exsitec's newly launched architect programme.

One Exsitec, based on the values of ambition, simplicity, business minded, and joy, pervades the organization. Exsitec has a good mix of individuals with diverse experiences, always lifting each other. You can clearly see in the hallways here that people feel at ease with one another, and this carries over into the projects.

We have now put an intense 2021 behind us, and I look forward to being part of the growth journey ahead!

Oscar Barthelsson
Consultant, application & integration
Exsitec Sverige

”

You can clearly see in the hallways here that people feel at ease with one another, and this carries over into the projects.

EXSITEC'S CORE VALUES

**Simplicity,
Joy,
Ambition,
Business minded**



My first meeting with Exsitec was at a job fair at Uppsala University, and I then entered the company as a trainee in 2020. Rather soon, customer work started to occupy more and more of my working day; I have grown into the role and the progress I have made since the trainee period is very clear to me. From being intimidated by my first own customer meeting, I have taken on the role of mentor. I now run projects and am involved in customer contacts on a daily basis.

I work with business intelligence, and my daily work consists of helping customers to understand and analyse their business better. For me, **SIMPLICITY** is reflected in our business by providing digital operational support systems that are simple to understand and simple to use. We, as consultants, are the bridge between the technology and the operations.

As a consultant, you are making available solutions that may be technically complex; as such, a clear and transparent communication with the customer is of the essence.

Therese Olsson
Consultant, business intelligence
Exsitec Sverige

” *We, as consultants, are the bridge between the technology and the operations.*

Simplicity

We are down to earth, uncomplicated, humble and friendly. We always strive to make everyday life easier for our customers and for each other.



As a sales consultant in the area of ERP and development, the focus is on helping customers find the right solutions. In addition to that, I am a delivery coordinator and responsible for POS storage and inventory. You could say that I am like an octopus, I am all over the place!

I have assumed a lot of responsibility in a short period of time, and as a result, I have grown rapidly here in my role at Exsitec. I am driven by an eagerness to learn new things, and here, I do that every day. For me, one of the most important things at work is that you enjoy yourself and feel **JOY**. I think it is a consequence of getting to feel that you are appreciated and add value to both the community and the operations.

I am initially trained as a sales assistant specializing in retail, and I have extensive experience of working in stores. Changing industries was a quite an adjustment, but it was undeniably the best move I ever made!

Martina Viuff

Sales consultant & delivery coordinator, POS
Exsitec Danmark

”

For me, one of the most important things at work is that you enjoy yourself and feel JOY.

Joy

We have fun at work and have a positive dialogue with each other and with others. The result of our work will make everyday life more fun for our customers.



As a team leader, I get the chance to frequently engage in dialogue of a commercial and forward-looking nature with our customers. I'm also responsible for staffing assignments that effectively ensure both high-quality deliveries with significant customer value and a balanced workload for our consultants as well as a long-term skill development that aligns with our employees' desires for development and career paths, which, in turn, preferably should overlap with Exsitec's overall objectives and needs.

We endeavour to have customer relationships that are ever-evolving, and this places demands on us and our ongoing development. Our vision promotes and creates the conditions for the **AMBITION** we want to see reflected throughout the organization. Our operations should inspire, look to the future, and think afresh – but, in my case, at the same time ensure that our current pursuit of activities is stable and profitable.

During my tenure, Exsitec has grown from a small fringe company to a continually growing publicly traded company, and it is precisely that ambition, which has always been relentlessly present throughout the years, that also makes it so easy to continue to develop in the day-to-day life at Exsitec.

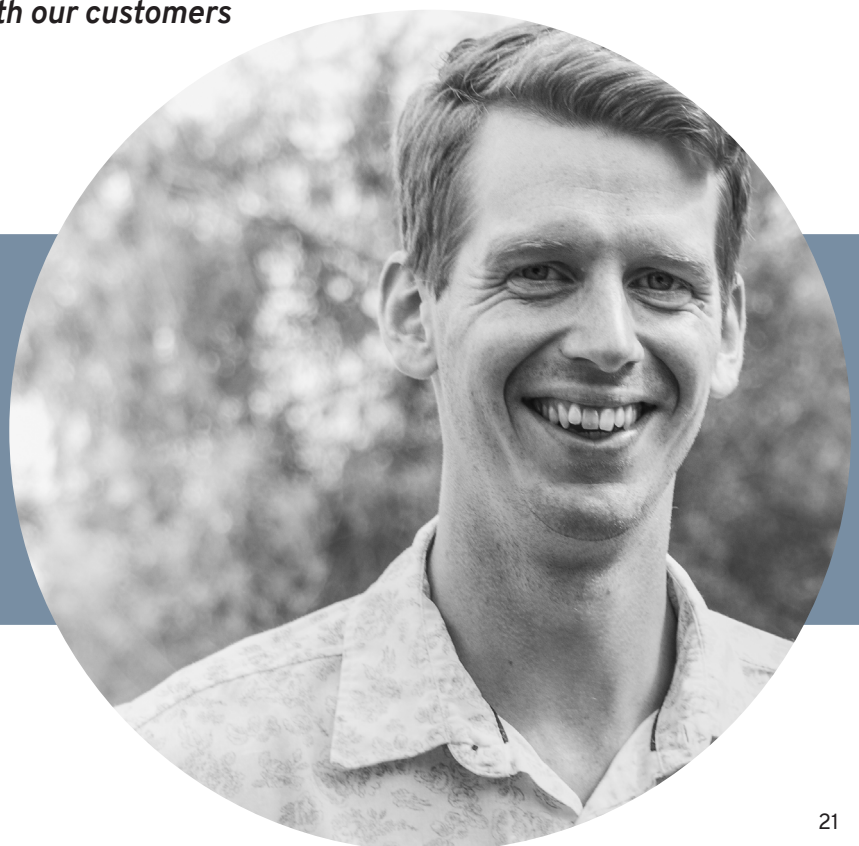
Henrik Engström
Team leader, ERP
Exsitec Sverige

”

As a team leader, I get the chance to frequently engage in dialogue of a commercial and forward-looking nature with our customers

Ambition

Our business is characterized by a curious will to grow and a constant desire to get better by developing ourselves and our customers and partners.



My Exsitec journey began in January 2021, in the midst of the pandemic. This influenced my onboarding, which was carried out digitally for the most part. Hence, my "greeting round" at Exsitec Norway is not yet fully completed. Since then, I have grown in my role and acquired a good understanding of our products and solutions, and I have also had the privilege to meet exciting customers and encounter several industries that were new to me.

To me, professionalism, a focus on customer benefit, and profitability together constitute **BUSINESS MINDED**. I feel that this is what we achieve if we run projects in accordance with recognized standards, to built trust and security with the customer, at the same time as we focus on securing a profit and maintain good control over the quality and scope of the project.

Beyond my daily role as project manager, I am also responsible for the internal development of Exsitec Norway. We are well on our way to standardize our project methods, further develop our project tool, and build competence. This is where I look forward to working with the rest of Exsitec. I am sure we have a lot to contribute and much to learn from each other!

Patrick Schweitzer
Project Manager
Exsitec Norge

”
*To me, professionalism, a focus on customer benefit, and profitability together constitute **BUSINESS MINDED***

Business minded

We are professional and treat each other and our surroundings with honesty, respect and without prestige. Our work must provide long-term benefits and profitability for our customers.





Management Team



Johan Kallblad

CEO, Exsitec Holding AB
since 2010

Born: 1972

Education: Master of Science in Industrial Economics at the University of Technology at Linköping University. Executive Management Program at Stockholm School of Economics.

Other assignments: Styrelseledamot i Southstreet Invest AB and Östsvenska Handelskammaren.

Holdings in Exsitec: 1 355 000 shares



Adam Österlund

Vice president Exsitec AB
since 2018 (employee since 2012)

Born: 1989

Education: Bachelor's programme in Information Systems Analysis at Linköpings Universitet

Holdings in Exsitec: 13 447 shares and 625 warrants



Anna Gustafsson

CFO, Exsitec Holding AB
since 2010

Born: 1977

Education: Degree of Master of Science in Business Administration and Economics at Jönköping International Business School.

Holdings in Exsitec: 11 200 shares and 625 warrants



Asle Sjørbotten

CEO Exsitec AS
since 2021 (employee since 2002)

Born: 1958

Education: Sjøkrigsskolen, Intendanturlinjen (ledelse, økonomi og logistikk)

Other assignments: Styremedlem i Asker Næringsforening. Styremedlem i Askershus AS

Holdings in Exsitec: 2 664 shares



Johnny Hansen

CEO Exsitec A/S
since 2018 (employee since 2008)

Born: 1981

Education: Business Academy

Other assignments: Professional Investor & Real Estate investor

Holdings in Exsitec: 103 487 shares



Emma Billenius

Head of HR
since 2013

Born: 1981

Education: Subject teacher education in Swedish with a focus on upper secondary school at Linköping University.

Holdings in Exsitec: 973 shares and 1 250 warrants



Anders Uddenberg

Business Manager Insight business area
since 2021 (employee since 2015)

Born: 1984

Education: Master of Science in Industrial Economics at the University of Technology at Linköping University.

Holdings in Exsitec: 1384 shares



Eric Lindholm

Business Manager Experience business area
since 2021 (employee since 2014)

Born: 1989

Education: Master of Science in Industrial Economics at the University of Technology at Linköping University.

Holdings in Exsitec: 644 shares



Niklas Ek

Business Manager ERP business area
since 2021 (employee since 2015)

Born: 1989

Education: Master of Science in Mechanical Engineering at the University of Technology at Linköping University.

Holdings in Exsitec: 857 shares

Board of Directors



Peter Viberg

Chairman of the Board since 2017.

Born: 1963

Education: Master of Science in Physics and Electrical Engineering at Linköping University.

Other assignments: Board member and CEO i Syntrans AB.

Other assignments latest 5 years: Chairman of the Board Attentec AB, Shapeline AB och Skyqraft AB. Board member Wematter AB.

Dependent in relation to the Company and its management and the Company's major shareholders.

Holdings in Exsitec: 2 400 000 shares



Klas Hillström

Board member since 2017

Born: 1966

Education: MSc in Economics and MBA from the Stockholm School of Economics.

Other assignments: Board member Standout Capital I AB, Standout Capital II AB, Standout Capital II Management AB and Neptune Software AS.

Other assignments latest 5 years: Visbook AS, Papirfly AS.

Dependent in relation to the Company and its management and the Company's major shareholders.

Holdings in Exsitec: 11 000 shares



Åsa Holmström

Board member since 2019.

Born: 1965

Education: Mathematics and computer technology at Stockholm University.

Other assignments: Chairman of the Board E-Gogo E-Sports AB. Board member The Incredible Journey AB and Nerve Consulting AB.

Other assignments latest 5 years: Board member Exalt AB (publ) and CEO Ninetech AB.

Independent in relation to the Company and its management and the Company's major shareholders.

Holdings in Exsitec: 4 000 shares



Anders Englund

Board member since 2017.

Born: 1960

Education: Master of Science in Computer Science at Linköping University.

Other assignments: CEO Attentec AB.

Other assignments latest 5 years: Board member IT & Telekomföretagen.

Independent in relation to the Company and its management and the Company's major shareholders.

Holdings in Exsitec: 4 000 shares

Share information

Exsitec Holding AB is listed on Nasdaq First North since 16 September 2020 and trades under the ticker EXS. The ISIN code is SE0014035762.

Share turnover and performance

2020 was the first full calendar year that Exsitec's share was traded on First North. During the first year, 8,918,977 shares were traded, and the average volume per day of trading was 35,252 shares. The total value traded in 2020 amounted to MSEK 1,470. At the end of the year, Exsitec Holding's market capitalization amounted to MSEK 2,933, and the closing share price for the year was SEK 230 per share. The share traded at a high of SEK 253 (on 10 November) and a low of SEK 66 (on 4 January).

Share capital

As of 31 December, the share capital amounted to SEK 637,826 (585,250). The number of shares amounted to 12,756,517 (11,705,000), none of which held in own custody, and the quota value was SEK 0.05 per share. All shares carry the same voting rights at the annual general meeting, which means that one share entitles the holder to cast one vote. Moreover, all shares carry equal entitlement to the company's earnings and assets. Exsitec Holding AB did not hold any of its own shares during 2020, nor at the time of publication of this report.



Incentive program

At the annual meeting of shareholders on December 11, 2017, it was decided to introduce an incentive program through a directed new issue of 5,125 warrants to senior executives and key personnel in Exsitec Holding AB. Each warrant entitles the holder to subscribe for 100 shares at a subscription price of SEK 18 per share during the period 15 November 2023 through 15 December 2023. Upon full exercise of all warrants, the number of shares in Exsitec Holding AB will increase by 512,500 and the share capital by SEK 25,625, which would mean a dilution effect corresponding to 4% of the votes and the capital in Exsitec Holding AB.

Ownership

The largest shareholders as of 2021-12-31 and known changes thereafter.

Owners	Shares	%
Syntrans AB (Styrelseordförande)	2 400 000	18,8%
South Street Invest AB (VD)	1 355 000	10,6%
Cliens Fonder	1 229 936	9,6%
Creades AB	1 122 046	8,8%
Enter Fonder	655 504	5,1%
Berenberg Funds	617 863	4,9%
Lannebo Fonder	500 663	3,9%
Nordnet Pensionsförsäkring	470 127	3,7%
Handelsbanken Fonder	449 569	3,5%
Swedbank Robur Fonder	424 357	3,3%
Övriga aktieägare	3 531 452	27,7%
	12 756 517	100 %

Dividend policy

The Board of Directors has resolved that Exsitec Holding AB's dividend policy should be to distribute 40 percent of operational cash flow, taking into account the Company's financial position and future growth prospects.

Ordinary dividends

The Board of Directors of Exsitec Holding AB proposes that a dividend of SEK 1.5 (1.4) per share be paid for the financial year 2021, corresponding to MSEK 19.1.

Financial reports

Org.nr. 559116-6532

Management report

The Board of Directors and Chief Executive Officer of Exsitec Holding AB, corporate registration number 559116-6532, seated in Östergötland county, municipality of Linköping, hereby present the annual and consolidated accounts for the financial year 2021.

ALL AMOUNTS ARE STATED IN KSEK, SWEDISH KRONA, UNLESS SPECIFIED OTHERWISE.

The operations in general

Exsitec supplies IT support with the aim of reducing our customers' administration and helping our customers derive insights from their data, retain and acquire customers, use e-commerce to increase their sales and presence, and provide access to the support systems for as many users as possible in their operations. Our vision is to make the daily lives of our customers more efficient, simple, and enjoyable, by equipping their businesses with the best possible IT support. We select good software and cloud services, ensure that they work together in the customer's operations, and take responsibility after the project by offering support, management, and further development of the customer's IT systems.

Net sales and profit

In terms of growth, 2021 was the strongest year in the Group's history. With net sales totaling MSEK 536, growth compared with the full year 2020 amounted to 83 percent. Organic growth accounted for 21 percent of the sales growth, while the rest was attributable to acquisitions. EBITA amounted to MSEK 77, an increase over the previous year's MSEK 52.

Significant events during the financial year

It was an acquisition-intensive year, as we acquired six businesses during 2021: Millnet BI, WooCode AB, We are Woonderland AB, Vitari AS, Zedcom AB, and Zedcom ISP AB. Overall, these businesses contributed net sales of MSEK 183 during 2021. In May, a substantially oversubscribed directed issue of 857,143 shares was carried out at a subscription price of SEK 140 per share. As a result, Exsitec Holding AB raised proceeds of approximately MSEK 117 after issuance costs.

In May, we also acquired the remaining shares in the subsidiary iAdvice ApS. Decisions were made at the extraordinary general meeting to carry out a directed issue of a total of 118,771 shares at a subscription price of SEK 142.14 per share via companies to the previous owners Johnny Hansen and Peter Knudsen.

In 2021, Exsitec was ranked among the top ten most attractive and exciting employers of IT students in Karriärföretagen's annual award. We have a strong focus on attracting young talent, and in August, we launched the largest trainee programme in the Group's history with 68 new colleagues in Sweden, Norway and Denmark.

In addition, we were named Partner of the Year by Visma, Medius, and Planacy and received an award for IPO of the Year; we see this as a testament that we are doing a good job for both our partners and the customers that use their software, as well as our investors.

Future development

During 2021, we revised our long-term business plan and also defined new financial targets and a number of internal initiatives to support them. Our projects for the forthcoming years are organized into three programmes, which at an aggregate level are known as 'One Exsitec', 'My Exsitec', and 'Everyone's Exsitec'.

One Exsitec is aimed at managing the slightly larger company in an efficient and uniform manner to prepare for rapid further growth.

My Exsitec is focused on our ability to be the best possible employer for our employees and offering ways to grow and develop in many directions.

Everyone's Exsitec is about expanding our offering and our geographic coverage, creating quality in the customer journey, and keeping long-term sustainability in focus.

We see a positive underlying trend in demand for what we deliver. In addition, we can continue to leverage our ability to complement existing operations with acquisitions that strengthen our offering and grow our customer base.

The growing share of recurring contract revenue enables us to improve our margins in the long term, as that is less labour intensive over time compared with pure service revenue. There are various ways to build recurring revenue – but when we succeed in our vision of serving our customers in ever-evolving customer relations, it provides a good foundation for stability in our operations and finances.

Our new financial target is to reach net sales of MSEK 1,000 with an EBITA margin of 20 percent sometime during the period between 2023 and 2025. How quickly we reach our target and what comes first, net sales or margin, will depend on the overall market performance and how well we execute our plans.

By becoming a slightly better company in many areas, we ensure that the foundation for delivering good growth with good profitability will be in place for a long time to come. One year from now, we will have a slightly broader offering and be even better at managing and highlighting different career journeys for our staff. We will also have evaluated the feasibility of an expansion into a few more geographic markets.

Multi year overview, The Group

	2021	2020	2019	2018
Net revenue	536 045	292 352	261 884	177 657
EBITA	73 338	52 482	36 803	29 865
EBITA %	13,7%	18,0%	14,1%	16,8%
Profit after net financial items	-6 992	13 611	874	-3 621
Operating margin (%)	-0,9%	5,0%	0,8%	neg.
Return on equity (%)	-3,0%	9,2%	0,9%	neg.
Balance sheet total	551 117	216 888	196 263	200 164
Solidity (%)	41,9%	68,1%	50,2%	54,1%
Number of employees	381	207	168	129

Multi year overview, Parent Company

	2021	2020	2019	2018	2017 (7 mån)
Net revenue	6 950	2 400	0	0	0
EBITA	1 084	406	-2	-72	-2 397
Profit after net financial items	-20 473	-8 741	-23 441	-10 048	-3 038
Balance sheet total	243 124	130 627	126 954	161 310	180 538
Solidity (%)	99,6%	99,5%	71,5%	70,1%	64,8%
Number of employees	1	0	0	0	0

Proposed appropriations of profit or loss

The following funds are available to the annual general meeting:

Share premium	318 684 451
Retained profit	-56 791 062
Net profit or loss for the year	-20 473 438
	241 419 951

The Board of Directors proposes the following distribution:

Dividend to shareholders (SEK 1,50 per share)	19 134 776
Carried forward to new account	222 285 176
	241 419 951

Financial reports, The Group

The Group's income statement

	note	2021-01-01 - 2021-12-31	2020-01-01 - 2020-12-31
Net revenue		536 045	292 352
Other operating income	1	-1 072	4 297
		534 973	296 649
<i>Operating expenses</i>			
Costs for external subcontractors, licences and direct costs		-107 155	-56 663
Merchandise		-8 454	-8 114
Other external expenses	2, 3	-56 976	-29 872
Personnel costs	4	-285 362	-147 306
Depreciation/amortization (and reversals) of fixed tangible and intangible assets		-81 063	-39 181
Other operating expenses		-791	-792
		-539 801	-281 928
OPERATING RESULT	5	-4 828	14 721
<i>Result from financial items</i>			
Other interest income and similar items	6	326	50
Interest expenses and similar items	7	-2 490	-1 160
		-2 164	-1 110
RESULT AFTER FINANCIAL ITEMS		-6 992	13 611
Tax on the result for the year	9	-15 073	-11 007
The minority's share on the result for the year		0	138
Net profit or loss for the year		-22 065	2 742

The Group's balance sheet

	note	2021-12-31	2020-12-31
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Goodwill	10	300 987	80 248
		300 987	80 248
<i>Tangible fixed assets</i>			
Buildings and land	11	6 500	0
Equipment, tools, fixtures and fittings	12	12 137	3 669
		18 637	3 669
<i>Financial fixed assets</i>			
Other long-term receivables	15	1 136	1 348
		1 136	1 348
Total fixed assets		320 760	85 265
<i>Current assets</i>			
<i>Inventory, etc.</i>			
Finished goods and merchandise		1 351	692
		1 351	692
Current receivables			
Accounts receivable		109 636	47 003
Other receivables		707	1 777
Prepaid expenses and accrued income	16	35 881	22 973
		146 224	71 753
Cash and bank balances	20	82 782	59 178
Total current assets		230 357	131 623
TOTAL ASSETS		551 117	216 888
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital		638	585
Non-restricted reserves		252 289	138 302
Net profit or loss for the year		-22 065	2 742
		230 862	141 629
Minority interest		0	6 053
<i>Long-term liabilities</i>			
Liabilities to credit institutions		100 842	1 765
Other liabilities		23 734	2 400
	19	124 576	4 165
<i>Short-term liabilities</i>			
Liabilities to credit institutions		42 944	663
Accounts payable		42 214	20 288
Current tax liabilities		11 810	6 400
Other liabilities		53 087	16 799
Accrued expenses and prepaid income	21	45 625	20 891
		195 680	65 041
TOTAL EQUITY AND LIABILITIES		551 117	216 888

The Group's cash flow analysis

	2021-01-01 - 2021-12-31	2020-01-01 - 2020-12-31
<i>Operating activities</i>		
Result after financial items	-6 992	13 611
<i>Adjustments for items not included in the cash flow</i>		
Depreciation, amortization and impairment	81 063	39 181
Exchange gains/losses	0	-83
Minority interests	0	138
	74 071	52 847
Paid tax	-13 589	-8 579
Cash flow from operating activities before changes in working capital	60 482	44 268
<i>Changes in working capital</i>		
Change in inventory	406	-453
Change in receivables	-32 098	-3 094
Change in operating liabilities	18 256	8 275
Cash flow from operating activities	47 046	48 996
<i>Investment activities</i>		
Acquisition of subsidiaries	-285 057	0
Purchase of minority interest	-26 138	0
Acquisition of intangible fixed assets	-158	-371
Acquisition of tangible fixed assets	-3 124	-790
Cash flow from investing activities	-314 477	-1 161
<i>Financing activities</i>		
New issue	148 884	47 570
Borrowed loans	174 500	0
Repayment of loans	-16 089	-38 200
Repayment of lease liabilities	-1 029	-866
Change in long-term receivables	337	-1 019
Dividend to shareholders	-16 387	0
Foreign currency translation difference	729	-157
Minority interests	0	-138
Repurchase of shares	0	-834
Cash flow from financing activities	290 945	6 356
Cash flow for the year	23 514	54 191
Opening cash and cash equivalents	59 178	5 024
Exchange rate difference in liquid funds	90	-37
Closing cash and cash equivalents	82 782	59 178

Change in equity, the Group

	Share capital	Restricted reserves	Non-restricted reserves	Net profit or loss for the year	Minority interest
Opening balance	585	0	138 302	2 742	6 053
Appropriations pursuant to AGM resolution	0	0	2 742	-2 742	0
Dividend	0	0	-16 387	0	0
New issuance	53	0	151 758	0	0
Issuance costs	0	0	-2 927	0	0
Changes to the composition of the Group	0	0	-20 471	0	-6 053
Exchange rate differentials	0	0	-729	0	0
Net profit or loss for the year	0	0	0	-22 065	0
Closing balance	638	0	252 289	-22 065	0

Financial reports, Parent Company

Parent Company's income statement

	note	2021-01-01 - 2021-12-31	2020-01-01 - 2020-12-31
Net revenue		6 950	2400
Other operating income	1	108	
		7 058	2400
<i>Operating expenses</i>			
Other external expenses	2, 3	-2 692	-935
Personnel costs		-3 282	-1 059
Depreciation/amortization of fixed tangible and intangible assets		-22 322	-22 322
		-28 296	-24 316
Operating result	5	-21 238	-21 916
<i>Result from financial investments</i>			
Earnings from shares in group companies		0	13971
Other interest income and similar items	6	765	75
Interest expenses and similar items	7	0	-871
		765	13 175
Result after financial items		-20 473	-8 741
Year-end appropriations	8	0	374
Profit before tax		-20 473	-8 367
Tax on the result for the year	9	0	0
Net profit or loss for the year		-20 473	-8 367

Parent Company's balance sheet

	note	2021-12-31	2020-12-31
ASSETS			
<i>Fixed assets</i>			
<i>Intangible fixed assets</i>			
Goodwill	10	22 322	44 643
		22 322	44 643
<i>Financial fixed assets</i>			
Shares in group companies	13, 14	86 333	54 522
		86 333	54 522
Total fixed assets		108 655	99 165
<i>Current assets</i>			
<i>Current receivables</i>			
Receivables from group companies		133 401	1 374
Other receivables		114	182
Prepaid expenses and accrued income		90	110
		133 605	1 666
Cash and bank balances		864	29 796
Total current assets		134 469	31 462
TOTAL ASSETS		243 124	130 627
EQUITY AND LIABILITIES			
<i>Equity</i>			
<i>Restricted equity</i>			
Share capital		638	585
		638	585
<i>Non-restricted equity</i>			
Share premium		318 684	169 853
Retained earnings		-56 791	-32 037
Net profit or loss for the year		-20 473	-8 367
		241 420	129 449
	17, 18	242 058	130 034
<i>Long-term liabilities</i>			
Liabilities to credit institutions	19	0	0
		0	0
<i>Short-term liabilities</i>			
Liabilities to credit institutions		0	0
Accounts payable		0	178
Current tax liabilities		9	44
Other liabilities		697	157
Accrued expenses and prepaid income	21	360	214
		1 066	593
TOTAL EQUITY AND LIABILITIES		243 124	130 627

Parent Company's cash flow analysis

	2021-01-01 - 2021-12-31	2020-01-01 - 2020-12-31
<i>Operating activities</i>		
RESULT AFTER FINANCIAL ITEMS	-20 473	-8 741
<i>Adjustments for items not included in the cash flow</i>		
Depreciation, amortization and impairment	22 322	22 322
Group contribution	0	374
	1 849	13 955
Income tax paid	-35	43
Cash flow from operating activities before changes in working capital	1 814	13 998
<i>Changes in working capital</i>		
Change in receivables	-131 939	2 589
Change in operating liabilities	507	427
Cash flow from operating activities	-129 618	17 014
<i>Investment activities</i>		
Shareholder contribution provided	-31 811	0
Cash flow from investing activities	-31 811	0
<i>Financing activities</i>		
New issue	148 884	47 570
Repayment of loans	0	-36 000
Dividend to shareholders	-16 387	0
Group contribution received	0	1 117
Cash flow from financing activities	132 497	12 687
Cash flow for the year	-28 932	29 701
Opening cash and cash equivalents	29 796	95
Closing cash and cash equivalents	864	29 796

Change in equity, Parent Company

	Share capital	Share premium fund	Non-restricted reserves	Net profit or loss for the year
Opening balance	585	169 853	-32 037	-8 367
Appropriations pursuant to AGM resolution, including dividend	0	0	-8 367	8 367
Dividend	0	0	-16 387	0
New issuance	53	151 758	0	0
Issuance costs	0	-2 927	0	0
Net profit or loss for the year	0	0	0	-20 473
Closing balance	638	318 684	-56 791	-20 473

Additional disclosures

General accounting policies

The annual report is prepared in accordance with the Swedish Annual Accounts Act as well as the Swedish Accounting Standards Board BFNAR 2012:1 annual report and consolidated (K3).

Translation of foreign currency

Receivables and liabilities in foreign currency are valued at the exchange rate at the balance sheet date. Exchange gains or losses on operating receivables and operating payables are recognized in the operating result while exchange gains or losses on financial claims and liabilities are recognized as financial items.

Revenue recognition

Revenue has been recognized at the fair value of the consideration received or receivable to the extent that it is likely that the financial benefits arising from it will be available to the company and can be reliably calculated.

Fixed Assets

Tangible and intangible fixed assets are recognized at cost, deducting accumulated depreciation/amortization and any impairment loss.

Depreciation is linear over the asset's estimated useful life, taking significant residual values into account. The following depreciation periods are applied:

Goodwill	5 years
Buildings and land	5-20 years
Equipment, tools, fixtures and fittings	5-7 years

Leasing

Assets leased under a financial lease are recognized as tangible fixed assets while future lease payments are recognized as liabilities. On initial recognition, the asset and liability are recognized at the present value of the minimum future lease payments and any residual value. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease.

The Group is a lessee under a so-called operational lease when the financial risks and benefits associated with the asset have not been transferred to the Group. Leasing fees, including any initial increased rent, are reported as an expense on a straight-line basis over the lease term.

Inventory

The inventory is measured at the lower of cost and net realizable value at the balance sheet date. Net realizable value refers to the estimated selling price of the goods less the transaction costs. The chosen valuation method takes the effect of obsolescence into account.

Income tax

Total taxes consist of current taxes and deferred taxes. Taxes are recognized in the income statement except where the underlying transaction is recognized directly in equity, upon which the associated tax effect is also recognized in equity.

Current tax

Current taxes are income taxes related to the current financial year and such parts of the income taxes related to previous financial years that have not yet been recognized. Current tax is calculated on the basis of the current applicable tax rates at the balance sheet date.

Deferred tax

Deferred tax is income tax relating to future financial years due to previous events. Recognition is carried out according to the balance sheet method. According to the balance sheet method, deferred tax liabilities and deferred tax assets are recognized for temporary differences that arise between the book value and tax value of an asset or a liability, as well as for the carryforward of unused tax losses and unused tax credits.

Deferred tax assets are offset against deferred tax liabilities only if they can be settled with a net payment. Deferred tax liabilities are calculated on the basis of the determined tax rates at the balance sheet date. Effects of changes in the applicable tax rates are recognized in the income statement during the period the change has been legislated. Deferred tax assets are reduced to the extent that it is unlikely that the underlying tax asset will be realized in the foreseeable future. Deferred tax assets are reported as financial fixed assets and deferred tax liabilities as provisions.

Remuneration to employees

Remuneration to employees refers to all kinds of remuneration given by the company to its employees. Short-term employee benefits include salaries, paid annual leave, compensated absences, bonus and post-employment benefits (pension). Short-term employee benefits are recognized as expenses and liabilities when there is legal or constructive obligation to pay a remuneration due to a previous event and a reliable estimate of the amount can be given.

The Group only has defined contribution plans. Costs for defined contribution plans are recognized as expenses for the period when the employees perform the services that earn them the benefits.

Estimates and assessments

When there is an indication of potential impairment, management makes an assessment to test the carrying amount of goodwill for impairment. The recoverable amount is determined based on the calculated value in use. These calculations are based on estimated future cash flows.

Consolidated accounts

The consolidated accounts have been prepared according to the purchase method and mainly in accordance with the Swedish Accounting Standards Board's recommendation RR 1:00. The consolidated accounts cover the parent company and its subsidiaries. Subsidiaries are such companies in which the parent

company directly or indirectly holds a controlling interest. The accounting policies of the subsidiaries are otherwise consistent with the accounting policies of the Group.

Definitions of indicators

Net sales

The undertaking's main income, invoiced costs, additional income and income adjustments.

EBITA

Earnings before interest, taxes, and amortization of goodwill

EBITA (%)

Earnings before interest, taxes, and amortization of goodwill as a percentage of net sales.

Operating margin (%)

Operating profit as percentage of net sales.

Return on equity (%)

Profit or loss after net financial items as a percentage of adjusted equity (equity and untaxed reserves less deferred tax).

Balance sheet total

The total assets of the company

Equity ratio (%)

Adjusted equity capital (equity and untaxed reserves less deferred tax) as a percentage of the balance sheet total.

Number of employees

The average number of employees during the financial year.

Noter

NOTE 1:

Distribution of net sales

Net sales are distributed in geographic markets as follows:

	The Group	
	2021	2020
Sweden	408 593	253 149
Denmark	48 390	39 203
Norway	79 062	0
	536 045	292 352

	Parent company	
	2021	2020
Sweden	6 950	2 400
	6 950	2 400

NOTE 2:

Leases

Operational leases

	The Group		Parent company	
	2021-01-01 -2021-12-31	2020-01-01 -2020-12-31	2021-01-01 -2021-12-31	2020-01-01 -2020-12-31
Lease payments expensed relating to operational leases	15 751	8 565	0	0
Payable within 1 year	19 000	9 972	0	0
Payable later than one year but within five years	34 172	22 054	0	0
Payable later than five years	0	481	0	0
	53 172	32 507	0	0

The Group and the parent company have entered into the following material leases recognized as operational leases:
Leasing of office space

Financial leases

Assets from financial leases are included in the balance sheet as specified below:

	The Group		Parent company	
	2021-12-31	2020-12-31	2021-12-31	2020-12-31
Equipment, tools, fixtures and fittings	6 375	2 428	0	0

NOTE 3:**Remuneration of the auditors**

	The Group		Parent company	
	2021	2020	2021	2020
Ernst & Young AB				
Audit engagements	1 009	491	604	315
Audit-related consultations	330	0	0	0
Tax consultancy services	39	0	0	0
Other services	48	0	48	0
	1 426	491	652	315
Other auditors				
Audit engagements	206	46	0	0
Other services	84	18	0	0
	290	64	0	0

NOTE 4:

Employees and personnel costs

Average number of employees

	2021		2020	
	Number of employees	Of which women	Number of employees	Of which women
Parent company				
Sverige	1	0%	0	0%
	1	0%	0	0%
Subsidiaries				
Sverige	349	38%	182,9	36%
Danmark	31	20%	24	21%
Norge	51	37%	0	–
	431	37%	206,9	34%
Group, total	432	37%	206,9	34%

Salaries and remunerations

	The Group		Parent company	
	2021	2020	2021	2020
Board members	381	366	381	296
CEO	1 757	1 542	1 757	561
Other employees	205 812	101 736	0	0
	207 950	103 644	2 138	858
Social security contributions				
Pension costs for the Board of Directors	0	0	0	0
Pension costs for the CEO	634	503	634	180
Pension costs for other employees	18 990	8 493	0	0
Other statutory and contractual social security contributions	57 378	30 459	851	295
	77 002	39 455	1 485	474
Total salaries, remunerations, social security contributions and pension costs	284 952	143 098	3 623	1 332

As of June 2020, members of the board receive their remuneration from Exsitec Holding, and as of September 2020, the CEO is employed by Exsitec Holding.

Gender balance among senior executives

	The Group		Parent company	
	2021-12-31	2020-12-31	2021-12-31	2020-12-31
Percentage of women on the Board of Directors	25%	25%	25%	25%
Percentage of men on the Board of Directors	75%	75%	75%	75%
Percentage of women in other senior management	22%	30%	0%	0%
Percentage of men among other senior executives	78%	70%	100%	100%

The figures refer to the situation on the balance sheet date.

NOTE 5:**Transactions between group companies**

	Parent company	
	2021	2020
Share of total purchases for the year made from other companies in the Group	0%	0%
Share of total sales for the year made to other companies in the Group	100%	100%

NOTE 6:**Other interest income and similar items**

	The Group		Parent company	
	2021	2020	2021	2020
Interest income from Group companies	0	0	765	75
Other interest income	48	50	0	0
Other financial income	278	0	0	0
	326	50	765	75

NOTE 7:**Interest expenses and similar items**

	The Group		Parent company	
	2021	2020	2021	2020
Interest expenses, financial leases	-170	-94	0	0
Other interest expenses	-2 320	-1 052	0	-871
Other financial expenses	0	-14	0	0
	-2 490	-1 160	0	-871

NOTE 8:**Appropriations**

	Parent company	
	2021	2020
Group contributions received	0	374
	0	374

NOTE 9:

Tax on profit for the year

	The Group		Parent company	
	2021	2020	2021	2020
Current tax	-14 399	-10 726	0	0
Deferred tax	30	-239	0	0
Adjustment of previous years' tax	-704	-42	0	0
	-15 073	-11 007	0	0

Reconciliation of effective tax, Group

	2021-01-01 – 2021-12-31		2020-01-01 – 2020-12-31	
	Percent	Amount	Percent	Amount
Reported profit before tax		-6 992		13 611
Tax according to the applicable tax rate	20,6	1 440	21,4	-2 913
Non-deductible costs		-16 138		-8 036
Non-taxable income		48		0
Deductible expenses not in profit or loss		603		0
Deductible deficit from previous years		-217		0
Difference between tax rates		-105		-16
Adjustment from previous year		-704		-42
Recognized effective tax	215,6	-15 073	-80,9	-11 007

Reconciliation of effective tax, parent company

	2021-01-01 – 2021-12-31		2020-01-01 – 2020-12-31	
	Percent	Amount	Percent	Amount
Reported profit before tax		-20 473		-8 367
Tax according to the applicable tax rate	20,6	4 218	21,4	1 791
Non-deductible costs		-4 001		-4 780
Non-taxable income		0		2 989
Deductible expenses not in profit or loss		603		0
Deductible deficit from previous years		-217		0
Adjustment from previous year		0		0
Recognized effective tax	0,0	0	0,0	0

NOTE 10:**Goodwill**

	The Group		Parent company	
	2021-12-31	2020-12-31	2021-12-31	2020-12-31
Cost, opening balance	203 993	203 630	111 608	111 608
Acquisitions during the year	304 364	387	0	0
Exchange rate differentials	13	-24	0	0
Accumulated cost, closing balance	508 370	203 993	111 608	111 608
Amortization, opening balance	-120 492	-82 735	-66 965	-44 643
Amortization from acquisitions, opening balance	-5 471	0	0	0
Exchange rate differentials	-2	3	0	0
Amortization for the year	-78 166	-37 760	-22 322	-22 322
Reversed amortization on disposal	0	0	0	0
Accumulated amortization, closing balance	-204 131	-120 492	-89 287	-66 965
Impairment, opening balance	-3 252	-3 252	0	0
Accumulated impairment, closing balance	-3 252	-3252	0	0
Carrying amount	300 987	80 249	22 321	44 643

NOTE 11:**Buildings and land**

	The Group		Parent company	
	2021-12-31	2020-12-31	2021-12-31	2020-12-31
Cost, opening balance	0	0	0	0
Acquisitions during the year	6 793	0	0	0
Accumulated cost, closing balance	6 793	0	0	0
Depreciation from acquisitions, opening balance	-260	0	0	0
Depreciation for the year	-33	0	0	0
Accumulated depreciation, closing balance	-293	0	0	0
Carrying amount	6 500	0	0	0

NOTE 12:

Equipment, tools, fixtures and fittings

	The Group		Parent company	
	2021-12-31	2020-12-31	2021-12-31	2020-12-31
Cost, opening balance	7 982	7 792	0	0
Acquisitions during the year	26 266	1 331	0	0
Disposals/retirements	-1 186	-1 090	0	0
Exchange rate differentials	41	-51	0	0
Accumulated cost, closing balance	33 103	7 982	0	0
Depreciation, opening balance	-4 313	-3 575	0	0
Depreciation from acquisitions, opening balance	-14 515	0	0	0
Disposals/retirements	753	635	0	0
Exchange rate differentials	-27	47	0	0
Depreciation for the year	-2 864	-1 420	0	0
Accumulated depreciation, closing balance	-20 967	-4 313	0	0
Carrying amount	12 136	3 669	0	0

NOTE 13:

Participations in Group companies

	Parent company	
	2021-12-31	2020-12-31
Cost, opening balance	54 522	54 522
Shareholder contribution	31 811	0
Accumulated cost, closing balance	86 333	54 522
Carrying amount	86 333	54 522

NOTE 14:**Specification of participations in Group companies**

Name	Capital share	Parent company		Book value
		Voting rights share	Number of shares	
Exsitec AB	100%	100%	245 101	86 333
				86 333
Exsitec AB in turn owns:				
Exsitec AS	100%	100%	100	31
Exsitec Helsingborg AB	100%	100%	50 000	50
iAdvice ApS	100%	100%	118 750	34 691
Millnet B I AB	100%	100%	88 767	118 700
Vitari AS	100%	100%	213 014	124 718
We Are Woonderland AB	100%	100%	500	736
Zedcom AB	100%	100%	1 000	53 600
Zedcom ISP AB	100%	100%	1 000	11 400

			Equity	Net profit or loss for the year
Exsitec AB	556592-7455	Linköping	84 373	30 788

Equity and net profit or loss for the year are stated in full regardless of ownership interest.
Net profit or loss for the year refers to profit or loss after net financial items.

NOTE 15:**Other long-term receivables**

	The Group		Parent company	
	2021-12-31	2020-12-31	2021-12-31	2020-12-31
Cost, opening balance	1 348	328	0	0
Additional receivables	99	1 044	0	0
Amortization, outgoing claims	-339	-15	0	0
Exchange rate differentials	28	-9	0	0
Accumulated cost, closing balance	1 136	1 348	0	0
Carrying amount	1 136	1 348	0	0

NOTE 16:

Prepayments and accrued income

	The Group		Parent company	
	2021-12-31	2020-12-31	2021-12-31	2020-12-31
Accrued income	15 928	13 383	0	0
Prepaid rental costs	3 537	2 218	0	0
Prepaid lease fees	210	13	0	0
Other prepayments	16 206	7 359	90	110
	35 881	22 973	90	110

NOTE 17:

Number of shares and quota value

	2021-12-31	2020-12-31
Number of shares before full dilution	12 756 517	11 705 000
Quota value	0,05	0,05
Number of shares after full dilution	13 269 017	12 217 500
Earnings per share before full dilution	-1,7	0,2
Earnings per share after full dilution	-1,7	0,0

NOTE 18:

Appropriation of profit or loss

Proposed appropriations of profit or loss	2021-12-31	2020-12-31
The following funds are available to the annual general meeting:		
Retained profit	261 893	137 816
Profit for the year	-20 473	-8 367
	241 420	129 449
The Board of Directors proposes the following distribution:		
Dividend to shareholders (SEK 1.50 per share)	19 135	16 387
Carried forward to new account	222 285	113 062
	241 420	129 449

NOTE 19:**Long-term liabilities**

The Group has no debts falling due later than 5 years after the balance sheet date.

NOTE 20:**Bank overdraft facility**

	The Group		Parent company	
	2021-12-31	2020-12-31	2021-12-31	2020-12-31
Overdraft granted	20 000	20 000	0	0
Overdraft drawn	0	0	0	0

NOTE 21:**Accruals and deferred income**

	The Group		Parent company	
	2021-12-31	2020-12-31	2021-12-31	2020-12-31
Accrued salaries	2 816	1 036	0	0
Accrued holiday pay	18 185	4 688	42	14
Accrued social security contributions	4 444	1 303	13	5
Accrued interest expenses	583	46	0	0
Other accrued expenses	3 008	4 079	305	195
Deferred income	16 589	9 739	0	0
	45 625	20 891	360	214

NOTE 22:**Pledged assets**

	The Group		Parent company	
	2021-12-31	2020-12-31	2021-12-31	2020-12-31
<i>Assets pledged for own liabilities to credit institutions:</i>				
Business mortgages	19 200	17 000	0	0
Equipment under retention of title	6 375	2 428	0	0
	23 375	19 428	0	0