Annual Report

and

Consolidated Financial Statements

1.1.2022 - 31.12.2022

for

Ainavda Holdco AB
559299-1557

Management report

The Board of Directors of Ainavda Holdco AB, company registration number 559299-1557, with its registered office in Stockholm, hereby submit the annual report and consolidated financial statements for the financial year 1.1.2022 to 31.12.2022.

Operations

Advania (the Group) is a customer-oriented IT company that has experienced strong growth in recent years through a clear customer focus and through acquisitions, two fundamental parts of Advania's DNA. Advania is a clear challenger on the Swedish market and is one of its highest-ranked integrator and outsourcing supplier. In Norway, the Group provides general IT services and have been Microsoft's largest partner in Business Systems in previous years. The Group is one of the market leaders in Iceland, with a customer base that covers many of Iceland's businesses, government authorities and municipalities. In the UK, the Group delivers secure technology solutions, services and support with particular focus on Microsoft 365, Azure, and Dynamics 365. In Finland the Group's services cover the entire IT architecture from network environments to end-user services and IT outsourcing. In Denmark, the Group provides general IT services. Five acquisition were finalised during 2022, Painkiller AS, Norway (19 FTEs), eXspend AS, Norway (10 FTEs), Azzure IT Ltd (58 FTEs), UK, DataCenter Group Oy, Finland (234 FTEs), and Cloudio Denmark (9 FTEs). Further information on the acquired entities is presented in note 30.

The Group offers a wide range of IT services, platforms, cloud solutions and support for both large and small private companies, multinationals, government authorities and public sector businesses, built around creating value for customers. As a result the Group's strategy and customer offering focuses on identifying opportunities for the smart and strategic use of IT based on the individual needs of each customer.

Significant events during the year

The Group acquired 100% share in Painkiller AS, Norway, in February 2022 and eXspend AS, Norway in April 2022. Painkiller AS and eXspend AS were merged with Advania Norge AS in December 2022. The Group acquired 100% share in Azzure IT Ltd., UK, in March 2022. The Group acquired 100% share in DataCenter Group Oy, Finland in May 2022. In December 2022 all entities except one within the DataCenter Group strucuture were merged with Advania Finland Oy. The remaining entity, Advania Focus Oy, will be a part of the Advania Finland structure. In November the Group acquired 100% share in Cloudio A/S, Denmark.

The Group has been in the process of simplifying the structure with mergers in Sweden, Norway and Finland and were the following mergers executed during the year.

In Sweden, 5 High Innovation AB was merged with Advania Sverige AB. Visolit AB was merged with Advania Holding AB. Visolit AB was merged with Advania Holding AB. Sweden has started the process of merging Advania Sverige AB, Advania Sverige 35 AB and Intelligent Business Solutions i Norden AB under the name of Advania Sverige AB. The mergers planned to be finalized in Q1 2023. Visolit Finco AS, Visolit TopCo, Visolit New Finco AS, Visolit New TopCo AS and Visolit AS were merged with Advania Holding AS, Norway. Advania Norge 46 AS was merged with Advania Norge 52 AS. In the UK structural changes were made as a preparation of dissolving non-trading entities. The dissolvement process was finalised in Q1 2023. The name of Indigo IT Bidco Ltd. was changed to Advania Holdings UK Ltd.

Development of business, position and performance

Amounts in SEK million	**2022**	**2021**
Revenue	12,205.3	4,698.1
Operating profit, EBITDA*	1,208.8	167.6
EBITA*	766.0	-62.1
Operating profit, EBIT*	204.8	-216.1
Profit before income tax	-372.4	-400.8
Total assets	22,218.8	20,279.5
Equity ratio (%)*	38.3%	40.3%
Return on equity (%)*	-3.6%	-9.4%
Return on capital employed (%)*	1.1%	-2.6%
Average number of employees	3,956	1,909

* For definitions of alternative key perfomance indicators, see page 42.

Revenue

The Group's revenue in 2022 amounted to SEK 12.205.3 million (2021: SEK 4.698.1 million). The 2021 figures do not reflect a full years operation as it was the Group's first year of operation. Ainavda acquired the Advania Group at the end of April 2021 so only 8 months of the operations is included in the profit and loss in 2021, the operations of the Visolit group are included for the period October to December 2021 as the acquisiton took place at the end of September 2021, C+C in the UK does not have any effects on the operations on the Group during 2021 as the acquisition took place at the end of December 2021.

Operations during the year

The Group’s total expenses amounted to SEK 12,036.8 million in 2022 (2021: SEK 4.931.1 million). One off expenses, both acquisition cost and integration cost, had significant effect on the expenses during both 2022 with SEK 347 million and 2021 with SEK 444 million.

Total operating profit before interest and taxes (EBIT) amounted to SEK 204.8 million (2021: SEK -216.1 million). In Sweden, EBIT amounted to SEK 259.1 million (2021: SEK 153.1 million). EBIT in Iceland amounted to SEK 84.9 million (2021: SEK 55.1 million) and Norway EBIT amounted to SEK 41.0 million (2021: SEK 8.6 million). EBIT in Finland amounted to SEK -52.7 million (2021: SEK 0.1 million). EBIT in Denmark amounted to SEK 4.0 million (2021: SEK 4.8 million) EBIT in the UK amounted to SEK 23.8 million (2021: 0 million).

Net financial items for the year amounted to SEK -577.2 million (2021: SEK -184.6 million). Financial expenses during the year amounted to SEK 899.4 million (2021: SEK 239.1 million). Financial income during the year amounted to SEK 322.2 million(2021: SEK 54.4 million). Net currency exchange differences amounted to SEK 61 million during the year (2021: SEK 29.5 million). Loss for the year after tax amounted to SEK 468.0 million (2021: SEK 375.9 million).

Investments

The Group’s investments mainly relate to the acquisition of subsidiaries. During the year the Group acquired five entities, Painkiller AS in Febuary, Azzure IT Ltd. in March, eXspend AS in April, DataCenter Group Oy in May and Cloudio AS in November 2022. During 2021, the Group acquired Advania AB in April, Genia ApS in May, Beveric Oy in June, Visolit New Topco AS in September and Indigo IT Topco Ltd. in December. The Group’s investments in intangible non-current assets relate mainly to computer software and licences. Investments in operating assets relate mainly to servers, computers and other IT equipment. These investments are made primarily in conjunction with new customer contracts or new assignments for existing customers. The investments have been financed through own funds and cash flow from operating activities. The acquisition of subsidiaries was financed with own funds, with the issue of shares as well as external financing. Advania uses finance leases as a mean of financing the hardware and software that in some cases forms a part of the Group’s offering and supply to the customer. Ongoing investments, calculated as net investments in operating assets amounted to SEK 114.0 million (2021: SEK 34.3 million).

Financing and liquidity

Cash flows used in operating activities before changes to working capital amounted to SEK 288.7 million (2021: SEK -56.5 million) during the year. Cash flows used in investing activities in 2022 amounted to SEK -1.544.1 million (2021: SEK -14,051.1) million. During 2022 the Group acquired shares in the Painkiller AS, Azzure IT Ltd., eXspend AS, DataCenter Group Oy and Cloudio AS. During 2021 the Group acquired shares in the subsidiaries Advania AB, Genia ApS, Beveric Oy, Visolit New Topco AS and Indico IT Topco Ltd. Cash flows from financing activities amounted to SEK 591.1 million (2021: SEK 15,308.0 million). Overall, cash and cash equivalents decreased by SEK 664.6 million in 2022 (2021: increased by SEK 1,200.4 million). Cash and cash equivalents at the end of the year amounted to SEK 573.7 million (2021: SEK 1,213.5 million). An overdraft facility or a revolving credit facility was not utilised at the end of the year. The overdraft and the revolving credit facility limit was SEK 561.2 million (2021: SEK 357.2 million).

Financial position

Total assets amounted to SEK 22,218.8 million at year-end 2022 (2021: SEK 20,279.5 million). Total non-current assets amounted to SEK 18,574.6 million (2021: SEK 16,971.1 million) and total current assets amounted to SEK 3,644.2 million (2021: SEK 3,308.4 million). Equity amounted to SEK 8,505.5 million at year-end 2022 (2021: SEK 8,171.0 million). Non-current liabilities amounted to SEK 10,294.2 million (2021: SEK 8,723.8 million) and current liabilities amounted to SEK 3,419.0 million (2021: SEK 3,384.7 million).

Employees

The average number of employees was 3.956, of which 812 were female (2021: 1,909, of which 392 were female). More information about initiatives relating to gender equality, work environment and continuing professional development can be found under Risk management, Operational risks and in Note 12.

Corporate governance

Corporate governance refers to the rules and structure established in order to direct and manage operations at a limited company in an effective and controlled manner. Ainavda Holdco's corporate governance is based on Swedish law, principally the Swedish Companies Act (2005:551), its Articles of Association, internal rules, regulations and policies.

Risk and risk management

Ainavda Holdco's operations and market are subject to number of risks, including external factors, which are events the company is unable to influence, such as economic trends, regulations, laws and political decisions. Risk management is based on the Group's corporate culture, values, internal control, financial reporting and financial control.

Financial risks

The Group is exposed to financing risk, liquidity risk, credit risk, interest rate risk and currency risk. The Group is primarily exposed to changes in the exchange rates of ISK, NOK, DKK, EUR, GBP and USD in relation to SEK and to currency risks arising on the translation of income statement and balance sheet items in foreign currency to SEK, which is Ainavda Holdco's presentation currency. The reporting of risks in financial instruments can be found in Note 7.

Risk management

Risk management for financial instruments can be found in Note 7.

Operational risk

The Group offers a wide range of IT services, platforms, cloud solutions and support for both large and small private companies, multinationals, government authorities and public-sector businesses, built around creating value for customers. The Group is subject to IT related risks, such as intrusion into its network security, where unauthorised persons obtain access to information for which the Group is responsible. Furthermore, there is the risk that the Group's products, software or solutions contain undetected errors or deficiencies that reduce demand for the Group's services. If any IT-related risk occurs, it is possible that the Group's relationships with customers and stakeholders may be affected, the risk of the Group's reputation and brand being damaged. In the Group's business it has sustainability risk in relation to the environment, social conditions, employees, human rights and corruption. The Group's own activities have limited impact on the environment, but through the range we offer, we have a major opportunity to have a positive influence on our customers' environmental performance by digitising their business.

If the Group has shortcomings in its social conditions, it can affect the ability to recruit and retain employees. Demand for qualified employees is rising, which increases the pressure on the Group to be an attractive employer. Healthy and motivated staff with the right skills are vital for the Group to achieve its goals. There is always a risk that the Group may not succeed in recruiting and retaining senior executives and other key personnel with the specialist expertise on which the Group depends. The risk of human rights infringements is greatest in the Group's supply chain, often far removed from the market where the Group operates and where the Group can have indirect influence by placing requirements on the the Group's business partners to comply with basic principles. The Group could be held responsible for an employee's failure to apply and comply with regulations and internal policy documents relating to corruption. The Group's business involves a risk of disputes and legal risks. Disputes can arise in contracts, delivery of products or services or if the Group does not agree with the customer on the terms and conditions that apply. Disputes can also arise, for example, in agreements with business partners or on the acquisition of companies.

Risk management

Advania's Group-wide sustainability policy describes the focus areas the company works with in all countries in order to take responsibility for the impact of the Group's activities on people and the environment, how Advania must influence the Group's suppliers and business partners to take responsibility and how Advania proactively helps customers to become more sustainable through the Group's services. The sustainability policy is based on the United Nations' Global Compact initiative, which contains ten principles on human rights, the environment, labor standards and corruption. The policy also describes a selection of the UN's global development goals, Agenda 2030, where Advania has the greatest opportunity to influence social development in a positive direction. Ultimate responsibility for the sustainability policy lies with the CEO and the results of the policy are followed up by the Board of Directors. The policy is implemented locally in each country, where decisions are made on local goals, policies, procedures and instructions based on standardised principles for management systems. A clear division of responsibility of areas and risks is also determined locally in each country. The Group complies with all relevant laws and ordinances applicable on the local markets on which Advania operates, including regulations on systematic work environment management and national laws prohibiting discrimination on all grounds. The group-wide Code of Conducts for employees and business partners and policies for anti-corruption, sanctions and trade controls, antitrust and privacy describe the overall governance and the division of responsibility centrally and locally for systematic work to comply with sanctions regulations or GDPR and fight corruption, for example.

Sustainability policy, sanctions policy and anti-corruption policy were adopted in 2021 by the Board of Directors in 2021 when also a new policy for antitrust was adopted.

Strategic risks

Strategic risks may affect the Group's long-term financial and operational goals. Strategic risks include, for example, the risk of domestic and foreign competitors being able to sell services comparable with the Group's services and offering more favorable terms or competing on price in a way that the Group cannot do in the long term. There are risks related to the Group being unable to improve and develop technology platforms in time to keep up with developments in technology, trends within the IT area and the technical needs of end users. There is a risk of the Group not being able to manage its growth effectively or of not achieving the anticipated growth on which the Group's strategy is based. There is a risk of Advania not successfully identifying, acquiring or integrating companies or technologies in line with its strategy.

The Group's strategy relies on the responsibility and trust that is delegated to employees who work closest with the customer, in order to enable them to make decisions in an effective way that provide the greatest benefit to the customer. This strategy involves continuous work in an ongoing dialogue with the customer in order to ensure competitiveness in terms of range, pricing and technological development.

The Group has an extensive internal process for evaluating potential acquisitions and avoids participating in formal auctions. Instead, the Group prefers to take time to identify the best candidates for acquisition and then initiate discussions at management level. In those cases where there appears to be a mutual understanding, there is the opportunity to take the process further.

Sustainability

The Group is a comprehensive IT Group with a focus on consultancy, outsourcing and the sale of hardware and software. This means that the Group's strategy is not to develop its own products or to make itself dependent on subcontractors. The Group's business concept and strategy are to create value for customers through the smart and strategic use of IT. Advania creates customer value through well-established, long-term and sustainable relationships. A prerequisite for sustainable enterprise is profitable growth. Under the heading Risks and risk management in the Operational risks section, the Group reports its sustainability risks, risk management and policy documents for sustainability, the environment, social conditions, employees, human rights and corruption. In the areas of sustainability, the environment, social conditions, employees, human rights and corruption, the qualitative performance indicators form part of policy documents, codes and management systems.

Environment

The Group is not engaged in any operations that require a license under the Swedish Environmental Code.

Share and ownership details

Each share provides entitlement to one vote and are divided into four classes with number of different series of preference shares. The share classes have different rights to dividend payments but equal voting rights. Advania's five largest direct shareholders (including indirect ownership) as at 31 December 2022 were six funds that are controlled or affiliated with Goldman Sachs with 58.87%, IK IX Luxco 7 S.á.r.l. 21.34%, two funds controlled by VIA Equity A/S with 5.47% share, Lombard International Assurance S.A. with 1.59%, ECI 10 D LP with 1.92 % and Ainavda Holding ehf. with 0.62%. The remaining shares are controlled by management, the Board, employees and private investors. The number of registered shares in Ainavda Holdco at 31 December 2022 was 7,824,972,854 and the weighted average number of shares was 7,620,973,926.

Parent Company

No operations are in the parent company and during 2022 and no revenues were recognised. The operating profit (EBIT) amounted to SEK -4.0 million (2021: SEK -2.2 million). Profit/loss after taxes amounted to SEK 0.0 million (2021: SEK -2.2 million). Total assets amounted to SEK 9,041.5 million (2021: SEK 8,411.2 million) and the equity ratio was 100%. Equity at the end of the year amounted to SEK 9,037.1 million (2021: SEK 8,411.1 million). Total liabilities at year end amounted to SEK 4.4 million (2021: SEK 0.1 million). Cash flows used in investing activities amounted to SEK 653.5 million (2021: SEK 8,372.5 million). Cash flows from financing activities amounted to SEK 626.0 million (2021: SEK 8.413.3 million).

Transaction with related parties

The reporting of transactions with related parties can be found in Note 31. All transactions with related parties took place on market terms.

Research and development

The Group does not carry out any research and development but maintains a continuous dialogue with customers in order to obtain their views on the development they would like to see in terms of products, services and technology platforms and the Group's range.

Trends

IT service companies offer value-adding information technology solutions that aim to enhance the competitiveness and efficiency of customers, within both the public and the private sectors. Modern society's growing trend for digitisation has resulted in several technological breakthroughs, which have increased demands on various IT services and applications. Mobility, machine learning, cloud solutions, the "Internet of things" and analysis of large data volumes are ground-breaking areas that are prompting companies, organisations, municipalities and public authorities to re-examine how their IT architecture can contribute to growth, increased efficiency and competitiveness. IT suppliers are well positioned to benefit from the underlying digitalistation trend in society, a trend that involves an increasing degree of digital complexity and shifting expectations among customers.

Outlook

Several technological trends are expected to have a positive impact on the demand for IT services, as customers within various sectors invest in improving their IT infrastructure. These trends include: the growing importance of value-creating innovative IT services, increased digitisation, the growth of contract-based services, higher penetration of cloud solutions and continued outsourcing of IT services.

Proposed appropriation of profits

The Board of Directors proposes that no dividends will be paid to shareholders in the year 2022. Reference is made to the financial statements regarding allocation of profit and other changes in equity.

The following profits are at the disposal of the AGM:

Retained earnings	SEK	9,036,851,761
Profit for the year	SEK	4
Total	SEK	**9,036,851,765**

The Board proposes that the profit is appropriated as follows:

Dividend to shareholders SEK 0 per share	SEK	0
Carried forward	SEK	9,036,851,765
Total	SEK	**9,036,851,765**

Consolidated statement of profit and loss and other comprehensive income

Amounts in SEK millions	Note	2022	29.1.-31.12. 2021
Revenue	8	12,205.3	4,698.1
Other income	10	36.3	16.9
		12,241.7	**4,715.0**
Operating expenses			
Cost of goods for resale, licenses and consultants		-6,611.5	-2,781.8
Other expenses	8	-697.2	-501.2
Salaries and related expenses	12	-3,698.4	-1,257.6
Depreciation and amortisation	19-21	-1,004.0	-383.7
Other operating expenses	13	-25.8	-6.8
Operating profit		**204.8**	**-216.1**
Net finance costs			
Finance income	14	322.2	54.4
Finance costs	15	-899.4	-239.1
Profit before income tax		**-372.4**	**-400.8**
Income tax	16	-95.5	24.8
Profit for the year		**-468.0**	**-375.9**
Other comprehensive income			
Items that can be reversed to profit or loss			
Translation differences for the year		185.2	90.7
Total items that can be reversed to profit or loss		185.2	90.7
Comprehensive income for the year		**-282.8**	**-285.3**
Attributable to:			
Shareholders of the parent company		-295.4	-292.8
Non-controlling interest		12.7	7.5
Earnings per share, SEK	17		
Before dilution		-0.1	-0.1
After dilution		-0.1	-0.1

Consolidated statement of financial position

Amounts in SEK millions	Note	2022	2021
ASSETS			
Non-current assets			
Intangible assets	19		
Goodwill		11,674.4	10,350.3
Other intangible assets		5,864.7	5,620.3
		17,539.1	**15,970.7**
Tangible assets			
Plant and equipment	20	357.4	370.2
Right-of-use assets	21	492.7	412.1
		850.2	**782.3**
Financial non-current assets			
Other receivables	22	154.1	143.1
		154.1	**143.1**
Deferred tax assets	16	31.3	75.0
Total non-current assets		**18,574.6**	**16,971.1**
Current assets			
Inventories		310.0	170.5
		310.0	**170.5**
Current receivables			
Trade receivables	23	1,967.1	1,390.5
Other receivables		81.9	120.4
Prepaid expenses and accrued revenue	24	711.5	413.6
		2,760.5	**1,924.5**
Cash and cash equivalents	25	**573.7**	**1,213.5**
Total current assets		**3,644.2**	**3,308.4**
TOTAL ASSETS		**22,218.8**	**20,279.5**

Consolidated statement of financial position

Amounts in SEK millions	Note	2022	2021
EQUITY AND LIABILITIES			
Equity			
Share capital		0.2	0.2
Other contributed capital		9,039.1	8,413.1
Translation reserve		275.8	90.7
Retained earnings including profit/loss for the year		-864.0	-383.4
Equity attributable to owners of the Company	26	**8,451.1**	**8,120.5**
Non-controlling interest		**54.4**	**50.5**
Total equity		**8,505.5**	**8,171.0**
Non-current liabilities	29		
Loans and borrowings from credit institutions		8,499.8	7,067.7
Lease liabilities		431.9	333.5
Other liabilities		23.5	82.2
Prepaid income		21.9	29.4
Deferred tax liabilities	16	1,317.2	1,210.9
		10,294.2	**8,723.8**
Current liabilities			
Lease liabilities		275.7	224.1
Trade payables		1,460.8	1,050.9
Current tax liability		37.0	58.6
Other liabilities		557.9	1,118.5
Accrued expenses and prepaid income	27	1,087.7	932.6
		3,419.0	**3,384.7**
TOTAL EQUITY AND LIABILITIES		**22,218.8**	**20,279.5**

Consolidated statement of changes in equity

Amounts in SEK millions

	Share capital	Other contributed capital	Translation reserve	Retained earnings including profit for the year	Total equity attributable to shareholders of the parent company	Non-controlling interests	Total equity
Incorporation 29 January 2021	**0.0**				**0.0**		**0.0**
Profit for the year				-383.4	**-383.4**	7.5	-375.9
Other comprehensive income			90.7		**90.7**		90.7
Total comprehensive income	**0.0**	**0.0**	**90.7**	**-383.4**	**-292.8**	**7.5**	**-285.2**
Contributions and distributions							
Dividend paid					**0.0**	-6.4	-6.4
Total contributions and distributions	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**-6.4**	**-6.4**
Contribution from shareholders	0.2	8,413.1			8,413.3		8,413.3
Non-controlling interest acquired		0.0			0.0	49.4	49.4
Total changes in ownership interest	**0.2**	**8,413.1**	**0.0**	**0.0**	**8,413.3**	**49.4**	**8,462.7**
Total transactions with owners of the Company	**0.2**	**8,413.1**	**0.0**	**0.0**	**8,413.3**	**43.1**	**8,456.3**
Balance at 31 December 2021	**0.2**	**8,413.1**	**90.7**	**-383.4**	**8,120.5**	**50.5**	**8,171.1**
Balance at 1 January 2022	**0.2**	**8,413.1**	**90.7**	**-383.4**	**8,120.5**	**50.5**	**8,171.1**
Profit for the year				-480.6	-480.6	12.7	-468.0
Other comprehensive income			185.2		185.2		185.2
Total comprehensive income	**0.0**	**0.0**	**185.2**	**-480.6**	**-295.4**	**12.7**	**-282.8**
Contributions and distributions							
Dividend paid					0.0	-9.0	-9.0
Total contributions and distributions	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**-9.0**	**-9.0**
Changes in ownership interests							
Issue of share capital	0.0	626.0			626.0		626.0
Non-controlling interest acquired		0.0			0.0	0.2	0.2
Total changes in ownership interest	**0.0**	**626.0**	**0.0**	**0.0**	**626.0**	**0.2**	**626.2**
Total transactions with owners of the Company	**0.0**	**626.0**	**0.0**	**0.0**	**626.0**	**-8.8**	**617.2**
Balance at 31 December 2022	**0.2**	**9,039.1**	**275.8**	**-864.0**	**8,451.1**	**54.4**	**8,505.5**

Consolidated statement of cash flows

Amounts in SEK millions	Note	2022	29.1.-31.12. 2021
Cash flows from operating activities			
Profit before income tax		-372.4	-400.8
Adjustments for non-cash items:			
Depreciation and amortisation		1,004.0	383.7
Capital gains/losses on sale of non-current assets		5.8	0.0
Net finance cost		577.2	185.2
Realised foreign exchange differences		7.9	31.7
Interest received		13.7	1.6
Interest paid		-631.4	-143.6
Income tax paid		-107.2	-26.4
Cash flows from operating activities before changes in working capital		**497.5**	**31.4**
Changes in working capital			
Decrease(+)/increase(-) in inventories		-117.7	-23.3
Decrease(+)/increase(-) in operating assets		-364.7	-178.5
Decrease(-)/increase(+) in operating liabilities		273.6	113.9
Cash flows from changes in working capital		**-208.8**	**-87.9**
Cash flows used in operating activities		**288.7**	**-56.5**
Investing activities			
Acquistion of subsidiaries net of cash acquired	30	-1,396.7	-7,575.1
Acquistion of intangible assets		-43.3	-12.8
Acquistion of plant and equipment		-109.5	-34.3
Sale of intangible assets		1.2	0.0
Sale of plant and equipment		3.3	1.3
Financial assets, change		0.6	11.7
Loans to Group companies		0.0	-6,441.7
Cash used in investing activities		**-1,544.3**	**-14,051.1**
Financing activities	29		
Dividend paid to non-controlling interest		-8.9	-6.4
Proceeds from issue of share capital		626.0	8,413.3
Repayment of loans and borrowings	29	-165.2	0.0
Proceeds from loans and borrowings		1,245.0	6,764.2
Repayments of lease liability		-280.0	-125.1
Deferred consideration paid		-821.7	0.0
Proceeds from current borrowings		-4.2	262.0
Cash flows from financing activities		**591.1**	**15,308.0**
Cash flows for the year		**-664.6**	**1,200.4**
Cash and cash equivalents at the beginning of year		**1,213.5**	**0.0**
Exchange difference in cash and cash equivalents		**24.8**	**13.1**
Cash and cash equivalents at the end of year	25	**573.7**	**1,213.5**

Parent company statement of profit and loss

Amounts in SEK millions	Note	2022	29.1.-31.12. 2021
Operating expenses			
Other external expenses	2	-1.3	-0.6
Salaries and related expenses	3	-2.7	-1.6
Operating profit (loss)		**-4.0**	**-2.2**
Financial items			
Group contribution		4.0	
Profit before income tax		**0.0**	**-2.2**
Income tax		0.0	0.0
Profit for the year		**0.0**	**-2.2**

Parent company statement of comprehensive income

Amounts in SEK millions	Note	2022	29.1.-31.12. 2021
Profit for the year		**0.0**	**-2.2**
Other comprehenvise income		0.0	0.0
Comprehensive income for the year		**0.0**	**-2.2**

Parent company statement of financial position

Amounts in SEK millions	Note	2022	2021
ASSETS			
Non-current assets			
Financial non-current assets			
Shares in Group companies	4	9,026.0	8,372.5
Total non-current assets		**9,026.0**	**8,372.5**
Current assets			
Current receivables			
Receivables from Group companies		4.2	10.9
Prepaid expenses		0.0	0.1
		4.3	**10.9**
Cash and cash equivalents	5	**11.3**	**27.7**
Total current assets		**15.5**	**38.7**
TOTAL ASSETS		**9,041.5**	**8,411.2**
EQUITY AND LIABILITIES			
EQUITY			
Restricted equity			
Share capital		0.2	0.2
		0.2	**0.2**
Non-restricted equity			
Other contributed capital		9,039.1	8,413.1
Retained earnings		-2.2	0.0
Profit/loss for the year		0.0	-2.2
		9,036.9	**8,410.9**
Total equity		**9,037.1**	**8,411.1**
Current liabilities			
Trade payables		0.0	0.0
Other liabilities		4.4	0.0
Accrued expenses		0.0	0.0
		4.4	**0.1**
TOTAL EQUITY AND LIABILITIES		**9,041.5**	**8,411.2**

Parent company statement of changes in equity

Amounts in SEK millions

	Restricted equity	*Unrestricted equity*		
	Share capital	Other con-tributed capital	Retained earnings including profit for the year	**Total equity**
Incorporation 29 January 2021	0.0	0.0	0.0	0.0
Profit for the year			-2.2	-2.2
Total comprehensive income	**0.0**	**0.0**	**-2.2**	**-2.2**
Issue of share capital	0.2	8,413.1	0.0	8,413.3
Balance at 31 December 2021	**0.2**	**8,413.1**	**-2.2**	**8,411.1**
Balance at 1 January 2022	0.2	8,413.1	-2.2	8,411.1
Profit for the year			0.0	0.0
Total comprehensive income	**0.0**	**0.0**	**0.0**	**0.0**
Issue of share capital	0.0	626.0		626.0
Balance at 31 December 2022	**0.2**	**9,039.1**	**-2.2**	**9,037.1**

Parent company statement of cash flows

Amounts in SEK millions	Note	29.1.-31.12. 2022	2021
Cash flows from operating activities			
Profit after financial items		0.0	-2.2
Cash flows from operating activities before changes in working capital		**0.0**	**-2.2**
Decrease(+)/increase(-) in operating assets		11.0	-10.9
Cash flows from operating activities		**11.0**	**-13.0**
Investing activities			
Acquistion of subsidiaries net of cash acquired		0	-8,372.5
Group contribution to subsidiaries		-653.5	0.0
Cash flows used in investing activities		**-653.5**	**-8,372.5**
Financing activities			
Proceeds from issue of share capital		626.0	8,413.3
Cash flows from financing activities		**626.0**	**8,413.3**
Cash flows for the year		**-16.5**	**27.7**
Cash and cash equivalents at beginning of year		**27.7**	**0.0**
Cash and cash equivalents at end of year	5	**11.3**	**27.7**

Notes to the consolidated financial statements

Note 1 Reporting entity

Ainavda Holdco AB, with the company registration number 559299-1557, is a limited liability company registered in Sweden with its registered office in Stockholm. Ainavda Holdco AB (the Advania Group) operates through subsidiaries in Sweden, Iceland, Norway, Finland, Denmark and the UK under the name Advania. The Advania Group is a North-European turnkey IT supplier with a large customer base in both the private and public sector. The Advania Group offers a wide range of IT services and solutions, hardware, eco-friendly hosting and global IT platforms, with a focus on tailored solutions. The Advania Group works in strategically selected business areas, all of which focus on the customer's requirements, with long-term mutual loyalty as the ultimate goal. The composition of the Group is described in Note 18.

Note 2 Basis of accounting

The consolidated financial statements for Ainavda Holdco AB have been prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the EU. In addition to IFRS the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Groups, has also been applied.

The annual report and the consolidated financial statements have been approved for issuance by the Board of Directors on 31 March 2023. The Group's consolidated statement of profit and loss, other comprehensive income and the consolidated statement of financial position as well as the Parent Company's statement of profit and loss and the statement of financial position are subject to approval at the Annual General Meeting on the 20 April 2023.

Note 3 Functional and presentation currency

The Parent Company's functional currency is Swedish kronor, which is also the reporting currency for the Parent Company and the Group. This means that the financial reports are presented in Swedish kronor. All amounts have been rounded to the nearest million kronor, unless otherwise indicated.

Note 4 Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

• note 16 - recognition of deferred tax assets: availability of future taxable profit against which deductable temporary differences and tax losses carried forward can be utilised.

• note 19 - impairment tests of intangible assets and goodwill: key assumptions underlying recoverable amounts.

Measurement of fair values

Some of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair value of customer relationships acquired in a business combination is determined using the multi-period excess earnings method, whereby the subject asset is valued after deducting a fair return on all other assets that are part of creating the related cash flows. The fair value of other intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

Note 5 Changes in significant accounting policies

Change in accounting policy due to IFRS 15-principal vs agent IASB Interpretation Committee agenda decision

In May 2022, the IFRS Interpretation Committee (IFRS IC) formally published the final agenda decision providing guidance to principal versus agent assessment under IFRS 15 for Software Resellers. The new guidance provided by IFRS IC clarifies that the software reseller pre-sale advice (while important) is not an implicit promise in a contract with customer. At the time entering into a contract with the customer, the reseller has already provided the advice. There is no further advice to be provided by the reseller and the advice already provided will not be transferred to the customer after contract inception. Accordingly, the expectation of the customer that the reseller will transfer a good or service to the customer other than the software licenses.

Based on a control assessment of the standard software license as the promised goods rather than a combination with implied promise of providing a service, arising from the new guidance, Advania has decided to reassess whether the Group acts as a principal or an agent for transactions of software revenue without any other services provided. Management concluded that Advania does not control the software licenses from the software provider before they are transferred to the customer and therefore acts an an agent on the software sales where no other services than presale advice are provided. Consequently, the Group has revised its accounting policy for the software sales where no other services are provided and from 2022 acounting this as agent and recognizes revenue net of related costs. Prior period have been restated according to IAS 8. The adjusted amounts for 2022 and comparative period is presented Consolidated statement of profit and loss and further presentation in note 8a. The profit for the year, balance sheet, equity and cash flow statements are unchanged.

Standards issued but not yet effective

New and amended IFRS with future application are not expected to have any significant effect on the Group's financial statements.

Note 6 Significant accounting policies

Items in the consolidated financial statements have been valued at cost, with the exception of certain financial instruments measured at fair value. The significant accounting policies applied are described below.

Basis of consolidation

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The accounting policies of subsidiaries have been modified where necessary in order to correspond to those of the Group. All intra-group transactions, balances and unrealised gains and losses relating to intra-group transactions have been eliminated in the preparation of the consolidated accounts.

Contingent purchase prices are reported at fair value at the time of acquisition. In cases where the contingent purchase consideration is classified as an equity instrument, no revaluation and adjustment is made within equity. For other contingent consideration, these are revalued at each reporting date and the change is reported in profit for the year.

Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

Any contingent consideration is measured at fair value at the date of the aquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

The identifiable assets acquired and liabilities assumed are recognised at fair value at the time of acquisition, with the following exceptions:

• Deferred tax assets or tax liabilities and liabilities or assets attributable to the acquired company's agreements on the remuneration of employees are recognised and valued in accordance with IAS 12 Income Taxes and IAS 19 *Employee Benefits* respectively.

• Assets (or discontinued operations) classified as held for sale in accordance with IFRS 5 *Non-Current Assets Held for Sale and Discontinued Operations* are valued in accordance with this standard.

For business combinations where the sum of the consideration paid, any non-controlling interests and the fair value at the time of acquisition of previous shareholdings exceeds the fair value at the time of acquisition of identifiable net assets acquired, the difference is recognised as goodwill in the statement of financial position. If the difference is negative, this is recognised directly in profit and loss as a bargain purchase gain after review of the difference.

Non-controlling interests

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a change of control are accounted for as equity transactions.

In the event of gradual acquisition, the previous equity interests in the acquired company are revalued to their fair value at the time of acquisition (i.e. when a controlling interest was acquired). Any gains or losses are recognised in profit and loss. Any changes in the value of previous equity interests which were recognised in other comprehensive income before the time of acquisition are reclassified in profit and loss on the same basis that would be required if these shares had been sold.

Intrests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

In the event of transactions between Group companies and associates, the portion of unrealised gains or losses that corresponds to the Group's share in the associate is eliminated. Dividends received from associates reduce the carrying amount of the investment.

Segment reporting

An operating segment is a part of a company that operates business activities from which it can receive income and incur costs, whose operating profit is regularly reviewed by the company's chief operating decision-maker and for which independent financial information is available. The company's reporting of operating segments corresponds to the internal reporting to the chief operating decision-maker. The chief operating decision-maker is the function that assesses the results of the operating segment and decides on the allocation of resources. The CEO is the chief operating decision-maker. The accounting policies of the reportable segments correspond to the policies applied by the Group as a whole.

Revenue

Revenue is measured based on the consideration specified in contracts with customers. Revenue is recognised when control over goods or services are transferred to the customer. Revenue from sales of software licenses and rights to use software are recognized at the time the software is made available and can be used by the customer. Software license revenue where no other paid services are provided, are recognised as revenue net of related cost (agent revenue).

When contracts contain lease components, the lease part is separated and recognised in accordance with principles for lease accounting (below). Such components, for instance, exist when control over a specific asset has not been transferred because the customer has a right to sell the asset back to the Group at a future time and the customer has economic reasons to do so. Also, to the extent that an asset is 'sold' to a finance company and leased back, in this transaction itself the asset is not considered sold and is consequently not derecognised; instead a liability to the finance company is recognised.

The Group’s revenue originates primarily from the sale of IT services and solutions, hardware, hosting and global IT platforms.

	Nature and timing of satisfaction of performance obligations, including significant payment terms	**Revenue recognition policies**
Sale of goods	Standard product sale and software sales. Customer obtain control of the goods when the products have been transferred to the customer. Invoices are generated at that point in time. Invoices are usually payable within 30 days. Some discount may be provided for larger clients or large orders. Some contracts permit the customer to return an item in exchange for new goods. No cash refunds are offered.	Revenue is recognised when the goods are delivered and have been accepted by customers at their premises. Software licenses are recognized net of related cost (agent revenue) when no other paid services are provided. For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data for specific types of products. No refund liability is recognised as historical returns are very low. The right to recover returned goods asset is measured at the former carrying amount of the inventory less any expected costs to recover goods. The Group reviews its estimate of expected returns at each reporting date and updates the amounts of the asset and liability accordingly.
Sale of services	Billable hours, contracts for cloud services, hosting and operations, IT services, project management, IT administration, ad-hoc services, mainframe, annual upgrade contracts and human resourse management software. Invoices are usually generated monthly. and payable within 30 days. Some discount may be provided for larger clients or large orders. Customer returns are not an issue in sales of services.	Revenue is recognised based on hours worked, usage of services and underlying service level agreements. Contracts are monitored and the probability assessed at each contract date weather contracts at a fixed price will be within its framework or if any cautionary entries are needed.
Sale of cloud services	These services includes among others cloud managed services, infrastructure and platform services on premises and cloud. There are two activities in these contracts: an implementation phase and the actual operation where services are provided (operational phase). Invoices for cloud services are issued on a monthly basis and are usually payable within 30 days	The implementation does not transfer any goods or services to the customer. All costs incurred to fulfil the contract during the implementation phase, is capitalized and amortized over the contract term if they meet the criterias of IFRS 15. Implementation fees paid up front by the customers are recognized as a contract non-current liability until services are delivered. For the operational phase, the rendering of services in a contract are assessed to meet the series guidance and is accounted for as a single performance obligation for which revenue is recognized over time. The revenue is recognized when the service is delivered and hence the value is transferred to the customer.

Dividends and interest income

Dividend income is recognised when the owner’s right to receive payment has been established.

Interest income is recognised allocated over the term by applying the effective interest method.

Foreign currency

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

Foreign exchange differences are recognised in the income statement for the period in which they arise, with the exception of transactions that constitute hedging and fulfil the requirements for the hedge accounting of cash flows or of net investments, where gains and losses are recognised in other comprehensive income.

In the preparation of consolidated financial statements, assets and liabilities of foreign subsidiaries are translated to SEK at the exchange rate on the balance sheet date. Revenue items and cost items are translated at the average rate for the period, unless the exchange rate fluctuated considerably during the period in which case the exchange rate on the transaction date is used. Any translation differences arising are recognised in other comprehensive income and transferred to the Group's translation reserve. On the sale of a foreign subsidiary, such translation differences are recognised in the income statement as part of the capital gain/loss.

Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities in this operation and are translated at the exchange rate on the balance sheet date.

Employee benefits

Employee benefits in the form of salaries, bonuses, paid holiday, paid sick leave, etc., as well as pensions, are recognised as they are earned. Pensions and other remuneration after employment has ended are classified as defined contribution or defined benefit pension plans. The Group only has defined contribution pension plans.

Defined contribution plans

With defined contribution plans, the Group makes fixed contributions to a separate independent legal entity and has no obligation to make any further contributions. Costs are charged to the Group's profit and loss when the benefits are earned, which is normally when the premiums are paid.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax

Deferred tax is recognised for temporary differences between the carrying amounts of assets and liabilities in the financial statements and the tax values applied in the calculation of taxable profit. Deferred tax is recognised in accordance with the balance sheet method. Deferred tax liabilities are recognised in principle for all taxable temporary differences and deferred tax assets are recognised in principle for all tax-deductible temporary differences to the extent it is likely that the amounts can be offset against future taxable profit. Deferred tax assets and tax liabilities are not recognised if the temporary difference is attributable to goodwill or if it is the result of a transaction that constitutes the initial recognition of an asset or liability (other than a business combination) and which, at the time of the transaction, affects neither the recognised profit nor the taxable profit.

Deferred tax liabilities are recognised for taxable temporary differences attributable to investments in subsidiaries, except where the Group is able to control the time when the temporary differences are reversed and it is unlikely that such a reversal will take place within the foreseeable future. The deferred tax assets that are attributable to tax-deductible temporary differences in relation to such investments are only recognised to the extent it is likely that the amounts can be offset against future taxable profit and it is likely that this will take place within the foreseeable future.

The carrying amount of deferred tax assets is tested at each closing date and is reduced to the extent it is no longer likely that sufficient taxable profit will be available for offsetting, in whole or in part, against the deferred tax asset.

Deferred tax is calculated using the tax rates that are expected to apply for the period in which the asset is received or the liability settled, based on the tax rates (and tax legislation) that apply or have been announced on the balance sheet date.

Deferred tax assets and liabilities are offset if they are attributable to income tax that is charged by the same public authority and where the Group intends to settle the tax net.

Current and deferred tax for the period
Current and deferred tax are recognised as a cost or income in the income statement, except where the tax is attributable to transactions that are recognised in other comprehensive income or directly in equity. In such cases, the tax is also recognised in other comprehensive income or directly in equity. The tax effect of current and deferred tax arising on the recognition of business combinations is recognised in the acquisition analysis.

Classifications
Non-current assets consists of amounts that are expected to be recovered or paid later than twelve months after the balance sheet date, while current assets consists of amounts that are expected to be recovered or paid within twelve months of the balance sheet date. Non-current liabilities consists of amounts that the Group has an unconditional right to choose to pay more than twelve months after the balance sheet date. If the Group does not have such right at the balance sheet date the amount of debt is reported as current liabilities.

Plant and equipment
Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

The cost comprises the purchase price, expenses directly attributable to bringing the asset to the location and into the condition required for use and estimated expenses for dismantling and removing the asset and restoring the site where applicable. Additional expenses are only included in the asset or recognised as a separate asset if it is likely that future economic benefits that may be attributed to the item will accrue to the Group and the cost of the same can be calculated reliably. All other expenses for repairs and maintenance, as well as additional expenses, are recognised in the income statement in the period in which they are incurred.

Depreciation is calculated to write off the cost of items of plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

The estimated useful lives of plant and equipment for current and comparative periods are as follows:

Fixtures and IT equipment and fittings	3-15 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

The reported value of any operating asset is removed from the balance sheet on disposal or sale, or when no future economic benefit is expected from the use or disposal/sale of the asset. Gains or losses arising from the sale or disposal of an asset, comprising the difference between any net income from its sale and the carrying amount of the asset, are recognised in profit and loss in the period when the asset is removed from the balance sheet.

Intangible assets
Goodwill
Goodwill arising on the preparation of the consolidated accounts constitutes the amount by which the consideration paid, any non-controlling interests in the acquired company and the fair value on the date of acquisition of previous equity interests in the acquired company exceeds the fair value on the date of acquisition of the identifiable net assets and liabilities acquired. Goodwill is recognised at cost at the time of acquisition and following initial recognition it is valued at cost less any accumulated impairment. In testing for impairment, goodwill is allocated to the cash-generating units that are expected to benefit from the acquisition. Any impairment is recognised immediately as an expense and is not reversed.

Acquired through separate acquistion
Intangible assets with a definite useful life that have been acquired separately are recognised at cost less accumulated amortisation and any accumulated impairment. Straight-line amortisation is applied over the estimated useful life of the asset, which is estimated at 2–15 years. Estimated useful lives and amortisation methods are tested at least at the end of each financial year, with the effect of any changes in the assessments recognised with future effect.

Acquired as a part of a business combination
Intangible assets that have been acquired through a business combination are identified and reported separately from goodwill if they meet the definition of an intangible asset and their fair value can be calculated reliably. The cost of such intangible assets comprises their fair value at the time of acquisition. The intangible assets are amortised over their expected useful life, which is as follows:

Customer relationships	3-17 years
Trademarks	0-5 years
Technology and software	
Computer programs	3-15 years
Licences	2-6 years

The normal useful life for customer relationships is 3–15 years, which covers the majority of assets; other useful lives relate to smaller elements of customer relationships acquired through previous mergers.

The normal useful life for computer programs is 3–5 years, other useful lives relate to computer programs acquired through acquisitions where the Group has considered the lifetime to be longer.

Following initial recognition, intangible assets acquired through a business combination are recognised at cost less accumulated amortisation and any accumulated impairment in the same way as intangible assets acquired separately.

Impairment of plant & equipment, intangible assets and right-of-use assets
Every balance sheet date, the Group analyses the carrying amounts of plant & equipment, intangible assets and rights-of-use assets in order to determine whether there is any indication of a loss in the value of these assets. If this is found to be the case, the recoverable amount of the asset is calculated in order to determine the amount of any impairment. Where the recoverable amount of an individual asset cannot be calculated, the Group calculates the recoverable amount of the cash-generating unit to which the asset belongs.

Goodwill, other intangible assets with an indefinite useful life and intangible assets which are not yet ready for use must be tested for impairment annually or when there is an indication of a reduction in value.

The recoverable amount is the higher of the fair value, less selling expenses, and the value in use. When calculating the value in use, estimated future cash flows are discounted to present value using a discount rate before tax that reflects the current market assessment of the monetary time value and the risks associated with the asset.

Where the recoverable amount of an asset (or cash-generating unit) is identified as being lower than the reported value, the reported value of the asset (or the cash-generating unit) is written down to the recoverable amount. Any write-down must be expensed immediately in the income statement.

Where a write-down is subsequently reversed, the carrying amount of the asset (the cash-generating unit) increases to the revalued recoverable amount, but the increased carrying amount may not exceed the carrying amount that would have been recognised if the asset (the cash-generating unit) had not been written down previously. The reversal of a write-down is recognised directly in the income statement.

Financial instruments
Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus/minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Advania uses financial derivative instruments to hedge its exposure to interest rate risk. No hedge accounting has been applied in 2022 or 2021. Derivatives are recognized initially at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognized in the profit and loss.

i. Financial assets
On initial recognition, a financial asset is classified as measured at: amortised cost; Fair value other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or Fair value through profit/loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets (see Note 7). On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

ii. Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

iii. Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iv. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

v. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost is calculated using weighted average prices. The net realisable value is the estimated selling price less the estimated costs of completion and the estimated costs required to achieve a sale.

Earnings per shares

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for treasury shares held, for the effects of all dilutive potential ordinary shares.

Contingent liabilities

A contingent liability is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, which are not completely within the control of the company, or an obligation arising from past events that is not recognised as a liability or provision because:

i. it is unlikely that an outflow of resources will be required to settle the obligation, or

ii. the size of the obligation cannot be estimated with sufficient reliability.

Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

i. As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The group applies the practical expedients for leases where the underlying asset is of low value and for short-term leases (lease term up to twelve months) which means that such leases are not capitalised as lease liabilities and right of use assets.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

ii. As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset and whether the present value of the lease payments amounts to at least substantially all of the fair value of the underlying asset.

For a finance lease the underlying asset is derecognised and a lease receivable recognised. Acting as a dealer lessor, the Group recognises revenue based on the present value of the lease payments and cost of sale based on the cost of the underlying asset less the present value of any unguaranteed residual value. Interest income is recognised in relation to recognised lease receivables.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income on a straightline basis over the lease term as part of 'other revenue'.

Note 7 Financial risk management and financial instruments

Through its operations the Group is exposed to various kinds of financial risks, such as market, liquidity and credit risks. Market risks consist primarily of interest rate risk and currency risk. The company's Board of Directors has ultimate responsibility for the exposure, management and monitoring of the Group's financial risks. The framework for the exposure, management and monitoring of the financial risks is established in a finance policy. This policy is reviewed annually and the Board of Directors can decide to deviate from it. The risks are reported to the CEO on a monthly basis and to the Board on a quarterly basis. The reports cover exposures to currency and interest rate risks, available liquidity reserves and a liquidity forecast, the loan portfolio and covenant monitoring.

Market risks

Currency risks

Currency risk refers to the risk of a fluctuation in fair value or future cash flows as a result of changes in exchange rates. Exposure to currency risk arises mainly from borrowing in foreign currency and from payment flows in foreign currency, referred to as transaction exposure.

Transaction exposure

Transaction exposure can be divided into commercial and financial. These involve a risk that earnings will be negatively affected by fluctuations in exchange rates for the cash flows that take place in foreign currency. The Group's commercial inflows and outflows consist mainly of EUR, and USD, as well as limited flows in other currencies.

Financial transaction exposure consists mainly of borrowing in GBP, NOK, and ISK, as well as limited bank balances in other currencies. The Group is therefore greatly affected by changes in these exchange rates. The secured bank loans are to some extent hedged with intercompany loans as well as shares in subsidiaries. The intercompany loans are issued in the subsidiaries reporting currency. The purpose is to reduce currency exposure. The intercompany loans are eliminated in the consolidation, but reduce the currency exposure in total.

In addition to reporting, there is a policy for assets that are to be invested in the unit's reporting currency. Deviations from this are permitted where this reduces exposure.

The table below shows nominal net amounts for the significant flows that constitute transaction exposure. The exposure is stated on the basis of the Group's payment flows in the most important currencies.

			2022			
Currency (SEK million)	**ISK**	**EUR**	**USD**	**SEK**	**NOK**	**GBP**
Trade receivables	0.0	166.2	22.1	0.0	1.4	1.6
Cash	0.0	8.7	24.6	0.5	0.4	3.9
Secured bank loans	-388.0	0.0	0.0	0.0	-524.4	-2,333.4
Internal loans	0.0	266.4	0.0	0.0	1,838.5	2,819.7
Trade payables	0.0	-306.9	-48.6	-23.2	-4.2	-3.2
Net exposure	**-388.0**	**134.4**	**-1.9**	**-22.7**	**1,311.7**	**488.5**

			2021			
Currency (SEK million)	**ISK**	**EUR**	**USD**	**SEK**	**NOK**	**GBP**
Trade receivables	0.0	20.9	18.6	0.0	1.7	0.9
Cash	0.0	7.4	34.8	340.7	2.8	2.4
Secured bank loans	-367.4	0.0	0.0	0.0	-508.4	-2,253.1
Internal loans	0.0	106.6	0.0	0.0	2,310.1	2,422.4
Trade payables	0.0	-79.6	-53.2	-0.5	-4.3	-2.1
Net exposure	**-367.4**	**55.3**	**0.1**	**340.2**	**1,801.9**	**170.5**

The effects of changes in exchange rates in relation to SEK for the most significant foreign currencies are presented under *"Sensitivity analysis for market risks"* below.

Interest rate risks

Interest rate risk refers to the risk of a fluctuation in fair value or future cash flows as a result of changes in market interest rates. The Group is primarily exposed to interest rate risk through its loan financing. Loans are subject to variable interest rates, which means that the Group's future financial expenses are affected by changes in market interest rates. The Group has ensured that 30% of its interest rate risk exposure is at a fixed rate for all loan currencies except for ISK. This is achieved by borrowing at a floating rate and using interest rate swaps as hedges of the variability in cash flows attributable to the movements in interest rates. The swap is valid for a period of three years, starting in August 2022.

The effects of changes in market interest rates are presented under *"Sensitivity analysis for market risks"* below.

Sensitivity analysis for market risks

The sensitivity analysis for *currency risk* shows the Group's sensitivity in the event of an increase or a decrease of 10% in the value of SEK compared with the most significant currencies. For *transaction exposure*, the effect on the Group's profit after tax in the event of a change in exchange rates is shown. This also includes outstanding monetary receivables and liabilities in foreign currency at the balance sheet date, including loans between Group companies where the currency effect has an impact on the consolidated income statement.

The sensitivity analysis for *interest rate risk* shows the Group's sensitivity in the event of an increase or a decrease of 1% in the market interest rate. Interest rate sensitivity is based on the effect on profit after tax of a change in the market interest rate, in terms of both interest income and interest expenses. As the Group does not report any changes in value in other comprehensive income or equity, a corresponding effect arises in equity. The sensitivity analysis is based on the fact that all other factors remain unchanged.

	2022	31/12/2022	2021	31/12/2021
	Effect on profit	Effect on equity	Effect on profit	Effect on equity
Transaction exposure				
ISK +10%	-38.8		-36.7	
ISK -10%	38.8		36.7	
EUR +10%	13.4		5.5	
EUR -10%	-13.4		-5.5	
USD +10%	-0.2		0.0	
USD -10%	0.2		0.0	
SEK +10%	-2.3		34.0	
SEK -10%	2.3		-34.0	
NOK +10%	131.2		180.2	
NOK -10%	-131.2		-180.2	
GBP +10%	48.9		17.0	
GBP -10%	-48.9		-17.0	
Interest				
Financial expenses +1%	-79.5	-79.5	-58.8	-58.8
Financial expenses -1%	61.8	61.8	58.8	58.8

Liquidity and financing risk

Liquidity risk refers to the risk that the Group will have problems meeting its obligations in relation to the Group's financial liabilities. Financing risk refers to the risk that the Group will be unable to arrange adequate financing at a reasonable cost. In order to reduce liquidity risk and financing risk, the Group strives to have a liquidity reserve covering 5% of the Group's income, which means SEK 610.3 million. At the turn of the year, the reserve totalled SEK 921.1 million.

The maturity distribution of contractual payment obligations relating to the financial liabilities of the Group and the parent company, excluding derivatives, are shown in the tables below. The figures in these tables are not discounted values and they also include interest payments where applicable, meaning that these figures cannot be compared with the figures recognised on the balance sheets. Interest payments are determined on the basis of the conditions prevailing at the balance sheet date. Amounts in foreign currencies are translated to Swedish kronor (SEK) at the exchange rates on the balance sheet date.

Liquidity is tracked using forecasts and monitoring of available reserves and the maturity of the loan portfolio must be spread over time.

The Group's loan agreements do not contain any special conditions, except for the covenants reported in Note 29.

31 December 2022	**Within 3 months**	**3 - 12 months**	**1 - 5 years**	**Over 5 years**	**Total**
Loans and borrowings from credit institutions	195.0	630.0	3,665.0	8,714.8	13,204.7
Leasing	73.2	210.3	384.3	104.8	772.5
Other long term liabilities	0.0	0.0	21.9	0.0	21.9
Trade payables	1,455.0	5.7	0.0	0.0	1,460.7
Other current liabilities	377.7	217.1	0.0	0.0	594.8
Total	**2,100.9**	**1,063.1**	**4,071.1**	**8,819.5**	**16,054.6**
31 December 2021					
Loans and borrowings from credit institutions	127.8	276.3	1,849.7	7,897.8	10,151.6
Leasing	59.7	173.9	335.1	9.9	578.6
Other long term liabilities	0.0	0.0	82.2	0.0	82.2
Trade payables	1,050.5	0.4	0.0	0.0	1,050.9
Other current liabilities	930.4	1,138.9	0.0	0.0	2,069.2
Total	**2,168.3**	**1,589.4**	**2,267.1**	**7,907.7**	**13,932.6**

Credit and counterparty risk

Credit risk refers to the risk that the counterparty in a transaction will cause a loss to the Group by failing to fulfil its contractual obligations. The Group's exposure to credit risk relates primarily to trade receivables (commercial risk) and cash and cash equivalents (financial risk). The financial risk is limited by a requirement to use more than one counterparty as well as the cash and cash equivalents are held in large nordic and UK banks.

Trade receivables are spread across a large number of customers and no single customer represents a significant portion of total trade receivables. Nor are the trade receivables concentrated in any particular geographical area. The Group therefore considers the concentration risks to be limited, see note 23 regarding expected credit losses on trade receivables.

The Group's maximum exposure to credit risk is considered to be equal to the carrying amounts of all financial assets and is shown in the table below.

Accounting classification and fair values
The following table shows the measurement categories for financial assets and liabilities.

31 December 2022	Note	Financial assets at amortised cost	Financial assets/liabilities measured at fair value	Financial liabilities at amortised cost	Total
Financial non-current assets		154.1			154.1
Trade receivables	23	1,967.1			1,967.1
Other receivables		81.9			81.9
Interest swap			66.7		66.7
Cash and cash equivalents	25	573.7			573.7
		2,776.8	**66.7**		**2,843.5**
Loans and borrowings from credit institutions	29			8,499.8	8,499.8
Other non-current liabilities				23.5	23.5
Trade payables				1,460.8	1,460.8
Other current liabilities			54.8	503.1	557.9
		-	**54.8**	**10,487.1**	**10,541.9**

31 December 2021	Note	Financial assets at amortised cost	Financial assets/liabilities measured at fair value	Financial liabilities at amortised cost	Total
Financial non-current assets		143.1			143.1
Trade receivables	23	1,390.5			1,390.5
Other receivables		120.4			120.4
Cash and cash equivalents	25	1,213.5			1,213.5
		2,867.5	**-**	**-**	**2,867.5**
Loans and borrowings from credit institutions	29			7,067.7	7,067.7
Other non-current liabilities			55.7	0.0	55.7
Trade payables				1,050.9	1,050.9
Other current liabilities			784.9	333.6	1,118.5
		-	**840.5**	**8,452.2**	**9,292.7**

Fair value level 2	**2022**	**2021**
Interest rate swaps	66.7	0.0
Total	**66.7**	**0.0**

Fair value level 3 - Contingent consideration		
Opening balance	**840.5**	**0.0**
Paid during the year	-788.7	0.0
Assumed in businsess combination	0.0	653.2
Contingent considerationin acquirees	0.0	148.1
Net present value adjustments	0.0	39.0
Translation difference for the year	2.9	0.2
Total	**54.8**	**840.5**

Measurement of fair values
The carrying amounts of all financial assets and financial liabilities are considered to be a good approximation of their fair values, as the term and/or fixed-interest period is less than three months, which means that discounting based on prevailing market conditions is not considered to have any significant effect.

The credit margin for non-current liabilities is considered to have been stable and therefore discounting of this has no significant effect.

Contingent considerations are valued at discounted cash flows considering developement of performance in the aquired operation. The contingent consideration is a level 3 measurement in the fair value hierarchy.

Interest rate swap is estimated at market value from the counterparty and the counterparty use mid prices in their pricing models.

Capital management
The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital.

The Group monitors capital using a ratio of 'net debt' to 'EBITDA'. Net debt is calculated as total interest bearing liabilities (as shown in the statement of financial position) less cash and cash equivalents. EBITDA in the net debt calculation is calculated as the operating profit in the consolidated statement of profit and loss adjusted for depreciation and amortisation, adjusted for one off and proforma effect of entities acquired. See note 29 for further information.

Note 8a Results of change in accounting policy

	2021		
	Reported	Adjustments	Restated
Revenue	5,134	-435.4	4,698
Cost of goods for resale, licenses and consultants	-3,217	435.4	-2,782
Operating profit	-216	0	-216
Profit for the year	-376	0	-376

Segment revenues and profit - RESTATED

2021	Sweden	Iceland	Norway	Finland	Denmark	UK	Group adjustments and eliminations	Total Group
Hardware	1,638.2	137.0	641.1	32.0	158.4	0.0	-2.0	2,604.8
Software	442.6	8.2	13.2	0.0	35.0	0.0	0.0	499.0
Billable work	372.8	200.4	108.0	23.6	12.1	0.0	-7.2	709.7
Contracts[2)]	570.6	320.1	303.8	98.4	20.2	0.0	-0.7	1,312.4
Other	0.0	9.6	1.4	0.0	0.0	0.0	-3.4	7.6
Total revenue Reported	**3,024.3**	**675.2**	**1,067.6**	**154.0**	**225.7**	**0.0**	**-13.3**	**5,133.5**
Adjustments								
Hardware	-6.3	-3.2	0.0	0.0	0	0	0	-9.5
Software	-370.8	-4.1	-11.1	0	-25.4	0	0	-411.4
Billable work	0.0	0.0	0.0	0	0	0	0	0.0
Contracts[2)]	0.0	0.0	-14.5	0	0	0	0	-14.5
Other	0.0	0.0	0.0	0	0	0	0	0.0
Total revenue Adjustments	**-377.1**	**-7.3**	**-25.6**	**0.0**	**-25.4**	**0.0**	**0.0**	**-435.4**
Restated revenue								
Hardware	1,631.9	133.8	641.1	32.0	158.4	0.0	-2.0	2,595.2
Software	71.8	4.1	2.1	0.0	9.6	0.0	0.0	87.6
Billable work	372.8	200.4	108.0	23.6	12.1	0.0	-7.2	709.7
Contracts[2)]	570.6	320.1	289.3	98.4	20.2	0.0	-0.7	1,297.9
Other	0.0	9.6	1.4	0.0	0.0	0.0	-3.4	7.6
Total revenue Restated	**2,647.2**	**667.9**	**1,042.0**	**154.0**	**200.3**	**0.0**	**-13.3**	**4,698.0**

	2021		
Revenue from external customers by country	Reported	Adjustments	Restated
Sweden	3,024	-377.1	2,647.2
Iceland	675	-7.3	667.9
Norway	1,068	-25.6	1,042.0
Finland	154	0.0	154.0
Denmark	226	-25.4	200.3
UK	0	0.0	0.0
Group adjustmens and eliminations	-13	0.0	-13.3
Total	**5,133.5**	**-435.4**	**4,698.0**

[1)] Revenue from external customers by country is based on customer location.

[2)]Contracts refer to solutions, managed services and IT operations for a fixed price or volume based fee for a specific contract period. Its assignments involve typical IT solutions, such as operation, support and maintenance, outsourcing of infrastructure and application operations or cloud services (IaaS, SaaS, PaaS).

Note 8b Operating segments and disaggregation of revenue

The Group management evaluates the Group's operations based on geographical areas. The Group's reportable operating segments during the year are Sweden, Iceland, Norway, Finland, Denmark and UK.

- Sweden offers a comprehensive range of cloud and IT services, software and hardware.
- Iceland offers a comprehensive range of IT services, software and hardware, as well as expertise in the execution of complex projects.
- Norway offers a comprehensive range of cloud and IT services, software and hardware.
- Finland offers a comprehensive range of IT services, software and hardware.
- Denmark offers a portfolio of IT services, software and hardware.
- UK offers a portfolio of cloud and IT services, software and hardware.
- Group consists mainly of the parent company's operations and supporting units.

The accounting policies for the reportable segments correspond to those of the Group. Sales between segments are eliminated in Group adjustments and eliminations.

The Group monitors EBITA. EBITA is defined as the profit for the year excluding financial items, income tax and amortisation related to acquisitions.

Segment revenue and profit

2022	**Sweden**	**Iceland**	**Norway**	**Finland**	**Denmark**	**UK**	**Group adjustments and eliminations**	**Total Group**
Hardware	3,245.4	220.0	1,336.7	126.2	300.5	157.1	-5.4	5,380.5
Software	96.8	3.9	7.3	52.7	6.1	34.5	0.0	201.2
Billable work	810.4	401.2	440.2	119.1	13.3	430.8	-20.5	2,194.5
Contracts[2)]	1,269.2	550.5	1,233.0	361.7	54.7	952.3	-17.4	4,404.0
Other	0.0	17.9	0.0	6.2	0.4	0.0	0.6	25.1
Total revenue	**5,421.8**	**1,193.4**	**3,017.2**	**665.9**	**375.0**	**1,574.7**	**-42.6**	**12,205.3**
EBITA	**362.6**	**91.4**	**193.0**	**-21.0**	**9.9**	**181.1**	**-51.0**	**766.0**
Amortisation							-561.2	-561.2
Financial income							322.2	322.2
Financial expenses							-899.4	-899.4
Profit before income tax								**-372.4**

Segment revenues and profit

2021[3)]	**Sweden**	**Iceland**	**Norway**	**Finland**	**Denmark**	**UK**	**Group adjustments and eliminations**	**Total Group**
Hardware	1,631.9	133.8	641.1	32.0	158.4	0.0	-2.0	2,595.2
Software	71.8	4.1	2.1	0.0	9.6	0.0	0.0	87.6
Billable work	372.8	200.4	108.0	23.6	12.1	0.0	-7.2	709.7
Contracts[2)]	570.6	320.1	289.3	98.4	20.2	0.0	-0.7	1,297.9
Other	0.0	9.6	1.4	0.0	0.0	0.0	-3.4	7.6
Total revenue	**2,647.2**	**667.9**	**1,042.0**	**154.0**	**200.3**	**0.0**	**-13.3**	**4,698.0**
EBITA	**185.8**	**58.9**	**29.1**	**6.7**	**8.4**	**0.0**	**-351.0**	**-62.1**
Amortisation							-154.0	-154.0
Financial income							54.4	54.4
Financial expenses							-239.1	-239.1
Profit before income tax								**-400.8**

Revenue from external customers by country	**2022**	**2021**
Sweden	5,421.8	2,647.2
Iceland	1,193.4	667.9
Norway	3,017.2	1,042.0
Finland	665.9	154.0
Denmark	375.0	200.3
UK	1,574.7	0.0
Group adjustmens and eliminations	-42.6	-13.3
Total	**12,205.3**	**4,698.0**

[1)] Revenue from external customers by country is based on customer location.

[2)]Contracts refer to solutions, managed services and IT operations for a fixed price or volume based fee for a specific contract period. Its assignments involve typical IT solutions, such as operation, support and maintenance, outsourcing of infrastructure and application operations or cloud services (IaaS, SaaS, PaaS).

3) 2021 is restated, see Note 8a for reconcilliation

Non-current assets	**2022**	**2021**
Sweden	12,907.3	12,919.3
Iceland	462.5	381.9
Norway	1,762.3	1,952.2
Finland	1,565.4	130.4
Denmark	238.9	109.0
The United Kingdom	1,604.9	1,402.2
Other	2.0	1.0
Total	**18,543.4**	**16,896.1**

Non-current assets are stated excluding financial instruments and deferred tax assets.

Information about large customers

The Group has no customer that alone accounts for 10% or more of the Group's revenue.

Note 9 Contract balances

The following table provides information about trade receivables, contract assets and contract liabilities from contracts with customers.

	2022	2021
Trade receivables	1,967.1	1,390.5
Contract assets	79.5	29.9
Contract liabilties	25.7	47.6

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. No impairment is posted on contract assets during the period ended 31 December 2022. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognised over time.

Note 10 Other operating income

	2022	2021
Foreign exchange differences	21.8	4.8
Other	14.5	12.1
Total	**36.3**	**16.9**

Note 11 Auditors' remuneration

	2022	2021
KPMG		
Audit assignments	9.3	4.2
Tax advisory services	0.0	0.0
Other services	0.7	0.4
Other audit firms		
Audit assignments	3.5	0.0
Tax advisory services	3.0	0.0
Other services	3.5	0.0
Total	**20.0**	**4.6**

Audit assignment means the auditor's remuneration for the statutory audit. This work includes reviewing the annual report and consolidated financial statements, the accounts and the administration by the Board of Directors and the CEO, as well as fees for audit advice provided in connection with the audit assignment.

Note 12 Number of employees, employee costs and senior executives

Average number of employees 2022	Women	Men	Total
Parent company			
Sweden	0	0	0
Parent company total	**0**	**0**	**0**
Subsidiaries			
Sweden	252	986	1,238
Iceland	163	431	594
Norway	105	633	738
Finland	52	263	315
Denmark	9	53	62
The UK	214	706	920
Other	17	72	89
Subsidiaries total	**812**	**3,144**	**3,956**
Group total	**812**	**3,144**	**3,956**

Average number of employees 2021	Women	Men	Total
Parent company			
Sweden	0	0	0
Parent company total	**0**	**0**	**0**
Subsidiaries			
Sweden	175	700	874
Iceland	147	414	561
Norway	43	255	298
Finland	11	71	82
Denmark	7	40	47
Other	9	38	47
Subsidiaries total	**392**	**1,517**	**1,909**
Group total	**392**	**1,517**	**1,909**

Board Members and other senior executives	31.12.2022	31.12.2021
Parent company		
Women:		
Board of Directors	5	6
Men:		
Board of Directors	8	5
Parent company total	**13**	**11**
Group		
Women:		
Board of Directors	5	6
Other senior executives, incl. CEO	2	1
Men:		
Board of Directors	8	5
Other senior executives, incl. CEO	7	10
Group total	**22**	**22**

Salaries and benefits

Cost of employee benefits	31.12.2022	31.12.2021
Parent company		
Salaries and other benefits	2.4	1.5
Social security expenses	0.4	0.1
Pension costs	0.0	0.0
Subsidiaries		
Salaries and other benefits	2,952.9	977.5
Social security expenses	519.5	179.0
Pension costs	223.2	99.5
Total salaries and benefits in the Group	*2,955.3*	*979.0*
Total social security expenses in the Group	*519.9*	*179.1*
Total pension costs in the Group	*223.2*	*99.5*
Group total	**3,698.4**	**1,257.6**

Of the Group's pension costs, non relate to the Board of Directors as no salaries are paid. The Group's outstanding pension obligations to these total SEK 0 million.

2022 **Salaries and other benefits to the Board of Directors and CEO and to other emloyees**	**Board and CEO**	**Other employees**
Parent company	2.4	0.0
of which bonuses and similar benefits	0.0	0.0
Subsidiaries	12.5	2,938.0
of which bonuses and similar benefits	3.0	
Group total	**14.9**	**2,938.0**
of which bonuses and similar benefits	3.0	

2021 **Salaries and other benefits to the Board of Directors and CEO and to other emloyees**	**Board and CEO**	**Other employees**
Parent company	1.5	0.0
of which bonuses and similar benefits	0.0	0.0
Subsidiaries	3.5	972.5
of which bonuses and similar benefits	2.0	
Group total	**5.0**	**972.5**
of which bonuses and similar benefits	2.0	

Benefits for senior executives

There is no CEO in Ainavda Holdco AB. The CEO referred to in the table above is the Group CEO of Advania AB.

Key management personnel compensation

Key management personnel compensation comprised the following.

	2022	**2021**
Short-term employee benefits	17.2	5.0

Compensation to the Group's key management personnel includes salaries

Defined benefit pension plans through Alecta

For salaried employees in Sweden, the ITP 2 plan's defined benefit pension obligations for old-age and family pension are secured through an insurance policy at Alecta. According to a statement from the Swedish Financial Reporting Board, UFR 10 Reporting of ITP 2 pension plan financed through insurance at Alecta, this is a multi-employer defined benefit plan. The ITP 2 pension plan, which is secured through an insurance policy at Alecta, is therefore reported as a defined contribution plan. The premium for the defined benefit old-age and family pension is individually calculated and is dependent, among other things, on salary, pension previously earned and expected remaining period of service.

The anticipated fees for the next reporting period for ITP 2 insurance arranged at Alecta amount to SEK 38.1 million (2021: SEK 40.5 million).

The Group's share of the total fees for the plan and the Group's share of the total number of active members in the plan are 0.09810% (2021: 0.07391%) and 0.08620% (2021: 0.07308%) respectively.

The collective funding level is the market value of Alecta's assets as a percentage of the insurance commitments, calculated in accordance with Alecta's actuarial methods and assumptions, which do not comply with IAS 19. The collective funding level is normally permitted to vary between 125% and 175%. If Alecta's collective funding level falls below 125% or exceeds 175%, measures must be taken in order to create the conditions for the funding level to return within the normal range. If funding is too low, possible measures include increasing the agreed price for new registrations and extending existing benefits. If funding is too high, possible measures include applying premium reductions.

At the end of 2022, Alecta's surplus in the form of the collective funding level was 172% (2021: 172%).

Note 13 Other operating expenses

	2022	2021
Foreign exchange differences	-25.8	-6.8
Total	**-25.8**	**-6.8**

Note 14 Financial income

	2022	2021
Change in market value of interest SWAPS	66.7	0.0
Interest income, other	5.0	3.1
Foreign exchange differences	250.5	51.3
Total	**322.2**	**54.4**

Note 15 Financial expenses

	2022	2021
Financial liabilities measured at amortised cost - interest expense	-709.9	-217.3
Foreign exchange differences	-189.5	-21.8
Total	**-899.4**	**-239.1**

Note 16 Tax

	2022	2021
Current tax		
Current tax on profit/loss for the year	-112.0	-83.0
Deferred tax		
Benefit of tax losses recognised	-35.9	24.5
Write down of tax benefits carried forward	-29.1	0.0
Difference between estimated and levied taxes	1.7	0.0
Deferred tax attributable to temporary differences	79.8	83.3
Total	**-95.5**	**24.8**

Reconciliation of tax expenses for the year	**2022**	**2021**
Profit/loss before tax	-372.4	-398.5
Tax at applicable tax rate for parent company (20.6%)	76.7	82.1
Tax effect of different tax rates for foreign subsidiaries	-0.8	-1.1
Other non-deductable expenses	-37.8	-135.6
Non-taxable income	0.0	5.8
Current-year losses for which no deferred tax assets is recognized	0.0	9.7
Write down of tax benefits carried forwardy	-29.7	0.0
Interest expenses not deductible	-99.1	0.0
Adjustments recognised in the current year for current tax in previous years	1.7	32.2
Other	-6.5	31.7
Total	**-95.5**	**24.8**
Recognised tax expense for the year	**-95.5**	**24.8**

Deferred tax assets and deferred tax liabilities

The Group's deferred tax assets and deferred tax liabilities relate to the following items:

	2022	2021
Deferred tax asset		
Right of use assets	9.9	0.0
Other temporary differences	7.2	16.1
Interest expenses carried forward	199.3	0.0
Tax loss carry forward	14.2	69.3
Deferred tax asset	**230.6**	**85.4**
Deferred tax asset not recognized	-199.3	-10.7
Net deferred tax asset	**31.3**	**74.7**
Deferred tax liability		
Intangible assets	1,245.1	1,189.9
Tangible assets	26.7	6.7
Tax allocation reserve	30.6	23.4
Other temporary differences	14.8	1.6
Deferred tax liability	**1,317.2**	**1,221.6**
Net deferred tax assets	-31.3	-10.7
Net deferred tax liability	**1,285.9**	**1,210.9**

Deferred tax assets are valued depending on how the carrying amount of the corresponding asset or liability is expected to be received or settled respectively. The amounts are based on the tax rates and tax rules that have been adopted on the balance sheet date and have not been discounted to present value.

Deferred tax assets attributable to loss carry-forwards are valued no higher than the amount that is likely to be recovered based on future taxable profits. The Group analyses and assesses each case of uncapitalised items separately. These decisions are based on, among other things, expectations of the future and the facts available at the time the assessment is made.

At year-end, the Group has estimated loss carry-forwards totalling SEK 68 million and mostly indefinite timing. In addition interest expenses carried forward total of SEK 907 million in countries Sweden, Norway, UK and Finland. The interest expenses carried forward have not been recognized as deferred tax assets and there is limitied time in Sweden (6 years) and in Norway (10 years).

The tax rate for the calculation of deferred tax is determined according to local tax rules.

Note 17 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average outstanding number of shares during the period.

	2022	2021
Profit (loss) for the year attributable to the shareholders of the parent company	-480,613,225	-383,411,985
Basic weighted average number of ordinary shares outstanding	7,620,973,926	2,538,917,689
Basic earnings per share, SEK	**-0.1**	**-0.2**

Diluted earnings per share

The Group does not have any instruments outstanding that are convertible into ordinary shares (potential ordinary shares). Consequently, diluted earnings per share is equal to basic earnings per share.

Note 18 Investments in subsidiaries

For business combinations, see Note 30. The Group acquired Painkiller AS, Norway, in February 2022, Azzure Ltd, UK, in March 2022, eXspend AS, Norway, in April 2022, DataCenter Group Oy, Finand, in May 2022 and Cloudio A/S, Denmark, in November 2022. Painkiller AS and eXspend AS were merged with Advania Norge AS in December 2022. DataCenter Group Oy and all subsidiaries except one was merged with Advania Finland Oy in December 2022.

During the year the Group continued its work on simplifying the strucuture and merged serveral of its entities. In Sweden, 5 High Innovation AB was merged with Advania Sverige AB. Visolit AB was merged with Advania Holding AB. Vsiolit Finco AS, Visolit TopCo, Visolit New Finco AS, Visolit New TopCo AS and Visolit AS were merged with Advania Holding AS, Norway. Advania Norge 46 AS was merged with Advania Norge 52 AS. In the UK structural changes were made as a preparation of dissolving non-trading entities. The dissolvement process was finalised in Q1 2023. The name of Indigo IT Bidco was changed to Advania Holdings UK Ltd.

The Group has the following subsidiaries as at 31 December 2022:

Name	Comp. reg. no. and country of operation	Activities	Shareholding (%)[1]
Ainavda Midco AB	559299-1540, Sweden	Owns and manages shares in IT companies	100.0%
Ainavda Parentco AB	559299-1532, Sweden	Owns and manages shares in IT companies	100.0%
Ainavda Bidco AB	559299-1524, Sweden	Owns and manages shares in IT companies	100.0%
Advania AB	556963-8991, Sweden	Owns and manages shares in IT companies	100.0%
Advania Holding AB	556616-7598, Sweden	Owns and manages shares in IT companies	100.0%
Advania Sverige AB	556214-9996, Sweden	IT consultancy and trading of IT-related products	100.0%
Advania Finance AB	556737-7840, Sweden	Provision of finaning solutions and handling of used IT equipment	51.0%
Advania Sverige 35 AB	556556-6535, Sweden	IT consultancy and trading of IT-related products	100.0%
Intelligent Bus. Sol. i Norden AB	556396-9640, Sweden	IT consultancy	100.0%
Advania IBIZ AS	916 458 487, Norway	IT consultancy	100.0%
Advania Holding hf.	670514-2340, Iceland	Owns and manages shares in IT companies	100.0%
Advania Ísland ehf.	590269-7199, Iceland	IT consultancy and trading in IT-related products	100.0%
Advania Holding AS	916 156 146, Norway	Owns and manages shares in IT companies	100.0%
Advania Norge AS	992 009 241, Norway	IT consultancy and trading of IT-related products	100.0%
Advania Norge 52 AS	884 511 852, Norway	IT consultancy and trading of IT-related products	100.0%
Advania Norge 51 AS	979 623 151, Norway	IT consultancy and trading of IT-related products	100.0%
Advania Norge 42 AS	838 260 942, Norway	IT consultancy and trading of IT-related products	100.0%
Solv AS	996 480 194, Norway	IT consultancy and trading of IT-related products	52.0%
Coneqt AS	955 387 419, Norway	IT consultancy and trading of IT-related products	100.0%
Advania Holding A/S	371 44 282, Denmark	Owns and manages shares in IT companies	100.0%
Advania Danmark A/S	326 43 485, Denmark	IT consultancy and trading of IT-related products	100.0%
Cloudio A/S	264 69 368, Denmark	IT managed services and solution provider	100.0%
Advania Holding Oy	3022297-4, Finland	Owns and manages shares in IT companies	100.0%
Advania Finland Oy	2116894-5, Finland	IT consultancy and trading in IT-related products	100.0%
Advania Focus Oy	2060883-0, Finland	IT consultancy and trading in IT-related products	100.0%
Indigo IT Topco Ltd	10151756, UK	Owns and manages shares in IT companies	100.0%
Indigo IT Midco Ltd	10151639, UK	Owns and manages shares in IT companies	100.0%
Advania Holdings UK Ltd	10151635, UK	Owns and manages shares in IT companies	100.0%
Indigo IT Trustee Ltd	10151632, UK	Owns and manages shares in IT companies	100.0%
IT Lab Enterprises Ltd	09271380, UK	Owns and manages shares in IT companies	100.0%
Content+Cloud Ltd	03645998, UK	IT consultancy and trading of IT-related products	100.0%
SIP Communication Group Ltd	11086803, UK	Owns and manages shares in IT companies	100.0%
SIP Communication Ltd	05759363, UK	Unified communications provider	100.0%
SIP Communication Corp.	83-1380319, USA	Unified communications provider	100.0%
Sol-Tec Ltd	02723912, UK	IT managed services and solution provider	100.0%
Perspective Risk Ltd	07296612, UK	Sercurity consultancy	100.0%
Content and Cloud Ltd	07949424, UK	Owns and manages shares in IT companies	100.0%
Content & Code Ltd	04239103, UK	IT managed services and solution provider	100.0%
Azzure IT Ltd	07349355, UK	IT consultancy and trading of IT-related products	100.0%
The Mirus Trading Group Ltd	07545679, UK	Owns and manages shares in IT companies	100.0%
Mirus IT Solutions Ltd	04569266, UK	IT managed services and solution provider	100.0%
Mirus Managed Print Ltd	03754764, UK	Managed print service provider	100.0%
Mirus Telephony Ltd	07545528, UK	Telephony service and solution provider	100.0%
Mirus Dormant 2 Ltd	05922972, UK	Dormant	100.0%
Content and Cloud SA Proprietary Ltd	2008/024432/07 S-Africa	IT consultancy for Group companies	100.0%
Advania Ltd	08070995, UK	Dormant	100.0%
Visolit Pvt Ltd	PV 90827, Sri Lanka	IT consultancy for Group companies	100.0%
Kogun USA Inc	20-4410293, USA	Dormant	100.0%
Advania Inc	32037291864, USA	Dormant	100.0%
Advania Doo	21269611, Serbia	IT consultancy for Group companies	100.0%

[1] Percentage shareholding refers to the share of ownership and share of votes held by the parent company. The share of votes in Advania Finance AB is 51.9% and 54.4% in Solv AS.

The Group had the following subsidiaries as at 31 December 2021:

Name	Comp. reg. no. and country of operation	Activities	Shareholding (%)[1]
Ainavda Midco AB	559299-1540, Sweden	Owns and manages shares in IT companies	100.0%
Ainavda Parentco AB	559299-1532, Sweden	Owns and manages shares in IT companies	100.0%
Ainavda Bidco AB	559299-1524, Sweden	Owns and manages shares in IT companies	100.0%
Advania AB	556963-8991, Sweden	Owns and manages shares in IT companies	100.0%
Advania Holding AB	556616-7598, Sweden	Owns and manages shares in IT companies	100.0%
Advania Sverige AB	556214-9996, Sweden	IT consultancy and trading of IT-related products	100.0%
5 High Innovations AB	556618-5137, Sweden	IT consultancy and trading of IT-related products	100.0%
Advania Finance AB	556737-7840, Sweden	Provision of finaning solutions and handling of used IT equipment	51.0%
Visolit AB	559209-0665, Sweden	Owns and manages shares in IT companies	100.0%
Visolit Sverige AB	556556-6535, Sweden	IT consultancy and trading of IT-related products	100.0%
Intelligent Bus. Sol. i Norden AB	556396-9640, Sweden	IT consultancy	100.0%
Intelligent Bus. Sol. i Norden AS	916 458 487, Norway	IT consultancy	100.0%
Advania Holding hf.	670514-2340, Iceland	Owns and manages shares in IT companies	100.0%
Advania Ísland ehf.	590269-7199, Iceland	IT consultancy and trading in IT-related products	100.0%
Advania Holding AS	916 156 146, Norway	Owns and manages shares in IT companies	100.0%
Advania Norge AS	992 009 241, Norway	IT consultancy and trading of IT-related products	100.0%
Visolit New Topco AS	922 578 168, Norway	Owns and manages shares in IT companies	100.0%
Visolit New Finco AS	922 578 206, Norway	Owns and manages shares in IT companies	100.0%
Visolit Topco AS	915 422 950, Norway	Owns and manages shares in IT companies	100.0%
Visolit Finco AS	915 423 078, Norway	Owns and manages shares in IT companies	100.0%
Visolit AS	977 248 287, Norway	Owns and manages shares in IT companies	100.0%
Advania Norge 24 AS	980 181 324, Norway	IT consultancy and trading of IT-related products	100.0%
Advania Norge 52 AS	884 511 852, Norway	IT consultancy and trading of IT-related products	100.0%
Advania Norge 51 AS	979 623 151, Norway	IT consultancy and trading of IT-related products	100.0%
Advania Norge 42 AS	838 260 942, Norway	IT consultancy and trading of IT-related products	100.0%
Advania Norge 46 AS	997 304 446, Norway	IT consultancy and trading of IT-related products	100.0%
Solv AS	996 480 194, Norway	IT consultancy and trading of IT-related products	52.0%
Coneqt AS	955 387 419, Norway	IT consultancy and trading of IT-related products	100.0%
Advania Holding A/S	371 44 282, Denmark	Owns and manages shares in IT companies	100.0%
Advania Danmark A/S	326 43 485, Denmark	IT consultancy and trading of IT-related products	100.0%
Advania Holding Oy	3022297-4, Finland	Owns and manages shares in IT companies	100.0%
Advania Finland Oy	2116894-5, Finland	IT consultancy and trading in IT-related products	100.0%
Indigo IT Topco Ltd	10151756, UK	Owns and manages shares in IT companies	100.0%
Indigo IT Midco Ltd	10151639, UK	Owns and manages shares in IT companies	100.0%
Indigo IT Bidco Ltd	10151635, UK	Owns and manages shares in IT companies	100.0%
Indigo IT Trustee Ltd	10151632, UK	Owns and manages shares in IT companies	100.0%
IT Lab Enterprises Ltd	09271380, UK	Owns and manages shares in IT companies	100.0%
Connect+Cloud Ltd	03645998, UK	IT consultancy and trading of IT-related products	100.0%
SIP Communication Group Ltd	11086803, UK	Owns and manages shares in IT companies	100.0%
SIP Communication Ltd	05759363, UK	Unified communications provider	100.0%
SIP Communication Corp.	83-1380319, USA	Unified communications provider	100.0%
Sol-Tec Ltd	02723912, UK	IT managed services and solution provider	100.0%
Perspective Risk Ltd	07296612, UK	Sercurity consultancy	100.0%
Content and Cloud Ltd	07949424, UK	Owns and manages shares in IT companies	100.0%
Content & Code Ltd	04239103, UK	IT managed services and solution provider	100.0%
The Mirus Trading Group Ltd	07545679, UK	Owns and manages shares in IT companies	100.0%
Mirus IT Solutions Ltd	04569266, UK	IT managed services and solution provider	100.0%
Mirus Managed Print Ltd	03754764, UK	Managed print service provider	100.0%
Mirus Telephony Ltd	07545528, UK	Telephony service and solution provider	100.0%
Mirus Dormant 2 Ltd	05922972, UK	Dormant	100.0%
Content and Cloud SA Proprietary Ltd	2008/024432/07 S-Africa	IT consultancy for Group companies	100.0%
Advania Ltd	08070995, UK	Dormant	100.0%
Visolit Pvt Ltd	PV 90827, Sri Lanka	IT consultancy for Group companies	100.0%
Advania Inc	32037291864, USA	Dormant	100.0%
Kogun USA Inc	20-4410293, USA	Dormant	100.0%
Advania Doo	21269611, Serbia	IT consultancy for Group companies	100.0%

[1] Percentage shareholding refers to the share of ownership and share of votes held by the parent company. The share of votes in Advania Finance AB is 51.9% and 54.4% in Solv AS.

Non-controlling interests

The table below provides information about subsidiaries in the Group that are not wholly owned, but in which there is a significant non-controlling interest (SEK million):

31 December 2022	Country of registration and operation	Non-controlling interest (%)	Profit attributable to non-controlling interests	Accumulated non-controlling interest
Advania Finance AB	Sweden	49.0%	12.3	52.2
Solv AS	Norway	48.0%	0.3	2.3
Total			**12.7**	**54.4**
31 December 2021				
Advania Finance AB	Sweden	49.0%	7.6	48.4
Solv AS	Norway	48.0%	-0.1	2.2
Total			**7.5**	**50.5**

Summarised financial information is provided below for each subsidiary with a non-controlling interest that is of significance to the Group. The amounts indicated for each subsidiary are before intra-Group eliminations.

2022	**Advania Finance AB**	**Solv AS**
Non-current assets	0.0	1.3
Current assets	116.5	17.5
Equity	-36.0	-5.1
Current liabilities	-80.5	-13.7
Revenues	804.7	63.5
Expenses	-773.0	-62.5
Financial income and cost	0.1	-0.1
Income tax	-6.6	-0.2
Profit/loss for the year	**25.2**	**0.7**
Profit attributable to the shareholders of the parent company	12.8	0.4
Profit attributable to non-controlling interests	12.3	0.3
Profit/loss for the year	**25.2**	**0.7**
Dividends paid to non-controlling interests	-8.9	-0.4
Cash flows from operating activities	-2.1	2.0
Cash flows from investing activities	0.0	-0.8
Cash flows from financing activities	-17.4	-0.8
Increase/decrease in cash and cash equivalents	-19.5	0.3

2021	**Advania Finance AB**	**Solv AS**
Non-current assets	0.0	0.9
Current assets	85.7	20.1
Equity	-28.2	-4.9
Current liabilities	-57.5	-16.2
Revenues	418.6	17.4
Expenses	-399.0	-17.6
Financial income and cost	0.0	0.0
Income tax	-4.1	0.1
Profit/loss for the year	**15.5**	**-0.1**
Profit attributable to the shareholders of the parent company	7.9	0.0
Profit attributable to non-controlling interests	7.6	-0.1
Profit/loss for the year	**15.5**	**-0.1**
Dividends paid to non-controlling interests	6.4	0.0
Cash flows from operating activities	33.6	0.5
Cash flows from investing activities	0.1	-0.2
Cash flows from financing activities	-19.0	0.0
Increase/decrease in cash and cash equivalents	14.7	0.3

Transactions with non-controlling interests

The Group holds 100% of the shares in Advania Holding AB, which holds 51.0% of the shares in Advania Finance AB. The Group Holds 100% of the shares in Advania Holding AS, which holds 52.0% of the shares in Solv AS.

Note 19 Intangible assets

Cost	**Goodwill**	**Customer relationships**	**Trademarks**	**Technology**	**Software**	**Other intangible assets**	**Total**
Balance at 1 January 2022	**10,350.3**	**4,515.7**	**844.2**	**324.0**	**90.2**	**18.5**	**16,143.1**
Purchases	0.0	9.4	0.0	0.0	27.0	6.9	43.3
Non-cash additions	0.0	0.0	0.0	0.0	17.9	0.0	17.9
Acquisitions	1,044.5	665.9	0.7	0.0	6.4	0.1	1,717.7
Sales/disposals	0.0	0.0	0.0	0.0	-1.6	0.0	-1.6
Translation difference for the year	279.6	113.9	3.6	6.9	3.5	0.1	407.5
Balance at 31 December 2022	**11,674.4**	**5,304.9**	**848.5**	**330.9**	**143.4**	**25.6**	**18,327.7**
Amortisation							
Balance at 1 January 2022	**0.0**	**-137.5**	**-6.5**	**-14.4**	**-11.3**	**-2.6**	**-172.4**
Amortisation for the year	0.0	-460.3	-27.5	-72.3	-37.8	-5.1	-603.1
Translation difference for the year	0.0	-11.0	-0.3	-0.6	-1.3	-0.1	-13.3
Balance at 31 December 2022		**-608.8**	**-34.3**	**-87.3**	**-50.5**	**-7.8**	**-788.7**
Carrying amount as at 31 December 2022	**11,674.4**	**4,696.0**	**814.2**	**243.7**	**92.9**	**17.8**	**17,539.0**

Cost	Goodwill	Customer relationships	Trademarks	Technology	Software	Other intangible assets	Total
Purchases	0.0	0.0	0.0	0.0	7.2	5.7	12.8
Non-cash additions	0.0	0.0	0.0	0.0	14.1	0.0	14.1
Acquisitions	10,171.2	4,450.4	842.0	318.0	70.3	12.8	15,864.7
Sales/disposals	0.0	0.0	0.0	0.0	-3.0	0.0	-3.0
Translation difference for the year	179.2	65.3	2.2	6.0	1.7	0.0	254.5
Balance at 31 December 2021	**10,350.3**	**4,515.7**	**844.2**	**324.0**	**90.2**	**18.5**	**16,143.1**
Amortisation							
Sales/disposals	0.0	0.0	0.0	0.0	3.0	0.0	3.0
Amortisation for the year	0.0	-134.9	-6.5	-14.2	-13.9	-2.6	-171.9
Translation difference for the year	0.0	-2.6	-0.1	-0.2	-0.5	0.0	-3.5
Balance at 31 December 2021	**0.0**	**-137.5**	**-6.5**	**-14.4**	**-11.3**	**-2.6**	**-172.4**
Carrying amount as at 31 December 2021	**10,350.3**	**4,378.2**	**837.7**	**309.6**	**78.9**	**15.9**	**15,970.7**

All intangible assets except for software and other intangible assets are acquired through business combinations.

Leases included in intangible assets:	31.12.2022	31.12.2021
Software held through leases are included at carrying amount of	27.0	18.9

For further information about leases within the Group and the maturity dates of lease liabilities, see note 29.

Impairment testing of goodwill

Goodwill has been allocated to the following cash-generating units:

Goodwill by cash generating unit:	31.12.2022	31.12.2021
Denmark	148.9	106.3
Finland	932.5	65.9
Iceland	523.9	515.3
Norway	2,730.8	2,567.5
Sweden	3,552.9	3,552.9
United Kingdom	3,785.4	3,542.5
Carrying amount	**11,674.4**	**10,350.3**

Goodwill is tested for impairment annually and when there are indications that impairment is necessary. The recoverable amount for a cash-generating unit is established by calculating the value in use. The calculations are made using estimated future cash flows based on financial forecasts approved by the management that cover a five- to ten-year period. In the assessment of future cash flows, assumptions are initially made about sales growth, EBITDA margin and weighted average cost of capital (WACC). Anticipated cash flows are discounted using a weighted average cost of capital (WACC) for the relevant cash generating unit. WACC is derived from the risk- free interest rate in local currency, the country's risk premium, the business risk represented by estimated beta, the local stock market risk premium and an estimated reasonable borrowing cost above the risk-free interest rate.

The forecast period, discount rates (WACC), growth rate, EBITDA margin and inflation that are used to extrapolate the cash flows beyond the forecast period vary for the different cash generating units in the manner shown below.

The estimated growth rate is based on industry forecasts and the expectations of the company management. The forecast EBITDA margin has been based on previous results and on the management's market expectations. The management considers that the final values for growth and EBITDA margin will not in any case exceed the average growth rates for the markets in which the company operates. The estimated inflation rate is based on the future expectations of the central bank in each country.

	2022					
Year / Percentage	**UK**	**Denmark**	**Finland**	**Iceland**	**Norway**	**Sweden**
Forecast period (years)	10	5	5	5	5	5
WACC %, before tax	10.1	9.5	9.4	12.3	9.3	8.1
Growth rate after the forecast period (%)	2.0	2.0	2.0	4.0	2.0	2.0
EBITDA-margin after the forecast period (%)	22.0	9.7	13.1	13.1	12.6	9.6
Inflation rate (%)	2.4	2.3	3.2	3.2	2.6	2.7
Tax rate (%)	25.0	22.0	20.0	20.0	22.0	20.6

	2021				
Year / Percentage	**Denmark**	**Finland**	**Iceland**	**Norway**	**Sweden**
Forecast period (years)	5	5	5	5	5
WACC %, before tax	10.6	9.3	13.0	9.6	8.4
Growth rate after the forecast period (%)	3.0	3.0	3.0	3.0	3.0
EBITDA-margin after the forecast period (%)	8.5	10.0	12.3	7.3	9.2
Inflation rate (%)	1.6	1.7	2.5	2.2	2.0
Tax rate (%)	22.0	20.0	20.0	22.0	20.6

Based on the assumptions described above, the value in use exceeds the recognised value of goodwill for each cash-generating unit. Reasonable changes for three of key assumptions above could cause the carrying amount to exceed the value in use for Finland, Iceland and UK for 2022. For 2021 reasonable change in key assumptions will not cause any potential impairment. The estimated excess value for Finland, Iceland and UK in 2022 are SEK 227 million, SEK 31 million and SEK 230 million. The following table shows the amount by which these assumptions would need to change individually for the estimated value in use to be equal to the carrying amount.

	2022		
Change required for carrying amount to equal value in use in %	**Finland**	**Iceland**	**UK**
WACC %	1.0%	0.2%	0.3%
Future growth rate	-1.3%	-0.3%	-0.6%
EBITDA %	-9.2%	-1.7%	-3.7%

Note 20 Plant and equipment

Cost	2022	2021
Opening balance	**445.6**	
Purchases	109.4	34.5
Non-cash additions	85.5	10.1
Business combinations	10.4	450.4
Sales/disposals	-24.7	-59.5
Translation differences for the year	15.0	10.1
Total	**641.1**	**445.6**
Depreciation		
Opening balance	**-75.4**	
Sales/disposals	0.0	58.2
Depreciation for the year	-201.7	-131.1
Translation differences for the year	-6.6	-2.4
Total	**-283.7**	**-75.4**
Carrying amount as at 31 December 2022	**357.4**	**370.2**

Leases included in plant and equipment:	**31.12.2022**	**31.12.2021**
Plant and equipment held through leases included at a carrying amount	72.0	31.3

For further information about finance leases within the Group and the maturity dates of lease liabilities, see note 29.

Note 21 Right-of-use assets

	Buildings	**Vehicles and equipment**	**Total**
Carrying amount as at 1 January 2022	323.6	88.5	412.1
Additions	115.3	35.1	150.4
Business combinations	7.3	108.2	115.5
Disposals	0.0	-11.2	-11.2
Indexation and translation differences for the year	18.0	7.1	25.1
Depreciation for the year	-119.6	-79.7	-199.3
Carrying amount as at 31 December 2022	**344.6**	**148.1**	**492.7**

	Buildings	**Vehicles and equipment**	**Total**
Additions	41.4	25.9	67.3
Business combinations	324.2	88.0	412.1
Disposals	0.0	-0.1	-0.1
Indexation and translation differences for the year	12.4	1.1	13.5
Depreciation for the year	-54.3	-26.3	-80.7
Carrying amount as at 31 December 2021	**323.6**	**88.5**	**412.1**

For further information on leasing, see note 29.

Note 22 Other receivables

	31.12.2022	**31.12.2021**
Balance at the beginning of the year	143.1	0.0
Business combination	0.0	139.3
Additional receivables	74.1	16.6
Settled receivables	-61.6	-21.3
Reclassifications of current to non-current	-4.1	5.3
Translation differences for the year	2.6	3.2
Balance at the end of the year	**154.1**	**143.1**

Note 23 Trade receivables

	31.12.2022	**31.12.2021**
Trade receivables, gross	1,974.0	1,397.2
Provisions for doubtful receivables	-6.9	-6.7
Trade receivables, net after provisions for doubtful receivbles	**1,967.1**	**1,390.5**

	31.12.2022	**31.12.2021**
Provisions for doubtful receivables at beginning of year	-6.7	0.0
Business combination	0.0	-6.5
Losses during the year	0.2	0.3
Change in provisions for doubtful trade receivables during the year	-0.1	-0.4
Translation difference	-0.2	-0.2
Total	**-6.9**	**-6.7**

Age analysis of trade receivables	**31.12.2022**	**31.12.2021**
Overdue by 0-30 days	1,903.4	1,347.3
Overdue by 31-60 days	31.5	26.4
Overdue by 61-90 days	6.4	9.3
Overdue by > 90 days	25.7	7.4
Total	**1,967.1**	**1,390.5**

The Group's assessment is that payment will be received for trade receivables that are overdue but have not been written down, as the payment history of the customers is good.

Note 24 Prepaid expenses and accrued revenue

	31.12.2022	31.12.2021
Prepaid expenses	382.9	206.8
Accrued leasing income	51.0	36.9
Accured revenues	277.7	169.8
Total	**711.5**	**413.5**

Note 25 Cash and cash equivalents

	31.12.2022	31.12.2021
Available balances at banks and other credit institutions	573.7	1,213.5
Total	**573.7**	**1,213.5**

Note 26 Equity

At year end 2022 the number of shares were 7,824,972,854 (2021: 7,328,410,659) shares at a par value of SEK 0.00012 (2021: SEK 0.00012) , giving a total share capital of SEK 200,082 (2021: SEK 187,760). Each share provides entitlement to one vote and are divided into four classes, classes A, B, C, and Preference, with number of different series of preference shares. The share classes have different rights to dividend payments but equal voting rights.

Translation reserves relates to currency translation differences due to translation of foreign operations to SEK. It is recognised in other comprehensive income.

The Board of Directors proposes that no dividends will be paid to shareholders in the year 2022. Reference is made to the financial statements regarding allocation of profit and other changes in equity.

The following profits are at the disposal of the AGM:		
Retained earnings	SEK	9,036,851,761
Profit for the year	SEK	4
Total	**SEK**	**9,036,851,765**

The Board proposes that the profit is appropriated as follows:		
Dividend to shareholders SEK 0 per share	SEK	0
Carried forward	SEK	9,036,851,765
Total	**SEK**	**9,036,851,765**

Note 27 Accrued expenses and prepaid income

	31.12.2022	31.12.2021
Accrued salaries	78.3	112.7
Accrued holiday pay	244.2	188.0
Accrued social security expenses	109.8	86.7
Prepaid income	327.3	304.9
Other items	328.1	240.2
Carrying amount	**1,087.7**	**932.6**

Note 28 Pledged assets and contingent liabilities

Pledged assets	**31.12.2022**	**31.12.2021**
Assets with retention of title	99.0	50.2
Trade receivables and inventories	149.5	101.5
Total	**248.6**	**151.7**

In addition to the above pledged assets, the shares in Ainavda Bidco AB, Advania Ísland ehf. Advania Norge AS, Advania Sverige AB, Advania Sverige 35 AB, Advania Holding Oy and Advania Finland Oy have been pledged as collateral for loans and borrowings from credit institutions. The Group's book value of the pledged share amounts to SEK 11.780 million.

Contingent liabilities	**31.12.2022**	**31.12.2021**
Guarantee commitments	134.7	118.0
Other contingent liabilities	57.1	77.2
Total	**191.8**	**195.2**

Contingent liabilities relate to the subsidiary Advania Finance AB and constitute a repurchase obligation (right and obligation) in relation to residual values for financed IT equipment issued to various funding partners for a total of SEK 57.1 million (2021: SEK 77.2 million). The repurchase obligation is given a low valuation in relation to the anticipated actual value at the time of realisation, which is why no provisions have been made for these rights/obligations. Historically, the repurchase obligation has been lower than the actual market value at the time of realisation, which is why there is a contingent asset equivalent to at least the amount of the contingent liability.

Note 29 Statement of liabilities attributable to financing activities

	Non-current liabilities		*Current liabilities*
	Liabilities to credit institutions	**Lease liablities**	**Lease liablities**
Carrying amount 1 January 2022	**7,067.7**	**333.5**	**224.1**
Cash flows from financing activities			
Loans raised	1,245.0	0.0	0.0
Amortisation of lease liabilities	0.0	-279.2	0.0
Changes not affecting cash flows:			
Loans raised, leases	0.0	294.8	0.0
Acquisition of subsidiairies	0.0	115.5	0.0
Amortisation of lease liabilities	0.0	0.0	0.0
Financing fees amortisation	36.5	0.0	0.0
Effect of changes in exchange rates	150.6	19.1	0.0
Other changes			
Reclassification between non-current liabilities and current liabilities relating to the payments for the coming year	0.0	-51.8	51.8
Carrying amount 31 December 2022	**8,499.8**	**431.9**	**275.8**

	Non-current liabilities		*Current liabilities*
	Liabilities to credit institutions	**Lease liablities**	**Lease liablities**
Carrying amount 1 January 2021	**0.0**	**0.0**	**0.0**
Cash flows from financing activities			
Loans raised	7,026.5	0.0	0.0
Amortisation of lease liabilities	0.0	-125.1	0.0
Changes not affecting cash flows:			
Loans raised, leases	0.0	140.9	0.0
Acquisition of subsidiairies	0.0	524.2	0.0
Amortisation of lease liabilities	0.0	-16.9	0.0
Financing fees amortisation	10.5	0.0	0.0
Effect of changes in exchange rates	30.7	34.5	0.0
Other changes			
Reclassification between non-current liabilities and current liabilities relating to the payments for the coming year	0.0	-224.1	224.1
Carrying amount 31 December 2021	**7,067.7**	**333.5**	**224.1**

The Group's has not drawn on its overdraft facility at year end. The overdraft limit is SEK 110 million.

The Group has a senior facilities agreement with a consortium comprising KKR funds and Nordea Bank Abp, filial i Sverige. The agreement was signed in March 2021. The term of the agreement is 7 years. The facilities are split into a term loan facility, CAF faciltiy of SEK 800 million and revolving credit faciltiy of SEK 500 million of which SEK 110 million is available as an overdraft. Icelandic subsidiary Advania Island ehf. has further overdraft facilities of ISK 700 million and USD 0.95 million. The significant conditions stipulated by the financing agreement relate to senior net debt ratio and senior secured net leverage ratio, which are reported quarterly. All conditions under the financing agreement were fulfilled as at the balance sheet date.

Pledged assets for the Group's borrowing are described in Note 28.

Note 30 Business combinations

Business combinations in 2022

At the beginning of February 2022 the Group acquired 100% of the share capital in Painkiller AS, Norway. At the beginning of April 2022 the Group acquired 100% of the share capital in eXspend AS, Norway. At the end of March 2022 the Group acquired 100% of the share capital in Azzure Ltd., UK. At the end of May 2022 the Group acquired 100% of the share capital in DataCenter Group Oy, Finland, for SEK 1,126.1 million. At the end of November 2022 the Group acquired 100% of the share capital in Cloudio ApS, Denmark. The purchase price of those those acquired entities, referred to as Other acquisition is SEK 416.1 million.

Consideration transferred	**DataCenter Group Oy**	**Other acquisitions**
Cash and cash equivalents	1,126.1	416.1
Contingent consideration	0.0	0.0
Total consideration transferred	**1,126.1**	**416.1**

Expenses relating to acquisitions amount to SEK 54.3 million (2021: SEK 357.8 million) and have been recognised as other expenses in the statement of profit and loss.

Amounts recognised at the time of acquisition for net assets acquired according to preliminary purchase allocation

(SEK million)	DataCenter Group Oy	Other acquisitions
Non-current assets		
Intangible assets	510.5	163.4
Property, plant and equipment	86.8	38.5
Current assets		
Inventories	3.5	0.0
Trade receivables	74.3	35.5
Other current receivables	18.3	22.0
Cash and cash equivalents	61.0	82.9
Non-current liabilities		
Interest-bearing non-current borrowings	-243.7	-17.6
Other non-current liabilities		-7.2
Deferred tax liability	-100.7	-35.9
Current liabilities		
Interest-bearing borrowings	0.0	-15.5
Trade payables	-40.9	-16.6
Other current liabilities	-65.1	-55.8
Identifiable assets and liabilities, net	**303.9**	**193.6**
Consideration transferred	1,126.1	416.1
Goodwill	**822.2**	**222.5**

No part of the goodwill that arose in connection with the acquisitions is expected to be tax-deductible.

Net cash flows from acquisitions		
Cash consideration paid	1,126.1	416.1
Less: Cash and cash equivalents acquired	-61.0	-82.9
Net cash flows	**1,065.1**	**333.2**

The acquisition's impact on the Group's earnings

All of the the Group’s revenue is attributable to acquisitions during the year. If the acquisition had taken place on 1 January 2022, the Group’s revenues would have been SEK 12,567 million and the Group’s EBITA would have been SEK 818 million.

Net cash flows from acquisitions	**2022**
DataCenter Group	1,065.1
Other acquisitions	333.2
Net cash flows	**1,398.3**

Business combinations in 2021

The Group acquired 100% of the shares in Advania AB on 28 April 2021. The purchase price amounted to SEK 4,979.6 million. The Group finalised the purchase of Genia Aps, Danmark, in May 2021. The purchase price amounts to SEK 64.9 million. In June 2021 Advania acquired 100% share in Beveric Oy. The purchase price amounts to SEK 25.0 million. The Group finalised the acquisition of Visolit New Topco AS (Visolit) in September 2021. The purchase price amounted to SEK 1,716.3 million. The Group finalised the acquisition of Indigo IT Topco Ltd. (C+C) at the end of December 2021. The purchase price amounted to SEK 1,994.1 million.

Consideration transferred	**Advania AB**	**Beveric Oy**	**Genia ApS**	**Indigo IT Topco Ltd.**	**Visolit New Topco AS**
Cash and cash equivalents	4,285.0	25.0	64.9	1,994.1	1,716.3
Contingent consideration	694.6	0.0	0.0	0.0	0.0
Total consideration transferred	**4,979.6**	**25.0**	**64.9**	**1,994.1**	**1,716.3**

Expenses relating to acquisitions amount to SEK 357.8 million and have been recognised as other expenses in the statement of profit and loss.

Amounts recognised at the time of acquisition for net assets acquired according to preliminary purchase allocation

(SEK million)	**Advania AB**	**Beveric Oy**	**Genia ApS**	**Indigo IT Topco Ltd.**	**Visolit New Topco AS**
Non-current assets					
Intangible assets	2,492.0	16.8	31.4	1,148.9	2,021.5
Property, plant and equipment	475.8	0.0	0.7	63.3	485.8
Current assets					
Inventories	100.6	0.0	0.0	18.9	26.3
Trade receivables	586.1	3.3	3.9	119.6	343.6
Other current receivables	326.2	0.2	0.3	105.5	103.2
Cash and cash equivalents	356.5	5.2	4.7	65.2	91.1
Non-current liabilities					
Interest-bearing non-current borrowings	-742.3	0.0	0.0	-2,420.5	-3,665.8
Other non-current liabilities	-22.7	0.0	0.0	0.0	-29.5
Deferred tax liability	-528.1	-3.3	-6.9	-227.8	-469.4
Current liabilities					
Interest-bearing borrowings	-118.3	0.0	0.0	-6.0	0.0
Trade payables	-528.5	-1.6	-0.5	-67.2	-341.4
Other current liabilities	-655.2	-3.4	-4.8	-324.9	-267.1
Identifiable assets and liabilities, net	**1,742.1**	**17.1**	**28.8**	**-1,525.1**	**-1,701.7**
Consideration transferred	4,979.6	25.0	64.9	1,994.1	1,716.3
Non-controlling interest	47.2	0.0	0.0	0.0	2.4
Goodwill	**3,284.6**	**7.9**	**36.2**	**3,519.1**	**3,420.3**

No part of the goodwill that arose in connection with the acquisitions is expected to be tax-deductible.

Net cash flows from acquisitions	**Advania AB**	**Beveric Oy**	**Genia ApS**	**Indigo IT Topco Ltd.**	**Visolit New Topco AS**
Cash consideration paid	4,285.0	25.0	64.9	1,994.1	1,716.3
Less: Cash and cash equivalents acquired	-356.5	-5.2	-4.7	-65.2	-91.1
Net cash flows	**3,928.5**	**19.8**	**60.2**	**1,928.9**	**1,625.2**

The acquisition's impact on the Group's earnings

All of the the Group’s revenue is attributable to acquisitions during the year. If the acquisition had taken place on 1 January 2021, the Group’s revenues would have been SEK 10,585 million and the Group’s EBITA would have been SEK 499 million.

Net cash flows from acquisitions	2021
Acquisition of Advania AB	3,928.5
Acquisition of Beveric Oy	19.8
Acquisition of Genia Aps	60.2
Acquisition of Indigo IT Topco Ltd	1,928.9
Acquisition of Visolit New Topco AS	1,625.2
Tranch 2 payment Hi5 AB	9.7
Translation differences	2.9
Net cash flows	**7,575.2**

Note 31 Transactions with related parties

Transactions between the parent company and its subsidiaries, which are related parties of the company, have been eliminated on consolidation, therefore no information is provided about these transactions in this note. Information about transactions between the Group and other related parties is provided below.

Sales of goods and services	2022	2021
3 Step IT Trading AB	25.4	11.1
Total	**25.4**	**11.1**

Purchase of goods and services	2022	2021
Goldman Sachs Bank Europe SE	0.0	180.3
3 Step IT Trading AB	0.1	0.3
3 Step IT Sweden AB	65.3	5.3
Total	**65.5**	**185.9**

Receivables from related parties	31.12.2022	31.12.2021
3 Step IT Trading AB	2.3	3.2
Carrying amount	**2.3**	**3.2**

Liabilities to related parties	31.12.2022	31.12.2021
3 Step IT Sweden AB	4.2	2.3
Carrying amount	**4.2**	**2.3**

Related party transactions took place with a number of different parties.

3Step IT AB owns 49% of the share capital in Advania Finance AB. As part of this joint venture, the Group purchased administrative services and logistics services from 3Step IT Trading AB and 3 Step IT Sweden AB.

Details of benefits for senior executives are provided in Note 12.

All transactions with related parties take place on market terms.

Note 32 Leases

A. Leases as lessee

The Group leases office buildings and cars. The leases typically run for a period of 1- 10 years, with an option to renew the lease after that date. Some leases provide for additional rent payments that are based on changes in local price indices. For certain leases, the Group is restricted from entering into any sub-lease arrangements. For maturity analysis over liabilities see note 7.

Information about leases for which the Group is a lessee is presented below:

i. Right-of-use assets

	Office buildings	Cars	Total
Balance at 1 January 2022	323.6	88.5	412.1
Depreciation charge for the year	-119.6	-79.7	-199.3
Additions to right of use assets	115.3	35.1	150.4
Disposals	0.0	-11.2	-11.2
Business combination	7.3	108.2	115.5
Indexation and translation difference of the year	18.0	7.1	25.1
Balance at 31 December 2022	**344.6**	**148.1**	**492.7**

2021	Office buildings	Cars	Total
Balance at 1 January 2021	0.0	0.0	0.0
Depreciation charge for the year	-54.3	-26.3	-80.7
Additions to right of use assets	41.4	25.9	67.3
Disposals	0.0	-0.1	-0.1
Business combination	324.2	88.0	412.1
Indexation and translation difference of the year	12.4	1.1	13.5
Balance at 31 December 2021	**323.6**	**88.5**	**412.1**

ii. Amounts recognised in profit or loss

	2022	2021
Interest on lease liabilities	21.0	7.8

iii. Amounts recognised in statement of cash flows

	2022	2021
Total cash outflow for leases	197.1	71.1

iv. Extension options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

B. Leases as lessor

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

	2022	2021
Less than one year	51.0	57.8
One to two years	34.3	33.4
Two to three years	13.3	11.7
Total undiscounted lease receivable	**98.6**	**102.9**
Unearned finance income	0.0	0.0
Net investment in the lease	**98.6**	**102.9**

Note 33 Events after the balance sheet date

The Group has started the process of merging Advania Sverige AB, Advania Sverige 35 AB and Intelligent Business Solutions i Norden AB under the name of Advania Sverige AB. The mergers were finalized in February 2023.

Note 34 Definitions of alternative key performance indicators

	Definition	Explanation/use
Operating profit, EBITDA	Profit before interest, taxes depreciation and amortisation.	Indicates the profit generated by operations before financial items, tax, depreciation of operating assets and amortisation of intangible assets.
Operating profit, EBITA	Profit before interest and taxes and amortisation of acquisition related intangible assets.	Indicates the profit generated by operations before financial items, taxes and amortisation related to acquisitions of subsidiaries.
Operating profit, EBIT	Profit before interest and taxes.	Indicates the profit generated by operations before financial items and tax.
One off	One off is defined as non-recurring revenue and expenses that do not arise out of day to day business operation, but instead are attributable to one-off or events that are extraordinary in nature. Non-recurring expenses are infrequent and not expected to be recurring.	Used for comparing the business performance for reported periods excluding expenses that fluctuate due to for example acquisition or integration activities. Integration cost can both relate to restructuring and downsizing activities.
Equity ratio (%)	Equity divided by total assets on the balance sheet date.	Specifies how large a proportion of the assets are financed with equity and use as an indication of the financial stability of the Group.
Return on equity (%)	Profit after tax attributable to the shareholders of the parent company for the current period divided by average equity excluding non-controlling interests during the current period (based on opening and closing balance).	Indicates profitability by showing how much profit a company generates in relation to the capital invested in the Company by shareholders.
Return on capital employed (%)	Operating profit plus financial income for the current period divided by average capital employed during the current period (based on opening and closing balance).	Indicates the effectiveness of the use of the capital in the Company that requires a return. The return should be higher than the Company's costs for capital.
Net debt	Total interest bearing liabilities (as shown in the statement of financial position) less cash and cash equivalents.	Indicates the level of interest bearing indebtness.

Notes for the parent company

Note 1 Significant accounting policies

The Parent Company prepared its annual accounts in accordance with the Swedish Annual Accounts Act (1995:1554) and recommendation RFR 2 Accounting for Legal Entities, from the Swedish Financial Reporting Board. RFR 2 prescribes that, in the annual accounts for its legal entity, the Parent Company shall apply all EU-approved IFRSs and standard interpretations to the greatest extent possible within the scope of the Annual Accounts Act and taking account of the relationship between reporting and taxation. The recommendation specifies which exceptions from and additions to IFRSs must be made.

Changes to accounting policies applicable for the 2022 financial year

Changes to RFR 2 have not had any significant impact on the parent company's financial reports for the 2022 financial year.

Differences between the accounting policies of Group and the parent company

Differences between the accounting principles of the Group and the parent company are described below. The below accounting policies for the parent company has been followed consequently for all periods that are presented in the parent company's financial statements.

Classification and presentation

The parent company prepares its income statement and balance sheet in accordance with the format specified in the Swedish Annual Accounts Act. The main difference between this and IAS 1 *Presentation of Financial Statements* , as applied to the preparation of the consolidated financial statements, is in the recognition of financial income and expenses, non-current assets and equity.

Group contribution

Group contributions are reported as financial year-end allocation to both providers and recipients, regardless of whether the group contribution has been paid or received. Group contributions received or paid affect the company's current tax, or in some cases deferred tax.

Subsidiaries

Shares in subsidiaries are recognised at cost. Dividends from subsidiaries are recognised as revenue when the right to receive a dividend is considered certain and the dividend can be estimated reliably.

Financial instruments

The parent company has chosen not to apply IFRS 9 for financial instruments. However, some of the principles in IFRS 9 are still applicable - such as write-downs, write-in / cancellation, criteria for hedge accounting to be applied and the effective interest method for interest income and interest expenses.

In the parent company, financial fixed assets are valued at cost less any write-down and financial current assets in accordance with the lowest value principle. For financial assets that are recognized at amortized cost, IFRS 9's impairment rules are applied. Write-downs on unlisted shareholdings that do not constitute holdings in subsidiaries, associated companies or collaborative arrangements are reported if the present value of expected future cash flows is lower than the carrying amount.

Note 2 Auditors' remuneration

	2022	**2021**
KPMG		
Audit assignments	0.0	0.0
Total	**0.0**	**0.0**

The renumeration is paid in another group company.

Note 3 Number of employees, staff cost and senior executives

Remuneration to executives (Board of directors)	**2022**	**2021**
Salaries and other benefits	2.4	1.5
Social security expenses	0.4	0.1
Total	2.7	**1.6**

Note 4 Shares in Group companies

Opening balance at 1 January 2022	**8,372.5**
Shareholders contributions to Ainavda Midco AB	653.5
Carrying amount as at 31 December 2022	**9,026.0**
Opening balance	**0.0**
Acquisition of Ainavda Midco AB	8,372.5
Carrying amount as at 31 December 2021	**8,372.5**

Company's shareholdings in Group companies

Specification of shareholdings of the parent company and the Group in companies as at 31 December 2022:

Name	Comp. reg.no. and country of operations	Activities	Shareholdings (%)
Ainavda Midco AB	559299-1540, Sweden	Owns and manages shares in IT companies	100.0%
Ainavda Parentco AB	559299-1532, Sweden	Owns and manages shares in IT companies	100.0%
Ainavda Bidco AB	559299-1524, Sweden	Owns and manages shares in IT companies	100.0%
Advania AB	556963-8991, Sweden	Owns and manages shares in IT companies	100.0%
Advania Holding AB	556616-7598, Sweden	Owns and manages shares in IT companies	100.0%
Advania Sverige AB	556214-9996, Sweden	IT consultancy and trading of IT-related products	100.0%
Advania Finance AB	556737-7840, Sweden	Provision of finaning solutions and handling of used IT equipment	51.0%
Advania Sverige 35 AB	556556-6535, Sweden	IT consultancy and trading of IT-related products	100.0%
Intelligent Bus. Sol. i Norden AB	556396-9640, Sweden	IT consultancy	100.0%
Advania IBIZ AS	916 458 487, Norway	IT consultancy	100.0%
Advania Holding hf.	670514-2340, Iceland	Owns and manages shares in IT companies	100.0%
Advania Ísland ehf.	590269-7199, Iceland	IT consultancy and trading in IT-related products	100.0%
Advania Holding AS	916 156 146, Norway	Owns and manages shares in IT companies	100.0%
Advania Norge AS	992 009 241, Norway	IT consultancy and trading of IT-related products	100.0%
Advania Norge 52 AS	884 511 852, Norway	IT consultancy and trading of IT-related products	100.0%
Advania Norge 51 AS	979 623 151, Norway	IT consultancy and trading of IT-related products	100.0%
Advania Norge 42 AS	838 260 942, Norway	IT consultancy and trading of IT-related products	100.0%
Solv AS	996 480 194, Norway	IT consultancy and trading of IT-related products	52.0%
Coneqt AS	955 387 419, Norway	IT consultancy and trading of IT-related products	100.0%
Advania Holding A/S	371 44 282, Denmark	Owns and manages shares in IT companies	100.0%
Advania Danmark A/S	326 43 485, Denmark	IT consultancy and trading of IT-related products	100.0%
Cloudio A/S	264 69 368, Denmark	IT managed services and solution provider	100.0%
Advania Holding Oy	3022297-4, Finland	Owns and manages shares in IT companies	100.0%
Advania Finland Oy	2116894-5, Finland	IT consultancy and trading in IT-related products	100.0%
Advania Focus Oy	2060883-0, Finland	IT consultancy and trading in IT-related products	100.0%
Indigo IT Topco Ltd	10151756, UK	Owns and manages shares in IT companies	100.0%
Indigo IT Midco Ltd	10151639, UK	Owns and manages shares in IT companies	100.0%
Advania Holdings UK Ltd	10151635, UK	Owns and manages shares in IT companies	100.0%
Indigo IT Trustee Ltd	10151632, UK	Owns and manages shares in IT companies	100.0%
IT Lab Enterprises Ltd	09271380, UK	Owns and manages shares in IT companies	100.0%
Content+Cloud Ltd	03645998, UK	IT consultancy and trading of IT-related products	100.0%
SIP Communication Group Ltd	11086803, UK	Owns and manages shares in IT companies	100.0%
SIP Communication Ltd	05759363, UK	Unified communications provider	100.0%
SIP Communication Corp.	83-1380319, USA	Unified communications provider	100.0%
Sol-Tec Ltd	02723912, UK	IT managed services and solution provider	100.0%
Perspective Risk Ltd	07296612, UK	Sercurity consultancy	100.0%
Content and Cloud Ltd	07949424, UK	Owns and manages shares in IT companies	100.0%
Content & Code Ltd	04239103, UK	IT managed services and solution provider	100.0%
Azzure IT Ltd	07349355, UK	IT consultancy and trading of IT-related products	100.0%
The Mirus Trading Group Ltd	07545679, UK	Owns and manages shares in IT companies	100.0%
Mirus IT Solutions Ltd	04569266, UK	IT managed services and solution provider	100.0%
Mirus Managed Print Ltd	03754764, UK	Managed print service provider	100.0%
Mirus Telephony Ltd	07545528, UK	Telephony service and solution provider	100.0%
Mirus Dormant 2 Ltd	05922972, UK	Dormant	100.0%
Content and Cloud SA Proprietary Ltd	2008/024432/07 S-Africa	IT consultancy for Group companies	100.0%
Advania Ltd	08070995, UK	Dormant	100.0%
Visolit Pvt Ltd	PV 90827, Sri Lanka	IT consultancy for Group companies	100.0%
Advania Inc	32037291864, USA	Dormant	100.0%
Kogun USA Inc	20-4410293, USA	Dormant	100.0%
Advania Doo	21269611, Serbia	IT consultancy for Group companies	100.0%

[1] Percentage shareholding refers to the share of ownership and share of votes held by the parent company. The share of votes in Advania Finance AB is 51.9% and 54.4% in Solv AS.

Company's shareholdings in Group companies

Specification of shareholdings of the parent company and the Group in companies as at 31 December 2021:

Name	Comp. reg.no. and country of operations	Activities	Shareholdings (%)
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Ainavda Parentco AB	559299-1532, Sweden	Owns and manages shares in IT companies	100.0%
Ainavda Bidco AB	559299-1524, Sweden	Owns and manages shares in IT companies	100.0%
Advania Holding AB	556616-7598, Sweden	Owns and manages shares in IT companies	100.0%
Advania Sverige AB	556214-9996, Sweden	IT consultancy and trading of IT-related products	100.0%
5 High Innovations AB	556618-5137, Sweden	IT consultancy and trading of IT-related products	100.0%
Advania Finance AB	556737-7840, Sweden	Provision of finaning solutions and handling of used IT equipment	51.0%
Visolit AB	559209-0665, Sweden	Owns and manages shares in IT companies	100.0%
Visolit Sverige AB	556556-6535, Sweden	IT consultancy and trading of IT-related products	100.0%
Intelligent Business Solitions i Norden AB	556396-9640, Sweden	IT consultancy	100.0%
Intelligent Business Solitions i Norden AS	916 458 487, Norway	IT consultancy	100.0%
Advania Holding hf.	670514-2340, Iceland	Owns and manages shares in IT companies	100.0%
Advania Ísland ehf.	590269-7199, Iceland	IT consultancy and trading in IT-related products	100.0%
Advania Holding AS	916 156 146, Norway	Owns and manages shares in IT companies	100.0%
Advania Norge AS	992 009 241, Norway	IT consultancy and trading of IT-related products	100.0%
Visolit New Topco AS	922 578 168, Norway	Owns and manages shares in IT companies	100.0%
Visolit New Finco AS	922 578 206, Norway	Owns and manages shares in IT companies	100.0%
Visolit Topco AS	915 422 950, Norway	Owns and manages shares in IT companies	100.0%
Visolit Finco AS	915 423 078, Norway	Owns and manages shares in IT companies	100.0%
Visolit AS	977 248 287, Norway	Owns and manages shares in IT companies	100.0%
Advania Norge 24 AS	980 181 324, Norway	IT consultancy and trading of IT-related products	100.0%
Advania Norge 52 AS	884 511 852, Norway	IT consultancy and trading of IT-related products	100.0%
Advania Norge 51 AS	979 623 151, Norway	IT consultancy and trading of IT-related products	100.0%
Advania Norge 42 AS	838 260 942, Norway	IT consultancy and trading of IT-related products	100.0%
Advania Norge 46 AS	997 304 446, Norway	IT consultancy and trading of IT-related products	100.0%
Solv AS	996 480 194, Norway	IT consultancy and trading of IT-related products	52.0%
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Advania Inc	32037291864, USA	Dormant	100.0%
Kogun USA Inc	20-4410293, USA	Dormant	100.0%
Advania Doo	21269611, Serbia	IT consultancy for Group companies	100.0%

[1] Percentage shareholding refers to the share of ownership and share of votes held by the parent company. The share of votes in Advania Finance AB is 51.9% and 54.4% in Solv AS.

Note 5 Cash and cash equivalents in cash flows

	31.12.2022	31.12.2021
Available balances at banks and other credit institutions	11.3	27.7
Carrying amount	**11.3**	**27.7**

Note 6 Transactions with related parties

Transactions between the parent company and its subsidiaries, which are related parties of the parent company, as well as information about transactions between other related parties are presented below and in note 2.

Details of benefits for senior executives are provided in Note 12 for the Group.

All transactions with related parties take place on market terms.

Note 7 Events after the balance sheet date

The Group has started the process of merging Advania Sverige AB, Advania Sverige 35 AB and Intelligent Business Solutions i Norden AB under the name of Advania Sverige AB. The mergers were finalized in February 2023.

The Board of Directors proposes that no dividends will be paid to shareholders in the year 2022. Reference is made to the financial statements regarding allocation of profit and other changes in equity.

The annual report and the consolidated financial statements were approved for publication by the Board on 31 March 2023. The consolidated statement of profit and loss, consolidated statement of financial position and the parent company's statement of profit and loss and the parent company statement of financial position will be submitted for adoption at the Annual General Meeting on 20 April 2023.

The Board of Directors hereby certify that the annual accounts have been prepared in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities and present fairly the financial position and performance of the company and that the administration report provides a true and fair overview of the development of the business, financial position and performance of the company, and describes the significant risks and uncertainties faced by the company. The Board of Directors hereby certify that the consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and present fairly the financial position and performance of the Group and that the administration report for the Group provides a true and fair overview of the development of the business, financial position and performance of the Group, and describes the significant risks and uncertainties faced by the constituent companies of the Group.

Stockholm, on the day shown by our electronic signature

Gestur G. Gestsson
Chairman of the Board

Alireza Etemad

Benjamin Kramarz

Carol Roche

Colin Brown

Elisabeth Hoffnell Vestin

Franck Cohen

Live Haukvik

Maria Brunow

Michael Bruun

Mikael Noaksson

Paul Nannetti

Tania Howarth

Our audit report was submitted on the day shown by our electronic signature

KPMG AB

Hök Olov Forsberg
Authorised Public Accountant and Auditor in Charge

Auditor's Report

To the general meeting of the shareholders of Ainavda Holdco, corp. id 559299-1557

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Ainavda Holdco for the year 2022.

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 31 December 2022 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 31 December 2022 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. 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 income statement and statement of financial position for the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

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

Responsibilities of the Board of Directors

The Board of Directors is 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 is also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.
In preparing the annual accounts and consolidated accounts The Board of Directors is 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 intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

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

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors', use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

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

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors of Ainavda Holdco for the year 2022 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors 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

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.

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 in any material respect:

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

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

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

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Stockholm

KPMG AB

Hök Olov Forsberg

Authorized Public Accountant