

Annual Report 2021

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# AWA at a glance

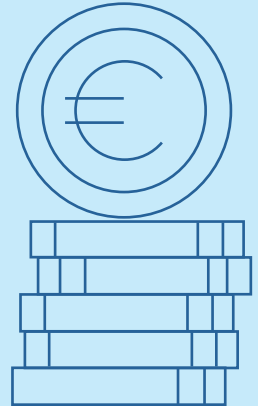
AWA is a leading consulting firm in Intellectual Property (IP). We work with clients from all around the world, ranging from early-stage startups to international, well-known brands with vast patent portfolios.

Our clients view IP as a key strategic asset helping them to thrive in competitive markets. With our legal, technical and business expertise, we do our very best to help them make a successful business out of their brands, ideas, and innovations. In addition to AWA's IP consultants in Europe and Asia, our extensive global partner network enables us to offer our clients the right quality, and the best solutions, in all markets.

NET SALES IN 2021 TOTALLED

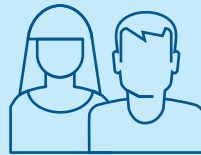
# €93

MILLION (SEK 944 MILLION)



# 100%

COMPLETELY OWNED BY THE EMPLOYEES



OUR MANAGERS ARE 55:45 WOMEN AND MEN

THE AVERAGE AGE IS

# 45

 YEARS

ABOUT

# 375

EMPLOYEES

# 150 + 45 + 30 = 225

PATENT ATTORNEYS

ATTORNEYS AT LAW

OTHER IP EXPERTS

IP CONSULTANTS



# 22

 OFFICES IN 8 JURISDICTIONS

BELGIUM, CHINA, DENMARK, HONG KONG, NETHERLANDS, NORWAY, SWEDEN AND SWITZERLAND

ABOUT

# 4,300

CLIENTS IN ABOUT 60 COUNTRIES.



OVER

# 70

 EUROPEAN PATENT ATTORNEYS

OVER

# 35

 EUROPEAN TRADEMARK OR DESIGN ATTORNEYS

OVER

# 20

OF OUR EUROPEAN PATENT ATTORNEYS HOLD A DIPLOMA IN EUROPEAN PATENT LITIGATION

# A Strong Year: Record dividend combined with strategic investments, geographical expansion and organic growth

2021 was another successful year for the AWA Group, with revenue growth in all business areas and growth in the number of employees. Net Sales increased by 5% from 900 MSEK to 944 MSEK, and the profit before tax decreased by 5% to 60 MSEK largely due to strategic investments aiming to increase future profits.



After almost two years of the corona pandemic, it is evident that AWA's revenue has not been hurt to any significant degree. In November, we announced that Oslo Patentkontor would join AWA Norway AS. The merger will considerably increase our ability to assist Norwegian clients in new markets within Europe and Asia. At the same time, it will support our international clients and partners with national intellectual property rights, as Norway, like Switzerland, is not an EU Member State.

These strong results have put AWA in a robust financial situation, opening us up for

continued investments in digital transformation, people and processes which will strengthen our opportunities for future growth and lead to synergy effects. We have worked intensively on the strategic projects, with the employees contributing to the design of AWA's future through a survey and a number of workshops held in the autumn.

We are grateful to our loyal clients who have continued investing in intellectual property through times of uncertainty. Looking forward, we see high levels of ambition and trust from our clients. I am impressed by how well our clients and employees have man-

aged to make the best out of the COVID-19 situation, which we now, hopefully, see coming to an end.

It was a great achievement that Sweden, Denmark, Benelux and Asia all managed to qualify as a Great Place to Work® in the annual survey this year. AWA Denmark even received the 7th best place to work awards in the 20-49 employees category. While Switzerland and Norway had too few employees to be ranked, the survey still captured them.

AWA continues to go from strength to strength in international recognition and rankings. The Legal 500, Asian Legal Business, Leaders League, Managing IP, World Trademark Review, IAM and Chambers and Partners all recognized and recommended our firm in multiple jurisdictions. For the first time, Benelux was recommended by WTR and Denmark by Chambers and Partners, which shows that we are still growing in terms of rankings. Over 50 of our colleagues received at least one individual recognition from these publications. Dotkeeper, our Domains branch, was recognized as a Di Gasell company for the third year in a row.

I look to the future with confidence and end the year by expressing a big and heartfelt thank you to all our dedicated employees for a fantastic job.

**Thor Mosaker**

CEO of the AWA Group and AWA Sweden

OUR MISSION

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Our expertise in Intellectual Property supports the companies of today in building the prosperity of tomorrow

OUR VISION

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We will be the first choice in IP for clients and dedicated people everywhere by developing the market – together

OUR CORE VALUES

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Courage – Openness – Passion

OUR PROMISE

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We create intellectual prosperity

## Group financial summary

Amounts in thousands of euros	2021	2020	2019	2018	2017	
<i>Average exchange rate acc. to Swedish Central Bank</i>	10,1449	10,4867	10,5892	10,2567	9,6326	
<i>Closing day rate acc. to Swedish Central Bank</i>	10,2269	10,0375	10,4336	10,2753	9,8497	
<b>Income statement</b>						
Net sales	93,038	85,778	79,306	69,579	68,468	
Profit after financial income and expense	5,877	5,970	4,535	3,750	3,271	
Profit for the year	4,377	4,605	3,365	2,777	2,370	
<b>Balance sheet</b>						
Cash and bank balances	4,463	4,740	3,854	1,719	2,100	
Other assets	30,650	28,455	30,236	21,767	21,058	
Total assets	35,113	33,195	34,090	23,486	23,158	
Equity	16,789	15,311	13,546	12,350	12,303	
Other liabilities	18,324	17,884	20,543	11,136	10,855	
Total equity and liabilities	35,113	33,195	34,090	23,486	23,158	
<b>Key figures</b>						
Profit margin, %	(1)	6.3	7.0	5.7	5.4	4.8
Equity/assets ratio, %	(2)	42	41	35	48	47
Number of employees, FTEs	(3)	323	325	313	276	267

### Definitions

- (1) Profit after financial income and expense in per cent of net sales
- (2) Equity after proposed share dividend in per cent of balance sheet total reduced by proposed share dividend
- (3) Full-time equivalents

# Annual report and consolidated financial statements of AWA Holding AB

Corporate id no. 556388-3940

The Board of Directors and Chief Executive Officer of AWA Holding AB herewith submit the annual report and consolidated financial statements for the financial year 1/1/2021–31/12/2021.

All amounts in SEK unless otherwise stated. Amounts in parentheses relate to the previous year.

## ADMINISTRATION REPORT

### Nature and specialisation of the operations

AWA Holding AB is the parent company of the wholly owned subsidiaries AWA Sweden AB, AWA Benelux S.A., AWA Denmark A/S, AWA Norway AS, and AWA IPro AB. AWA Benelux S.A. in turn owns 100% of AWA Switzerland S.A.. AWA Holding AB also owns 77.5% of Hong Kong-based AWA Asia Ltd., which in turn owns 100% of Chinese AWA IP (Beijing) Co., Ltd..

The companies within the Group conduct consulting operations in the fields of intellectual property rights and marketing law, and offer services relating to the establishment, defence, commercialisation and management of intellectual property rights, as well as providing general advice on intellectual property rights, marketing law and associated matters.

The Group has operations in Sweden, Denmark, Norway, Belgium, Switzerland, Hong Kong, and China.

### Ownership

The company is entirely employee owned. On 31 December 2021, 49% (50%) of all employees were shareholders.

The largest shareholders (including the holdings of related parties, where relevant) were:

	Number of shares	Share, %
Awanti Foundation	11,910	4.76%
Caroline Bergö	6,250	2.50%
Ole Bokinge	6,250	2.50%
Ai-Leen Lim	6,250	2.50%
Jocim Lydén	6,250	2.50%
Magnus Ungsten	6,250	2.50%
Niklas Mattsson	6,250	2.50%
Christian Winblad	6,250	2.50%
Linlin Zheng	6,250	2.50%
Love Koci	5,775	2.31%

### Significant events during the financial year

On 29 November, it was announced that AWA Norway AS had entered into an agreement with Oslo Patentkontor AS that Oslo Patentkontor would become part of AWA as of 1 March 2022.

During the year, AWA established an office in Ålborg, Denmark.

In 2022, AWA was once again certified as a Great Place to Work® in Denmark and Sweden, and for the first time certified in Belgium, China and Hong Kong.

During the year, AWA took several measures to mitigate the risks associated with the ongoing coronavirus pandemic. Despite the pandemic, the Group's overall performance was very strong in 2021. AWA is continuing to monitor the developments carefully.

### Development of the operations, position and profit

#### The Group

(MSEK)	2021	2020	2019	2018	2017
Net sales	943.9	899.5	839.8	713.7	659.5
Profit/loss after financial income and expense	59.6	62.6	48.0	38.5	31.5
Profit for the year	44.4	48.3	35.6	28.5	22.8
Balance sheet total	359.1	333.2	355.7	241.3	228.1
Equity/assets ratio <sup>(1)</sup>	42%	41%	40%	48%	47%
Dividend per share. SEK <sup>(2)</sup>	135	110	95	85	100
Dividend ratio <sup>(3)</sup>	76%	57%	67%	75%	110%
Profit margin <sup>(4)</sup>	6.3%	7.0%	5.7%	5.4%	4.8%
Return on equity <sup>(5)</sup>	28%	32%	27%	24%	20%
Average number of employees	323	325	313	276	267

<sup>1)</sup> Equity after proposed dividend as a per cent of balance sheet total reduced by proposed dividend.

<sup>2)</sup> Number of shares: 250,000.

<sup>3)</sup> Proposed dividend as a per cent of profit for the year.

<sup>4)</sup> Profit/loss after financial income and expense as a per cent of net sales.

<sup>5)</sup> Profit/loss after financial income and expense decreased by 20.6% tax as a per cent of equity. Tax rate in previous years was 21.4%.

#### Parent company

(MSEK)	2021	2020	2019	2018	2017
Profit/loss after financial income and expense	16.2	13.5	1.9	4.5	6.3
Profit for the year	38.3	37.5	18.1	28.5	30.5
Balance sheet total	156.1	147.8	159.4	96.6	98.6
Equity/assets ratio <sup>(1)</sup>	60%	57%	52%	86%	78%
Group contributions, received	27.0	30.0	20.0	30.0	30.0
Net liability to subsidiaries	33.3	26.8	44.3	10.9	16.4

<sup>1)</sup> Equity after proposed share dividend in per cent of balance sheet total reduced by proposed share dividend.

**Significant events after the end of the financial year**

On 1 March 2022, Oslo Patentkontor joined the AWA Group.

We are concerned about the war in Ukraine and will continuously monitor the situation. However, from a financial perspective, AWA's exposure to Russia is limited. In 2021 only 0.09% of net sales came from Russian clients

**Significant risks and uncertainty factors**

In addition to that mentioned above regarding the coronavirus pandemic, the company is exposed to different types of risks through its operations. The principal financial risks are considered to be market risks, credit risks, liquidity risks, financing risks and currency risks. **Market risks** arise as a result of fluctuations in prices and exchange rates. **Credit risks** refer to the risk that a counterparty will not fulfil its obligations. The Group is exposed to credit risks on accounts receivable. The Group's clients are subject to credit control on an ongoing basis, with information on clients' financial positions obtained from credit rating agencies.

**Liquidity risks** refer to the risk that liquidity will not be available to meet payment obligations. **Financing risk** is defined as the risk that financing cannot be obtained. The availability of immediate financing is assured through unutilised bank overdraft facilities.

As the Group operates internationally, it is exposed to a variety of **currency risks**. The Group did not hedge its payment flows during the financial year, since the flows in accounts receivable and accounts payable are largely in balance. Exposures in foreign subsidiaries are not hedged.

Another type of risk that the Group is exposed to is **regulatory risk**. The patent office industry is constantly exposed to risks related to amendments to laws, rules and conventions within intangible rights.

**Sustainability Report**

In accordance with Chapter 6, section 11 of the Annual Accounts Act, the Group has chosen to prepare the statutory Sustainability Report separate from the Annual Report. The Sustainability Report has been submitted to the auditor at the same time as the Annual Report. The Sustainability Report is available at [www.awa.com](http://www.awa.com). This sustainability report includes Awa Holding AB and its subsidiaries.

**Expected future development**

The Group's overriding goal continues to be to maintain and develop its leading position in Scandinavia and achieve a corresponding leading position in its other European home markets. It is also the Group's goal to achieve a leading position on the Chinese market among non-Chinese companies and agents.

**Proposed appropriation of profit (SEK)**

The following profit is at the disposal of the annual general meeting:	
Profit carried forward	65,902,384,50
Profit for the year	38,292,542,33
	<b>104,194,926,83</b>
The Board of Directors proposes that	
is distributed to shareholders	33,750,000,00
is carried forward	70,444,926,83
	<b>104,194,926,83</b>

Group contributions of SEK 27,000,000 (TSEK 30,000) were received from subsidiaries.

**The Board of Directors' statement on the proposed dividend**

The Board of Directors proposes that SEK 33,750,000 be distributed as dividend, which is equivalent to SEK 135 per share. The dividend will be paid in two parts; SEK 75 on 13 May 2022 and SEK 60 on 27 October 2022. The Board of Directors considers that the proposed dividend is justified for both the company and the Group in the light of the demands which the nature, scope and risks of the operations impose on the size of the company's and the Group's equity, as well as the company's and the Group's consolidation requirements, liquidity and position in general.

For the profit and position of the parent company and the Group in general, refer to the following profit and loss account, balance sheet, statement of equity, statement of cash flows as well as notes.



## Consolidated income statement

Amounts in SEK	Note	2021	2020
<b>Operating income</b>			
Net sales	3	943,859,124	899,524,224
Other operating income	4	846,660	1,145,050
<b>Total operating income</b>		<b>944,705,784</b>	<b>900,669,274</b>
<b>Operating expense</b>			
Other external expense	5, 13	-494,931,597	-469,351,786
Personnel costs	6	-379,998,400	-354,227,710
Depreciation/amortisation of tangible and intangible assets	12	-9,886,952	-9,751,637
Other operating expense		-142,965	-4,048,424
<b>Total operating expense</b>		<b>-884,959,914</b>	<b>-837,379,557</b>
<b>Operating profit/loss</b>		<b>59,745,870</b>	<b>63,289,717</b>
<b>Profit/loss from financial income and expense</b>			
Profit/loss from other shareholdings	7	583,500	154,060
Other interest income and similar income	8	139,693	82,684
Interest expense and similar expenses	9	-849,469	-925,920
<b>Net financial income and expense</b>		<b>-126,276</b>	<b>-689,176</b>
<b>Profit/loss after financial income and expense</b>		<b>59,619,594</b>	<b>62,600,541</b>
Tax on profit for the year	11	-15,219,824	-14,308,871
<b>PROFIT/LOSS FOR THE YEAR</b>		<b>44,399,770</b>	<b>48,291,670</b>
<b>Attributable to:</b>			
Shareholders of the parent company		42,018,319	45,960,893
Minority interests		2,381,451	2,330,777

## Consolidated balance sheet

Amounts in SEK	Note	31 Dec 2021	31 Dec 2020
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>Intangible assets</b>	12		
Concessions, patents, licences, trademarks and similar rights		6,151,726	8,829,563
Goodwill		26,573,637	29,678,949
Ongoing projects for intangible assets		14,815,937	102,400
<b>Total intangible assets</b>		<b>47,541,300</b>	<b>38,610,912</b>
<b>Tangible assets</b>	12		
Accrued expenses on leased property		432,551	621,278
Equipment		5,515,191	7,055,729
<b>Total tangible assets</b>		<b>5,947,742</b>	<b>7,677,007</b>
<b>Financial assets</b>			
Other shareholdings	15	2,250,000	2,250,000
Other non-current receivables	17	3,520,251	2,832,870
<b>Total financial assets</b>		<b>5,770,251</b>	<b>5,082,870</b>
<b>Total non-current assets</b>		<b>59,259,293</b>	<b>51,370,789</b>
<b>CURRENT ASSETS</b>			
<b>Current receivables</b>			
Accounts receivable - trade		192,943,049	174,665,509
Accumulated uninvoiced income	18	21,416,255	18,631,608
Current tax assets		7,297,453	7,446,061
Other receivables		17,445,477	19,251,445
Prepaid expenses and accrued income	19	15,095,629	14,251,386
<b>Total current receivables</b>		<b>254,197,863</b>	<b>234,246,009</b>
<b>Cash and bank balances</b>	21	<b>45,645,184</b>	<b>47,580,852</b>
<b>Total current assets</b>		<b>299,843,047</b>	<b>281,826,861</b>
<b>TOTAL ASSETS</b>		<b>359,102,340</b>	<b>333,197,650</b>

Amounts in SEK	Note	31 Dec 2021	31 Dec 2020
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital (250,000 shares)		2,500,000	2,500,000
Other paid-up capital		500,000	547,479
Other equity including profit for the year		165,275,535	147,656,515
<b>Equity attributable to the parent company's shareholders</b>		<b>168,275,535</b>	<b>150,703,994</b>
<b>Minority interests</b>		<b>3,424,401</b>	<b>2,980,609</b>
<b>Total equity</b>		<b>171,699,936</b>	<b>153,684,603</b>
<b>PROVISIONS</b>			
Provisions for pensions, PRI		459,934	480,440
Other provisions for pensions		3,700	3,700
Deferred tax liability	16	129,114	430,375
<b>Total provisions</b>		<b>592,748</b>	<b>914,515</b>
<b>NON-CURRENT LIABILITIES</b>			
Liabilities to credit institutions	21	0	2,500,000
Other non-current liabilities		4,940,298	10,026,998
<b>Total non-current liabilities</b>		<b>4,940,298</b>	<b>12,526,998</b>
<b>CURRENT LIABILITIES</b>			
Liabilities to credit institutions	21	31,212,153	8,138,661
Advance payments from customers		2,297,114	2,843,671
Accounts payable – trade		44,778,229	41,097,329
Current tax liabilities		3,668,836	5,307,245
Other current liabilities	21	27,292,479	27,784,994
Accrued expenses and deferred income	20	72,620,547	80,899,634
<b>Total current liabilities</b>		<b>181,869,358</b>	<b>166,071,534</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>359,102,340</b>	<b>333,197,650</b>

## Consolidated statement of changes in equity

### Equity attributable to the parent company's shareholders

Amounts in SEK	Share capital	Other paid-up capital	Other equity including profit/loss for the year	Total equity attributable to the parent company's shareholders	Minority interests	Total equity
<b>Opening balance on 1 January 2020</b>	2,500,000	547,479	131,217,615	134,265,094	7,070,530	141,335,624
Profit for the year			45,960,893	45,960,893	2,330,777	48,291,670
Translation differences		0	-3,825,306	-3,825,306	-336,608	-4,161,914
<b>Total changes in value</b>	<b>0</b>	<b>0</b>	<b>42,135,587</b>	<b>42,135,587</b>	<b>1,994,169</b>	<b>44,129,756</b>
<b>Transactions with owners:</b>						
Dividend to owners			-23,750,000	-23,750,000	0	-23,750,000
Transactions with minority owners			-1,946,687	-1,946,687	-6,084,090	-8,030,777
<b>Total transactions with shareholders</b>	<b>0</b>	<b>0</b>	<b>-25,696,687</b>	<b>-25,696,687</b>	<b>-6,084,090</b>	<b>-31,780,777</b>
<b>CLOSING BALANCE ON 31 DECEMBER 2020</b>	<b>2,500,000</b>	<b>547,479</b>	<b>147,656,515</b>	<b>150,703,994</b>	<b>2,980,609</b>	<b>153,684,603</b>

Share capital 250,000 shares at a quota value of SEK 100.

### Equity attributable to the parent company's shareholders

Amounts in SEK	Share capital	Other paid-up capital	Other equity including profit/loss for the year	Total equity attributable to the parent company's shareholders	Minority interests	Total equity
<b>Opening balance on 1 January 2021</b>	2,500,000	547,479	147,656,515	150,703,994	2,980,609	153,684,603
Profit for the year			42,018,319	42,018,319	2,381,451	44,399,770
Translation differences		0	3,053,222	3,053,222	-36,319	3,016,903
<b>Total changes in value</b>	<b>0</b>	<b>0</b>	<b>45,071,541</b>	<b>45,071,541</b>	<b>2,345,132</b>	<b>47,416,673</b>
<b>Transactions with shareholders:</b>						
Dividend to owners			-27,500,000	-27,500,000	0	-27,500,000
Transactions with minority owners				0	-1,901,340	-1,901,340
<b>Total transactions with shareholders</b>	<b>0</b>	<b>0</b>	<b>-27,500,000</b>	<b>-27,500,000</b>	<b>-1,901,340</b>	<b>-29,401,340</b>
<b>CLOSING BALANCE ON 31 DECEMBER 2021</b>	<b>2,500,000</b>	<b>547,479</b>	<b>165,228,056</b>	<b>168,275,535</b>	<b>3,424,401</b>	<b>171,699,936</b>

Share capital 250,000 shares at a quota value of SEK 100.

## Consolidated statement of cash flows

Amounts in SEK	Note	2021	2020
<b>OPERATING ACTIVITIES</b>			
<b>Operating profit/loss</b>		<b>59,745,870</b>	<b>63,289,717</b>
Adjustments for items not included in the cash flow:			
Depreciation/amortisation		9,886,950	9,682,515
Other items not affecting cash flow		-39,809	-455,976
Received interest and similar income		723,193	236,744
Paid interest and similar expenses		-849,469	-925,920
Paid income tax		-17,013,202	-6,224,533
<b>Cash flow from operating activities before changes in working capital</b>		<b>52,453,533</b>	<b>65,602,547</b>
<b>Cash flow from changes in working capital</b>			
Decrease(+)/increase(-) of other current receivables		-17,842,700	14,910,669
Decrease(-)/increase(+) of other current liabilities		-4,391,899	14,817,784
<b>Cash flow from operating activities</b>		<b>30,218,934</b>	<b>95,331,000</b>
<b>Investing activities</b>			
Acquisitions of subsidiaries		0	-2,498,474
Transactions with minority owners		-1,901,340	-5,396,090
Acquisition of intangible assets		-14,758,014	-1,877,593
Acquisition of tangible assets		-1,746,587	-2,215,825
Settlement of financial assets		-563,284	-496,104
<b>Cash flow from investing activities</b>		<b>-18,969,225</b>	<b>-12,484,086</b>
<b>FINANCING ACTIVITIES</b>			
Change in liabilities to credit institutions		-5,000,000	-5,000,000
Interest-bearing liabilities		23,073,492	-41,211,190
Other non-current liabilities		-5,086,700	-3,313,290
Dividend paid		-27,500,000	-23,750,000
<b>Cash flow from financing activities</b>		<b>-14,513,208</b>	<b>-73,274,480</b>
<b>Cash flow for the year</b>		<b>-3,263,499</b>	<b>9,572,434</b>
<b>Cash and cash equivalents at start of year</b>		<b>47,580,852</b>	<b>40,210,358</b>
<b>Exchange rate difference in cash and cash equivalents</b>		<b>1,327,831</b>	<b>-2,201,940</b>
<b>Cash and cash equivalents at end of year</b>	21	<b>45,645,184</b>	<b>47,580,852</b>

## Parent company's profit and loss account

Amounts in SEK	Note	2021	2020
<b>Operating income</b>			
Net sales		0	0
Other operating income	4	321,132	647,962
<b>Total operating income</b>		<b>321,132</b>	<b>647,962</b>
<b>Operating expense</b>			
Other external expense	5	-231,486	-3,080
Personnel costs	6	-944,889	-946,913
<b>Total operating expense</b>		<b>-1,176,375</b>	<b>-949,993</b>
<b>Operating profit/loss</b>		<b>-855,243</b>	<b>-302,031</b>
<b>Profit/loss from financial income and expense</b>			
Profit/loss from interests in Group companies	7	18,028,825	15,395,803
Profit/loss from other shareholdings	7	583,500	154,060
Interest expense and similar expenses	9	-1,600,126	-1,720,396
<b>Net financial income and expense</b>		<b>17,012,199</b>	<b>13,829,467</b>
<b>Profit/loss after financial income and expense</b>		<b>16,156,956</b>	<b>13,527,436</b>
<b>Balance sheet appropriations</b>	10		
Group contribution received		27,000,000	30,000,000
<b>Profit before tax</b>		<b>43,156,956</b>	<b>43,527,436</b>
Tax on profit for the year	11	-4,864,414	-5,987,201
<b>PROFIT/LOSS FOR THE YEAR</b>		<b>38,292,542</b>	<b>37,540,235</b>

## Parent company's balance sheet

Amounts in SEK	Note	31 Dec 2021	31 Dec 2020
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>Financial assets</b>			
Participations in Group companies	14	145,074,449	145,302,769
Other shareholdings	15	2,250,000	2,250,000
<b>Total financial assets</b>		<b>147,324,449</b>	<b>147,552,769</b>
<b>Total non-current assets</b>		<b>147,324,449</b>	<b>147,552,769</b>
<b>CURRENT ASSETS</b>			
<b>Current receivables</b>			
Current tax assets		0	0
Other receivables		1,614,026	0
<b>Total current receivables</b>		<b>1,614,026</b>	<b>0</b>
<b>Cash and bank balances</b>		<b>7,175,020</b>	<b>218,618</b>
<b>Total current assets</b>		<b>8,789,046</b>	<b>218,618</b>
<b>TOTAL ASSETS</b>		<b>156,113,495</b>	<b>147,771,387</b>

## Parent company's balance sheet, continued

Amounts in SEK	Note	31 Dec 2021	31 Dec 2020
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
<b>Restricted equity</b>			
Share capital (250,000 shares)		2,500,000	2,500,000
Statutory reserve		500,000	500,000
<b>Total restricted equity</b>		<b>3,000,000</b>	<b>3,000,000</b>
<b>Non-restricted equity</b>			
Profit/loss carried forward		65,902,385	55,862,149
Profit/loss for the year		38,292,542	37,540,235
<b>Total non-restricted equity</b>		<b>104,194,927</b>	<b>93,402,384</b>
<b>Total equity</b>		<b>107,194,927</b>	<b>96,402,384</b>
<b>NON-CURRENT LIABILITIES</b>			
	21		
Liabilities to credit institutions		0	2,500,000
Other non-current liabilities		4,940,298	10,026,998
<b>Total non-current liabilities</b>		<b>4,940,298</b>	<b>12,526,998</b>
<b>CURRENT LIABILITIES</b>			
Liabilities to credit institutions	21	2,500,000	5,000,000
Liabilities to group companies		33,287,144	26,754,924
Current tax liabilities		3,202,828	2,073,571
Other current liabilities	21	4,940,298	5,013,510
Accrued expenses and deferred income	20	48,000	0
<b>Total current liabilities</b>		<b>43,978,270</b>	<b>38,842,005</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>156,113,495</b>	<b>147,771,387</b>

## Parent company's statement of equity

Amounts in SEK	<i>Restricted equity</i>		<i>Non-restricted equity</i>		Total equity
	Share capital	Statutory reserve	Profit/loss carried forward	Profit/loss for the year	
<b>Opening balance on 1 January 2020</b>	<b>2,500,000</b>	<b>500,000</b>	<b>61,470,818</b>	<b>18,141,331</b>	<b>82,612,149</b>
Allocation of profit of previous year			18,141,331	-18,141,331	0
Profit/loss for the year				37,540,235	37,540,235
<b>Total changes in value</b>	<b>0</b>	<b>0</b>	<b>18,141,331</b>	<b>19,398,904</b>	<b>37,540,235</b>
Transactions with owners:					
Dividend to owners			-23,750,000		-23,750,000
<b>Total transactions with shareholders</b>	<b>0</b>	<b>0</b>	<b>-23,750,000</b>	<b>0</b>	<b>-23,750,000</b>
<b>CLOSING BALANCE ON 31 DECEMBER 2020</b>	<b>2,500,000</b>	<b>500,000</b>	<b>55,862,149</b>	<b>37,540,235</b>	<b>96,402,384</b>

Share capital 250,000 shares at a quota value of SEK 100.

Amounts in SEK	<i>Restricted equity</i>		<i>Non-restricted equity</i>		Total equity
	Share capital	Statutory reserve	Profit/loss carried forward	Profit/loss for the year	
<b>Opening balance on 1 January 2021</b>	<b>2,500,000</b>	<b>500,000</b>	<b>55,862,150</b>	<b>37,540,235</b>	<b>96,402,384</b>
Allocation of profit of previous year			37,540,235	-37,540,235	0
Profit/loss for the year				38,292,542	38,292,542
<b>Total changes in value</b>	<b>0</b>	<b>0</b>	<b>37,540,235</b>	<b>752,307</b>	<b>38,292,542</b>
Transactions with owners:					
Dividend to owners			-27,500,000		-27,500,000
<b>Total transactions with shareholders</b>	<b>0</b>	<b>0</b>	<b>-27,500,000</b>	<b>0</b>	<b>-27,500,000</b>
<b>CLOSING BALANCE ON 31 DECEMBER 2021</b>	<b>2,500,000</b>	<b>500,000</b>	<b>65,902,385</b>	<b>38,292,542</b>	<b>107,194,926</b>

Share capital 250,000 shares at a quota value of SEK 100.



## Parent company's statement of cash flows

Amounts in SEK	2021	2020
<b>OPERATING ACTIVITIES</b>		
Operating profit/loss	-855,243	-302,031
Adjustments for items not included in the cash flow:		
Liquidation of subsidiaries	228,320	0
Paid interest and similar expenses	-1,600,126	-1,720,396
Paid income tax	-3,735,157	1,353,369
<b>Cash flow from operating activities before changes in working capital</b>	<b>-5,962,206</b>	<b>-669,058</b>
<b>Cash flow from changes in working capital</b>		
Decrease(+)/increase(-) of other current receivables	-1,614,026	5,960
Decrease(-)/increase(+) of other current liabilities	33,507,008	10,776,821
<b>Cash flow from operating activities</b>	<b>25,930,776</b>	<b>10,113,723</b>
<b>INVESTING ACTIVITIES</b>		
Dividend received	18,612,325	15,549,863
Acquisitions of subsidiaries	0	-2,320,038
Repayment of shareholders' contributions	0	8,472,422
<b>Cash flow from investing activities</b>	<b>18,612,325</b>	<b>21,702,247</b>
<b>FINANCING ACTIVITIES</b>		
Borrowings	-5,000,000	-5,000,000
Change non-current liabilities	-5,086,700	-3,313,290
Dividend paid	-27,500,000	-23,750,000
<b>Cash flow from financing activities</b>	<b>-37,586,700</b>	<b>-32,063,290</b>
<b>Cash flow for the year</b>	<b>6,956,401</b>	<b>-247,320</b>
<b>Cash and cash equivalents at start of year</b>	<b>218,619</b>	<b>465,939</b>
<b>Cash and cash equivalents at end of year</b>	<b>7,175,020</b>	<b>218,619</b>

# Notes

## NOTE 1 – GENERAL DISCLOSURES

AWA Holding AB, CIN 556388-3940, is a limited company registered in Sweden with its registered office in Malmö. The address of the head office is Matrosgatan 1, 200 71 Malmö, Sweden. The company and its subsidiaries' ("the Group's") operations comprise consulting operations in the fields of intellectual property rights and marketing law, and offer services relating to the establishment, defence, commercialisation and management of intellectual property rights, as well as the provision of general advice on intellectual property rights, marketing law and associated matters.

## NOTE 2 – ACCOUNTING AND VALUATION PRINCIPLES

The Group and the company apply the Swedish Annual Accounts Act (1995:1554) and the Swedish Accounting Standards Board's general advice and guidelines, BFNAR 2012:1 Annual report and consolidated financial statements ("K3"). The accounting principles have not changed compared to the previous year.

### Consolidated financial statements

The consolidated financial statements cover the parent company AWA Holding AB and the companies over which the parent company directly or indirectly has a controlling influence (subsidiary). Controlling influence entails an entitlement to structure another company's financial and operational strategies with the aim of obtaining financial benefits. During the assessment of whether controlling influence exists, the holding of financial instruments which are potentially qualified to vote should be taken into account as well as financial instruments which, without delay, can be utilised or converted to equity instruments qualified to vote. It should also be considered whether the company, through an agent, has the opportunity to control the operations. Controlling influence normally exists when the parent company directly or indirectly has shares which represent more than 50% of the votes.

A subsidiary's income and expense are included in the consolidated financial statements as of the timing of the acquisition up until the time the parent company no longer has a controlling influence over the subsidiary. See the section Business combinations below for reporting of acquisition and transfer of subsidiary.

The accounting principles for the subsidiary conform to the Group's accounting principles. All intra-group transactions, dealings and unrealised gains and losses attributable to intra-group transactions have been eliminated during the preparation of the consolidated financial statements.

### Business combinations

Business combinations are recognised in accordance with the acquisition method.

The purchase price of the business combination is measured at the fair value at the time of acquisition, which is calculated as the total of fair values on the acquisition date for paid assets, accrued or assumed liabilities as well as issued equity instruments and expenses which are directly attributable to the business combination. Examples of expenses are transaction costs. The purchase price includes contingent consideration, provided that on the acquisition date it is likely that the purchase price will be adjusted at a later date and that the amount can be estimated in a reliable manner. The cost of the acquired entity is adjusted on the balance sheet date and when the final purchase price has been determined, however

no later than one year after the acquisition date.

The identifiable acquired assets and assumed liabilities are recognised at fair value on the acquisition date with the following exceptions:

- pension commitments are determined in accordance with K3, Chapter 28 Employee benefits,
- deferred tax assets and deferred tax liabilities are determined in accordance with K3, Chapter 29 Income taxes,
- liabilities for share-related benefits are determined in accordance with K3, Chapter 26 Share-related benefits,
- intangible assets without an active market, as well as
- contingent liabilities which are measured in accordance with K3, Chapter 21 Provisions, contingent liabilities and contingent assets.

### Goodwill and negative goodwill

In a business combination where the sum of the purchase price, fair value of the minority's participations and fair value on the acquisition date of previous shareholdings exceeds the fair value on the acquisition date of identifiable acquired net assets, the difference is recognised as goodwill in the consolidated balance sheet. If the difference is negative, the value of identifiable assets and liabilities should be reconsidered. Negative goodwill which corresponds to expected future losses is taken up as income as the losses are incurred. Negative goodwill which corresponds to the fair value of non-monetary assets is dissolved in the profit and loss account during the assets' remaining weighted average useful life. The share of negative goodwill which exceeds the identifiable non-monetary assets' fair value is recognised directly in the profit and loss account. Also see the section Goodwill below.

### Goodwill

Goodwill comprises the difference between the cost and the Group's share of the fair value of an acquired subsidiaries' identifiable assets and liabilities on the acquisition date. On the acquisition date, goodwill is recognised at cost and after the first accounting date it is measured at cost less deductions for amortization and any write-downs. Goodwill is amortised over the expected useful life, which according to the description in Note 12 is estimated to be 10 years.

On each balance sheet date, the company assesses whether there is any indication of that the goodwill value is lower than the carrying amount. If there is such an indication, the company calculates the recoverable amount of goodwill and prepares a write-down review.

During reviews of the write-down requirement, goodwill is distributed among the cash generative entities which are expected to benefit from the acquisition. If the recoverable amount of a cash generative entity is determined at a lower value than the carrying amount, the amount of write-down is distributed, first the carrying amount of goodwill attributable to the cash generative entity is reduced, and then the carrying amount of other assets in proportion to the carrying amount of each asset in the entity is reduced.

A disclosed write-down of goodwill is re-entered in a later period only if the write-down was the result of a specific external circumstance of an unusual nature which is not expected to be repeated and subsequent events have occurred which reverse the effects of this circumstance.

### Income

Income is recognised at the fair value of the compensation which has been received or will be received, after deducting value-added tax, discounts, returns and similar deductions.

The Group's income mainly comprises:

#### *Sales of services*

Income from sales of services on current account is recognised as income in the period the work is performed and material is delivered or used.

Income from sale of services at fixed price is recognised with application of the so-called percentage of completion method. This means that income and expenses are recognised in relation to the contract's stage of completion on the balance sheet date. The stage of completion is determined through a calculation of the relationship between the accrued contract costs for performed work on the balance sheet date and the estimated total contract costs. An expected loss for an official order is immediately recognised as a cost. When the outcome of an official order cannot be calculated in a reliable manner, revenue recognition only takes place by amounts which correspond to accrued contract costs which will probably be compensated by the purchaser. Contract costs are recognised as expenses in the period they are incurred.

#### *Dividend and interest income*

Dividend income is recognised when the owner's entitlement to receive payment has been determined.

#### **Lease**

In a finance lease, the economic risks and benefits associated with ownership of an asset are transferred in all essential respects from the lessor to lessee. Other leases are classified as operational leases. Subsidiaries hire vehicles from Handelsbanken Finans. This is done through finance leasing. In view of the fact that the value is insignificant for the Group as a whole, leasing is treated as operating leases in the financial statements.

Leasing fees for operational leases are expensed linearly over the leasing period.

#### **Foreign currency**

The parent company's accounting currency is Swedish kronor (SEK).

#### *Translation of items in foreign currency*

On each balance sheet date, monetary items in foreign currencies are translated at the exchange rate on the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are not translated. Exchange rate differences are recognised in operating profit/loss or as financial income and expense based on the underlying business transaction, in the period they arise, with the exception of hedging transactions that meet the criteria for hedge accounting of cash flows or net investments.

#### *Translation of subsidiaries and foreign operations*

During preparation of the consolidated financial statements, the assets and liabilities of foreign subsidiaries are translated to Swedish kronor in accordance with the rate on the balance sheet date. Income and expense items are translated at average rates of exchange in the period, unless the rate of exchange has fluctuated significantly in the period, when the rate of exchange ruling on the transaction date is used instead. Potential translation differences which arise are recognised directly against equity. When selling a foreign subsidiary, such translation differences are recognised in the profit and loss account as a part of the capital gain.

Goodwill and adjustments of fair value which arise during acquisition of a foreign business are addressed as assets and liabilities in this business and are translated to the rate on the balance sheet date.

#### **Employee benefits**

Employee benefits in the form of salaries, bonuses, paid holidays, paid sickness absence etc. as well as pensions are recognised as they are accrued. In terms of pensions and other benefits after the employment has ended, these are classified as defined contribution or defined benefit pension plans. The Group only has defined benefit pension plans in the form of payments to PRI under personal management. In accordance with the simplification rule in points 28.18-28.22, the pension liability is recognised in accordance with the amount data which is received from the independent company PRI. There are no other long-term employee benefits.

#### *Defined contribution plans*

For defined contribution plans for Alecta, the Group pays fixed fees to a separate independent legal entity and has no obligation to pay additional fees. The consolidated earnings are encumbered for costs in line with benefits being accrued, which normally does not coincide with the premium payment date.

#### **Income taxes**

The tax expense comprises the total of current tax and deferred tax.

#### *Current tax*

Current tax is calculated on the taxable profit for the period. The taxable profit differs from the recognised profit in the profit and loss account as it has been adjusted for non-taxable income and non-deductible expenses and for income and expenses which are taxable or deductible in other periods. The consolidated current tax liability is calculated in accordance with the tax rates which apply on the balance sheet date.

#### *Deferred tax*

Deferred tax is recognised for temporary differences between the carrying amount of assets and liabilities in the financial reports and the tax base which is used for calculation of the taxable profit. Deferred tax is recognised in accordance with the balance sheet liability method. Deferred tax liabilities are recognised for practically all taxable temporary differences, and deferred tax assets are recognised practically for all deductible temporary differences to the extent it is likely that the amounts can be used to offset future taxable profits. Deferred tax liabilities and deferred tax assets are not recognised if the temporary difference is attributable to goodwill.

The measurement of deferred tax is based on how the company, on the balance sheet date, expects to recover the carrying amount of the corresponding asset or regulate the measured value of corresponding debt. Deferred tax is calculated based on the tax rates and tax rules which have been determined before the balance sheet date.

#### **Tangible assets**

Tangible assets are recognised at cost less deduction for accumulated depreciation and any write-downs.

The cost comprises of the purchase price, expenses which are directly attributable to the acquisition of bringing it on site and in a condition it can be used, as well as estimated expenses of dismantling and removal of the asset and restoration of its location. Additional expenses are only included in the asset or recognised as a separate asset, when it is likely that future financial benefits associated with the item will accrue to the Group and that its cost can be measured in a reliable manner. All other costs of repair and maintenance and additional expenses are recognised in the profit and loss account in the period they are incurred.

When the difference in the consumption of a tangible asset's significant components is not considered as essential, the assets have not been divided among the components.

Depreciation of tangible assets is expensed so that the asset's cost, possibly reduced with the estimated residual value during the end of the useful life, is depreciated linearly over its estimated useful life. If an asset has been divided among different components, each component is depreciated separately over its useful life. Depreciation starts when the tangible asset can be utilised. The useful life of tangible assets is stated in note 12.

#### Depreciation of tangible assets and intangible assets excluding goodwill

On each balance sheet date, the Group analyses the carrying amounts of tangible assets and intangible assets to determine whether there is any indication that the value of these assets has declined. If this is the case, the asset's recoverable amount is calculated to be able to determine the value of any depreciation. When it is not possible to estimate the recoverable amount of an individual asset, the Group calculates the recoverable amount of the cash generative entity to which the asset belongs.

#### Cash and cash equivalents

Cash and cash equivalents include cash resources and disposable deposits in banks and other credit institute as well as other current liquid investments which can easily be converted to cash and are the subject of an insignificant risk of fluctuations in value. In order to be classified as cash and cash equivalents, the term may not exceed three months from the date of acquisition.

#### Provisions

Provisions are recognised when the Group has an existing commitment (legal or informal), which as a result of an event that has occurred, it is likely that an outflow of resources will be necessary to settle the commitment, and the amount can be reliably measured.

#### Statement of cash flows

The statement of cash flows shows the Group's changes to the companies' cash and cash equivalents during the financial year. The statement of cash flows has been prepared in accordance with the indirect method. The recognised cash flow only covers transactions which entailed inward and outward payments.

#### Accounting principles for the parent company

The differences between the accounting principles of the parent company and the Group are described below:

#### Subsidiaries

Interests in subsidiaries are recognised at cost. Dividends from subsidiaries are recognised as income when the entitlement to receive dividends is assessed as safe and can be calculated in a reliable manner.

#### Group contributions

Received and paid group contributions are recognised as balance sheet appropriations in the profit and loss account.

#### Taxes

In the parent company untaxed reserves including deferred tax liability are recognised. However, in the consolidated financial statements untaxed reserves are divided among deferred tax liability and equity.

### NOTE 3 – NET SALES BY GEOGRAPHICAL MARKET

	The Group	
	2021 (MSEK)	2020 (MSEK)
Sweden	458	431
Denmark	104	98
USA	90	94
Belgium	88	89
Malta	30	15
Switzerland	21	20
Germany	20	20
Norway	20	13
Netherlands	13	11
France	11	11
Other	89	98
<b>Total</b>	<b>944</b>	<b>900</b>

### NOTE 4 – OTHER OPERATING INCOME

	The Group		Parent company	
	2021	2020 (TSEK)	2021	2020 (TSEK)
Exchange gains	846,660	1,145	321,132	648
<b>Total</b>	<b>846,660</b>	<b>1,145</b>	<b>321,132</b>	<b>648</b>

## NOTE 5 – DISCLOSURE OF REMUNERATION TO THE AUDITOR

	The Group	
	2021	2020 (TSEK)
<b>Deloitte AB</b>		
Audit engagement	220,000	230
Other audit-related fees	56,200	0
Tax consultancy fees	262,200	39
Other services	155,600	15
<b>Other audit companies</b>		
Audit engagement	334,784	317
Other audit-related fees	20,461	32
Tax consultancy fees	25,272	12
Other services	108,431	117
<b>Total</b>	<b>1,182,948</b>	<b>762</b>

The audit fee for the parent company was expensed in its entirety in the operating subsidiary, Awa Sweden AB.

Audit engagement refers to the auditor's remuneration for the statutory audit. The work entails review of the annual report, consolidated financial statements and accounting, as well as management by the Board and CEO and remuneration for tax consultancy which is provided in connection with the audit engagement.

## NOTE 6 – NUMBER OF EMPLOYEES, SALARIES, OTHER REMUNERATION AND SOCIAL SECURITY EXPENSES

Average number of employees	2021		2020	
	Number of employees	Of which men	Number of employees	Of which men
Sweden	228	98	231	100
Hong Kong	5	1	5	1
China	17	3	16	3
Denmark	39	17	43	18
Belgium	27	10	28	10
Switzerland	4	1	1	0
Norway	3	2	1	1
<b>Total in the Group</b>	<b>323</b>	<b>132</b>	<b>325</b>	<b>133</b>

The Parent company has no employees.

Division senior executives on the balance sheet date	The Group		Parent company	
	2021	2020	2021	2020
<b>Women:</b>				
Members of the Board of Directors	6	4	3	2
other persons in the company's management incl. CEO	4	4	4	4
<b>Men:</b>				
Members of the Board of Directors	9	11	4	5
other persons in the company's management incl. CEO	6	5	6	5
<b>Total</b>	<b>25</b>	<b>24</b>	<b>17</b>	<b>16</b>

	2021		2020	
	Salaries and other benefits	Social security expenses (of which pension costs)	Salaries and other benefits	Social security expenses (of which pension costs)
<b>Salaries, other benefits, etc.</b>			(TSEK)	(TSEK)
Parent company	737,517	207,372	732	215
		(0)		(0)
Subsidiaries	251,371,846	104,167,991	238,446	92,517
		(38,913,193)		(33,885)
<b>Total in the Group</b>	<b>252,109,363</b>	<b>104,375,363</b>	<b>239,178</b>	<b>92,732</b>
		<b>(38,913,193)</b>		<b>(33,885)</b>

	2021		2020	
	Board of Directors and CEO (of which bonuses and similar)	Other employees	Board of Directors and CEO (of which bonuses and similar)	Other employees
<b>Salaries and other benefits divided between members of the Board of Directors and employees</b>			(TSEK)	(TSEK)
Parent company	737,517	0	732	0
	(0)		(0)	
Subsidiaries	9,775,922	241,595,925	10,128	228,318
	(557,348)		(897)	
<b>Total in the Group</b>	<b>10,513,439</b>	<b>241,595,925</b>	<b>10,860</b>	<b>228,318</b>
	<b>(557,348)</b>		<b>(897)</b>	

SEK 15,501,321 (TSEK 17,809) of the Group's total salary costs relates to performance-related variable salary. In addition, a profit sharing provision was made of SEK 3,884,400 (TSEK 4,008), including special employer's contribution.

#### Pensions

The Group's cost for defined contribution plans amounts to SEK 32,186,314 (TSEK 27,640). The parent company's cost for defined contribution plans amounts to SEK 0 (TSEK 0). The Group does not have any defined benefit pension plans besides payments to PRI.

SEK 518,163 (TSEK 419) of pension costs relates to the Group's Board of Directors and CEO.

#### Severance pay agreements

A mutual period of notice of six months applies to the appointed officer unless otherwise agreed.

### NOTE 7 – PROFIT FROM PARTICIPATIONS IN GROUP COMPANIES AND ASSOCIATES

	The Group		Parent company	
	2021	2020 (TSEK)	2021	2020 (TSEK)
Dividends from subsidiaries	0	0	18,028,825	15,396
Dividends from associates	583,500	154	583,500	154
<b>Total</b>	<b>583,500</b>	<b>154</b>	<b>18,612,325</b>	<b>15,550</b>

### NOTE 8 – OTHER INTEREST INCOME AND SIMILAR INCOME

	The Group	
	2021	2020 (TSEK)
Interest income, external	139,693	83
Capital gain on investments in securities	0	0
<b>Total</b>	<b>139,693</b>	<b>83</b>

**NOTE 9 – INTEREST EXPENSE AND SIMILAR EXPENSES**

	The Group		Parent company	
	2021	2020 (TSEK)	2021	2020 (TSEK)
Interest expense, external	849,469	926	181,885	335
Interest expense, group companies	0	0	1,418,241	1,385
<b>Total</b>	<b>849,469</b>	<b>926</b>	<b>1,600,126</b>	<b>1,720</b>

**NOTE 10 – BALANCE SHEET APPROPRIATIONS**

	Parent company	
	2021	2020 (TSEK)
Group contribution received	27,000,000	30,000
<b>Total</b>	<b>27,000,000</b>	<b>30,000</b>

**NOTE 11 – TAX ON PROFIT/LOSS FOR THE YEAR**

	The Group		Parent company	
	2021	2020 (TSEK)	2021	2020 (TSEK)
Current tax	-15,545,406	-14,331	-4,864,414	-5,987
Deferred tax	325,582	45	0	0
<b>Tax on profit for the year</b>	<b>-15,219,824</b>	<b>-14,286</b>	<b>-4,864,414</b>	<b>-5,987</b>

**Reconciliation tax expense of the year**

	The Group		Parent company	
	2021	2020 (TSEK)	2021	2020 (TSEK)
Disclosed profit before tax	59,619,594	62,601	43,156,956	43,527
Tax estimated in accordance with Swedish tax rate (20.6 %)	-12,281,636	-13,397	-8,890,333	-9,315
Tax effect of non-deductible expenses	-1,306,960	-1,599	-4,392	0
Tax effect of tax-exempt income	524,590	1,008	3,834,139	3,328
Change in tax rate	-231,923		-196,528	0
Effect of other tax rates for foreign subsidiaries	-410,553	493	0	0
Non-deductible expense for goodwill	-749,004	-804	0	0
Non-reported deferred tax claim/liability	-1,187,523	0	0	0
<b>Total</b>	<b>-15,643,009</b>	<b>-14,299</b>	<b>-5,257,114</b>	<b>-5,987</b>
Adjustments which are recognised this year for current tax of previous year	423,185	13	392,700	0
<b>Recognised tax expense of the year</b>	<b>-15,219,824</b>	<b>-14,286</b>	<b>-4,864,414</b>	<b>-5,987</b>

**NOTE 12 – INTANGIBLE AND TANGIBLE NON-CURRENT ASSETS**

Non-current assets are depreciated/amortised on a straight-line basis over their estimated economic life. The following depreciation/amortisation periods are applied:

Intangible assets	5 years
Goodwill	10 years
Computer equipment	3–5 years
Equipment and fittings	5 years
Accrued expenses on leased property	20 years

The acquisition of Pronovem Office Van Malderen S.A. and Pronovem Marks S.A. was a strategic acquisition with a major impact on the Group's long-term profit generation. For this reason, it is estimated to have an economic life of ten years.

	The Group	
	2021	2020 (TSEK)
<b>Concessions, patents, licences, trademarks and similar rights</b>		
Opening cost	13,208,994	6,725
Acquisitions of subsidiaries	0	0
Purchasing	0	1,878
Reclassification of ongoing projects	0	4,627
Translation difference	9,817	-20
<b>Closing accumulated cost</b>	<b>13,218,811</b>	<b>13,210</b>
Opening depreciation/amortisation	-4,379,431	-2,135
Acquisitions of subsidiaries	0	0
Depreciation for the year according to plan	-2,677,837	-2,265
Translation difference	-9,817	20
<b>Closing accumulated depreciation/amortisation</b>	<b>-7,067,085</b>	<b>-4,380</b>
<b>Closing carrying amount according to plan</b>	<b>6,151,726</b>	<b>8,830</b>
<b>Goodwill</b>		
Opening cost	35,974,490	37,381
Acquisitions of subsidiaries	0	0
Disposals	0	0
Translation difference	678,812	-1,406
<b>Closing accumulated cost</b>	<b>36,653,302</b>	<b>35,975</b>
Opening depreciation/amortisation	-6,295,541	-2,804
Disposals	0	0
Depreciation for the year according to plan	-3,635,941	-3,758
Translation difference	-148,183	266
<b>Closing accumulated depreciation/amortisation</b>	<b>-10,079,665</b>	<b>-6,296</b>
<b>Closing carrying amount according to plan</b>	<b>26,573,637</b>	<b>29,679</b>
<b>Ongoing projects for intangible assets</b>		
Opening cost	102,400	4,729
Purchasing	14,713,537	1,707
Reclassifications	0	-6,334
<b>Closing ongoing projects</b>	<b>14,815,937</b>	<b>102</b>
<b>Accrued expenses on leased property</b>		
Opening cost	3,449,992	3,528
Acquisitions of subsidiaries	0	0
Purchasing	0	46
Translation difference	91,092	-124
Sales/disposals	-2,568	0
<b>Closing accumulated cost</b>	<b>3,538,516</b>	<b>3,450</b>
Opening depreciation for the year according to plan	-2,828,714	-2,672
Acquisitions of subsidiaries	0	0
Sales/disposals	2,568	0
Depreciation for the year according to plan	-194,973	-272
Translation difference	-84,846	115
<b>Closing accumulated depreciation according to plan</b>	<b>-3,105,965</b>	<b>-2,829</b>
<b>Closing carrying amount according to plan</b>	<b>432,551</b>	<b>621</b>
<b>Fixtures and fittings</b>		
Opening cost	326,481	326
<b>Closing accumulated cost</b>	<b>326,481</b>	<b>326</b>
Opening depreciation for the year according to plan	-326,481	-326
<b>Closing accumulated depreciation according to plan</b>	<b>-326,481</b>	<b>-326</b>
<b>Closing carrying amount according to plan</b>	<b>0</b>	<b>0</b>



	The Group	
	2021	2020 (TSEK)
<b>Equipment</b>		
Opening cost	53,520,622	52,160
Liquidation of subsidiaries	-6,783	0
Purchasing	2,127,575	1,967
Sales/disposals	-1,915,360	-366
Translation difference	95,275	-240
<b>Closing accumulated cost</b>	<b>53,821,329</b>	<b>53,521</b>
Opening depreciation for the year according to plan	-46,464,893	-43,814
Liquidation of subsidiaries	6,783	0
Sales/disposals	1,524,475	560
Depreciation for the year according to plan	-3,318,307	-3,387
Translation difference	-54,196	176
<b>Closing accumulated depreciation according to plan</b>	<b>-48,306,138</b>	<b>-46,465</b>
<b>Closing carrying amount according to plan</b>	<b>5,515,191</b>	<b>7,056</b>

### NOTE 13 – LEASES

#### Operational leases – lessee

Subsidiaries hire vehicles from ALD Automotive AB. The majority are hired through finance leases. In view of the fact that the value is insignificant for the Group as a whole, leasing is treated as operating leases in the financial statements. A transition to operating leases has begun.

The year's total expensed lease fees amount to SEK 3,641,815 (TSEK 4,736) in the Group. Future minimum lease payments for non-cancellable operational leases mature in accordance with the following:

	The Group	
	2021	2020 (TSEK)
Maturity date:		
Within one year	2,928,959	2,631
Later than one year but within five years	3,290,574	3,833
<b>Total</b>	<b>6,219,533</b>	<b>6,464</b>

There is no credit limit on vehicle leases.

### NOTE 14 – PARTICIPATIONS IN GROUP COMPANIES

	Parent company	
	2021	2020 (TSEK)
Opening cost	151,902,769	158,055
Acquisitions of subsidiaries	0	2,320
Shareholders' contributions repaid	0	-8,472
Liquidation of subsidiaries	-228,320	0
<b>Closing accumulated cost</b>	<b>151,674,449</b>	<b>151,903</b>
Opening balance, impairment	-6,600,000	-6,600
<b>Closing accumulated depreciation</b>	<b>-6,600,000</b>	<b>-6,600</b>
<b>Closing carrying amount</b>	<b>145,074,449</b>	<b>145,303</b>

Name of company	Share of equity	Share of voting	Number of shares	Carrying amount	
				2021	2020 (TSEK)
AWA Sweden AB	100%	100%	4,000	39,935,305	39,935
AWA Denmark A/S	100%	100%	1,500	41,177,395	41,178
AWA IPro AB	100%	100%	1,000	100,000	100
Awapatent GmbH	100%	100%		0	228
AWA Asia Ltd.	77.5%	77.5%	1000	2,290,687	2,291
AWA Benelux S.A.	100%	100%	6,357	61,541,710	61,542
AWA Norway AS	100%	100%	100	29,352	29
<b>Total</b>				<b>145,074,449</b>	<b>145,303</b>

Name of company	Corporate identity number	Registered office
AWA Sweden AB	556082-7023	Malmö
AWA Denmark A/S	26379342	Copenhagen
AWA IPro AB	556862-2723	Malmö
Awapatent GmbH	HRB9651	Wolfenbüttel
AWA Asia Ltd.	2121077	Hong Kong
AWA Benelux S.A.	BE0473.077.314	Brussels
AWA Norway AS	925 400 262	Hagan

**NOTE 15 – OTHER SHAREHOLDINGS**

	The Group		Parent company	
	2021	2020 (TSEK)	2021	2020 (TSEK)
Opening carrying amount	2,250,000	2,250	2,250,000	2,250
Acquisition of other shareholdings	0	0	0	0
<b>Closing carrying amount</b>	<b>2,250,000</b>	<b>2,250</b>	<b>2,250,000</b>	<b>2,250</b>

In 2018, AWA Holding acquired 15% of the shares in Dotkeeper AB, CIN 556942-2164.

**NOTE 16 – DEFERRED TAX ASSET AND DEFERRED TAX LIABILITY**

	The Group	
	2021	2020 (TSEK)
<b>Deferred tax liability</b>		
Additional depreciation	129,906	311
Temporary differences for tangible assets	-792	119
<b>Total deferred tax liability</b>	<b>129,114</b>	<b>430</b>

Deferred tax assets are measured at maximum the amount which will probably be recovered based on the current and future taxable profit. The tax rate for calculation of deferred tax is estimated as the tax rate in the country to which the deferred tax refers.

**NOTE 17 – OTHER NON-CURRENT RECEIVABLES**

	The Group	
	2021	2020 (TSEK)
Opening cost	2,832,870	2,465
Additional receivables	578,985	474
Settled claims	0	0
Translation difference	108,396	-106
<b>Closing accumulated cost</b>	<b>3,520,251</b>	<b>2,833</b>
<b>Closing carrying amount</b>	<b>3,520,251</b>	<b>2,833</b>

**NOTE 18 – ACCUMULATED UNINVOICED INCOME**

	The Group	
	2021	2020 (TSEK)
Created remunerations	16,800,388	15,445
Expensed outlay	4,615,867	3,187
<b>Total</b>	<b>21,416,255</b>	<b>18,632</b>

**NOTE 19 – PREPAID EXPENSES AND ACCRUED INCOME**

	The Group	
	2021	2020 (TSEK)
Prepaid rents	7,170,531	6,440
Prepaid insurance premiums	2,456,781	1,172
Other items	5,468,317	6,639
<b>Total</b>	<b>15,095,629</b>	<b>14,251</b>

**NOTE 20 – ACCRUED EXPENSES AND DEFERRED INCOME**

	The Group		Parent company	
	2021	2020 (TSEK)	2021	2020 (TSEK)
Accrued salaries and holiday pay	46,942,605	49,118	0	0
Accrued social security contributions	14,907,781	15,500	0	0
Tax on returns/special employer's contribution	7,641,752	6,618	0	0
Other items	3,128,409	9,664	48,000	0
<b>Total</b>	<b>72,620,547</b>	<b>80,900</b>	<b>48,000</b>	<b>0</b>

**NOTE 21 – LIABILITIES TO CREDIT INSTITUTIONS**

	The Group		Parent company	
	2021	2020 (TSEK)	2021	2020 (TSEK)
Non-current liabilities that fall due for payment more than five years after the balance sheet date:				
Liabilities to credit institutions	0	0	0	0
Other liabilities	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The bank overdraft facility in Denmark amounts to DKK 8,000,000 (TDKK 8,000), which is equivalent to SEK 11,002,096; in Asia to HKD 3,000,000 (THKD 3,000), which is equivalent to SEK 3,479,100; and for AWA Sweden AB to SEK 40,000,000 (TSEK 40,000). The Group's unutilised credit facilities at the end of the year amounted to SEK 54,459,036 (TSEK 50,794). Liabilities to credit institutions refer to factoring and short-term loans, which will be repaid within one year.

**NOTE 22 – PLEDGED ASSETS AND CONTINGENT LIABILITIES**

	The Group		Parent company	
	2021	2020 (TSEK)	2021	2020 (TSEK)
<b>Pledged assets</b>				
Floating charges	40,000,000	40,000	0	0
<b>Total</b>	<b>40,000,000</b>	<b>40,000</b>	<b>0</b>	<b>0</b>
<b>Contingent liabilities</b>				
Surety warrant bank on behalf of subsidiaries	0	0	0	0
Guarantees, FPG	9,199	10	9,199	10
Guarantee, PRI on behalf of subsidiaries	0	0	459,934	480
<b>Total</b>	<b>9,199</b>	<b>10</b>	<b>469,133</b>	<b>490</b>

**NOTE 23 – SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL YEAR**

On 1 March 2022, Oslo Patentkontor joined the AWA Group.

We are concerned about the war in Ukraine and will continuously monitor the situation. However, from a financial perspective, AWA's exposure to Russia is limited. In 2021 only 0.09% of net sales came from Russian clients

**NOTE 24 – APPROPRIATION OF PROFIT**

<b>The following profit is at the disposal of the Annual General Meeting</b>	
Profit carried forward	65,902,384,50
Profit for the year	38,292,542,33
	<b>104,194,926,83</b>
<b>The Board of Directors proposes that</b>	
is distributed to shareholders	33,750,000,00
is carried forward	70,444,926,83
	<b>104,194,926,83</b>

Malmö, April 19, 2022



**Nina Linander**

Chairman of the Board of Directors



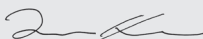
**Christian Lindfors**



**Anders Kjellberg**



**Joacim Lydén**



**Lasse Henze**



**Simon Markström**



**Ann-Charlotte Järvinen**



**Thor Mosaker**

Chief Executive Officer

**Our audit report was submitted on April 21, 2022**

Deloitte AB



**Maria Ekelund**

Authorised Public Accountant

# Auditor's report

To the general meeting of the shareholders of AWA Holding AB corporate identity number 556388-3940

## Report on the annual accounts and consolidated accounts

### Opinions

We have audited the annual accounts and consolidated accounts of AWA Holding AB for the financial year 2021-01-01 - 2021-12-31. The annual accounts and consolidated accounts of the company are included on pages 7-28 in this document.

In our opinion, the annual accounts and consolidated 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 and the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with 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 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.

### Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 2-6. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibility

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

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

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

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

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

### Report on other legal and regulatory requirements

#### Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of AWA Holding AB for the financial year 2021-01-01 - 2021-12-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit to be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

#### Basis for Opinions

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

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

#### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill

the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

#### Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

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

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

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

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

Malmö, April 21, 2022  
Deloitte AB

*Signature on Swedish original*

**Maria Ekelund**  
Authorized Public Accountant

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