ANNUAL REPORT
and
CONSOLIDATED ACCOUNTS

1 January 2021–31 December 2021

STRONGHOLD INVEST AB

556713–9067

ANNUAL REPORT AND CONSOLIDATED ACCOUNTS FOR STRONGHOLD INVEST AB

The Board of Directors and the CEO of Stronghold Invest AB (“Stronghold Invest”), Corporate Registration Number 556713–9067, with its registered office in Stockholm hereby submit the Annual Report and consolidated accounts for the financial year from 1 January–31 December 2021.

ADMINISTRATION REPORT

Information about the business

Group

The Stronghold Group (the “Group”) offers professional and comprehensive property-related advisory services, property management and fund management. Customers mainly comprise real estate investors, property owners and premises users. The Group has gradually advanced its positions and developed into the market leader within property asset management and advisory in Northern Europe. At year-end, the Group had approximately 2,500 employees across Northern Europe. The Parent Company Stronghold Invest AB has its registered office in Stockholm.

Operations are conducted from approximately 40 offices in eight countries throughout Northern Europe – including Stockholm, Gothenburg, Malmö, Helsinki, Tampere, Oslo, Trondheim, Copenhagen, Aarhus, Lyngby, Næstved, Luxembourg, Vilnius, Tallinn and Riga. The needs of the Group’s international customers are met in cooperation with a business partner, BNP Paribas Real Estate, which is a leading operator in Europe.

Stronghold is primarily active through the Newsec and Niam brands.

The subsidiaries are governed using the key figures of growth, profitability, satisfied employees (ESI) and satisfied customers (CSI).

Parent Company

Stronghold Invest is an active owner company that invests in and develops property-related knowledge-based companies in Northern Europe. Stronghold Invest adds value by providing expertise, market contacts and capital and is responsible for overall operational management and strategy issues.

Stronghold Invest is built on an entrepreneurial organisation and strives for decentralised decision-making, which encourages quick action and execution of new business opportunities. As an active owner, Stronghold Invest is continuously seeking out new innovations and concepts under the framework of the company’s investment philosophy and through its incubator activities offers entrepreneurs and employees support in the development of new business ideas.

Newsec – the full-service property house in Northern Europe

Newsec offers real estate owners, investors and tenants a full range of services within the areas of Property Asset Management and Advisory. Moreover, investment management (IM) is a growth area in which Newsec’s advisor serves as a local partner for international investors, helping them to meet specific investment targets by finding new investment opportunities and carrying out transaction-related processes.

In addition, financial and industrial expertise in mergers and acquisitions, project financing and more along the entire spectrum of infrastructure sectors from energy to telecommunications, transportation and social infrastructure are offered through Newsec Infra, a leading player in its segment.

Newsec was founded in 1994 and currently has some 2,400 employees in seven markets in the Nordic and Baltic regions. Newsec has approximately SEK 680 billion under management, annually signs leases of approximately 1,500,000 square metres, manages transactions of some SEK 30 billion and conducts real estate valuations of underlying property worth about SEK 2,650 billion.

Due to large volumes, local presence and breadth and deep understanding of various operations, Newsec has a unique position in the real estate market in Northern Europe.

Niam

Niam is one of the leading real estate private equity firms in Northern Europe, with a focus on investments in properties and infrastructure. Niam was established in 1998 and has offered institutional investors the opportunity to invest in the Nordic property market through its funds. With an extensive experience and expertise, Niam's focus is on identifying and implementing improvements that create the best properties for our tenants and the communities in which they are located, with the goal of providing for both current and future needs. Over the last 23 years, Niam has invested in properties valued at more than EUR 12 billion, and now manages a property portfolio of approximately EUR 2.5 billion. Niam Infrastructure focuses on sustainable investments in renewable energy, transportation and telecommunications in the Nordic region and Northern Europe. The platform's main fund concentrates on small to medium-sized investments with a focus on aggregation of several smaller assets and risk reduction, primarily in sustainable infrastructure. Niam has 85 employees and offices in Stockholm, Helsinki, Oslo, Copenhagen and Luxembourg.

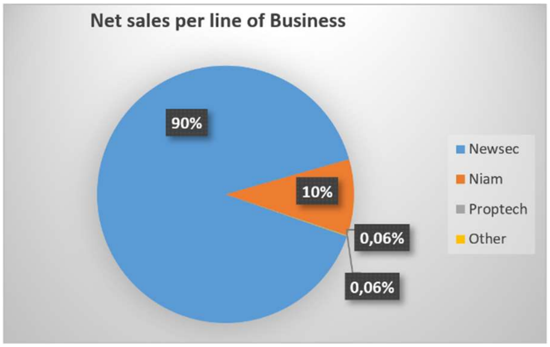
Proptech

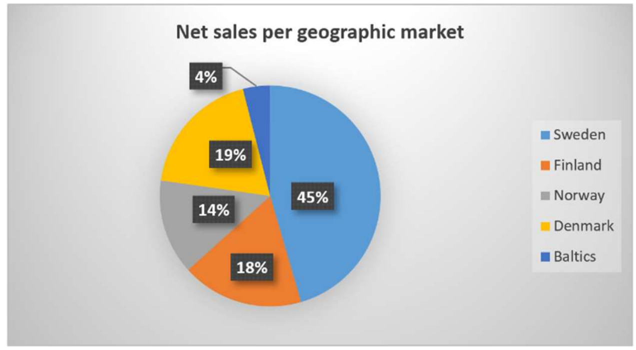
Back in 2015, Stronghold Invest set up the Proptech business area to manage the challenges and leverage opportunities in the ongoing digital transition, thereby ensuring that the Group is at the forefront of digital technology in the property sector. Accelerated by a broader sustainability trend, the transformation and digitalisation of the property sector will offer attractive opportunities to create value through investments and bridging companies across the border between technology and properties.

Proptech has a unique position and opportunity to drive innovation and transformation in the property industry, and thereby to create value in partnership with property owners. This position is built on in-depth knowledge of properties, access to decision-makers, a large managed-property footprint through Newsec and Niam and access to long-term capital.

Proptech continues to pursue business development and bridging companies in a number of priority topics with a high degree of impact and great potential for value creation such as energy and sustainability, property connectivity and IT security, tenant services and digital property management. By acting as a bridge via Proptech between innovative companies and solutions that are looking for access to properties and property owners searching for new solutions for improving tenant experiences, increasing net operating income and reducing carbon footprint, Stronghold will be able to create large amounts of value through its over 20 years of experience in working across the border between technology and properties.

Sales per segment and market
The diagram below shows the Group's net sales on 31 December 2021, distributed across the Group's three segments by country.





Significant events during the financial year

During the year, Stronghold Invest sold 1.14 percent of its ownership in Niam AB to a newly established company under the name of Niamab Management AB, which was initially owned 100 percent by Stronghold Invest. A number of key individuals in Niam AB subsequently purchased 99.96 percent of the shares in Niamab Management AB at a sales price of SEK 27.4 million.

Internal restructuring took place in 2020, whereby Newsec Technical Services AB was acquired by Newsec Property Asset Management Sweden AB in order to consolidate the offering and capitalise on synergies. The partnership was further expanded in 2021, and at the end of the year Newsec Technical Services AB was merged into its Parent Company, Newsec Property Asset Management Sweden AB.

Further investments were made in Buildroid AB in 2021. The Buildroid Group's most significant shareholding is the ownership of Netmore Group AB, which is a company that is listed on Nasdaq First North Growth Market. During the year, Buildroid acquired additional shares in Netmore Group, and in Q2 2021 Netmore Group AB became a subsidiary of the Buildroid Group.

During the year, Stronghold Invest sold part of its holdings in its associated company, Tessin Nordic AB. The sale took place in two stages, and as of December 2021 ownership totalled 6.4 percent. The total sales price was SEK 52.5 million.

In 2021, shares in the Parent Company were redeemed and a subsequent issue of bonus shares was carried out to restore share capital to its original value. Group and Parent Company equity decreased by SEK 125 million as a result of the transaction.

In December, Newsec Basale AS acquired a company named Helhetskontroll AS. The acquisition was in line with the Group's goal to be the leading property manager in Northern Europe. The purchase consideration was SEK 7.8 million.

Comments on operations, earnings and financial position

Sales and earnings
The Group's net sales increased 14 percent during the year to SEK 3,416 million (3,001). Sales are primarily

from the Newsec segment, which reported income of SEK 3,085 million (2,627), while Niam accounted for SEK 327 million (369), Proptech for SEK 2 million (4) and other operations SEK 2 million (1).
The financial year was successful for all of the Group's business areas. The sales increase in Newsec is attributable mainly to the result of strong marketing efforts and an expanded mandate from existing customers in Newsec. The Nordic transaction market remains strong, which generated new sales and valuation assignments that led to stable and increasing sales for the operation. The decrease in sales in Niam is due primarily to Fund VI selling off a large property holding during the year, which had an effect on Niam's income.

Other operating income totalled 84 million (1). Other income in 2020 consisted solely of government reorientation support as a result of the COVID-19 pandemic. The corresponding amount in 2021 totalled SEK 1 million. The remainder of other income in 2021 consisted of sales of shares and participations as well as the measurement of shares and participations at fair value in the Proptech segment.

Personnel costs amounted to SEK 2,129 million (1,911), of which variable remuneration to employees, including social security costs, totalled SEK 131 million (155). Personnel costs increased as the result of rapid growth in the Group. Other external expenses increased, totalling SEK 863 million (698) and consisted primarily of costs for consultants, rent, marketing and IT. The increases year-on-year were primarily in consultancy costs and IT. IT costs increased as part of the Group's transition from a traditional approach to more digital management. The increased threat in the business environment also promoted greater demands on the IT environment and IT security. The consultancy costs increased owing to rapid growth that required additional personnel more quickly than it was possible to recruit.

Operating profit before depreciation and amortisation (EBITDA) amounted to SEK 529 million (388). The EBITDA margin increased from 13 to 16 percent, due primarily to an increase in other operating income. The positive effect of EBITDA was reduced, however, by the increase in other external expenses.

Depreciation for the year was SEK 160 million (146) and impairment SEK 9 million (25). Impairment for the year pertained to impairment of goodwill in Newsec as a result of an impairment test conducted in conjunction with the closing of the annual accounts.

Operating profit amounted to SEK 360 million (217).

Profit after financial items amounted to SEK 356 million (191). The Group uses the mark-to-market method for assets and liabilities. The other financial holdings not included in the Proptech segment are measured at fair value through profit or loss in net financial items. In 2021, this resulted in financial income of SEK 2 million (1). The part of the Group's currency and interest rate-related derivatives, which are not subject to hedge accounting, are also measured at fair value through profit or loss and during the year this resulted in financial income of SEK 6 million (9), see Note 4 for more detail.

Financial position
At year-end, the Group's cash and cash equivalents amounted to SEK 393 million, compared with SEK 662 million at the beginning of the year. On 31 December, equity amounted to SEK 968 million, compared with SEK 1,037 million at the beginning of the year. The Group's equity/assets ratio was 30 percent (32) on the balance sheet date.

Investments
Investment in tangible and intangible assets amounted to SEK 57 million (64). The Group continued to invest in operations and most of the investments concerned various customer-related systems. In addition to this,

intangible assets arose in the form of customer relationships and brands valued at SEK 8 million (86). The customer relationships that arose in 2021 pertained to the acquisition of Helhetskontroll AS. The largest items in 2020 pertained to the acquisition of customer relationships and brands in conjunction with the acquisitions of Riba AB and Newsec Mid Cap Capital Markets AB.

Cash flow

The Group's operating cash flow, cash flow from operating activities after investments and changes in working capital, amounted to SEK 243 million (230). The change compared with the year-earlier period in respect of cash flow from operating activities, SEK 287 million (423), was mainly attributable to the Group tying up more capital in accounts receivable and other receivables, and to the subsidiaries who were granted a suspension of VAT payments for the preceding year due to the COVID-19 pandemic now having made these payments during the year. Cash flow from investment activities amounted to SEK 43 million (-193). The major difference between the years is due to the Group not having acquired any material subsidiaries and joint ventures during 2021. During the year, the Group also divested participations in associated companies and other shareholdings, which had a positive impact of SEK 70 million on the cash flow from investment activities.

The negative cash flow from financing activities was mainly attributable to IFRS 16, where the amortisation of lease liabilities had an impact of SEK -104 million (-102). Financing activities were also influenced by dividend payments to majority and minority shareholders of SEK -221 million (-280) as well as the redemption of shares in Stronghold Invest of SEK -125 million (-). In addition to this, the negative cash flow is also due to the amortisation of loans by the Group.

During the year, a dividend of SEK 175 (250) per share was paid, totalling SEK 175 million. The decision was made at the Annual General Meeting on 20 May 2021.

Significant events after the end of the financial year

In February 2022, Stronghold Invest purchased shares in Piscada AS. Ownership totalled 16.7 percent.

In early February 2022, the Baltic group BPT Real Estate with operations in Estonia, Latvia and Lithuania was acquired. The acquisition was in line with the Group's goal to be the leading property manager in Northern Europe. The acquisition complemented existing operations in the Baltic region in terms of service range, shared customers and expertise.

In February 2022, the Swedish consulting companies Newsec Advice AB and Newsec Capital Markets AB were merged into their parent company, Newsec Advisory Sweden AB.

In March 2022, the situation in Eastern Europe escalated, and its effects on the global geopolitical situation will naturally influence Stronghold's operations in both the short and long term, due to factors including the significant economic slowdown in several sectors. It is not possible at the present time to predict the duration or extent and thus the quantitative effects for the Group.

No other significant events have taken place after the balance-sheet date.

Material risks and uncertainties

All business operations are associated with risks that the Board and management must take into account and act accordingly. The Stronghold Group's geographic distribution and diversification of services helps to reduce risk exposure. The risks identified in the Group relate to three areas: general market risk, risks linked to specific customer relationships and loss of key employees.

Market risk
The global economy experienced a robust recovery in the second half of 2021 and the beginning of the current year as the result of successes in vaccine production and reduced or eliminated restrictions. The situation in Eastern Europe that emerged and escalated beginning in March 2022 and its effects on the global geopolitical situation will naturally influence the global economy and thereby Stronghold's operations and customers in both the short and long term, as the result of circumstances such as a battery of sanctions and slowdown in several sectors. It is not possible at the present time to predict the duration or extent and thus the quantitative effects for the Group. The companies in the Group, which has a relatively high share of recurring income and diversified customer base, proactively use action plans to maintain a high level of preparedness and to offset market risk in the best possible manner. The Stronghold Group does not have own operations or own assets in Russia, Belarus or Ukraine.

Customer risk
Risk related to customers is primarily the risk that a customer chooses to end their collaboration with the Stronghold Group, or that a customer is unable to fulfil their commitments. The customer base for the Group as a whole is diversified and certain subsidiaries have long-term agreements that create a stable foundation. However, some of the Group's subsidiaries include individual customers that account for a significant portion of the company's sales. The companies strive to actively manage customer relationships in the best possible manner.

Loss of key employees
The Stronghold Group conducts a number of knowledge-intensive activities and capitalises to a high degree on the expertise of employees. The Group's values – "Passion for colleagues and clients" – acknowledges the strategic approach to employees. To create the best possible conditions and stimulating work for employees, also provides better opportunities for satisfied customers, continued economic growth and profitability for the Group. The Group's ambition is to attract and recruit the best possible employees for the business. One part of this effort is offering variable incentives to employees, as well as offering opportunities for partnership to key colleagues.

Financial instruments and risk management

The Group's and Parent Company's business risks and risk management as well as the management of financial risks are described in Note 4.

Personnel

During the year, the Group had an average of 2,301 (2,096) employees, of whom 1,180 (1,057) were women. The increase in the number of employees is attributable to organic growth in the companies.

Non-financial disclosures

Environmental issues
The property industry represents approximately 40 percent of annual global carbon emissions. As a result, stricter requirements are being imposed on property owners to reduce their emissions and contribute to a carbon-neutral society. Through its subsidiaries and Proptech business area, the Stronghold Group is well positioned to create both business benefits and added value combined with a positive impact on the climate:

Newsec by providing advice and selling services in sustainability to its customers, Niam by increasing the value of its properties and making them more attractive with environmentally sustainable investments, and Proptech through investments in technology and companies driving the transition to a more sustainable property industry. It is important for the Stronghold Group to promote climate transition in our areas of competence, where we possess the expertise. In addition, it is important that our initiatives are economically sustainable and are linked to our business in order to ensure a long-term perspective, and that the initiatives promote value creation for the Group and our shareholders.

In addition to external initiatives, in which we work for our customers and tenants, we also focus closely on internal initiatives in the Group. In order to meet the growing demand for an environmental perspective, Newsec Property Asset Management has chosen to environmentally certify its operations in accordance with ISO 14001:2004 and thereby take responsibility to reduce climate impact. The company is also certified in accordance with ISO 9001:2008. Since 2009, Niam AB is certified in accordance with ISO 9001:2008 with respect to quality and ISO 14001:2004 with respect to the environment.

Sustainability report

Sustainability reporting is an important part of increasing understanding of the environmental impact of the Stronghold Group and our subsidiaries. Niam AB prepares an annual sustainability report, and Newsec will publish its first sustainability report for 2022.

Personnel issues

A group such as the Stronghold Group, whose business is based on knowledge-intensive advisory services, is always heavily dependent on its employees. The Group pursues an active and long-term approach to performance management and leadership development and conducts annual employee surveys at the company. Newsec is one of the best workplaces in the Nordic region for the tenth consecutive year. According to Great Place to Work, Newsec is ranked third in a list of the best workplaces in large organisations.

Social issues

The Group’s overarching objective is to work with a high level of professional integrity. This means priority is always given to the interests of the customer rather than the Group’s in ongoing assignments. Assignments are declined if it is apparent that they may violate the Group’s ethics or damage the group. The Stronghold Group works under the shared value of “Passion for colleagues and clients” and strive for Excellence, Integrity and Innovation. Passion for colleagues and clients entails great responsibility for our employees to uphold our values and this is why we choose not to work with anyone who does not share these values – regardless of whether these are colleagues or customers. Customer and market surveys are conducted on an annual basis.

Development of operations, financial position and earnings (Group)

Amounts in SEK thousand	2021	2020	2019	2018	2017
Sales and earnings					
Income	3,416,403	3,001,419	2,918,216	2,648,828	2,050,033
Operating profit before depreciation/amortisation	528,828	387,684	962,209	211,398	224,806
Operating profit (EBIT)	359,635	217,133	658,281	168,793	162,430
Profit after financial items	356,438	191,258	635,302	172,490	157,724
Profit for the year	310,757	142,712	620,718	140,208	116,980
Change in sales	13.8%	2.9%	10.1%	29.2%	53.0%
Operating margin	15.5%	12.9%	33.0%	8.0%	11.0%
Profit margin	10.4%	6.4%	21.4%	6.5%	7.7%
Capital structure					
Non-current assets	1,989,800	1,961,849	1,815,627	1,566,347	1,394,135
Current receivables	792,321	661,725	665,903	680,837	554,629
Current investments	30,762	-	-	-	-
Cash and bank balances	393,269	661,520	799,216	197,011	361,058
Total assets	3,206,152	3,285,094	3,280,746	2,444,195	2,309,822
Equity, Parent Company owners	967,715	1,037,279	1,189,763	680,876	626,010
Non-controlling interests	135,693	86,095	73,506	58,401	63,784
Provisions/non-current liabilities	1,023,901	1,173,171	1,099,796	844,722	757,032
Current liabilities	1,078,843	988,549	917,681	860,196	862,996
Total equity and liabilities	3,206,152	3,285,094	3,280,746	2,444,195	2,309,822
Equity/assets ratio	30.2%	31.6%	36.3%	27.9%	27.1%
Capital employed	2,263,519	2,408,606	2,509,075	1,585,789	1,552,510
Profitability					
Return on capital employed	16.9%	9.5%	27.2%	14.2%	12.0%
Return on total capital	12.0%	7.0%	20.8%	9.2%	8.1%
Return on equity	32.1%	13.8%	52.2%	20.6%	18.7%
Personnel					
Average number of employees	2,301	2,096	1,941	1,743	1,616
Sales per employee	1,485	1,432	1,503	1,520	1,269
Profit before tax per employee	155	91	359	99	98

Return on equity: Profit for the year as a percentage of equity attributable to Parent Company shareholders
Return on capital employed: Profit before tax plus financial expenses as a percentage of capital employed
Return on total capital: Profit before tax plus financial expenses as a percentage of total assets
EBITDA: Operating profit before depreciation/amortisation
EBIT: Operating profit after depreciation/amortisation
Operating margin: Operating profit before depreciation/amortisation as a percentage of sales
Profit margin: Profit before tax as a percentage of sales
Total assets: Total assets excluding client deposits
Total liabilities/total assets: Total liabilities excluding client deposits
Equity/assets ratio: Equity as a percentage of total assets excluding client deposits
Capital employed: Total assets less non-interest-bearing liabilities and deferred tax liabilities
Sales: Excludes capitalised production costs
Change in sales: Sales for the year relative to the previous year’s sales
Sales per employee: Sales divided by the average number of employees
Profit before tax per employee: Profit before tax divided by the average number of employees

Parent Company

The company's net sales amounted to SEK 51 million (45) and profit after net financial items was SEK 128 million (40). Profit for the year amounted to SEK 186 million (60). During the year, the company divested participations in Niam AB and Tessin Nordic AB, as well as another minor shareholding. This resulted in capital gains totalling SEK 75 million. During the year, the company received dividends from subsidiaries of SEK 53 million (60). Income in the Parent Company consisted of royalties for the Niam and Newsec brands and Group-wide costs that are re-invoiced. The company's costs largely pertained to costs for personnel, consultancy services, administration and premises.

Expected future development

Stronghold expects the Nordic property market will remain a relatively attractive investment option and asset class for domestic and international players. The continued consequences of the global pandemic, like the escalated situation in Eastern Europe and its effects on the global geopolitical situation, will also naturally influence Stronghold's operations in both the short and long term, due to factors including a significant economic slowdown in several sectors. It is not possible at the present time to predict the duration or extent and thus the quantitative effects for the Group.

At the same time, the Group's operations largely concern services with a very high level of recurring income, and a diversified customer portfolio that reduces the risk level and provides more stable earnings. Overall, the Board and management have a positive outlook for the Group's future development and underlying earnings over time.

Proposed appropriation of profit

At the disposal of the Annual General Meeting:

Parent Company

The following profits are at the disposal of the Annual General Meeting (SEK)

Retained earnings	757,101,418
Profit for the year	186,044,761
	943,146,179

The Board of Directors proposes that funds be distributed as follows

For distribution to shareholders	200,000,000
To be carried forward	743,146,179
	943,146,179

The Board of Directors' statement on the proposed dividend

The Board of Directors believes that the proposed dividend will not prevent the company and Group from fulfilling its obligations in the long or short term, nor from making necessary investments. Therefore, the proposed dividend can be justified in accordance with what is stated in Chapter 17, Section 3, Paragraphs 2–3 of the Swedish Companies Act (the prudence rule).

With reference to the Parent Company's and Group's earnings and financial position in general, refer to the following financial statements. All amounts are given in thousands of Swedish kronor unless otherwise indicated.

CONSOLIDATED INCOME STATEMENT

Amounts in SEK thousand	**Note**	**2021**	**2020**
Income	5, 6	3,416,403	3,001,419
Other income	7	83,615	1,300
		3,500,018	**3,002,719**
Capitalised production costs	16	10,777	-
Operating expenses			
Other external expenses	8, 9	-862,961	-697,674
Personnel costs	10	-2,129,168	-1,910,760
Depreciation/amortisation and impairment of tangible and intangible assets	15,16,17,18	-169,193	-170,551
Other operating expenses		-722	-213
Share of profits of associated companies	20	10,884	-6,388
		-3,151,160	**-2,785,586**
Operating profit		**359,635**	**217,133**
Financial items			
Share of profits of associated companies	20	-	-3,771
Financial income	11	23,555	16,337
Financial expenses	12	-26,752	-38,441
		-3,197	**-25,875**
Profit before tax		**356,438**	**191,258**
Income tax	14	-45,681	-48,546
Profit for the year		**310,757**	**142,712**
Attributable to:			
Parent Company shareholders		212,307	104,414
Non-controlling interests		98,450	38,298

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK thousand	**Note**	**2021**	**2020**
Profit for the year		**310,757**	**142,712**
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Translation differences on translation of foreign subsidiaries		19,679	-37,804
Hedge accounting		-12,604	27,911
Total items that may be reclassified to profit or loss		7,075	-9,893
Total comprehensive income		**317,832**	**132,819**
Attributable to:			
Parent Company shareholders		217,581	98,334
Non-controlling interests		100,251	34,485

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in SEK thousand	Note	31 Dec 2021	31 Dec 2020
ASSETS			
Non-current assets			
Intangible assets			
Goodwill	15	989,555	980,124
Customer relationships	16	199,491	217,707
Other intangible assets	16	99,737	77,569
		1,288,783	**1,275,400**
Tangible assets			
Equipment	17	36,789	40,482
Right-of-use assets	18	372,753	394,682
		409,542	**435,164**
Financial assets			
Participations in associated companies	20	88,875	67,492
Derivatives	4, 21	4,520	5,307
Other non-current receivables	4, 22	162,337	148,431
		255,732	**221,230**
Other non-current assets			
Deferred tax assets	37	35,743	30,055
		35,743	**30,055**
Total non-current assets		**1,989,800**	**1,961,849**
Current assets			
Derivatives	4, 21	3,764	21,664
Accounts receivable	23	419,398	366,927
Contract assets	25	148,642	99,577
Receivables from associated companies		-	5,559
Current tax assets		26,539	27,933
Prepaid expenses and accrued income	26	62,389	39,749
Other current receivables	27	131,589	100,316
Current investments		30,762	-
Cash and cash equivalents	28	393,269	661,520
Client deposits	28	156,594	143,118
		1,372,946	**1,466,363**
TOTAL ASSETS		**3,362,746**	**3,428,212**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, CONT.

Amounts in SEK thousand	Note	31 Dec 2021	31 Dec 2020
EQUITY AND LIABILITIES			
Equity			
Share capital (96,800,400 shares, quotient value SEK 0.10)	29	10,000	10,000
Translation reserve	30	42,777	24,899
Currency hedging reserve		849	13,453
Retained earnings including profit for the year		914,089	988,927
Equity attributable to Parent Company shareholders		**967,715**	**1,037,279**
Non-controlling interests	35	**135,693**	**86,095**
		1,103,408	**1,123,374**
Non-current liabilities			
Liabilities to credit institutions	32	670,973	708,545
Derivatives	4, 21	-	5,319
Lease liabilities	34	260,714	300,721
Other non-current liabilities	33	24,877	33,973
Deferred tax liabilities	37	62,144	70,566
Other provisions	38	5,193	54,047
		1,023,901	**1,173,171**
Current liabilities			
Liabilities to credit institutions	32	56,026	54,595
Derivatives	4, 21	1,924	-
Lease liabilities	34	104,396	84,835
Accounts payable		136,369	116,499
Contract liabilities	39	82,275	77,417
Current tax liabilities		36,008	43,197
Other provisions	38	51,766	-
Other current liabilities		174,494	155,037
Accrued expenses and deferred income	40	435,585	456,969
Client deposits	28	156,594	143,118
		1,235,437	**1,131,667**
TOTAL EQUITY AND LIABILITIES		**3,362,746**	**3,428,212**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in SEK thousand	Share capital	Translation reserve	Currency hedging reserve	Retained earnings including profit for the year	Total equity attributable to Parent Company shareholders	Non-controlling interests	Total equity
Opening balance, 1 January 2020	**10,000**	**58,890**	**-14,458**	**1,135,331**	**1,189,763**	**73,506**	**1,263,269**
Comprehensive income							
Profit for the year				104,414	**104,414**	38,298	**142,712**
Other comprehensive income:							
Translation differences		-33,991			**-33,991**	-3,813	**-37,804**
Hedge accounting			27,911		**27,911**		**27,911**
Total other comprehensive	0	-33,991	27,911		**-6,080**	-3,813	**-9,893**
Total comprehensive income	**0**	**-33,991**	**27,911**	**104,414**	**98,334**	**34,485**	**132,819**
Transactions with shareholders:							
Dividend				-250,000	**-250,000**	-29,569	**-279,569**
Shareholders' contributions paid/received minority					**0**	3,838	**3,838**
Sale of own shares				2,158	**2,158**	3,946	**6,104**
Minority's withdrawal/contribution in limited partnerships during the year					**0**	671	**671**
Transactions with non-controlling interests				-2,976	**-2,976**	-782	**-3,758**
Total transactions with shareholders	**0**	**0**	**0**	**-250,818**	**-250,818**	**-21,896**	**-272,714**
Closing balance, 31 December 2020	**10,000**	**24,899**	**13,453**	**988,927**	**1,037,279**	**86,095**	**1,123,374**
Opening balance, 1 January 2021	**10,000**	**24,899**	**13,453**	**988,927**	**1,037,279**	**86,095**	**1,123,374**
Comprehensive income							
Profit for the year				212,307	**212,307**	98,450	**310,757**
Other comprehensive income:							
Translation differences		17,878			**17,878**	1,801	**19,679**
Hedge accounting			-12,604		**-12,604**		**-12,604**
Total other comprehensive	0	17,878	-12,604		**5,274**	1,801	**7,075**
Total comprehensive income	**0**	**17,878**	**-12,604**	**212,307**	**217,581**	**100,251**	**317,832**
Transactions with shareholders:							
Dividend				-175,000	**-175,000**	-46,245	**-221,245**
Shareholders' contributions paid/received minority					**0**	1,915	**1,915**
Sale of own shares				1,602	**1,602**	1,628	**3,230**
Acquisition of own shares				-1,721	**-1,721**	-1,754	**-3,475**
Warrants issued				1,205	**1,205**		**1,205**
Redemption of shares				-125,491	**-125,491**		**-125,491**
Changes to net assets in joint ventures after acquisition date				-11,468	**-11,468**		**-11,468**
Minority's withdrawal/contribution in limited partnerships during the year					**0**	-10,116	**-10,116**
Transactions with non-controlling interests*				23,728	**23,728**	3,919	**27,647**
Total transactions with shareholders	**0**	**0**	**0**	**-287,145**	**-287,145**	**-50,653**	**-337,798**
Closing balance, 31 December 2021	**10,000**	**42,777**	**849**	**914,089**	**967,715**	**135,693**	**1,103,408**

* The amounts pertained largely to the sale of participations in Niam AB. For more information, refer to Note 46.

CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in SEK thousand	Note	2021	2020
Cash flows from operating activities			
Operating profit		359,635	217,133
Adjustments for non-cash items			
Depreciation	16,17,18	160,485	145,595
Impairment	15,16,17,18	8,709	24,956
Share of profits of associated companies	20	-10,884	6,388
Acquisition-related items		-	1,287
Gain/loss from sale of shares and participations	7	-3,439	-
Gain/loss from sale of associated companies	7	-36,607	-
Measurement of shares and participations at fair value	7	-42,950	-
Unrealised derivative effects	4	16,775	-
Correction of SaaS systems	16	8,259	-
Bonus provisions		8,300	8,116
Discount provision according to contract funds	38	2,877	2,468
Other		225	410
Interest received		5,264	5,945
Interest paid		-18,289	-18,301
Income tax paid		-66,381	-54,426
		391,979	**339,571**
Decrease (+)/increase (-) accounts receivable		-40,626	-5,377
Decrease (+)/increase (-) receivables		-70,230	69,191
Decrease (-)/increase (+) accounts payable		19,539	-17,995
Decrease (-)/increase (+) current liabilities		-13,841	37,753
Cash flows from operating activities		**286,821**	**423,143**
Investment activities			
Acquisition of intangible assets	16	-42,917	-47,884
Sale of intangible assets	16	527	559
Acquisition of equipment	17	-13,995	-15,693
Sale of equipment	17	767	440
Investment in/lending to funds		-	-2,168
Repayment from funds		22,554	8,942
Other lending		-2,621	-
Acquisition of shares and participations	22	-33,722	-13,108
Sale of shares and participations		26,785	-
Shareholders’ contributions paid to holdings classified as shares and participations		-2,008	-
Acquisition of associated companies	20	-	-54,896
Divestment of associated companies	20	43,308	-
Shareholders’ contributions paid to associated companies	20	-33,850	-7,750
Dividends from associated companies	20	496	-
Current investments		-30,762	-
Sale of own shares		3,230	6,119
Acquisition of own shares		-3,475	-
Acquisition of Group companies	43, 45	-5,740	-69,621
Divestment of Group companies as part of controlling interest	46, 47	28,054	1,908
Cash flows from investment activities		**-32,592**	**-193,152**
Financing activities			

Contributed capital from non-controlling interests		5,450	9,440
Withdrawn capital from non-controlling interests		-13,654	-4,931
Amortisation of liability/repayment of loans	44	-155,132	-49,852
Borrowings	44	100,000	60,000
Amortisation of lease liabilities' principal amount	44	-103,778	-101,798
Dividend to non-controlling interests		-46,245	-29,569
Dividend		-175,000	-250,000
Redemption of shares		-125,491	-
Warrants subscribed		1,205	-
Cash flows from financing activities		**-512,642**	**-366,710**
Cash flow for the year		**-269,190**	**-136,719**
Opening cash and cash equivalents		661,520	799,216
Conversion effect cash and cash equivalents		939	-977
Closing cash and cash equivalents		**393,269**	**661,520**

PARENT COMPANY'S INCOME STATEMENT

Amounts in SEK thousand	Note	2021	2020
Income	6	50,577	44,868
Other income	7	894	-
		51,471	**44,868**
Operating expenses			
Other external expenses	8, 9	-31,619	-22,956
Personnel costs	10	-28,634	-33,171
Depreciation/amortisation of tangible and intangible assets	17	-527	-653
Other operating expenses		-16	-452
		-60,796	**-57,232**
Operating profit		**-9,325**	**-12,364**
Financial items			
Financial income	11	161,799	92,925
Financial expenses	12	-24,236	-40,760
		137,563	**52,165**
Profit before tax		**128,238**	**39,801**
Appropriations	13	64,128	24,724
Tax	14	-6,321	-4,746
Profit for the year		**186,045**	**59,779**

The Parent Company has no items recognised in other comprehensive income and accordingly does not present a statement of comprehensive income.

PARENT COMPANY'S BALANCE SHEET

Amounts in SEK thousand	Note	31 Dec 2021	31 Dec 2020
ASSETS			
Non-current assets			
Tangible assets			
Equipment	17	312	839
		312	**839**
Financial assets			
Participations in Group companies	19	516,691	507,319
Participations in associated companies	20	96,497	69,635
Receivables from Group companies	24	1,031,128	1,088,453
Other non-current receivables	22	69,509	39,489
		1,713,825	**1,704,896**
Total non-current assets		**1,714,137**	**1,705,735**
Current assets			
Current receivables			
Accounts receivable		7,453	5,096
Receivables from Group companies	24	194,296	182,300
Prepaid expenses and accrued income	26	1,353	567
Other current receivables	27	1,287	1,218
		204,389	**189,181**
Cash and cash equivalents	28	1,042	82
		205,431	**189,263**
TOTAL ASSETS		**1,919,568**	**1,894,998**
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital (96,800,400 shares, quotient value SEK 0.10)	29	10,000	10,000
		10,000	**10,000**
Unrestricted equity			
Retained earnings		757,101	996,606
Profit for the year		186,045	59,779
		943,146	**1,056,385**
Total equity		**953,146**	**1,066,385**
Untaxed reserves	31	17,270	2,220
Non-current liabilities			
Liabilities to credit institutions	32	670,973	708,397
		670,973	**708,397**
Current liabilities			
Liabilities to credit institutions	32	56,026	54,595
Accounts payable		2,682	2,110
Liabilities to Group companies	36	201,028	46,261
Other current liabilities		8,850	4,018
Accrued expenses and deferred income	40	9,593	11,012
		278,179	**117,996**
TOTAL EQUITY AND LIABILITIES		**1,919,568**	**1,894,998**

PARENT COMPANY'S STATEMENT OF CHANGES IN EQUITY

Amounts in SEK thousand	Restricted equity	Unrestricted equity		Total equity
	Share capital	Retained earnings	Profit for the year	
Opening balance, 1 January 2020	**10,000**	**574,076**	**672,532**	**1,256,608**
Transfer of previous years' profit		672,532	-672,532	**0**
Comprehensive income				
Profit for the year			59,779	**59,779**
Total comprehensive income	**0**	**0**	**59,779**	**59,779**
Transactions with shareholders				
Dividend		-250,000		**-250,000**
Total transactions with shareholders	**0**	**-250,000**	**0**	**-250,000**
Closing balance, 31 December 2020	**10,000**	**996,608**	**59,779**	**1,066,387**
Opening balance, 1 January 2021	**10,000**	**996,608**	**59,779**	**1,066,387**
Transfer of previous year's profit		59,779	-59,779	**0**
Comprehensive income				
Profit for the year			186,045	**186,045**
Total comprehensive income	**0**	**0**	**186,045**	**186,045**
Transactions with shareholders				
Redemption of shares		-125,491		-125,491
Warrants issued		1,205		1,205
Dividend		-175,000		-175,000
Total transactions with shareholders	**0**	**-299,286**	**0**	**-299,286**
Closing balance, 31 December 2021	**10,000**	**757,101**	**186,045**	**953,146**

PARENT COMPANY'S STATEMENT OF CASH FLOWS

Amounts in SEK thousand	Note	2021	2020
Cash flows from operating activities			
Operating profit		-9,325	-12,364
Adjustments for non-cash items			
Depreciation	17	527	653
Interest received		41,021	32,502
Interest paid		-17,521	-17,050
Income tax paid/received		-2,449	-3,474
		12,253	**267**
Decrease (+)/increase (-) receivables		-2,339	91,888
Decrease (-)/increase (+) accounts payable		35,428	-5,438
Decrease (-)/increase (+) current liabilities		179,959	45,107
Cash flows from operating activities		**225,301**	**131,824**
Investment activities			
Acquisition of subsidiaries	19	-50	-25
Divestment of subsidiaries	47	27,403	-
Shareholders' contributions paid to subsidiaries	19	-38,848	-30,500
Acquisition of associated companies	20	-	-54,896
Shareholders' contributions paid to associated companies	20	-33,850	-7,750
Divestment of associated companies	20	42,500	-
Acquisition of other shares and participations		-27,665	-3,176
New issue of other shares and participations		-3,000	-
Divestment of other shares and participations		16,431	-
Distribution received from limited partnerships		624	4,151
New non-current intra-Group loans		-	-80,768
Repayments received on non-current intra-Group loans	24	64,287	29,153
Cash flows from investment activities		**47,832**	**-143,811**
Financing activities			
Bank loans		100,000	60,000
Amortisation/repayment bank loans		-151,649	-43,173
Group contributions received/paid		26,262	25,818
Redemption of shares		-125,491	-
Warrants subscribed		1,205	-
Dividends received		52,500	59,793
Dividends paid		-175,000	-250,000
Cash flows from financing activities		**-272,173**	**-147,562**
Cash flow for the year		**960**	**-159,549**
Opening cash and cash equivalents		82	159,632
Closing cash and cash equivalents		**1,042**	**82**

NOTES

1. General information

STRONGHOLD INVEST AB (“Stronghold Invest”), Corporate Registration Number 556713-9067, is a limited liability company with registered office in Stockholm, Sweden. The address of the head office is Stureplan 3, SE-103 96 Stockholm.

The operations of the company and its subsidiaries (the “Group”) encompass property-related advisory services, asset management and fund management.

The Parent Company of the Group is Stronghold Invest AB, Corporate Registration Number 556713-9067, with registered office in Stockholm. The company is a subsidiary of Pejoni AB, Corporate Registration Number 556716-2705.

2. Significant accounting policies

The consolidated accounts for Stronghold have been prepared in accordance with the International Financial Reporting Standards (IFRS) as approved by the EU, as well as interpretations issued by the IFRS Interpretations Committee (IFRIC) as endorsed by the European Commission for application in the EU. In accordance with the exception rules for unquoted companies, Stronghold has chosen not to adopt IAS 33 Earnings Per Share.

In addition, the Group applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 1 Supplementary Accounting Rules for Groups.

In the consolidated accounts, items have been measured at cost, except in the case of certain financial instruments measured at fair value. The significant accounting policies applied are described below.

New and amended standards adopted by the Group

Amendments to IFRS 9, IAS 39 and IFRS 7: IBOR reform Phase 2

Amendments owing to the IBOR reform Phase 2 (amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) may impact financial assets, financial liabilities and lease liabilities, certain hedge accounting requirements, and disclosure requirements in IFRS 7 in order to comply with the amendments to modifications and hedge accounting.

- Modification of financial assets, financial liabilities and lease liabilities: The IASB has introduced a practical expedient for modifications following from the reform (modifications following directly from the IBOR reform). These modifications are accounted for by updating the effective interest rate. All other modifications are accounted for using the current IFRS requirements. A similar practical expedient is proposed for lessee accounting applying IFRS 16.
- Hedge accounting requirements: Under the amendments, hedge accounting is not discontinued solely because of the IBOR reform. Hedging relationships (and related documentation) must be amended to reflect modifications to the hedged item, hedging instrument and hedged risk.
- Disclosures: In order for readers of the financial statements to understand the effect and extent of the impact of the IBOR reform and how these effects are managed, the amendment requires the company to submit disclosures in this regard.

In the opinion of executive management, the practical expedient will be utilised but the amendment will have no material impact on the financial statements.

Amendments to IFRS 16 Leases – Extension of period for COVID-19 related rent concessions
In May 2020, IFRS 16 was amended to provide lessees with the possibility of applying a relief rule that involved an assessment of whether a COVID-19 related rent concession meant that a lease did not need to be amended. This amendment was time-limited and permitted lessees to apply the relief solely to those rent concessions for lease fees that fell due on or before 30 June 2021. Owing to the ongoing pandemic with material effects on society, IASB extended the original end date for the relief rule and expanded the time limit to cover rent concessions for lease fees that fall due on or before 30 June 2022. The amendments are applicable to financial years beginning on or after 1 April 2021. The Group has not received any COVID-19-related rent concessions.

New and amended standards not yet in force

Amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework
The amendment to IFRS 3 means it refers to the 2018 Conceptual Framework instead of the 1989 Framework. The amendment also adds to IFRS 3 a requirement that, for transactions and other events within the scope of IAS 37 or IFRIC 21, an acquirer applies IAS 37 or IFRIC 21 (instead of the Conceptual Framework) to identify the liabilities it has assumed in a business combination. Lastly the addition to IFRS 3 of an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

Amendments to IAS 16 Property, Plant and Equipment
The amendment prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss. In the opinion of executive management, the amendment to IAS 16 will have no material effects on the Group.

Amendments to IAS 37: Onerous Contracts – Cost of Fulfilling a Contract
The amendment covers the costs to include in estimating the cost of fulfilling a contract for the purpose of assessing whether that contract is onerous. The amendment specifies that the cost of fulfilling a contract comprises the “costs that relate directly to the contract”. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). In the opinion of executive management, the amendment to IAS 37 will have no material effects on the Group.

Improvements to IFRSs 2018–2020
Improvements to IFRSs 2018–2020 – the cycle is an amendment package of improvements to various standards:
• IFRS 1 First-time adoption of IFRS: The amendment permits a subsidiary that applies paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent’s date of transition to IFRSs.
• IFRS 9 Financial Instruments and fees in the 10 per cent test: The amendment clarifies which fees an entity includes when it applies the 10 percent test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf.
• IFRS 16 Leases: The amendment to Illustrative Example 13 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.

• IAS 41 Agriculture: The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This amendment is intended to adapt the requirement in the standard. This will ensure consistency with the requirements in IFRS 13.

In the opinion of executive management, the Improvements to IFRSs 2018–2020 will have no material effects on the Group.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current
Amendments to IAS 1 affect only the presentation of liabilities in the statement of financial position – not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items. The amendment entails the following:
• clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;
• clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and
• make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

In the opinion of executive management, the amendment to IAS 1 will have no material effects on the Group.

Amendments to IAS 1 – Disclosure of accounting policies
The amendments impact the requirements in IAS 1 pertaining to disclosure of accounting policies. Through applying the amendments, a company discloses its material accounting policies instead of its significant accounting policies. Further amendments to IAS 1 explain how a company can identify a material accounting policy. Examples of when an accounting policy is likely to be material have been added. To support the amendments, the IASB has also produced guidance and examples to explain and demonstrate the application of the four-step materiality process as described in IFRS Practice Statement 2 (guidance on how to make materiality judgements when preparing their general-purpose financial statements in accordance with IFRS Standards). In the opinion of executive management, the amendment to IAS 1 will have no material effects on the Group.

Amendments to IAS 8 – Definition of estimates
IAS 8 was amended to replace the definition of changes in estimates with a definition of estimates. The new definition means that estimates are "monetary amounts in the financial statements that are subject to measurement uncertainty." The previous definition of changes in estimates has been removed, but the IASB clarifies that a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. In the opinion of executive management, the amendment to IAS 1 will have no material effects on the Group.

Amendment to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction
The amendment make an additional exemption from the previous exemption for initial recognition of an asset or a liability (the "initial recognition exemption"). The amendment means that a company is not to apply the exemption from recognising deferred tax attributable to a transaction in which equal amounts of deductible

and taxable temporary differences arise, and instead to recognise both deferred tax assets and tax liabilities. Transactions of this type also include right-of-use assets and lease liabilities recognised under IFRS 16, as well as provisions and assets recognised in conjunction with restoration obligations. Executive management is of the opinion that the amendment to IAS 1 will entail an increase in deferred tax assets and deferred tax liabilities of about SEK 70 million as the result of the gross amount of tax in leases being recognised.

Consolidated accounts

The consolidated accounts encompass the Parent Company Stronghold Invest AB and the companies over which the Parent Company has controlling interests (subsidiaries).

Controlling interest over an investee is achieved when the company has:
• Power over the investee through existing rights that give the company the ability to direct the relevant activities of the investee,
• exposure, exposure, or rights, to variable returns from its involvement with the investee, and
• the ability to use its power over the investee to affect the amount of the investor's returns.

The company considers all relevant facts and circumstances when assessing whether the company's voting rights in an investee are sufficient to give power, including the size of its holding of voting rights relative to the size and dispersion of voting rights held by other vote holders, potential voting rights held by the investor, other investors or other parties, rights from other contractual arrangements and additional facts and circumstances that indicate that the investor has, or does not have, the current ability to direct the relevant activities when decisions need to be made, including voting patterns at previous general meetings.

The company assesses whether it has a controlling interest over the investee if facts and circumstances indicate that a change has taken place in one or more of the criteria that entails control.

Subsidiaries are included in the consolidated accounts from the date of acquisition until the date when control is relinquished.

The Group's earnings and components in other comprehensive income are attributable to the Parent Company shareholders and to non-controlling interests even if this leads to a negative value for the non-controlling interests.

The accounting policies in subsidiaries have been adjusted as required to align with the Group accounting policies. All intra-Group transactions, balances and unrealised gains and losses relating to intra-Group transactions were eliminated in preparing the consolidated accounts.

Business combinations

Business combinations are recognised using the acquisition method.

The purchase consideration for a business combination is initially measured at fair value on the date of acquisition, which is calculated as the sum of the fair values at the date of acquisition for received assets plus liabilities incurred or assumed as well as issued equity participations in exchange for control over the acquired business. Acquisition-related expenses are recognised in profit or loss when they arise.

The identifiable acquired assets and assumed liabilities as well as contingent assets are recognised at fair value at the date of acquisition with the following exceptions:

• Deferred tax assets or liabilities and liabilities or assets attributable to the acquired entity's contract concerning remuneration of employees is recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits, respectively.

Contingent liabilities assumed in a business combination are recognised as existing liabilities originating from events that have occurred and whose fair value can be reliably calculated.

For business combinations where the sum of the purchase consideration, any non-controlling interest and fair value on the acquisition date of previous shareholdings exceed the fair value on the acquisition date of identifiable acquired net assets, the difference is recognised as goodwill in the statement of financial position. If the difference is negative, it is recognised as a gain from a bargain purchase directly in profit or loss following reassessment of the difference.

For each business combination, the previous non-controlling interests in the acquired entity are measured either at fair value or the value of the proportion of the non-controlling interest in the acquired entity's identifiable net assets.

When the transferred consideration in a business combination includes assets and liabilities resulting from contingent considerations, the conditional purchase consideration is measured at its fair value at the date of acquisition and is included in the transferred consideration in the business combination. Changes in fair value of a contingent consideration that qualifies as an adjustment during the valuation period, are adjusted retroactively with a corresponding adjustment of the acquisition cost.

Subsequent changes in fair value of a contingent consideration that do not qualify as an adjustment during the valuation period, are recognised differently depending on the classification of the contingent consideration. A contingent consideration classified as equity is not remeasured in subsequent periods and subsequent settlement is recognised in equity. Contingent considerations classified as an asset or liability are remeasured in accordance with IAS 39 or IAS 37 Provisions Contingent Liabilities and Contingent Assets, depending on the applicable standard, and the corresponding gains or losses are recognised in profit or loss.

For step acquisitions, the Group's previous holding is remeasured at fair value at the date of acquisition (meaning the date when the Group obtains controlling interest) and any gains or losses are recognised in profit or loss. Amounts previously recognised in other comprehensive income related to holdings in the acquired entity prior to the date of acquisition, shall be reclassified to profit or loss on the same basis as required if these participations had been divested.

Transactions with non-controlling interests
For step acquisitions/sales that result in changes to the Parent Company's participating interest in a subsidiary that does not result in a loss of controlling interest, the transactions are recognised as an item in equity. Any difference between the amount recognised for the non-controlling interests and the fair value of the purchase consideration paid or received is recognised directly in equity and distributed between the Parent Company owners.

Loss of controlling interests
For step acquisitions when the Parent Company loses controlling interest over a subsidiary, the result of the transaction is determined upon divestment as the difference between:

i) the sum of fair value for the payment received and the fair value of any remaining retained interest and

ii) the previous carrying amounts of the subsidiary's assets (including goodwill) and liabilities and any non-controlling interests.

Gain or loss arising is recognised in profit or loss. Any changes in the value of the previous equity participations that prior to the date of acquisition were recognised in other comprehensive income are reclassified to profit or loss on the same basis as required if these participations had been divested.

Goodwill

Goodwill arising from the acquisition of subsidiaries represents the amount at which the sum of the purchase consideration, any non-controlling interest and fair value on the acquisition date of previous shareholdings exceed the fair value on the acquisition date of identifiable acquired net assets. Goodwill arising from the acquisition of subsidiaries is recognised at cost less any accumulated impairment losses.

When impairment testing, goodwill is allocated to the cash-generating units that are expected to benefit synergies resulting from the acquisition. Goodwill shall be tested annually for impairment, or more often whenever there is an indication that the carrying amount may not be recoverable. If the recoverable amount of a cash-generating unit has a lower value than the carrying amount, the impairment amount is allocated. Firstly, the carrying amount of goodwill assigned to the cash-generating unit is reduced and then the carrying amount of goodwill attributable to other assets in a unit. Recognised impairment losses on goodwill are not reversed in a subsequent period.

When a subsidiary is sold, the remaining carrying amount on goodwill is included in capital gain/loss.

Segment reporting

An operating segment is part of a company that conducts business operations from which it generates income and incurs costs and whose operating profit is regularly followed up by the company's chief operating decision maker and for which independent financial information is available. The company's reporting of operating segments concurs with the internal reports. The chief operating decision maker is the function that assesses the operating segments' results and decides on the allocation of resources. The company considers the Board of Directors to be the chief operating decision maker.

Income

The Group's income arises from property and fund management, consultancy services, granting licences and interest and dividend income. Income is recognised to the extent that it is probably that the financial benefits will accrue to the Group and if this can be reliably calculated.

IFRS 15 contains a model to recognise income (five-step model) arising from contracts with customers. The fundamental principle of IFRS 15 uses a control approach, meaning companies are to recognise income to depict the transfer of the promised goods and services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for these goods or services. The five-step model means the Group's income shall be assessed using five steps:

1. Identify the contract with a customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognise income when (or as) the entity satisfies a performance obligation

The Group has the following significant income streams and these have been analysed using the five-step model. The criteria for a customer contract are deemed to have been satisfied with respect to the Group's contract. There are no incremental costs of obtaining a contract.

Fixed-price contracts

In the Newsec segment, the Group primarily engages in the following services at a fixed price:

- technical management and financial management at fixed fees. The agreements typically run for several years and also include an option for additional services, such as leasing, renegotiations and project services. These income streams are described separately below.

- property management through fixed staffing and/or production cost agreements. The agreements often run for several years and require the Group to provide operation and maintenance services to properties specified in the agreement.

- valuation, strategic analysis and strategic advisory services, where most of the assignments are conducted at fixed prices.

A common thread in the description above is that the promise of providing services continuously during the contact period is considered a performance obligation (meaning a series of distinct services that are substantially the same and have the same pattern of transfer to the customer). These contracts include a performance obligation and the transaction price is fixed, which means an allocation of the transaction price does not apply (each provision of services should be regarded as a single performance obligation). The customer obtains the benefits of the company's performance when the company satisfies an obligation. The services are routine and recurring services in which it is possible to identify when the customer simultaneously receives and consumes all of the benefits provided by the company as the company performs. The pattern of services to customers, as well as the company's endeavours to fulfil the contract, will probably not vary much between months and the income is recognised straight-line over the contract term. Income is therefore recognised over time. Some fixed-price assignment in Newsec are different in nature and are recognised as income following final delivery to the customer.

Management fees

In the Niam segment, fund fees received for pledged or managed assets in funds are invoiced in accordance with the investor agreement. According to the investor agreement, the Group is to manage the funds throughout the fund's duration, which is considered a performance obligation (meaning a series of distinct services that are substantially the same and that have the same pattern of transfer to the customer). The customer obtains the benefits of the Group's performance when the Group satisfies an obligation. The services are routine and recurring services in which it is possible to identify when the customer simultaneously receives and consumes all of the benefits provided by the company as the company performs. Income from fund management is recognised as the services are performed over time. The price is variable in that a fixed percentage is used throughout the fund's lifecycle, which is calculated using a base that changes over time. The price is initially calculated using pledged capital, but later in the fund's lifecycle invested capital is used as the base for calculating the management fee. Since there is great uncertainty surrounding the future value of invested capital, this is not taken into consideration in income recognition but rather income for the period is calculated using the base that prevails at that time.

Additional services

Income from sales of additional services is billed on a time and materials basis. An hourly fee is then agreed for the service (which is negotiated individually by contract). As there is only one performance obligation, an allocation of the transaction price is not applicable. Most of this type of income is found in the Newsec segment. One such additional project could, for example, be project management of office conversions. The company's performance obligation is then to create and/or refine an asset that the customer controls throughout the project. The performance is conducted on a continuous basis during the contracted period as work is carried out. Most projects are recognised over time.

Renegotiations and leasing

Income from Renegotiations and leasing is included in the Newsec segment. Many of the Group's customers are property owners and the Group's service range includes assisting customers in leasing their premises and renegotiating rental contracts with their customers. The price is often a percentage of annual rent as regulated in the contract. The performance obligation is to help customers to lease/renegotiate their premises and the customer obtains the benefits of the Group's performance when leasing is achieved. Income is therefore recognised when the lease is signed on behalf of the customer, meaning at a point in time.

Incentives

Incentive-based income is mainly found in the Newsec segment and involves assignments when the Group on an exclusive basis is to act as advisor to the customer in the divestment of the customer's property. The Group's fee is a percentage of the property's purchase consideration and is thus variable payment. It is a success-based fee, which means the Group receives no payment if the transaction is not completed. The agreement has only one performance obligation and the transaction price is a percent rate of the purchase consideration, which means an allocation of the transaction price does not apply. The Group serves as advisor throughout the property sale, but the transaction is considered completed only when the buyer takes possession and pays the full purchase consideration for the property. The performance obligation is therefore to "sell the property". The customer obtains the benefits of the company's performance when the property is sold, and it is at this time that the consumption of the benefits of the company's performance can be identified. Income is therefore recognised when the transaction is completed and the sales contract signed. At this point, it is also considered highly probable that the income will not need to be reclassified in the future.

Other income related to the incentive is recognised when it can be confirmed that the Group's obligation in the underlying contract is satisfied and other conditions for payment have been met.

Promote

The company may receive excess returns attributable to investments in the funds, known as the promote, which is paid when the fund is closed. Income is recognised when the amount can be determined with reasonable assurance and it is probable that payment will take place.

Materials and additional services

The Group purchases materials and services from subcontractors in order to carry out services on the properties to comply with agreements. These purchases are re-invoiced to customers with a certain mark-up. The Group's re-invoicing is recognised gross, meaning costs are reported separately and income as sales, as contracts with customers clearly state that the Group has a commitment to purchase materials and services to carry out a service on behalf of the Group's customers and bears the risk. The promise to provide materials/services required to carry out the services on the properties covered by the agreement is considered a performance obligation. The customer obtains the benefits of the company's performance when the Group provides the required material/service to the property, which in turn allows the Group to carry out its service in accordance with the agreement. The commitment is therefore very closely linked to the commitment described in Fixed-price contracts and is reported in a similar manner over time. The income for re-invoicing is recognised in the period when the cost of the material/service arises.

In addition to that described, the Group has not identified any variable benefits, material financing components, non-cash benefits or other benefits paid to customers. Nor are there any material opening charges to fulfil the contract.

Dividend income is recognised when the shareholder's right to receive a dividend has been established.

Interest income is recognised on a time-proportion basis using the effective interest method. The effective interest rate is the rate that means the present value of all future incoming and outgoing payments during the fixed-interest period is equal to the carrying amount of the receivable.

Leases

Stronghold has conducted a detailed review and analysis of the Group's leases, after which the lease of premises and vehicles was identified as the material agreements that meet the requirements to be reported under IFRS 16. The Group also has leases for items such as office equipment, all of which are considered as low value. Stronghold has chosen to apply practical expedients related to short-term leases (12 months or less) and low-value leases. These are not recognised in the statement of financial position, but instead in operating profit in the same manner as the former operating leases.

The Group assesses whether an agreement is or contains a lease at the start of the contract. The Group recognises a right-of-use asset and a corresponding lease liability for all leases in which the Group is lessee with the exception of agreements falling under the expedients described above.

The lease liability is initially measured at the present value of the lease payments not paid at the commencement date, discounted using the interest rate implicit in the lease. If this interest rate cannot easily be established, the Group uses the incremental borrowing rate. The incremental borrowing rate is the rate a lessee would have paid for loan financing over the same period, and with similar security, for the right-of-use of an asset in a similar economic environment.

Options are only included in the lease term when it is reasonably certain that it will exercise an extension option or when it is reasonably certain that a termination option will not be exercised. To reduce uncertainty for options that lie far in the future, only the first option period in a contract is included in the assessment. Executive management considers all available information that provides an economic inventive to exercise an extension or termination option, for example the opportunity to find suitable replacement premises, moving costs, current leasehold improvements or negotiation costs for entering a new lease. For termination options when both the lessee and lessor can exercise the option, executive management is of the opinion that significant penalties exist based on the lease's economic substance that are not entirely due to the form of the contract.

Lease payments included in the measurement of the lease liability comprise:
* fixed lease payments (including in-substance fixed payments), less any lease incentives,
* variable lease payments that are based on an index or a price, initially valued using an index or price at the commencement date,
* amounts expected to be paid by the lessee under residual value guarantees,
* the exercise price under a purchase option that the lessee is reasonably certain to exercise, and
* payments of penalties for terminating the lease if the lease term reflects the lessee exercising that option.

The lease liability is presented on a separate line in the consolidated statement of financial position. After initial recognition, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability (by using the effective interest method) and by reducing the carrying amount to reflect lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the associate right-of-use asset) if:
* the lease term changes or if there is a change in the assessment of an option to purchase the underlying asset. In such cases, the lease liability is revalued by discounting the amended lease payments using an amended discount rate,

* lease payments change due to amendments to an index or price or changes to an amount expected to be paid under a residual value guarantee. In such cases, the lease liability is revalued by discounting the amended lease payments using the initial discount rate (unless the changes in lease payments are due to changes to floating interest rates, when an amended discount rate is instead used, or
* a lease is changed and the change is not recognised as a separate lease. In such cases, the lease liability is remeasured by discounting the amended lease payments using an amended discount rate.

On the acquisition date, right-of-use assets are recognised at the value of the corresponding lease liability, lease payments made on or before the commencement date and any initial directly related costs. In subsequent periods, these are recognised at cost less accumulated depreciation and impairment. If the Group incurs an obligation for dismantling and removal of a leased asset, the restoration of the site or restoring the underlying asset to the condition stipulated in the terms of the lease, a provision is recognised in accordance with IAS 37. Such provisions are reported as part of the cost of the right-of-use asset, unless these costs arise in conjunction with the production of goods.

Right-of-use assets are depreciated over their estimated useful lives or over the agreed lease term, if this is shorter. If a lease transfers ownership rights to the underlying asset at the end of the lease term or if the cost of the right-of-use asset reflects an expectation by the Group that it will exercise a purchase option, the underlying asset is depreciated over its useful life. Depreciation begins on the commencement date of the lease.

Right-of-use assets are presented on a separate line in the consolidated statement of financial position. The Group applies IAS 36 Impairment of Assets to decide whether an impairment requirement exists for the right-of-use asset and in the same manner as that described in the principles for property, plant and equipment

Variable lease payments that are not based on an index or price are not included in the measurement of the lease liability and right-of-use asset. Such lease payments are recognised as an expense in the period in which they arise and included on the Other external expenses line in the consolidated income statement.

Foreign currency

Items that are included in the financial statements from the various units in the Group are recognised in the currency used in the primary economic environment where the respective unit operates (functional currency). In preparing the consolidated accounts, assets and liabilities in foreign subsidiaries are translated into SEK, which is the Parent Company's functional currency and reporting currency, at the closing-day rate. Items of income and expenditure are translated using the average exchange rate for the period, unless the exchange rate fluctuated substantially during the period when the exchange rate on the transaction date is instead used. Any translation differences arising are recognised in other comprehensive income and accumulated in translation reserve in equity. On the disposal of a foreign subsidiary, such translation differences are recognised in profit or loss as part of capital gain/loss.

Transactions in foreign currency are translated to the functional currency in the Parent Company at the exchange rates prevailing on the transaction date. Monetary items in foreign currencies are translated at the closing-day rate on each balance sheet date Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date fair value was determined. Non-monetary items measured at historical cost in a foreign currency are not translated.

Currency differences are recognised in profit or loss for the period in which they arise with the exception of items when hedge accounting is applied.

Borrowing costs

Borrowing costs that are directly related to purchases, development or production of an asset that necessarily takes a substantial period of time to complete for its intended use or sale, are included in the asset's cost, until the asset is completed for its intended use or sale. Interest income from the temporary investment of borrowed funds for the asset described above are deducted from the borrowing costs that may not be included in the asset's cost.

Other borrowing costs are recognised in profit or loss in the period in which they arise.

Government grants

Government grants are financial grants from government or supranational bodies received in exchange for the fulfilment of certain specified conditions by the Group. The financial grants are recognised in the financial statements when there is reasonable assurance that the conditions will be met and the grants received. Due to the COVID-19 pandemic, Stronghold has received reorientation support and furlough support. The reorientation support received is recognised as other income in profit or loss. The furlough support received is recognised in profit or loss as a reduction in related personnel costs.

Employee benefits

Remuneration of employees, in the form of salaries, bonuses, paid holiday, paid sick leave and pensions is recognised as it is earned. Pensions and other post-employment benefits are classified as defined-contribution or defined-benefit pension plans. The Group has a defined-benefit pension plan consisting of the ITP plan. The ITP plan is a plan covering several employers and ensured by insurance in Alecta. Since Alecta cannot provide sufficient information to allow the Group to report this as defined-benefit, it is reported as defined-contribution.

Defined-contribution pension plans
In the case of defined-contribution plans the company pays a fixed fee to a separate, independent legal entity and is not obligated to pay further fees. The Group's earnings are charged for the costs as the benefits are earned, which usually coincides with the time when premiums are paid.

Severance pay
Severance pay is paid when employment is terminated before the normal age of retirement or when the employee accepts voluntary redundancy in exchange for such remuneration. The Group recognises severance pay when it is demonstrably obligated either to terminate employment according to a detailed formal plan without any option for recall or to provide compensation in a case of termination of employment as a result of an offer made to encourage voluntary resignation from employment. Benefits that are due more than 12 months from the balance sheet date are discounted to current value.

Related party transactions
Related party relates to both legal and natural persons:
– all companies in the Stronghold Group
– Board members and executive management
– close family members of Board members and executive management
– companies controlled by Board members or executive management
– shareholders who control more than 10 percent of shares or votes

Taxes

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

Current tax
Current tax is calculated on taxable profit for the period. Taxable profit differs from recognised profit in profit or loss as this has been adjusted for non-taxable income and non-deductible expenses and for income and costs that are taxable or tax deductible in other periods. The Group's current tax liability is calculated according to tax rates decided or announced at the balance sheet date.

Deferred tax
Deferred tax is reported on all temporary differences between the carrying amount of assets and liabilities in the financial statements and the taxable value used in calculating taxable earnings. Deferred tax is reported using the balance sheet method. Deferred tax liabilities are reported in principle for all taxable temporary differences, and deferred tax assets are essentially reported for all deductible temporary differences to the extent it is likely that the amount can be utilised against future taxable surplus. Deferred tax liabilities and tax assets are not recognised when the temporary difference is due to goodwill or if it arises from initial recognition of an asset or liability in a transaction (other than a business combination) that at the time of the transaction affects neither recognised profit nor taxable profit or loss.

Deferred tax liabilities are recognised for taxable temporary differences related to investments in subsidiaries, except in cases when the Group can control the timing of the reversal of the temporary difference and it is considered probable that such a reversal will not be made in the foreseeable future. Deferred tax assets attributable to deductible temporary differences pertaining to such investments are recognised only to the extent it is likely that the amount can be utilised against future taxable surplus and it is probable that such utilisation will be made in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at every balance sheet date and reduced to the extent that which it is no longer likely that sufficient taxable surpluses will be available to be used, partially or entirely, to offset the deferred tax asset.
Deferred tax is calculated in accordance with the tax rates expected to apply for the period when the asset is recovered or the liabilities are settled, based on the tax rates (and tax laws) adopted or announced at the balance sheet date.

Deferred tax assets and tax liabilities are offset when they relate to income tax charged by the same public authority and when the Group intends to settle the tax in a net amount.

Current and deferred tax for the period
Current and deferred tax are reported as an expense or income in profit or loss, except when 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. For current and deferred tax arising from the recognition of business combinations, the tax effect is reported in the acquisition analysis.

Tangible assets

Tangible assets are recognised at cost less accumulated depreciation and any impairment.

Cost comprises the purchase price, expenditure that is directly attributable to the asset to bring it to its place of use and prepare it for use as well as estimated expenditure for dismantling and removal of the asset and restoration of the site. Subsequent costs are only included in the asset or recognised as a separate asset, when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be reliably calculated. All other costs for repairs and maintenance and subsequent costs are recognised in profit or loss for the period in which they arise.

Depreciation of tangible assets is expensed so the value of the asset, less estimated residual values at the end of the useful life, are depreciated straight-line over their estimated useful life which are estimated at:

Equipment	5 years
Leasehold improvements	3–6 years
Right-of-use assets	3–8 years

Equipment of lesser value is expensed immediately at the time of purchase, as are computers, which are considered to have limited service lives. Estimated total useful lives, residual values and depreciation methods are reviewed not later than the end of each financial period, the effect of any changes in judgements are recognised prospectively.

The carrying amount of a tangible asset is derecognised from the statement of financial position when it is disposed of or divested, or when no future financial benefits are expected from the use or disposal/divestment of the asset. The profit or loss that arises when the asset is disposed of or divested, comprises the different between any proceeds from the divestment and its carrying amount, is recognised in profit or loss in the period in which the asset is derecognised from the statement of financial position.

Intangible assets

Separately acquired intangible assets
Intangible assets with determinable useful lives acquired separately are recognised at cost less accumulated depreciation and any accumulated impairment. Assets are amortised on a straight-line basis over their

estimated useful lives. Intangible assets consist mainly of customer relationships that are amortised over 2–20 years and software that is amortised over 3–5 years. Estimated total useful lives and amortisation methods are reviewed not later than the end of each financial year, the effect of any changes in judgements are recognised prospectively.

Any cloud services that are classified as Software-as-a-Service (SaaS) are not capitalised in the balance sheet. No software licenses or rights to take possession of the software are received in contracts of this type. The software usually remains on the seller's hardware, and the buyer accesses the software only via an Internet connection. Control over an SaaS system is not obtained, and the agreement only grants the right to access the supplier's application during the term of the contract. If the fees for an SaaS system do not meet the definition of an intangible asset, an assessment should be made of whether the costs can be capitalised as an advance payment or must be expensed as they arise.

Internally accrued intangible assets: capitalised expenditure for product development
Internally accrued intangible assets arising from the Group's product development are only recognised if the following conditions are met:

• It is technically feasible to complete the intangible asset and utilise or sell it,
• The company intends to complete the intangible asset and utilise or sell it,
• There are prerequisites in place to utilise or sell the intangible asset,
• The company can demonstrate that the intangible asset will generate probable, future economic benefits,
• There is adequate technical, economic and other resources are available to complete the development and to utilise or sell the intangible asset and
• The expenditure associated with the intangible asset during its development can be calculated in a reliable manner.

If it is not possible to report an internally created intangible asset the costs for development are recorded as expenses in the period in which they occur. After initial recognition, internally accrued intangible assets are recognised at cost less accumulated amortisation and any accumulated impairment.

The carrying amount of an intangible asset is derecognised from the statement of financial position when it is disposed of or divested, or when no future financial benefits are expected from the use or disposal/divestment of the asset. The profit or loss that arises when the asset is disposed of or divested is recognised in profit or loss in the period in which the asset is derecognised from the statement of financial position.

Impairment of tangible and intangible assets excluding goodwill

On every balance sheet date, the Group analyses the carrying amount of tangible and intangible assets to determine whether there are any indications that the value of these items has declined. Where this is the case, the asset's recoverable amount is calculated to establish the value of any impairment. When it is not possible to measure the recoverable amount for an individual asset, the Group calculates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets that are not yet available for use are tested for impairment annually or when there is an indication of a decline in value.

The recoverable amount is the higher of fair value less selling expenses and value in use. When calculating the value in use, the estimated future cash flow is discounted to present value using a discount rate that is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is set to a lower value that the carrying amount, the carrying amount of the asset (or the cash-generating unit) is impaired to the recoverable amount. Impairment is immediately expensed in profit or loss.

When impairment is reversed, the asset's (the cash-generating unit's) carrying amount increases to the remeasured recoverable amount, but the increased carrying amount may not exceed the carrying amount that would have been determined if no impairment had taken place of the asset (or the cash-generating unit) in previous years. The reversal of an impairment is recognised directly in profit or loss.

Financial Instruments

A financial asset or financial liability is recognised in the balance sheet when the Group becomes a party to the instrument's contractual terms. A financial asset or portion of a financial asset is derecognised from the balance sheet when the rights in the agreement are realised, expire or the company loses control over it. A financial liability or portion of a financial liability is derecognised from the balance sheet when the contractual obligation is discharged or otherwise extinguished.

Classification and measurement

On each balance sheet date, expected credit losses on a financial asset or group of financial assets are calculated.

Financial assets are classified based on the business model used to manage the asset and the asset's cash flow characteristics. If the financial asset is being held as part of a business model, the goal of which is to collect contractual cash flows (hold to collect) and the contracted terms for the financial asset give rise at fixed points in time to cash flows that comprise solely payments of principal and interest on the principal outstanding, the asset is recognised at amortised cost.

If the business model's goal is instead achieved by both collecting contractual cash flows and selling financial assets (hold to collect and sell) and the contracted terms for the financial asset give rise at fixed points in time to cash flows that comprise solely payments of principal and interest on the principal outstanding, the asset is measured at fair value through other comprehensive income.

All other business models (other) when the aim is speculation, held for trading or where the cash flow characteristic excludes other business models, are measured at fair value through profit or loss.

Financial assets and financial liabilities that in subsequent reporting are not measured at fair value through profit or loss, are initially measured at fair value with added or deducted transaction costs. Financial assets and financial liabilities that in subsequent reporting are measured at fair value through profit or loss, are initially measured at fair value. Financial instruments are subsequently recognised at their amortised cost or fair value depending on the initial classification.

On initial recognition, a financial asset or financial liability is classified in one of the following categories:

Financial assets

– Amortised cost
– Fair value through other comprehensive income
– Fair value through profit or loss

Financial liabilities
– Fair value through profit or loss
– Amortised cost

Fair value of financial instruments
The fair value of financial assets and financial liabilities is decided as follows:

• The fair value of financial assets and liabilities is determined on the basis of valuation models that use other observable data for the asset or liability, such as listed prices for similar assets and liabilities and other data that may be used as a basis for price assessment, such as market rate and yield curves.

• The fair value of financial assets and liabilities is determined on the basis of valuation models when significant inputs are based on unobservable data.

The carrying amounts for all financial assets and liabilities are considered reasonable approximations of their fair value, unless otherwise specified in subsequent notes.

Amortised cost
Amortised cost relates to the initial amount of the asset or liability less repayments, additions or deductions for accumulated allocations in accordance with the effective interest method of the initial difference between received/paid amounts and the amount to pay/receive on the due date and less impairment.

The effective interest rate is the rate used when discounting all expected cash flow over the expected duration to result in the initial carrying amount of the financial asset or the financial liability.

Offsetting financial assets and liabilities
Financial assets and liabilities are offset and recognised at a net amount in the balance sheet when there is a legally enforceable right to offset and when there is an intention to settle the items on a net basis, or to realise the asset and settle the liability simultaneously.

Cash and cash equivalents
Cash and cash equivalents include cash funds and bank balances as well as other current liquid investments that can easily be converted into cash and are subject to an insignificant risk of change in value. To qualify for classification as cash and cash equivalents, the duration may not exceed three months from the date of acquisition. Cash funds and bank balances are classified as financial assets measured at amortised cost. Since bank deposits are payable on demand, amortised cost corresponds to the nominal value. Current investments are classified as financial assets measured at amortised cost. Like bank funds, amortised cost is considered to be matched by a nominal amount. The Group invests its surplus liquidity periodically in fixed-interest accounts with a maturity period of three months. The investment is in line with the financial policy adopted by the Board.

It was not considered of material importance to report a loss allowance for expected credit losses regarding cash and cash equivalents.

Accounts receivables
Accounts receivables are measured at amortised cost. Since the expected maturity of an account receivable is short, a nominal value without discounting is recognised. Deduction is made for bad debts arising from an individual assessment of the receivable. In addition, a collective assessment is carried out of the expected credit risk based on further impairment losses. Impairment of accounts receivable is recognised in operating expenses.

Impairment of accounts receivable
Definition of default:

Based on historical experience, the Group presumes the following events indicate that an account receivable will not be paid:

* when the customer contravenes financial covenants
* when either internal information or information from external sources indicates that it is very likely that the customer will be unable to pay their debts.
* when the receivable is older than 90 days.

Basis for collective assessment:
When documentation is not yet available for an assessment of the credit risk at an individual level, the accounts receivables are grouped together based on the remaining maturities. The Group's customers all operate in the property sector, and it is therefore not considered relevant to make further divisions.

Category	Description	Impairment related to credit risk, %
Very low risk	The counterparty has no amounts due. There are no indications of reduced payment capacity.	0.12
Low risk	The counterparty has amounts up to 30 days past due. There are no indications of reduced payment capacity.	1.2
Medium risk	The counterparty has amounts more than 30 days past due or with an indication of increased credit risk.	2.4
High risk	The counterparty has amounts more than 60 days past due or there is evidence of increased credit risk.	7.1
Write-off	The counterparty has amounts more than 90 days past due or there is clear evidence and events indicating that the counterparty has serious financial problems, and the Group therefore has no realistic possibility of receiving payment.	100

To reduce the risk of credit losses, the Group regularly monitors the maturity structure and risk rating.

No credit risk provision has been calculated on contract assets as these are deemed immaterial since none are past due and there are no indications of a reduced payment capacity. These are therefore included in the Very low risk category.

Risk management process for accounts receivable:
The average payment terms on sale of services is 30 days.

The Group uses the modified retrospective approach with a matrix for accounts receivable when calculating expected credit losses. The matrix is created based on historical credit losses whereby the historical probability of default is calculated on the basis of the number of days of delayed payment and thereafter adjusted to current conditions and forward-looking factors. The adjustment for future expectations has been assessed based on asset-specific and current factors among the Group's customers. Accounts receivable more than 90 days past due are written down in full.

The risk of default remains unchanged compared with the preceding year. Refer to Note 23 for further information on this. No other changes in respect of significant assumptions related to credit assessments and impairment took place during the current reporting period.

The Group writes down accounts receivable on an individual basis when there is information that indicates that the counterparty has serious financial problems and there is no realistic possibility of receiving payment, such as when the counterparty is under liquidation or has initiated bankruptcy proceedings. An estimate of expected credit losses is conducted on all accounts receivable in accordance with the description above.

When a new customer is accepted, an assessment is carried out of the customer's payment capacity, which is continuously monitored. In conjunction with the monthly closing, an individual review is conducted on all accounts receivables due, and also the payment capacity of these customers, to ensure that impairment takes place as needed. The Group's senior executives believe this reduces the Group's credit risk.

The Group's accounts receivable comprise a large number of customers spread across various geographic areas where the Group operates. The vast majority of customers are active in the property sector in one way or another. Of the accounts receivable at year-end, SEK 17 million pertains to the Group's two largest customers. In addition to this, the Group has no significant credit risk exposure to any specific counterparty or group of related counterparties, meaning members of the same group. The concentration of credit risk to the Group's two largest companies does not exceed 3 percent of the Group's liquid assets at any time during the year. The Group's credit risk is limited as it has a large number of customers that are independent in relation to each other.

Accounts payable
Accounts payable are measured at amortised cost. Since the expected maturity of an account payable is short, the liability is reported as a nominal value without discounting.

Liabilities to credit institutions and other borrowings
Interest-bearing bank loans, overdraft facilities and other loans are measured at amortised cost. Any difference between the loan amount received (net after transaction costs) and the loan's repayment amount is allocated across the term of the loan using the effective interest method and recognised in profit or loss as an interest expense.

Derivatives
An interest-rate derivative consists of a financial asset or liability measured at fair value together with changes in value through profit or loss. To manage exposure to fluctuations in the market interest rate in accordance with the established financial policy, Stronghold has entered into interest-rate derivatives. When using interest-rate derivatives, changes in value arise depending primarily on changes in the market interest rate. The interest-rate derivative is initially recognised in the balance sheet at cost on the transaction date, and valued thereafter at fair value together with changes in value through profit or loss.

Stronghold utilises hedging instruments as a currency hedge for net investments in Norway, Finland and the Baltic region, which is achieved by raising credits in the functional currency of the foreign company. The Group also has currency hedges to hedge substantial flows in EUR, NOK and DKK. The Group has chosen to hedge certain currency derivatives. Hedge accounting occurs for the currency derivatives used to hedge net investments for currency hedges used to hedge major future cash flows related to promote that will be received in EUR. The currency hedges mature in March 2022. These are initially recognised in the balance sheet at cost on the transaction date, and thereafter at fair value when the effective portion of the exchange rate change related to the hedging instrument is recognised in other comprehensive income, while the ineffective portion is recognised as a change in value through profit or loss. The closing-day rate is used to determine fair value. On the date on which the hedge was entered into, hedging documentation describes the hedge and the company's strategy and risk management and describes the hedge's effectiveness and how it is measured and followed up. The hedges are considered highly effective based on the criteria below. An economic links exists between the hedged item and the hedging instrument. The effect of the credit risk does not dominate the changes pursuant to the economic relationship. The hedge ratio for the hedging relationship is the same as the quantity of the hedged item that the company is actually hedging and the quantity of the hedging instrument that the company is actually using to hedge the amount of hedged items. If a hedge ceases to be effective for reasons related to the hedge ratio but nothing is changed in the risk strategy, the company will rebalance the hedge. The Group discontinues hedge accounting only when the hedge no longer fulfils the qualification criteria, such as when the hedging instrument is divested or redeemed or when a hedge forecast no longer fulfils the requirement of highly probable.

The Group's hedge accounting pertaining to the hedge of net investments had an impact of SEK 8 million on comprehensive income. Hedge accounting pertaining to currency hedges (cash flow hedge) had an impact of SEK 4 million on comprehensive income.

Other currency derivatives are measured at fair value together with changes in value through profit or loss. Currency derivatives were marked to market using the spot rate on the balance sheet date, which is considered a good approximation of the forward rate on the balance sheet date.

Provisions

A provision is recognised in the balance sheet when the Group has an existing obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

The size of the provision is the most reliable estimate of the amount required to settle the existing commitment on the balance sheet date, taking into account risks and collateral associated with the obligation. When a provision is calculated by using an estimate of the expenditure required to settle the obligation, this corresponds to the present value of these payments.

When part or all of the amount required to settle an obligation is expected to be reimbursed by a third party, the compensation is recognised as a separate item as an asset in the statement of financial position when it is essentially certain that it will be paid if the company settles the obligation and the amount can be reliably calculated.

Accounting policies for the Parent Company

The Parent Company applies the Swedish Annual Accounts Act and Recommendation RFR 2 Accounting for Legal Entities of the Swedish Financial Reporting Board. The application of RFR 2 requires that the Parent Company shall as far as possible apply all IFRS adopted by the EU within the framework of the Annual Accounts Act and with consideration of the relationship between accounting and taxation. Differences between the Parent Company's and Group's accounting policies are presented below.

Changes in accounting policies

For 2021, the Swedish Financial Reporting Board resolved not to introduce any changes or amendments to:
– Amendments to IFRS 9, IAS 39 and IFRS 7: IBOR reform (Phase 2)

For 2021, the Swedish Financial Reporting Board resolved to introduce changes to:
- Extensions of the expedients in RFR 2 as a result of the changes to IFRS-16 – COVID-19 related rent concessions

Approved changes to RFR 2 not yet applied

The Swedish Financial Reporting Board resolved not to introduce any changes or amendments to:
– Amendments to IFRS 3 Business Combinations – Reference to the Conceptual Framework

– Amendments to IAS 16 Property, Plant and Equipment
– Amendments to IAS 37 – Onerous Contracts – Cost of Fulfilling a Contract
– Improvements to IFRSs 2018–2020
– Amendments to IAS 1 – Classification of Liabilities as Current or Non-current

Proposed changes to RFR 2 not yet approved
The Swedish Financial Reporting Board has proposed, but not resolved to introduce, changes or amendments to:
- Amendments to IAS 1 – Disclosure of accounting policies
- Amendments to IAS 8 – Definition of estimates
- Amendments to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction

Presentation format for financial statements
Stronghold Invest AB's income statement and balance sheet are presented in accordance with the stipulations of the Swedish Annual Accounts Act. The difference compared with IAS 1 Presentation of Financial Statements, which is applied in the presentation of the Group's financial statements, is primarily that the Parent Company's financial statements do not include a statement of comprehensive income.

Dividend
Dividends to the Parent Company shareholders are recognised as a liability in the consolidated financial statements in the period when the dividend is approved by the Parent Company's shareholders and payment has not yet taken place. Dividend income is recognised when the right to receive payment has been established.

Participations in subsidiaries

Participations in subsidiaries are recognised at cost less potential impairment losses. Acquisition-related costs for subsidiaries, which are expensed in the consolidated accounts, are included as part of the acquisition value of participations in subsidiaries.
Participations in associated companies
Participations in associated companies are recognised in the Parent Company using the cost method. Dividends received are recognised as income in profit or loss only on the condition that these arise from profit earned after the acquisition. Dividends that exceed this earned profit are regarded as a repayment of the investment and reduce the carrying amount of the participation in the balance sheet.

Group contributions and shareholders' contributions received
Group contributions received and paid are recognised in profit or loss as appropriations.

Shareholders' contributions paid are recognised by the donor as an increase in the item participations in Group companies, after which impairment testing is conducted on the value of the participations. Shareholders' contributions received are recognised by the recipient directly against unrestricted equity.

Pensions
The Parent Company has only pension plans that are classified as defined-contribution pension plans.

Leases
The Parent Company recognises all lease payments from leases as other operating expenses.

Untaxed reserves
In the Parent Company, untaxed reserves including deferred tax liabilities are recognised. However, in the consolidated accounts, untaxed reserves are divided into deferred tax liabilities and equity.

Financial assets and liabilities
The Parent Company applies the exemption provided for in RFR 2 from applying IFRS 9 in a legal entity. The Parent Company applies a method based on cost in accordance with the Swedish Annual Accounts Act. The impairment requirements under IFRS 9 are applied despite the Parent Company's decision to apply the exemption in RFR 2.

3. Significant judgements and assumptions

The preparation of financial statements in accordance with IFRS requires that executive management makes judgements and assumptions that affect the amounts recognised for assets, liabilities, income and expenses. These judgements are based on historical experience and on various factors considered reasonable under the prevailing conditions. Actual outcomes may differ from these judgements if other assumptions are made or other circumstances are in place. Judgements and assumptions are regularly reviewed. Changes in judgements are recognised in the period in which the change is made if the change only affects that period, or the period in which the change is made and future periods if the change affects both the period in question and future periods.

Impairment testing
A number of significant assumptions and judgements must be made when value in use is measured based on the expected future discounted cash flows associated with the asset, for example pertaining to factors such as discount rate, growth and working capital requirements. Forecasts of future cash flows are based on the best possible judgements of future income and operating expenses, using historical developments, general market conditions, development and forecasts for the industry and other available information. Refer to Note 15 for a more detailed description of assumptions made.

Controlling and significant interest
According to IFRS 10, an investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. In the wholly owned subsidiary Niam AB, the Group's conducts the management of property funds where financial investors are offered to invest in the Nordic markets through the Group's funds. Niam takes care of the day-to-day management and control of the funds, which is regulated in investor agreements between Niam and the investors. However, the investor agreements entail substantial limitations for Niam to exercise any influence as all investor interests must be taken into account. The returns received by Niam are a combination of fixed payments and variable payments, which means they are exposed to variable returns. The variable returns to which Niam is exposed are however limited, since the holding in the funds is less than 1 percent. In light of the limitations included in the agreement, which means the interests of other investors must be taken into account, executive management is of the opinion that the Group does not have a controlling interest but instead acts as an agent for other investors in terms of management and control of the funds. The holding in the funds is therefore not consolidated.

4. Financial risk management and financial instruments

Through its operations, the Group is exposed to various types of financial risks, such as credit, liquidity, currency and price risks. The company's Board is ultimately responsible for exposure, management and follow-up of the Group's financial risks. The framework that applies to exposure, management and follow-up of the financial risks is established by the Board in a financial policy, which is revised every year. Within the framework of this policy, the Group strives to achieve a low risk profile. The Board can decide to make temporary derogations from the established financial policy. The Board has delegated the daily management of risks to the CFO, who reports to the Board every quarter. Risk reporting and policy compliance is included in the report, as is decision data for any modifications to the financial policy.

Credit risks
Investments of cash and cash equivalents may only be made in high-quality interest-bearing investments that is guaranteed by means of the counterparty's rating. Investments in addition to the amounts in bank accounts are made in short-term interest-bearing investments (three months) with major banks. Derivatives may only be used for the purpose of risk management.

The Group's credit risk relating to customers is considered minor as customers mainly comprise mid-sized and large companies and Groups that operate professional and long-term businesses under strong brands. Bad debt losses have historically been small. Any credit assessments of the Group's customers that have been conducted by independent appraisers are used. If there are none, a risk assessment of the customer's credit ratings is performed, taking into account the customer's financial position, past experience and other factors. Exposure corresponds to the carrying amount of accounts receivable as well as cash funds and financial investments.

Liquidity risk
To ensure short- and long-term supply of capital, the Group has established regular liquidity budgets and liquidity forecasts and guarantees the short-term access to funds by maintaining a liquidity reserve in the form of cash and cash equivalents and unutilised committed credits. Liquidity risk is minimised in the long term by guaranteeing long-term financing in the form of committed loan facilities and risk-bearing capital. Available cash and cash equivalents amounted to SEK 393 million (662) on 31 December 2021. The Group had an unutilised overdraft facility of SEK 77 million (84). The Group is not exposed to any material liquidity risk due to lease liabilities. Lease liabilities are monitored by the Group's treasury function.

The Group's liabilities had maturities as below:

Group 31 Dec 2021	**Within 3 months**	**3–12 months**	**1–5 years**	**Over 5 years**	**Total carrying amount**
Liabilities to credit institutions	13,000	43,026	670,973	-	726,999
Lease liabilities	-	104,396	233,965	26,749	365,110
Other non-current liabilities	-	-	24,877	-	24,877
Derivatives	-	1,924	-	-	1,924
Accounts payable	136,369	-	-	-	136,369
Other current liabilities	8,328	2,700	-	-	11,028
Total	**157,697**	**152,046**	**929,815**	**26,749**	**1,266,307**

Group 31 Dec 2020	**Within 3 months**	**3–12 months**	**1–5 years**	**Over 5 years**	**Total carrying amount**
Liabilities to credit institutions	13,673	41,006	708,461	-	763,140
Lease liabilities	-	84,835	249,115	51,606	385,556
Other non-current liabilities	-	-	33,973	-	33,973
Derivatives	-	-	5,319	-	5,319
Accounts payable	116,499	-	-	-	116,499
Other current liabilities	10,453	1,283	-	-	11,736
Total	**140,625**	**127,124**	**996,868**	**51,606**	**1,316,223**

Parent Company 31 Dec 2021	Within 3 months	3–12 months	1–5 years	Over 5 years	Total
Liabilities to credit institutions	13,000	43,026	670,973	-	726,999
Accounts payable	2,682	-	-	-	2,682
Other current liabilities	201,684	-	-	-	201,684
Total	**217,366**	**43,026**	**670,973**	**-**	**931,365**

Parent Company 31 Dec 2020	Within 3 months	3–12 months	1–5 years	Over 5 years	Total
Liabilities to credit institutions	13,673	40,925	708,394	-	762,992
Accounts payable	2,110	-	-	-	2,110
Other current liabilities	47,381	-	-	-	47,381
Total	**63,164**	**40,925**	**708,394**	**-**	**812,483**

A large share of the Group’s and Parent Company’s liabilities fall due within 1–5 years. Such risks are managed through continuous discussions with the counterparty.

The nominal value is a reasonable approximation of fair value for all balance-sheet items. With regard to the bank loans, interest is variable and the credit margin is unchanged on the balance sheet date, and fair value is therefore not essentially different from nominal value.

Currency risk
The Group has two types of currency risk, transaction exposure and translation effects. Currency risk in the form of transaction exposure is limited by invoicing and costs primarily arise in each Group company’s local currency. Major transactions are hedged whenever necessary.

The Group hedges expected future cash flows and on 31 December the hedged amount was EUR 32 million (52), DKK 48 million (48) and NOK 15 million (-) with a maximum maturity of just over 1 year.

Translation effects arise when translating the balance sheets and income statements of foreign subsidiaries. On 31 December, the Group had exposure to EUR, NOK, DKK, GBP and USD. The net exposure to EUR, in the form of receivables and liabilities, was SEK 62 million on 31 December. The net exposure to the remaining currencies was as follows: DKK 289 million, NOK 120 million, GBP 3 million and USD 10 million.

Interest-rate risk
The Group is a net borrower and a change in interest rates impacts the Group’s net financial items mainly through the valuation effect but also to a lesser extent through net interest income. To minimise interest-rate risk, the Group has swapped floating interest rates in bank financing to fixed for 91 percent (90) of the Group’s total external financing.

Price risk
Price risk is the risk that the fair value or future cash flow from a financial instrument is influenced by changes to the instrument’s market price. To limit price risk, the Stronghold Group only invests in instruments with a liquid market, unless the investment is long-term and strategic. Derivatives may only be used for the purpose of risk management.

Sensitivity analysis (transaction risk, interest-rate risk)

Group	31 Dec 2021		31 Dec 2020	
	Earnings	Equity	Earnings	Equity
Transaction exposure, %				
EUR +5	3,778	3,132	2,575	1,368
EUR -5	-3,778	-3,132	-2,575	-1,368
NOK +5	1,064	5,989	492	5,466
NOK -5	-1,064	-5,989	-492	-5,466
DKK +5	-1,206	14,454	161	15,112
DKK -5	1,206	-14,454	-161	-15,112
Interest				
Impact on future net financial items +1 percent	-7,116	-7,116	-7,417	-7,417
Impact on future net financial items -1 percent	7,116	7,116	7,417	7,417

Parent Company	31 Dec 2021		31 Dec 2020	
	Earnings	Equity	Earnings	Equity
Transaction exposure, %				
EUR +5	-6,835	-6,835	-6,479	-6,479
EUR -5	6,835	6,835	6,479	6,479
NOK +5	-3,807	-3,807	-3,776	-3,776
NOK -5	3,807	3,807	3,776	3,776
DKK +5	4,730	4,730	5,161	5,161
DKK -5	-4,730	-4,730	-5,161	-5,161
Interest				
Impact on future net financial items +1 percent	3,641	3,641	3,750	3,750
Impact on future net financial items -1 percent	-3,641	-3,641	-3,750	-3,750

Categorisation of financial instruments

The carrying amounts for financial assets and liabilities are allocated by valuation category and presented in the table below.

	Group		Parent Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Financial assets				
Fair value through profit or loss				
Derivatives held for trading	8,284	22,007	-	-
Shareholdings	136,092	123,439	-	-
Fair value through comprehensive income				
Derivatives for hedge accounting	-	4,964	-	-
Amortised cost	1,122,804	1,240,875	1,235,206	1,277,149
Total financial assets	**1,267,180**	**1,391,285**	**1,235,206**	**1,277,149**
Financial liabilities				
Fair value through profit or loss				
Derivatives held for trading	493	5,319	-	-
Fair value through comprehensive income				
Derivatives for hedge accounting	1,431	-	-	-
Amortised cost	1,427,849	1,453,577	940,189	816,499
Total financial liabilities	**1,429,773**	**1,458,896**	**940,189**	**816,499**

No reclassifications took place between the valuation categories above in 2020 and 2021.

Net gains and losses from financial assets and liabilities are allocated by valuation category and presented in the table below. Disclosures are provided solely for the Group as the Parent Company has no assets/liabilities measured at fair value through profit or loss.

	Group	
	2021	**2020**
Derivatives		
Currency-related	-20,219	15,059
Interest rate-related	9,834	-5,942
Shareholdings	45,044	1,228
Net profit/loss	**34,659**	**10,345**

Of the SEK 34.7 above, SEK 26.2 million was recognised in operating profit, leaving SEK 8.5 million in net financial items. In net financial items, however, there was also a realised gain of SEK 2.1 million in the Parent Company pertaining to financial instruments. Together, both items totalled the SEK 10.6 million recognised as Gains on instruments at fair value in Note 11.

Calculation of fair value

Financial assets and financial liabilities measured at fair value in the balance sheet are classified at one of three levels based on the information used to determine fair value. The tables below present the Group's and Parent Company's classification of financial assets and liabilities measured at fair value. During the periods, no material transfers took place between the levels.

Level 1 – Financial instruments where fair value is determined on the basis of observable (unadjusted) quoted prices in active markets for identical assets or liabilities. A market is regarded as active if quoted prices from an exchange, broker, industry group, pricing service or regulatory authority are easily and regularly available, and these prices represent actual and regularly occurring arm's length market transactions.

Level 2 – Financial instruments where fair value is determined on the basis of valuation models when inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as price listings) or indirectly (i.e., derived from price listings).
Examples of observable data in level 2 include:
• Listed prices for similar assets or liabilities.
• data that may be used as a basis for price assessment, such as market rate and yield curves.
The assets and liabilities measured at fair value based on Level 2 are currency and interest rate-related derivatives whose fair value has been calculated based on documentation from the banks where the derivatives were acquired, which shows the fair value of the derivatives based on current exchange rates or interest levels as of the end of the accounting period.

Level 3 – Financial instruments where the fair value is determined on the basis of valuation models when significant inputs are based on unobservable data. A portion of the assets measured at fair value in Level 3 are holdings in property funds, whose fair value was measured on the basis of the value of the minority share in the fund. The other portion is measured at fair value based on external measurements, primarily in the form of cross-checks of multiples and key ratios in relation to comparable companies that have been carried out by well-known appraisers. The multiples and key ratios used in the measurement were enterprise value per sale, sales increase and EBITDA margin. A ten-percent change on market value does not substantially impact the consolidated income statement.

The Group holds assets related to currency derivatives and interest-rate swaps, which were measured at fair value through profit or loss and at fair value through comprehensive income. The value of these assets was SEK 8 million (27) on 31 December 2021. The Group also held liabilities related to currency derivatives and interest-rate swaps, which are measured at fair value through profit or loss and at fair value through comprehensive income. The value of these liabilities was SEK 2 million (5) on 31 December 2021. The derivatives measured at fair value in comprehensive income are derivatives which are subject to hedge accounting.

The Group also has shareholdings measured at fair value through profit or loss. The value of these was SEK 136 million (123) at 31 December 2021. No other items are measured at fair value. For derivatives in level 2, fair value is calculated by discounting expected cash flow based on market data.

Group, SEK thousand	**31 Dec 2021**			**31 Dec 2020**		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial assets:						
Shareholdings	13,148	—	122,944	—	—	123,439
Derivatives						
Currency-related	—	3,771	—	—	26,971	—
Interest rate-related	—	4,513	—	—	—	—
Total financial assets	**13,148**	**8,284**	**122,944**	**—**	**26,971**	**123,439**
Financial liabilities:						
Derivatives						
Currency-related	—	1,924	—	—	—	—
Interest rate-related	—	—	—	—	5,319	—
Total financial liabilities	**—**	**1,924**	**—**	**—**	**5,319**	**—**

For the Group's other financial assets and liabilities, the carrying amounts are considered a reasonable approximation of fair values. A calculation of fair value based on discounted future cash flows, where a discount rate that reflects the counterparty's credit risk provides the most material input data, is not expected to produce a material difference compared with the carrying amount.

5. Segment information

The information reported to the chief operating decision maker, as a basis for the distribution of resources and assessment of the segments' results, comprises the Group's business areas: Newsec, Niam and Proptech. The business areas represent the Group's reportable operating segments. A change took place in 2021 for how information is reported to the chief operating decision maker. Advisory services and property management have been merged into one segment called Newsec, and fund management has been renamed Niam. The Proptech segment is new for 2021, but existed on a small scale as well in 2020 when it was part of the Other operating segment. The figures for 2020 have been restated in order to reflect this change in reportable operating segments.

Operating segments

• Newsec: This segment consists of property management and advisory services. Income from property management comprises fees for technical and financial management on behalf of property owners, as well as income from leasing and property development on behalf of the Group's management customers. The income from advisory services is received from consultant fees for property valuation and analysis, fees for purchasing and sales advisory services and property brokerage services.

• Niam: Income from Niam comprises fund fees received for pledged or managed assets in funds.

• Proptech: Income from Proptech pertains primarily to onward invoicing of management time invested for the major shareholdings in the segment.

• Other: comprises Group-wide costs and other minor companies in the Group.

Segment income and earnings
An analysis of the Group's income and earnings for each reportable segment is shown below:

Group 2021	**Newsec**	**Niam**	**Proptech**	**Other**	**Elimination**	**Group**
External sales	3,084,734	327,527	2,000	2,142	—	3,416,403
Internal sales	320,008	101,018	2,350	109,275	-532,651	—
Total income	**3,404,742**	**428,545**	**4,350**	**111,417**	**-532,651**	**3,416,403**
Operating profit	**243,363**	**37,722**	**83,125**	**-4,575**	**—**	**359,635**
Financial income						23,555
Financial expenses						-26,752
Profit before tax						**356,438**
Tax						-45,681
Profit for the year						**310,757**

Group 2020	**Newsec**	**Niam**	**Proptech**	**Other**	**Elimination**	**Group**
External sales	2,627,260	369,430	3,544	1,185	—	3,001,419
Internal sales	299,066	96,043	—	99,451	-494,560	—
Total income	**2,926,326**	**465,473**	**3,544**	**100,636**	**-494,560**	**3,001,419**
Operating profit	**157,858**	**78,864**	**-17,302**	**-2,287**	**—**	**217,133**
Financial income						16,337
Financial expenses						-42,212
Profit before tax						**191,258**
Tax						-48,546
Profit for the year						**142,712**

The Other operating segment includes Stronghold Invest AB and Newsec Property Leasing AB.

The accounting policies for reportable segments are consistent with the Group's accounting policies, which are described in notes 1–4. The segments' earnings correspond to the earnings for each segment, financial expenses and income tax. This is an earnings measure reported to the chief operating decision maker, as a basis for the distribution of resources and assessment of the segments' earnings.

Other segment information

	Depreciation/amortisation		**Impairment**	
	2021	**2020**	**2021**	**2020**
Newsec	-148,814	-135,684	-8,709	-24,956
Niam	-11,231	-9,118	—	—
Other	-439	-793	—	—
Total	**-160,484**	**-145,595**	**-8,709**	**-24,956**

The Proptech segment had no impairments in 2021 and 2020.

	Company's share of profit from associated companies	
	2021	2020
Newsec	710	223
Proptech	10,174	-10,382
Total	**10,884**	**-10,159**

Information on geographic areas
The Group conducts operations in five main geographic areas – Sweden (the company's registered office), Finland, Norway, Denmark and the Baltic region.

The Group's income from sales to external customers based on the physical location of operations and non-current assets is specified below. Non-current assets excluding deferred tax assets.

	Income from external customers		Non-current assets	
	2021	2020	2021	2020
Sweden (the company's registered office)	1,548,093	1,336,698	971,061	928,737
Finland	611,528	544,789	46,355	51,045
Norway	477,043	408,793	240,790	232,590
Denmark	643,238	616,716	670,899	696,889
Baltic region	136,501	94,423	24,952	22,533
Total	**3,416,403**	**3,001,419**	**1,954,057**	**1,931,794**

Information regarding the major customers
The Group has three customers that comprised 4.9 percent (5.7), 3.5 percent (4.0) and 3.6 percent (3.7) of the Group's income in 2021. Income from the customers amounted to SEK 167 million, SEK 124 million and SEK 119 million respectively and was included in the Newsec and Niam segments.

The segments' assets and liabilities
No information is disclosed about assets and liabilities by segment as this is not part of internal reporting to the chief operating decision maker. For the same reason, no information is disclosed about investments in non-current assets.

6. Income

Information about purchasing and sales within the same Group

	Parent Company	
	2021	2020
Sales	93%	91%
Purchasing	19%	13%

Significant income streams in the Group
The Group's significant income streams (external sales), which are identified in accordance with IFRS 15, are allocated as follows in the Group segment. There is also a table below showing the date of income recognition.

Group 2021	Newsec	Niam	Proptech	Other	Total
Fixed-price contracts	1,828,916	—	—	—	1,839,693
Management fees	—	295,239	—	—	295,239
Additional services	529,542	—	—	1,213	530,755
Renegotiations and leasing	150,739	—	—	—	150,739
Incentives	285,741	—	—	—	285,741
Promote	—	—	—	—	—
Materials and additional services	255,389	—	—	—	255,389
Other income	34,407	32,288	2,000	929	69,624
Total income	**3,084,734**	**327,527**	**2,000**	**2,142**	**3,416,403**

Group 2020	Newsec	Niam	Proptech	Other	Total
Fixed-price contracts	1,583,961	—	—	—	1,583,961
Management fees	—	344,338	—	—	344,338
Additional services	499,329	—	—	1,050	500,379
Renegotiations and leasing	166,395	—	—	—	166,395
Incentives	156,190	—	—	—	156,190
Promote	—	—	—	—	—
Materials and additional services	205,016	—	—	—	205,016
Other income	16,369	25,092	3,544	135	45,140
Total income	**2,627,260**	**369,430**	**3,544**	**1,185**	**3,001,419**

Group 2021	Newsec	Niam	Proptech	Other	Total
Over time:					
Fixed-price contracts	1,690,169	—	—	—	1,690,169
Management fees	—	295,239	—	—	295,239
Additional services	529,542	—	—	1,213	530,755
Renegotiations and leasing	—	—	—	—	—
Promote	—	—	—	—	—
Incentives	—	—	—	—	—
Materials and additional services	255,389	—	—	—	255,389
Other income	34,407	—	2,000	929	37,336
	2,509,507	**295,239**	**2,000**	**2,142**	**2,808,888**
At a point in time:					
Fixed-price contracts	138,747	—	—	—	138,747
Management fees	—	—	—	—	—
Additional services	—	—	—	—	—
Renegotiations and leasing	150,739	—	—	—	150,739
Promote	285,741	—	—	—	285,741
Incentives	—	—	—	—	—
Materials and additional services	—	—	—	—	—
Other income	—	32,288	—	—	32,288
	575,227	**32,288**	**—**	**—**	**607,515**
Total	**3,084,734**	**327,527**	**2,000**	**2,142**	**3,416,403**

Group 2020	Newsec	Niam	Proptech	Other	Total
Over time:					
Fixed-price contracts	1,496,393	—	—	—	1,496,393
Management fees	—	344,338	—	—	344,338
Additional services	499,329	—	—	1,050	500,379
Renegotiations and leasing	—	—	—	—	—
Incentives	—	—	—	—	—
Promote	—	—	—	—	—
Materials and additional services	205,016	—	—	—	205,016
Other income	16,369	—	3,544	135	20,048
	2,217,107	**344,338**	**3,544**	**1,185**	**2,566,174**
At a point in time:					
Fixed-price contracts	87,568	—	—	—	87,568
Management fees	—	—	—	—	—
Additional services	—	—	—	—	—
Renegotiations and leasing	166,395	—	—	—	166,395
Licence fees	156,190	—	—	—	—
Incentives	—	—	—	—	156,190
Promote	—	—	—	—	—
Materials and additional services	—	—	—	—	—
Other income	—	25,092	—	—	25,092
	410,153	**25,092**	**—**	**—**	**435,245**
Total	**2,627,260**	**369,430**	**3,544**	**1,185**	**3,001,419**

7. Other income

	Group		Parent Company	
	2021	**2020**	**2021**	**2020**
Government reorientation support	708	1,300	—	—
Gain from sale of associated companies*	36,518	—	—	—
Gain from sale of shares and participations*	3,439	—	—	—
Measurement of shares and participations at fair value	42,950	—	—	—
Other	—	—	894	—
Total	**83,615**	**1,300**	**894**	—

* Capital gains from the sale of associated companies and other shares and participations was classified in the Group as other operating income since they were part of earnings for the Proptech segment. In the Parent Company, these were classified as financial income.

8. Information about fees and remuneration of auditors

	Group		Parent Company	
	2021	**2020**	**2021**	**2020**
Deloitte				
audit assignment	4,558	3,908	485	404
audit-related services	626	508	—	224
tax advice	90	62	—	—
other services	1,613	2,912	1,035	2,662
EY				
audit assignment	528	377	—	—
audit-related services	—	—	—	—
tax advice	131	126	—	—
other services	—	—	—	—
Other auditors				
audit assignment	132	141	—	—
audit-related services	—	—	—	—
tax advice	—	—	—	—
other services	—	—	—	—
Total	**7,678**	**8,034**	**1,520**	**3,290**

Audit assignment refers to the auditor's fee for the statutory audit. The work includes the audit of the annual accounts as well as accounting records, the management of the Board of Directors and the CEO as well as fees for audit advice provided in connection with the audit assignment.

Audit services in addition to the audit assignment concern such services that are not part of the statutory audit.

Other services refer to services in addition to the above-mentioned categories.

9. Leases

The disclosures below for 2021 are in accordance with IFRS 16 for the Group and the Swedish Annual Accounts Act and RFR 2 for the Parent Company, which has chosen not to apply IFRS 16.

Leases – lessee, Group

	Group	
	2021	**2020**
Depreciation of right-of-use assets	98,165	91,129
Interest expense on lease liabilities	7,097	6,720
Expense relating to short-term leases	1,880	1,426
Expense relating to low-value leases	10,326	7,045

Rent payments for most commercial contracts increase every year in accordance with an index linked to the CPI and include no variable components. Nor do lease payments for vehicles include variable components. On 31 December 2021, the Group had obligations for short-term leases of SEK 1.5 million (0.6) for the years ahead. Obligations for the Group regarding low-value leases over the next five years amounted to SEK 15.6 million (12.8).

The total cash flow for lease payments was SEK 103.8 million (101.8).

Operating leases – lessee, Parent Company

Cost for operating leases for the year in the Parent Company amounted to SEK 2.5 million (2.5).

On the balance sheet date, the Parent Company had obligations outstanding in the form of minimum leasing fees under non-cancellable operating leases, with maturity dates as follows:

	Parent Company	
	2021	**2020**
Within 1 year	2,811	2,575
Between 1 and 5 years	10,791	11,229
More than 5 years	2,148	5,012
Total	**15,751**	**18,816**

Operating leases primarily pertain to the commercial lease for the headquarters, leasing vehicles and office equipment.

The lease term for operating vehicle leases is three years and for various office equipment this varies between three and five years.

10. Number of employees, salaries, other benefits and social security costs

Average number of employees	2021		2020	
	No. of	**Of whom men**	**No. of**	**Of whom men**
Parent Company				
Sweden	13	54%	13	54%
Total, Parent Company	**13**	**54%**	**13**	**54%**
Subsidiaries				
Sweden	780	52%	716	52%
Finland	602	39%	521	40%
Norway	277	77%	277	77%
Denmark	527	41%	478	41%
Baltic region	102	41%	91	41%
Total, subsidiaries	**2,288**	**49%**	**2,083**	**50%**
Total, Group	**2,301**	**49%**	**2,096**	**50%**

Breakdown of senior executives on the balance sheet date	Group		Parent Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Board members				
Women	19	19	1	1
Men	50	50	7	7
Total	**69**	**69**	**8**	**8**
Other executives, incl. CEO				
Women	15	11	2	3
Men	37	35	3	4
Total	**52**	**46**	**5**	**7**

Salaries, other remuneration, etc.	2021		2020	
	Salaries and other remuneration	Social security costs (of which pension costs)	Salaries and other remuneration	Social security costs (of which pension costs)
Parent Company	19,033	8,065	21,975	9,405
		(3,230)		(2,430)
Subsidiaries	1,564,835	417,270	1,415,926	356,530
		(179,879)		(153,103)
Total Group	**1,583,868**	**425,335**	**1,437,901**	**365,935**

Salaries and other compensation distributed between Board members, etc. and employees	2021		2020	
	Board and CEO (of which bonuses, etc.)	Other Employees (of which bonuses, etc.)	Board and CEO (of which bonuses, etc.)	Other Employees (of which bonuses, etc.)
Parent Company	3,065	15,968	6,317	15,658
	(—)	(2,040)	(—)	(1,733)
Subsidiaries in Sweden	24,734	520,661	36,155	454,255
	(7,793)	(44,580)	(7,939)	(61,343)
Subsidiaries, abroad				
Finland	7,830	353,023	8,009	313,324
	(2,107)	(17,980)	(2,632)	(22,482)
Norway	14,076	205,234	11,864	179,014
	(3,228)	(30,465)	(2,836)	(13,418)
Denmark	8,775	390,246	11,877	366,458
	(2,691)	(1,250)	(4,698)	(2,298)
Baltic region	3,574	36,682	5,536	29,434
	(716)	(7,758)	(1,982)	(4,747)
Total Group	**62,054**	**1,521,814**	**79,758**	**1,358,143**
	(16,535)	(104,073)	(20,087)	(106,021)

Pensions

The Group's expense for defined-contribution pension plans amounted to SEK 183.1 million (155.5). The Parent Company's expense for defined-contribution pension plans amounted to SEK 3.2 million (2.4).

For salaried employees in Sweden, defined-benefit pension obligations for retirement and family pensions (or alternately family pensions) under the ITP 2 plan are secured through an insurance policy with Alecta. According to a statement from the Swedish Financial Reporting Board, UFR 10 Reporting on the ITP 2 Plan funded through insurance with Alecta, this is a multi-employer defined-benefit plan. For the 2021 financial year, the company did not have access to information that would enable it to account for its proportionate share of the plan's obligations, plan assets and expenses, which meant it was not possible to recognise it as a defined-benefit plan. Accordingly, the ITP 2 pension plan secured via insurance with Alecta was recognised as a defined-contribution plan. The premium for the defined-benefit retirement and family pension is calculated individually on the basis of such factors as salary, previously earned pension entitlement and estimated remaining period of employment. The expected fees for the next reporting period for ITP 2 insurance signed with Alecta totalled SEK 13.4 million (2020: 16.4). The Group's share of the total contributions for the plan, and the Group's share of the total number of active members in the plan, amounted to 0.06423 percent and 0.04863 percent, respectively (2020: 0.04079 percent and 0.04825 percent).

The collective funding ratio is defined as the market value of Alecta's assets as a percentage of its commitments to policyholders calculated using Alecta's actuarial methods and assumptions, which do not comply with IAS 19. The collective funding ratio is normally permitted to vary between 125 percent and 175 percent. One measure of strengthening the consolidation level if it is deemed to be too low may be increasing the contractual price for new subscriptions and expanding existing benefits. If the consolidation level exceeds 150 percent, premium reductions may be implemented. At year-end 2021, Alecta's surpluses in the form of the collective consolidation level were 172 percent (2020: 148).

Remuneration of senior executives

No fees were payable to the Chairman and members of the Board in accordance with a decision of the Annual General Meeting.

2021	**Basic salary/ Fees**	**Variable remuneration**	**Other benefits**	**Pension costs**	**Total**
CEO	3,060	—	5	—	**3,065**
Deputy CEO	2,700	600	152	435	**3,887**
Other senior executives (3 persons)	4,010	55	115	920	**5,100**
Total	**9,770**	**655**	**272**	**1,355**	**12,052**
2020	**Basic salary/ Fees**	**Variable remuneration**	**Other benefits**	**Pension costs**	**Total**
CEO	6,312	—	5	—	**6,317**
Deputy CEO	2,400	480	147	426	**3,453**
Other senior executives (3 persons)	3,809	107	113	873	**4,902**
Total	**12,521**	**587**	**265**	**1,299**	**14,672**

In 2021, remuneration of the CEO decreased as a result of portions of the remuneration now being paid out to from a company related to Stronghold Invest. The allocation is based on the work time invested by the CEO into the two companies.

Pensions
The retirement age for the President, who is also Stronghold Invest AB's CEO, is 60. For the other senior executives the retirement age is 65. The pension premium follows a plan similar to the ITP plan, but is a defined-contribution plan.

Severance pay
The company and the CEO have a reciprocal notice period of six months. If employment if terminated by the company, the CEO is to receive severance pay corresponding to an annual salary when the employment contract ends. In the case of other senior executives, employment is subject to a mutual notice of termination of three to six months.

11. Financial income

	Group		Parent Company	
	2021	2020	2021	2020
Dividends from Group companies	—	—	52,500	59,793
Share of profit from other financial investments	—	533	—	—
Interest income, Group companies	—	—	32,598	33,090
Exchange-rate differences	4,860	—	—	—
Interest income, external	2,827	2,509	—	—
Related gains on financial instruments	—	—	2,096	—
Gains on instruments at fair value	10,607	10,345	—	—
Gain from sale of subsidiaries*	—	—	23,826	—
Gain from sale of associated companies**	—	—	38,327	—
Gain from sale of shares and participations**	—	—	12,452	—
Other	5,261	2,950	—	42
Total financial income	**23,555**	**16,337**	**161,799**	**92,925**

* There is a capital gain in the Parent Company from the sale of subsidiaries. Since this was a transaction as part of the controlling interest, there was no corresponding capital gain in the Group.

** In the Parent Company, gains from the sale of associated companies, and shares and participations, were classified as financial income. This was recognised in the Group as other income, since it was the sale of shareholdings that was part of the Group's Proptech segment.

12. Financial expenses

	Group		Parent Company	
	2021	2020	2021	2020
Interest expense, leases	-7,097	-6,720	—	—
Interest expenses, external	-18,440	-19,966	-17,499	-18,084
Impairment of financial	-58	-1,490	—	—
Impairment of shares in subsidiaries	—	—	—	-11,313
Exchange-rate differences	—	-8,613	-5,786	-10,303
Other	-1,157	-1,652	-951	-1,060
Total financial expenses	**-26,752**	**-38,441**	**-24,236**	**-40,760**

13. Appropriations

	Parent Company	
	2021	2020
Group contributions received	79,178	26,262
Provision to tax allocation reserve	-15,050	-1,524
Excess depreciation	—	-14
Total	**64,128**	**24,724**

14. Tax

Current tax	Group		Parent Company	
	2021	2020	2021	2020
Current tax on profit for the year	-63,292	-52,935	-9,301	-3,976
Adjustments recognised in the current year	3,295	193	2,980	-770
Total	**-59,997**	**-52,742**	**-6,321**	**-4,746**
Deferred tax	**Group**		**Parent Company**	
	2021	**2020**	**2021**	**2020**
Deferred tax on temporary differences	8,109	4,196	—	—
Adjustments recognised in the current year pertaining to deferred tax from previous years	6,207	—	—	—
Total	**14,316**	**4,196**	**—**	**—**
Total tax	**-45,681**	**-48,546**	**-6,321**	**-4,746**

Income tax in Sweden was calculated using 20.6 percent (21.4) of taxable profit for the year. Tax in other jurisdictions was calculated using the tax rate that was applicable in each jurisdiction. Below is a reconciliation between recognised profit and tax expense for the year:

Reconciliation of tax expense for the year:

Reconciliation of tax expense for the year	Group		Parent Company	
	2021	2020	2021	2020
Profit before tax	356,438	191,258	192,366	64,525
Tax expense for the year	-45,681	-48,546	-6,321	-4,746
Tax according to Swedish tax rate	-73,426	-40,929	-39,627	-13,808
Difference in tax rate between Parent Company and foreign subsidiaries	2,125	675	—	—
Tax attributable to previous years****	9,502	193	2,980	-770
Restatements of deferred tax as a result of amended tax rate*	—	-161	—	—
Tax effect of non-deductible expenses	-3,415	-6,845	-178	-2,964
Tax effect of non-taxable income***	16,532	1,313	26,137	12,796
Interest deductions from other Group companies	—	—	4,367	
Profit/loss associated companies included in pre-tax profit**	2,193	-2,174	—	—
Loss carryforwards utilised (not recognised in year-earlier balance)	—	-443	—	—
Deficit on which deferred tax was not recognised	—	-211	—	—
Other	808	36	—	—
Total	**-45,681**	**-48,546**	**-6,321**	**-4,746**

* In 2020, the tax rate in Sweden was amended for future years, which impacted deferred taxes. However, these amounts were immaterial for the Group.

** The Group's profit before tax included profit from associated companies that already included a tax effect. Associated companies are not tax subjects in the Group and are therefore not included in the Group's tax expense.

*** The Parent Company's non-taxable income largely comprised the sale of participations in associated companies and other shareholdings classified as participations held for business purposes. In the Group, non-taxable income also comprised the remeasurement of shares and participations held for business purposes at fair value.

**** Tax attributable to previous years comprised interest deductions from other Group companies not taken into consideration in the Parent Company's tax calculation in 2020. This was taken into consideration for the first time in conjunction with the tax return for the 2020 financial year. It also comprised a correction with respect to deferred tax recognised on a transaction in 2019 where it was determined that the transaction pertained to participations held for business purposes and should therefore not be subject to deferred tax. The amounts were not considered to be sufficiently material to warrant a retroactive adjustment.

New legislation on tax relief for interest expenses and reduction of corporation tax

On 1 January 2019, new tax legislation entered force, which includes limits to tax relief for interest expenses – all in accordance with the EU Directive. The legislation essentially means the maximum deduction of net interest income of 30 percent of taxable EBITDA. Furthermore, corporation tax was reduced in two stages: 21.4 percent from 2019 and 20.6 percent as of 2021. Despite the new limits on tax relief for interest expenses, Stronghold was able to claim deductions for the Group’s total interest expense in 2020. In 2021, the Group was able to claim deductions for the vast majority of the Group’s total interest expense.

15. Goodwill

	Group	
	31 Dec 2021	**31 Dec 2020**
Cost	980,124	1,017,738
Impairment	-8,709	-7,078
Exchange rate differences	18,140	-30,536
Closing carrying amount	**989,555**	**980,124**
	Group	
	31 Dec 2021	**31 Dec 2020**
Newsec	874,604	865,173
Niam	114,951	114,951
Closing carrying amount	**989,555**	**980,124**

As of 2021, the Group is monitored based on new segment divisions. The comparative year has also been restated. There is no goodwill allocated to Proptech.

In conjunction with the impairment testing of goodwill, an impairment requirement was identified with respect to Newsec’s operations. This impairment amounted to SEK 8.7 million. In 2020, goodwill related to liquidated subsidiaries was impaired.

The Group’s goodwill is tested annually for impairment and when there are indications that a write-down may be necessary. Goodwill arising in conjunction with business combinations was allocated at the time of acquisition to the cash-generating unit in the Group that are expected to benefit from the acquisition. An external valuation conducted by a well-known assessor is used as a basis for impairment testing of goodwill pertaining to opening balance.

The recoverable amount of a cash-generating unit is determined based on calculations of value in use. The calculations are based on estimated future cash flows using financial forecasts approved by management covering a five-year period. The calculation of future cash flows includes assumptions on, primarily, sales growth, operating margin and discount rate. The estimated growth rate during the five-year period is based on forecasts and is expected to amount to 2–8 percent (3–6) with a growth rate of up to 12 percent (12) for individual years and even negative growth in certain years and for some cash-generating units. The discount rate, which is 8.7–10.0 percent (8.7–10.25 percent) depending on the cash-generating unit is a pre-tax rate and reflects specific risks associated with the asset. The forecast operating margin is based on past performance and management’s expectations of the market. Growth during periods beyond the five-year period is estimated to reach 2 percent (3), which corresponds to the Group’s long-term assumption for inflation and the market’s long-term growth.

Reasonable changes in the above assumptions for the cash-generating unit for which impairment was recognised in 2021 could result in an increased impairment requirement. Since the assumptions made are based on historical experience and on various factors considered reasonable under the prevailing conditions, executive management’s assessment is that the risk of further impairment is low.

For other cash-generating units, the value in use exceeds the recognised goodwill value based on the assumptions presented above. Reasonable changes in these assumptions would not entail any impairment requirement relating to goodwill.

16. Other intangible assets

Customer relationships

	Group	
	31 Dec 2021	**31 Dec 2020**
Opening cost	437,453	382,467
Acquisitions*	8,429	71,450
Exchange rate differences	9,847	-16,464
Closing accumulated cost	**455,729**	**437,453**
Opening amortisation	-71,344	-50,944
Amortisation for the year	-32,783	-23,802
Exchange rate differences	-1,345	3,402
Closing accumulated amortisation	**-105,472**	**-71,344**
Opening impairment	-148,402	-150,138
Impairment for the year**	—	-2,602
Exchange rate differences	-2,364	4,338
Closing accumulated amortisation	**-150,766**	**-148,402**
Closing carrying amount	**199,491**	**217,707**

*In 2021, one acquisition was carried out in Norway. The Norwegian company Helhetskontroll AS was acquired in December 2021. In conjunction with the acquisition, a customer stock valued at SEK 8 million was identified. Amortisation will take place over seven years.

A number of acquisitions were carried out in 2020. The largest acquisition was of Riba AB, which took place at the end of October. In conjunction with the acquisition, a customer stock was identified that was allocated a value of SEK 59 million, which will be amortised over seven years. Within the Advisory Services segment in Sweden, shares were acquired in the company Newsec Capital Markets Mid Cap AB. The acquisition included a customer stock that was allocated a value of SEK 9 million. Amortisation will take place over two years. Two minor acquisitions took place in Norway that led to increased customer relationships totalling SEK 1 million. These customer relationships will be amortised over seven years. In addition to this, an adjustment took place of customer relationships that arose in 2019 in conjunction with the acquisition of Newsec Advisory A/S. The adjustment generated an increased customer relationship of SEK 2 million which was however fully impaired.

Brands

	Group	
	31 Dec 2021	**31 Dec 2020**
Opening cost	134,885	129,798
Acquisitions*	—	15,276
Exchange rate differences	6,802	-10,189
Closing accumulated cost	**141,687**	**134,885**
Opening impairment	-134,885	-129,798
Impairment for the year**	—	-15,276
Exchange rate differences	-6,802	10,189
Closing accumulated amortisation	**-141,687**	**-134,885**
Closing carrying amount	**—**	**—**

*In conjunction with the acquisition of Helhetskontroll AS in 2021, no value was allocated to the brand since it was not deemed to be a material amount for the Group. Riba AB was acquired in 2020 and a brand valued at SEK 15 million was identified in conjunction with the acquisition. The brand was written down directly after the transaction since it was decided that the holding would be included as part of Newsec's brand in the future.

Other intangible assets

	Group	
	31 Dec 2021	**31 Dec 2020**
Opening cost	109,403	75,051
Capitalisation of production costs	10,777	—
Purchasing	32,140	47,884
Adjustment of systems classified as SaaS systems	-9,895	—
Sales/disposals	-2,669	-12,038
Exchange rate differences	926	-1,494
Closing accumulated cost	**140,682**	**109,403**
Opening amortisation	-31,785	-35,214
Sales/disposals	2,142	11,479
Amortisation for the year	-10,711	-8,899
Exchange rate differences	-542	849
Closing accumulated amortisation	**-40,896**	**-31,785**
Opening impairment	-49	-49
Impairment for the year**	—	—
Exchange rate differences	—	—
Closing accumulated amortisation	**-49**	**-49**
Closing carrying amount	**99,737**	**77,569**

Other tangible assets primarily comprise investments in IT and infrastructure. During the year, the Group began capitalising internally generating time spent on IT projects amounting to SEK 11 million. A large part of the investments in IT and infrastructure had not yet been deployed, which is why no amortisation took place. The closing value of work in progress amounted to SEK 57 million (49). During the year, a review of the Group's IT systems was carried out to determine whether any of the systems are SaaS systems that the Group does not control and thus cannot capitalise as a non-current asset in the balance sheet. At the end of 2021, capitalised SaaS systems amounted to SEK 10 million. No retroactive change was made. Instead, the error was corrected in 2021, with SEK 6 million expensed in the consolidated income statement and the remaining SEK 4 million reclassified to prepaid expenses. These prepaid expenses have since been allocated based on the term of the agreement.

17. Equipment

	Group		Parent Company	
	31 Dec 2021	**31 Dec 2020**	**31 Dec 2021**	**31 Dec 2020**
Opening cost	186,530	186,405	2,567	2,567
Acquisition of companies	—	1,164	—	—
Purchasing	13,995	15,693	—	—
Sales/disposals	-2,389	-5,300	—	—
Exchange rate differences	7,432	-11,432	—	—
Closing accumulated cost	**205,568**	**186,530**	**2,567**	**2,567**
Opening depreciation	-142,332	-132,737	-1,728	-1,075
Sales/disposals	1,622	4,860	—	—
Depreciation for the year	-18,826	-21,765	-527	-653
Exchange rate differences	-5,364	7,310	—	—
Closing accumulated depreciation	**-164,900**	**-142,332**	—	**-1,728**
			—	
Opening impairment	-3,716	-3,719	—	—
Exchange rate differences	-163	3	—	—
Closing accumulated amortisation	**-3,879**	**-3,716**	—	**—**
			—	
Closing carrying amount	**36,789**	**40,482**	**312**	**839**

18. Right-of-use assets

The Group leases a number of assets, such as buildings and vehicles. Leases are normally signed for fixed periods of three to five years. The average lease term is five years. The Group recognises lease payments for short-term leases and where the underlying asset has a low value in accordance with the exemption rule in IFRS 16, item 6.

The lease for commercial premises is negotiated separately and locally for each contract and contains a wide range of different terms and conditions. The Group has no call options nor does it guarantee residual values. The lease includes no special conditions, covenants or restrictions that would allow the contracts to be cancelled, but the leased assets may not be sold or pledged or used as collateral for a loan.

With regard to leases for commercial premises, the Group must maintain the properties in good condition and restore the premises to an acceptable condition when the lease ends. Furthermore, the Group must perform and pay for necessary maintenance as set out in the rental contract.

Extension options are included in a number of commercial property leases across the Group to increase flexibility in operations. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if it is reasonably certain that the Group will extend (or not terminate) the lease. On 31 December 2021, there were both extension periods included in the lease term and extension options that were not deemed reasonably certain and therefore not included in the lease liability.

Lease payments are predominantly fixed payments. A number of leases include future lease payments based on a consumer price index and are not included in the lease liability/value of the right-of-use asset unless there is a change in the consumer price index or variable interest rate. Costs for property tax is considered a variable lease payment and are therefore not included in the lease liability.

Vehicles	**Group**	
	31 Dec 2021	**31 Dec 2020**
Cost		
January 2021	26,805	23,931
Adjustment of additional right-of-use assets	12,136	7,256
Adjustment of terminated right-of-use assets	-5,817	-4,039
Exchange rate differences	167	-343
Closing accumulated cost	**33,291**	**26,805**
Accumulated depreciation		
January 2021	-17,337	-14,744
Adjustment of terminated right-of-use assets	5,432	3,827
Depreciation for the year	-8,385	-6,877
Exchange rate differences	-74	457
Closing accumulated Depreciation	**-20,364**	**-17,337**
Closing carrying amount	**12,927**	**9,468**

Buildings	**31 Dec 2021**	**31 Dec 2020**
Cost		
January 2021	527,415	400,087
Adjustment of additional right-of-use assets	58,422	161,493
Adjustment of terminated right-of-use assets	-6,307	-19,838
Divestment of subsidiaries	—	—
Exchange rate differences	9,025	-14,327
Closing accumulated cost	**588,555**	**527,415**
Accumulated depreciation		
January 2021	-142,201	-81,235
Adjustment of terminated right-of-use assets	6,188	19,551
Divestment of subsidiaries	—	—
Depreciation for the year	-89,780	-84,252
Exchange rate differences	-2,936	3,735
Closing accumulated Depreciation	**-228,729**	**-142,201**
Closing carrying amount	**359,826**	**385,214**

An estimated fifth of vehicle leases expired during the current financial year. The expired leases will be replaced by new leases for the underlying assets. The remaining increase of SEK 6 million was due to an increase in the number of employees in the Group. The proportion of building leases that expired during the current year was low and the additional right-of-use assets during the year largely pertained to new premises as operations have grown, but also contract extensions for existing premises.

19. Participations in Group companies

	Parent Company	
	31 Dec 2021	31 Dec 2020
Opening cost	507,319	497,408
Acquisition of subsidiaries	50	25
Shareholders’ contributions repaid	—	-4,084
Shareholders’ contributions paid	13,548	25,350
Divestment of subsidiaries	-3,801	—
Share of profits of limited partnerships	217	-58
Distribution from limited partnerships	-632	-67
Reclassification to shares and participations	-10	—
Impairment	—	-11,255
Closing cost	**516,691**	**507,319**

In 2021, the Parent Company sold part of its holding in Niam AB. In 2020, the Parent Company wrote down its shares in Niam V Co-Investment AB so the carrying amount corresponded to the value of the subsidiary’s equity.

Company, Corporate Registration Number	Registered office	31 Dec 2021 Share of equity, %*	31 Dec 2020 Share of equity, %*	31 Dec 2021 Carrying amount	31 Dec 2020 Carrying amount
Stronghold Group AB, 556947–5329	Stockholm	100	100	65	65
Newsec AB, 556644–2348 4)	Stockholm	100	100	251,820	251,820
Newsec Infra AB, 556652–7148	Stockholm	51	51		
Newsec Infra High Coast AB, 559263–2599	Stockholm	50.2	50.2		
Newsec Advisory A/S, 32 271 316	Copenhagen	50.16	50.16		
Newsec Advisory Sweden AB, 556695–7592	Stockholm	51	51		
Newsec Advice AB, 556305–7008	Stockholm	100	100		
Newsec Capital Markets AB, 556339–0797	Stockholm	100	100		
Newsec Capital Markets Mid Cap AB, 556699–3563	Gothenburg	51	51		
Newsec Competence AB, 556557–8555	Stockholm	100	100		
Newsec Property Asset Management AB, 556899–7489	Stockholm	100	100		
Newsec Holding Denmark ApS, 38 802 224	Copenhagen	100	100		
Newsec Property Asset Management Denmark A/S, 25 326 296	Copenhagen	100	100		
Newsec Property Asset Management Finland OY, 0726489-3	Helsinki	100	100		
Newsec Property Asset Management Sweden AB, 556348–0283, 1)	Stockholm	100	100		
Riba AB, 559001–7537	Stockholm	100	100		
Newsec Technical Services AB, 556670–4358, 1)	Stockholm	0	100		
Newsec Property Leasing AB, 559008–4900 9)	Stockholm	100	0		
Newsec Basale AS, 959 718 482	Trondheim	100	100		
Newsec Project AS, 984 500 106	Oslo	100	100		
Newsec Fornebu AS, 920 216 641	Oslo	100	100		
Newsec Basale Naeringsmegling AS, 866 323 372	Trondheim	100	100		
Newsec Drift AS, 993 276 863	Trondheim	100	100		
Newsec Sör AS, 816 226 202	Kristiansand	51	51		
Agder Vaktmester AS, 821 191 912	Kristianstad	66.7	66.7		
Sameiedrift AS, 998 314 712	Trondheim	100	100		
Sameiedrift 2 AS, 912 494 462	Trondheim	100	100		
Fellesservice AS, 914 827 507	Trondheim	100	100		
OCCI Drift AS, 915 439 241	Trondheim	100	100		
Galleriet Drift AS, 917 312 087	Oslo	100	100		
Tjuvholmen Drift AS, 991 060 014	Oslo	100	100		
Tryggvason Drift AS, 994 250 752	Melhus	60	60		
Helhetskontroll AS, 988 979 686 2)	Oslo	50	0		
Newsec AS, 986 033 033	Oslo	51	51		

Newsec Maps AS, 926 090 011 3)	Oslo	100	0		
Newsec Advisory Finland Oy, 2259752–2	Helsinki	51	51		
Newsec Advisory Baltics UAB, 302 310 538	Vilnius	53.83	53.83		
Newsec Valuations UAB, 126 212 869	Vilnius	100	100		
Newsec Valuations LV SIA, 40 103 216 919	Riga	100	100		
Newsec Advisers EE OÜ, 11 388 266	Tallinn	100	100		
Newsec Valuations EE OÜ, 11 930 446	Tallinn	100	100		
NWC Valuations LT UAB, 302 310 552	Vilnius	100	100		
Newsec Advisers LT UAB, 302 504 219	Vilnius	100	100		
Newsec LV SIA, 40 103 379 173	Riga	90	90		
Newsec Project Management UAB, 304 910 019	Vilnius	100	100		
Resolution LT UAB, 300 631 876	Vilnius	100	100		
Newsec Property Management UAB, 300 050 216 4)	Vilnius	0	100		
Resolution Property Management LV SIA, 40103216783 4)	Riga	0	100		
Newsec Property Management EE OÜ, 11 266 439 4)	Tallinn	0	100		
Newsec Finance LT UAB, 302 819 916 4)	Vilnius	0	100		
Newsec PAM Baltics, UAB, 305 743 092 4)	Vilnius	53.83	0		
Newsec Property Management UAB, 300 050 216 4)	Vilnius	100	0		
Resolution Property Management LV SIA, 40103216783 4)	Riga	100	0		
Newsec Property Management EE OÜ, 11 266 439 4)	Tallinn	100	0		
Newsec Finance LT UAB, 302 819 916 4)	Vilnius	100	0		
Niam AB, 556339–0789	Stockholm	98.9	100	252,762	253,000
Niam VI Investment KB, 969773–9291	Stockholm	64,155	64,155		
Niam VII Investment KB 969787–1151	Stockholm	53.25	53.25		
Niam Core Plus II Investment KB, 969778–3224	Stockholm	60,155	60,155		
Niam OY, 2129219–6	Helsinki	100	100		
Niam AS, 991 478 361	Oslo	100	100		
Niam Danmark A/S, 33 495 137	Copenhagen	100	100		
Niam Project Development AB, 556783–9922	Stockholm	100	100		
Niam Lux Management S.á.r.l. B169272	Luxembourg	100	100		
Niam Fund Accounting, 556987–0966	Stockholm	100	100		
Niam VI Co-Investment AB, 556865–2837	Stockholm	100	100		
Niam Core Plus II Luxemburg S.á.r.l. B208704	Luxembourg	100	100		
Niam Lux Management III S.á.r.l. B243495	Luxembourg	100	100		
Hyvelgranen Danmark AB, 559319-0092 7)	Stockholm	50	0		
Hyvelgranen S.à.r.l, B257244 7)	Luxembourg	12	0		
Hyvelgranen AB, 559319-0100 7)	Stockholm	51.7	0		
Hyvelgranen S.à.r.l, B257244 7)	Luxembourg	88	0		
Borrlinden AB, 559322-4198 7)	Stockholm	40	0		
Niam Core Plus Holding AB, 559193-5381 7)	Stockholm	100	0		
Niam Infrastructure AB, 559305-4785 7)	Stockholm	70	0		
Niam Holding AB, 559305-4777 5)	Stockholm	100	0	25	—
Proptivity AB, 559312-6088	Stockholm	100	0		
Newsec Digital Solutions AB, 559330-7043 6)	Stockholm	100	0	10,025	—
Niam Core Plus Investment KB, 969715–3907	Stockholm	55.15	55.15	1	324
Niam IV Co-Investment AB, 556740–4297	Stockholm	100	100	59	59
Niam V Co-Investment AB, 556833–1192	Stockholm	78	78	1,784	1,876
Westpartner AB, 556730–2731	Stockholm	100	100	150	150
Newsec Property Leasing AB, 559008–4900 9)	Stockholm	0	100	—	—
Niamab Management AB, 559258-3644 8)	Stockholm	0	100	—	25
				516,691	**507,319**

* Also share of voting power, except in the following companies. The share of voting power is 97.14 percent in Borrlinden AB, 97.7 percent in Hyvelgranen AB and 97.62 percent in Hyvelgranen Danmark AB.

1) During the year, Newsec Technical Services AB was merged into Newsec Property Asset Management Sweden AB.
2) During the year, Newsec Basale AS acquired 50 percent of a newly established company named Helhetskontroll AS. The Group has a controlling interest in the company; refer to the detailed information in Note 43.
3) During the year, Newsec AS started a new company named Newsec Maps AS. Ownership totalled 100 percent.
4) During the year, a demerger of Newsec Advisory Baltics UAB was carried out, which gave rise to the company Newsec PAM Baltics. Newsec AB owns 53.83 percent of the company. Newsec PAM Baltics UAB then acquired 100 percent of Newsec Property Management UAB, Resolution Property Management LV SIA, Newsec Property Management EE OÜ and Newsec Finance LT UAB from Newsec Advisory Baltics UAB.
5) In 2021, the Parent Company acquired the newly established company Niam Holding AB, which in turn acquired Proptivity AB.
6) During the year, a new company named Newsec Digital Solution AB was started.
7) During the year, Niam AB acquired 50 percent of Hyvelgranen Danmark AB, 51.7 percent of Hyvelgranen AB, 40 percent of Borrlinden AB, 100 percent of Niam Core Plus Holding AB and 70 percent of Niam Infrastructure AB. Hyvelgranen Danmark AB and Hyvelgranen AB then acquired 12 and 88 percent, respectively, of Hyvelgranen S.à.r.l.
8) During the year, the Parent Company sold its shares in Niamab Management AB to a number of key individuals in Niam AB; refer to the note on the divestment of subsidiaries.
9) During the year, the Parent Company sold its shares in Newsec Property Leasing AB (formerly Cikoria AB) to Newsec Property Asset Management Sweden AB.

20. Participations in associated companies and joint ventures

	Group		Parent Company	
	31 Dec 2021	**31 Dec 2020**	**31 Dec 2021**	**31 Dec 2020**
Opening cost	67,492	15,064	69,635	6,989
Share of profit, operating	10,884	-6,388	—	—
Share of profit, financial	—	-3,771	—	—
Sales	-6,701	—	-4,173	—
Reclassification to shares and participations	-4,032	—	-2,815	—
Dividends received	-496	—	—	—
Changes to net assets in joint ventures	-11,468	—	—	—
Acquisitions	—	54,896	—	54,896
Shareholders’ contributions paid	33,850	7,750	33,850	7,750
Exchange rate differences	-654	-59	—	—
Closing cost	**88,875**	**67,492**	**96,497**	**69,635**

Associated companies and joint ventures, Corporate Registration Number	**Registered office**	**31 Dec 2021**	**31 Dec 2020**
		Share of equity, %*	**Share of equity, %***
Tessin Nordic AB, 556965–9187**	Stockholm	—	28.46
Buildroid AB, 559221–4257	Stockholm	50	50
UAB Trecia Diena, 304 211 859	Vilnius	—	47.5
NAS Näringsmedling AS, 922 183 155	Stavanger	45.4	45.4

* Also share of voting power
** The holding in Tessin Nordic AB after the divestment amounted to 6.4 percent. Since it is no longer an associated company, the holding is not included in this table.

2021
In 2021, Stronghold Invest paid shareholders’ contributions of SEK 33.9 million (7.8) to Buildroid AB. Two divestments of associated companies also took place in 2021. UAB Trecia Diena was divested in early 2021, resulting in a capital gain of SEK 0.1 million. Shares in Tessin AB were also divested in the first quarter of

2021, resulting in a capital gain of SEK 36.5 million in the Group and SEK 38.3 million in the Parent Company. The capital gain in the Group was classified as operating profit, while the capital gain in the Parent Company was classified as financial income. The remaining shares in Tessin AB were reclassified to other shares and participations.

During the year, the joint venture Buildroid AB acquired additional shares in Netmore Group, meaning that Netmore Group AB is now a subsidiary of the Buildroid Group. Previously, it was an associated company of Buildroid AB. As a result, the scope of Buildroid's balance sheet increased significantly compared with the preceding year. A number of transactions related to Netmore Group AB also impacted equity in the Buildroid Group, which in turn impacted the associated company participation and the Stronghold Group equity by SEK 11.5 million. The transactions involved events related to the controlling interest in the subsidiaries of joint ventures after the acquisition date, which the Stronghold Group recognised as an effect on equity in accordance with common practice. Similar transactions will be handled in a consistent manner in the future.

2020

On 18 May 2020, Stronghold Invest AB acquired 50 percent of votes in Buildroid AB. This company is a joint venture.

Condensed financial information for associated companies and joint ventures	**31 Dec 2021**	**31 Dec 2020**
Total assets	337,410	159,030
Total liabilities	-156,953	-22,880
Total net assets	180,457	136,150
Group's share in net assets from associated companies	**88,875**	**62,774**
Total income	43,448	38,781
Total profit/loss for the year	23,805	-25,544
Group's share in profits of associated companies	**10,884**	**-10,159**
Impairment	—	**—**
Group's share of other comprehensive income in	—	**—**

21. Derivatives

Group	**31 Dec 2021**		**31 Dec 2020**	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Currency futures	3,771	1,924	26,971	—
Interest-rate swaps	4,513	—	—	—
Total	**8,284**	**1,924**	**26,971**	**—**
Of which, non-current portion	4,520	—	5,307	5,319
Of which, current portion	3,764	1,924	21,664	—
Total	**8,284**	**1,924**	**26,971**	**5,319**

Derivatives are only used for the purpose of risk management.

Derivatives held for sale are classified as financial assets/current assets or non-current liabilities/current liabilities depending on when they when they fall due.

The Group had no netted items in the balance sheet. For derivative counterparties, netting agreements exist under certain conditions. The effect of these is shown in the table below.

	Value of derivatives	**Set-off amount**	**Net**
Derivatives with a positive value	8,284	-1,924	6,360
Derivatives with a negative value	-1,924	1,924	—

22. Other non-current receivables

	Group		Parent Company	
	31 Dec 2021	**31 Dec 2020**	**31 Dec 2021**	**31 Dec 2020**
Securities held as non-current assets	136,092	123,439	69,509	39,489
Other non-current receivables	26,245	24,992	—	—
Total	**162,337**	**148,431**	**69,509**	**39,489**

Securities held as non-current assets referred to shares in funds owned by Niam V Holding AB and Niam VI Holding AB as well as a number of shareholdings in various companies. During the year, distributions were received from the funds, which reduced the shareholding, and a number of investments were also made in new and existing shareholdings. In 2021, the Parent Company invested SEK 8 million in Avy AB, SEK 4 million in Nordkap AB and SEK 12 million in a newly established fund in Niam. The shareholding is measured in the Group at fair value through profit or loss.

Other non-current receivables in the Group mainly comprised receivables from Niam V Holding AB and Niam VI Holding AB.

23. Accounts receivable

	Group	
	31 Dec 2021	**31 Dec 2020**
Accounts receivable, gross	428,575	374,425
Expected credit losses, general assessment	-6,875	-5,305
Expected credit losses, individual assessment	-2,302	-2,193
Total accounts receivable, net after provision for expected credit losses	**419,398**	**366,927**

Management is of the opinion that the carrying amount for accounts receivable, net after expected credit losses, is a reasonable approximation of the receivables' fair value.

Group **Age analysis of accounts receivable**	31 Dec 2021		
	Accounts receivable, gross	**Provision expected credit losses, individual**	**Accounts receivable, net**
Not due	366,757	—	366,757
30 days past due	45,247	-240	45,007
31–60 days past due	6,280	—	6,280
61–90 days past due	2,714	-51	2,663
90–120 days past due	2,550	-77	2,473
> 120 days past due	5,027	-1,934	3,093
Total	**428,575**	**-2,302**	**426,273**

Group **Age analysis of accounts receivable**	31 Dec 2020		
	Accounts receivable, gross	**Provision expected credit losses, individual**	**Accounts receivable, net**
Not due	314,964	—	314,964
30 days past due	40,491	—	40,491
31–60 days past due	9,896	-67	9,829
61–90 days past due	4,348	-14	4,334
90–120 days past due	28	—	28
> 120 days past due	4,698	-2,112	2,586
Total	**374,425**	**-2,193**	**372,232**

General expected credit losses 2021	Share defaulted, %	Adjustment for expectations, %	Probability of default, %
Not due	0	0.12	0.12
30 days past due	0	1.2	1.2
31–60 days past due	0	2.4	2.4
61–90 days past due	4.1	3.0	7.1
> 90 days past due	—	—	100

General expected credit losses 2020	Share defaulted, %	Adjustment for expectations, %	Probability of default, %
Not due	0	0.12	0.12
30 days past due	0	1.2	1.2
31–60 days past due	0	2.4	2.4
61–90 days past due	4.1	3.0	7.1
> 90 days past due	—	—	100

The probability of default is considered unchanged compared with 2020.

	31 Dec 2021		
	Accounts receivable, net	Adjustments*	Expected credit losses, general
Not due	366,757	-3,611	-435
30 days past due	45,007	-503	-534
31–60 days past due	6,280	—	-151
61–90 days past due	2,663	—	-189
> 90 days past due	5,566		-5,566
Total	**426,273**	**-4,114**	**-6,875**

	31 Dec 2020		
	Accounts receivable, net	Adjustments*	Expected credit losses, general
Not due	314,964	—	-377
30 days past due	40,491	-2,221	-462
31–60 days past due	9,829	-1,964	-191
61–90 days past due	4,334	—	-308
> 90 days past due	2,614	1,353	-3,967
Total	**372,232**	**-2,832**	**-5,305**

* An adjustment was made when calculating general expected credit losses. The adjustment pertained to receivables where there is deemed to be no risk to be calculated based on the Group’s ECL model since these are receivables from Niam’s funds. Historically, there have been no bad debt losses related to these receivables and the business structure stipulates that payment occurs when the funds begin to generate a given return. Even though these receivables are older than 90 days, they were included in the category that is written down by 0.1 percent. In 2020, an adjustment was also made relating to credit notes in an amount of SEK 1.4 million that were older than 90 days as these should not reduce the impairment of receivables that are older than 90 days.

24. Receivables from Group companies

Non-current	Parent Company	
	31 Dec 2021	31 Dec 2020
Opening cost	1,088,453	1,053,551
Additional receivables	—	80,768
Currency translations	6,962	-37,138
Reclassifications from current receivable	—	20,425
Settled receivables	-64,287	-29,153
Closing accumulated cost	**1,031,128**	**1,088,453**

Current	Parent Company	
	31 Dec 2021	31 Dec 2020
Opening cost	182,300	299,749
Additional receivables	194,296	166,725
Reclassification to non-current receivables	—	-20,425
Settled receivables	-182,300	-263,749
Closing accumulated cost	**194,296**	**182,300**

25. Contract assets

	Group	
	31 Dec 2021	31 Dec 2020
Accrued fund management fees	32,217	12,200
Accrued fee income	116,425	87,377
Total	**148,642**	**99,577**

In all material respects, the contract assets present in 2020 were invoiced to customers in 2021.

The accrued fee income was in the Newsec segment. Given the nature of activities in this segment, prepaid fees are an item that fluctuates substantially as it is dependent on when contracts are closed and invoiced. For example, in the case of property transactions income recognition takes place when the sales contract has been signed while invoicing does not take place until the property is transferred to the new purchaser. In property management, monthly fees are invoiced in arrears to certain customers.

Accrued fund management fees are attributable to the Niam segment and fluctuate depending on the funds ongoing and the invoicing terms for each fund. The increase compared with 2020 was due to the fact that more invoicing in arrears was carried out for the active funds in 2021.

26. Prepaid expenses and accrued income

	Group		Parent Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Prepaid insurance	2,827	1,939	—	—
Prepaid salary-related expenses	5,606	6,538	—	—
Prepaid expenses for IT and infrastructure	11,484	6,655	—	—
Other prepaid expenses	32,026	18,424	398	507
Other accrued income	10,446	6,193	955	60
Total	**62,389**	**39,749**	**1,353**	**567**

Most of the Group's accrued income pertained to accrued interest income.

27. Other current receivables

	Group		Parent Company	
	31 Dec 2021	**31 Dec 2020**	**31 Dec 2021**	**31 Dec 2020**
Tax account	27,101	18,016	1,123	1,218
Recoverable VAT	430	3,413	—	—
Receivable Niam Nordic Inv. Fund VI, VII and Core Plus	51,069	30,581	—	—
Other current receivables	52,989	48,306	164	—
Total	**131,589**	**100,316**	**1,287**	**1,218**

28. Cash and cash equivalents and client deposits

	Group		Parent Company	
	31 Dec 2021	**31 Dec 2020**	**31 Dec 2021**	**31 Dec 2020**
Cash and bank balances	393,269	661,520	1,042	82
Client deposits	156,594	143,118	—	—
Total	**549,863**	**804,638**	**1,042**	**82**

The approved bank overdraft facility amounted to SEK 77 million (84). The bank overdraft facility was not utilised at the balance sheet date.

Client deposits

Cash and cash equivalents are managed in the subsidiaries Newsec Asset Management AB, Newsec Asset Management Oy, Newsec Basale AS, Newsec Datea A/S and Newsec AS on behalf of customers. The funds are managed under management agreements, which normally run for three years. Client deposits on the liabilities side pertain to liabilities on behalf of customers and correspond to an equivalent amount on the assets side. The funds do not belong to the Group and are not included in the Group's pool of assets when calculating key metrics. Nor are client deposits included in the Group's cash flow statement.

29. Share capital

At the start of the 2021 and 2020 financial years, the registered share capital amounted to 1,000,000 shares at a quotient value of SEK 10. In 2021, shares in the Parent Company were redeemed, a bonus issue was carried out in order to restore the share capital to its original value and a 1:100 split was carried out. As a result, the registered share capital at the end of 2021 amounted to 96,800,400 shares at a quotient value of SEK 0.10.

30. Translation reserve

The foreign currency translation reserve includes the exchange rate differences that occur when converting financial statements from foreign operations that have been prepared in a currency other than that used in the presentation of the Group's financial statements. Financial statements for the Parent Company and Group are presented in Swedish kronor.

31. Untaxed reserves

	Parent Company	
	31 Dec 2021	31 Dec 2020
Provision to tax allocation reserve	16,574	1,524
Excess depreciation	696	696
Total	**17,270**	**2,220**

32. Liabilities to credit institutions

	Group		Parent Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Liabilities to credit institutions	726,999	763,140	726,999	762,992
Total	**726,999**	**763,140**	**726,999**	**762,992**

As per 31 December 2021, SEK 56 million (55) was classified as current liabilities in the Parent Company and Group.

In addition to the bank loans, there was an unutilised overdraft facility of SEK 77 million (84).

There was also a revolving credit facility of SEK 150 million (150). In 2021, SEK 100 million of this amount was utilised during a short period of time and repaid at the end of the year. None of the revolving credit facility was utilised in 2020. The Group also has a credit line for acquisitions in an unutilised amount of SEK 216 million (216).

The Group's financing means the banks follow up two different covenants, which are reported every quarter. The covenants are as follows. Net debt/EBITDA which means the Group's debt level in relation to EBITDA must not exceed 3.5. In addition to this, the interest coverage ratio is monitored, which shows that the Group's current earnings cover the payment of interest. The ratio must not fall below 5. The Group was not in breach of any covenants on 31 December 2021.

The tables below present the loans' maturity structure and interest maturity structure for interest-bearing liabilities to credit institutions.

Maturity structure of loan agreements	Group		Parent Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
2023	726,999	763,140	726,999	762,992
Total	**726,999**	**763,140**	**726,999**	**762,992**

The Group's bank loans totalled SEK 727 million in 2021. Of the bank loans, SEK 307 million (303) is in interest-only loans.

Interest maturity structure
All external loans are in the Parent Company, and the interest maturity structures for the Parent Company and the Group correspond to each other.

In 2021, SEK 64 million of the Group's loans were not hedged with interest-rate swaps. These carried interest at a variable rate plus a contracted margin. The equivalent figure in 2020 was SEK 76 million. The interest-rate swaps fall due between December 2024 and January 2026 and have an average fixed-interest period of 3.17 years.

Interest maturity	Group		Parent Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
2023	19,003	30,350	19,003	30,350
Total	**19,003**	**30,350**	**19,003**	**30,350**

33. Other non-current liabilities

	Group	
	31 Dec 2021	31 Dec 2020
Shareholder loans	7,693	8,325
Non-current bonus liabilities	16,797	22,978
Other	387	2,670
Total	**24,877**	**33,973**

Other non-current liabilities mainly comprised non-current liabilities pertaining to bonuses. In addition, there was also a non-current shareholder loan to minority shareholders in the Danish company Newsec Advisory A/S.

34. Leases

The Group as lessee has leases relating to passenger cars and premises for which liabilities are entered in the consolidated statement of financial position. A maturity analysis of the lease liabilities is presented in Note 4. The non-current component amounted to SEK 260.7 million (300.7) and the current component to SEK 104.4 million (84.8).

35. Non-controlling interests

The Stronghold Group has a number of non-wholly owned subsidiaries and sub-groups, of which two sub-groups are considered to have significant non-controlling interests.

Baltic group

The Baltic sub-group, with UAB Resolution Holdings (302 310 538) as Parent, had a minority holding of 46.17 percent (46.17) of shares and voting rights in the company. During 2020, the Baltic Parent Company sold shares in itself which meant the minority share increased year-on-year. In 2021, the minority share was unchanged. During the financial year, profit attributable to the minority share amounted to TSEK 19.4 (5.4) and the accumulated minority interest amounted to SEK 21.1 million (8.5) at 31 December 2021. A summary of financial information for the Baltic sub-group is presented below:

Income statement summary	**2021**	**2020**
Net sales	136,194	94,423
Operating profit	48,986	15,674
After-tax profit for the period before minority	41,946	13,492
Other comprehensive income	208	163

Balance sheet summary	31 Dec 2021	31 Dec 2020
Non-current assets	26,815	23,395
Current assets	69,718	31,003
Total assets	96,533	**54,398**
Non-current liabilities	10,577	11,416
Current liabilities	35,830	20,408
Total liabilities	**46,407**	**31,824**
Equity attributable to Parent Company shareholders	29,059	14,075
Non-controlling interests	21,067	8,499

Newsec Sweden group

The Newsec Sweden group, with Newsec Sweden AB (556695–7592) as Parent, includes the Swedish advisory services companies. The minority holding amounted to 49 percent (49) of shares and voting rights in the company on 31 December 2021. During the financial year, profit attributable to the minority share amounted to SEK 25.5 million (23.1) and the accumulated minority interest amounted to SEK 28.8 million (20.3) at 31 December 2021. A summary of financial information for the sub-group is presented below:

Income statement summary	2021	2020
Net sales	246,295	205,523
Operating profit	55,162	56,756
After-tax profit for the period before minority	42,583	44,284
Other comprehensive income	—	—

Balance sheet summary	31 Dec 2021	31 Dec 2020
Non-current assets	41,811	53,203
Current assets	101,302	93,555
Total assets	**143,113**	**146,758**
Non-current liabilities	29,261	46,721
Current liabilities	66,433	61,626
Total assets	**95,694**	**108,347**
Equity attributable to Parent Company shareholders	18,599	18,092
Non-controlling interests	28,820	20,319

Niam Core Plus Investment KB, Niam VI KB, Niam Core Plus II Investments KB and Niam VII KB

The minority holding in Niam Core Plus Investment KB amounted to 44.85 percent (44.85) of shares and voting rights in the company. During the financial year, profit attributable to the minority share amounted to SEK 0.2 million (-0.05) and the accumulated minority interest amounted to SEK -2.4 million (-2.1) at 31 December 2021.
The minority holding in Niam VI KB amounted to 35.85 percent (35.85) of shares and voting rights in the company. During the financial year, profit attributable to the minority share amounted to SEK 3.3 million (-0.4) and the accumulated minority interest amounted to SEK -4.3 million (4.7) at 31 December 2021.

The minority holding in Niam Core Plus II Investment KB amounted to 39.85 percent (39.85) of shares and voting rights in the company. During the financial year, profit attributable to the minority share amounted to SEK 0.2 million (-0.02) and the accumulated minority interest amounted to SEK 2.7 million (2.2) at 31 December 2021.

The minority holding in Niam VII KB amounted to 49.45 percent (46.75) of shares and voting rights in the company. During the financial year, profit attributable to the minority share amounted to SEK 0.1 million (-0.3) and the accumulated minority interest amounted to SEK 7.7 million (4.6) at 31 December 2021.

The personnel in these companies invest in Niam's funds. Profit is allocated in accordance with agreements. Each company's operations and balance sheet are considered immaterial, and the companies have no impact on the Group's cash flow until promote is paid from the fund. Consequently, no information is provided about the companies' balance sheet and income statement.

36. Liabilities to Group companies

Current	**Parent Company**	
	31 Dec 2021	**31 Dec 2020**
Opening cost	46,262	58
Additional expenses	201,028	46,262
Settled receivables	-46,262	-58
Closing accumulated cost	**201,028**	**46,262**

37. Deferred tax

Temporary differences exist where the recognised and tax value of the assets or liabilities differ. The Group's and Parent Company's temporary differences resulted in deferred tax liabilities and deferred tax assets regarding the following items:

	Group	
	31 Dec 2021	**31 Dec 2020**
Deferred tax assets		
Temporary differences attributable to derivatives	804	3,199
Loss carry-forwards	11,407	9,405
Temporary differences attributable to credit losses account receivables	1,416	1,094
Adjustment of capitalised SaaS systems*	3,673	—
Other**	18,443	16,357
Total deferred tax assets	**35,743**	**30,055**
Deferred tax liabilities		
Untaxed reserves	15,046	11,441
Derivatives	1,060	5,556
Acquisitions***	33,919	38,660
Capitalised production costs	2,220	—
Temporary differences attributable to other assets at fair value	5,093	9,456
Other	4,806	5,453
Total deferred tax liabilities	**62,144**	**70,566**
Total deferred tax assets and tax liabilities, net	**-26,401**	**-40,511**

* A temporary taxable difference arose when SaaS systems, which the Group does not control, were recognised in accordance with IASB's IFRIC agenda decision for IAS 38 while the subsidiaries continued to recognise these expenditures as intangible assets in their local accounting.
** This item included deferred tax on the provision made in an amount pertaining to contractual discounts in one of the funds amounting to SEK 10,664 thousand (10,071). For a more detailed description, refer to Note 38.
*** Acquisitions refer to deferred tax arising on temporary differences in connection with acquired customer relationships.

Most of the deferred tax assets in respect of deficits related to SEK 10.5 million (8.5) in Denmark. This is no time limit on the utilisation of recognised loss carry-forwards. The deficits expected to be utilised within the foreseeable future based on the companies' budget and future forecasts.

The Group has not recognised deferred tax assets attributable to loss carry-forwards of SEK 0.2 million (0.2). This is no time limit on the utilisation of the temporary differences not recognised.

Changes to the deferred tax assets and tax liabilities during the year are presented below:

Group Change in deferred tax assets	**Loss carry-forwards**	**Temporary differences accounts receivable**	**Derivatives**	**Adjustment of SaaS systems**	**Other**	**Total**
At 1 January 2020	14,782	1,590	**3**	—	15,026	31,401
Recognised in profit or loss	-5,377	-496	3,196	—	1,331	-1,346
At 31 December 2020	**9,405**	**1,094**	**3,199**	**—**	**16,357**	**30,055**
At 1 January 2021	9,405	1,094	**3,199**	—	16,357	30,055
Recognised in profit or loss	2,002	322	-2,395	3,673	2,086	5,688
At 31 December 2021	**11,407**	**1,416**	**804**	**3,673**	**18,443**	**35,743**

Group Change in deferred tax liabilities	**Temporary differences attributable to other assets at fair value**	**Acquisitions**	**Untaxed reserves**	**Derivatives**	**Other**	**Capitalised production costs**	**Total**
At 1 January 2020	-9,203	-32,451	-7,297	—	-8,052	—	-57,003
Acquisitions	—	-16,651	—	—	—	—	-16,651
Hedge accounting	—	—	—	-2,454	—	—	-2,454
Recognised in profit or loss	-253	10,442	-4,144	-3,102	2,599	—	-5,542
At 31 December 2020	**-9,456**	**-38,660**	**-11,441**	**-5,556**	**-5,453**	**—**	**-70,566**
At 1 January 2021	-9,456	-38,660	-11,441	-5,556	-5,453	—	-70,566
Acquisitions	—	-1,520	—	—	—	—	-1,520
Hedge accounting	—	—	—	1,314	—	—	1,314
Recognised in profit or loss	4,363	6,261	-3,605	3,182	647	-2,220	8,628
At 31 December 2021	**-5,093**	**-33,919**	**-15,046**	**-1,060**	**-4,806**	**-2,220**	**-62,144**

38. Other provisions

	Group	
	31 Dec 2021	**31 Dec 2020**
Opening cost	54,047	50,805
Warranty provisions settled	-5,158	-4,384
Provisions for warranties	5,193	5,158
Discount provision according to fund contracts	2,877	2,468
Closing accumulated cost	**56,959**	**54,047**

In the Niam segment, a provision was made related to a contractual discount that is to be paid to investors when a specific fund is closed. This amounted to SEK 51.8 million and was classified as a current provision.

39. Contract liabilities

	Group	
	31 Dec 2021	**31 Dec 2020**
Prepaid fund management fees	23,019	37,527
Prepaid fee income	59,256	39,890
Total	**82,275**	**77,417**

No significant income was recognised in 2021 that was attributable to performance obligations in prior periods. Prepaid invoicing concerns short periods. Contract liabilities at 31 December 2021 are expected to be recognised within one or two months of when the work is performed.

Contract liabilities pertaining to fund management fees depend on how invoicing is carried out for various funds and the item therefore fluctuates. The amount of prepaid fee income depends on the invoicing terms in the customer contract and this item therefore fluctuates.

40. Accrued expenses and deferred income

	Group		Parent Company	
	31 Dec 2021	**31 Dec 2020**	**31 Dec 2021**	**31 Dec 2020**
Personnel-related expenses	378,970	395,842	5,069	6,164
Accrued interest expenses	4,724	4,964	3,258	3,157
Rent compensation *	8,267	12,472	—	—
Final purchase consideration for Riba AB, not yet invoiced	—	6,600	—	—
Other accrued costs	43,624	37,091	1,266	1,691
Total	**435,585**	**456,969**	**9,593**	**11,012**

* In 2018, one of the Group's Norwegian companies took over a rental contract with a rent that was significantly higher than market rents. To compensate for this, the company received a one-off payment of NOK 22 million. The rent compensation was settled over time as a reduction in rental expenses paid.

Personnel-related expenses have decreased significantly since 2020, mainly due to the fact that one of the Group's subsidiaries paid out a large portion of its holiday pay liability to its employees as a result of changes to the holiday pay legislation in the country in question.

41. Pledged assets and contingent liabilities

Pledged assets

	Group		Parent Company	
	31 Dec 2021	**31 Dec 2020**	**31 Dec 2021**	**31 Dec 2020**
For lease liabilities				
Vehicles, non-current assets	12,927	9,468	None	None
For loan liabilities and bank overdraft facility				
Office furniture and accounts receivable*	17,290	12,180	—	—
Shares in subsidiaries**	802,630	756,435	504,582	504,820
Total	**832,847**	**778,083**	**504,582**	**504,820**

* In one of the Group's Danish subsidiaries, office furniture and accounts receivable are pledged as collateral for bank overdraft facilities. One of the Group's Norwegian subsidiaries has pledged accounts receivable as collateral for a lease.

** Shares in Niam AB, Newsec AB, Newsec Property Asset Management AB, Newsec Property Asset Management Sweden AB, Newsec Basale AS, Newsec Asset Management Oy and Newsec PAM Denmark Aps are pledged as collateral for the bank loan. The subsidiary's net assets are used as collateral value in the Group. The Parent Company also issued a Parent Company guarantee as collateral for Niam's ISDAs.

Contingent liabilities

	Group		Parent Company	
	31 Dec 2021	**31 Dec 2020**	**31 Dec 2021**	**31 Dec 2020**
Contingent liabilities Fastigo	5,009	5,359	None	None
Lease guarantee	6,144	5,909	None	None
Total	**11,153**	**11,268**	**None**	**None**

42. Related party transactions

Transactions between the company and its subsidiaries, which are related to the company, were eliminated upon consolidation and disclosures regarding these transactions are therefore not presented in this note. Disclosures regarding transactions between the Group and other related parties are presented below.

Sale of goods and services	**Parent Company**	
	2021	**2020**
Subsidiaries in the Group	47,638	40,350
Total	**47,638**	**40,350**
Purchase of goods and services	**Parent Company**	
	2021	**2020**
Subsidiaries in the Group	11,546	7,149
Total	**11,546**	**7,149**

Receivables and liabilities at year end

Receivables	**Parent Company**	
	31 Dec 2021	**31 Dec 2020**
Subsidiaries in the Group	1,225,424	1,270,753
Total	**1,225,424**	**1,270,753**
Liabilities	**Parent Company**	
	31 Dec 2021	**31 Dec 2020**
Subsidiaries in the Group	201,028	46,261
Total	**201,028**	**46,261**

Other related party transactions

The President's net investment in Niam Nordic Investment Fund Core-Plus via the subsidiary Niam Core-Plus Investment KB amounted to SEK 0.1 million (0.1). In the Group, this was classified as a liability to the minority.

The President's ownership in Stronghold Invest AB is via an owner company. The Group provided this company with various administrative services and re-invoiced office space amounting to SEK 0.3 million (0.5). In 2021, part of the President's salary was re-invoiced to this owner company. The amount totalled SEK 3.6 million.

In 2021, Stronghold Invest sold 1.14 percent of Niam AB to a company under the name of Niamab Management AB, which was initially owned 100 percent by Stronghold Invest AB. 99.96 percent of Niamab Management AB was subsequently sold to senior executives in Niam AB. For a more detailed description of this related-party transaction, refer to Note 46.

During the year, two senior executives in the Parent Company subscribed for warrants in the Parent Company. The value of the warrants is based on an established valuation model for market valuations of warrants. In total, the two senior executives subscribed for 1,500,000 at a value of SEK 0.6886 per warrant.

During the year, two Board members of the Parent Company received remuneration for consultancy services performed. The amount totalled SEK 2.5 million. The price is deemed to be on market terms.

During the year, the Parent Company sold consultancy services for SEK 2.4 million (3.6) to the associated company Buildroid AB, in which one of the Parent Company's senior executives is a Board member. The price is deemed to be on market terms.

Remuneration of senior executives
Information regarding remuneration of senior executives is presented in Note 10.

43. Business combinations

2021

Helhetskontroll AS
On 14 December 2021, Newsec Basale AS acquired 50 percent of the shares in a company called Helhetskontroll AS. The acquisition was in line with the Group's goal to be the leading property manager in Northern Europe. The acquisition complemented existing operations in Newsec Basale and in the Nordic region in terms of service range, shared customers and expertise. Since Basale AS has the casting vote in the Board, Helhetskontroll AS is deemed to be a subsidiary.

Transferred consideration	
Amounts in SEK thousand	
Total transferred consideration	7,844

No acquisition-related costs arose in connection with the acquisition.

Carrying amount at the date of acquisition for acquired net assets	
Amounts in SEK thousand	
Assets	
Accounts receivable	2,035
Other receivables	838
Cash and cash equivalents	2,816
Liabilities	
Current liabilities	-3,327
Accounts payable	-492
Identifiable assets and liabilities, net	**1,870**
Minority shares of identifiable assets and liabilities, net	**936**
Transferred consideration	7,844
Customer relationships	8,429
Brands	—
Deferred tax liabilities	-1,520

Net cash flow in business combinations	
Amounts in SEK thousand	
Cash consideration paid including acquisition costs	7,844
Less: Acquired cash and cash equivalents	-2,816
Net cash flow	**5,028**

Net cash flow of SEK 5.0 million was classified in cash flow as acquisition of subsidiary.

Impact of acquisition Group's earnings

None of the Group's income and earnings was attributable to the acquisition of Helhetskontroll AS. If the acquisition had taken place on 1 January 2021, the Group's income would have amounted to SEK 3,437 million and the Group's earnings to SEK 358.2 million (profit after financial items).

2020

Riba AB

On 2 November 2020, Newsec Asset Property Management Sweden AB acquired all of the shares in a company called Riba AB. The acquisition was in line with the Group's goal to be the leading property manager in Northern Europe. The acquisition complemented existing operations in Newsec Asset Property Management AB and in the Nordic region in terms of service range, shared customers and expertise.

Transferred consideration	
Amounts in SEK thousand	
Total transferred consideration	66,985

Acquisition-related costs connected to the acquisition totalled SEK 1.3 million and were expensed in the Group.

Carrying amount at the date of acquisition for acquired net assets	
Amounts in SEK thousand	
Assets	
Tangible assets	634
Accounts receivable	28,093
Other receivables	8,496
Cash and cash equivalents	2,454
Liabilities	
Current liabilities	-19,658
Accounts payable	-14,517
Identifiable assets and liabilities, net	**5,502**
Transferred consideration	66,985
Customer relationships	58,872
Brands	15,276
Deferred tax liabilities	-12,665

In conjunction with the acquisition, SEK 15.3 million was allocated to the brand. The brand was written down in full since it will not be possible to utilise it in the future. The remainder of the acquisition price was allocated to customer relationships. Amortisation will take place over seven years.

Net cash flow in business combinations	
Amounts in SEK thousand	
Cash consideration paid including acquisition costs	68,272
Less: Acquired cash and cash equivalents	-2,454
Net cash flow	**65,818**

Net cash flow of SEK 65.8 million was classified in cash flow as acquisition of subsidiary.

Impact of acquisition Group's earnings

Of the Group's income, SEK 31.2 million was attributable to the acquisition of Riba AB, which contributed SEK 1.4 million to the Group's earnings (profit after financial items). If the acquisition had taken place on 1

January 2020, the Group's income would have amounted to SEK 3,160 million and the Group's earnings to SEK 207.8 million (profit after financial items).

Newsec Capital Markets Mid Cap AB

On 4 May 2020, Newsec Advisory Sweden AB acquired part of a company called Newsec Capital Markets Mid Cap AB. Newsec Advisory Sweden AB had owned shares in the company since 2020, but the company did not become a subsidiary of the Group until 2020. The acquisition was in line with plans to continue the establishment of advisory services in Sweden. The acquisition complemented existing operations in Advisory Services in the Nordic region in terms of service range, shared customers and expertise.

Transferred consideration	
Amounts in SEK thousand	
Total transferred consideration	7,767

Of this SEK 7.8 million, SEK 5.0 million pertained to the acquisition of participations in 2021 which meant the company became a subsidiary in the Group. The remaining SEK 2.8 million pertained to investments from previous years. The acquisition analysis was based on 51 percent ownership, which was the final percentage following both transactions.

Carrying amount at the date of acquisition for acquired net assets	
Amounts in SEK thousand	
Assets	
Tangible assets	382
Accounts receivable	38
Other receivables	835
Cash and cash equivalents	6,949
Liabilities	
Current liabilities	-6,928
Accounts payable	-1,127
Identifiable assets and liabilities, net	**149**
Minority shares of identifiable assets and liabilities, net	**73**
Transferred consideration	7,767
Customer relationships	9,275
Deferred tax liabilities	-1,584

In conjunction with the acquisition, the entire acquisition price was allocated to customer relationships in accordance with the Group's policy for acquisitions of this size. Amortisation will take place over two years.

Net cash flow in business combinations	
Amounts in SEK thousand	
Cash consideration paid	7,767
Less: Purchase consideration acquisitions prior to 2021	-2,800
Less: Acquired cash and cash equivalents	-6,949
Net cash flow	**-1,982**

Net cash flow of SEK -2.0 million was classified as acquisition of subsidiary.

Impact of acquisition Group's earnings

Of the Group's income, SEK 16.5 million was attributable to the acquisition of Newsec Capital Markets Mid Cap AB, which contributed SEK 3.9 million to the Group's earnings (profit after financial items). If the acquisition had taken place on 1 January 2020, the Group's income would have amounted to SEK 3,011 million and the Group's earnings to SEK 193.2 million (profit after financial items).

Tryggvason Drift AS

On 5 May 2020, Newsec Basale AS acquired 60 percent of shares in a company called Tryggvason Drift AS. The acquisition was in line with the Group's goal to be the leading property manager in Northern Europe. The acquisition complemented existing operations in Newsec Basale and in the Nordic region in terms of service range, shared customers and expertise.

Transferred consideration	
Amounts in SEK thousand	
Total transferred consideration	970

There were no acquisition-related costs connected to the acquisition.

Carrying amount at the date of acquisition for acquired net assets	
Amounts in SEK thousand	
Assets	
Tangible assets	67
Accounts receivable	139
Other receivables	591
Cash and cash equivalents	669
Liabilities	
Current liabilities	-523
Accounts payable	-338
Identifiable assets and liabilities, net	**605**
Minority shares of identifiable assets and liabilities, net	**242**
Transferred consideration	970
Customer relationships	740
Deferred tax liabilities	-133

In conjunction with the acquisition, the entire acquisition price was allocated to customer relationships in accordance with the Group's policy for acquisitions of this size. Amortisation will take place over seven years.

Net cash flow in business combinations	
Amounts in SEK thousand	
Cash consideration paid	970
Less: Acquired cash and cash equivalents	-669
Net cash flow	**301**

Net cash flow of SEK 0.3 million was classified in cash flow as acquisition of subsidiary.

Impact of acquisition Group's earnings

Of the Group's income, SEK 4.0 million was attributable to the acquisition of Tryggvason Drift AS, which contributed SEK 0.04 million to the Group's earnings (profit after financial items). If the acquisition had taken place on 1 January 2020, the Group's income would have amounted to SEK 3,005 million and the Group's earnings to SEK 191.3 million (profit after financial items).

Agder Vaktmester AS
On 31 October 2020, Newsec Sör AS acquired 67 percent of shares in a company called Agder Vaktmester AS. The acquisition was in line with the Group's goal to be the leading property manager in Northern Europe. The acquisition complemented existing operations in Newsec Norway and in the Nordic region in terms of service range, shared customers and expertise.

Transferred consideration	
Amounts in SEK thousand	
Total transferred consideration	187

There were no acquisition-related costs connected to the acquisition.

Carrying amount at the date of acquisition for acquired net assets	
Amounts in SEK thousand	
Assets	
Tangible assets	81
Accounts receivable	13
Other receivables	161
Cash and cash equivalents	139
Liabilities	
Current liabilities	-246
Accounts payable	-32
Identifiable assets and liabilities, net	**116**
Minority shares of identifiable assets and liabilities, net	**38**
Transferred consideration	187
Customer relationships	133
Deferred tax liabilities	-24

In conjunction with the acquisition, the entire acquisition price was allocated to customer relationships in accordance with the Group's policy for acquisitions of this size. Amortisation will take place over seven years.

Net cash flow in business combinations	
Amounts in SEK thousand	
Cash consideration paid	187
Less: Acquired cash and cash equivalents	-139
Net cash flow	**48**

Net cash flow of SEK 0.05 million was classified in cash flow as acquisition of subsidiary.

Impact of acquisition Group's earnings
Of the Group's income, SEK 0.3 million was attributable to the acquisition of Agder Vaktmester AS, which contributed SEK -0.01 million to the Group's earnings (profit after financial items). If the acquisition had taken place on 1 January 2020, the Group's income would have amounted to SEK 3,004 million and the Group's earnings to SEK 191.2 million (profit after financial items).

44. Financing activities

Group 31 Dec 2021	Opening balance	Loans	Loan repayments	Change in fair value	Change in exchange rates	Reclassification	Accrued interest	Closing balance
Other non-current financial liabilities *	10,995	—	-3,483	—	152	—	416	8,080
Non-current liabilities	708,545	—	—	951	13,126	-51,649	—	670,973
Financial lease liabilities	385,556	70,223	-103,778	—	6,012	—	7,097	365,110
Current financial liabilities	54,595	100,000	-151,649	—	1,431	51,649	—	56,026

*The non-current liability pertaining to bonuses was not included in this note disclosure.

Group 31 Dec 2020	Opening balance	Loans	Loan repayments	Repayment	Change in fair value	Change in exchange rates	Reclassification	Accrued interest	Closing balance
Other non-current financial liabilities *	11,798	522	-1,220	—	—	-105	—	—	10,995
Non-current liabilities	727,598	48,000	—	—	1,060	-24,940	-43,173	—	708,545
Financial lease liabilities	322,860	168,245	-101,798	—	—	-10,471	—	6,720	385,556
Current financial liabilities	50,293	12,000	-43,173	-5,459	—	-2,239	43,173	—	54,595

*The non-current liability pertaining to bonuses was not included in this note disclosure.

The Parent Company's non-current liabilities and current financial liabilities correspond to the Group's in 2020 and 2021. Other than these, there are no liabilities to disclose in the Parent Company as part of its financing activities.

45. Transactions with non-controlling interests – acquisitions of additional participations in subsidiaries

2021

In 2021, the Group acquired additional participations in Niam VII Investment KB for SEK 0.7 million, after which (and the sale described in Note 46 below) the Group owns 50.55 percent of the company. The participations were acquired from employees who held participations in the limited partnership and left during the year. At the acquisition date, non-controlling interests decreased by SEK 0.3 million and equity attributable to Parent Company shareholders was impacted by SEK 0.4 million.

2020

In 2020, the Group acquired additional participations in Newsec Competence AB for SEK 0.3 million, after which the Group owned 100 percent of the company. At the acquisition date, non-controlling interests decreased by SEK 0.07 million and equity attributable to Parent Company shareholders was impacted by SEK 0.2 million.

In 2020, the Baltic Parent Company acquired addition participations in Newsec LV SIA for SEK 0.006 million, after which the Baltic Parent Company owned 90 percent of the company. At the acquisition date, non-controlling interests increased by SEK 0.3 million since the acquired company had negative equity and equity attributable to Parent Company shareholders was impacted by SEK 0.3 million.

In 2020, the Group acquired additional participations in Niam VI Investment KB for SEK 0.9 million, after which the Group owned 64.155 percent of the company. The participations were acquired from employees who held participations in the limited partnership and left during the year. The acquisition price corresponded to the value of the acquired equity. At the acquisition date, non-controlling interests decreased by SEK 0.9 million and equity attributable to Parent Company shareholders was impacted by SEK 0.9 million.

In 2020, the Group acquired additional participations in Niam Core-Plus II Investments KB for SEK 0.2 million, after which the Group owned 53.25 percent of the company. The participations were acquired from employees who held participations in the limited partnership and left during the year. The acquisition price corresponded to the value of the acquired equity. At the acquisition date, non-controlling interests decreased by SEK 0.2 million and equity attributable to Parent Company shareholders was impacted by SEK 0.2 million.

In 2020, the Group acquired additional participations in Niam VII Investment KB for SEK 4.1 million, after which (and the sale described in Note 46 below) the Group owned 60.155 percent of the company. The participations were acquired from employees who held participations in the limited partnership and left during the year. At the acquisition date, non-controlling interests decreased by SEK 1 million and equity attributable to Parent Company shareholders was impacted by SEK 3.1 million.

Impact on equity	**31 Dec 2021**	**31 Dec 2020**
Carrying amount of acquired portion of non-controlling interests	-288	-1,786
Purchase consideration paid to non-controlling interests	712	5,436
Purchase consideration paid exceeding carrying amount, recognised in equity	**424**	**3,650**

46. Transactions with non-controlling interests – divestment of participations in subsidiaries

2021
During the year, the Group sold participations in the company Niam VII Investment KB. The sales price was SEK 0.7 million.

In January 2021, Stronghold Invest sold 1.017 percent of its ownership in Niam AB to a newly established company under the name of Niamab Management AB, which was initially owned 100 percent by Stronghold Invest. A number of key individuals in Niam AB subsequently purchased 99.96 percent of the shares in Niamab Management. Payment was made in cash and the acquisition price corresponded to the market value of the shares. If the key individuals were to quit their positions in the Group, the agreement stipulates that the shares may only be sold on certain terms depending on the amount of time since the shares were acquired. During the year, two additional divestments of shares in Niam AB were made to Niamab Management AB. The total acquisition price for the shares amounted to SEK 27.4 million and the total participating interest in Niam AB to 1.14 percent. At the acquisition date, the sale increased non-controlling interests by SEK 2.3 million and equity attributable to Parent Company shareholders was impacted negatively by SEK 25.1 million. The purpose of the transaction was to align the key individuals more closely with the company. Since the key individuals pay market value for the shares, the transaction was not expensed in the period.

2020
During the year, the Group sold participations in the company Niam VII Investment KB. The sales price was SEK 1.9 million.

47. Sales of operations

2021
No subsidiaries were divested in 2021.

2020
No subsidiaries were divested in 2020.

48. Events after the balance sheet date

In February 2022, Stronghold Invest purchased shares in Piscada AS. Ownership totalled 16.7 percent.

In early February 2022, the Baltic group BPT Real Estate with operations in Estonia, Latvia and Lithuania was acquired. Acquisition analyses are being produced. The acquisition was in line with the Group's goal to be the leading property manager in Northern Europe. The acquisition complemented existing operations in the Baltic region in terms of service range, shared customers and expertise.

In February 2022, the Swedish consulting companies Newsec Advice AB and Newsec Capital Markets AB were merged into their parent company, Newsec Advisory Sweden AB.

In March 2022, the situation in Eastern Europe escalated, and its effects on the global geopolitical situation will naturally influence Stronghold's operations in both the short and long term, due to factors including the significant economic slowdown in several sectors. It is not possible at the present time to predict the duration or extent and thus the quantitative effects for the Group.

No other significant events have taken place after the balance-sheet date.

49. Dividend

The dividends adopted by the Annual General Meeting and paid in 2021 and 2020 amounted to SEK 175 million (SEK 175 per share) and SEK 250 million (SEK 250 per share) respectively.

At the Annual General Meeting on 19 May 2022, a dividend of SEK 2.0661 per share will be proposed for 2021. In 2021, the number shares increased from 1,000,000 to 96,800,400 as a result of the events described in Note 29, which explains the lower dividend per share.

50. Proposed distribution of profit

Proposed appropriation of profit
The following amounts are at the disposal of the Annual General Meeting:

Parent Company
The following profits are at the disposal of the Annual General Meeting (SEK)

Retained earnings	757,101,418
Profit for the year	186,044,761
Dividend	-200,000,000
	743,146,179
The Board of Directors proposes that funds be distributed as follows	
to be carried forward	743,146,179
	943,146,179

51. Approval of financial statements

The annual accounts have been adopted by the Board of Directors and approved for publication on 8 April 2022.

The Board of Directors and the CEO 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 provide a true and fair account of the company's financial position and earnings, and that the administration report provides a true and fair account of the company's operations, financial position and earnings and describes the material risks and uncertainties faced by the company. The Board of Directors and the CEO hereby certify that the consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and provide a true and fair account of the Group's financial position and earnings, and that the administration report for the Group provides a true and fair account of the Group's operations, financial position and earnings and describes the material risks and uncertainties faced by the companies that form the Group.

Stockholm, 8 April 2022

Anders Lönnqvist
Chairman of the Board

Johan Edenström
Board member

Anders Böös
Board member

Risto Silander
Board member

Mikael Lövgren
Board member

Håkan Johansson
Board member

Petra Scharin
Board member

Urban Edenström
CEO

Our Auditor's Report was submitted on 8 April 2022

Deloitte AB

Jonas Ståhlberg
Authorised Public Accountant

Deloitte.

AUDITOR'S REPORT

To the general meeting of the shareholders of Stronghold Invest AB corporate identity number 556713-9067

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Stronghold Invest AB for the financial year 2021-01-01 - 2021-12-31.

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 2021 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 2021 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 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 and the Managing Director

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

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 Stronghold Invest 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.

Stockholm April 8, 2022

Deloitte AB

Signature on Swedish original

Jonas Ståhlberg
Authorized Public Accountant