MIROVIA

MIROVIA AB (PUBL.)

YEAR-END REPORT 2021

YEAR-END REPORT JANUARY 1, 2021 – DECEMBER 31, 2021

QUARTER 4: OCTOBER 1 – DECEMBER 31

- Operating revenue amounted to SEK 82,212k (SEK 11,249k).
- Operating profit amounted to SEK 1,044k (SEK -771k).
- Profit for the period amounted to SEK
- -2,118k (SEK -2,113k).
- Cash flow from operating activities amounted to SEK 1,358k (SEK 1,326k).
- On December 1, Mirovia completed the acquisition of Traventus AB.

FULL YEAR: JANUARY 1 – DECEMBER 31

- Operating revenue amounted to SEK 186,215k (SEK 11,249k).
- Operating profit amounted to SEK 16,284k (SEK -965k).
- Profit for the period amounted to SEK -2,596k (SEK -2,306k).
- Cash flow from operating activities amounted to SEK -7,152k (SEK 1,196k).
- On July 7, Mirovia AB (publ) issued a senior secured corporate bond of SEK 400m with a framework of SEK 800m and a maturity of 3 years.
- On July 8, Mirovia completed the acquisition of Sundbom & Partners Holding AB.
- On July 15, Mirovia completed the acquisition of So4it AB.
- On September 10, Mirovia completed the acquisitions of Svenska Försäkringsfabriken i Umeå AB, Acino AB and Toppnamn AB.
- On December 1, Mirovia completed the acquisition of Traventus AB.

(Amount in SEK ('000) unless otherwise stated)	2021 3 months Oct-Dec	2020 3 months Oct-Dec	2021 12 months Jan-Dec	2020 6 months Jul-Dec
Operating revenue	82,212	11,249	186,215	11,249
Operating profit	1,044	-771	16,284	-965
Profit for the period	-2,118	-2,113	-2,596	-2,306
Cash flow from operating activities	1,358	1,326	-7,152	1,196

BUSINESS AND MARKET

Mirovia AB (publ) is a company that invests in entrepreneurial Nordic companies that offer niche IT services and software solutions.

FINANCIAL PERFORMANCE

The events that have affected the Group's financial position during the period are attributable to the acquisitions, see significant events.

Mirovia has adjusted the result in the third quarter due to year-end adjustments related to the acquisition date for the acquired legal entities. The adjustment has resulted in reduced revenues of SEK 4,076k, reduced operating expenses of SEK 1,353k and reduced profit of SEK 3,041k.

FOURTH QUARTER

October 1 - December 31, 2021

Operating revenue
Operating revenue for the quarter amounted to SEK 82,212k (SEK 11,249k), which is an increase of 631 percent compared with the corresponding quarter previous year.

The increase in operating revenue derives from the legal entities acquired in Q3 and Q4 2021.

Operating profit
Operating profit for the quarter amounted to SEK 1,044k (SEK -771k), which is an increase of SEK 1,815k compared with the corresponding quarter previous year.

The increase of operating profit derives from the legal entities acquired in Q3 and Q4 2021. The result has been charged with amortization of intangible assets relating to the acquisitions.

Tax
The effective tax is due to adjustments on Group level for non-deductible expenses in relation to the discounting effect on contingent consideration and acquisition related expenses.

Earnings
Loss for the period amounted to SEK -2,118k (SEK -2,113k).

Financial expenses amount to SEK -1,269k (SEK -763k), this increase relates to interest expenses on the bond issued in Q3.

Liquidity and cash flow
Cash flow from operating activities prior to change in working capital amounted to SEK 9,882k (SEK 7,028k). Change in working capital amounted to SEK -8,524k (SEK -5,702k). Total cash flow from operating activities amounted to SEK -1,358k (SEK 1,326k).

Cash flow from investing activities amounted to SEK -23,744k (SEK -98,857k). The investments for the period consist of the acquisitions of subsidiaries.
Cash flow from financing activities amounted to SEK -1,792k (SEK 137,375k).

Cash flow for the quarter amounted to SEK -24,177k (SEK 39,844k), primarily driven by investing activities.

At the end of the period, the Group's cash and cash equivalents amounted to SEK 99,824k (SEK 40,722k).

Financial position
Equity amounted to SEK 173,267k (SEK 63,356k) on December 31, 2021. Total assets amounted to SEK 721,077k (SEK 200,342k) on December 31, 2021.

The Group's balance sheet has transformed significantly due to the acquired legal entities, see significant events.

PERIOD

January 1 - December 31, 2021

Operating revenue
Operating revenue for the period amounted to SEK 186,215k (SEK 11,249k), which is an increase of 1,555 percent compared with previous year.

The increase in operating revenue derives from the legal entities acquired in Q3 and Q4 2021.

Operating profit
Operating profit for the period amounted to SEK 16,284k (SEK -965k), which is an increase of SEK 17,249k compared with previous year.

The increase of operating profit derives from the legal entities acquired in Q3 and Q4 2021. The result has been charged with amortization of intangible assets relating to the acquisitions.

Tax
The effective tax is due to adjustments on Group level for non-deductible expenses in relation to the discounting effect on contingent consideration and acquisition related expenses.

Earnings
Loss for the period amounted to SEK - 2,596k (SEK 2,306k).

Liquidity and cash flow
Cash flow from operating activities prior to change in working capital amounted to SEK -2,234k (SEK 6,889k). Change in working capital amounted to SEK -4,918k (SEK -5,693k). Total cash flow from operating activities amounted to SEK -7,152k (SEK 1,196k).

Cash flow from investing activities amounted to SEK -261,861k (SEK -98,857k). The investments for the period consist of the acquisitions of subsidiaries.

Cash flow from financing activities amounted to SEK 328,116k (SEK 138,332k). Cash flow from financing has primarily arisen through the issue of a corporate bond.

Cash flow for the period amounted to SEK 59,103k (SEK 40,672k). At the end of the period, the Group's cash and cash equivalents amounted to SEK 99,824k (SEK 40,722k).

Seasonal variations
The Group assesses that the consulting business has a weaker development during the holiday months, primarily during the third quarter. The reason is that the Group’s employees primarily are on vacation during this period and hence the revenue declines during the third quarter. Otherwise, there are no seasonal variations or cyclical effects that affected operations during the period.

EVENTS AFTER THE END OF THE REPORTING PERIOD

Mirovia has signed letters of intent with three companies prior to the proceeding of future acquisitions.

EMPLOYEES

The number of employees in the Group as of December 31, 2021, was approximately 230.

RISKS AND UNCERTAINTY FACTORS

The Group's and the Parent Company's significant risk and uncertainties include market and external risks, financing risks and risks related to the employment and maintenance of personnel.

PARENT COMPANY

The parent company has during the period recorded increased operating expenses attributable to increased reporting standards as a result of the transition to IFRS. Financial expenses have also increased due to interest expenses from the bond issued in Q3.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Amount in SEK '000)	2021 3 months Oct-Dec	2020 3 months Oct-Dec	2021 12 months Jan-Dec	2020 6 months Jul-Dec
Net sales	81,969	11,167	185,168	11,167
Other operating income	243	82	1,047	82
Other external expenses	-8,575	-6,116	-18,608	-6,126
Personnel expenses	-48,036	-4,762	-112,687	-4,946
Depreciation and amortisation	-11,946	-897	-14,112	-897
Other operating expenses	-12,611	-245	-24,523	-245
Operating profit	**1,044**	**-771**	**16,284**	**-965**
Financial income and expenses	-1,269	-763	-15,897	-763
Profit after financial items	**-225**	**-1,535**	**387**	**-1,728**
Income tax	-1,894	-578	-2,983	-578
Profit for the period	**-2,118**	**-2,113**	**-2,596**	**-2,306**
Other comprehensive income	95	17	95	17
Comprehensive income for the period	**-2,023**	**-2,095**	**-2,501**	**-2,289**
Profit for the period attributable to:				
Shareholders of the Parent Company	-2,023	-2,095	-2,501	-2,289
Non-controlling interests	-	-	-	-
Comprehensive income attributable to:				
Shareholders of the Parent Company	-2,023	-2,095	-2,501	-2,289
Non-controlling interests	-	-	-	-

CONSOLIDATED BALANCE SHEET

(Amount in SEK '000)	2021-12-31	2020-12-31
ASSETS		
Non-current assets		
Goodwill	320,369	61,545
Other intangible assets	184,848	60,790
Tangible assets	913	134
Right-of-use assets	21,768	8,188
Deferred tax assets	4,509	1,646
Other financial non-current assets	1,022	852
	533,428	133,155
Current assets		
Accounts receivable	55,083	18,267
Current tax assets	2,042	-
Other current assets	15,114	5,921
Prepaid expenses and accrued income	15,586	2,278
Cash and cash equivalents	99,824	40,722
	187,648	67,188
TOTAL ASSETS	721,077	200,342
EQUITY		
Share capital	502	51
Other contributed capital	177,572	65,594
Retained earnings including earnings for the period	-4,902	-2,306
Translation reserve	95	17
Total equity	173,267	63,356
Non-current liabilities		
Bonds payable	388,533	-
Lease liabilities	14,167	6,365
Deferred tax liabilities	42,819	14,244
Provisions	3,698	180
	449,217	20,788
Current liabilities		
Loans	115	74,605
Lease liabilities	6,976	1,581
Accounts payable	12,540	3,611
Current tax liabilities	3,421	11,884
Other financial liabilities	6,093	10,226
Other current liabilities	44,173	4.455
Accrued expenses and deferred income	25,275	9,835
	98,592	116,198
Total liabilities	547,810	136,986
TOTAL EQUITY AND LIABILITIES	721,077	200,342

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Amount in SEK '000)	Share capital	Other contributed capital	Retained earnings including earnings for the period	Translation reserve	Total equity
Opening balance as of January 1, 2021	51	65,594	-2,306	17	63,356
Profit for the period	-	-	-2,596	-	-2,596
Other comprehensive income	-	-	-	78	78
Total comprehensive income	-	-	-2,596	78	-2,518
Transactions with owners:					
Share-based payment transaction	-	-1,410	-	-	-1,409
Shareholder contributions	-	19,000	-	-	19,000
New share issue of ordinary shares	450		-	-	450
New share issue of preference shares	1	94,388	-	-	94,389
Total transactions with shareholders	451	111,978	-	-	112,430
Closing balance as of December 31, 2021	502	177,572	-4,902	95	173,267

(Amount in SEK '000)	Share capital	Other contributed capital	Retained earnings including earnings for the period	Translation reserve	Total equity
Opening balanceas of July 1, 2020	50	-	-	-	50
Profit for the period	-	-	-2,306	-	-2,306
Other comprehensive income	-	-	-	17	17
Total comprehensive income	-	-	-2,306	17	-2,289
Transactions with owners:					
Share-based payment transaction	-	1,410	-	-	1,410
Shareholder contribution	-	64,184	-	-	64,184
New share issue	1	-	-	-	1
Total transactions with shareholders	1	65,594	-	-	65,595
Closing balance as of December 31, 2020	51	65,594	-2,306	17	63,356

CONSOLIDATED CASH FLOW STATEMENT

(Amount in SEK '000)	2021 3 months Oct-Dec	2020 3 months Oct-Dec	2021 12 months Jan-Dec	2020 6 months Jul-Dec
OPERATING ACTIVITIES				
Operating income	1,044	-771	16,284	-965
Adjustments to reconcile net income (loss) to net cash used in operating activities:				
Amortization/Depreciation	12,656	896	14,112	896
Provisions	-526	124	-759	-
Other	-3392	219	727	364
Interest paid	-269	-763	-14,897	-730
Tax paid	969	7,323	-17,700	7,323
Cash flow from operating activities prior change of working capital	9,882	7,028	-2,234	6,889
Increase (-) / Decrease (+) in accounts receivables	-4,013	-3,671	-15,317	-3,671
Increase (-) / Decrease (+) of other receivables	-1,479	-5,265	-8,622	-5,328
Increase (-) / Decrease (+) of interim receivables	4,697	-153	10,782	-153
Increase (+) / Reduction (-) of accounts payable	2,614	1,272	4,375	1,387
Increase (+) / Reduction (-) of other liabilities	-14,783	456	-379	413
Increase (+) / Reduction (-) of interim liabilities	4,441	1,658	4,244	1,658
Cash flow from operating activities	1,358	1,326	-7,152	1,196
Investing Activities				
Investments in tangible fixed assets	12	-	12	-
Investments in subsidiaries	-23,756	-98,857	-261,873	-98,857
Cash flow from investing activities	-23,744	-98,857	-261,861	-98,857
Financing Activities				
Loans raised	-	74,605	387,533	74,605
Amortization of loans	-	-	-74,605	-
Financial lease payments	-1,792	-425	-4,261	-458
Received payment for new share issue of ordinary shares	-	1	449	1
Shareholder contribution	-	63,194	19,000	64,184
Cash flow from financing activities	- 1,792	137,375	328,116	138,332
Cash flow for the period	-24,177	39,844	59,103	40,672
Cash and cash equivalents - beginning of period	124,001	877	40,722	50
Cash and cash equivalents - end of period	99,824	40,722	99,824	40,722

PARENT INCOME STATEMENT

(Amount in SEK '000)	2021 3 months Oct-Dec	2020 3 months Oct-Dec	2021 12 months Jan-Dec	2020 6 months Jul-Dec
Net sales	-	-	25	-
Other operating income	-	102	110	102
Other external expenses	-49	-1,205	-171	-1,214
Personnel expenses	-2,137	-254	-6,086	-438
Other operating expenses	-4,106	-	-7,483	-
Depreciation and amortisation	-	-	-	-
Operating profit	**-6,292**	**-1,357**	**-13,605**	**-1,550**
Results from shares in group companies				
Financial income and expenses	-1,156	-703	-15,757	-703
Profit after financial items	**-7,448**	**-2,060**	**-29,362**	**-2,254**
Group contributions	24,772	-	24,772	
Profit for the period before tax	**17,324**	**-2,060**	**-4,590**	**-2,254**
Tax on profit for the period	-5,434	-	-957	-
Profit for the period *)	**11,890**	**-2,060**	**-5,547**	**-2,254**

*) Profit for the year is consistent with the year's comprehensive income

PARENT BALANCE SHEET

(Amount in SEK '000)	2021-12-31	2020-12-31
ASSETS		
Non-current assets		
Financial non-current assets		
Shares in subsidiaries	29,689	3,438
Receivables from group companies	499,007	132,843
Other financial non-current assets	84	84
	528,779	136,365
Current assets		
Current receivables		
Current receivables from group companies	4,084	-
Current tax assets	-	-
Other receivables	1,733	470
Prepaid expenses and accrued income	36	97
	5,854	567
Cash and cash equivalents	42,806	4,065
Total current assets	48,660	4,632
TOTAL ASSETS	577,439	140,997
EQUITY AND LIABILITIES		
Equity		
Restricted equity		
Share capital		
	502	51
Non-restricted equity		
Other contributed capital	177,572	65,593
Retained earnings including earnings for the period	-7,800	-2,254
Total equity	170,274	63,390
Non-current liabilities		
Bonds payable	388,533	-
	388,533	-
Current liabilities		
Loans	-	74,605
Current liabilities to group companies	14,919	-
Accounts payable	1,126	1,102
Other current liabilities	1,335	136
Accrued expenses and deferred income	1,253	1,763
	18,632	77,606
Total liabilities	407,165	77,606
TOTAL EQUITY AND LIABILITIES	577,439	140,997

NOTES TO THE FINANCIAL REPORT

1. ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34 Interim Reporting.

This is Mirovia AB's second consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) approved by the EU. Furthermore, the Group applies Annual Accounts Act and the Council for Financial Reporting's recommendation RFR 1, Supplementary accounting rules for Groups. Previously, the Group applied the Swedish Accounting Standards Boards generally accepted accounting principles BFNAR 2012:1 Annual Report and Consolidated Accounts ("K3").

The transition date to IFRS has been set at 1 July 2020, which means that the comparative figures for the financial year 2020 are restated according to IFRS. Description and quantification of transition effects can be found in Note 7.

The parent company Mirovia AB was registered with the Swedish Companies Registration Office on 2020-07-02. The Group arose in November 2020 in connection with the formation of Mirovia Invest 1 AB and their acquisition of the shares in Transformant Group AB and Bizloop AB. The Group's comparative figures for the comprehensive income for the period before the Group arose consist of the parent company.

Disclosures in accordance with IAS 34 Interim reporting are provided both in notes and elsewhere in the interim report.

Significant accounting principles

In the consolidated financial statements, valuation of items has been made at cost of acquisition, except in the case of certain financial instruments measured at fair value. The following are the significant accounting principles applied.

Consolidated financial statements

The consolidated financial statements include the financial statements of the company and the entities (subsidiaries) which the company controls at the end of the period. Controlling influence is achieved when the Group:

- have influence over the investment object.
- is exposed, or entitled, to variable returns from its involvement in the investment object; and
- can use their influence to influence their returns.

The Group reassesses whether controlling influence exists if facts and circumstances indicate changes in one or more of the three criteria for controlling influence above. Mirovia owns 100 percent of all shares in other companies.

A subsidiary is consolidated when the company gain control over the subsidiary and ceases when the company loses control of the subsidiary. Results from acquired or disposed subsidiaries during the year are included in the profit or loss from the date on which the company gains control over the subsidiary and until the date on which control of the subsidiary ceases.

If necessary, the financial statements of the subsidiaries are adjusted to align the accounting principles used to the Group's accounting principles. All inter-company assets and liabilities, equity, revenue, expenses, and cash flows related to transactions between companies within the Group are eliminated in the consolidation.

Business combinations

Business combinations are accounted for according to the acquisition method. The compensation transferred in the case of a business combination shall be measured at fair value, which shall be calculated as the sum of the fair values of the assets transferred by the acquirer at the date of acquisition, the liabilities gained by the acquirer to the previous owners of the acquired company, and the equity shares issued by the acquirer.

Acquisition-related costs are accounted for in the income statement when they arise.
At the date of acquisition, the acquired identifiable assets or acquired liabilities shall be measured at fair value.

Goodwill is calculated as the difference between the transferred compensation, the amount of potential holdings without controlling influence in the acquired company, the fair value of the acquirer's previous equity shares in the acquired company (if applicable) and the net at the acquisition date of the amounts for the identifiable acquired assets and liabilities assumed.

If the initial accounting of a business combination is incomplete at the end of the reporting period in which the acquisition takes place, the acquirer shall in its financial statements account for the preliminary amounts for the entry for which the accounting is incomplete. During the valuation period, the acquirer shall retroactively adjust the preliminary amounts or account for additional assets and liabilities, to reflect new information about the facts and circumstances that existed at the time of acquisition and which, if known, would have influenced the calculation of the amounts accounted for at that time.

Goodwill

Goodwill is initially valued and accounted for as described above. Goodwill is not depreciable but is tested if impairment is needed at least annually.
When the need for impairment is tested, goodwill shall be allocated to each of the Group's cash- generating units (or groups of cash-generating units) that are expected to benefit from the synergies in the acquisition. A cash-generating unit on which goodwill has been allocated shall be tested for the need of impairment annually, and whenever there is an indication that the unit may be needed to be written down. If the recoverable amount of the entity is lower than the declared amount of the entity, the impairment loss shall be allocated first by reducing the declared value of goodwill attributable to the entity and then reducing the other assets proportionally based on the declared value of each asset in the entity. A declared impairment loss on goodwill shall not be reversed in the subsequent period.

In the case of disposal of a cash-generating unit, goodwill attributable to the cash-generating unit shall be included in the gain/loss of the disposal sale.

Segment reporting

An operating segment is part of a company that practice business from which it can obtain revenues that are regularly reviewed by the company's highest executive decision-makers and for which there is independent financial information. The highest executive decision-makers are the function that assesses the results from operating segments and decides on the allocation of resources. The CEO is the highest executive decision-maker in Mirovia. Mirovia has assessed that the Group as a whole constitutes the Group's operating segment.

Revenue recognition

Revenue is valued based on the agreement with the customer and corresponds to the remuneration that the Group expects to be entitled to in exchange for transferring promised goods or services excluding value added tax. The Group accounts for a revenue when the control over a product or service is transferred to a customer.

The Group mainly recognise revenues from the following revenue streams:

Consulting services
Mirovia offers consulting services in business-critical IT areas. The remuneration is variable and is normally based on the number of consulting hours delivered and the contractual price per hour.
Revenue from consulting services is recognised over time in the period during which the service is delivered to the customer.

Functional agreements
Functional agreements are normally agreements in which Mirovia undertakes to replace a function at the customer such as test function for one or more software, helpdesk or administration of one or more automations. The remuneration is normally fixed and is paid monthly. Revenues from functional agreements is recognized over time based on the proportion of the total agreed service delivered during the financial year when the customer receives and uses the services at the same point in time. This is determined based on the actual hours worked compared to the total expected working hours for the assignment.

Software
The revenue stream software consists of revenue from Software as a Service (SaaS) and commission on the sale of software. The accounting principles applied follow below.

Software as a Service
Mirovia offers customers access to a software. The remuneration is variable and normally linked to the customer's use of the software, such as the number of proxies or files received. Revenue from SaaS is recognized over time in the period the service is delivered to the customer.

Management takes into account the limitation rule for variable remuneration and recognises the revenue when the uncertainty associated with the variable remuneration ceases, which normally occurs at the time the customer uses the software and entitles Mirovia to compensation.

Commission on software sales
Mirovia receives commission revenue from intermediation of external software to customers. The revenue is recognized at the time the intermediation service is delivered to the customer. The remuneration is usually linked to the number of users in the software during a month and is received monthly.
Some agreements are valid until further notice and include a right for both parties to terminate the agreement 30 days before the next billing period, free of charge. Taking into consideration that the parties can terminate the agreement without fees, Mirovia assesses the contract duration to 30 days and that a new agreement with customers thus arises next month if no party chooses to terminate the agreement.

The software is delivered by the software provider to the customer. In some contracts, Mirovia undertakes to implement the software at the customer. The implementation service does not entail the software to be significantly modified or customized. The implementation service is considered to be a separate performance commitment (from the intermediation of the external software) and is categorized as consultancy services as described above. Mirovia assesses that the Group does not control the software before it is transferred to the customer but is considered to be a representative/agent in the arrangement.

Payment terms
Remuneration from Mirovia's various revenue streams is normally received monthly in arrears, and the Group recognises a contractual asset during the period the services are performed to represent the Group's right to compensation for the services transferred to date. If the payments instead exceed the reported income, a contractual liability is recognized.

Leasing

The Group as a lease taker

The Group assesses whether the contract is, or contains, a lease contract when the contract is entered. The Group recognises a right-of-use asset with associated lease liability for all lease contracts in which the Group is a lease taker. The Group has chosen to apply the exemptions for short-term leases (contracts classified as a lease with a lease period less than 12 months) and low-valued lease contracts.

The lease liability is initially valued at the present value of the leasing fee not paid at the start date, discounted with the use of the lease contracts implicit interest rate if this interest rate can be easily determined. If this interest rate cannot be easily determined, the Group shall use the lease takers marginal lending rate. Mirovia determines the marginal lending rate on the basis of the interest rate that Mirovia would have to pay for a financing through loans during an equivalent period, and with equivalent security, for the right-of-use of an asset in a similar economic environment.

Leasing fees included in the valuation of the lease liability include:

- fixed fees with deduction for potential benefits associated with the subscription of lease contract, and
- variable leasing fees which depend on an index or a price, initially valued by using the index or price which applied at the start date.

Variable leasing fees not dependent on an index or price are not included in the valuation of the lease liability or right-of-use asset. These related payments are recognized as a cost in the period in which the event or circumstance giving rise to these payments arises and is included in "Other operating expenses" in the profit or loss.

As a practical solution, IFRS 16 does not allow to distinguish non-leasing components from leasing components, and instead recognise each leasing component and all associated non-leasing components as a single leasing component. The Group has chosen not to use this practical solution.

The lease liability is recognized as a separate item in the Group's statement of financial position. After the start date, the lease liability is valued by increasing the recognised value to reflect the interest on the lease liability (using the effective interest method), and by reducing the recognised value to reflect disbursed leasing fees.

The Group revalue the lease liability (and make an equivalent adjustment to the right-of-use asset) if either:

- The leasing period change or if the assessment of an option to purchase the underlying asset changes, in which case the lease liability must be revalued by discounting the changed leasing fee using a changed discount rate.
- The leasing fee change as a result of changes in an index or a price or if there is a change in the expected pay-outs in accordance with a residual value guarantee, in which cases the lease liability is revalued by discounting the changed lease payments using the initial discount rate (unless the lease payments change due to a fluctuation in the variable interest rate, in which case a changed discount rate shall be used).
- A change to the lease contract that is not recognised as a separate lease contract, in which case the lease liability is revalued by discounting the changed leasing fees at a changed discount rate.

The Group has not made any such adjustments during the periods presented. Right-of-use assets include the sum of the initial valuation of the corresponding lease liability and leasing fees paid at or before the start date. Thereafter, they are valued at cost of acquisition after deductions of accumulated depreciation and amortization.

Right-of-use assets are depreciated during the shorter of the lease period and the underlying asset's period of use. If the lease contract transfers ownership of the underlying asset to the Group or if the cost of acquisition of the right-of-use asset reflects that the Group will use an option to purchase, the related right-of-use asset shall be written down during the underlying assets period of use. Depreciation starts at the start date of the lease contract.

The right-of-use assets are recognized as a separate item in the Group's statement of financial position.

The Group applies IAS 36 to determine whether there is a need for impairment of the right-of-use asset and recognises potential identified impairment loss as described in the principle of "Tangible assets".

Pension expenses and termination benefits

The payment to a defined-contribution plan is recognized as an expense when the employees have performed the services that entitle them to the contributions.

Short-term and long-term employee benefits

A liability is recognised for employee compensation in terms of salaries, paid leave and paid sick leave from the employee's service during the current period to the undiscounted amount of the compensation that is expected to be paid out in exchange for these services.

Tax

The income tax expense consists of the sum of current tax and deferred tax.

Current tax

Current tax is calculated on the taxable profit or loss for the period. Taxable profit or loss differs from the recognized profit or loss as it has been adjusted for revenues and expenses that are taxable or deductible in other periods and excluded items that never become taxable or deductible. The Group's current tax liability is calculated at the tax rates that have been decided or in practice decided upon at the end of the reporting period.

A liability is recognized for cases where a tax is considered uncertain, but it is considered likely for a future outflow of funds to a tax authority. The liability is valued by the best estimation of the amount expected to be paid.

Deferred tax

Deferred tax is the tax that is expected to be payable or recoverable on differences between recognised value of assets and liabilities in the financial statements and the corresponding tax base used in the calculation of taxable profit or loss and recognized using the balance sheet method. Deferred tax liabilities are in principle recognized for all taxable temporary differences, and deferred tax assets are in principle recognized for all deductible temporary differences to the extent that the amounts are likely to be used against future taxable surpluses. Deferred tax liabilities and tax assets are not recognized if the temporary differences are attributable to the initial recognition of goodwill or the initial recognition of an asset or liability (which is not a business combination) and at the time of the transaction, neither affects recognized nor taxable profit or loss.

The recognised amount of deferred tax assets is examined at the end of each reporting period and reduced to the extent that sufficient taxable surpluses no longer are likely to be available to realise the deferred tax asset completely or partially. Deferred tax is calculated at the expected tax rates for the period in which the asset is recovered, or the liability is settled, based on the tax rates and tax provisions that have been decided or are in practice decided at the end of the reporting period.

The valuation of deferred tax liabilities and deferred tax assets shall be based on how the company expects to recover or settle the recognised value of the corresponding asset or liability at the end of the reporting period.

Deferred tax assets and liabilities are recognised on a net basis when there is a legal right to set off current tax assets against current tax liabilities and they relate to income tax charged by the same tax authority and when the Group intends to settle current tax assets and liabilities with a net value.

Current tax and deferred tax for the year
Current tax and deferred tax are recognized in profit or loss, except when they are attributable to items recognized in other comprehensive income or directly in equity, in which case current and deferred tax is recognized in other comprehensive income or directly in equity. When current or deferred tax arises from the initial recognition of a business combination, the tax effects are recognized in the financial statements for the business combination.

Tangible assets

Tangible assets are recognized at acquisition value minus accumulated depreciation and accumulated write-downs.

Depreciation is recognized to depreciate the acquisition value or the valuation of an asset after deduction of estimated residual value, using the straight-line depreciation method as follows:

Equipment, tools, and installations	5 years

The estimated useful life, residual values and depreciation method are evaluated at the end of each reporting period, changes in estimate are recognized in the future.

A tangible asset is removed from the balance sheet upon disposal or when no future financial benefits are deemed to arise from the use of the asset. The profit or loss arising from the sale or disposal of an asset is determined as the difference between sales revenue and the book value of the asset and is recognized in net profit or loss.

Internally generated intangible assets — research and development expenditure

Research expenses recognizes in the period in which they arise.

An internally generated intangible asset that arise through development, or in the development phase of an internal project, is recognized as an asset in the statement of financial position only if a company can demonstrate that all of the following requirements are met:

- It is technically possible for the company to complete the intangible asset so that it can be used or sold.
- The company's intention is to complete the intangible asset and use or sell it.
- The company has the prerequisites to use or sell the intangible asset.
- The company shows how likely the intangible asset will generate future financial benefits.
- There are adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset.
- The company can reliably calculate the expenses attributable to the intangible asset during its development.

The cost of acquisition of internally generated intangible assets is the sum of the expenses incurred from the time when the intangible asset first meets the criteria set out in paragraphs above. If it is not possible to recognize any internally generated intangible asset, development expenses are recognized as an expense in the period in which they arise.

After initial recognition, the internally generated intangible assets are recognized at acquisition value minus accumulated depreciation and accumulated impairment losses.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination, and that have been accounted for separately from goodwill, are initially recognized at fair value at the acquisition date (which is considered to be the acquisition value). After the initial recognition, these intangible assets are recognized at acquisition value minus accumulated depreciation and accumulated impairments.

Removal of an intangible asset

An intangible asset shall be removed from the statement of financial position on disposal or divestment, or when no future economic benefit is expected from the use or disposal/divestment of the asset. The gain or loss that arises when an intangible asset is removed from the statement of financial position, calculated as the difference between net income and the carrying amount of the asset, is recognised in the profit or loss statement when the asset is removed.

Impairment of tangible and intangible assets excluding goodwill

At the end of each reporting period, the Group evaluates the carrying amounts of its tangible and intangible assets to assess whether there is a need for impairment of these assets. If there are indications of impairment, the recoverable amount of that asset shall be calculated to determine any impairment loss. If the asset does not give rise to cash flows that are largely independent of cash flows from other assets or groups of assets, the recoverable amount of the cash-generating unit towhich the asset belongs is used instead. When a reasonable and consistent allocation basis can be identified, common assets are allocated to each cash-generating unit, or to the smallest group of cash-generating units for which a reasonable and consistent manner can be identified.

The recoverable amount is either the asset's fair value minus the selling costs, or its value in use, whichever is highest. When calculating the recoverable amount, the estimated future cash flows are discounted to its present value by using a pre-tax discount rate to reflect current market assessments of the time value of the money, and the risks relating in particular to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be lower than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is expensed immediately in profit or loss.

If an impairment loss is later reversed, the carrying amount of the asset (or cash-generating unit) increases, but the increase in carrying amount must not exceed the carrying amount that the entity would have recognised if no impairment loss had been made on the asset (cash-generating unit) in previous years. A reversal of an impairment loss is recognized directly in profit or loss.

Financial assets

All recognised financial assets are subsequently valued in full at either amortised cost or fair value, depending on the classification of financial assets. All the Group's financial assets are valued at amortized cost.

Classification of financial assets

Debt instruments that meet the following conditions are valued at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- the agreed terms of the financial asset give rise, at specified times, to cash flows that are only payments of principal amounts and interest on the outstanding principal amount.

Amortised cost and effective interest method

The effective interest method is a method for calculating the amortized cost of a financial liability and for allocating and accounting for interest income over the current period.

For financial assets other than purchased or initial credit-contingent financial assets (i.e. assets that are credit-impaired at initial recognition), the effective interest rate is the interest rate that accurately discounts estimated future cash flows (including all fees and basis points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses; through the life expectancy of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument at the time of booking.

Amortized cost of a financial asset is the amount at which the financial asset is valued at initial recognition minus repayments, plus the accumulated accruals when using the effective interest method on any difference between the initial amount and the amount at maturity, adjusted for any loss reserve. The gross value of the financial asset is the amortized cost of a financial asset before adjusting for any loss provisions.

Interest income is recognized in the income statement and is included in the section "financial income and expenses".

Impairment of financial assets

The Group recognises a loss reserve for expected credit losses on accounts receivable, accrued income, and liquid assets. The amount of expected credit losses is updated at the end of each reporting period to reflect changes in credit risk since the initial recognition of the respective financial instrument.

The Group always recognises expected credit losses for the remaining maturity of accounts receivable and accrued income. The expected credit losses on these financial assets are valued using a provision matrix based on the Group's historical credit losses, adjusted for factors specific to the debtors, for general economic conditions and an assessment of both the current and the forecast factors at the end of the reporting period, including the time value of money where appropriate. At the end of 2021-12-31 and 2020-12-31, the loss reserve amounts to an insignificant amount and has therefore not been recognized.

Cash and cash equivalents are covered by the general impairment model, and the low credit risk exception is applied.

Definition of default

The Group considers that the following are defaults for internal credit risk management purposes as historical experience indicates that financial assets that meet any of the following criteria are generally not recoverable where there is a breach of financial conditions by the debtor; or

when information produced internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors including the Group as a whole (without taking into account collateral held by the Group).

Regardless of the analysis above, the Group considers that default has occurred when a financial asset is more than 120 days overdue.

Write-off

The Group writes off a financial asset when there is information indicating that the debtor is in serious financial difficulties and there is no realistic prospect of recovery, for example when the debtor has been put into liquidation or has initiated bankruptcy proceedings, or, in the case of accounts receivable, when the amounts are overdue more than two years, whichever occurs at the earliest. Impaired financial assets may still be subject to repayment measures, taking into account legal advice where necessary. Any refunds are recognized in profit or loss.

Removal from the statement of financial position of financial assets
The Group shall remove a financial asset from the statement of financial position only when the contractual rights cease, or all the risks and benefits of the financial asset are transferred to another party. If the Group neither transfers nor retains all the risks and benefits associated with ownership of the financial asset and continues to retain control of the transferred asset, the Group should recognise the asset and a related liability for amounts it may have to pay. If the Group retains, in all material respects, all risks and benefits associated with ownership of a transferred financial asset, the Group continues to recognise the financial asset as well as a pledged collateral.

When a financial asset at amortized cost is removed, the difference between the carrying amount of the asset and the sum of the claim and the consideration received is recognized.

Financial liabilities and equity

Classification of debt instruments or equity instruments
Debt and equity instruments are classified as either financial liabilities or equity in accordance with the content of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments
An equity instrument is any form of agreement that implies a residual right in a company's assets after deducting its liabilities. Equity instruments issued by the Group are recognized in income received, excluding direct issue expenses. Repurchases of the company's equity instruments are recognized directly in equity. Neither profit or loss is recognized in the income statement at purchase, sale, issue or cancellation of the company's equity instruments.

Financial liabilities
All financial liabilities are measured at amortized cost using the effective interest method or at fair value through profit or loss. Liabilities for purchase contingent consideration from business combinations are measured at fair value. Other liabilities are valued by Mirovia at amortized cost.

Financial liabilities that arise when a transfer of a financial asset does not meet the conditions for removal from the statement of financial position or when continued commitment is applicable, and financial guarantee agreements issued by the Group are valued in accordance with the specific accounting principles described below.

Provisions

Provisions are recognized when the Group has an existing obligation as a result of an event that has occurred, it is likely that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

A provision shall be made with the amount that is the best estimate of what is required to settle the existing obligation at the end of the reporting period, considering the risks and uncertainties attributable to the obligation. When a provision is valued using estimated cash flows to settle the existing obligation, it is the present value of future cash flows (if the time value of money is significant).

When part of, or all of, the amount required to settle a provision is expected to be reimbursed to a third party, the expected remedy is recognised as an asset if it is virtually certain that the remedy will be obtained and that the amount can be reliably estimated.

A provision for loss contracts is recognised when the unavoidable costs of fulfilling the contract exceed the expected financial benefits.

The Parent Company's accounting principles

The annual report for the Parent Company has been prepared in accordance with the Annual Accounts Act (1995:1554) and the standard, RFR 2 Accounting for Legal Entities, issued by the Swedish Financial Reporting Board. The interpretations issued by the Financial Reporting Board valid for listed companies have also been applied. Under RFR 2, the Parent Company shall, in its annual report of the legal entity, apply all IFRS and statements adopted by the EU as far as possible within the framework of the Annual Accounts Act, the Safeguarding Act and taking into account the relation between financial reporting and taxation.

The standard specifies which exemptions from or additions to the IFRS shall be made.

This is the Parent Company's first financial report prepared in accordance with RFR 2 Accounting for Legal Entities and the Annual Accounts Act. Previously, the Parent Company has applied the General Council of the Swedish Accounting Board BFNAR 2012:1 Annual Report and Consolidated Accounts ("K3") and the Annual Accounts Act. The transition date has been set at 1 July 2020, which means that the comparative figures for the financial year 2020 are restated according to RFR 2. The transition to RFR 2 has not had any significant effects on the parent company's financial position, profit, or cash flow.

The differences between the Group's and the Parent Company's accounting principles are described below. The accounting principles set out for the Parent Company have been applied consistently to all periods presented in the Parent Company's financial statements.

Classification and layout

The Parent Company's income statement and balance sheet are set up according to the schedules of the Annual Accounts Act. The difference from IAS 1 Presentation of Financial Statements applied in the preparation of the Group's financial statements is primarily the recognition of financial income and expenses, non-current assets, and equity.

Subsidiary

Shares in subsidiaries are recognized at acquisition value. Dividends from subsidiaries are recognized in the income statement when the right to receive dividends is considered secured and can be reliably calculated. Contingent purchase considerations are recognized as part of the acquisition value if it is probable that they will be received. If following periods presents that the initial assessment needs to be revised, the acquisition value is adjusted.

Financial instruments

The Parent Company does not apply IFRS 9. Instead, a method based on acquisition value is applied in accordance with the Annual Accounts Act. This means that financial non-current assets are valued at acquisition value minus any impairment loss and financial current assets according to the lower of cost or market method. When calculating the net realisable value of receivables recognized as current assets, the principles for impairment testing and loss provisions are applied in accordance with IFRS 9, see principles for the Group. When assessing and calculating impairment requirements for financial assets recognised as non-current assets, the principles for impairment testing and loss risk provisioning are applied in IFRS 9 when possible. Financial liabilities are valued at amortized cost using the effective interest method. Principles for recognizing and derecognize financial instruments corresponding those applied to the Group and as described above.

Lease contracts

The parent company applies the exemption in RFR 2, which is why the rules on lease contract in IFRS 16 are not applied in the Parent company as a legal entity. In the Parent Company, lease payments are recognized as an expense on a straight-line basis during the lease period. The right-of-use asset and the lease liability are therefore not recognized in the balance sheet.

Group contributions and shareholders' contributions

Group contributions are recognized as appropriations. Shareholders' contributions made are recognized as an increase in the item shares in subsidiaries of the donor. Shareholders' contributions are recognized directly against non- restricted equity at the recipient.

2. LOANS AND EQUITY

At the end of the period, the number of shares amounts to 5,017,893 (500,100) divided into 5,000,000 (500,000) of common stock and 17,893 (100) of preferred stock. During the period, Mirovia AB issued 4,500,000 (500,000) of common stock and 17,793 (100) of preferred stock which resulted in an increase of SEK 452k (SEK 51k) in share capital.

The issued corporate bond has had a significant impact on the Group's indebtedness. The amount arises to SEK 400m, of which SEK 100m was used to settle previous loans and acquisition costs amounted to a total of SEK 12.5m.

3. RELATED PARTY TRANSACTIONS

No significant transactions with related parties occurred during the period, other than compensations to management.

4. FAIR VALUE OF FINANCIAL INSTRUMENTS

The company has classified financial assets and liabilities according to the following categories: accrued acquisition value, fair value through profit or loss or fair value through other comprehensive income. The classification has been carried out considering the company's business model for the management of financial assets as well as the characteristics of the contractual cash flows from the financial asset.

The following information explains how fair value is determined for the financial instruments that are measured at fair value in the statement of financial position. The breakdown of how fair value is determined is based on the following three levels.

Level 1: according to prices quoted on an active market for the same instrument
Level 2: based directly or indirectly from observable market data not included in level 1
Level 3: based on input data that are not observable on the market

The Group has no assets that are recognized at fair value on an ongoing basis. Liabilities for conditional purchase price from business acquisitions are valued at fair value on an ongoing basis through the income statement based on level 3. Mirovia does not value any other liabilities at current fair value. For financial assets and financial liabilities that are reported at accrued acquisition value, the reported value is considered to be a good approximation of fair value, considering the short maturities of the assets and liabilities.

During the interim period, no reclassifications between levels 1, 2 and 3 have been carried out.

The following summarizes the methods and assumptions used to determine the fair value of the corporate group's financial instruments measured at fair value according to level 3.

Conditional purchase prices from acquisitions are valued at fair value, according to level 3. Conditional purchase prices have arisen following the acquisitions of Bizloop AB and Lemontree Enterprise Solutions AB. Part of purchase price for the business combination is conditional on average EBITDA in the acquired companies in the coming years. A discounted cash flow method was used to capture the present value of the expected future financial benefits that will leave the group at the time of the payment. The significant non-observable data used in the calculation is risk-adjusted discount rate and probability-adjusted expected EBITDA.

Mirovia has in the model used a risk-adjusted discount rate of 15,6%. The following table shows changes in contingent considerations, which alone is the instrument measured at fair value in level 3.

(Amount in SEK '000)	Contingent consideration
Opening balance July 1, 2020	-
Acquisition of operations	10,226
Closing balance December 31, 2020	10,226
Regulation	-4,873
Gains (+)/losses (-) recognized in profit or loss	749
Closing balance December 31, 2021	6,102

5. ACQUISITION AND SALE OF SUBSIDIARIES

During the period from transition to IFRS (July 1, 2020) to the end of December 2021, the following acquisitions were made. In all acquisitions, Mirovia acquires 100 percent of the shares and votes in the acquiring companies. All acquisitions are part of the Group's strategic focus to invest in entrepreneurial companies that offer software solutions and niche IT services in business-critical areas.

ACQUISITION	ACQUISITION DATE
Transformant Group AB	November 2020
Bizloop AB	November 2020
Lemontree Enterprise Solutions AB (including subsidiaries)	December 2021
Sundbom & Partners Holding AB (including subsidiaries)	July 2021
So4it AB (including subsidiaries)	July 2021
Acino AB	September 2021
Svenska Försäkringsfabriken i Umeå AB	September 2021
Toppnamn AB	September 2021
Traventus AB	December 2021

The amounts recognised for the identified acquired assets and liabilities during the period January 2021 – December 2021 are specified in the table below. As of the balance sheet date, the recognition of acquisitions during 2021 has only been provisionally established as the identification and valuation of assets has not yet been completed.

(Amount in SEK '000)	
Identifiable intangible assets	134,100
Right-of-use assets	17,214
Tangible fixed assets	981
Financial assets	183
Accounts receivable	21,721
Other current assets	25,618
Cash and cash equivalents	34,278
Deferred tax liability	27,700
Liabilities to credit institutions	76
Lease liabilities	17,214
Accounts payable	4,554
Other current liabilities	39,391
Total identifiable assets	**145,159**
Goodwill	211,786
Total purchase price	356,945

Regulated by:	
Cash and cash equivalents	273,695
Liabilities to selling shareholders	83,250
Total compensation transferred	**356,945**

Net cash outflow on acquisitions:	
Cash and cash equivalents	268,442
Minus: acquired cash and cash equivalents	-34,278
	234,164*

* In addition to the stated amount, SEK 27,709k was paid during the period attributable to the acquisition of Lemontree Enterprise Solutions AB with an acquisition date during December 2020, of which SEK 4,873k is a profit-based additional purchase price and SEK 22,836k is an adjustment for cash and working capital at the closing date.

Goodwill of SEK 211,786k resulting from the acquisitions consists of expected synergies and the total workforce of the companies. These benefits have not been recognised separately from goodwill as they do not meet the criteria of identifiable intangible assets. SEK 2,149k of goodwill from the acquisitions is tax deductible.

Following the acquisition, the selling shareholders participated in the issue of preferred stock from Mirovia AB. Liabilities to selling shareholders that arose in the completion with the business acquisitions are set off against receivables from the issue. The issue of preferred stock of a value of SEK 83,250k has been registered 2021.

Acquisition-related expenses (included in other external expenses) amount to SEK 3,586k.

The acquisitions during 2021 contributed with SEK 81,199k in net sales and SEK 7,308k to the Group's net earnings between the acquisition date and the end of the reporting period. If the acquisitions had taken place on the first day of the financial year, the Group's net sales for the year would have been SEK 326,929k and the Group's net earnings would have been SEK 24,305k.

6. BREAKDOWN OF REVENUE FROM AGREEMENTS WITH CUSTOMERS

The table below shows how operating revenue from agreements with customers are distributed between different categories of revenues:

(Amount in SEK '000)	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jul-Dec
Software*	2,101	1,406	5,140	1,406
Functional agreements	12,893	590	18,594	590
Consulting services	66,975	9,171	162,162	9,171
Other	243	82	318	82
Total	82,212	11,249	186,215	11,249

* Includes revenue from SaaS and commission on software sales.

7. TRANSITION TO IFRS

This interim report has been prepared in accordance with the EU-approved International Financial Reporting Standards (IFRS) and interpretative statements from IFRS Interpretations Committee. This interim report and consolidated financial statements are the first financial report that Mirovia AB prepares in accordance with IFRS. Previously, Mirovia AB has applied the Annual Accounts Act and the Swedish Accounting Standards Boards generally accepted accounting principles, BFNAR 2012:1 Annual Report and Consolidated Accounts ("K3").

The transition date to IFRS has been set at July 1, 2020. The transition to IFRS is recognized in accordance with IFRS 1 the first time IFRS is applied. The main rule of IFRS 1 requires an entity to apply all standards retroactively when determining the opening balance according to IFRS. This means that the comparative figures for 2020 are restated according to IFRS.

Mirovia has chosen to not apply any optional exceptions from retroactive application and no mandatory exceptions are assessed applicable. The parent company was registered July 1, 2020 and significant assets and liabilities in the Group are linked to acquisitions after the transition to IFRS and reported in the first financial report in compliance with the rules in IFRS 3 Business Combinations. Since the parent company was registered July 1, 2020, at the day of transition to IFRS, no transition effects have been identified in the opening balance.

The following tables present and quantify the effects assessed by management on the Group's report of comprehensive income and financial position in the transition to IFRS.

2020-07-01 – 2020-12-31 (Amount in SEK '000)	In accordance to previously applied principles (K3	Adjustment of accounting of lease contracts	Adjustment of accounting of goodwill	Adjustment of acquisitions	IFRS
		Note A	Note B	Note C	
Net sales		-	-		11,167
Other operating income	82	-	-		82
Other external expenses	-4,606	458	-	-1,978	-6,126
Personnel expenses	-4,946	-	-	-	-4,946

Depreciation and amortisation	-2,420	-183	2,416	-710	-897
Other operating expenses	-120	-	-	-124	-244
Operating profit	-843	275	2,416	-2,812	-964
Financial income and expenses	-730	-33	-	-	-763
Financial expenses	-	-	-	-	-
Profit for the period before tax	-1,573	242	2,416	-2,812	-1,727
Income tax	-675	-50	-	146	-579
Profit for the period	-2,248	192	2,416	-2,666	-2,306
Other comprehensive income	17	-	-	-	17
Comprehensive income for the period	-2,231	192	2,416	-2,666	-2,289

2020-12-31 (Amount in SEK '000)	In accordance topreviously applied principles (K3)	Adjustment of accounting of lease contracts	Adjustment of accounting of goodwill	Adjustment of acquisitions	IFRS
		Note A	Note B	Note C	
ASSETS					
Non-current assets					
Goodwill	110,772	-	2,416	-51,643	61,545
Other intangible assets	-	-	-	60,790	60,790
Tangible assets	134	-	-	-	134
Right-of-use assets	-	8,188	-	-	8,188
Shares and securities in other companies	130	-	-	-	130
Deferred tax asset	9	1,637	-	-	1,646
Other financial non-current assets	722	-	-	-	722
	111,767	9,824	2,416	9,147	133,155
Current assets					
Accounts receivable	18,267	-	-	-	18,267
Current tax assets	-	-	-	-	-
Other current assets	5,921	-	-	-	5,921
Prepaid expenses and accrued income	2,278	-	-	-	2,278
Cash and cash equivalents	40,722	-	-	-	40,722
	67,188	**-**	**-**	**-**	**67,188**
TOTAL ASSETS	178,955	9,824	2,416	9,147	200,342
EQUITY					
Share capital	51	-	-	-	51
Other contributed capital	65,594	-	-	-	65,594
Retained earnings including earnings for the period	-2,230	192	2,416	-2,666	-2,289
Total equity	**63,415**	**192**	**2,416**	**-2,666**	**63,356**
Non-current liabilities					
Bonds payable	-	-	-	-	-

Lease liabilities	-	6,365	-	-	6,365
Provisions	11,146	-	-	-10,966	180
Deferred tax liability	3	1,687	-	12,554	14,244
	11,149	8,051	-	1,588	20,788
Current liabilities					
Loans	74,605	-	-	-	74,605
Lease liabilities	-	1,581	-	-	1,581
Accounts payable	3,611	-	-	-	3,611
Current tax liabilities	11,884	-	-	-	11,884
Other financial liabilities	-	-	-	10,226	10,266
Other liabilities	4,371	-	-	-	4,371
Accrued expenses and deferred income	9,919	-	-	-	9,919
	104,391	1,581	-	10,226	116,198
Total liabilities	115,540	9,632	.-	11,814	136,986
TOTAL EQUITY AND LIABILITIES	178,955	9,824	2,416	9,147	200,342

The significant transition effects are described below.

A. According to IFRS 16, all lease contracts except those with short maturity or low value must be activated in the balance sheet as a fixed asset and financial liability. This differs from applied principles (K3) where the expense for all lease contracts was recognised as an operating expense in the period to which they were intended. Mirovia's lease contracts consist of right to use premises and cars. When transitioning to IFRS, Mirovia recognises a right-of-use asset in form of the right to use the asset and a lease liability in the form of the obligation to pay rent payments. At the transition date, the Group values the lease liability at the present value of the remaining lease payments discounted at the marginal loan rate. At the transition date, the Group recognises a right-of-use asset in an amount corresponding to the lease liability, adjusted for any deferred payments related to the lease. During subsequent periods, the lease liability is recognized at amortised cost, while the right-of-use asset is reduced by depreciation and amortization. Depreciation of the right to use asset and interest expenses on the lease liability are recognised in the comprehensive income statement.

B. According to IFRS, goodwill is an intangible asset with an indefinite useful life, which means that the item is not reduced by annual depreciation. This differs from previous accounting principles (K3) where an economic life of 5 years was applied. The transition to IAS 38 therefore entails that depreciation of goodwill in 2020 is reversed and returned to retained earnings in equity. Goodwill is not a deductible expense or taxable income, which is why the adjustment has no tax effects since it's attributable to company acquisitions (and not asset acquisitions). The transition to IFRS entails the Group to test goodwill annually for any impairment requirement. Any impairment loss is recognized in operating profit.

C. When acquiring companies, the difference between transferred remuneration and identified net assets is allocated to goodwill. As IFRS places higher requirements on the identification of assets, management has, based on the rules of IFRS, carried out an updated assessment of identified assets in business combinations that occurred after the time of transition to IFRS. At the 2021 annual financial statements, the acquisition analyses for Transformant Group, Bizloop and Lemontree Enterprise Solutions have been finalized, while the acquisition analyses for other business combinations are still preliminary. In the established acquisition analyses, brand and customer relationships have been identified and the estimated fair value of these assets is recognized separately from goodwill. The useful life of customer relationships has been estimated at 10 years and the useful life of the trademark has been deemed to be indefinite.

   Mirovia has been charged costs for, among other things, legal and financial advice in connection with business combinations that, for the purposes of K3, have been recognized as part of the cost of the operations, and thus as part of the recognized value of goodwill. Unlike K3, transaction costs related to business combinations shall be recognized as expense in the income statement in the period the service is received.

   Liabilities for contingent consideration are classified as provisions under K3. Upon transition to IFRS, liabilities for contingent consideration have been classified as other financial liabilities.

The CEO assures that the interim report provides a fair overview of the Parent company and the Group's operations, position and results and describes significant risks and uncertainties facing the Parent and other companies included in the Group.

Stockholm, February 28, 2022

Sebastian Karlsson, CEO

This interim report has not been reviewed by the company's auditors.

For further information please contact:

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Upcoming reporting sessions:

Annual report	April 29, 2022

MIROVIA AB (PUBL.) INTERIM REPORT 2021

ABOUT MIROVIA AB

Mirovia is a Nordic Group investing in entrepreneurial companies that offers software solution and niche IT services in business-critical areas. We believe that skilled entrepreneurs with clear area of expertise, in an environment of fast decision-making and access to the rights tools and networks, can accelerate their development and create long-term and profitable growth

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