

**Bricknode Group
Annual Report**

2021



2021 in brief

- Successful IPO completed with first day of trading on 9 November 2021
- Net revenue increased by 33% to 15,385 (11,578) TSEK
- Net revenue retention rate: 115%
- EBIT result amounted to -8,459 (-113) TSEK and the margin amounted to -55 (-1) % due to heavy investments in growth initiatives
- Earnings per share amounted to -1,39 (-0,10) SEK
- Agreement signed with a large international investment bank
- First family office customer onboarded
- Two new fintech companies onboarded to the platform
- Key recruitments of engineers and product experts to support development and sales growth

2021

Comments from the CEOs

The key to the next few years will be adoption

We have created a fantastic platform over the last 12 years, no doubt about it. Getting an international subsidiary of a bank like TBC Capital on board proves this. Our core platform, or operating system for finance if you will, has been carefully crafted and tested in action.

As mentioned in our year-end report we have made significant investments in our team and product during 2021. We are targeting higher revenue growth whilst rounding out our product offering with some specialized verticals.

There are a lot of misconceptions and generalizations going on in the business world regarding Software as a Service (SaaS) companies. There is a big difference between a niche product provider like a password management service and a platform like Salesforce or Atlassian. All can be classified as SaaS solutions but that is where the similarities stop.

Running a small niche product offering requires a lot less effort than building a large-scale platform. Obviously, a small niche product can provide a nice lifestyle business, and with some luck it's possible to find an unsaturated market and make some decent money. Chances are, though, that if it only took you months or a year to build your product, with few resources or primarily using consultants, it will be quite easy to replicate. The competition will be able to catch up very quickly and, as Warren Buffet says, you will not have a moat around your business.

At Bricknode, we have carefully crafted our platform over many years while serving active customers using the platform. Providing a complete financial platform requires extensive security, testing and resources to ensure we don't deliver products recklessly.

In this annual report, our first as a public company, we'll let you inside our operations and invite our awesome team to explain all the incredible things that we're doing.

It should not be possible to create such a huge product suite as we have done at Bricknode without considerable cash injections over many years - but this team has outworked everyone!



Stefan Willebrand
CEO



Erik Hagelin
Co-CEO

Before you can really fire on all cylinders and deliver a complete platform, as we are now doing, you need to reach a certain level of product maturity. Just as you cannot sell a car before you have assembled the complete engine you cannot sell a platform like ours before it is completed. Once you have reached that level it is an ongoing process of iteration where you add and refine functionality, and you continue to innovate into connected areas.

As we approach the summer, we will be launching our remaining verticals which have been in development. We'll then turn our attention to making sure that the world sees us. Our ambition has always been to standardize and organize everything on the back end of finance. Getting that message out globally and onboarding customers all over the world is a huge undertaking.

Understanding our offer

In the end it comes down to the tools that you and I would like to help reach our financial goals. We want to build an awesome financial ecosystem which promotes the creation of financial services that you and I will love! Brick by brick...

Put very simply, Bricknode provides two things:

1. A suite of cloud software applications (mostly enterprise level) for deploying and administering any type of financial activity
2. Administrative services and automation within the platform. This includes regulatory umbrellas (through partners) offered to financial institutions that want to place their end-customer accounts with another company and only focus on their front-end offering

This offers an extremely short time to market for both startups and established companies. Both Bricknode and our customers constantly expand upon the platform by building small additions using our APIs.

Stefan just recently authored an [article](#) about corporate actions, a huge administrative burden for financial brokerage firms and asset managers. Our own back-office desk received a new type of corporate action to perform for a customer, and in about two hours we had created a new expansion application to handle it, saving days of manual work every month. That is how fast we can create value on this platform and the scope of this is limitless.

It is not enough that only we see how great our platform is. We have an awesome team of people who meet with current and future customers and show everyone how great this is.

How we scale up our sales and marketing efforts

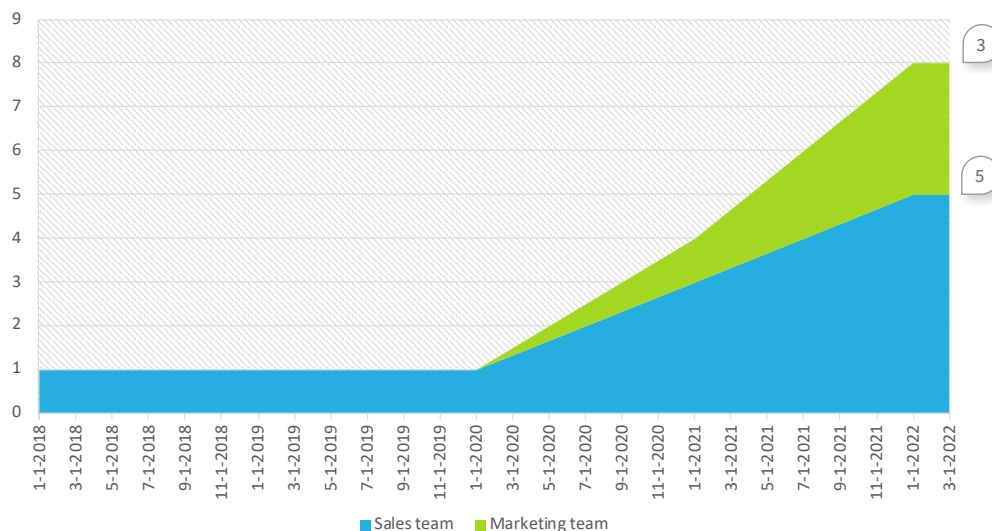
The larger the solution that is offered, the more time and effort it requires to show and introduce to customers. During 2021, we were mainly offering Bricknode Broker, which requires a lot of customer interaction before entering into deals. In 2022, however, we are launching what we call “lighter” verticals where the effort is more directed towards marketing and automatic onboarding.

In 2021, we made our first international hires and welcomed team members based in London. As the chart below shows, between 2018 and 2020 there was only one member working in sales and no-one working on marketing. During late 2021 we started building up the sales and marketing teams and now there are nearly 10 people in that team. At the same time, we have established a customer success department, which of course is crucial for our success as well.

During the end of 2021 and beginning of 2022, our focus was onboarding our new fantastic team members. We worked hard to ensure they understand everything about Bricknode and established scalable processes that now mean we are contacting 10 times as many prospects per month as we did during 2021.

Gaining customers directly and through partners requires extensive efforts between sales, marketing and customer success, and that is where Bricknode is set to see the difference in performance during the coming years.

Team members in marketing and sales





A glance at our sales strategy

First, let's agree on one thing: We can't expect potential customers to always approach us when they see a need for new financial software. That would be naive.

That is the reason we focus a lot on building strategic partnerships with companies that complement us, and vice versa. We think that everything under the hood of finance can, and should, be standardized and that is where we have put in our effort. Other companies have put their efforts in other areas like providing a fantastic wealth management portal ([additiv](#)), advanced trading terminal ([Infront](#)) or direct access to stock exchanges around the world ([Saxo Bank](#)). [Evida](#), a regulated securities firm, is another example of a partner that complements us. Together our offer is a pure plug-and-play solution for any company that would like to launch investment services.

Those are the kinds of companies that we collaborate with and want to partner with. In all cases our mutual customers need a core platform for their financial operation and that is where we come into the picture.

Together with our partners, we expand the ecosystem with pre-integrated solutions which enable our customers to launch modern, digital financial services at speed.

Besides our partner strategy we have really ramped up our outgoing sales activities. The sales team is working hard on prospecting,

analyzing prospects, approaching companies, providing demos, answering questions, progressing deals to close and handing them over to the customer success team. There you go, part of our sales process right there!

The target groups that we are focusing on right now are:

- Small and medium-sized licensed financial companies i.e., brokerage firms, investment banks, wealth managers and lending companies.
- Neobanks and with niche banks. We can enable these firms to offer investment products right off the shelf.
- Fintech companies. Companies with or without regulatory license that want to launch investment and/or lending products.

We can onboard customers globally, but our efforts are currently focused on the EU where we get good leverage on the regulatory functionality that we have built.

As we launch our remaining verticals, we will naturally iterate the definition of our target groups and strategy. That is an ongoing process and something that will never stop.

As we have mentioned many times, Bricknode is here for the long run and that means that we don't cut any corners. Equally important to our sales process and strategy is our sales behavior. We would like to highlight some of those behaviors here:

- *Curiosity* - It is about asking questions. It is about really wanting to know, for the sake of understanding, what makes your customers tick, and how their lives and businesses operate. It is about seeking to understand more than seeking to persuade. Be a person first, salesperson second.
- *Creativity* - Prospects always have time for someone who can redefine problems and devise solutions. When we can bring creativity to the table, we are invaluable.
- *Honesty* - We sell what we have and if you believe that the customer is making a mistake or buying the wrong offering, respectfully point out why you see the situation that way and then suggest alternatives. Managing expectations is everything.
- *Love for people* - Having a positive mental attitude and deciding to like everyone for something is a trait that is not only great in business, but also in life.

Investments: the growing opportunity for neobanks



Joel Cope
Head of Marketing

Last year, we received a lot of interest from fintechs and neobanks looking to launch innovative new investment products. The technology and infrastructure needed to power an investment proposition is complex and requires specialist knowledge to implement. Step forward, Bricknode Broker! Our core brokerage platform is enabling companies like these to go to market at record speed while avoiding the cost of building a solution from scratch.

During 2021, we shared the news that fintechs including Sigmastocks and Alwy are to use Bricknode Broker to help power their investment products. This is a trend we think is set to continue.

According to research conducted by Bricknode in March 2022, we identified that 44% of consumer neobanks in Europe currently offer an investment product. And of those, two thirds had partnered with specialist investment companies to launch their offering.

The race is on for fintechs looking to expand their offering and capture market share from a growing retail investment segment. We are perfectly placed to help these firms reach their goals and create the next generation of digital investment tools.

We also believe we can help fintechs do this in a more flexible and cost-effective way. Our research showed that most neobanks offering investments have partnered with business-to-consumer investing platforms. This means that in many cases, the proposition is tied to that of the partner and a commercial agreement will be in place. Partnering with a dedicated SaaS company like Bricknode, however, affords a company the flexibility to offer multiple asset classes and keep all the revenue – a far more attractive proposition in our humble opinion.

Our marketing team are using research like this to help position ourselves in the market and align with our key customer segments.

Take a look at some of the other findings from our neobank study below and in this recently-published [article](#).

44% neobanks offer investments



Top 4 asset classes offered:

funds, ETFs, stocks, crypto

46% neobanks offer a single investment product

2 neobanks have investment products coming soon...

1/4 offer sustainable investment options

How are neobanks adding investment capabilities?

1/3 neobanks used proprietary / parent company tech



2/3 neobanks added investments through SaaS partnerships

Restructuring and creating an operations team



Martin de Bruin
Head of Customer Success

Leading up to our IPO in November 2021, and in the time since, our teams working directly with our customers have undergone some changes. We have implemented a dedicated customer success team working directly with new and existing customers to grow their engagement on our platform. In addition, we have our new dedicated team of solution engineers adding the possibility for customer specific changes and assistance in technical onboardings.

Our back-office team have also been strengthened and well equipped to run our customers' back-office operations. These teams come together under the operations umbrella and going forward we are all focused on bringing the best of Bricknode to our fantastic customers, new and old!

Key figures

>56k

Number of financial products on the platform

~163k

Number of trades last quarter

SEK 23bn

Total assets on the platform



Financial reports

The Board of directors and the CEO of Bricknode Holding AB (publ) hereby submit the annual report and consolidated financial statements for the 2021 financial year.

The annual report has been prepared in Swedish Kronor (SEK) with all figures stated in SEK thousands unless otherwise specified. The report is established in Swedish and English. The Swedish version is the original and has been audited by Bricknode's auditor.

This is Bricknode

The parent company Bricknode Holding AB (559083-5970), listed on Nasdaq First North, started their operation in November 2016. The company is the main parent company and operates by itself, or through the wholly owned subsidiaries Bricknode AB (556780-7564), Bricknode Platform AB (559040-5709), Bricknode Software AB (559086-5670) and Bricknode Ltd (13261906). Bricknode's head office is based in Skövde. We also have offices in Stockholm and London.

Bricknode provides and develops a cloud-based platform as a business system for financial institutions and fintech companies.

Significant events during the year

The parent company Bricknode Holding AB (publ) was listed on Nasdaq First North Growth Market, and the first day of trading was 9 November 2021. In connection with the listing, Bricknode had an offer to acquire shares in the company. Through the offer and the Over-Allotment Issue, the company received a total issue volume of approximately 40 MSEK (before share issue expenses).

Largest shareholders as of 31 December 2021

Shareholder	Number of shares	Share%	Votes%
Willebrand Group AB	2,791,129	28.28%	28.28%
Team Hagelin AB	1,477,650	14.97%	14.97%
BackingMinds Invest AB	804,479	8.15%	8.15%
Robert Lempka	682,596	6.92%	6.92%
Movestic Livförsäkring AB	458,715	4.65%	4.65%
Other	3,654,454	37.03%	37.03%
	9,869,023	100%	100%

There were 9,869,023 registered shares in issuance at the end of the period, all Class B Shares.

Multi-year overview

Group

TSEK	2021	2020
Net revenues, TSEK	15,385	11,578
EBT, TSEK	-8,870	-854
Equity/assets ratio, %	75%	29%
Balance sheet total	37,717	20,163

Parent company

TSEK	2021	2020	2019 (6 months)
Net revenues, TSEK	0	0	0
EBT, TSEK	-1,509	-117	235
Equity/assets ratio, %	89%	53%	3%
Balance sheet total	49,296	18,114	14,119

Selected key performance indicators for the group

TSEK	2021	2020
Net revenues, TSEK	15,385	11,578
Net revenue growth, %	33%	20%
EBT, TSEK	-8,870	-855
EBIT, TSEK	-8,459	-113
Operating margin, %	-55%	-1%
EBITDA, TSEK	-11,912	856
EBITDA margin, %	-77%	7%
Equity, TSEK	28,222	5,789
Equity/assets ratio, %	75%	29%
Number of shares at the end of the period*	9,869,023	8,034,162
Number of shares, average*	8,330,756	6,729,657
Earnings per share, SEK*	-1.39	-0.10
Cash and bank balances, TSEK	22,647	4,323
Average number of employees	27	8

*3:1 share split undertaken in Q3-21 applied to all reporting periods.

For definitions of key ratios, see accounting and valuation principles.

Proposed appropriation of profits

The Board of directors proposed that the profit available for disposition (SEK):

Retained earnings	45,173,144
Profit for the year	-1,740,673
	43,432,471
to be carried forward	43,432,471

The result and position of the Group and parent company in general are presented in the following income statements, balance sheets and cash flow statements with related notes.

Financial performance

Revenue

Net revenues for the group during the year amounted to 15,385 (11,578) TSEK, rendering a growth of 33 (20) %. This has been driven by new customers and growth among our existing customers.

Expenses

Other external costs for the group during the year totaled -8,095 (-5,711) TSEK. Staffing cost for the group in 2021 totaled -19,370 (-4,809) TSEK. The increase was driven by an increased number of employees. The number of employees at the end of the year was 37 (9) and the average number of employees during the period was 27 (8).

Profit/loss

The group's loss for the period was -13,727 (-821) TSEK. The deferred tax assets relating to accumulated tax losses (year 2015-2019) was depreciated in whole at the end of the year. This resulted in a reduced result of -4,880 TSEK.

Intangible assets

The Bricknode Group continuously invests resources in the development of new and existing applications and platforms. A total of 7,937 (2,904) TSEK was invested in capitalized development expenses during the year.

Tangible assets

Investments in tangible assets amounted to 125 (0) TSEK and mainly related to computer equipment.

Financial position

Cash and equivalents for the group amounted to 22,647 (4,323) TSEK at the end of the year. The equity to asset ratio at the end of the period was 75 (29) %. Equity increased to 28,222(5,789)TSEK. The change in equity is due to the share issue and its contribution to equity (after share issue expenses) of 36,2 MSEK, and the result in 2021.

Group

Income statement

TSEK	Note	2021	2020
Net revenues		15,385	11,578
Other operating income		302	233
Total Group revenue		15,687	11,811
Subcontractors		-133	-201
Other external costs		-8,095	-5,711
Staffing costs	2	-19,370	-4,809
EBITDA		-11,912	1,090
Activations development		7,937	2,904
Depreciation		-4,459	-4,101
Exchange gain and losses		-26	-6
Profit/loss before financial items (EBIT)		-8,459	-113
Net financial items	3,4	-411	-742
Profit/loss before tax (EBT)		-8,870	-855
Taxes on profit for the year including deferred taxes	5	-4,857	33
Profit/loss for the period		-13,727	-821

Group

Balance sheet

TSEK	Note	31-dec-21	31-dec-20
Intangible assets	6	12,611	9,102
Tangible assets	7	140	45
Non-current financial assets	8,9,10	531	5,274
Current receivables		1,788	1,419
Cash and cash equivalents		22,647	4,323
Total assets		37,717	20,163
Share capital		614	268
Other equity, including profit/loss for the year		27,607	5,521
Provisions	11	433	318
Non-current liabilities	12	4,270	11,842
Current liabilities		4,793	2,214
Total equity and liabilities		37,717	20,163

Group

Changes in equity

TSEK	2021	2020
Opening equity	5,789	-2,614
Share issue	36,207	9,225
Translation difference	-47	0
Profit/loss for the current period	-13,727	-821
Closing equity	28,222	5,789

Group

Cash flow statement

TSEK	Note	2021	2020
Net profit/loss after financial items		-8,870	-855
Adjustments for non-cash items	14	3,479	1,197
Cash flow from operations before changes in working capital		-12,349	342
Changes in working capital			
Changes in current receivables		-21	-205
Changes in current liabilities		2,222	-10,775
Cash flow from operation activities		-10,136	-10,638
Changes in tangible assets			
Changes in tangible assets		-125	0
Cash flow from investing activities		-125	0
Changes in financial items			
Loan		0	8,500
Amortization		-6,443	-3,087
Loan conversion to shares		-1,162	0
Share issue		36,207	9,225
Cash flow from financing activities		28,601	14,638
Cash flow for the period		18,370	4,000
Available funds at the beginning of the period			
Available funds at beginning of the period		4,323	324
Translation differences in available funds		-47	0
Available funds at the end of the period		22,647	4,323

Parent company

Income statement

TSEK	Note	2021	2020
Other operating income	15	0	234
Total Group revenue		0	234
Other external costs	16	-1,258	-336
EBITDA	15	-1,258	-103
Net financial items	3,4	-250	-15
Profit/loss before tax (EBT)		-1,509	-117
Taxes on profit for the year including deferred taxes	5	-232	0
Profit/loss for the period		-1,741	-117

Parent company

Balance sheet

TSEK	Note	31-dec-21	31-dec-20
Non-current financial assets	17	18,643	13,625
Current receivables		9,192	356
Cash and cash equivalents		21,460	4,133
Total assets		49,296	18,114
Share capital		614	268
Other equity, including profit/loss for the year		43,433	9,313
Non-current liabilities		1,638	8,500
Current liabilities		3,611	33
Total equity and liabilities		49,296	18,114

Parent company

Changes in equity

TSEK	2021	2020
Opening equity	9,581	473
Share issue	36,207	9,225
Translation difference	0	0
Profit/loss for the current period	-1,741	-117
Closing equity	44,047	9,581

Parent Company

Cash flow statement

TSEK	Note	2021	2020
Net profit/loss after financial items		-1,509	-117
Cash flow from operations before changes in working capital		-1,509	-117
Changes in working capital			
Changes in current receivables		-8,836	9,862
Changes in current liabilities		3,578	-11,077
Cash flow from operation activities		-6,767	-1,332
Changes in tangible assets		-5,250	-9,725
Cash flow from investing activities		-5,250	-9,725
Loan		0	8,500
Amortization		-5,700	-2,536
Loan conversion to shares		-1,162	0
Share issue		36,207	9,225
Cash flow from financing activities		29,344	15,189
Cash flow for the period		17,327	4,132
Available funds at beginning of the period		4,133	1
Available funds at the end of the period		21,460	4,133

Notes

Note 1 - Accounting and valuation principles

The annual report and consolidated financial statements have been prepared in accordance with the Swedish Annual Accounts Act and BFNAR 2012:1 Annual reports and Consolidated Financial Statements (K3).

The accounting principles are unchanged compared to previous years.

The figures in the notes are reported in SEK.

Revenue recognition

Revenue has been measured at the fair value of the consideration received and is recognized to the extent that it is likely the financial benefits will accrue to the company, and the revenue can be calculated in a reliable way.

Consolidated financial statements

The consolidation method

The consolidated financial statements have been prepared in accordance with acquisition method. This means the identifiable assets and liabilities of the acquired operations are recognized at market value in accordance with the acquisition analysis. Should the acquisition value exceed the calculated market value of the anticipated net assets according to the acquisition analysis, the difference is recognized as goodwill.

Transaction between Group companies

Group-internal receivables and liabilities, transactions between Group companies, and unrealized gains have been eliminated in their entirety. Unrealized losses are also eliminated, provided the transactions does not relate to impairment loss.

Change in internal profit during the financial year has been eliminated from the consolidated income statement.

Recalculation of foreign subsidiaries

The financial statements of foreign subsidiaries have been recalculated in accordance with the current method. All balance sheet items have been restated at the closing day rate. All income statement items have been restated at the average rate over the financial year. Differences arising are recognized directly as equity.

Intangible assets

Internally generated intangible non-current assets

The capitalization model is used. That means that development expenses are capitalized when the following criteria are fulfilled:

- It is technically feasible to complete the intangible asset
- The intention is to complete and use or sell asset
- There is an ability to use or sell the asset
- It is probable that the asset will generate future economic benefits
- There are technical, financial and other resources to complete and use or sell the asset
- The expenses incurred during the development phase can be measured reliably

The internally developed intangible assets consists of capitalized expenses for development of the platform.

Non-current assets

Intangible and tangible non-current assets are recognized at cost less accumulated depreciation according to plan and any impairment.

The following depreciation percentage is applied:

Intangible non-current assets

Capitalized development expenditure	5 years
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Tangible non-current assets

Inventories, tools and installations	5 years
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Income tax

Total tax consists of current tax and deferred tax. Taxes are reported in the income statement, except where the underlying transaction is recognized directly as equity, whereby the associated tax effects are also recognized as equity.

Current tax

Current tax refers to income tax for the current financial year and the proportion of income tax for previous financial years which is yet to be reported. Calculation of current tax is based on the rate which applies on the closing day.

Deferred tax

Deferred tax is income tax which refers to future financial years as a result of previous events. This is reported according to the balance sheet method. Under this method, deferred tax liabilities and deferred tax receivables are recognized as temporary differences which arise between the carrying and tax-related amounts for assets and liabilities, and for other tax-related deductions of deficits.

Deferred tax receivables shall be offset against deferred tax liabilities only when they can be paid with a net amount. Calculation of deferred tax is based on the rate which applies on the closing day. The effect of changes to current tax rates are recorded as income in the periods for which the change is legally required. The deferred tax asset is recognized as a financial non-current asset, with the deferred tax liability recorded as provision.

The deferred tax asset relating to loss carryforwards or other future tax deductions is recognized to the extent that is likely the deductions can be offset against future tax surpluses.

Due to the connection between accounting and taxation, the deferred tax liability attributable to untaxed reserves is not reported separately.

Provisions

Provisions have been reported obligations against third parties that are attributable to the financial year, or previous financial years and as on the balance sheet date are either safe or probable to their occurrence but uncertain in amount or to the time when they are to be redeemed.

Definitions of key ratios

Net revenues – Revenues from services which are a part of the company's normal operations.

Net revenue growth – Development of net revenues compared to the same period the year before.

EBT - Earnings before taxes.

EBIT - Earnings before interest and tax.

Operating margin - EBIT as a percentage of total Group net revenue.

EBITDA - Earnings before interest, taxes, depreciation, and amortization.

EBITDA margin - EBITDA as a percentage of total Group net revenue.

Equity – Equity at the close of the period.

Equity/asset ratio – Total equity / total assets.

Earnings per share – Profit/loss divided by outstanding shares for the period

Average number of employees – Number of staff converted to full-time positions during the period.

Net revenue retention (NRR) – Rate is the percentage of recurring revenue retained from existing customers in a defined period, including revenue, downgrades, and cancelations.

Balance sheet total – Total assets

Note 2 - Average number of employees

Group	2021	2020
Women	6	2
Men	21	6
	27	8

Parent company

The company has not had any employees and no salaries have been paid.

Note 3 - Interest income and similar profit/loss items

Group	2021	2020
Other interest income	14,631	9,168

Parent company

	2021	2020
Interest income from group companies	25,452	543,734

Note 4 - Interest expense and similar profit/loss items

Group	2021	2020
Other interest income	-425,301	-750,891

Parent company

	2021	2020
Other interest expense	-275,812	-558,417

Note 5 - Current and deferred tax

Group	2021	2020
Current tax	0	0
Change in deferred tax relating to temporary differences	23,583	33,205
Depreciation deferred tax asset	-4,880,625	0
	-4,857,042	33,205

Parent company	2021	2020
Current tax	0	0
Depreciation deferred tax asset	-231,984	0
	-231,984	0

Note 6 - Capital expenditures for development and similar work

Group	31 Dec 2021	31 Dec 2020
Opening cost	34,900,676	31,996,219
Activations of the year	7,937,370	2,904,457
Closing accumulated cost	42,838,046	34,900,676
Opening depreciation	-25,798,818	-21,752,326
Depreciation for the year	-4,428,230	-4,046,492
Closing accumulated depreciation	-30,227,048	-25,798,818
Closing carrying amount	12,610,998	9,101,858

Note 7 - Inventories, tools and installations

Group	31 Dec 2021	31 Dec 2020
Opening cost	927,466	927,466
Purchases	125,391	0
Closing accumulated cost	1,052,857	927,466
Opening depreciation	-882,587	-827,786
Depreciation for the year	-30,382	-54,801
Closing accumulated depreciation	-912,969	-882,587
Closing carrying amount	139,888	44,879

Note 8 - Deferred tax

Group	31 Dec 2021	31 Dec 2020
Initial balance	4,955,509	4,922,574
Impairment deferred tax asset	-4,880,625	0
Additional receivables attributable to direct pensions	23,583	32,935
Closing balance	98,467	4,955,509

Note 9 - Other non-current receivables

Group	31 Dec 2021	31 Dec 2020
Opening cost	318,424	195,460
Additional receivables	114,480	122,964
Closing accumulated acquisition value	432,904	318,424

Note 10 - Pledged assets and contingent liabilities

Group	31 Dec 2021	31 Dec 2020
Floating charge	5,000,000	5,000,000
Other pledged assets	432,904	318,424
	5,432,904	5,318,424

Note 11 - Other provisions

Group	31 Dec 2021	31 Dec 2020
Amount at the beginning of the year	318,424	195,460
Provision of the year	114,480	122,964
	432,904	318,424

Note 12 - Non-current liabilities

Group	31 Dec 2021	31 Dec 2020
Due after one year but within five years of closing day	1,856,885	2,599,635
	1,856,885	2,599,635

Note 13 - Bank overdraft facility

Group

	31 Dec 2021	30 Dec 2020
An overdraft facility has been sanctioned in the amount of	0	150,000

Note 14 - Adjustments for non-cash items

Group

	31 Dec 2021	31 Dec 2020
Depreciation	4,458,612	4,101,293
Activation capitalized expenditure	-7,937,370	-2,904,457
	-3,478,758	1,196,836

Note 15 - Purchases and sales between participations in the group

Parent company

	2021	2020
Share of purchases made from other companies in the group	0%	32%
Share of sales pertaining to companies in the group	0%	100%

Note 16 - Auditor's fees

Group	2021	2020
EY		
Audit assignment	75,000	90,000
Tax advice	17,000	0
Auditing activities besides the audit assignment	205,000	0
	297,000	90,000
Parent company		
EY		
Audit assignment	75,000	0
Auditing activities besides the audit assignment	140,000	0
	215,000	0

Note 17 - Participations in Group companies

Parent company	31 Dec 2021	31 Dec 2020	
Opening cost	13,393,471	3,668,462	
Shareholders contributions	5,250,000	9,725,009	
Closing carrying amount	18,643,471	13,393,471	
	Capital share	Voting share	Book value
Bricknode AB	100%	100%	7,435,620
Bricknode Platform AB	100%	100%	130,000
Bricknode Software AB	100%	100%	11,077,851
Bricknode Ltd	100%	100%	0
			18,643,471
	CIN	Domicile	
Bricknode AB	556780-7564	Skövde	
Bricknode Platform AB	559040-5709	Skövde	
Bricknode Software AB	559086-5670	Skövde	
Bricknode Ltd	13261906	London	

Signatures and assurance

The undersigned hereby confirm that the annual accounts have been prepared in accordance with the Swedish Annual Accounts Act and generally accepted accounting standards, current accounting standards have been applied, and all records provided give a true and fair view of the financial position.

Skövde, 24 March 2022

Robert Lempka
Chairman of the Board

Stefan Willebrand
Board member and CEO

Fanny Wallér
Board member

Our auditor's report has been submitted 24 March 2022

Ernst & Young AB
Jesper Nilsson
Authorized Public Accountant

Auditor's report

To the general meeting of the shareholders of Bricknode Holding AB, corporate identity number 559083-5970.

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Bricknode Holding AB for the year 2021-01-01 – 2021-12-31. The annual accounts and consolidated accounts of the company are included on pages 10-27 in this document.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

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

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

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as

they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend 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 skepticism 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 Bricknode Holding AB for the 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 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 skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Stockholm 24th of March 2022

Ernst & Young AB

Jesper Nilsson

Authorized Public Accountant

Financial calendar

Interim Report Q1 2022	May 19, 2022
Annual General Meeting 2021	May 19, 2022
Interim Report Q2 2022	August 18, 2022
Interim Report Q3 2022	November 17, 2022

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