Tradedoubler
CONNECT & GROW

Annual Report

2021

Dear reader,

Tradedoubler's business is online and therefore we think the website is the natural focus for our financial communication. Our ambition is to offer shareholders and other investors an effective and easily accessible way of reading up-to-date and relevant information on www.tradedoubler.com.

The information in the annual report

Tradedoubler AB (publ), 556575-7423, is a Swedish public limited liability company with its registered office in Stockholm. The company is subject to Swedish laws and as a listed company is obliged to comply with NASDAQ Stockholm's rules and regulations which govern information disclosure to the market.

All values are stated in Swedish kronor. Kronor expressed in millions is abbreviated to SEK M and kronor expressed in thousands is abbreviated to SEK '000. Numerical data in brackets refers to 2020 unless otherwise stated. Information about markets and the competitive situation is Tradedoubler's own assessment, unless a specific source is provided. You can subscribe to press releases and financial reports on Tradedoubler's website.

The Annual Report is prepared in Swedish and translated into English. Should differences occur between the Swedish Annual Report and the English translation, the Swedish version shall prevail.

Contents

A print version of the annual report may be ordered from:

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5 year summary

SEK M	2021	2020	2019	2018	2017
Total revenue	1,421	1,235	1,209	1,173	1,173
Gross profit	277	255	264	264	260
Gross margin, %	19.5	20.6	21.9	22.5	22.2
Operating costs, excl. depreciation[1, 2]	-212	-191	-212	-222	-239
EBITDA adjusted for change related items[2]	67	64	52	42	22
Change related items	-6	-2	-7	-3	2
EBITDA[2]	61	62	45	39	23

[1] Adjusted for change related items.

[2] 2018 and earlier periods has not been adjusted for IFRS 16.

Financial calendar

Annual General Meeting	18 May 2022
Interim report January–March 2022	18 May 2022
Interim report January–June 2022	21 July 2022
Interim report January–September 2022	3 November 2022
Year-end report 2022	10 February 2023

Overall financial comments

The group's total revenue during 2021 amounted to SEK 1,421 M (1,235). This was an increase of 15 per cent or a change of 18 per cent adjusted for changes in exchange rates compared to 2020.

Gross profit amounted to SEK 277 M (255), which was an increase of 10 per cent or an increase of 13 per cent adjusted for changes in exchange rates.

EBITDA amounted to SEK 61 M (62).

Investments, mainly related to activated development expenses, amounted to SEK 30 M (24).

Operating profit (EBIT) amounted to SEK 28 M (25).

The sum of cash and interest-bearing financial assets at the end of 2021 amounted to SEK 94 M (89). Net cash was SEK 1 M (-30).

Earnings per share, before and after dilution, amounted to SEK 0.53 (0.16).

The Board proposes that no dividend should be declared for 2021 (SEK 0 per share). No dividend was paid for 2020.

Board of directors' report

The board of directors and the chief executive officer of Tradedoubler AB (publ), corporate registration number 556575-7423, hereby submit the annual accounts for the operations in the parent company and the group for the financial year 2021.

TRADEDOUBLERS OPERATIONS

Tradedoubler is an international leader in performance-based digital marketing and technology powering a unique network of connections. The company works with over 2,000 advertisers through its network of 180,000 publishers in over 80 countries. In 2021, Tradedoubler generated SEK 37 bn incremental revenue for its clients through e-commerce and m-commerce.

Tradedoubler's business strategy

Tradedoubler operates within the dynamic environment of digital and mobile commerce, which is characterised by positive trends in both consumer and advertising expenditure. The digital marketing sector in Europe and worldwide is very dynamic. Channels such as social media, video and mobile continue to expand their market share and advertising is increasingly traded on an automated basis. This dynamic is influencing our business and, together with advances in technology, opens a range of new opportunities for our clients and us.

For advertisers and publishers who want to grow their business Tradedoubler offers performance marketing and technology solutions powering a unique network of connections. Combining over 20 years of digital marketing innovation and expertise and global presence Tradedoubler offer tailored performance solutions based on our clients' needs. Our market-leading integrated technology platform tracks online customer journeys. It creates data-driven insight that helps us deliver targeted performance advertising across multiple, high-quality digital channels:

- Industry-leading affiliate marketing network: Affiliate marketing is a risk-free solution for advertisers looking to increase sales or leads as they only pay for results.
- White-label partner management platform: Our award-winning technology platform allows advertisers, publishers or agencies to manage partnerships directly themselves or setup and run their own private affiliate network.
- Campaign management: We offer performance-based campaigns tailored to our client's needs and based on programmatic and non-programmatic inventory. From lead generation to display, native advertisement, video and app install.
- Market-leading business intelligence: Data-driven insights including user journey reporting and analysis to optimise digital ad spend for the best return across all channels.

Building and growing relations is our lifeblood and our key expertise for more than 20 years. 264 employees based in 14 offices connect advertisers and publishers in more than 80 countries around the globe to grow their business.

SIGNIFICANT EVENTS DURING THE YEAR

In 2016 Tradedoubler acquired a minority stake in DynAdmic for a total amount of EUR 1,2 M. In June 2021 these shares were sold to Smart, a leading independent French adtech platform, for a total potential amount of EUR 2 M. Around EUR 1.75 M were received in July 2021 as an upfront payment and a earnout of EUR 0.25 M depends on future results of the company. The divestment of shares increased the results by SEK 9.3 M, where of SEK 2.7 M is the estimated result of the earn-out.

TRADEDOUBLER'S CURRENT POSITION

In 2021, Tradedoubler has made significant progress in its operations and for the first time in a long time has shown double-digit growth in both sales and gross profit. Covid-19 has continued to affect operations in 2021, but not to the same extent as last year. The travel segment, which was initially hit very hard during the pandemic, had real growth during the fourth quarter of 2021 and almost doubled its revenues compared with the same period last year.

GROUP RESULTS

If not explicitly stated, the disclosed financial information refers to reported numbers not adjusted for change related items nor changes in exchange rates. For comparability reasons and to indicate the underlying performance, Tradedoubler adjust for change related items. For more information, see page 6.

Consolidated total revenue during 2021 were SEK 1,421 M (1,235), which was an increase of 15 per cent or 18 per cent adjusted for changes in exchange rates.

Gross profit for the year amounted to SEK 277 M (255). Gross profit adjusted for change related items during the year was SEK 279 M (255) an increase of 10% or 13% adjusted for changes in exchange rates. Gross margin amounted to 19.5% (20.6). The main reason for the decrease in gross margin is driven by larger clients with lower margins than the average client.

Operating costs excluding depreciation and change related items during the year was SEK 212 M (191), an increase of 11% or 13% adjusted for changes in exchange rates.

Operating profit before depreciation and amortisation (EBITDA) during the year amounted to

SEK 61 M (62). Adjusted for change related items, EBITDA was SEK 67 M (64).

Depreciation and amortisation were SEK 33 M (37), the decrease is mainly related to a write-down of approximately SEK 3 M in 2020, which was related to an internal R&D project.

Operating profit thus amounted to SEK 28 (25) M in 2021.

CASH FLOW AND FINANCIAL POSITION

Cash flow from operating activities before changes in working capital, referring to EBITDA reduced by paid taxes, paid interest and non-cash items amounted to SEK 40 M (40) during the year. Changes in working capital were SEK 15 M (49).

Net investments in tangible and intangible assets during the year mainly related to product development amounted to SEK -30 M (-25). Cash flow amounted to SEK 2 M (35).

The sale of Dynadmic has affected cash flow during 2021 by a total of SEK 17.7 M. The cash-flow during 2021 has also been impacted by an early amortization of one of the loans from the company's principal owner Reworld Media. The early amortization impacted the cash flow by SEK -16 M, and accumulated interest related to this part of the loan was paid and impacted the cash flow by SEK -1.3 M.

Cash and cash equivalents at the end of the year amounted to SEK 94 M (89). Interest-bearing liabilities amounted to SEK 93 M (118) and relates to the loan agreements with Reworld Media S.A. During the year SEK 28 M of the loan has been amortized. Net cash hence amounted to SEK 1 M (-30) at the end of the year.

Consolidated shareholders' equity amounted to SEK 261 M (226) at the end of the year and the equity/asset ratio was 28.3 per cent (27.0). The return on equity during the rolling 12 months ending December 2021 was 9.7 per cent (3.1).

EMPLOYEES

On December 31, 2021, Tradedoubler's staff corresponded to 264 (242) full-time equivalents (FTE) and included permanent and temporary employees as well as consultants.

CHANGE RELATED ITEMS

For comparability reasons and to indicate the underlying performance, Tradedoubler adjusts for change related items. The following items affect the comparability in this report.

Change related items in the year 2021 amounted to SEK -6,3 M, where SEK -3,3 M related to costs linked to Reworld Media's share program to key management personnel which is described on page 10 in the Annual report 2020. SEK -2,2 M relates to a decrease in revenue due to first indications from the Swedish Agency for Economic and Regional Growth, that they will reclaim the grants contributed in 2020 for the short working hour scheme. The amount was confirmed and repaid in 2022. SEK -0.7 M is costs related to a breach of an agreement related to office costs, and severance payment over multiple segments.

Change related items in the year 2020 amounted to SEK -2 M and related to costs linked to Reworld Media's share program to key management personnel.

For more information, see Note C25.

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

The post-reporting period has been marked by Russia's aggression against Ukraine. The war has so far had very little effect on Tradedoubler's operations. It is too early to say how the business will be affected in the long run. Depending on the course of events, it is not unreasonable to assume that the company will be affected in any way, either directly or indirectly through its customers.

Apart from this, no significant events have occurred since the end of the reporting period..

THE PARENT COMPANY

The parent company's total revenue amounted to SEK 106 M (88) during 2021. Revenue primarily consisted of internal licensing revenue to subsidiaries.

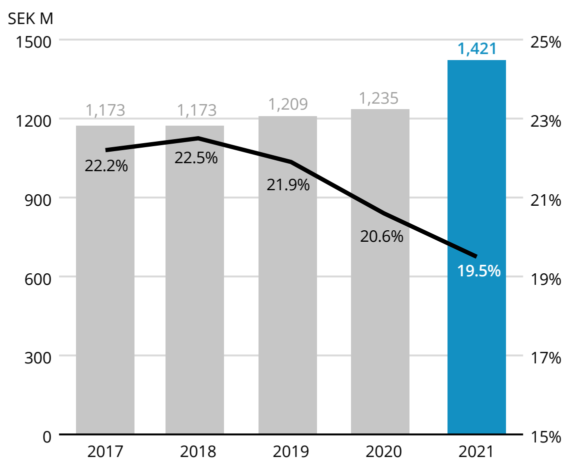
Operating profit (EBIT) amounted to SEK 14 M (9) during 2021.

Net financial items amounted to SEK -20 M (7). Dividends from group companies were SEK 4 M (5) and changes in exchange rates have impacted pre-tax profit in 2021 with SEK -4 M (6). During the fourth quarter of 2021, a write-down of shares in subsidiaries was made, which affected earnings by SEK 25 M. Profit after tax amounted to SEK -6 M (9) during 2021.

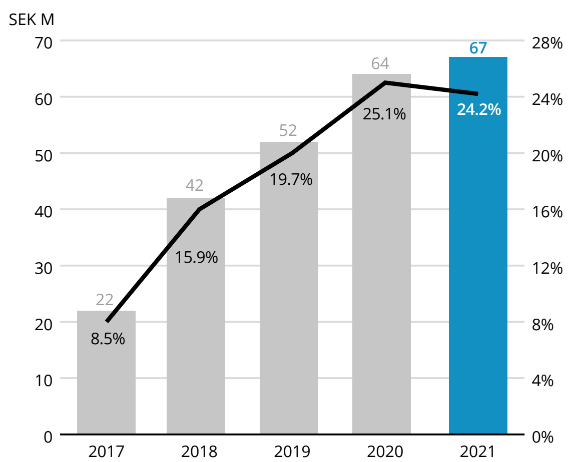
The parent company's receivables from group companies amounted to SEK 178 M (147) at end of 2021, of which none (0) were non-current. The parent company's liabilities to group companies were SEK 98 M (87), of which none (0) were non-current. Cash and cash equivalents amounted to SEK 45 M (41) at the end of 2021.

Deferred tax assets amounted to SEK 0,1 M (0,1) at the end of 2021. No capitalisation of deferred tax on loss has been made

Total revenue (SEK M)
Gross margin (%)



EBITDA (SEK M)
EBITDA/Gross profit (%)
Excluding change related items



since the assessment of the possibility of using deferred tax on loss carry forwards is unchanged compared to previous periods.

THE SHARE AND OWNERSHIP

Tradedoubler's share is listed on NASDAQ Stockholm since 2005 and is traded on the list for Small Cap companies. The share is classified as Information Technology. The share capital on 31 December 2021 amounted to SEK 18.4 M (18.4) distributed among 45,927,449 (45,927,449) shares, each with a quota value of SEK 0.40. All shares carry equal rights to share in the company's assets and profits. Each share carries one vote. At the general meeting, each shareholder is entitled to vote for all shares he/ she holds and represents without restriction as to the number of votes cast. Tradedoubler has 790,760 (790,760) shares in its own custody.

Tradedoubler's share price increased during 2021 by 152 per cent from SEK 2.92 to SEK 7,36 on 31 December 2021. The highest price recorded during the year was SEK 7,36 and the lowest price was SEK 2.95. The market capitalisation on 31 December 2021 amounted to SEK 338 M.

At year-end 2021 Tradedoubler had 2,794 (1,774) shareholders. The company's largest shareholder was Reworld Media S.A with 51,8 (51.8) per cent of the capital and votes. The five largest shareholders jointly owned 71.4 (72.7) per cent of the shares.

Foreign ownership amounted to 69.0 per cent (64.9). The board of directors and group management jointly owned approximately 0.3 per cent (0.3) of the votes and capital at the end of 2021.

For more information regarding the share, see Tradedoubler's investor site: www.tradedoubler.com/en/investors/ under the heading Shareholders and ownership.

GUIDELINES FOR REMUNERATION TO COMPANY MANAGEMENT

The guidelines for remuneration to the company management is provided on page 10 in the Corporate governance report. The Board will propose to AGM to adopt these guidelines in 2022.

LONG TERM FINANCIAL TARGETS

Tradedoubler's long term financial targets are to grow total revenue in excess of 5 per cent annually in local currency and deliver an EBITDA/Gross profit-ratio in excess of 20 per cent over a business cycle. In 2021, total revenue increased by 15% in local currencies, while EBITDA divided by gross profit amounted to 22%.

PROPOSED DISTRIBUTION OF EARNINGS

At the disposal of the Annual General Meeting of the parent company:

	SEK
Share premium reserve	352,540,285
Retained earnings	-334,791,736
Net profit for the year	-5,644,506
Total non-restricted equity to be carried forward	12,104,043

In addition to the non-restricted equity, the Parent company had SEK 86,553,859 in restricted equity as per end of 31 December 2021.

The Board of Directors proposes to declare no dividend for 2021. No dividend was declared for 2020. Tradedoubler has a policy of distributing at least 50 per cent of its profit after tax provided that a suitable capital structure is maintained. The distribution may occur through share dividends, share redemption and share buybacks.

Sustainability reporting

The legal requirements for sustainability reporting require companies to disclose the consequences of the company's operations in the five areas of Environment, Social Affairs, Personnel, Human Rights and Anti-Corruption.

TRADEDOUBLER'S BUSINESS MODEL AND SUSTAINABILITY STRATEGY

Tradedoubler offers performance-based marketing and technology solutions for advertisers and publishers. By combining 20 years of expertise in digital marketing and global presence, we offer tailored performance-based marketing solutions based on our customers' needs. The vision of the sustainability strategy is to be an equal and fair company while the business model contributes to as little impact as possible on the environment.

ENVIRONMENT

As the company's business model only involves the sale of internet-based services, the environmental impact is very limited and therefore not considered a significant risk and is not treated in any particular policy. Tradedoubler's operating environment is primarily driven by cloud-based technology and data management, whose annual carbon dioxide emissions are judged to be equal to a few households. Tradedoubler's environmental impact is largely driven by business travel for its employees. The company has made a decision to reduce travel as much as possible both in terms of the environmental effects and from a cost perspective. The control of travel costs takes place at management level and is analyzed continuously during the year, in recent years travel has decreased sharply, some are of course related to covid-19.

SOCIAL CONDITIONS AND STAFF

Tradedoubler's employees are the key to Tradedoubler's success. As a result, a policy for personnel and social conditions has been implemented together with the vision of making Tradedoubler the best workplace on the market. Tradedoubler strives to attract, develop and retain qualified and motivated people in a professional, safe and healthy work environment, which is also the greatest risk for Tradedoubler's operations if this were not achieved. Tradedoubler complies with all local laws regarding working hours, holiday laws and work environment laws, including the psychosocial work environment. Regular team activities as well as physical activity are encouraged. Own initiatives and ideas are encouraged, among other things through access to a special email address to share ideas and improvements as well as the opportunity for a recruitment prize for tips on hiring. Tradedoubler also conducts an annual employee survey to gain insight into and measurability in the employees' perceived working and social conditions and compliance with the policy. Some key areas that are measured are work and development, organization and information, corporate culture, psychosocial work environment and leadership.

Tradedoubler has also implemented a policy for flexible working hours, which is part of the policy mentioned above, intended to facilitate staff leisure and recovery. In the digital climate in which Tradedoubler works, one of the biggest risks is that staff do not separate leisure and work clearly enough. In order to follow up and measure the greatest risks regarding social conditions and staff, staff surveys are conducted annually where clear initiatives are made by the management team if the results in any way indicate shortcomings. In addition, this is discussed and the development is recorded in each unit so that the result can be measured against previous years.

According to Tradedoubler's staff, social conditions have improved in recent years. The performance indicator is based on how well the employee survey turns out compared to a benchmark provided by the service provider. In 2021, the result was better than the benchmark in 11 of 13 areas. In addition, the response rate is measured, which in 2021 was 89% of all employees. The performance indicator that is of the greatest importance to management is the "net promoter score", which is intended to measure the probability that the staff will recommend the company to others. This measure has also improved over time. The result of the policy has thus led to a more satisfied staff.

HUMAN RIGHTS

Tradedoubler has established a Code of Ethics and Conduct and all employees and board members are expected to follow the principles and procedures set forth in the Code. Tradedoubler has a history of success as a result of fairness and ethical business practices. We interact with different stakeholders; advertisers, publishers, suppliers, colleagues, shareholders and regulators. Our relationships and communication must be honest, fact-based and transparent within the framework of commercial confidentiality. We value interaction and therefore encourage a constructive dialogue with all our stakeholders. In our business relationships, we expect our partners to follow business practices that are in line with our own. Tradedoubler's code of ethics and conduct contains guidelines for how to act in different situations when representing Tradedoubler in a business context, towards colleagues, in conflicts of interest and also a whistleblower function.

The code also states zero tolerance for discrimination or harassment based on gender, ethnicity, nationality, religion, sexual orientation, age, disability, marital status or political opinion. All employees must be treated fairly and equally and everyone's abilities and contributions are valued and honored equally and in accordance with the Code and Fundamental Human Rights. Tradedoubler is a service company and thus sees discrimination in all forms as the greatest risk as the company's operations are largely based on personal meetings of various kinds. As a review procedure, Tradedoubler has set up a whistleblower function where staff and other stakeholders can be anonymous and inform management of shortcomings and deviations from ethics and the code of conduct without retaliation. Furthermore, Tradedoubler conducts an annual salary survey to measure and examine how the work with equal pay between the sexes develops, this is of great importance for Tradedoubler. Tradedoubler sees human rights as a central part of the business. The risks of not fulfilling these commitments in their entirety can of course mean the loss of customers and staff, which is minimized by compliance with this policy.

The main central performance indicator is the number of cases reported to our whistleblower function. No cases of discrimination have been identified in 2021.

ANTI-CORRUPTION

Tradedoubler has established an anti-corruption policy with the aim of establishing the main principles and approaches to fraud, incentives and incorrect payments which are considered to be major risks for a company like Tradedoubler, which handles a large number of transactions. This is to prevent illegal and unethical business conduct. Tradedoubler has zero tolerance for such behavior, any employee who has been found to violate this policy will be subject to disciplinary action, which may include termination of employment. As a review procedure, Tradedoubler again applies the whistleblower function and the company's internal control function to carry out various checks where the company sees a higher risk, this mainly includes reviews of fraud within the company's cash flow. In addition to this, checks are also made by payees against EU and UN sanction lists.

The company assesses that the risk of violations of the policies is low, but penalties in this respect can be large in the form of fines and fines from customers and regulatory authorities. By following this policy and its control functions, Tradedoubler significantly reduces the risk.

The main central performance indicator is the number of cases reported to our whistleblower function and the number of internal disciplinary measures. No such cases have occurred in 2021.

Risks and uncertainty factors

Identifying and managing risks is a central component in the governance and control of Tradedoubler's business and is incorporated in all parts of the operations.

Risks are continuously reported to the board by management. Through clear processes and routines, the company aim to take advantage of the opportunities presented in a dynamic market, while minimising the risk for damage and losses. Tradedoubler distinguishes between market-related risks, operational risks, financial risks and legal risks.

As with all businesses, Tradedoubler has market-related risks, which are primarily related to the surrounding environment such as macroeconomic conditions, competition and technical development. Within the market Tradedoubler operates the technical and commercial rate of change is high. This means great opportunities, but also significant risks for Tradedoubler. The group management is primarily responsible for monitoring and finding opportunities in this changing environment.

Tradedoubler's operative risks is mainly related to its IT- infrastructure which is essential to deliver the services provided. As for the risks of the IT-infrastructure Tradedoubler has a CISO, Chief Internet Security Officer, who leads the risk management of the IT infrastructure together with a board of internal and external resources.

The treatment of financial risks is centralised to the finance function of Tradedoubler and is conducted in accordance with the assumed finance policy accepted by the Board of Tradedoubler. For more information regarding the financial risks see Note C21.

As a multinational company Tradedoubler is subject to local regulations. Legal risks could be tax related, intellectual property rights or privacy legislation. Tradedoubler monitors and mitigates legal risks through internal and external resources as well as through trade associations.

Tradedoubler has a significant goodwill item and other immaterial assets such as activated development expenses, which are tested for impairment on an annual basis. In 2021, no impairment deemed to exist.

In connection with the impairment testing of goodwill for 2021 no impairment was deemed to exist. At the end of 2021 goodwill amounted to SEK 294 M (286). It cannot be ruled out that a future impairment test would lead to further write-downs of immaterial assets in the consolidated results and/or the parent company. For further information, see Note C13.

In May 2018, the EU Data Protection Ordinance (GDPR) entered into force, which places even greater demands on how the company handles personal data and otherwise deals with data protection issues. The company has worked actively to be able to meet the requirements under the new regulation.

Corporate governance

Tradedoubler is a Swedish public limited liability company with its registered office in Stockholm. Tradedoubler's share has been quoted on NASDAQ Stockholm since 2005. This section describes Tradedoubler's corporate governance, management and administration as well as the internal control.

The governance of Tradedoubler is divided among the shareholders at the annual general meeting (AGM), the board of directors, the CEO and the group management in accordance with the Swedish Companies Act, the articles of association and the Swedish Code of Corporate Governance (the Code). The board of directors has chosen to jointly handle the duties pertaining to the audit committee according to the Code and the Swedish Companies Act, but which also may be handled by the board as a whole – see more information under "Audit Committee".

In 2021, three employees, including the CEO, participated in the main owner Reworld Media's share program. The conditions of the program are that the employees are allotted some shares if they are still employed in September 2021 (which was the case), and some shares if they are still employed in September 2022. For more information, see Note K6. According to the Code, share-based compensation programs must have a term of at least three years, and Tradedoubler deviates, in this instance, from the Code as the same rules are not applicable to the main owner Reworld Media that is based in France. In other respects, Tradedoubler has applied the Code without deviations during 2021.

Tradedoubler's articles of association and other information regarding corporate governance in the company is available on Tradedoubler's website: www.tradedoubler.com/en/investors/corporate-governance/

GENERAL MEETING OF SHAREHOLDERS

The annual general meeting is Tradedoubler's highest decision- making body in which shareholders exercise their rights to decide on the affairs of the company and where each share carries one vote. Shareholders are informed via Tradedoubler's website of their entitlement to have an item addressed at the AGM. Shareholders who are registered in the share register on the record day, (five weekdays prior to the date of the AGM) and who have provided notification of their intention to attend in accordance with what is stated in the convening notice, are entitled to participate in the AGM, either in person or by proxy.

Minutes from the annual general meeting 2020 and previous general meetings of shareholders are available on Tradedoubler's website: www.tradedoubler.com/en/investors/financial-calendar-and-events/

Annual General Meeting 2021

The AGM was held on 18 May 2021 in Stockholm. 52.6 per cent of the shares were represented at the AGM. The AGM passed resolutions on election of board members.

The annual general meeting resolved, in accordance with the proposal of the board of dorectors, to authorise the board of directors, until the next annual general meeting, on one or several occasions, with or without deviation from the shareholders' preferential rights, to resolve on new issues of shares, warrants and/or convertibles.

The annual general meeting resolved in accordance with the Board's proposal for guidelines for remuneration and other terms of employment for company management.

The annual general meeting resolved to authorise the board of directors, until the next annual general meeting, on one or several occasions, to resolve on the acquisition of a maximum number of own shares so that, after the purchase, the company holds no more than ten per cent of the total number of shares in the company.

The annual general meeting resolved to authorise the board of directors, until the next annual general meeting, on one or several occasions, to resolve on the transfer of shares in the company. Transfer of own shares may only take place in connection with financing of company acquisitions and other types of strategic investments and acquisitions and with a maximum of the number of own shares held by the company at each time.

The annual general meeting resolved in accordance with the Nomination Committee's proposal for a decision on election committee for the 2022 annual general meeting.

Nomination Committee

Tradedoubler's AGM passes resolutions regarding a nomination committee before the next AGM. According to the resolution the nomination committee shall be composed of the Chairman of the Board and representatives of the three largest shareholders, as of the last banking day in August, according to the share register kept by Euroclear Sweden AB.

The Chairman of the Board shall convene the first meeting of the Nomination Committee. The representative representing the largest shareholder shall be appointed chairman of the nomination committee. If one or more shareholders do not wish to appoint a representative to the nomination committee the next shareholder should be contacted. If the shareholder who is next do not wish to appoint a representative the Chairman must only contact the eight largest shareholders to obtain a nomination committee of at least three representatives including the Chairman of the Board. If a nomination committee is not obtained on three representatives (including Chairman) after contact with the eight largest shareholders, the Chairman of the board will continue to contact shareholders until a nomination committee of three representatives (including Chairman of the board) has been reached.

The composition of the nomination committee consists of the following members; Gautier Normand, appointed by Reworld Media S.A (chairman), Yi Shi and Pascal Chevalier, chairman of the Board. The nomination committee's proposals to the AGM 2022 regarding board members, fees and other remuneration etc. are planned to be presented in the notice convening for the AGM 2022 and will also be available on the company's website.

The members of the nomination committee receive no remuneration from Tradedoubler. However, the chairman of the board and Gautier Normand receives remuneration from Tradedoubler in the form of ordinary directors' fees.

THE BOARD OF DIRECTORS AND ITS COMMITTEES

According to Tradedoubler's articles of association, the board shall be composed of between five and nine members. The CEO is not a member of the board, but attends board meetings.

Other employees in Tradedoubler participate in board meetings when required, for instance to present reports. The company's chief financial officer has during 2021 served as the secretary to the board.

During 2021, Tradedoubler's board of directors was composed until the annual general meeting on 18 May 2021 of Pascal Chevalier (chairman), Gautier Normand, Jérémy Parola, Erik Siekmann and Nils Carlsson.

At the AGM on 18 May 2021 all board members were re-elected. The current board is presented on page 52.

The nomination committee for AGM 2021 considered Pascal Chevalier and Gautier Normand in their capacity as founder and senior executives of Reworld Media S.A dependent in relation to the company's major owners, but independent in relation to the company and the company management. It also considered Jérémy Parola dependent in relation to the company's major shareholders, but independent in relation to the company and the executive management. Other board members who held positions during 2021 were independent during their term of office in relation to the company and the company management and in relation to the company's major owners. The composition of board members during 2021 has therefore met the requirements imposed in relation to independence.

Under the Code, the board, having regard to the company's operations, development stage and circumstances, must have an appropriate composition characterised by versatility and breadth regarding the competence, experience and background of the members, and that an even distribution of gender in the board should be pursued. Tradedoubler's board of directors during 2021 was entirely composed of men. The nomination committee aims for a uniform gender distribution and had this balance in consideration in its work on a proposal for a new board of directors.

RULES OF PROCEDURE

The work of the board is guided by Rules of procedure for the board that is adopted each year, usually at the statutory board meeting. These rules set out the responsibilities of the board and CEO and regulates the board, its committees and its members' internal division of work, the decision-making order within the board, notifications of board meetings, agendas and minutes, and the board's work on internal control, risk management and the financial reporting. The current rules of procedure were approved by the board of directors on 18 May 2021.

CHAIRMAN OF THE BOARD

According to the current rules of procedure, the chairman of the board shall ensure that the board work is conducted effectively and that the board fulfils its duties. In particular, the chairman shall:

- organize and lead the work of the board,
- ensure that new board members undergo requisite introductory training and training in other respects that the chairman and the member collectively find suitable,
- ensure that the board continually updates and advances its knowledge about the company,
- take responsibility for contacts with the owner's regarding ownership questions and for communicating viewpoints from the owners to the board,
- ensure that the board receives sufficient information and decision data for its work,
- in consultation with the CEO, adopt proposals for the agenda of board meetings,
- ensure that the board's decisions are executed and ensure that the work of the board is evaluated on an annual basis.

WORK DURING THE YEAR

The board held 9 recorded board meetings during 2021, of which 8 took place by telephone. The individual members' attendance at board and committee meetings is shown in the table on page 12.

During the year, the board's work mainly focused on the execution of the strategy balancing expenditures towards necessary investments, budget and business plan for 2021-2022 and other analysis of the business and trends in the industry.

COMMITTEES

Audit Committee

The Code and the Swedish Companies Act (2005:551) contain provisions regarding the establishment of an audit committee. The entire board of directors may fulfil the committee's duties in accordance with what is prescribed in Chapter 8 Sections 49 a-b second paragraph of the Companies Act. Since autumn 2013 the duties of the audit committee have been handled by the entire board. In 2021, the auditor in charge have, at two separate meetings, informed the board about planned audit, estimated costs for audit and the results from completed audit.

The committee's work focused on assessment of immaterial assets and internal control. For more information about the internal control and risk management, see page 11.

Remuneration Committee

The board has appointed a remuneration committee, which during the year was composed of two board members, one of whom was chairman. The remuneration committee shall hold meetings when necessary. When considered appropriate, the remuneration committee may invite the CEO, the company's CFO, the company's auditor or others to participate in the committee's meetings. Minutes are taken of the remuneration committee's meetings and a copy of the minutes is distributed to all board members.

During 2021 the remuneration committee was composed of Pascal Chevalier and Erik Siekmann.

The remuneration committee has not had any recorded meetings during 2021. The board has delegated certain terms of remuneration to the chairman of the board, including approvals of changes in remuneration to company management in addition to the CEO.

REMUNERATION TO THE BOARD OF DIRECTORS

The AGM 2021 approved annual remuneration to the board of directors amounting to SEK 180,000 to each of the board members, including the chairman, elected by the AGM who are not employed by Tradedoubler. The AGM resolved on no remuneration for committee work. No board member was employed by any company in the group during 2021.

Remuneration to each board member is shown in the table "Composition, independence and remuneration of the Board 2021" on page 12.

CEO AND COMPANY MANAGEMENT

The President and CEO leads the day-to-day operations and is assisted by a company management team.

The company management during 2021 was composed of:
Matthias Stadelmeyer, CEO
Viktor Wågström, CFO
François Pacot, CTO

PRINCIPLES FOR REMUNERATION AND OTHER TERMS OF EMPLOYMENT FOR THE COMPANY MANAGEMENT

The annual general meeting 2021 resolved on the following guidelines for remuneration to company management, as the managing director and other members of the senior leadership team. These guidelines shall apply to all compensation that is agreed, and changes that are made to already agreed compensation.

Board members elected by the Annual General Meeting must in special cases be able to be remunerated for positions within their respective areas of competence, which do not constitute board work. A market fee must be paid for these services, which must be approved by the Board.

The total remuneration shall be competitive in the local market where the employee is based in order to attract, motivate and retain highly skilled employees. Individual remuneration shall be based on the employee's experience, competence, responsibility and performance.

With regard to employment conditions that are subject to rules other than Swedish, appropriate adjustments may be made to comply with mandatory such rules or local practices, whereby the overall purpose of these guidelines shall be met.

The total remuneration should be based on four main components; base salary, variable salary, pension benefits and, from time to time, long-term incentive programmes.

Base salary: The base salary shall be in line with local market conditions and shall be based on experience, competence, responsibility and performance.

Variable salary: Variable salary shall be in line with local market conditions and reward growth and profitability and have a uniting effect for the group. It should be based on pre-defined measurable targets, both quantitative and qualitative, agreed in writing with the employee. There shall be a maximum for the variable salary, normally not more than 50 per cent of the base salary.

Pension benefits: Pension benefits may be offered to the company management, depending on local market conditions. Management based in Sweden is offered a benefit that, essentially, corresponds to the so-called ITP plan. For management based outside Sweden, pension benefits may not exceed 50 per cent of the base salary.

Notice and severance payment: A mutual termination period of 3-9 months shall apply for the company management. Severance payment, if any, shall not exceed a sum equal to 12 months base salary if the company terminates the employment. If the employee terminates the employment he/she should normally not be entitled to any severance payment.

In addition, compensation may be paid for any commitment to restrict competition. Such compensation may compensate for any loss of income and shall only be paid to the extent that the previous executive is not entitled to severance pay. The remuneration shall amount to a maximum of 100 percent of the monthly income at the time of the termination and shall be paid during the period in which the commitment to restrict competition applies, which shall be a maximum of 12 months after the termination of the employment.

Long-term incentive programmes: Any share and share-price-related incentive programmes related to the Tradedoubler share shall be approved by a General Meeting.

Other benefits: Other benefits, such as company cars, shall have a limited value in relation to the total compensation. The amount of such benefits are allowed to amount to a maximum of 15 percent of the fixed salary.

Matters regarding the terms of employment for the managing director are to be decided by the board of directors. The managing director decides the terms of employment for the other company management after approval by the remuneration committee.

The board of directors or the remuneration committee may deviate from these principles if special reasons are at hand in an individual case. In 2021, no deviations have been made from the guidelines.

Tradedoubler has in 2021 prepared a single compensation report as a result of the current legislation, this report is available on the company's website

REMUNERATION TO THE CEO AND COMPANY MANAGEMENT

As chief executive officer Matthias Stadelmeyer received remuneration for 2021, amounting to SEK 5,043,000 including fixed and variable salary of SEK 4,110,000, and shared-based remuneration valued at 934,000.

Company management apart from the chief executive officer received a total of SEK 5,940,000 in remuneration including fixed and variable salary of SEK 4,703,000, shared-based remuneration valued at 934,000 and SEK 303,000 as remuneration for payment into private pension insurance.

AUDITORS

EY was elected as auditor at the AGM 2021 for the period until the AGM 2022, with the authorized public accountant Jennifer Rock-Baley as auditor-in-charge.

During 2021, the auditor reviewed the annual accounts, the consolidated accounts and accounting records as well as the administration of the board of directors and the CEO. In addition, the auditor reviewed the corporate governance report and the sustainability report. The auditor has also reviewed the interim report for the period January–June 2021 and has been retained for certain advice, most of which pertained to audit-related consultations regarding accounting and tax matters.

Total remuneration of SEK 5,306,000 was paid during 2021, of which SEK 4,993,000 was paid to EY and SEK 314,000 to other auditing companies.

LONG-TERM INCENTIVE PROGRAMMES AND BONUS PROGRAMME

Management in Tradedoubler has taken part in the main owner Reworld Media’s share program. A total of 200,859 share options have been granted to senior executives. The conditions of the share program are that the senior executives have to be employed at the allotment date. During the year, 100,431 share options were exercised, which corresponds to all options with an end date in 2021. See note C6, for more information about the share program.

The group also operates an annual performance- and results-based variable remuneration program for employees within the group. In the 2021 program, various quantitative and qualitative performance- and earnings targets were set for different occupational categories, based on company-wide, and regional targets for employees.

INTERNAL CONTROL

The board’s responsibility for internal control and risk management is governed by the Companies Act and by the Code. Internal control and risk management in respect of the financial reporting constitute a part of the total internal control and risk management within Tradedoubler, which is based on the COSO framework[1] and represents an essential part of Tradedoubler’s corporate governance.

COSO describes the internal control as divided into five components as follows; control environment, risk management, control activities, information and communication, monitoring.

Risk assessment

The area of internal control and risk management in respect of the financial reporting is part of the board’s and group management’s overall work on identifying and managing risks. This work aims to identify and evaluate the most critical risks affecting the internal control and the financial reporting in the group’s companies, as a basis for how to handle risks through different control structures. The most significant risks for the group are described under “Risks and uncertainty factors” on page 7. See also Note C2 and C21 in Notes to the consolidated accounts.

Control environment

The board has the overall responsibility for the internal control and risk management in respect of the financial reporting. The board has adopted Rules of procedure. This is an internal control instrument setting out the responsibilities of the board, CEO and company management regulating the board, its committees and members’ internal division of work. The board also works with the duties that under the Code shall be handled by the audit committee. This is primarily control of the financial reporting and monitoring the effectiveness of the company’s internal control and risk management in respect of the financial reporting.

In addition, the CEO and company management control the day-to-day work through a variety of policies and internal control documents. The most important of these include the company’s Authorisation manual, Payment policy and IT Security policy.

The CEO in conjunction with the rest of the group management is responsible for ensuring that the above-mentioned internal control instruments are complied with and updated if necessary.

Control activities

Control structures are concerned with what controls are chosen to manage identified risks in the group’s companies. The controls may be general or detailed, preventative or discovery-based and automated or manual in character.

Information and communication

The internal control instruments are available for the relevant employees on Tradedoubler’s Intranet.

The CEO and the company’s CFO report the on-going work on develop and monitor the company’s internal control and risk management to the board.

Monitoring

Follow up in order to ensure the effectiveness of the internal control and risk management in respect of the financial reporting is conducted by the board, the CEO and the rest of the group management, including the company’s CFO.

Follow up includes review of monthly income statements and cash flow statements against the budget and latest financial forecast and current controls that exceptions to policies has been approved by authorised personnel. This means, inter alia exemption from the credit policy and the policy of publishers only getting paid after the customer has paid its invoice to Tradedoubler.

The IT security work is continually ongoing with follow up meetings with the CISO (Chief Internet Security Officer) and group managers for development and operations in attendance. Any IT security-related incidents are reported at these meetings and follow up takes place of IT security-related projects and activities. When required, the CISO reports to the CEO and other members of the group management including the company’s CFO. The company have agreements with external security experts in order to receive advice and support regarding implementation, assessments, and priorities on IT security-related issues.

Internal audit

At present, the company does not have any special audit function. The question of formally establishing a special audit function is reviewed continually.

COMPOSITION, INDEPENDENCE AND REMUNERATION OF THE BOARD 2021

Name	Born	Nationality	Elected	The Board of directors	The Remuneration Committeet	Independent in relation to the company, the company management and the company´s major shareholders*	Fee in SEK (incl. committee work)**	Own or related party share holdings***
Pascal Chevalier	1967	French	2015	Chairman	Chairman	No*	180,000	–
Gautier Normand	1978	French	2015	Member	–	No*	180,000	–
Jérémy Parola	1987	French	2016	Member	–	No*	180,000	–
Nils Carlsson	1969	Swedish	2016	Member	–	Yes	180,000	–
Erik Siekmann	1971	German	2016	Member	Member	Yes	180,000	–
SUMMA							**900,000**	

* Pascal Chevalier, Gautier Normand and Jérémy Parola are independent to the company and company management but dependent in relation to the company´s major owners, since they are all active in Reworld Media, Tradedoubler's major owner. The arm's length principle has been applied in all transactions between Tradedoubler and Reworld Media, for more information see Note C23.

** The annual general meeting 2021 approved the nomination committee's proposal for the compensation to the Board members corresponding to SEK 180,000. No compensation is payable for committee work. Compensation relates to the annual payable amount.

*** Holdings of shares or other equal financial instruments by private or related persons or legal entities in Tradedoubler according to the latest available information to Tradedoubler.

ATTENDANCE AT BOARD AND COMMITTEE MEETINGS 2021

Name	The Board of directors	Attendance, board meetings	The remuneration committee	Attendance Remuneration committee
Pascal Chevalier	Chairman	9/9	Chairman	–
Gautier Normand	Member	9/9	–	–
Jérémy Parola	Member	9/9	–	–
Nils Carlsson	Member	8/9	–	–
Erik Siekmann	Member	9/9	Member	–

Tradedoubler
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Financial Statements

FINANCIAL INFORMATION

Consolidated income statement

SEK '000	Note	2021	2020
Net sales		1,421,820	1,228,676
Other revenue		-340	6,772
Total revenue	C3, C4	**1,421,480**	**1,235,448**
Cost of goods sold	C8	-1,144,779	-980,887
Gross profit		**276,701**	**254,562**
Selling expenses		-169,022	-142,919
Administrative expenses		-51,165	-57,736
Research & development expenses		-28,121	-28,909
Other expenses		–	-79
Operating profit	C4, C5, C6, C7, C8, C9	**28,392**	**24,919**
Financial income		9,487	-213
Financial expenses		-10,458	-8,055
Net financial items	C10	**-971**	**-8,268**
Profit before tax		**27,421**	**16,651**
Tax	C11	-3,511	-9,618
Net profit for the year		**23,910**	**7,033**

Statement of comprehensive income

SEK '000	Note	2021	2020
Profit for the year		**23,910**	**7,033**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods			
Translation differences, net after tax		8,843	-14,598
Total other comprehensive income to be reclassified to profit or loss in subsequent periods		**8,843**	**-14,598**
Total comprehensive income for the year		**32,753**	**-7,565**
Total comprehensive income for the year attributable to:			
The parent company's shareholders		**23,910**	**7,033**
Comprehensive income attributable to:			
The parent company's shareholders		**32,753**	**-7,565**
Earnings per share	C17		
Earnings per share before and after dilution		0.53	0.16

Consolidated statement of financial position

SEK '000	Note	Dec 31, 2021	Dec 31, 2020
ASSETS			
Non-current assets			
Goodwill	C13	293,888	286,139
Other intangible assets	C13	57,424	48,605
Equipment, tools, fixtures and fittings	C14	3,566	1,871
Right-of-use assets	C9	42,466	40,534
Other non-current receivables		8,464	6,282
Shares and participation in other companies	C26	–	11,128
Deferred tax receivables	C11	25,222	22,691
Total non-current assets		**431,030**	**417,248**
Current assets	C12		
Trade receivables	C21	353,139	295,762
Tax receivables		9,123	6,015
Other receivables		12,304	8,886
Prepaid expenses and accrued income	C15	23,050	22,746
Cash and cash equivalents	C21	94,007	88,715
Total current assets		**491,622**	**422,125**
Total assets		**922,652**	**839,373**
EQUITY AND LIABILITIES			
Shareholders' equity	C16		
Share capital		18,371	18,371
Share premium		441,600	441,600
Translation reserve		49,107	40,264
Retained earnings including net profit for the year		-247,766	-273,767
Total equity		**261,313**	**226,468**
Non-current liabilities	C12, C21		
Deferred tax liabilities	C11	1,574	1,523
Provisions: non-current		305	483
Lease Liabilities, long term	C9	28,036	27,737
Other interest-bearing liabilities	C18	80,229	106,695
Total non-current liabilities		**110,145**	**136,438**
Current liabilities	C12, C21		
Current interest-bearing debt	C18	12,436	12,206
Trade payables		15,071	16,034
Current liabilities to publishers	C12	361,518	316,968
Tax liabilities		9,882	6,214
Other liabilities	C19	88,283	74,900
Leasing Liabilities, short-term	C9	14,218	11,849
Accrued expenses and deferred income	C20	49,786	38,296
Total current liabilities		**551,194**	**476,467**
Total equity and liabilities		**922,652**	**839,373**

For information regarding Pledged assets and contingent liabilities, see Note C22.

Consolidated statement of changes in equity

SEK '000	Share capital	Share premium	Translation reserve	Retained earnings incl. Net profit for the year	Total equity
Opening balance at January 1, 2020	**18 371**	**441 600**	**54 862**	**-282 190**	**232 643**
Comprehensive income					
Net profit for the year				7,033	7,033
Other comprehensive income					
Translation differences, net after tax	–	–	-14,598	–	-14,598
Total other comprehensive income	–	–	-14,598	–	-14,598
Total comprehensive income	**–**	**–**	**-14,598**	**7,033**	**-7,565**
Transactions with shareholders					
Equity-settled share-based payments	–	–	–	1,391	1,391
Total transactions with shareholders	**–**	**–**	**–**	**1,391**	**1,391**
Closing balance at December 31, 2020	**18,371**	**441,600**	**40,264**	**-273,767**	**226,468**
Opening balance at January 1, 2021	**18,371**	**441,600**	**40,264**	**-273,767**	**226,468**
Comprehensive income					
Net profit for the year				23,910	23,910
Other comprehensive income					
Translation differences, net after tax	–	–	8,843	–	8,843
Total other comprehensive income	–	–	8,843	–	8,843
Total comprehensive income	**–**	**–**	**8,843**	**23,910**	**32,753**
Transactions with shareholders					
Equity-settled share-based payments	–	–	–	2,092	2,092
Total transactions with shareholders	**–**	**–**	**–**	**2,092**	**2,092**
Closing balance at December 31, 2021	**18,371**	**441,600**	**49,107**	**-247,765**	**261,313**

All equity is tributed to the shareholders of the Parent Company.

Consolidated cash flow statement

SEK '000	Note	2021	2020
Operating activities	C24		
Profit before tax		27,421	16,651
Adjustment for items not included in the cash flow		17,474	20,529
Taxes paid		-5,111	2,403
Cash flow from operating activities before changes in working capital		**39,783**	**39,583**
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in operating receivables		-46,000	9,173
Increase (-)/Decrease (+) in operating liabilities		63,364	39,749
Cash flow from operating activities		**54,381**	**88,505**
Investing activities			
Investments in intangible assets		-26,908	-23,591
Investments in property, plant and equipment		-2,688	-1,405
Investments in financial assets		-2,051	-889
Divestment of shares in other companies		17,653	–
Cash flow from investing activities		**-13,994**	**-25,885**
Financing activities			
Newly raised loans		–	600
Repayment of loans and own bonds		-28,561	-12,584
Payment of lease liability		-12,507	-15,405
Cash flow from financing activities		**-41,068**	**-27,389**
Cash flow for the year		**2,085**	**35,231**
Cash flow for the year		2,085	35,231
Cash and cash equivalents at the beginning of the year		88,715	48,193
Exchange difference in cash and cash equivalents		3,207	5,291
Cash and cash equivalents at the end of the year		**94,007**	**88,715**

C1. Accounting policies

GENERAL INFORMATION

Tradedoubler AB (the parent company) and its subsidiaries together make up the Tradedoubler group. TradeDoubler AB (publ), corporate registration number 556575-7423, is a Swedish registered limited liability company with its registered office in Stockholm. The address of the head office is Regeringsgatan 29, 111 53 Stockholm. The parent company's shares are listed on NASDAQ Stockholm. The board of directors approved these annual accounts for publication on 27 April 2022. The annual accounts will be considered for adoption by the annual general meeting.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated accounts were prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the European Commission for application within the EU. In addition, the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Groups is applied.

The parent company applies the same accounting policies as the group except in the instances described below in the section "Parent Company's accounting policies". Discrepancies between the principles applied by the parent company and the group arise due to restrictions on the ability to apply IFRS within the parent company imposed by the Swedish Annual Accounts Act, the Pension Obligations Vesting Act ("tryggandelagen") and, in some cases, by tax considerations. Assets and liabilities are recognised at historical cost unless otherwise stated below.

The parent company's functional currency is the Swedish krona (SEK), which is also the presentation currency for the parent company and the group. This means that the financial statements are presented in SEK. All amounts are rounded off to the nearest thousand, unless otherwise stated.

Assessments and estimates in the financial statements

Preparing the financial statements in conformity with IFRS requires the group management to make judgements and estimates as well as assumptions that affect the application of the accounting policies and the recognised amounts of assets, liabilities, revenue and expenses. The actual outcome may deviate from these estimates and judgements. Estimates and assumptions are reviewed regularly. Changes in estimates are recognised in the period in which they arise if the change affects that period alone or, alternatively, in the period in which they arise and during future periods if the change affects both the period in question and future periods.

Judgements made by the group management in the application of IFRS, which have a material impact on the financial statements and estimates made, which may give rise to significant adjustments in future financial statements are described in more detail in the notes to the consolidated accounts C2, Critical estimates and judgements.

Amended accounting policies and disclosure requirements 2021

The Group and parent company applies in this Annual report for the first time the new and amended standards and interpretations applicable for fiscal years beginning 1 January 2021 or later. The new standards has no material impact on the Group or parent company's financial statements.

EUROPEAN SINGLE ELECTRONIC FORMAT (ESEF)

Since 2021, Tradedoubler has applied ESMA's Guidelines for the European Single Electronic Format (ESEF) and publishes its' Swedish version of the annual report in XHTML format, using a taxonomy developed by ESMA to tag the financial reports. The reports in XHTML format are presented on the company's website and submitted to the Swedish Financial Supervisory Authority in connection with the publication of the annual report.

NEW ACCOUNTING STANDARDS IN 2022 AND ONWARDS

No new or amended standards or interpretations published by the IASB is expected to have some impact on the Group or parent company financial reports.

Classification

Non-current assets and non-current liabilities in the parent company and the group largely consist of amounts that are expected to be recovered or paid after more than twelve months, calculated from the end of the reporting period. Current assets and current liabilities in the parent company and the group largely consist of amounts that are expected to be recovered or paid within twelve months, calculated from the end of the reporting period.

Segment reporting

Identification of segments is made based on the internal reporting to the chief operating decision-maker, which as far as Tradedoubler is concerned is deemed to be the CEO. Tradedoubler reports the geographical segments DACH (Germany, and Switzerland), France & Benelux (France, and Netherlands), Nordics (Sweden, Norway, Denmark, Finland and Poland), South (Italy, Brazil and Spain) and UK & Ireland (UK).

CONSOLIDATION

Basis of consolidation

The consolidated financial statements include the parent company and its subsidiaries. The financial statements of the parent and its subsidiaries included in the consolidated accounts cover the same period and are prepared according to the accounting principles applicable to the Group. All intercompany receivables and liabilities, income and expenses, gains or losses arising from transactions between companies included in the consolidated accounts are eliminated in full.

A subsidiary is included in the consolidated financial statements from the acquisition date, which is the date when the parent company obtains control, and are included in the consolidated financial statements until the date that control ceases. Normally, controlling influence over a subsidiary by the holding of more than 50 per cent of voting shares, but can also be obtained in other ways, for example through contracts. Subsidiaries acquired are reported in the consolidated financial statements using the purchase method. This applies to businesses acquired directly. The purchase method means that the acquisition value of shares, or of the directly acquired business, is allocated to the acquired assets, assumed commitments and liabilities at the date of acquisition on the basis of their fair values at the time. Possible additional consideration is valued at fair value. If the cost exceeds the fair value of the acquired company's net assets, the difference is recognised as goodwill. If the cost is less than the fair value of the acquired company's net assets, the difference is recognised directly in the income statement. Transaction costs related to the acquisition is recognised directly in the income statement as other operating expenses. In cases where a revaluation at fair value of the contingent consideration its recognised in operating income.

Non-controlling interest is the part of the profit and net assets of a jointly owned company that is attributed to the other owners. Non-controlling interests' share of income is included in the consolidated profit after tax. The share of net assets is included in equity in the consolidated balance sheet but disclosed separately from equity attributable to parent company shareholders.

FOREIGN CURRENCY

Transactions in foreign currencies

Transactions in foreign currencies are translated to the functional currency at the exchange rate prevailing on the transaction date. The functional currency is the currency which applies in the primary economic environments in which the companies conduct their operations. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the prevailing year-end exchange rate. Exchange differences arising on translation are recognised in the income statement, as financial income and expenses, with the exception of exchange differences in respect of intra-group loans which are treated as a net investment in a foreign operation (increased/reduced net investment) where exchange differences are recognised in other comprehensive income in the same way as translation differences.

Financial statements of foreign operations

The group's presentation currency is the Swedish krona (SEK). Assets and liabilities in foreign operations, including goodwill and other goodwill/negative goodwill arising on consolidation, are translated from the foreign operation's functional currency to the group's presentation currency, Swedish krona, at the exchange rate prevailing at the end of the reporting period. Income and expenses in a foreign operation are translated to Swedish kronor at an average rate that represents an approximation of the prevailing exchange rates on the date of each transaction. Translation differences arising on such translation are recognised in other comprehensive income.

The exchange rates used in translation of the financial statements for consolidation purposes are as follows:

	Closing day rate		Average rate	
	2021	2020	**2021**	2020
EUR	10.23	10.04	10.14	10.49
GBP	12.18	11.09	11.8	11.8
NOK	1.03	0.95	1	0.98
DKK	1.38	1.35	1.36	1.41
PLN	2.23	2.22	2.22	2.36
CHF	9.85	9.25	9.38	9.8
BRL	1.59	1.57	1.59	1.82

The company does not currently hedge foreign exchange exposure. In connection with the disposal of a foreign operation, the accumulated translation differences attributable to the operation are recognised in the consolidated income statement.

REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group reports revenue when the Group fulfils a performance commitment, which is when a promised product or service is delivered to the customer and the customer takes over control of the product or service. Control of a performance commitment can be transferred over time or at a time. Revenue consists of the amount that the company expects to receive as compensation for transferred goods or services.

Sales revenue, which is synonymous with net sales, is based on the determined transaction price, ie the amount of compensation that the company is expected to receive in exchange for the promising goods or services.

The Group's revenues consist of remuneration from the companies and organizations that advertise and market their products and services via the Group. The income consists of variable transaction and consulting income (referred to as Transaction income) as well as fixed one-time and monthly fees (referred to as Fixed income) and also to a certain extent of other income.

The parent company's revenues mainly consist of license fees that are charged to the subsidiaries. The parent company's license revenues are based on the Group's current rules for transfer pricing and are calculated so that a market margin remains in the subsidiary with regard to the services that the subsidiary performs and the risks that the business entails.

Transaction revenue

Most of the company's revenue consists of transaction revenue. Transaction revenue is mainly generated within the framework of various advertising campaigns where each campaign constitutes a performance commitment. Advertisers only pay a success-based fee to the publisher if the advertising material has actually been used and resulted in the desired transaction for the advertising customers. The transaction is then validated by the advertiser and Tradedoubler then reports the revenue when the performance commitment is considered fulfilled.

Fixed Revenue

Fixed revenue consists of fixed one-time and monthly fees. These revenues are linked to a service assignment in which the company, among other things, gives the customer the right to use the company's technology. The right of use is mainly regulated via a service assignment. These revenues are reported over time during the current useful life.

Other revenue

Other revenue is revenue that is not directly linked to Tradedoubler's main business. These mainly consist of rental income and government support that is reported at fair value as other income as there is reasonable assurance that the grant will be received and that Tradedoubler will meet the conditions associated with the grant. Government grants are accrued and reported in the income statement over the same periods as the costs the grants are intended to cover.

For more details on revenue recognition, see Note C3.

Government grants

Government grants are reported at fair value as other income as there is reasonable assurance that the grant will be received and that Tradedoubler will meet the conditions associated with the grant. Government grants are accrued and reported in the income statement over the same periods as the costs the grants are intended to cover.

OPERATING EXPENSES AND FINANCIAL INCOME AND EXPENSES

Cost of goods sold

Costs of goods sold consist of remuneration to publishers and search engines and are reported in line with reported revenues. Tradedoubler's agreement with publishers contains clauses that mean that disbursement first occurs when certain minimum levels are reached. Furthermore, there are cases where Tradedoubler lacks opportunities to settle the debts incurred. This means that Tradedoubler is forced to make estimates of whether and when the debts will have to be settled on a regular basis and the debt is adjusted regularly to reflect revised future estimated cash flows.

Financial income and expenses

Interest income is primarily interest on bank deposits and is recognised in the income statement as it arises by application of the effective interest method. Dividend income is recognised in the income statement when the group secures the right to receive payments. Financial expenses consist of interest costs on borrowings, the effect of dissolution of present value computation of provisions, loss on changes in value of financial assets measured at fair value via the income statement, impairment of financial assets and such losses on hedging instruments that are recognised in the income statement. Exchange gains and exchange losses are recognised net. Since 2019, interest expenses related to leasing under IFRS 16 have been reported under financial expenses.

FINANCIAL INSTRUMENTS

Financial instruments on the asset side that are recognised in the statement of financial position includes cash and cash equivalents, trade and financial receivables. Liabilities includes trade payables, liabilities to publishers, other interest-bearing liabilities and contingent additional purchase price.

Recognition and derecognition in the balance sheet

A financial asset or financial liability is recognised in the statement of financial position when the company or one of the subsidiaries becomes a party according to the instrument's contractual terms. A receivable is recognised when the company has performed and there is a contractual obligation for the counterparty to pay, even if the invoice has not yet been sent. Accounts receivable are recognised in the statement of financial position when the invoice has been sent. Debt is recognised when the counterparty has performed and there is a contractual obligation to pay, even if the invoice has not yet been received. Accounts payable are recognised when the invoice is received.

A financial asset is removed from the statement of financial position when the rights in the agreement are realised, expire or the company loses control over them. The same applies to part of a financial asset. A financial liability is removed from the statement of financial position when the obligation in the agreement is fulfilled or otherwise extinguished. The same applies to part of a financial debt.

A financial asset and a financial liability are offset and reported with a net amount in the statement of financial position only when there is a legal right to offset the amounts and that there is an intention to settle the items with a net amount or to simultaneously realise the asset and settle the debt.

Acquisitions and divestments of financial assets are reported on the business day. The business day is the day on which the company commits to acquire or dispose of the asset.

Classification and valuation of financial assets

Debt instruments: the classification of financial assets that are debt instruments is based on the Group's business model for managing the asset and the nature of the asset's contractual cash flows.

The instruments are classified into:
- amortised cost
- fair value through other comprehensive income, or fair value through profit or loss.

The Group's assets in the form of debt instruments are classified at amortised cost. Financial assets classified at amortised cost are initially measured at fair value with the addition of transaction costs. Accounts receivable are initially recognised at the invoiced value. After the first accounting opportunity, the assets are valued according to the effective interest method. Assets classified at amortised cost are held according to the business model to collect contractual cash flows that are only payments of principal amounts and interest on the outstanding capital amount. The assets are covered by a loss reserve for expected loan losses.

Equity instruments are classified at fair value through profit or loss with the exception if they are not held for trading, as an irrevocable choice can be made to classify them at fair value through other comprehensive income without subsequent reclassification to the result. The Group classifies equity instruments at fair value through profit and loss. Derivative instruments are classified at fair value through profit and loss, except in cases where hedge accounting is applied.

Classification and valuation of financial liabilities

Financial liabilities are classified at amortised cost, with the exception of derivatives and contingent additional purchase price. Financial liabilities recognised at amortised cost are initially measured at fair value including transaction costs. After the first accounting date, they are valued at accrued acquisition value according to the effective interest method. Derivative instruments are classified at fair value through profit or loss, except in cases where hedge accounting is applied. Supplementary consideration is reported at fair value in the result.

Financial instruments that are not derivatives are initially recognised at cost corresponding to the instrument's fair value plus transaction costs for all financial instruments except for those belonging to the category financial asset which is reported at fair value via the income statement, which is reported at fair value excluding transaction costs. A financial instrument is classified on initial recognition based on the purpose for which the instrument was acquired. The classification determines how the financial instrument is valued after the first accounting opportunity as described below.

FINANCIAL ASSETS VALUED AT AMORTISED COST

Loan receivables and trade receivables

Loans and receivables are financial assets that are not derivative instruments, which have fixed or determinable payments and which are not quoted on an active market. These assets are measured at amortised cost according to the effective interest method.

Trade receivables are recognised at the amount that is expected to be received less expected credit losses, which are assessed individually. Trade receivables have short expected maturities, which is why the value of each receivable is carried at its nominal amount without discounting. Impairment losses on trade receivables are recognised in operating expenses.

Receivables with expected maturities of more than one year are classified as non-current receivables and those with shorter maturities are classified as other receivables.

Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss are divided into two subcategories: Financial assets held for trading as well as financial assets identified at initial recognition as belonging to this category. Financial assets held for trading are defined as financial assets acquired principally for the purpose of selling or repurchasing in the short-term.

Assets in this category are measured initially and in subsequent financial statements at fair value. All changes in value arising are recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost. Accrued cost is determined on the basis of the effective interest rate measured when the liability was carried. This means that surplus and deficit values, as well as direct issue expenses, are allocated over the term of the liability Repurchases of own bonds below nominal value are recognised in other revenue. Trade payables have short expected maturities and are measured at their nominal value without discounting.

Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and directly accessible balances at banks and similar institutions.

PROPERTY, PLANT AND EQUIPMENT

Owned assets

Property, plant and equipment is recognised as an asset in the balance sheet if it is probable that the future economic benefits will accrue to Tradedoubler and the cost of the asset can be reliably measured. The cost of acquisition is defined as the purchase price and the costs of putting the asset in place.

Property, plant and equipment is recognised in the group at cost less accumulated depreciation and any impairment losses. Additional expenditure is added at cost only if it is probable that the future economic benefit associated with the asset will increase. All other expenditure is expensed.

Property, plant and equipment consisting of units with different useful lives are treated as separate items of property, plant and equipment.

The carrying amount of an item of property, plant and equipment is derecognised on retirement or disposal or when no future economic benefits can be expected from its use. Gains or losses arising from disposal or retirement of an asset consist of the difference between the selling price and the asset's carrying amount less directly related selling expenses. Gains and losses are recognised as other operating income/ expenses.

LEASED ASSETS

From 1 of January 2019 has IFRS 16 Leases replaced IAS 17. According to the new standard shall the leasee account for the commitment to pay leasing fees as a lease liability, and the right to use the underlying assets as a asset in the balance sheet. Depreciation of the asset is recognised in the income statement as well as an interest on the lease liability. Leasing fees paid are reported partly as payment of interest and partly as amortisation of the lease liability, which affect the financial position and key ratios.

IFRS 16 has no effect on the total cash flow. The standard is exempting lease agreements with lease period shorter than 12 months or if there is an underlying asset of low value. The Group applies this standard for the leasing contracts retroactively with the accumulated effect of initial application of the standard on the first day of application; January 1, 2019. This means that comparative figures will not be adjusted for periods before 2019. A marginal loan interest rate has been set per country and maturity for discounting is identified from leasing agreements.

The right of use period has been assessed on the basis of knowledge of the duration of the underlying agreement as well as termination and extension clauses. The applied leasing period is equal to the period during which the agreement cannot be terminated, or based on management's assessment that the leasing agreement will be extended. The rights of use are depreciated from the first date of validity until the earliest of the end of the lease and the end of the asset's useful life. The Group distributes the contract's compensation amount to the various leasing parts and calculates those parts of a lease that do not actually refer to leasing.

The leasing agreements that covered by the new standard are lease agreements in respect of rental of office space. Leasing agreements for low-valued assets mainly apply to computer and office equipment, certain vehicles and machines and others of lesser value.

DEPRECIATION METHODS

Depreciation takes place on a straight-line basis over the estimated useful life of the asset.

Equipment	Three to five years

An assessment is made of an asset's residual value and useful life every year.

INTANGIBLE NON-CURRENT ASSETS AND GOODWILL

Goodwill

Goodwill is measured at cost less any accumulated impairment losses. Goodwill is distributed to cash-generating units and is tested at least once annually for any impairment need.

Impairment testing is carried out more frequently if there are indications that the unit may need to be impaired. If the recoverable amount of the cash-generating unit is lower than the unit's carrying amount, the write-down is distributed to any goodwill's carrying amount distributed to the cash-generating unit proportionally.

In business combinations where the cost of acquisition is less than the net value of acquired assets, and liabilities and contingent liabilities assumed, the difference is recognised directly in net profit.

Development expenses

Expenses for new or substantially improved products or processes are carried as assets in the balance sheet only if the product or process is technologically or commercially viable, the group has sufficient resources to complete development and that it is possible to estimate future revenues in a reliable manner. Capitalisation may occur when a new platform or functionality is developed and includes costs of materials, direct work and a reasonable share of the indirect costs. System maintenance costs are expensed as they arise. Capitalised development expenses are recognised at cost less accumulated depreciation and impairment losses.

Administration and support

This category includes system tools for customer management and finance among other things. These intangible assets are deemed to have a longer useful life than those within the Development category, mainly due to a longer product lifecycle in the market. In this category, capitalised expenditure is also recognised at cost less accumulated amortisation and impairment losses.

Additional expenditure

Additional costs for capitalised intangible assets are recognised as an asset in the balance sheet only when they increase the future economic benefits of the specific asset to which they relate to. All other costs are expensed as they arise.

Amortisation methods

Amortisation is recognised in the income statement on a straight-line basis over the estimated useful lives of the intangible assets, provided such useful lives are determinable. Goodwill and intangible assets with an indeterminable useful life are tested for impairment on an annual basis and as soon as there are indications suggesting that the asset in question has decreased in value. Intangible assets that may be amortised are amortised from the date from which they are available for use. The estimated useful lives are:

Development	Three years
Administration and support	Five years

Impairment losses

The carrying amounts of the group's assets are tested on each balance sheet date in order to determine if there is any indication of an impairment need. IAS 36 is applied for testing impairment needs of assets other than financial assets, which are tested in accordance with IFRS 9, assets for sale and disposal groups, which are tested in line with IFRS 5, and deferred tax receivables. For exempted assets, as above, the carrying amount is tested in accordance with each standard.

Impairment testing of property, plant and equipment and intangible assets and participations in subsidiaries

If there is an indication for impairment on goodwill, intangible or tangible assets with indeterminate period of use and intangible assets not in use, the asset's recoverable amount is calculated using IAS 36. If it is impossible to determine significant independent cash flows to a single asset, the assets should be grouped, in conjunction with impairment testing, at the lowest level at which it is possible to identify significant independent cash flows – a so-called cash-generating unit

An impairment loss is recognised when the carrying amount of an asset or cash-generating unit (group of units) exceeds its recoverable amount. An impairment loss is charged to the income statement.

The recoverable amount is the higher of the fair value less selling expenses and value in use. In calculating value in use, future cash flows are discounted using a discounting factor that takes into account the risk-free rate of interest and the risk relating to the specific asset.

Impairment testing of goodwill

Goodwill consists of the amount by which the acquisition cost exceeds the fair value of the net assets acquired by the group in conjunction with a company acquisition or acquisition of assets and liabilities Goodwill arising from the acquisition of an associated company is included in the carrying amount for the associated company. Goodwill is allocated to cash-generating units upon acquisition and is not amortised, but is tested annually to identify any impairment needs. Goodwill is measured at acquisition cost less any accumulated impairment losses. Impairments of goodwill are not reversed.

Impairment testing of financial instruments

In connection with quarterly financial reporting, Tradedoubler evaluates whether there is objective evidence that a financial asset or group of assets is in need of impairment. Objective evidence consists of observable conditions that have occurred and which have a negative impact on the possibility of recovering the acquisition value.

The group's financial assets and contract assets, in addition to those which is classified at fair value through profit or loss, is subject to write-downs for expected loan losses. Write-downs for loan losses according to IFRS 9 are forward-looking and a loss reserve is made when there is an exposure to credit risk, usually at the first accounting date. Expected credit losses reflect the present value of all cash flow deficits attributable to default either for the next 12 months or for the expected remaining term of the financial instrument, depending on the asset class and on the credit deterioration since the first accounting date. Expected credit losses reflect an objective, probability-weighted outcome that takes into account most scenarios based on reasonable and verifiable forecasts. The valuation of expected loan losses takes into account any collateral and other credit enhancements in the form of guarantees.

The simplified model is applied for accounts receivable and contract assets. A loss reserve is reported, in the simplified model, for the expected residual maturity of the asset or asset.

For other items covered by expected loan losses, an impairment model with three stages is applied. Initially, as well as on each balance sheet date, a loss reserve for the next 12 months is reported, or for a shorter period of time depending on the remaining maturity (stage 1). If there has been a significant increase in credit risk since the first accounting date, a loss reserve for the asset's remaining maturity (stage 2) is reported. For assets that are deemed to be credit impaired, provisions for continued loan losses for the remaining maturity (stage 3) are still reserved. For credit-impaired assets and receivables, the calculation of interest income is based on the asset's carrying amount, net of loss reserves, as opposed to the gross amount as in the previous stages.

The financial assets are recognised in the balance sheet at amortised cost, i.e net of gross value and loss reserve. Changes in the loss reserve are reported in the income statement.

Reversal of impairment losses

An impairment loss is reversed if there is an indication that an impairment need no longer exists and a change has occurred in the assumptions that provided the basis for the measurement of the recoverable amount. A reversal is only made to the extent that the carrying amount of the asset after reversal does not exceed the carrying amount that would have been recognised, less amortisation where appropriate, if no impairment had been made. Impairment of goodwill is never reversed.

Earnings per share

The calculation of earnings per share is based on the group's net profit for the year attributable to the parent company's shareholders and on the weighted average number of shares in issue during the year. In the calculation of earnings per share after dilution, the profit and the average number of shares are adjusted to take account of the effects of dilutive potential ordinary shares, which can consist of options issued to employees.

CASH FLOW STATEMENT

The cash flow analysis is prepared according to the indirect method. The reported cash flow only includes transactions that involve inflows or outflows. Cash and bank balances are classified as cash and cash equivalents.

EMPLOYEE BENEFITS

Defined-contribution plans

The group mainly operates defined contribution pension plans. In defined contribution plans, Tradedoubler pays fixed fees to an insurance company and has no obligation to pay further amounts Obligations in respect of charges for defined contribution plans are recognised as an expense in the income statement as they arise.

Compensation on termination of employment

A provision is recognised in conjunction with the termination of employment only if it is evident that Tradedoubler is obligated, without any realistic possibility of withdrawal, by a formal detailed plan to terminate employment before the normal retirement date. When remuneration is offered to encourage voluntary retirement, it is recognised as a cost if it is likely that the offer will be accepted and the number of employees accepting the offer can be reliably estimated.

Share-based payment

The company's share programme allowed selected persons to receive shares in Reworld Media S.A (majority owner in Tradedoubler AB). The fair value of the shares has been recognised as a personnel cost in the profit and loss account. The fair value of the shares is estimated based on generally accepted valuation models taking into consideration the terms and conditions prevailing on the allotment date, including the closing price, statistics on the volatility of the share price and estimated future dividends. The costs are allocated during the vesting period.

During every year-end closing, an assessment is made as to whether, and to what degree, the vesting conditions will be fulfilled. In 2021, the share-based payment is only contingent on non-market-related earnings terms. If this assessment results in an estimate of a lower number of shares being earned during the vesting period, previously expensed amounts are reversed in the income statement. This means that in those cases where the vesting requirements are not fulfilled, no costs will be recognised in the income statement, as viewed over the entire vesting period.

Social security contributions attributable to the share programme are recognised as a personnel cost and a personnel-related liability, respectively. Provisions for social security contributions are calculated using the best estimate at each closing date of the group's future liability for social security contributions. The provision for social security contributions is allocated over the vesting period. The calculations are based on the fair value of the shares on each closing date. The provision for social security contributions also includes social security contributions for equity instruments.

Provisions

Provisions are recognised in the balance sheet when the group has an existing legal or informal obligation as a result of past events, and it is probable that an outflow of financial resources will be required to settle the obligation and that the amount can be reliably estimated. Provisions include leases where the outlay exceeds the economic benefits. In cases where the effect of payment timing is significant, provisions are calculated by discounting the expected future cash flow at an interest rate before tax that reflects current market assessments of the time value of money, and if applicable, the risks specific to the liability.

Taxes

Income taxes in the income statement include both current tax and deferred tax. Taxes are recognised in the income statement except where the underlying transaction is recognised in other comprehensive income or directly against equity.

Current tax is tax that shall be paid or received in respect of the current year, using the tax rates which, have been enacted or which in practice were enacted on the balance sheet date. This also includes adjustments of current tax relating to previous periods.

Deferred taxes are estimated in accordance with the liability method, based on temporary differences between the tax bases of assets and liabilities and their carrying amounts. The following temporary differences not taken into consideration; temporary differences arising on the initial recognition of goodwill, the initial recognition of assets and liabilities that are not business combinations and, which on the transaction date did not affect the recognised or taxable result. Furthermore, temporary differences are not taken into consideration that are attributable to investments in subsidiaries and associated companies and, which are not expected to be reversed within the foreseeable future. The measurement of deferred tax is based on how the carrying amounts of assets or liabilities are expected to be realised or settled. Deferred tax is measured using the tax rates and tax regulations which, have been enacted or which in practice were enacted on the balance sheet date.

Deferred tax assets in respect of deductible temporary differences and loss carry-forwards are only recognised to the extent that it is probable that they can be utilised. The value of deferred tax assets is reduced when it is no longer considered probable that they can be utilised. Any additional income tax arising on dividends is recognised at the same time as the dividend is recognised as a liability.

Contingent liabilities

A contingent liability is recognised when there is a possible obligation arising from past events and whose occurrence can only be confirmed by one or more uncertain future events or when an obligation arises which cannot be recognised as a liability or provision as it is not probable that an outflow of resources will be required, or the size of the obligation cannot be estimated with sufficient reliability.

C2. Critical estimates and judgements

The preparation of accounts and the application of accounting policies is often based on the management's judgements and on estimates and assumptions that are deemed to be reasonable at the time the judgement was made. However, the result may be different using different judgements, assumptions and estimates and events can occur which can require a significant adjustment of the carrying amount of the asset or liability in question. The accounting policies whose application is based on such judgements are described below and the most important sources of uncertainty in the estimates that the company believes may have the most important impact on the group's reported results and financial position. The information in this note refers to those areas, where risk of future adjustments of carrying amounts is greatest.

GOODWILL

Testing of goodwill is based on estimates and assumptions regarding the future. As the company conducts operations in a relatively young industry, which is characterised by development and constant changes, these assumptions are an uncertainty factor.

The basis for Tradedoubler's goodwill impairment test was a 5-year discounted cash flow analysis per cash generating unit (segment). The segments which for 2021 are DACH, Nordics, South, France & Benelux and UK & Ireland. In order to determine expected future cash flows as the basis for calculations, assumptions are made on important parameters such as sales growth and gross margins for the company's various business flows and future cost levels. The present value calculation is further based on a so-called WACC which is based on specific valuation technical assumptions.

Neither 2021 impairment nor 2020 resulted in any write-downs. Further information on the impairment test is provided in Note C13.

ACCOUNTING AND VALUATION OF DEVELOPMENT EXPENSES

Development expenses are capitalised in the balance sheet when certain criteria are met. These criteria include, among other things, to assess the development is technically and commercially viable and that it is possible to estimate future revenues in a reliable manner. In Note C1 a more detailed description of these criteria can be found. Capitalised development are expensed on a straight-line basis. In order to determine the depreciation period assumptions are made about the activated development market longevity. Impairment is performed annually. The impairment is performed in the same way as described for goodwill above, based on the present value of expected future cash flows for each enabled development project.

No impairment need was identified in 2021, while in 2020 write-downs of SEK 3 M were made in addition to ordinary depreciation according to plan. No other write-downs in addition to these have been identified. See Note C13 for more information.

TAXES

The integrated nature of Tradedoubler's operations can give rise to complexity and delays in assessing the company's tax position and can lead to Tradedoubler facing tax audits which in some cases result in disputes with tax authorities. During these tax audits, local tax authorities may question or challenge the Group's tax positions. These disputes with tax authorities can lead to lengthy legal proceedings. The outcome of these proceedings may be difficult to assess and there is no guarantee that a settlement of such proceedings wouldn't have a significant effect on the income statement and the statement of financial position of the company. For further information about ongoing tax cases see note 11.

C3. Distribution of revenue

SEK ´000	2021	2020
Net Sales		
Transaction revenue	1,402,502	1,210,842
Fixed revenue	19,318	17,834
Net Sales	**1,421,820**	**1,228,676**
Other revenue		
Other revenue	1,474	2,755
Governmental grants	-1,814	4,017
Total other revenue	**-340**	**6,772**
Total Revenue	**1,421,480**	**1,235,448**

Transaction revenues are mainly generated within the framework of various advertising campaigns, where each campaign constitutes a performance commitment. Advertisers only pay a success-based fee to the publisher if the advertising material has actually been used and resulted in the desired transaction for the advertiser. The transaction is then validated by the advertiser and Tradedoubler then reports the revenue as the performance commitment is considered fulfilled.

Tradedoubler connects advertisers and publishers, who have no contractual obligations to each other. Tradedoubler provides the advertisers with expertise, insights, campaign management, among other services, and has the main responsibility for the performance between the parties. The assessment according to the criteria in IFRS 15 is that transaction income must be reported as gross income. Therefore, transaction revenue also includes publishers' remuneration earned through Tradedoubler's network.

In cases where advertisers use Tradedoubler's white-label solution, ie use Tradedoubler's technology to manage their own network, customers pay a fixed or variable fee to Tradedoubler, and in some cases the publisher compensation that Tradedoubler later pays to the publishers. This publisher compensation is not included in net sales as Tradedoubler is not considered to have a sufficiently large influence on the outcome, which is one of the criteria for gross revenue recognition in accordance with IFRS 15.

Invoicing normally takes place in the same month as the transactions have been validated and with an average credit period of approximately 30 days. In some cases, an advance payment is received for the expected transaction volume for an agreed period.

Other revenue mainly refers to rental income and governmental support. In 2020, the Group received governmental support in several countries related to short-term work in connection with the pandemic. These amounted to SEK 4,017 thousand in 2020. During the fourth quarter of 2021, an exchange of letters was held with the Swedish Agency for Economic and Regional Growth where they indicated that they intended to request back Tradedoubler's state aid paid out in 2020. In 2021, this amount corresponds to a negative income of SEK -2,193 thousand. In February 2022, it was determined that the Swedish Agency for Economic and Regional Growth is requesting the above. No further effects on the Group's earnings are expected due to this.

CONTRACT BALANCES

SEK '000	Dec 31, 2021	Dec 31, 2020
Receivables	368,696	313,177
Liabilities	34,583	32,995
Total	**403,279**	**346,172**

Receivables pertain to accounts receivable of SEK 348,529 (295,762) thousand and accrued income of SEK 20,167 (17,415) thousand. Both accounts receivable and accrued income relate to receivables from customers where Tradedoubler has fulfilled its performance commitment and has an unconditional right to payment. Contract liabilities relate to advances from customers.

All contractual liabilities at the beginning of each financial year refer to performance commitments that have been fulfilled in their entirety during the current financial year.

C4. Segment reporting

Tradedoubler had five segments during 2021. These segments consisted of DACH, France & Benelux, Nordics, South, and UK & Ireland.

The respective segments consisted of the following markets;
- Germany, and Switzerland (DACH)
- France and the Netherlands (France & Benelux)
- Sweden, Norway, Denmark, Finland and Poland (Nordics)
- Italy, Brazil and Spain (South)
- UK (UK & Ireland)

Identification of segments is based on the internal reporting to the chief operating decision-maker. Reporting and follow up took place based on the geographical regions that served as the basis of division for the segment reporting.

The group's chief operating decision-maker continually monitored Net Sales and EBITDA per segment.

Intra-group transfer prices between different segments are set based on the "arm's length" principle, in other words, between parties that are independent of each other, well informed and with an interest in completing the transactions.

Operating profit for the parent company, central functions and eliminations are allocated to the segments.

The same accounting policies as for the group are applied in the segment reporting.

Tradedoubler has no customers which account for revenues of more than 10 per cent of the company's total revenues for the years 2021 or 2020.

	Total revenue		EBITDA*	
SEK ´000	2021	2020	2021	2020
Segment DACH	295,744	200,188	21,554	18,376
Segment France & Benelux	312,051	261,635	36,720	25,643
Segment Nordics	484,009	428,897	32,122	30,754
Segment South	167,216	161,949	17,585	20,124
Segment UK & Ireland	162,460	182,779	9,514	12,455
Total	**1,421,480**	**1,235,448**	**117,495**	**107,351**
Group management and support functions	–	–	-56,529	-45,342
Total	**1,421,480**	**1,235,448**	**60,966**	**62,009**

* The difference between EBITDA above of SEK 60,966 (62,009) thousand and operating profit in the consolidated income statement consists of depreciation and write-downs amounting to SEK 32,574 (37,090) thousand.

GEOGRAPHICAL INFORMATION

	Total revenue		Fixed assets	
SEK ´000	2021	2020	2021	2020
Sweden	153,240	144,183	358,178	350,449
Great Britain	166,067	185,392	3,909	3,248
France	253,988	211,952	14,208	8,054
Germany	277,867	180,961	20,584	20,757
Italy	72,397	69,925	2,691	2,954
Spain	97,121	94,080	12,354	13,672
Poland	261,071	215,881	15,545	14,197
Netherlands	63,739	54,368	2,367	3,211
Other	75,990	78,706	1,193	706
Total	**1,421,480**	**1,235,448**	**431,029**	**417,248**

Revenue from external customers is recognised per geographical area in which the revenue was generated.

For geographical information regarding goodwill, see Note C13.

In addition to goodwill Tradedoubler's other intangible assets are mainly accounted for in the parent company, for more information see Note P12 Intangible assets in notes to the Parent company accounts.

C5. Remuneration to employees, group management and board of directors

AVERAGE NUMBER OF EMPLOYEES*

	2021		2020	
		men (%)		men (%)
Parent company				
Sweden	38	44	35	50
Subsidiaries				
Denmark	1	100	1	33
Finland	1	100		
France	38	36	40	35
Italy	23	49	22	43
Netherlands	10	46	8	73
Poland	51	45	44	46
Switzerland	–		–	
Spain	27	29	24	26
UK	30	56	27	55
Sweden	20	51	18	50
Germany	28	30	19	35
Total subsidiaries	**228**	**47**	**201**	**44**
Total group	**265**	**46**	**236**	**44**

* Including permanent and temporary employees.

DISTRIBUTION OF MEN AND WOMEN IN BOARD OF DIRECTORS AND GROUP MANAGEMENT

Share women (%)	2021	2020
The board of directors	0.0	0.0
President and other senior executives	0.0	0.0

REMUNERATION TO EMPLOYEES DISTRIBUTED BETWEEN THE PARENT COMPANY AND SUBSIDIARIES

	Salaries and other remuneration	Social fees (of which pension)	Salaries and other remuneration	Social fees (of which pension)
SEK '000	2021		2020	
Parent company	27,045	9,643	26,841	8,807
		(1,974)		(1,844)
Subsidiaries	107,385	25,393	88,427	21,450
		(2,866)		(2,572)
Total	**134,430**	**35,037**	**115,267**	**30,257**

Activated personnel-related development costs in 2021 amounted to SEK 19 M (19).

COST OF REMUNERATION TO EMPLOYEES

SEK '000	2021	2020
Salaries and remuneration	134,430	115,267
Share-based payments	2,085	1,404
	136,515	**116,671**
Pension expenses	4,840	4,416
Social security contributions	30,197	25,841
Social security contributions attributable to share-based payments	1,181	627
	36,217	**30,884**
Total	**172,732**	**147,555**

REMUNERATION TO THE PRESIDENT, GROUP MANAGEMENT AND BOARD OF DIRECTORS

	2021					2020				
Remuneration and other benefits, (SEK '000)	Basic salary, other remuneration, directors' fees[1]	Variable remune-ration	Share-based programs	Pension obliga-tions	Total	Basic salary, other remuneration, directors' fees[1]	Variable remune-ration	Share-based programs	Pension obliga-tions	Total
The Board of Directors										
Pascal Chevalier	180	–	–	–	180	180	–	–	–	180
Gautier Normand	180	–	–	–	180	180	–	–	–	180
Jérémy Parola	180	–	–	–	180	180	–	–	–	180
Erik Siekmann	180	–	–	–	180	180	–	–	–	180
Nils Carlsson	180	–	–	–	180	180	–	–	–	180
Matthias Stadelmeyer (CEO)	3,284	826	934	–	5,043	3,395	780	556	81	4,812
Other company management[2]	**2,704**	**1,999**	**934**	**303**	**5,940**	**2,736**	**593**	**556**	**290**	**4,175**
Total	**6,888**	**2,825**	**1,867**	**303**	**11,883**	**7,031**	**1,373**	**1,112**	**370**	**9,886**

[1]Directors' fees are periodised based on the calendar year.

[2]Other company management consists of the group's CFO and CTO.

REMUNERATION TO THE BOARD AND COMPANY MANAGEMENT

Fees to board members and members of the board's committees

The annual general meeting 2021 approved the following remuneration to the board of directors: SEK 180,000 to each of the other board members, including the chairman of the board, elected by the annual general meeting who are not employed in Tradedoubler.

Guidelines for remuneration to company management

The annual general meeting 2021 resolved on the following guidelines for remuneration to company management, which is defined as the managing director and other members of the Senior Leadership Team. The total remuneration shall be competitive in the local market in which the employee is based in order to attract, motivate and retain skilled employees. Individual remuneration should be based on the employee's experience, skills, responsibilities and performance.

The total remuneration should be based on four main components; fixed salary, variable remuneration, pension benefits and, from time to time, long-term incentive programmes.

Base salary: The base salary shall be in line with local market conditions and shall be based on experience, competence, responsibility and performance. Variable salary shall be in line with local market conditions and reward growth and profitability and have a uniting effect for the group. It should be based on pre-defined measurable targets, both quantitative and qualitative, agreed in writing with the employee. There shall be a maximum for the variable salary, normally not more than 50 per cent of the base salary.

Variable salary: Variable salary shall be in line with local market conditions and reward growth and profitability and have a uniting effect for the group. It should be based on pre-defined measurable targets, both quantitative and qualitative, agreed in writing with the employee. There shall be a maximum for the variable salary, normally not more than 50 per cent of the base salary.

Pension: Pension benefits may be offered to the company management, depending on local market conditions. Management based in Sweden is offered a benefit that, essentially, corresponds to the so called ITP plan. Group CEO is based in Germany and is not offered any pension benefits.

Notice and severance payment: A mutual termination period of 3-9 months shall apply for the company management. Group CEO currently has a termination period of 6 months. Severance payment, if any, shall not exceed a sum equal to 12 months base salary if the company terminates the employment. If the employee terminates the employment he/she should normally not be entitled to any severance payment.

Long-term incentive programmes: Any share and share price related incentive programmes shall be approved by a General meeting.

Other benefits: Other benefits such as company cars should have a limited value in relation to the total compensation.

Matters regarding the terms of employment for the managing director are to be decided by the board of directors. The managing director decides the terms of employment for the other company management after approval by the remuneration committee.

Members of the board of directors, elected at General meetings, may in certain cases receive a fee for services performed within their respective areas of expertise, outside of their board of directors duties. Compensation for these services shall be paid at markets terms and be approved by the board of directors.

The board of directors or the remuneration committee may deviate from these principles if special reasons are at hand in an individual case

Remuneration policy for employees

The aim of Tradedoubler's remuneration policy is to offer fair, competitive, market-based remuneration that promotes recruitment and retention of skilled employees.

Pension benefits

Pension benefits can be offered to certain members of company management depending on local market conditions. For employees based in Sweden, a solution is offered that mainly corresponds to the ITP plan. For foreign employees, the pension benefit may not exceed 50 percent of the fixed salary.

Variable remuneration

Tradedoubler operates a performance- and results-based annual programme for variable remuneration for employees within the group. Various quantitative and qualitative performance- and results-based targets are set for different occupational categories, based on company-wide, and regional targets for the employees. The company management receives variable remuneration which is mainly linked to the group's financial performance. The variable remuneration has a ceiling. The ceiling lies in the range of between 10 and 50 per cent of the fixed salary for the majority of employees. For the group management, the variable remuneration may amount to a maximum of 50 per cent of the fixed salary.

Variable remuneration is paid annually in arrears, however, portions of the variable salary are determined and disbursed on a quarterly basis for employees within the occupational categories – sales and customer service.

During 2021, SEK 13.1 M (10.1) including social security contributions was expensed for the performance- and results-based programme for variable remuneration.

C6. Share-based remuneration

LONG-TERM INCENTIVE PROGRAMMES

In 2020, three employees in leading positions in Tradedoubler took part in the main owner Reworld Media's share program. A total of 200,859 share options have been granted to the three employees. The conditions of the share program are that the three employees will be allotted half of the shares if the employee is still employed within Tradedoubler 27 September 2021, which all the participants were. The remaining shares will be allotted if the employee is still employed within Tradedoubler on 27 September 2022. Reworld Media's share price was EUR 1.9 on the grant date, corresponding to approximately SEK 20. The value of these shares on the allotment date amounted to EUR 381,632, or SEK 4,022 thousand. This amount is reported as an expense on an ongoing basis during the share program's validity period and a reservation for social security contributions is imposed based on the prevailing share price on the balance sheet date. During the year, the reported costs of the share program amounted to SEK 3,266 thousand, of which debt for social security contributions amounted to SEK 1,181 thousand.

PERSONNEL EXPENSE (INCLUDING SOCIAL SECURITY CONTRIBUTION) ARISING FROM SHARE-BASED REMUNERATION

SEK ´000	2021	2020
Personnel expense (including social social security contributions) arising from share-based remuneration	3,266	2,031
Total personnel expense arising from share-based remuneration	**3,266**	**2,031**

Changes in outstanding share options during the year	Weighted average value (EUR)	Number of options
Stock options outstanding as of January 1, 2021	1.9	200,859
Granted during the period	–	–
Forfeit during the period	–	–
Exercised during the period	5.96	100,431
Expired during the period	–	–
Outstanding as of December 31, 2021	**1.9**	**100,428**
Exercisable as of December 31, 2021	**–**	**–**

C7. Remuneration for auditor

SEK '000	2021	2020
EY		
Audit assignments	4,468	3,707
Tax services	–	30
Other assignments	525	845
Other auditors		
Audit assignments	314	339
Tax services	–	–
Other assignments	–	–
Total	**5,306**	**4,921**

Audit assignments refers to the examination of the annual accounts, the consolidated accounts and accounting records as well as the administration of the board of directors and the CEO, other duties that the Company´s auditors are obliged to perform as well as advice or other assistance arising from observations during such examination and implementation of such duties. In addition, the auditor reviewed the corporate governance report and the sustainability report. The auditor has also reviewed the interim report for the period January-June 2021 and has been retained for certain advice, most of which pertained to audit-related consultations regarding accounting and tax matters.

C8. Operating costs allocated by type of cost

SEK ´000	2021	2020
Remuneration cost to publishers	1,144,779	980,887
Employee costs	163,653	135,324
Depreciation and amortisation	32,574	37,012
Other operating costs	52,082	57,307
Total	**1,393,088**	**1,210,529**

C9. Leases

RIGHT-OF-USE ASSETS

SEK ´000	Right-of-use assets for rented premises
Balance at jan 1, 2019	**32,116**
New contracts	26,362
Terminated Contracts	-604
Revaluations	-15,364
Translation difference	-1,975
Balance at dec 31, 2019	**40,535**

SEK ´000	Right-of-use assets for rented premises
Balance at jan 1, 2020	**40,535**
New contracts	15,315
Terminated Contracts	-987
Revaluations	-13,248
Translation difference	851
Balance at dec 31, 2020	**42,466**

[1] In 2020 and 2021, all leasing agreements for machinery, equipment, and other items were of low value or to have a shorter term than 12 months.

LEASING WHERE GROUP IS THE LEASEE

Non-terminable lease payments amount to:

SEK ´000	2021	2020
Within one year	15,429	13,757
Between one and five years	23,743	22,656
More than five years	13,659	14,404
	52,832	**50,817**

The leases in the group are mainly related to rent for premises.

Revenues for subleasing of office space in Sweden, and Germany amounted to SEK 588 (1,015) thousands in 2021.

LEASING LIABILITIES

SEK ´000	Leasing liabilities for rented premises
Balance at jan 1, 2020	30,596
New contracts	26,362
Amortisations	-15,405
Terminated Contracts	-1,967
Balance at dec 31, 2020	**39,586**

SEK ´000	Leasing liabilities for rented premises
Balance at jan 1, 2021	39,586
New contracts	15,315
Amortisations	-12,507
Translation difference	569
Terminated Contracts	-710
Balance at dec 31, 2021	**42,253**

LEASING LIABILITIES

	2021			2020		
SEK ´000	Leasing costs for rented premises	Other leasing costs[1]	Total	Leasing costs for rented premises	Other leasing costs[1]	Total
Depreciation	-13,248		-13,248	-15,364	0	-15,364
Interest related to lease liabilities	-1,829	0	-1,829	-1,274		-1,274
Costs related to short term leases	–		0	–	-371	0
Costs related to leases of low value		-523	-523		-371	-371
Total Leasing costs	**-15,077**	**-523**	**-15,600**	**-16,638**	**-371**	**-17,009**
Total cash flow related to leasing costs	**-14,336**	**-523**	**-14,859**	**-15,405**	**-815**	**-15,776**

1 In 2020 and 2021, all leasing agreements for machinery, equipment, and other items were of low value or to have a shorter term than 12 months.

C10. Net financial items

SEK ´000	2021	2020
Interest income on bank balances & short-term investments	-8	147
Interest income, other	258	349
Realised result from sale of shares in other companies	6,525	–
Revaluated earn-out from sale of shares in other companies	2,766	–
Other financial income	0	2
Financial income	**9,542**	**498**
Interest expenses on financial liabilities measured at amortised cost	-6,847	-7,027
Interest expense, other	-46	-4
Unrealised result from revaluation of debt in foreign currency	-1,908	4,771
Changes in foreign exchange rates	-744	-4,754
Other financial costs	-968	-1,752
Financial expense	**-10,513**	**-8,766**
Net financial items	**-971**	**-8,268**

C11. Taxes

RECOGNISED IN THE INCOME STATEMENT

The company's tax expense is divided into the following components:

SEK ´000	2021	2020
Current tax expense		
Tax expense for the period	-6 219	-7 170
Tax expense related to previous periods	396	6 523
Total current tax expense	**-5 823**	**-648**
Deferred tax expense		
Deferred tax in respect of temporary differences	2 613	5 106
Deferred tax expense due to utilisation of previous capitalised loss carryforwards for tax purposes	-301	-14 076
Total deferred tax expense	**2 312**	**-8 970**
Total	**-3 511**	**-9 618**

The tax expense for the year can be reconciled to profit before tax according to the following:

RECONCILIATION OF EFFECTIVE TAX FOR CONTINUED OPERATIONS

	2021		2020	
	%	SEK '000	%	SEK '000
Profit before tax	–	27,421	–	16,651
Tax according to applicable tax rate for parent company	20.6	-5,649	21.4	-3,563
Effect of other tax rates for foreign subsidiaries	2.2	-611	2.7	-444
Adjusted estimates for previous year's loss carryforwards	-1.4	396	-39.2	6,523
Non-deductible expenses	16.5	-4,532	32.8	-5,464
Non-taxable income	-4.3	1,177	2.7	-458
Increase of loss carryforwards for tax purposes without corresponding capitalisation of deferred tax expense	0.1	-25	85.7	-14,274
Utilisation of previously not capitalised loss carryforwards	-12.8	3,521	-16.4	2,727
Other	-8.1	2,213	-32.0	5,335
Effective tax rate	**12.8**	**-3,511**	**57.8**	**-9,618**

* Other mainly refers to non-taxable income from temporary differences in Poland.

DEFERRED TAX ASSETS AND TAX LIABILITIES RECOGNISED IN THE BALANCE SHEET

Deferred tax assets and tax liabilities are attributable to the following:

	Deferred tax assets		Deferred tax liabilities		Net	
SEK '000	2021	2020	2021	2020	2021	2020
Loss carryforwards	384	366	–	–	384	366
Other receivables	156	54	–	–	156	54
Other liabilities[1]	12,350	9,756	-1,574	-1,523	10,776	8,233
Other non-current assets	71	258	–	–	71	258
Other unused tax deductions[2]	12,262	12,257	–	–	12,262	12,257
Deferred tax assets and tax liabilities	**25,222**	**22,691**	**-1,574**	**-1,523**	**23,648**	**21,168**

1 Deferred tax assets increase from temporary differences in Poland, which is mainly due to the fact that compensation to publishers is not deductible until the invoice from the publisher has been received.

2 The amount added under this item in 2018 relates to SEK 12 M paid by Tradedoubler during the second quarter 2018 to the Spanish tax authority attributable to an ongoing tax audit in Spain where Tradedoubler in an application requsted that the Swedish tax agency initiate procedure for agreement with the Spanish tax authority in order to undermine double taxation. Tradedoubler estimate that this amount will be collectible.

SEK '000	Capitalisation of loss carryforwards	Other receivables	Other liabilities	Other non-current assets	Other unused tax deductions	Deferred tax assets and tax liabilities
Balance at Jan 1, 2020	442	65	4,031	436	26,510	31,483
Recognised via income statement	-63	-5	5,026	-152	-13,778	-8,972
Reclassification	0	0	1	0	–	1
Translation difference	-13	-6	-825	-26	-475	-1,345
Balance at Dec 31, 2020	**366**	**54**	**8,233**	**258**	**12,257**	**21,168**
Balance at Jan 1, 2020	366	54	8,233	258	12,257	21,168
Recognised via income statement	-14	-44	2,475	-33	-222	2,162
Reclassification	26	138	0	-164	–	0
Translation difference	6	8	68	10	227	319
Balance at Dec 31, 2020	**384**	**156**	**10,776**	**71**	**12,262**	**23,648**

NON-RECOGNISED DEFERRED TAX ASSETS

Deductible temporary differences and loss carryforwards for tax purposes for which deferred tax assets have not been recognised in the income statement and balance sheet:

SEK '000	2021	2020
Tax on loss carryforwards	55,499	61,301

The value for tax purposes of capital loss carryforwards of SEK 299,000 and non-capital loss carryforwards of SEK 55,200,000 (of which SEK 54,399,000 is related to the parent company), have a perpetual term. Non-capital loss carryforwards relate to the assessment that is it uncertain whether these will be utilised in the near future.

C12. Financial assets and liabilities distributed per category

	2021			2020		
SEK '000	Valued at amortised cost	At fair value via the Profit & Loss	Total carrying amount	Valued at amortised cost	At fair value via the Profit & Loss	Total carrying amount
Shares and participation in other companies					11,128	11,128
Trade receivables	353,139		353,139	295,762		295,762
Accrued revenue	20,167		20,167	17,415		17,415
Cash and bank balances	94,007		94,007	88,715		88,715
Total financial assets	**467,313**		**467,313**	**401,892**	**11,128**	**413,020**
Other interest-bearing debts	92,665		92,665	118,404		118,404
Leasing liabilities	42,254		42,254	39,586		39,586
Trade payables	15,071		15,071	16,081		16,081
Liabilities to publishers	361,518		361,518	316,968		316,968
Total financial liabilities	**511,508**		**511,508**	**491,039**		**491,039**

Determination of fair value is as a valuation hierarchy consisting of three levels. The levels reflect the extent to which fair value is based on observable market data or assumptions.
Level 1 fair value is determined based on the observed (unadjusted) quoted prices in active markets for identical assets and liabilities.
Level 2 fair value is determined using valuation models based on observable for the asset or liability other than quoted prices included in Level 1.
Level 3 fair value is determined using valuation models where significant inputs are based on unobservable market data.
Shares and participations in other companies are valued at fair value via the income statement. The fair value of these has been determined in accordance with level 3.

Tradedoubler currently has no liabilities valued at fair value through the Profit & Loss statement. Regarding other financial assets and liabilities, the book value is assessed to correspond to fair value.

C13. Intangible assets

SEK '000	Development expenses	Administration & Support	Goodwill	Other	Total
Accumulated acquisition costs					
Opening balance at Jan 1, 2020	187,506	46,548	603,456	1,847	839,356
Investments for the year	23,064	0	0	1,912	24,976
Translation difference	0	0	-32,814	-471	-33,285
Closing balance at Dec 31, 2020	**210,570**	**46,548**	**570,642**	**3,288**	**831,048**
Opening balance at Jan 1, 2021	210,570	46,548	570,642	3,288	831,048
Investments for the year	26,567	0	0	341	26,908
Translation difference	0	0	24,212	278	24,490
Closing balance at Dec 31, 2021	**237,137**	**46,548**	**594,855**	**3,907**	**882,446**
Accumulated amortisation and impairment losses					
Opening balance at Jan 1, 2020	-143,120	-46,548	-304,362	-1,571	-495,600
Amortisation	-20,615	0	0	-326	-20,941
Translation difference	0	0	19,858	379	20,237
Closing balance Dec 31, 2020	**-163,735**	**-46,548**	**-284,504**	**-1,518**	**-496,304**
Opening balance at Jan 1, 2021	-163,735	-46,548	-284,504	-1,518	-496,304
Amortisation	-17,318	0	0	-795	-18,113
Translation difference	0	0	-16,463	-253	-16,716
Closing balance Dec 31, 2021	**-181,053**	**-46,548**	**-300,967**	**-2,566**	**-531,133**
Carrying amounts					
At Jan 1, 2020	44,386	0	299,094	276	343,756
At Dec 31, 2020	46,835	0	286,139	1,770	334,744
At Dec 31, 2021	**56,084**	0	**293,888**	**1,341**	**351,313**

Amortisation of intangible assets is included in administrative expenses. All intangible assets, aside from goodwill, are amortised. For further information about depreciation methods, see Note C1 Accounting Policies.

Goodwill is tested annually for impairment or as soon as there are indications of a decline in value. The impairment for 2021 has, as previous years, been performed in connection with the preparation of the year-end report and is based on a 5-year discounted cash flow analysis per cash generating unit (segment). Impairment in 2020 did not result in any writedown.

The future cash flows on which the valuation is based on is based primarily on assumptions of sales growth and gross margin development for the company's various business flows and future cost levels. During the forecast period the average yearly growth in gross profit has been assumed to be 6% and the average operating cost level is assumed to increase by 2% yearly. Estimated cash flows has been discounted with WACC based on a risk-free rate of interest plus a stock market premium. WACC before tax in the estimates for the six cash-generating units on 31 December 2021 was 13.3 (14.4) per cent. WACC after tax was 11.3 (12.4) per cent.

A sensitivity analysis shows that an increase in WACC after tax of 2 percentage units combined with a decreased growth rate after the forecast period of a half percentage unit, each of which is reasonably likely, indicates that there is margin for all segments.

For estimation of future revenue and growth both external and internal assumptions are used, which may differ from market to market. The short-term forecasts and market position have a major impact on the estimated future growth in the segments.

Tradedoubler's forecast period extends until 2026 and is based on a five year outlook. The growth rate in the forecast period is in line with the outlook for the market the company plans to address. The growth rate after the forecast period is set at 3 (3) per cent per year. It is an assessment of the then addressable markets estimated growth.

GOODWILL ALLOCATED PER CASH GENERATING UNIT

SEK '000	2021	2020
Nordics	76,692	76,603
UK & Ireland	51,159	46,573
France & Benelux	48,859	47,954
DACH	65,450	64,238
South	27,250	26,745
R-Advertising	24,479	24,026
Total	**293,888**	**286,139**

In addition to goodwill, Tradedoubler's other intangible assets are mainly recorded in the parent company. See Note M12 Intangible assets in the notes to the parent company's financial statements.

C14. Property, plant and equipment

SEK '000	Equipment, tools, fixtures and fittings
Accumulated cost	
Opening balance Jan 1, 2020	31,512
Investments	1,405
Sales/Disposals	-189
Translation difference	-1,073
Closing balance Dec 31, 2020	**31,655**
Opening balance Jan 1, 2021	31,655
Investments	2,861
Sales/Disposals	-17,408
Translation difference	524
Closing balance Dec 31, 2021	**17,632**
Accumulated depreciation	
Opening balance Jan 1, 2020	-30,285
Depreciation	-706
Sales/Disposals	189
Translation difference	1,018
Closing balance Dec 31, 2020	**-29,784**
Opening balance Jan 1, 2021	-29,784
Depreciation	-1,213
Sales/Disposals	17,422
Translation difference	-491
Closing balance Dec 31, 2021	**-14,066**
Carrying amounts	
At Jan 1, 2020	1,227
At Dec 31, 2020	1,871
At Dec 31, 2021	**3,566**

C15. Prepaid expenses and accrued income

SEK ´000	2021	2020
Rent of premises	–	2,938
Accrued income	20,167	17,415
Software licenses	1,357	–
Other	1,526	2,393
Total	**23,050**	**22,746**

C16. Shareholder's equity

SHARE CAPITAL

Share capital refers to the parent company's share capital. Each share carries one vote and those entitled to vote may vote for the full number of shares represented and owned without any restriction in voting rights. All shares carry equal rights to share in the company's assets and profits and in any surplus on liquidation.

At December 31, 2021, Tradedoubler AB had a share capital of SEK 18.4 M distributed among 45,927,449 shares, each share with a par value of SEK 0.40.

Reconciliation of number of shares	Number of shares issued	Issued share capital
Number of shares issued January 1, 2021*	45,927,449	18,370,978
Number of shares issued December 31, 2021*	45,927,449	18,370,978

* of which 790,760 shares are in own custody.

TRANSLATION RESERVE

The translation reserve included all exchange differences that arise on translation of financial statements from foreign operations that have prepared their financial statements in another currency than the currency which the group's financial statements are presented in. The parent company and group present their financial statements in Swedish kronor (SEK).

RETAINED EARNINGS INCLUDING NET PROFIT FOR THE YEAR

Retained earnings including net profit for the year includes profits earned in the parent company and its subsidiaries. Previous allocations to the statutory reserve, excluding transferred share premium reserves, are included in this equity item.

DIVIDEND

The board and CEO will propose to Tradedoubler's Annual General Meeting 2022 that no dividend should be declared for 2021 in accordance with Tradedoubler's guidelines.

Tradedoubler has a policy of distributing at least 50 per cent of the profit after tax, provided that a suitable capital structure is maintained. Distribution may occur through share dividends, share redemption and share buyback.

GROUP CAPITAL MANAGEMENT

Group capital under management is composed of shareholders' equity, which at the end of 2021 amounted to SEK 261 M (226) in total and loan capital, which at the end of 2021 amounted to SEK 93 (118). The measures of the company's capital structure used for control purposes are the interest coverage ratio, defined as profit before tax, plus interest expense, divided by interest expense; and the debt/equity ratio, defined as the total of interest-bearing liabilities and pension provisions less cash and cash equivalents and interest-bearing receivables, divided by shareholders' equity. The Group's goal in managing capital is to safeguard its survival and freedom of action and to ensure that shareholders receive a return on their investment. The distribution between shareholders' equity and loan capital should be such that a good balance is achieved between risk and return. If necessary, the capital structure is adapted to changing economic conditions and other markets factors. To maintain and adapt its capital structure, the Group can distribute funds, raise shareholder's equity by issuing new shares or capital contributions, or reduce or increase liabilities.

SHARES IN OWN CUSTODY

Total holdings of own shares at the end of 2021 amounted to 790,760 ordinary shares.

C17. Earnings per share

	2021	2020
Profit for the year attributable to the parent company's shareholders (SEK '000)	23,910	7,033
Weighted average number of outstanding ordinary shares before and after dilution (thousands)	45,137	45,137
Earnings per share, before and after dilution	**0.53**	**0.16**

C18. Loan

In the third quarter 2019 Tradedoubler finalized an arms-length re-negotiation regarding its current loan agreement with the Company's principal owner Reworld Media S.A. The Company has increased its current facility with Reworld Media S.A from SEK 40 M to a total of SEK 138 M (EUR 13.45 M) in order to repay the Company's SEK 71 M loan to a Swedish credit institution.

" The facility with Reworld Media S.A. is on market terms, and the majority of the facility has a maturity in 2026 with an fixed interest rate between 3 and 4 per cent. The loan has an amortisation structure where around SEK 12 million will be amortized each year until 2024, where 6,4 MSEK will be amortized. The remaining loan will be repaid during 2025 and 2026. During 2021, Tradedoubler made an extra amortization outside the amortization structure which resulted in a total amortization of SEK 28,6 M for the year. During 2022, SEK 12,4 M will be amortized and is therefore classified as short-term debt. The rest of the loan, adjusted for periodised arrangement fees, SEK 80,2 M, is classified as long-term debt. The loan contains one covenant which means that the loan will fall due in the event of a change in control of the company.

Change in Other interest-bearing liabilities

SEK ´000	2021	2020
Opening balance Jan 1	118,901	134,213
Cash flows	-28,561	-12,584
Translation difference	1,908	-4,771
Other	417	2,043
Closing balance Dec 31	**92,665**	**118,901**

C19. Other liabilities

SEK '000	2021	2020
Prepayments from clients	34,583	32,995
VAT	20,242	14,747
Withholding tax and social security contributions	8,782	6,499
Other	24,676	20,659
Total	**88,283**	**74,900**

C20. Accrued expenses and deferred income

SEK '000	2021	2020
Accrued costs related to personell	18,181	16,998
Provision for consultancy	8,438	7,228
Provision for closing of legal entities	–	179
Accrued interest	814	1,182
Accrued costs related to publisher remuneration	15,730	8,169
Reimbursement of governmental support	2,771	–
Other	3,853	4,540
Total	**49,787**	**38,296**

C21. Financial risks

FINANCE POLICY

Tradedoubler's Finance policy has been drawn up for the purpose of balancing the group's financial risks. The policy is continually reviewed and is adopted by the board. Responsibility for the group's financial transactions and risks is tasked to the group's central financial department.

CREDIT RISKS

Financial investments

Cash and cash equivalents are mainly invested in bank accounts held with Tradedoubler's two main banks at the best possible bank interest.

Cash and cash equivalents

SEK ´000	Total
Cash and cash equivalents	94,007
Total	**94,007**

Customer credit risk

The group and the company are exposed to credit risk, which arises primarily in connection with trade receivables. Trade receivables at year-end amounted to SEK 349 M (333).

The group has established a credit policy that determines how clients are managed, with decision-making levels set for various credit limits. Tradedoubler strives for advance payment from clients. When deviations from advance payment are made, the company's credit policy serves as the basis for decision.

Tradedoubler has not noticed increased credit losses in any geographical area. However, the group management is actively monitoring the situation. No specific risk concentration exists for any customer category.

Incurred credit losses during the year amounted to SEK 1,912 (3,612) thousands in the group, net after reversal of liabilities to publishers.

Provision for anticipated credit losses in the balance sheet amounted to SEK 46,038 (37,242). All receivables older than 12 months are considered doubtful, if no particular explanation exist.

Provisions for uncertain accrued revenue are continuously revalued in connection with the income statement and the sum of these is of non-significant value.

Since a publisher in most cases only gets paid when the customer has paid the invoice, the company's customer credit risk is reduced in this way.

Maturity analysis, trade receivables

SEK ´000	2021 Carrying amount	2020 Carrying amount
Trade receivables not due	263,080	220,071
Trade receivables, due 0-30 days	66,941	54,708
Trade receivables, due 31-90 days	20,613	12,664
Trade receivables, due >90+ days	48,542	45,561
	399,176	**333,004**

Provision, expected credit losses

SEK ´000	2021 Carrying amount	2020 Carrying amount
Trade receivables not due	-3,787	-1,532
Trade receivables, due 0-30 days	-4,207	-1,518
Trade receivables, due 31-90 days	-4,059	-1,664
Trade receivables, due >90+ days	-33,987	-32,527
	-46,038	**-37,242**

SEK ´000	2021 Carrying amount	2020 Carrying amount
Trade receivables	399,176	333,004
Provision, expected credit losses	-46,038	-37,242
Total trade receivables	**353,139**	**295,762**

Change in Provision, expected credit losses

SEK ´000	2021	2020
Opening balance	-37,242	-19,343
Confirmed credit losses	5,009	3,968
Reversed provisions	3,624	3,207
Provisions for the year	-16,749	-28,138
Translation difference	-680	3,064
Closing balance	**-46,038**	**-37,242**

FOREIGN EXCHANGE RISK

Foreign exchange risk refers to the risk that changes in exchange rates may affect the consolidated income statement, balance sheet and cash flow statement. Foreign exchange risk exists in the form of transaction risk and translation risk. Tradedoubler is exposed to foreign exchange risk in 14 countries involving eight different currencies, with Euro (EUR), Polish zloty (PLN) and British pounds (GBP) representing the majority share.

In 2021, approximately 53 (49) per cent of group total revenue were made in EUR, 18 (17) per cent in PLN and approximately 12 (15) per cent in GBP. In 2021, approximately 41 (40) per cent of the group's costs were in EUR, 11 (12) in PLN and approximately 10 (7) per cent in GBP.

TRANSACTION RISK

Exposure attributable to exchange rate fluctuations in client and supplier invoices is limited since invoicing to customers and from suppliers largely occurs in local currency for all companies in the group.

Since 2019, Tradedoubler AB has a loan nominated in EUR and is therefore more exposed to exchange rate changes between SEK and EUR than earlier. This loan amounted to SEK 9.42 million at year-end. Exchange rate differences from this revaluation is recognised in the income statement and is not currently hedged.

Tradedoubler is also exposed to foreign exchange risk in the parent company's intra-group lending to subsidiaries which takes place in the subsidiary's currency, as well as deposits from subsidiaries of excess liquidity. Exchange rate differences due to deposits and lending from subsidiaries are recognised in the income statement.

Intra-group lending and deposits are currently not hedged.

In the event of a change of the group's underlying currencies of 1 per cent, this would affect the company's net sales by approx. SEK 12.5 M, of which SEK 7.5 M relates to subsidiaries in euro zone countries, SEK 2.6 from the Polish subsidiary, SEK 1.7 M relates to the UK subsidiary and SEK 0,7 M to other foreign companies in the group.

TRANSLATION RISK

Changes in foreign exchange rates impact the group's earnings on translation of the income statements of foreign subsidiaries to the group's presentation currency, SEK.

Translation exposure also arises in connection with translation of the group's investments in foreign subsidiaries to the group's presentation currency, SEK, which is recognised as a component of "other comprehensive income" (outside the income statement).

In the event of a weakening of the group's underlying currencies of 10 per cent, this would affect the company's profit before tax negatively by approx. SEK 1.2 M, of which SEK 0.65 M relates to subsidiaries in euro zone countries, SEK 0.3 M relates to the polish subsidiary, and SEK 0.25 to other foreign companies in the group. If the company's underlying currencies weakened by 10 per cent at the end of the reporting period, it would weaken consolidated equity by approx. SEK 4.6 M, of which SEK 2.8 M relates to the subsidiaries in euro zone countries, SEK 0.7 M relates to the polish subsidiary, and SEK 0.5 M to other foreign companies in the group.

The group's net investments in foreign currency primarily involve EUR and GBP. Net investments in foreign currency are not currently hedged.

INTEREST RISK

Interest risk refers to the risk that changes in market interest rates may affect the consolidated income statement and cash flow or the fair value of financial assets and liabilities. A significant factor affecting the interest risk is the interest rate refixing period. The group's interest rate exposure is managed centrally, which means that the finance function is responsible for identifying and managing this exposure.

On 31 December 2021, interest-bearing assets in the form of bank balances amounted to SEK 89 M. Bank balances run according to variable rates of interest, mainly linked to market rates for each currency that the asset relates to. A change in the variable interest rate of + / - 1 percent on the closing date affect the Group's net financial items by SEK 0 M.

Tradedoubler renegotiated during 2019 its loan with their principal owner Reworld Media. The loan signed with a fixed interest rate and thus a limited interest risk.

LIQUIDITY RISK

Tradedoubler works actively to minimise the group's liquidity risk by not taking risks in the cash flow. A publisher in most cases is only paid when the customer has paid the invoice to Tradedoubler. Tradedoubler limits its liquidity risk in this way. Credit ratings are performed on new clients and Tradedoubler normally requires advance payments from clients for which adequate financial information is not available.

Tradedoubler also has counterparty risk related to liquidity risks, which are principally related to banks in existing markets.

At the balance sheet date, the company has external interest-bearing borrowing of SEK 93 M or SEK 96 M when excluding accrued arrangement fees.

Since 2019, Tradedoubler have a loan agreement with the Company's principal owner Reworld Media S.A. amounting to EUR 13.45 M. The facility with Reworld Media S.A. is on market terms, and the majority of the facility has an amortization structure, and matures in 2026. During the year, 2,82 MEUR was amortized, which corresponds to 28,6 MSEK on the closing date.

Duration analysis, interest-bearing financial liabilities

SEK ´000	2022	2023	2024	2025	2026	Total
Amortisations	12,436	12,436	6,218	34,465	30,732	96,286
Interest	3,221	2,874	2,567	3,930	389	12,981
Total	**15,657**	**15,310**	**8,785**	**38,395**	**31,120**	**109,267**

Duration analysis, non-interest bearing financial liabilities

2021

SEK ´000	Total	Within 1 month	Within 1-3 months	Over 4 months
Trade payables	14,781	14,986	166	-371
Lease Liability	42,253	–	3,584	38,669
Short-term liabilities to publishers	361,518	125,043	216,502	19,973
Total	**418,552**	**140,029**	**220,252**	**58,271**

2020

SEK ´000	Total	Within 1 month	Within 1-3 months	Over 4 months
Trade payables	16,081	13,539	2,767	-225
Lease Liability	39,586	–	3,851	35,735
Short-term liabilities to publishers	316,968	110,043	182,890	24,035
Total	**372,635**	**123,582**	**189,508**	**59,545**

C22. Pledged assets and contingent liabilities

SEK '000	2021	2020
Pledged assets		
Rental deposits	5,976	4,807
Sum pledged assets	**5,976**	**4,807**
Contingent liabilities	**none**	**none**

C23. Transactions with related parties and companies

Transactions with related parties are priced on commercial terms. The group has during the year had transactions between the parent company and its subsidiaries. The transactions consist primarily of license invoices from the parent company to the subsidiaries. See further description in Notes to the Parent company's financial statements, M15 Investments and M23 Transactions with related parties.

TRANSACTIONS WITH THE COMPANY'S PRINCIPAL OWNER

The company's principal owner, Reworld Media, has as a publisher in France received remuneration of EUR 28 K, EUR 40 K for provided HR-support and EUR 181 K in remuneration for rent, both related to Tradedoubler's French subsidiary. Reworld Media has during 2021 been invoiced for purchased services from Tradedoubler France of EUR 264 K in total. Other subsidiaries have invoiced Reworld Media EUR 111 K.

On the balance sheet day the loan from Reworld Media amounted to SEK 96 M (EUR 9.42 M). The loan has an amortization structure and matures in 2026. The loan is subscribed on market terms and the interest expense during the year has amounted to SEK 4.4 M. Amortizations of the loan has during the year amounted to SEK 28 M.

The arm's length principle has been applied on all these transactions. Management in Tradedoubler has taken part in the main owner Reworld Media's share program. A total of 200,859 share options have been granted to senior executives. The conditions of the share program are that the senior executives are allotted half of the shares if the senior executive is still employed within Tradedoubler on 27 September 2021. Remaining shares are allotted to the senior executive if they are still employed within Tradedoubler on 27 September 2022. Reworld Media's share price was EUR 1.9 on the allotment date, which was approximately 20 SEK. The value of these shares on the grant date was EUR 381,632, which equals 4,022,425 SEK. This amount is reported as an expense on an ongoing basis during the share program´s earning period and a provision for social security contributions is imposed based on the prevailing share price on the balance sheet date. In 2021, the reported costs of the share program amounted to SEK 3,266 K, of which debt for social security contributions amounts to SEK 1,181 K.

TRANSACTIONS WITH MANAGEMENT AND THE BOARD OF DIRECTORS

Aside from transactions in the normal course of business or to the board and senior executives, the following first-party transactions have occurred during 2021.

Tradedoubler's CEO Matthias Stadelmeyer has during the year received payment of EUR 15 K related to other services through his partly owned companies tryforyou GmbH and MY5 GmbH.

Tradedoubler's CTO Francois Pacot has during the year received payment of EUR 175 K related to his monthly fee as consultant and EUR 230 K related to other services through his fully owned companies.

During Q4 2020 Tradedoubler´s German subsidiary signed a lease agreement regarding an office in Munich with a German company owned by multiple members of the board and group management. Rent is paid at market rates and the expenses during the year amounted to 236 KEUR. During 2021 a similar lease agreement for premises in Mougins has been signed. Contracting parties are Tradedoubler´s French subsidiary R-advertising and a French company owned by multiple members of the board and group management. Rent is paid at market rates and the expenses during the year amounted to 109 KEUR.

The arm's length principle has been applied on all these transactions.

C24. Cash flow statement, supplementary information

CASH AND CASH EQUIVALENTS

SEK '000	2021	2020
Cash and bank balances	94,007	88,715
Total according to the balance sheet	**94,007**	**88,715**
Total according to the cash flow statement	**94,007**	**88,715**

SEK '000	2021	2020
Interest received	249	496
Interest paid	-7,260	-6,140

ADJUSTMENT FOR ITEMS NOT INCLUDED IN THE CASH FLOW

SEK '000	2021	2020
Depreciation and amortisation	32,574	37,012
Divestment of shares in Dynadmics	-9,291	–
Unrealised exchange rate differences	1,516	-12,380
Write-down accounts receivables	-9,633	-3,620
Share-based payments, settled against equity	2,128	2,068
Other	180	-2,551
	17,474	**20,529**

C25. Change related items

Change related items refer to items of non-recurring nature and the purpose of disclosing these separately is to make it easier for the reader to understand the underlying year-on-year developments. In the table below the items adjusted for in 2021 and 2020 are listed.

SEK '000	2021	2020
Revenue		
Claw-back governmental support	-2,193	
Summa förändringsrelaterade intäkter	-2,193	
Costs		
Severance	-177	–
Long-term incentive programme	-3,266	-2,031
Other	-691	–
Sum change related costs	**-4,134**	**-2,031**
Sum change related items	**-6,327**	**-2,031**

TOTAL AMOUNT EFFECTING EBITDA PER SEGMENT

SEK '000	2021	2020
Nordics	–	–
UK & Ireland	–	–
France & Benelux	-416	-363
DACH	–	–
South	–	–
Group Management & support functions	-5,911	-1,668
Sum	**-6,327**	**-2,031**

C26. Shares and participation in other companies

The ingoing balance 2021 refers to 7 per cent of the shares in DynAdmic. The shares were valued at fair value and value adjustments are recognised in other comprehensive income. During the year, all shares were divested.

During 2020, Tradedoubler AB acquired 30% of the German company MP Media Ventures GmbH. The value of the holding is considered insignificant and is therefore not included in the consolidated accounts.

SEK '000	2021	2020
Opening balance 1 January	11,128	11,128
Divestments during the year	-11,128	–
Acquisitions during the year	–	–
Change in value	–	–
Closing balance 31 December	**–**	**11,128**

C27. Events after the balance sheet date

The post-reporting period has been marked by Russia's aggression against Ukraine. The war has so far had very little effect on Tradedoubler's operations. It is too early to say how the business will be affected in the long run. Depending on the course of events, it is not unreasonable to assume that the company will be affected in any way, either directly or indirectly through its customers.

Apart from this, no significant events have occurred since the end of the reporting period.

Parent company income statement

SEK ´000	Note	2021	2020
Net sales		106,489	88,103
Other revenue		-1,143	4,074
Total revenue	P3	**105,346**	**92,177**
Cost of goods sold		-12,207	-5,255
Gross profit		**93,139**	**86,922**
Selling expenses		-2,494	-690
Administrative expenses		-52,788	-52,397
Research & development expenses		-23,977	-24,687
Operating profit (EBIT)	P4, P5, P6, P7, P8	**13,879**	**9,147**
Profit from financial items			
Profit from participations in group companies		-19,025	8,169
Other interest income and similar income statement items		9,296	417
Interest expenses and similar income statement items		-9,763	-1,121
Net financial items	P9	**-19,492**	**7,465**
Profit before tax		**-5,613**	**16,611**
Tax	P10	-31	-7,591
Net profit for the year		**-5,645**	**9,020**

Statement of comprehensive income

SEK ´000	Note	2021	2020
Profit for the year		-5,645	9,020
Other comprehensive income			
Total other comprehensive income		**–**	**–**
Total comprehensive income for the year		**-5,645**	**9,020**

Parent company balance sheet

SEK ´000	Note	2021-12-31	2020-12-31
ASSETS	P11		
Non-current assets			
Intangible assets	P12	56,084	46,836
Equipments, tools, fixtures and fittings	P13	313	76
Financial assets			
Participations in group companies	P14, P15	174,689	174,695
Participations in associated companies		79	79
Shares and participations in other companies	P14, P15, P25	–	11,128
Deferred tax asset	P10	70	102
Other financial assets	P14	3,322	1,475
Total non-current assets		**234,556**	**234,390**
Current assets			
Trade receivables		3,929	388
Receivables from group companies		177,742	146,632
Tax receivables		1,014	1,014
Other receivables		3,007	1,018
Prepaid expenses and accrued income	P16	1,637	3,443
Cash and cash equivalents		45,217	40,938
Total current assets		**232,546**	**193,434**
Total assets		**467,102**	**427,824**
EQUITY AND LIABILITIES			
Shareholders' equity	P17		
Restricted equity			
Share capital		18,371	18,371
Fund for development expenses		43,184	33,936
Revaluation fund	P17	25,000	–
Total restricted equity		**86,554**	**52,307**
Non-restricted equity			
Share premium reserve		352,540	352,540
Retained earnings		-334,792	-336,435
Net profit for the year		-5,645	9,024
Total non-restricted equity		**12,104**	**25,129**
Total equity		**98,658**	**77,435**
Long-term liabilities	P11		
Other interest-bearing debt	P18	79,727	105,612
Total long-term liabilities		**79,727**	**105,612**
Current liabilities	P11		
Current interest-bearing debt	P18	12,436	12,206
Trade payables		5,618	4,142
Liabilities to group companies		98,195	87,455
Other liabilities	P19	158,948	128,510
Accrued expenses and deferred income	P20	13,520	12,463
Total current liabilities		**288,717**	**244,776**
Total equity and liabilities		**467,102**	**427,824**

Parent company changes in equity

SEK ´000	Restricted			Non-restricted		
	Share capital	Fund develop-ment expenses		Share premium reserve	Retained earnings incl. net profit for the year	Total equity
Opening balance at January 1, 2020	**18,371**	**31,487**		**352,540**	**-335,094**	**67,302**
Comprehensive income						
Net profit for the year					9,020	9,020
Fund development expenses		2,449			-2,449	–
Transactions with shareholders						
Use of shares in own custody						–
Equity-settled share-based payments					1,112	1,112
Closing balance at December 31, 2020	**18,371**	**33,936**		**352,540**	**-327,411**	**77,435**
Opening balance at January 1, 2021	**18,371**	**33,936**	**–**	**352,540**	**-327,411**	**77,435**
Comprehensive income						
Net profit for the year					-5,645	-5,645
Fund development expenses		9,248			-9,248	–
Revaluation fund			25,000			25,000
Transactions with shareholders						
Use of shares in own custody						–
Equity-settled share-based payments					1,867	1,867
Closing balance at December 31, 2021	**18,371**	**43,184**	**25,000**	**352,540**	**-340,436**	**98,658**

Parent company cash flow statement

SEK ´000	Note	2021	2020
Operating activities	P24		
Profit before tax		-5,613	16,611
Adjustment for items not included in the cash flow		27,934	20,943
Paid tax		-399	7,440
Cash flow from operating activities before changes in working capital		**21,922**	**44,993**
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in operating receivables		-12,019	-10,331
Increase (-)/Decrease (+) in operating liabilities		33,894	18,414
Cash flow from operating activities		**43,797**	**53,076**
Investing activities			
Investments in intangible assets		-26,567	-23,064
Investments in property, plant and equipment		-280	-44
Investments in financial assets		-1,847	-1,553
Sale of shares in other companies		17,653	–
Cash flow from investing activities		**-11,041**	**-24,661**
Financing activities			
Repayment of loan		-28,477	-12,570
Cash flow from financing activities		**-28,477**	**-12,570**
Cash flow for the year		**4,279**	**15,844**
Cash and cash equivalents at the beginning of the year		40,938	25,094
Cash and cash equivalents at the end of the year		**45,217**	**40,938**

P1. ACCOUNTING POLICIES

The parent company has prepared its annual accounts and consolidated accounts according to the Swedish Annual Accounts Act (1995:1554).

DIFFERENCES BETWEEN THE ACCOUNTING POLICIES OF THE GROUP AND THE PARENT COMPANY

The differences between the accounting policies applied by the group and the parent company are shown below. The accounting policies set out for the parent company below have been applied consistently for all periods presented in the parent company's financial statements.

CLASSIFICATION AND FORMAT

The parent company's income statement and balance sheet are prepared according to the Swedish Annual Accounts Act's layout. The difference in relation to IAS 1: Presentation of financial statements that was applied in the presentation of the consolidated financial statements is mainly in recognition of financial income and expenses, non-current assets and shareholders' equity, discontinued operations and the presence of provisions as a separate heading in the balance sheet.

SUBSIDIARIES AND ASSOCIATED COMPANIES

Participations in subsidiaries and associated companies are recognised in accordance with the cost method.

GROUP CONTRIBUTIONS AND SHAREHOLDERS' CONTRIBUTIONS FOR LEGAL ENTITIES

The parent company reports group contributions and shareholders' contributions in accordance with RFR2. The company has chosen to account for group contributions paid and received in the income statement.

Shareholders' contributions are carried directly against equity in the case of the receiver and capitalised as shares and participations by the grantor, to the extent that impairment is not required.

FUND DEVELOPMENT EXPENSES

In accordance with the amendments to the Swedish Annual Accounts Act and RFR2 that is applicable from 1 January 2016, the parent company has applied the rule on allocation to a development expenses fund. The change means that after 1 January 2016 companies that activate self-developed intangible assets has to bring about an amount equal to the capitalised development expenditures from unrestricted equity to a fund for development expenses in restricted equity. In the event of amortisation of the capitalised development expenditures, the corresponding amount will be returned to unrestricted equity.

LEASING

The parent company has chosen to not apply IFRS 16 according to the possibility given in RFR 2. This means that the parent company's accounting of leasing remain unchanged. The parent company is leasee in operational leasing agreements in which the lessor carries the economical risks and advantages. The lease costs are accounted for liniary over the leasing period.

P2. Critical estimates and judgements

VALUATION OF SHARES IN SUBSIDIARIES

Shares in subsidiaries are recognised in the parent company at cost less any impairment losses. When an indication of impairment occurs, an impairment test is performed, using the same method as described for goodwill in Note C2. Impairment test has been carried out in 2021 in conjunction with the impairment testing of the group's goodwill. Important assumptions and estimates in connection with this are shown in the section about the goodwill impairment testing in Note C1 in notes to the consolidated statements.

In the 2021 impairment test, an impairment loss of shares in Tradedoubler's British subsidiary Tradedoubler Ltd. was identified. Impairment was made with SEK 25,000 thousand. In connection with the test, an opportunity for revaluating the shares in Tradedoubler's Polish subsidiary Tradedoubler Sp Zoo was identified. Accordingly, a revaluation of the shares corresponding to SEK 25,000 thousand was made. For more information on the book value of subsidiaries, see Note M15.

The parent com+pany if affected by estimates and judgements regarding intangible assets. For information regarding critical estimates and judgements in the annual accounts see the note to the Consolidated accounts, C2 Critical estimates and judgements.

P3. Distribution of revenue

SEK ´000	2021	2020
Net sales		
License fees	90,346	82,714
Transaction revenue	13,367	5,227
Fixed revenue	2,777	162
Total nettomsättning	**106,489**	**88,103**
Other revenue		
Other revenue	572	2,330
Governmental grants	-1,715	1,744
Total other revenue	**-1,143**	**4,074**
Total Revenue	**105,346**	**92,177**

P4. Remuneration to employees

AVERAGE NUMBER OF EMPLOYEES

	2021		2020	
		men (%)		men (%)
Sweden	38	44	35	50

COST OF REMUNERATION TO EMPLOYEES

SEK '000	2021	2020
Salaries and remuneration	27,045	26,841
Share-based payments	1,867	1,112
Summa	**28,912**	**27,953**
Pension expenses	1,974	1,844
Social security contributions	7,670	6,963
Social security contributions attributable to share-based payments	982	555
	10,625	**9,362**
Total	**39,537**	**37,315**

For further information regarding remuneration to the board and company management and the remuneration policies within the group, see notes to the consolidated statements, Note C5 Remuneration to employees, group management and board of directors.

P5. Share-based remuneration

PERFORMANCE-BASED SHARE PROGRAMME VIA REWORLD MEDIA S.A.

Three senior executives in Tradedoubler have taken part in the main owner Reworld Media's share program. For 2021, the Parent Company has reported a cost of SEK -2,849 (-1,668) thousand for the long-term incentive program decided on in 2020. For more information regarding the Group's share-based payments, see Note to the consolidated financial statements, Note K6 Share-based payments.

P6. Remuneration for auditor

SEK '000	2021	2020
EY		
Audit assignments	2,692	2,546
Other assignments	246	696
Total	**2,937**	**3,242**

Audit assignments refers to the examination of the annual accounts, the consolidated accounts and accounting records as well as the administration of the board of directors and the CEO, other duties that the Company´s auditors are obliged to perform as well as advice or other assistance arising from observations during such examination and implementation of such duties. In addition, the auditor reviewed the corporate governance report. The auditor has also reviewed the interim report for the period January-June 2021 and has been retained for certain advice, most of which pertained to audit-related consultations regarding accounting.

P7. Operating costs allocated by type of cost

SEK ´000	2021	2020
Remuneration cost to publishers	12,207	5,255
Employee costs	27,485	23,911
Depreciation and amortisation	17,362	20,637
Other operating costs	34,413	33,226
Total	**91,467**	**83,030**

P8. Operating leases

LEASING WHERE THE COMPANY IS LESSOR

Non-terminable lease payments amount to:

SEK '000	2021	2020
Within one year	4,112	3,587
Between one and five years	96	168
Longer than five years	–	–
	4,208	**3,755**

The operating lease costs in the company are mainly related to rent for office premises.

Costs for operating leases 2021 amounted to SEK 3,625 (3,851) thousand.

P9. Net financial items

SEK ´000	2021	2020
Dividends from group companies	4,368	5,100
Group contributions received	1,602	2,938
Write-down shares in subsidiaries	-25,000	–
Result from sales of shares in subsidiaries	6	131
Profit from participations in group companies	**-19,025**	**8,169**
Divestment of shares I other companies	9,292	–
Interest income, group companies	–	300
Interest income, other	4	117
Financial income	**9,296**	**417**
Interest expense, group companies	-1	-215
Interest expense, other	-5,013	-5,693
Unrealised result at fair valuation of short term investments	-1,908	4,771
Change in foreign exchange rates	-1,925	1,057
Other financial expenses	-914	-1,041
Financial expenses	**-9,763**	**-1,121**
Net financial items	**-19,492**	**7,465**

P10. Taxes

The company's tax expense is divided into the following components:

SEK ´000	2021	2020
Current tax expense		
Tax expense for the period	–	-399
Tax expense for prior years	–	6,837
Total current tax expense	**–**	**6,438**
Deferred tax		
Deferred tax related to temporary differences	-31	-29
Deferred tax expense due to utilisation of previous capitalised loss carryforwards for tax purposes	–	-14,000
Total deferred tax	**-31**	**-14,029**
Total	**-31**	**-7,591**

The tax expense for the year can be reconciled to profit before tax according to the following:

RECONCILIATION OF EFFECTIVE TAX

	2021		2020	
	%	SEK ´000	%	SEK ´000
Profit before tax		-5,613		16,611
Tax according to applicable tax rate	20.6	1,156	21.4	-3,555
Adjusted estimates for previous year's loss carryforwards	0.0		43.1	-7,163
Non-deductible expenses	-4.6	-258	2	-399
Non-taxable income	-75.7	-4,249	-7.1	1,172
Change in corporate income tax rate	-0.1	-4	–	–
Increase of loss carryforwards without corresponding capitalisation of deferred tax expense	59.2	3,323	-14.2	2,354
Effective tax/tax rate	**-0.6**	**-31**	**45.7**	**-7,591**

NON-RECOGNISED DEFERRED TAX ASSETS

Deductible loss carryforwards for tax purposes for which deferred tax assets have not been recognised in the income statement and balance sheet:

SEK '000	2021	2020
Tax on loss carryforwards	54,399	59,964
Total	**54,399**	**59,964**

The value for tax purposes or non-capital loss carryforwards has a perpetual term. Non-capital loss carryforwards relates to the assessment that it is uncertain whether these will be utilised in the near future.

DEFERRED TAX ASSETS RECOGNISED IN THE BALANCE SHEET

Deferred tax assets are attributable to the following:

SEK '000	Other non-current assets	Other unused tax deductions	Deferred tax assets and tax liabilities
Balance at Jan 1, 2020	130	14,000	14,130
Recognised via income statement	-29	-14,000	-14,029
Balance at Dec 31, 2020	**102**	**0**	**102**
Balance at Jan 1, 2021	102	0	102
Recognised via income statement	-31	0	-31
Balance at Dec 31, 2021	**70**	**0**	**70**

For more information on Other unused tax deductions, see Note C11 Taxes in the notes to the consolidated financial statements.

P11. Financial assets and liabilities distributed per category

Trade receivables, trade payables, other current receivables and liabilities that are measured at cost have short terms and thus fair value corresponds with the carrying amount. Tradedoubler currently has no liabilities valued at fair value through the profit and loss. Fair value for contingent additional purchase price has been determined using valuation models where significant inputs are based on unobservable market data.

P12. Intangible assets

SEK '000	Development expenses	Administration and support
Accumulated acquisition costs		
Opening balance at Jan 1, 2020	187,506	46,548
Investments for the year	23,064	–
Closing balance at Dec 31, 2020	**210,570**	**46,548**
Opening balance at Jan 1, 2021	210,570	46,548
Investments for the year	26,567	–
Closing balance at Dec 31, 2021	**237,136**	**46,548**
Accumulated amortisation		
Opening balance at Jan 1, 2020	-143,119	-46,548
Amortisation for the year	-20,615	–
Closing balance Dec 31, 2020	**-163,734**	**-46,548**
Opening balance at Jan 1, 2021	-163,734	-46,548
Amortisation for the year	-17,318	–
Closing balance Dec 31, 2021	**-181,052**	**-46,548**
Carrying amounts		
At Jan 1, 2020	44,387	0
At Dec 31, 2020	46,836	0
At Dec 31, 2021	**56,084**	**0**

P13. Property, plant and equipment

SEK '000	Equipment, tools, fixtures and fittings
Accumulated acquisition	
Opening balance Jan 1, 2020	11,313
Investments	44
Closing balance Dec 31, 2020	**11,357**
Opening balance Jan 1, 2021	11,357
Disposals	-11,259
Investments	280
Closing balance Dec 31, 2021	**378**
Accumulated depreciation	
Opening balance Jan 1, 2020	-11,259
Depreciation for the year	-22
Closing balance Dec 31, 2020	**-11,281**
Opening balance Jan 1, 2021	-11,281
Disposals	11,259
Depreciation for the year	-44
Closing balance Dec 31, 2021	**-66**
Carrying amounts	
At Jan 1, 2020	54
At Dec 31, 2020	76
At Dec 31, 2021	**313**

P14. Financial assets

SEK ´000	2021	2020
Accumulated acquisition costs		
Opening balance	187,376	185,823
Write-down shares in subsidiaries	-25,006	
Revaluation of shares in subsidiaries	25,000	
Investment in associated companies		79
Receivables from associated companies	1,847	1,475
Divestment other companies	-11,128	–
Closing balance Dec 31	**178,089**	**187,376**

During the year, a write-down of SEK 25 million was made regarding shares in the subsidiary Tradedoubler LTD and a revaluation of SEK 25 million regarding shares in the subsidiary Tradedoubler Sp zoo.

See Note P2 Critical estimates and assessments for more information.

P15. Investments

SPECIFICATION OF THE PARENT COMPANY'S DIRECT HOLDINGS OF PARTICIPATIONS IN SUBSIDIARIES AND OTHER COMPANIES

					Book value	
Subsidiary	Corporate identity number	Registered office	Number of shares	Participation as %	Dec 31, 2021	Dec 31, 2020
TradeDoubler OY	777468	Helsinki	100	100	70	70
TradeDoubler A/S	25137884	Copenhagen	125	100	5,772	5,772
TradeDoubler Ltd	3921985	London	5,000	100	115,000	140,000
TradeDoubler Espana SL	B82666892	Madrid	100	100	62	62
TradeDoubler Srl	210954 (rep)/26762 (Rac)	Milan	1	100	2,683	2,683
TradeDoubler GmbH	76167/URNo R181/2001	Münich	1	100	250	250
TradeDoubler AS	982006635	Oslo	1,000	100	6,011	6,011
TradeDoubler SARL	B431573716 (2000B08629)	Paris	500	100	119	119
TradeDoubler BV	20100140	Rotterdam	40	100	188	188
TradeDoubler International AB	556833-1200	Stockholm	500	100	3,195	3,195
TradeDoubler Sweden AB	556592-4007	Stockholm	1,000	100	2,003	2,003
TradeDoubler Sp zoo	015792506	Warszaw	1,000	100	25,115	115
TradeDoubler AG	CH020.3.3.028.851-0	Zürich	997	100	609	609
TradeDoubler Performance Marketing LTDA	14.273.556/0001-66	Sao Paolo	297,923	100	0	0
Tradedoubler Singapore PTE LTD*	201615663C	Singapore	1,000	100	–	6
R-Advertising	B502207079	Mougins	1,375,953	100	10,780	10,780
Metapic Sweden AB	556965-7868	Stockholm	10,000	100	2,831	2,831
MP Media Ventures GmbH	HRB220095B	Berlin	7,500	30	79	79
DynAdmic SAS	753502582	Mougins	346,180	0 (7)	–	11,128
					174,767	**185,901**

*Tradedoubler Singapore PTE LTD was struck off during 2021.

During the year, Tradedoubler Singapore PTE LTD was struck off. Furthermore, a write-down of shares in the subsidiary was carried out Tradedoubler LTD of SEK 25 million, see note M2 for more information. During the year, a revaluation of SEK 25 million of shares in the subsidiary was made Tradedoubler Sp zoo, see notes P2, P14 and P17 for more information.

A divestment of Dynadmic SAS was made during the year. See Significant events during the year on page 4.

P16. Prepaid expenses and accrued income

SEK ´000	2021	2020
Rent of premises	–	1 117
Software licenses	1 291	1 974
Other	346	352
Total	**1 637**	**3 443**

P17. Shareholders' equity

SHARE CAPITAL

Share capital refers to the parent company's share capital. Each share carries one vote and those entitled to vote may vote for the full number of shares represented and owned without any restriction in voting rights. All shares carry equal rights to share in the Company's assets and profits and in any surplus on liquidation.

At December 31, 2021, Tradedoubler AB had a share capital of SEK 18.4 M distributed among 45,927,449 shares, each share with a par value of SEK 0.40.

Reconciliation of number of shares	Number of shares issued	Issued share capital
Number of shares issued January 1, 2021*	45,927,449	18,370,978
Number of shares issued December 31, 2021*	45,927,449	18,370,978

* of which 790,760 shares are in own custody.

REVALUATION FUND

During the year, a revaluation of SEK 25 million was made regarding the shares in the Polish subsidiary Tradedoubler Sp zoo. This has been set aside against the company's revaluation fund. See Note M2 Critical estimates and assessments for more information on critical assessments regarding the revaluation.

SEK '000	2021-12-31
Revaluation fund	
Opening balance January, 1	–
Revaluation for the year	25,000
Outgoing balance December, 31	**25.000**

P18. Loans

In the third quarter 2019 Tradedoubler finalized an arms-length re-negotiation regarding its current loan agreement with the Company's principal owner Reworld Media S.A. The Company has increased its current facility with Reworld Media S.A from SEK 40 M to a total of SEK 138 M (EUR 13.45 M) in order to repay the Company's SEK 71 M loan to a Swedish credit institution.

The facility from Reworld Media S.A. is on market conditions and has a term until 2026 with a fixed interest rate of approximately 3-4%. The loan has an amortization structure where approximately SEK 12-13 million will be repaid each year until 2024. In 2024, SEK 6.4 million will be repaid and the remaining part of the loan will be repaid in 2025 or later. During 2021, an extra amortisation in addition to the plan was made, which led to that the total amortisation for 2021 was SEK 28.6 million. In 2022, SEK 12.4 is expected to be amortised according to plan, and is therefore classified as a current liability at the balance sheet date. The remaining loans are classified as long-term in the balance sheet and amount to SEK 80.2 million, which is adjusted for accrued set-up costs. The loan has a covenant which means that the entire loan must be repaid if a possible change in company control should take place.

For more information regarding loans, see Note to Consolidated Financial Statements, C18 Loans.

P19. Other liabilities

SEK '000	2021	2020
Current liabilities to publishers	150,228	125,827
Withholding tax and social security contributions	2,273	2,080
Other	6,447	603
Total	**158,948**	**128,510**

P20. Accrued expenses and deferred income

SEK '000	2021	2020
Holiday pay	2,731	2,509
Other payroll expenses	3,527	3,275
Consultancy costs	1,089	621
Audit costs	1,300	2,068
Closing of legal entities	–	179
Accrued interest	814	1,182
Reimbursement governmental support	1,932	203
Other	2,127	2,426
Total	**13,520**	**12,463**

P21. Financial risks

FINANCIAL RISKS AND RISK MANAGEMENT

Tradedoubler's financial risk management is handled and monitored at group level. For more information regarding the financial risks, see notes to the Consolidated statements, Note C21 Financial risks.

P22. Pledged assets and contingent liabilities

SEK ´000	2021	2020
Pledged assets		
Deposits for leased premises	834	–
Total	**834**	**–**

The company has no contingent liabilities.

P23. Transactions with related parties

Transactions with related parties are priced on commercial terms.

Transactions with related parties for Tradedoubler AB mainly consists of licensing fees corresponding to SEK 90 (83), invoiced by the parent company to subsidiaries and other revenue of SEK 7 M (5). The parent company's receivables from subsidiaries amounted to SEK 178 M (146). The parent company´s liabilities to subsidiaries amount to SEK 98 M (87). Receivables and liabilities from subsidiaries have been netted off in the balance sheet.

TRANSACTIONS WITH KEY PEOPLE IN EXECUTIVE POSITIONS

In May 2018, Tradedoubler entered into a loan agreement with Reworld Media. This loan was renegotiated and increased in Q3 2019 so that the Company could replace the loan from a Swedish credit institution. At the end of the year the loan amounted to SEK 96 M (EUR 9,42 M). The loan has an amortization structure and matures in 2026. The loan is subscribed on market terms and the interest expense during the year has amounted to SEK 4.4 M. The loan has as of the end of the period been amortized by SEK 28.6 M during 2021. The agreement contains a clause related to change of control, however, no other covenants are in place. The arm's length principle has been applied on all these transactions.

No transactions with key people in executive positions have taken place during the year except the ones specified in the notes to the Consolidated statements, Note C5 Remuneration to employees, group management and board of directors, Note C6 Share-based remuneration and Note C23 Transactions with related parties.

P24. Cash flow statement, supplementary information

CASH AND CASH EQUIVALENTS

SEK '000	2021	2020
Cash and bank balances	45,217	40,938
Total according to the balance sheet	**45,217**	**40,938**
Total according to the cash flow statement	**45,217**	**40,938**

SEK '000	2021	2020
Interest received	4	364
Interest paid	-5,382	-5,016

ADJUSTMENT FOR ITEMS NOT INCLUDED IN THE CASH FLOW

SEK '000	2021	2020
Depreciation and amortisation	17,362	20,637
Write-down of shares in subsidiaries	24,995	–
Divestment of shares in other companies	-9,291	–
Unrealised exchange rate differences	-7,813	-2,644
Share-based payments, settled against equity	1,867	1,112
Other	814	1,838
	27,934	**20,943**

P25. Shares and participation in other companies

The item refers to 7 per cent of the shares in DynAdmic.

SEK '000	2021	2020
Opening balance 1 January	11,128	11,128
Divestment of shares in Dynadmic	-11,128	–
Closing balance 31 December	–	–
Utgående balans 31 december	**0**	**11,128**

P26. Events after the balance sheet date

No significant events have occurred after the end of the balance sheet date.

For more information see Note to Consolidated Financial Statements, C27 Events after the balance sheet date.

The undersigned assure that the consolidated accounts and annual report have been prepared in accordance with international accounting standards, IFRS, as adopted by the EU, and pursuant to generally accepted accounting standards and provide a true and fair view of the group's and parent company's operations, financial position and results of operations and describe significant risks and uncertainties facing the group. The consolidated income statement and statement of financial position and the parent company's income statement and balance sheet are subject to approval by the annual general meeting to be held on 18 May 2022.

Stockholm, 27 April 2022

Pascal Chevalier
Chairman

Gautier Normand
Board member

Jérémy Parola
Board member

Erik Siekmann
Board member

Nils Carlsson
Board member

Matthias Stadelmeyer
President and CEO

Our Audit report was submitted on 27 April 2022
Ernst & Young AB

Jennifer Rock-Baley
Authorised Public Accountant

Auditor's report

To the general meeting of the shareholders of Tradedoubler AB, corporate identity number 556575-7423

Report on the annual accounts and consolidated accounts

OPINIONS

We have audited the annual accounts and consolidated accounts of Tradedoubler AB (publ) except for the corporate governance statement on pages 8-12 and the statutory sustainable report on pages 6-8 for the year 2021. The annual accounts and consolidated accounts of the company are included on pages 13-46 in this document.

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

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

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

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. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

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

KEY AUDIT MATTERS

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

ACCOUNTING AND VALUATION OF CAPITALIZED DEVELOPMENT EXPENDITURE

Description

Capitalized development expenditure is recognized in the statement of financial position of the group and the parent company at December 31, 2021 to 56 MSEK. The company's accounting policies for development expenditure is described in note K1. Capitalized development expenditures are amortized over the estimated useful life in accordance with the amortization periods described in note K1. Note K2 describes that significant estimates and judgments are required by the company to assess the conditions for capitalization of development expenditures. Furthermore, the company needs to make assumptions about the useful life of capitalized development expenditures in order to determine the amortization period. The company continuously evaluates whether there are indications of impairment for capitalized development expenditures. As described in note K2, there have been no cases of impairment triggers identified in the group and the parent company during the year.

As a result of the estimates and assumptions that needs to be made to determine whether development expenditure should be capitalized or not, the period of use and whether indications of impairment exist, we have assessed the accounting of development expenditures as a key audit matter.

How our audit addressed this key audit matter

In our audit, we evaluated the company's process for handling and accounting of development expenditures. We have further assessed the estimates and assumptions made by the company relating to ongoing development projects through monitoring and analyzing the future economic benefits on which the development projects are based.

We also evaluated the applied amortization periods against the underlying business decisions, and we have checked that amortization has been recorded in accordance with these. We have also assessed the company's assumptions made when assessing whether impairment exists or not.

We have also reviewed the disclosures in the annual report.

VALUATION OF GOODWILL AND SHARES IN SUBSIDIARIES

Description

Goodwill is recorded in the consolidated statement of financial position as of 31 December 2021 to 294 MSEK. Shares in subsidiaries are recorded in the statement of financial position for the parent company as of December 31, 2021 to 175 MSEK. Goodwill in the group is defined as an asset with indefinite useful live for which no amortization is recorded. Shares in subsidiaries are recognized at cost less any impairment write-offs. The company's accounting principles for goodwill and shares in subsidiaries are described in note K1 and note M1.

The company performs an impairment test at least annually and when an indication of impairment is identified to make sure that the carrying value of goodwill does not exceed the recoverable amount. For shares in subsidiaries, such a test is performed when there are indications that the carrying value exceeds the recoverable value. The impairment test performed during the year for goodwill has also included the parent company's carrying value of shares in subsidiaries. Principles for the impairment test are described in note K1. Significant judgments and estimates of the valuation and other significant information about the performed impairment test are described in Note K2 and K13. The impairment test that the company performed during 2021 has not resulted in any goodwill impairment. The impairment test resulted in an impairment of shares in the British subsidiary Tradedoubler Ltd. The write-off amounted to 25 000 KSEK.

As a result of the judgments and significant assumptions required when calculating the value in use, we have assessed the valuation of goodwill and shares in subsidiaries as a key audit matter.

How our audit addressed this key audit matter

In our audit, we evaluated the company's process for determining if an indication of impairment exists, and the preparation of the impairment test.

We have examined how cash-generating units are identified and determined. We have with support from our valuation experts evaluated the company's valuation and calculation methods, we have assessed the reasonableness of the assumptions and sensitivity analysis of changes in assumptions made. We have also assessed the accuracy in previous forecasts against historical results. We have evaluated the reasonableness of the used discount rate and long-term growth by comparing with other companies in the same industry.

We have also reviewed the disclosures in the annual report.

OTHER INFORMATION THAN THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-12 and 47-51. The Board of Directors and the Managing Director are responsible for this other information.

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

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

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

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

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

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

AUDITOR'S RESPONSIBILITY

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional 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.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

REPORT ON THE AUDIT OF THE ADMINISTRATION AND THE PROPOSED APPROPRIATIONS OF THE COMPANY'S PROFIT OR LOSS

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 Tradedoubler AB (publ) for the year 2021 and the proposed appropriations of the company's profit.

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. 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.

THE AUDITOR'S EXAMINATION OF THE CORPORATE GOVERNANCE STATEMENT

The Board of Directors is responsible for that the corporate governance statement on pages 8-12 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR´s auditing standard RevU 16 The auditor´s examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

THE AUDITOR´S OPINION REGARDING THE STATUTORY SUSTAINABILITY REPORT

The Board of Directors is responsible for the statutory sustainability report on pages 6-8, and that it is prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor´s opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

THE AUDITOR'S EXAMINATION OF THE ESEF REPORT

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Tradedoubler AB for the financial year 2021.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the ESEF report 4B7834CA34CDA2F4DD-CE5E7509204BD09C52EC1E5DCA36DC6E5F2B0676FB2B7F has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the ESEF report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Tradedoubler AB 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Esef report in accordance with Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a technical validation of the Esef report, i.e. if the file containing the Esef report meets the technical specification set out in the Commission's Delegated Regulation (EU) 2019/815 and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the Esef report has been marked with iXBRL which enables a fair and complete machine-readable version of the consolidated statement of financial performance, financial position, changes in equity and cash flow.

Ernst & Young AB, Box 7850, 103 99 Stockholm, was appointed auditor of Tradedoubler AB (publ) by the general meeting of the shareholders on the 18 May 2021 and has been the company's auditor since the financial year 2009.

Stockholm, 27 April 2022
Ernst & Young AB

Jennifer Rock-Baley

AUTHORIZED PUBLIC ACCOUNTANT

Board of Directors

Pascal Chevalier

Member and Chairman of the Board of Directors since 2015.

Independent in relation to the company and the executive management. Dependent in relation to the company's major shareholders.

Born: 1967

Education: MBA from IAE Paris, IT engineering graduate of EPITDA.

Other assignments: Co-founder and Chairman of the Board of Directors of Reworld Media S.A., Board Member and CEO of Sporever, Board Member of 50 Partners, Nextedia, Planet.fr, Leadmedia Group and Mobile Network Group.

Former assignments: Pascal was the Chairman of the board of Netbooster (Alternext Paris ALNBT), Director of Prosodie in London (now Cap Gemini), Chairman of the board of CPI Venture.

Shareholding: 0 shares.

Gautier Normand

Member of the Board of Directors since 2015.

Independent in relation to the company and the executive management. Dependent in relation to the company's major shareholders.

Born: 1978

Education: Business school in Paris.

Other assignments: Co-founder and CEO of Reworld Media S.A., Board Member and deputy CEO of Sporever.

Former assignments: CEO of La Tribune, Head of Projects at NextRadio TV. Deveopment Director at Axel Springer France and Media Sector Director at Deloitte.

Shareholding: 0 shares.

Jérémy Parola

Member of the Board of Directors since 2016.

Independent in relation to the company and the executive management. Dependent in relation to the company's major shareholders.

Born: 1987

Education: Bachelor degree in Marketing from EDHEC Business School and Master's degree in Communication, Marketing and Media Management at Celsa/La Sorbonne.

Other assignments: Web marketing director at Reworld Media S.A.

Former assignments: Business Development Manager at La Tribune (financial Newspaper).

Shareholding: 0 shares.

Erik Siekmann

Member of the Board of Directors since 2016.

Independent in relation to the company, the executive management and the company's major shareholders.

Born: 1971

Education: Studies in Economics at the Technical University of Berlin (TU Berlin).

Other assignments: Founder and CEO of Digital Forward GmbH and founder and CEO of Daytona Ventures GmbH as well as cofounder and CEO of ESP – eSales Performance Marketing GmbH.

Former assignments: CEO Blume 2000 new media AG and CEO and cofounder of Valentins GmbH.

Shareholding: 0 shares

Nils Carlsson

Member of the Board of Directors since 2016.

Independent in relation to the company, the executive management and the company's major shareholders.

Born: 1969

Education: MBA, Finance Management, Edinburgh 2011; School of Economics & Management Stockholm, Handelshögskolan 2004; School of Economics Växjö, University degree, Economics, 1994.

Other assignments: CEO Resurs Bank

Former assignments: CEO Fortnox, CEO Eniro Sweden AV, Electrolux Sweden AB; Group COO Netbooster Group; CEO Guava (UK).

Shareholding: 0 shares.

Company Management

Matthias Stadelmeyer

Chief Executive Officer (CEO) since April 2014.

Born: 1976

Education: Studied Industrial Management and Engineering at the University of Applied Sciences in Munich.

Previous assignments: Matthias Stadelmeyer has held several leading positions within Tradedoubler such as Sales Director and Head of TD Technology in Germany, Regional Director for market unit DACH and Vice President Sales. Matthias started his career as Team leader for Online Marketing at CANCOM IT Systeme AG, Munich.

Based: Munich.

Holdings: 100,000 shares.

Viktor Wågström

Chief Financial Officer (CFO) since October 2016.

Born: 1983

Education: Degree in Finance from Stockholm University.

Previous assignments: Viktor joined Tradedoubler in March 2015 as Head of Group Accounting, was appointed Interim CFO in May 2016 and took on the position permanently in October 2016. Prior to that Viktor worked for Cision, an international PR software company and held a number of roles including Group Treasurer and Business Controller.

Based: Stockholm.

Holdings: 20,000 shares.

François Pacot

Chief Technical Officer (CTO) since November 2017.

Born: 1985

Education: Studied Engineering at Telecom Bretagne in France and Marketing at UCI in California.

Previous assignments: François joined Tradedoubler in December 2016 when the group acquired R-Advertising, an email marketing company in which he held the position of the CEO. Prior to that François founded RoyalCactus, a leading social & mobile gaming company.

Based: Aix-en- Provence, France.

Holdings: 0 shares.

Alternative Performance Measurements

Tradedoubler uses the key ratios of capital employed and solidity to enable the reader to assess the possibility of dividend, implementation of strategic investments and the group's ability to meet financial commitments. Further, Tradedoubler use the key ratio EBITDA excluding change related items for investors to be able to understand the underlying business performance.

Definitions

Average number of employees
Average number of permanent- and temporary employees during the year.

Capital employed
Total assets less current and long-term noninterest-bearing liabilities, including deferred tax liabilities.

Change related items
Change related items refer to items of non-recurring nature and the purpose of disclosing these separately is to make it easier for the reader to understand the underlying year-on-year developments.

Debt/equity ratio
defined as the total of interest-bearing liabilities and pension provisions less cash and cash equivalents and interest-bearing receivables, divided by shareholders' equity.

EBIT
Profit before tax and net financial items.

EBITDA
EBITDA is revenue before tax, net financial items and depreciation/amortisation and impairment.

EBITDA-margin
EBITDA as a percentage of revenue.

Equity per share
Shareholders' equity divided by the average number of shares.

Gross margin
Gross profit as a percentage of total revenue.

Interest coverage ratio
Defined as profit before tax, plus interest expense, divided by interest expense.

Net cash
Liquid assets less interest-bearing liabilities.

Net margin
Profit after tax as a percentage of sales.

Operating margin
Operating profit as a percentage of revenue.

Operating profit (EBIT)
Profit before tax and net financial items.

Operating profit (EBITDA)
EBITDA is revenue before tax, net financial items and depreciation/amortisation and impairment.

Price/equity ratio
Price of the share divided by shareholders' equity per share.

Return on capital employed
Operating profit plus interest income as a percentage of average capital employed, calculated as opening and closing capital employed divided by two.

Return on shareholders' equity
Revenue for the period as a percentage of the average shareholders' equity, calculated as open and closing shareholders' equity divided by two.

Revenue per share before and after full dilution
Revenue of the year divided by the average number of shares after full dilution.

Solidity
Total equity as a percentage of total assets.

Working capital
Total current assets less cash and cash equivalents, short term investments and total current liabilities.

Tradedoubler

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