CONNECTING A WORLD OF RETAIL

ANNUAL REPORT 2023

VERTISEIT

THE FUTURE OF CUSTOMER EXPERIENCES

CONNECTING A WORLD OF RETAIL

Vertiseit is a leading Digital In-store company offering the In-store Experience Management (IXM) SaaS platforms Grassfish and Dise.

The platforms help global brands and leading retailers strengthen the customer experience by offering seamless customer journeys through connecting the physical and digital meeting.

CONTINUED STRONG GROWTH 2023

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ABOUT VERTISEIT

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"TOGETHER WITH OUR CUSTOMERS WE CREATE THE FUTURE OF RETAIL

VERTISEIT IS A RETAIL TECH COMPANY AIMING TO BECOME THE WORLD'S LEADING PLATFORM COMPANY WITHIN DIGITAL IN-STORE BY ACQUIRING AND DEVELOPING LEADING SAAS COMPANIES

Through the subsidiaries Grassfish and Dise, Vertiseit offers IXM platforms (In-store Experience Management) for the digital customer experience in retail. The company's products and services enable a unified brand experience and cohesive customer journey by bridging the customer meeting between online and in-person.

LEADER WITHIN DIGITAL IN-STORE

New consumer behaviours and expectations place increasingly high demands on the customer experience. Leading brands and retailers turn to Vertiseit to enable a unifified customer journey between digital channels and the physical customer meeting. The role of the store is changing rapidly, from being a place of transaction to an arena for experience, inspiration and service. This creates space for an actor with a focus on digital solutions for a strengthened customer meeting. The retail industry as we know it is fundamentally changing and it is happening right now.

The Vertiseit group has around 150 employees and more than 1,500 customer brands. Vertiseit was founded in 2008 and is headquartered in Varberg, with offices in Norway, Denmark, Austria, Germany, and the UK. Since 2019, the company's series B share has been listed on Nasdaq First North Growth Market.

ABOUT GRASSFISH

Grassfish is a leading platform company within Digital In-store. The company offers platform and expertise to global brands and leading retailers. The company was founded in 2005 and has more than 100 employees in Sweden, Norway, Denmark, Austria, Germany and UK. Direct sales to end customers, together with selected partners.

ABOUT DISE

Dise is a global software supplier within Digital In-store founded in 2003. The company's products are tailored for the digital customer experience in-store and offered as SaaS (Software as a Service). Sales through carefully selected full-service partners in each market.

HISTORIC MILESTONES

2022	Acquisition: MultiQ International AB
2021	Acquisition: Grassfish Marketing Technologies GmbH
2020	Acquisition: InStoreMedia (UK) Ltd.
2019	Vertiseit's series B share was listed on Nasdaq First North Growth Market Acquisition: Digital Signage Solutions Sweden AB
2018	Acquisition: Display 4 AB
2017	Acquisition: Dise International AB
2016	Award: National Champion European Business Awards Acquisition: Högberg & Westling AB (”UCUS”)
2014	Award: Deloitte Technology Fast 50
2013	Acquisition: ClearSign AB
2008	Foudation of Vertiseit

VISION

Connecting a world of retail

MISSION

We enable outstanding customer experiences for a more sustainable retail

BUSINESS IDEA

Backing exceptional people, shaping world-leading Digital In-store companies

CORE VALUES

Our corporate culture is our most important asset. It governs how we interact with each other and our customers. Today and into the future.

THINK LIKE A CUSTOMER

We know the value we create for our customers is the only path to long-term success. That's why we think like a customer.

MAKE IT SIMPLE

We love finding simple solutions to complex challenges. Simplicity colours everything we do, from the way we speak to the work we do.

DARE TO CHALLENGE

We stand up for what we believe and dare to challenge ourselves and our customers. Moving from words to actions, creating extraordinary results.

TRUST IN DIVERSITY

We see people's differences as the foundation of our culture and success. That's what unites us, we trust in diversity.

SUCCESS FACTORS

Retail is experiencing a major transformation where physical commerce is pitted against e-commerce. This entails major adjustments to meet new consumer behaviors. From the customer's perspective, the experience and the offer are crucial, regardless of channel. The role of the physical store needs to change from primarily being a place for transactions to becoming an arena for inspiration and experiences.

ARR - GROWTH DURING PROFITABILITY
Vertiseit has grown the company's Annual Recurring Revenue (ARR) by an average of 48 percent per year since 2012 (CAGR "Compound Annual Growth Rate") – always with profitability. During the period 2012–2023, the company's ARR has grown sequentially, 48 quarters in a row. Of the company's total turnover, around 50% constitutes of SaaS (Software as a Service) revenue.

STRONG ACQUISITION HISTORY
Vertiseit's strategy is to grow organically and through selected acquisitions. Since 2012, the company has successfully completed and integrated eight corporate acquisitions. The company's group structure enables an accelerated acquisition agenda, including both standalone strategic acquisitions and integrated acquisitions containing new customers and markets

PLATFORM LEADER IN EUROPE
With the acquisition of Grassfish in 2021, Vertiseit took the position as the leading platform company within Digital In-store in Europe. The position was further strengthened through the acquisition of MultiQ in 2022. These acquisitions were important steps towards the company's long-term goal – to become the world-leading platform company within Digital In-store by 2026.

STRONG CORPORATE CULTURE
The company's success is built on passion and curiosity, and a diversity of people and skills. A corporate culture characterised by trust and an entrepreneurial approach to collectively move from words to action and create results.

VERTISEIT AS INVESTMENT

Vertiseit is today well positioned as market leader in Europe, with the ambition to become the world's leading platform company within Digital In-store.

Vertiseit is a SaaS company that has delivered sequential ARR growth every quarter for more than ten years.

The growth has been performed during profitability, combining organic and acquired growth. This has been made possible through high customer satisfaction and long customer relationships.

The company's strategy is focused on global expansion and scalability. This is made possible through a clear partner strategy and software focus, where an increased share of SaaS revenues gradually drives increased profitability and strong cash flows.

Several of the company's senior executives are also among the company's long-term major shareholders.

INVESTMENT HIGHLIGHTS

- Leading SaaS company within Digital In-store
- Sequential ARR growth every quarter for more than ten years
- Strong growth during profitability
- Focus on global scalability together with partners
- Increasing share of SaaS revenue
- Management among major shareholders
- Professional and institutional investors

2023 IN SHORT

KEY EVENTS DURING 2023

Strong organic ARR growth of 17 percent, in line with long-term goals.

Increased profitability through realised synergies and measures for enhanced efficiency.

Divestment of the Group's ITS business completed, resulting in increased focus on the platform offering.

Integration of the MultiQ acquisition completed, and group-wide IT infrastructure in place.

+10 YEARS OF ARR GROWTH

2023 was a strong year for Vertiseit, despite challenging market conditions. The company continued to deliver organic growth in recurring revenue (ARR). At the end of the year, the company reached 48 consecutive quarters of sequential ARR growth, demonstrating the strength of Vertiseit's business model and offering.

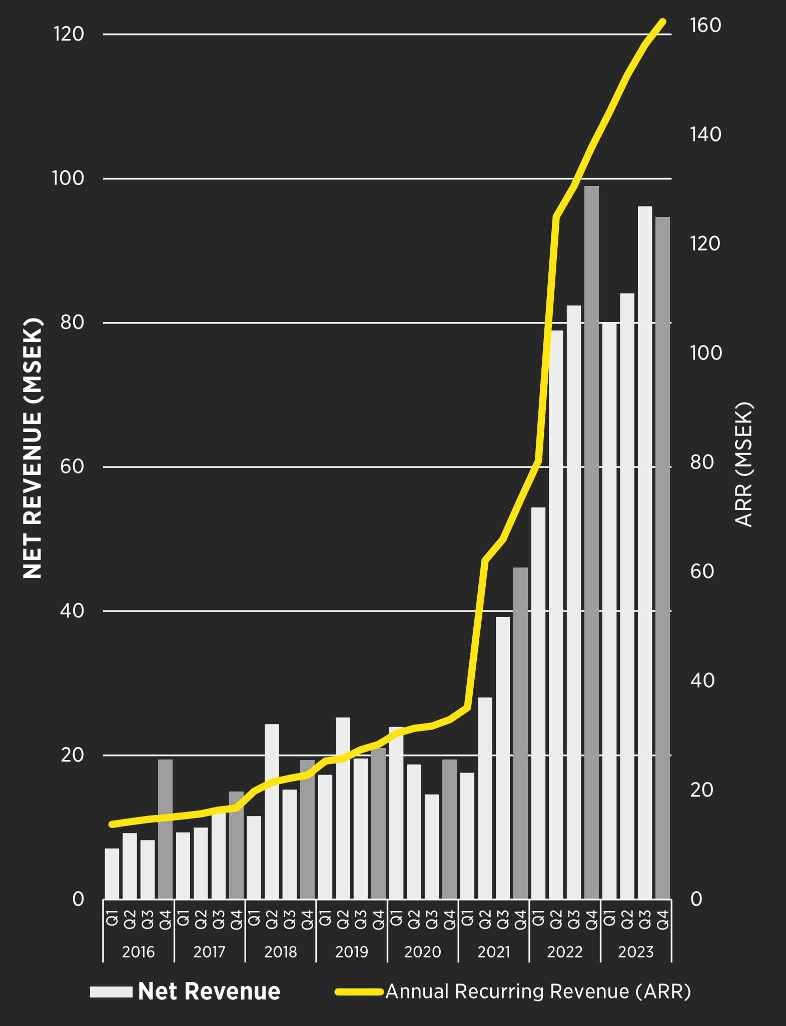
ARR

161 MSEK

Annual Recurring Revenue (ARR)
2023-12-31

(138)

REVENUE DEVELOPMENT



Group KPI's	Full year 2023	Full year 2022
KSEK	**Jan-Dec**	**Jan-Dec**
ARR	160 756	137 713
Net Revenue	347 623	314 661
Of which SaaS Revenue	177 693	136 372
Adjusted EBITDA[1]	59 457	47 655
EBITDA	55 270	35 361
Profit for the Year	11 853	9 344
Gross Margin (%)	66,5	60,9
Adjusted EBITDA Margin (%)	17,1	15,1
EBITDA Margin (%)	15,9	11,2
Net-debt	113 618	129 860
Equity Ratio (%)	50,0	47,7
Earnings per Share (SEK)	0,58	0,48
Earnings per Diluted Share (SEK)	0,52	0,43
Average number of Shares (pcs)	20 316 519	19 625 562
Average number of Diluted Shares (pcs)	22 983 698	21 897 320

[1] In adjusted EBITDA, extraordinary items are excluded, which for the full year 2023 amounted to SEK 4.2 million (12.3).

STRONG GROWTH

CEO COMMENT

It's time to summarise 2023, and we are pleased that Vertiseit continues to evolve in line with our long-term goals. For the full year, we delivered an organic ARR growth of 17 percent, which is a strong performance given the more challenging market climate that prevailed during 2023. At the end of the year, we could also observe that the implemented efficiency measures had the intended effect; for the fourth quarter, the EBITDA margin was strengthened to 24 percent. Altogether, we enter 2024 in a strong position, on the continued journey towards becoming the globally leading SaaS company within Digital In-store.

PLATTFORM FOR DIGITAL IN-STORE

Leading brands and retailers are in the midst of a digital transformation to create a unified customer experience across digital channels and physical customer interactions. A platform for In-store Experience Management (IXM) is essential for managing digital touchpoints as an integrated part of the customer journey and leveraging digital capabilities in-store. An IXM platform is crucial for meeting the customer, on their terms, both physically and digitally.

INCREASED FOCUS ON PROFITABILITY

During the year, we implemented a number of efficiency measures that had the intended effect, resulting in a strengthened EBITDA margin of 24 percent in the fourth quarter, compared to 17 percent for the full year. This demonstrates that we are rapidly evolving in line with our ambition to enhance profitability and cash flow, aiming to reach a 30 percent EBITDA margin by the end of 2024. It is also pleasing to note that both Grassfish and Dise are driving the positive development of growth and profitability. With a strengthened cash flow, our ability to independently perform strategic initiatives and complementary acquisitions increases.

GRASSFISH

Grassfish continues to successfully execute its strategy with a focus on global brands and leading retailers. With a strong platform offering and related consulting services, the company works in direct relation with the client alongside carefully selected partners. A partner model that we call "Side-by-Side". Throughout the year, the company's focused strategy has delivered, with growth on existing customers such as Porsche, Lidl, Schindler, and VW Group. At the same time, we have signed new agreements with a number of new retailers, which we hope to be able to tell more about later in the year.

DISE

Dise's strategy, with sales through carefully selected partners in each market, has continued to deliver. This is a successful model, where we have the pleasure of working with several nationally leading full-service providers of Digital In-store in Europe. Among other achievements this year, a new partnership agreement was signed with First Impression, the leading full-service provider in the Benelux. Throughout the year, the company has also taken significant steps towards strengthening its partner network in the North American market. This was notably manifested through Dise's agreement with the partner Scientific Games, announced in the fourth quarter, an agreement with a minimum SaaS contractual value of just over 20 million SEK during the contract period.

DIVESTMENT OF ITS

Following the acquisition of MultiQ, we have now completed the integration of MultiQ's operations into Grassfish and Dise. As part of this process, during the third quarter, we divested the Intelligent Transport Solutions (ITS) business, MultiQ Denmark A/S, allowing us to fully focus on our platform offering. The buyer was Journeo plc, a leading full-service provider in ITS based in the UK and listed on the London Stock Exchange. The purchase price was 2.3 million EUR in cash payment. This transaction aligns with Vertiseit's SaaS strategy and lays the foundation for a long-term partnership with Journeo as a partner within ITS.

NEW LONG-TERM GOALS

With a strong end of the year and increasing market activity, we look forward to 2024 with great confidence. The market for Digital In-store is expected by independent industry analysts to return to double-digit growth during 2024. This aligns well with our view of increasing demand, evidenced by a rising number of inquiries and a strong order book.

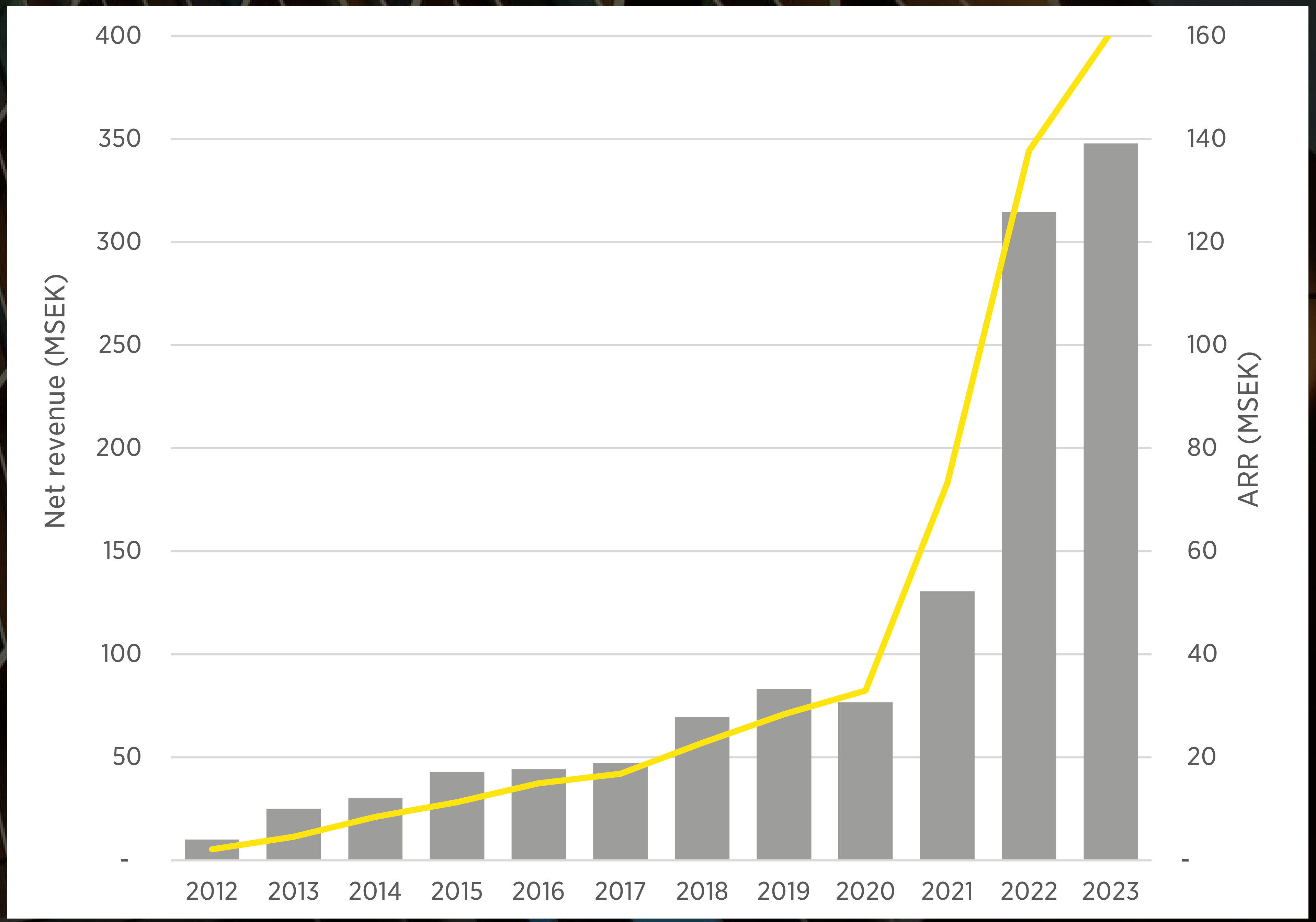
Thanks to the impressive efforts of all our employees, we conclude 2023 with rising profitability and a strengthened market position. This enhances our ability to capitalise on the growth- and acquisition opportunities we see.

On April 17, we hope to meet many shareholders, analysts, and other interested parties at our Capital Markets Day in Varberg. Here, we look forward to presenting a moredetailed view of Vertiseit's operations and strategies and taking the next significant step by communicating new long-term goals.

Johan Lind, CEO

PROFITABLE GROWTH

Revenue development 2012 – 2023



QUARTERLY OVERVIEW

KSEK	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019
Annual Recurring Revenue (ARR)	160 756	156 565	150 873	144 097	137 713	130 385	125 027	80 297	73 262	65 942	62 081	35 161	32 967	31 760	31 358	30 371	28 402
Net Sales	87 409	96 152	84 095	79 968	98 933	82 397	78 940	54 391	45 762	39 198	28 030	17 595	19 409	14 598	18 736	23 943	21 128
Of which recurring revenue (SaaS)	42 851	47 536	44 842	42 464	42 409	39 365	32 371	22 227	21 676	18 990	12 912	8 715	8 063	7 661	7 581	7 282	6 398
Adjusted EBITDA	20 535	20 211	7 387	11 325	13 164	15 482	8 449	10 560	8 873	4 359	4 025	2 516	2 760	3 247	4 206	2 908	2 509
Earnings Before Depreciation (EBITDA)	20 535	16 420	7 092	11 223	12 130	15 315	-938	8 855	8 453	4 095	2 025	2 516	2 060	3 247	3 706	2 908	2 509
Profit for the Period	5 688	9 395	-4 576	1 279	8 030	5 984	-7 123	2 454	929	221	112	1 193	160	1 519	2 534	1 194	859
Gross Margin (%)	66,8	62,6	66,4	70,9	57,0	64,8	58,8	65,0	71,0	66,2	69,7	66,5	61,9	67,5	61,4	54,9	64,2
Adjusted EBITDA Margin (%)	23,5	21,0	8,8	14,2	13,3	18,8	10,7	19,4	19,4	11,1	14,4	14,3	14,2	22,2	22,4	12,1	11,9
EBITDA Margin (%)	23,5	17,1	8,4	14,0	12,3	18,6	-1,2	16,3	18,5	10,4	7,2	14,3	10,6	22,2	19,8	12,1	11,9
Equity Ratio (%)	50,0	47,4	45,4	42,9	47,7	47,6	45,5	52,1	52,1	34,2	32,9	53,6	41,7	51,4	47,6	44,4	45,6
Average Number of Shares (pcs)	20 501 747	20 501 747	20 252 947	20 190 747	20 190 747	20 190 747	19 542 094	18 553 539	17 637 788	14 386 872	13 372 817	12 757 140	12 757 140	12 757 140	12 757 140	12 757 140	12 757 140
Data per Share (SEK)																	
Annual Recurring Revenue (ARR) per Share	7,84	7,64	7,45	7,14	6,82	6,46	6,40	4,33	4,15	4,58	4,64	2,76	2,58	2,49	2,46	2,38	2,23
Adjusted EBITDA per Share	1,00	0,99	0,36	0,56	0,65	0,77	0,43	0,57	0,50	0,30	0,30	0,20	0,22	0,25	0,33	0,23	0,20
EBITDA per Share	1,00	0,80	0,35	0,56	0,60	0,76	-0,05	0,48	0,48	0,28	0,15	0,20	0,16	0,25	0,29	0,23	0,20
Earnings per Share	0,28	0,46	-0,23	0,06	0,40	0,30	-0,36	0,13	0,05	0,02	0,01	0,09	0,01	0,12	0,20	0,09	0,07

MARKET AND STRATEGY

STRATEGY FOR GLOBAL EXPANSION

The market for Digital In-store is experiencing strong growth and undergoing major changes. Similar to other maturing industries, there is an increasing consolidation and specialisation within the sector. Vertiseit's goal is to become the leading platform company within Digital In-store, and the strategy is designed to excute in achieveing this objective.

RECURRING REVENUE INCREASE WITH SPECIALISATION IN THE VALUE CHAIN
Until today, the Digital Signage market has been dominated by national and regional full-service providers. As Digital In-store becomes more business critical, and a part of customers' digital ecosystems, this is changing. Global brands and retailers are now experiencing a clear shift and strategic transition. The Digital In-store platform is now a vital part of the digital ecosystem, just as platforms for product information (PIM), digital addet management (DAM), customer relations (CRM), and e-commerce are. With a Digital In-store platform as a global resource, conditions are created for digital teams and agencies to collaboratively design, develop, and manage applications. The same logic and economies of scale are achieved in the relationship to integrators in each geographic market, who are responsible for the installation and operation of the physical infrastructure in the form of displays and technology.

PLATFORM WINNER
Similar to other industries that have undergone comparable transformation, also within the Digital In-store sector, clear platform winners will emerge. An example of this can be seen in the e-commerce platform market, which today is dominated by a few players. The former full-service providers in this industry are now increasingly acting as consultants and integrators of the dominant platforms. The reason for this is that integrators and full-service providers generally struggle to keep pace with pure platform companies, which can allocate more resources and their entire focus on product development.

PERSONALISED AND DATA DRIVEN
Customers' changing behaviors and expectations on the customer experience are setting new requirements. For brands and retailers, the need for a unified brand experience and a unified customer journey between online and in-person channels becomes central. The era when Digital Signage was a closed system for scheduling content on digital displays is over. To meet today's needs and challenges, the Digital In-store platform needs to be an integrated part of the digital ecosystem to share data, content, and capabilities across channels. This is all in order to create more personalised and relevant experiences.

PLATFORM OVER APPLICATIONS
The market is developing from a scenario where the concept and customer experience dictated the choice of platform for each individual solution, resulting in limited scalability, to now selecting the platform as a central resource. By utilising a unified platform to deploy concepts and applications, significant economies of scale are accomplished, along with entirely new possibilities for creating, further developing, and managing solutions over time.

LONG-TERM GOALS

2024
MISSION 200
Recurring SaaS revenue to exceed MSEK 200 (ARR) by the end of 2024

2026
GLOBAL #1
#1 Global Digital In-store platform company by the end of 2026, measured as number of active SaaS licenses

FINANCIAL TARGETS

GROWTH
>25%
Average yearly ARR growth (CAGR) exceeding 25 percent during 2022-2024

PROFITABILITY
>30%
Profitability (EBITDA) to exceed 30 percent by the end of 2024

REVENUE RETENTION
>100%
Recurring SaaS revenue from existing customers at the end of each year to exceed 100 percent of recurring SaaS revenue from the same customers at the start the same year

GROUP STRUCTURE

In Vertiseit's corporate structure, the parent company Vertiseit AB, is a pure holding company within Digital In-store, aiming to develop and acquire SaaS companies within Digital Signage with a focus on Digital In-store. The structure enables an acquisition agenda, including both standalone and complementary acquisitions for its subsidiaries, Grassfish and Dise.

GROWTH STRATEGY
Since 2012, Vertiseit has successfully acquired and integrated several companies, while also performing signinficant organic growth. The group's strategy includes an accelerated acquisition agenda, indicating that a significant portion of future growth is expected to be generated through acquisitions.

ACQUIRED GROWTH
Vertiseit will continue to perform selected acquisitions. These can be both complementary, i.e., adding customers and market shares to Grassfish and Dise, as well as strategic acquisitions that add standalone operations which complement the group's offerings.

ORGANIC GROWTH
The group aims to grow organically while maintaining profitability. For existing customers, growth is achieved by adding more applications and ensuring full-scale deployment of concepts within the customers' operations. Regarding new customers, the primary focus is on global brands and leading national retailers with a potential exceeding 1,000 systems.

DOTTERBOLAGET

GRASSFISH

The global frontrunner in Digital In-store solutions. Powered by our best-in-class platform. Enabled by brilliant people.

Grassfish offering

Grassfish is a Digital In-store company offering the leading platform and expertise to empower brands delivering outstanding customer experiences. Grassfish IXM Platform offers brands and retailers a unified way to manage all Digital Signage touchpoints on a global scale.

We bring category expertise within Digital In-store. Acting as your strategic partner, we bridge the gap between online and in-person. Creating retail experiences that make all the difference.

Experiences make the difference

We believe that outstanding experiences make all the difference. It's how we separate the okay from the wow and the way true brand loyalty is built. Therefore, our mission is to enable extraordinary customer experiences – every day. Grassfish has earned recognition for its powerful In-store Experience Management Platform and dedicated people, helping leading global brands stand out and beat the competition.

Vision

Empower every global brand to create exceptional retail.

Business idea

Platform and expertise to empower brands delivering outstanding Digital In-store experiences.

Mission

Together we enable extraordinary customer experiences every day.

Customer Cases

BMW's centralized in-store solution.

BMW provides dealers a powerful channel for displaying the latest information and advertising in their car showrooms. The Grassfish IXM Platform enables users to create and manage content in an intuitive way.

Bosch enriches the customer journey.

Bosch offers customers a comprehensive experience of the product portfolio in-store, whilst facilitating the sales conversation by digitally supporting the marketing, sales, and customer service processes.

SPAR takes a leap into the future

SPAR Switzerland, part of one of the largest retail groups in the world, uses the Grassfish IXM Platform, computer vision technology and an advertisement booking platform, to create a highly personalised shopping experience in its 180+ stores.

Turning dealership visits into loyal customers.

Volkswagen's digital in-store concept includes around twenty different channels and interactive solutions. The goal is to empower each customer to navigate their journey the way they want.

Digital touchpoints at their best.

FC Bayern uses advanced digital touchpoints incorporated with the store elements and fan merchandise – as well as customer specific solutions in order to deliver an unforgettable experience.

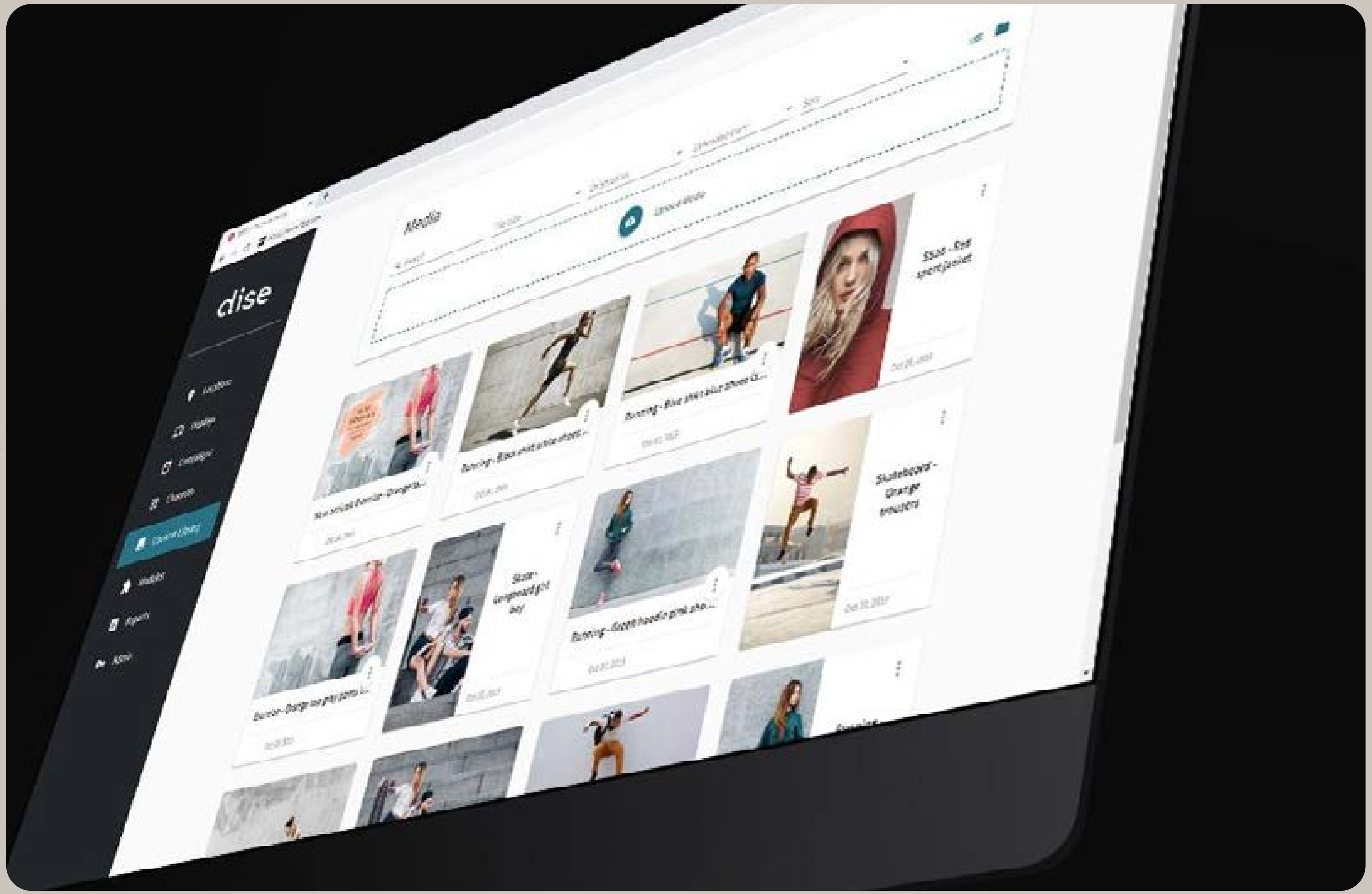
Digital advertising & entertainment.

The Swiss company Schindler AG is opening up a whole new field of business with Digital Signage solutions in their lifts. They use the increased attention in the cabin to enable targeted communication.

DOTTERBOLAGET

dise

Dise is the *in-store experience platform* for global brands and leading retailers.



Create powerful in-store experiences

We are a Swedish retail tech company aiming to provide the best in-store experience for end customers and accelerate our partners business goals.

Dise connects the customer journey from online to in-person with digital touchpoints in-store. Offering the one platform designed specifically for retail.

Whether you are a digital agency, a global brand or a leading retailer, Dise supports your Digital In-store solutions, through a global partner network of full-service providers.

Vision

The number one Retail In-store Customer Experience platform.

Mission

Supporting the brick and mortar transformation to meet the new generation of customers.

Business idea

Dise develops and delivers a powerful Digital In-store platform; through a global partner network.

Customer Cases

Lamborghini

Performance and design

Lamborghini are known for pushing the boundaries of what is possible in performance and design. Their solution for Digital Signage is no exception. Lamborghini chose Dise as the platform for their showrooms globally.

Event Cinemas

Increased sales

Event Cinemas, an Australian cinema chain based in Sydney, Australia, chose the Dise platform when digitising their new interior design concept. The objective of the solution was to facilitate the visitor experience and drive additional sales. The installation includes more than 1,000 systems.

Marks & Spencer

Strengthened customer experience

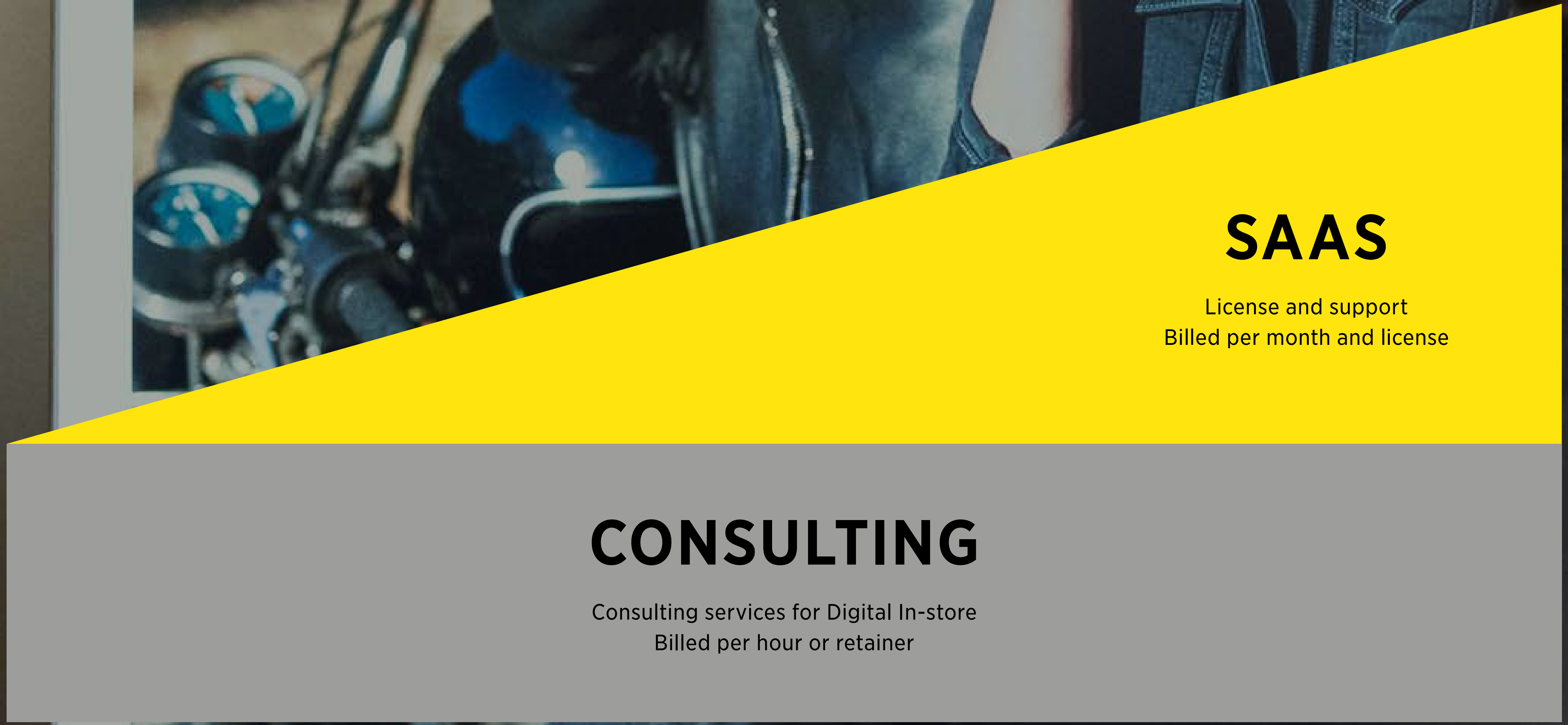
With the Dise's platform, M&S has implemented a large number of digital touchpoints in its store concepts. After an extensive procurement process, M&S once again chose Dise as their platform for the digital customer experience in-store.

BUSINESS MODEL

Key in Vertiseit's strategy is the growth of recurring SaaS revenue (Software as a Service). The SaaS revenue is generated from licensing and support of the company's software platforms.

SAAS
Licensing of Grassfish's and Dise's IXM platforms. Billing per license and month. The SaaS delivery also includes support and proactive monitoring. The growth of SaaS revenue enables stable, predictable revenue streams that grow in line with increased customer usage.

CONSULTING
Consulting ensures long-term value creation for the company's customers through strategy, concept development and management of in-store solutions. Efforts are performed by cross-functional teams with an wide composition of people and skills. Billed by the hour as ongoing projects or through fixed retainers.



SUSTAINABILITY

SUSTAINABLE AT HEART

At Vertiseit, sustainability is our natural approach to strategic as well as to everyday decisions. A sustainable business is a prerequisite and a key success factor for the company's development. Ultimately, it is about the world being able to accomodate the needs of today without compromising the possibilities for future generations. Vertiseit's ambition is to contribute positively to an economic, social and environmental development. In reality, it is often the small everyday choices that together make a big difference.

148
Number of full-time employees (FTE)[1]
2023-12-31

2/6
Women/men in group management
2023-12-31

34
Average age of employees
2023-12-31

2/4
Women/men in Board of Directors
2023-12-31

[1] Adjusted for employees under notice period

ECONOMIC SUSTAIALBILITY

Long-term value creation for Vertiseit's customers is the prerequisite for the company's long-term development and profitability. Vertiseit works actively to balance economic growth with social and environmental sustainability. With economic development and stability, the company can contribute to positive change and meet the expectations set by the market, employees and society at large.

ENVIRONMENTAL SUSTAINABILITY

Vertiseit's solutions have a large positive impact by reducing the customers' use of resources. When e-commerce and the physical stores are connected, the rate of returns and transport can decreases. With extended digital assortments, stores can be downsized and overproduction reduced. Vertiseit's interactive solutions create possibilities for more extensive product information and increased transparency.

In the company's operations, all employees are committed and work systematically to identify and evaluate environmental impact. Efforts are focused on areas such as transport, energy efficiency and procurement. The company's management system is quality and environmentally certified according to ISO 9001 and ISO 14001.

SOCIAL SUSTAINABILITY

At Vertiseit, diversity of people and skills is a prerequisite for the company's current and future development. Therefore, the company has chosen to engage in the network Open Companies, which works to create competitiveness through openness. Openness is about welcoming ideas, initiatives, and diverse thinking. Openness means taking responsibility for creating a positive work environment without violations, and where differences in age, orientation, culture, and ethnicity are considered as strenths. Openness provides confidence and courage to raise ideas that drive development in the company, and ultimately, a better society. In the local community, Vertiseit contributes through collaborations with local associations, schools, young entrepreneurs, and by being an attractive employer.

ORGANISATION AND EMPLOYEES

Vertiseit is an innovative company with vast technical competence which, together with great knowledge and experience from retail and its challenges, drives development in the industry. The company consists of a team of around 150 employees with specialist skills in various disciplines.

The corporate culture is Vertiseit's most important asset and it characterises how we act towards each other and in relation to customers, suppliers and partners. The culture rests on the core values: Think like a customer, Make it simple, Dare to challenge and Trust in diversity. Vertiseit works closely with its customers and builds trust by creating business value, caring for, and understanding their business. An approach that gives customers comfort in their digital transformation.

HOW WE ACT TOWARDS OUR CUSTOMERS

- We care for our customers and dare to challenge them
- We are uncomplicated and prestigeless
- We have an entrepreneurial approach the challenges we meet

HOW WE ACT TOWARDS EACH OTHER

- We think big and believe in innovation and diversity
- We show trust and respect for each other and have fun together
- We go from words to action and create results

A GOOD EMPLOYER

For more than fifteen years, Vertiseit has recruited and developed a fantastic team of employees with various skills. Together, we have created a unique culture where everyone is equally involved in the company's development and success. Competence is ultimately about developing and making use of each employee's potential. Altogether, this has resulted in that more and more talents seek to join Vertiseit.

RISKS & RISK MANAGEMENT

Vertiseit is exposed to a number of risks, both in terms of its own operations and the industry in which the company operates. The company works continuously to identify risks and their potential impact on Vertiseit, in order to prevent them from occurring or to minimise any potential damages these risks could cause.

MARKET AND EXTERNAL RISKS

COMPETITION
Vertiseit is exposed to competition, including from players with greater financial resources, which may mean that these have better conditions to adapt to changes in customer demand and to allocate more resources to product development and market operations. Therefore, there is a risk that Vertiseit could not assert itself from a competitive standpoint or improve its market position. Increased competition can lead to price pressure on products and services and reduced market share.

Risk management: Vertiseit has a strong position in the market with many long-term and close customer relationships with successful international companies. Furthermore, Vertiseit has historically demonstrated a good ability to achieve profitable growth despite strong competition.

CUSTOMERS
Vertiseit has a diversified customer base consisting of more than 1 500 clients, spread across more than 60 countries. Despite this good risk diversification, the company is dependent on the success and orders of individual customers.

Risk management: Vertiseit is continuously working to develop its customer base with more clients and deeper collaborations. Vertiseit's customers are well diversified across different industries. In both Grassfish and Dise, the 100 largest customers accounted for about 75 percent of the company's recurring revenues in 2022, which is considered to be well diversified. No single customer accounted for more than 10 percent of the recurring revenues for the year.

REGULATIONS AND POLITICAL DECISIONS
Vertiseit operates in Sweden but also sells to customers in other countries. Vertiseit is exposed to risks associated with changes in laws, regulations, taxes, and tariffs – which are beyond Vertiseit's control.

Risk management: Vertiseit actively works to continuously develop the company's compliance function to ensure good control and adherence to regulations.

DEVELOPMENT RISK
The industry is exposed to rapid and continuous development, and there is a risk that Vertiseit's products may not evolve as well as those of its competitors, and that Vertiseit's products and services may not achieve the same commercial impact in the market.

Risk management: Vertiseit has more than ten years of profitable growth, which has been achieved through continuous development of the company's offerings in close dialogue with its customers. Product development is conducted in a structured and professional manner and is a well-integrated part of the company's organisation.

FINANCIAL RISKS

CAPITAL NEEDS
Vertiseit may need additional capital in the future. There is a risk that the company will not be able to procure capital in the future, which could negatively affect the company's development plans.

Risk management: Vertiseit has experienced profitable growth for more than ten years and has a stable financial position. Since 2019, the company's B-share has been listed on the Nasdaq First North Growth Market, which positively affects the possibilities for future capital procurement.

OPERATIONAL RISKS

BRAND
Vertiseit could be negatively affected if the company's reputation among its customers deteriorates. The company can also be affected if the reputation of selected suppliers or customers is tarnished.

Risk management: Vertiseit selects its customers, suppliers, and partners with care. These are evaluated continuously, and the company always has the option to terminate or refrain from extending an existing collaboration if the counterpart does not meet the requirements set by Vertiseit.

STAFF AND KEY EMPLOYEES
Vertiseit is dependent on its senior management, many of whom are also founders of the company, and other qualified personnel in product development, marketing, and sales. The ability to recruit and retain qualified employees is of utmost importance to ensure the level of expertise. If Vertiseit were to lose several of its key employees, or if it fails to recruit competent personnel, this could negatively affect expansion and growth.

Risk management: One of Vertiseit's most important success factors is the company's corporate culture. Since its inception, the company has cared for its employer brand and has a documented ability to attract qualified talent to the company.

PRODUCTION
Vertiseit uses, and intends to use, external manufacturers for the production of digital displays, media players, and other related equipment. This means that Vertiseit is dependent on external deliveries meeting requirements for, for example, delivery time, quantity, and quality. There is a risk that Vertiseit may suffer from missed or delayed deliveries or quality issues in the delivered products.

Risk management: Vertiseit has long-standing and close relationships with the most reputable international brands in terms of hardware, as well as with the suppliers of the same. The cooperation with these is solution-oriented and characterized by reciprocity.

ACQUISITION RISK
Vertiseit includes acquisitions as part of its growth strategy and may experience difficulties regarding the execution of acquisitions, integration of acquired businesses, and achieving expected synergies.

Risk management: Vertiseit has documented ability and experience in conducting several corporate acquisitions and integrating them into the company's operations.

INTELLECTUAL PROPERTY RIGHTS RISKS
Vertiseit is exposed to risks regarding disputes of an intellectual property nature, such as infringement on the company's intellectual property rights, unknowingly infringing on others' intellectual property rights, and the company not having unrestricted ownership rights to all its intellectual assets.

Risk management: The company continuously works to develop and protect intellectual assets.

THE VERTISEIT SHARE

SHARE- AND SHAREHOLDER INFORMATION

Vertiseit has been listed on the Nasdaq First North Growth Market since 2019. Since then, the stock has experienced a positive price development of 54 percent.

SHARE PRICE DEVELOPMENT

Since its introduction on May 28, 2019, until December 31, 2023, the Vertiseit share has had a positive share price development of 54 percent. During the same period, the OMX Stockholm 30 Index has increased by 58 percent, while First North Index has decreased by -10 percent. The highest payment price in 2023 was 39.50 SEK, recorded on January 19. The lowest payment price was 14.95 SEK, noted on October 26, 2023. The last payment price at the end of the year was 23.50 SEK, corresponding to a market value of 482 MSEK.

SHARE CAPITAL AND ITS DEVELOPMENT

As of December 31, 2023, Vertiseit's share capital amounted to 1.0 MSEK, divided into 20,501,747 shares with a quota value of 0.05 SEK per share. Of the total outstanding shares, 2,429,510 were series A-shares and 18,072,237 were series B-shares. Series A-shares grant the holder one vote, while series B-shares grant the holder one-tenth of a vote. Series A-shares and series B-shares have the same rights to the company's assets and profits. According to the articles of association, the share capital shall be at least 539,817 SEK and at most 2,159,268 SEK, divided into no less than 10,796,340 shares and no more than 43,185,360 shares.

WARRANTS

In 2023, Vertiseit introduced an incentive program with warrants for employees and senior management in the group. If all warrants are exercised, 764,000 new series B-shares can be issued, corresponding to a dilution of 3.7 percent. The program runs until May 2026 with a redemption price of 50.00 SEK per series B-share. There were two previous incentive programs with warrants, aimed at employees and senior management as well as board members in the parent company. If all warrants are exercised, 1,815,000 new series B-shares can be issued within these two programs. The programs run until May 2024 with a redemption price of 24.00 SEK per series B-share (640,000 pcs), respectively May 2025 with a redemption price of 50.00 SEK per series B-share (1,175,000 pcs). All warrants were purchased through consideration, which at the time constituted fair market value externally valuated using to the Black & Scholes model. The purpose of the incentive programs is to encourage broad share ownership among the company's employees, to recruit and retain competent and talented employees, and to align the interests of the employees with the company's objectives.

For the 2024 annual general meeting, the board proposes that a new warrants program for employees and senior management is established. If all warrants are exercised, 640,000 new series B-shares can be issued, corresponding to a dilution of 3.0 percent upon full subscription. The program is proposed to run until May 2027 with a redemption price of 53.00 SEK per series B-share. The warrants are obtained through consideration corresponding to fair market value externally valuated using the Black & Scholes model.

DIVIDEND PROPOSAL

The board's proposal to the annual general meeting is that no dividend be distributed for the fiscal year 2023, which is in line with the company's financial objectives. The result for the year is proposed to be carried forward to new account.

OWNERSHIP STRUCTURE AS OF DECEMBER 31, 2023

As of December 31, 2023, the number of shareholders in Vertiseit amounted to 2,224 (2,311) according to Euroclear Sweden AB. Vertiseit's ten largest owners held shares corresponding to 62.0 percent (69.2) of the capital and 80.7 percent (80.0 of the votes in the company.

SHARE CAPITAL DEVELOPMENT

Year	Event	Change in share capital	Total share capital	Series A-shares	Series B-Shares	Total number of shares
2008	Formation of the company	100 000 SEK	100 000 SEK	–	100 000	100 000
2009	Rights issue	200 000 SEK	300 000 SEK	–	300 000	300 000
2009	Rights issue	75 000 SEK	375 000 SEK	–	375 000	375 000
2010	Rights issue	66 000 SEK	441 000 SEK	–	441 000	441 000
2011	Rights issue	98 871 SEK	539 817 SEK	–	539 817	539 817
2019	Conversion A and B	–	539 817 SEK	134 954	404 863	539 817
2019	Share split 20:1	–	539 817 SEK	2 699 080	8 097 260	10 796 340
2019	Rights issue	98 040 SEK	637 857 SEK	2 699 080	10 058 060	12 757 140
2021	Rights issue	81 487 SEK	719 344 SEK	2 699 080	11 687 792	14 386 872
2021	Rights issue	208 333 SEK	927 678 SEK	2 699 080	15 854 459	18 553 539
2022	Rights issue	81 860 SEK	1 009 537 SEK	2 699 080	17 491 667	20 190 747
2023	Rights issue	15 550 SEK	1 025 087 SEK	2 429 510	18 072 237	20 501 747

MAJOR SHAREHOLDERS

Name	Number of shares	Capital	Votes
Johan Lind, CEO & Co-founder	2 193 584	10,70%	19,68%
Adrian Nelje, Co-founder	1 999 720	9,75%	19,22%
Telion Og	1 629 732	7,95%	3,85%
Nordea Funds	1 233 459	6,02%	2,91%
Oskar Edespong, CTO & Co-founder	1 217 155	6,00%	10,08%
Schottenius Group	1 212 097	5,91%	11,81%
Jonas Lagerqvist, Dpt CEO & CFO	1 105 027	5,39%	8,34%
KL Capital AB	1 041 667	5,16%	2,34%
Alcur Fonder	1 048 554	5,11%	2,47%
Martin Gren (Grenspecialisten)	959 254	4,68%	2,26%
Avanza Pension	893 367	4,36%	2,11%
Nordea Liv & Pension	482 475	2,35%	1,14%
Hotell AB Draupner	377 963	1,84%	0,89%
Kjetil Holta	307 278	1,50%	0,73%
Jan Kjellman with family	264 888	1,29%	0,63%
Total 15 largest shareholders	**15 966 220**	**78,02%**	**88,46%**
Total number of share	20 501 747		*2024-02-27*

CORPORATE GOVERNANCE

For Vertiseit, sound corporate governance is fundamental to a trust-giving relationship with shareholders and other key stakeholders. The Swedish Code of Corporate Governance, which the company has applied since January 1, 2020, aims to create a good balance between the shareholders, the board, and senior management. For Vertiseit, good corporate governance is a prerequisite for reliability, transparency, and long-term value creation, and is achieved through well-functioning governance, control, and follow-up, along with a clear corporate culture..

Overall structure for Corporate Governance

ARTICLES OF ASSOCIATION
According to the articles of association, the company's name is Vertiseit AB (publ), and the financial year is the calendar year from January 1 to December 31. For the articles of association in their entirety, which in their current form were adopted at the company meeting on March 20, 2019, see the company's website vertiseit.com.

SWEDISH CODE OF CORPORATE GOVERNANCE
Corporate governance encompasses various decision-making systems through which the owners directly and indirectly control the company. The governance of Swedish listed companies has evolved through legislation, recommendations, statements, and through self-regulation. The Swedish Code of Corporate Governance (the Code) is significant for the governance of Swedish listed companies.

COMPLIANCE OF THE CODE
Vertiseit's shares are listed for trading on the Nasdaq First North Growth Market and are therefore not subject to the requirement to follow the Swedish Code of Corporate Governance. To clarify the company's ambitions regarding the quality of governance, follow-up, and control, Vertiseit has chosen to voluntarily follow the Code from January 1, 2020.

The Code sets a standard for corporate governance at a higher ambition level than the minimum requirements of the Companies Act and other regulations. The Code is based on the "comply or explain" principle. This means that the company does not have to follow every rule in the Code at every instance but can choose other solutions that are deemed better suited to the circumstances of the particular case, provided that the company openly reports each such deviation, describes the alternative solution chosen, and states the reasons for this.

For the fiscal year 2023, no deviations from the Code are to be reported.

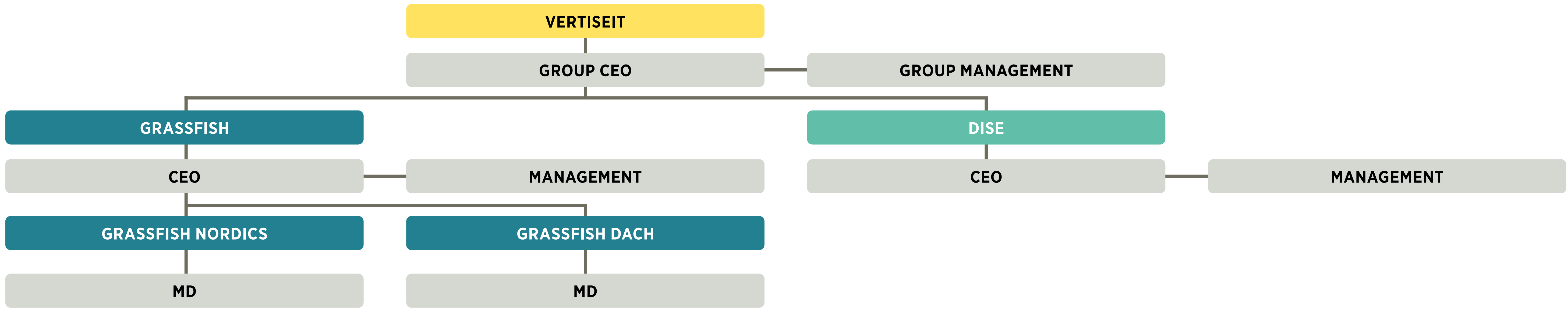
SHARES AND SHAREHOLDERS
Vertiseit AB (publ) is a Swedish public limited company subject to the Companies Act, the Nasdaq First North Growth Market's rules for issuers, the Code on a voluntary basis, and the company's articles of association.

The Vertiseit share is traded on the Nasdaq First North Growth Market. As of December 31, 2023, Vertiseit had 2,223 shareholders according to the share register, and the total number of shares amounted to 20,501,747, of which 2,429,510 were series A-shares and 18,072,237 were B-shares. Each series A-share entitles the holder to one (1) vote, and each B-share entitles the holder to one-tenth (1/10) of a vote. More information about Vertiseit's share and its shareholders can be found in the section "The Vertiseit Share" on page 24.

General Meeting

The general meeting is Vertiseit's highest decision-making body and can decide on any issue within the company that is not expressly under the exclusive competence of another corporate body. The annual general meeting, which must be held within six months of the end of the fiscal year, is where shareholders exercise their voting rights on matters such as the adoption of the income statement and balance sheet, allocation of the company's profit or loss, decisions on discharge of liability for board members and the CEO for the fiscal year, election of board members and auditors, and remuneration to the board and auditor. At annual general meetings, at least one member of the nomination committee, the company's auditor, and, to the extent possible, all other board members and the CEO should participate. According to the articles of association, the notice of the general meeting shall be announced in the Swedish Official Gazette (Post- och Inrikes Tidningar) and by making the notice available on the company's website. A notification that the notice has been issued shall also be advertised in Dagens Industri. Decisions made at the general meeting are announced after the meeting in a press release, and the minutes from the meeting are published on the company's website.

Overall structure for Corporate Governance



The external and internal frameworks for corporate governance include, among others:

External regulations	Internal regulations
The Swedish Companies Act	Articles of Association
Nasdaq First North Growth Market's rules for issuers	Board of Directors' Rules of Procedure
The Swedish Code of Corporate Governance (the Code)	Decision-making Procedure
IFRS standards	Policy regarding the composition of the board, signatory rights, authorization, and approval
EU's Market Abuse Regulation (MAR)	Quality and Environmental Certification according to ISO 9001 and ISO 14001
	Quality Policy, Environmental Policy, Sustainability Policy, Work Environment Policy, Gender Equality Policy, Salary Policy, Privacy Policy, Code of Conduct, Code of Conduct for Suppliers, Information Policy, Finance Policy, Information Security Policy, Whistleblowing policy
	Manuals and guidelines for essential parts of the operations
	Processes for internal control and risk management

In addition to the annual general meeting, an extraordinary general meeting can be convened. The chairman of the board, as many board members as possible, and the CEO should attend the extraordinary general meetings in the company.

RIGHT TO PARTICIPATE IN THE GENERAL MEETING
All shareholders who are directly registered in the share register maintained by Euroclear five business days before the general meeting have the right to participate in the general meeting and vote for the number of shares they hold. Shareholders can participate in the general meeting in person or through a proxy and may also be accompanied by no more than two assistants.

INITIATIVES FROM SHAREHOLDERS
Shareholders who wish to have a matter addressed at the general meeting must submit this through a written request to the board. The request should normally have been received by the board no later than seven weeks before the general meeting via email generalmeeting@vertiseit.com or by letter to Vertiseit AB (publ), Att: The Board, Kyrkogatan 7, 432 41 Varberg.

ANNUAL GENERAL MEETING 2023
The meeting was held on April 27 at Varbergs Stadshotell in Varberg. At the meeting, 37 individuals were present, collectively representing 60 percent of the capital in the company and 82 percent of the votes. The meeting was attended by the chairman of the board, the CEO, the deputy CEO, the company's auditor, and the company's five board members.

The AGM decided in accordance with the board's proposal and the nomination committee's proposal on:

- Approval of the balance sheet and income statement.
- Allocation of the company's profit by carrying forward the profit funds of SEK 209,448,563 available to the AGM to new account.
- Discharge of liability for the board members and the CEO.
- Determination of the number of board members elected by the AGM to six members without deputies.
- Re-election of Vilhelm Schottenius as chairman of the board.
- Re-election of board members Jon Lindén, Adrian Nelje, Mikael Olsson, and Johanna Schottenius. Board member Emma Stjernlöf had declined re-election.
- Election of new board member Ann Öberg.
- Determination of the board chairman's remuneration at SEK 230,000 and SEK 115,000 for each other member elected by the general meeting. No remuneration shall be paid for committee work.
- Remuneration to the auditor shall be paid according to approved invoice.
- The AGM decided to re-elect the registered auditing firm KPMG AB as auditor until the end of the next AGM. KPMG AB had informed that Mikael Ekberg will replace Jan Malm as the principal auditor.
- Incentive program with stock options for employees and key personnel in leading positions.
- Authorisation for the board to decide on targeted issues of convertible instruments and shares.

The complete minutes from the annual general meeting are available on the company's website vertiseit.com.

ANNUAL GENERAL MEETING 2024
Vertiseit's Annual General Meeting (AGM) 2024 will be held on Thursday, May 2nd, at Vertiseit's headquarters at Kyrkogatan 7 in Varberg.

Important dates for the AGM 2024 are:

- April 23 – the record date for the AGM.
- April 25 - the last day for share voting registration.
- May 2 at 6:00 PM – the AGM starts. For further information about the AGM 2024, see page 72, and Vertiseit's website vertiseit.com.

Nomination Committee

The Annual General Meeting on April 27, 2023, established principles for the appointment of the nomination committee. The nomination committee shall consist of a representative from each of the three largest shareholders, by votes, or a group of shareholders who have formalized cooperation regarding the nomination committee work, according to Euroclear's register as of October 31. If significant changes occur in the ownership after October 31, the nomination committee may decide to offer a new owner a place in the nomination committee in accordance with the same principles. The composition of the nomination committee and how it can be contacted will be published on the company's website.

The nomination committee is tasked with presenting proposals for:

- Chairman at the Annual General Meeting;
- Board members, Chairman of the Board, and auditor;
- Board remuneration divided between the chairman and other members;
- Remuneration for work in the board's committees;
- Remuneration of auditors; and
- Nomination committee for the next annual general meeting.

In accordance with these principles, the nomination committee for the 2024 Annual General Meeting consists of:

- Johannes Wårdman, chairman – on Johan Lind's mandate
- Adrian Nelje – on his own mandate
- Klas Karlsson – on Schottenius & Partners AB's mandate

Ahead of the 2024 Annual General Meeting, the nomination committee held several recorded meetings and a number of informal contacts and coordination meetings in which all members participated. The committee received a presentation from the company's management on strategy and status within the company and reviewed the annual evaluation of the board's work. Special attention was paid to the board's composition and how its members function as a group, as well as whether the board members have sufficient time and commitment. It was noted, among other things, that board members have a high attendance rate at meetings and are well-prepared for board meetings.

The nomination committee also discussed and evaluated the level of remuneration for the board and compared it with compensation levels at other comparable companies. The committee deems the compensation level to be reasonable, and the proposal to the Annual General Meeting is to leave it unchanged. Information was available on Vertiseit's website on how shareholders could submit proposals to the nomination committee. The committee did not receive any proposals from shareholders. Regarding the composition of the board, the diversity policy applied as stipulated in section 4.1 of the Code. The nomination committee's proposal for the 2024 Annual General Meeting is presented in conjunction with the notice and made available on Vertiseit's website.

Board of Directors

The board of directors is the highest decision-making body after the general meeting and also the highest executive body. The board's responsibilities are mainly regulated by the Companies Act, the Annual Accounts Act, the company's articles of association, guidelines from the general meeting, and the board's rules of procedure. In addition, the board must follow the Code and the Nasdaq First North Growth Market's rules, as well as other applicable Swedish and foreign laws and regulations. According to the Companies Act, the board is responsible for the organisation of the company and the management of the company's affairs.

THE BOARD OF DIRECTORS WORK AND RESPONSIBILITIES
The board's rules of procedure, adopted by the board and annually reviewed, regulate the division of work and responsibilities between the board, its chairman, and the CEO. The board also adopts instructions for the board's committees and a directive for the CEO, as well as instructions for financial reporting.

The board's responsibilities include establishing strategies, business plans, and budgets, interim reports, annual accounts, and annual reports, and adopting instructions, policies, and guidelines. The board is also obliged to monitor the financial development and ensure the quality of financial reporting and internal control, as well as evaluate the operations based on the goals and guidelines set by the board.

Finally, the board makes decisions regarding the company's significant investments and changes in the organisation and operations. The chairman of the board leads the board's work and is responsible for ensuring that the board fulfills its obligations in accordance with applicable laws and regulations and that the work is carried out efficiently and in accordance with the board's rules of procedure. The chairman must ensure that the board's decisions are implemented, that the board receives the information required to perform its work in a timely manner, and that the board continuously deepens its knowledge about the company and its operations. The chairman is also responsible for evaluating the board's work every year. The results of the evaluation are discussed by the board and reported by the chairman to the nomination committee. The chairman represents the board in relation to the company's shareholders. Board members are elected annually at the general meeting for the period until the end of the next annual meeting. According to the company's articles of association, the board shall consist of at least three and no more than ten members elected by the general meeting, and at least zero and no more than three deputy members.

COMPOSITION OF THE BOARD OF DIRECTORS
The board currently consists of six ordinary members, including two women and four men. The Group CEO Johan Lind, as well as the Deputy CEO and CFO Jonas Lagerqvist, attend all board meetings. Other senior executives participate as presenters on specific issues. All board members are deemed independent in relation to the company and its management. Three of the board members, excluding Vilhelm Schottenius, Johanna Schottenius, and Adrian Nelje, are also deemed independent in relation to the company's major shareholders. Thus, Vertiseit meets the requirements of the Nasdaq First North Growth Market and the Code regarding the independence of board members. For information on the composition of the board and presentations of the board members, see page 30.

THE BOARD OF DIRECTORS WORK DURING 2023
According to the board's rules of procedure, in addition to a constitutive meeting, the board should convene six times a year and additionally when the situation demands. At one of the meetings, the board should address the group's strategic direction, risks, and business plan. According to the rules of procedure, the board should also meet with the company's auditor at least once a year without the presence of company management, evaluate the board's

work, and evaluate the CEO and senior executives. Board meetings normally start with a discussion about the company's operations and financial results. Financial reports and the annual report are reviewed and approved before publication. Other topics discussed at board meetings include; general strategic issues, general business matters, potential acquisitions, long- and short-term goals, HR issues, compliance with policies and laws, and compensation models. At the year's normally last meeting, the CEO and CFO present the budget for the coming year. The budget is discussed and, after any adjustments, approved. The company's CFO usually participates in all board meetings and is responsible for taking minutes. Other members of the company's management are invited to present matters concerning their respective areas of responsibility. In 2023, Vertiseit's board placed special emphasis on issues related to the company's long-term strategy and objectives, efficiency and increased profitability, risk management, and internal control. The number of board meetings in 2023 was nine regular meetings and one extraordinary meeting. The attendance and compensation of board members are detailed in the table below.

DIVERSITY
The board of Vertiseit as a whole should possess appropriate collective competence, experience, and background relevant to the operations conducted, as well as the capability to identify and understand the risks associated with the business. The objective is for the board to consist of members of varying ages, represented by both men and women, with diverse geographic and ethnic backgrounds that complement each other in terms of experience, educational and professional backgrounds, which together contribute to independence and critical questioning within the board. The nomination committee follows the directive in the Code, section 4.1, which addresses board diversity. The elected board consists of two women (33%) and four men (67%). The nomination committee believes it is essential to strive for a balanced gender distribution and considers the current distribution satisfactory.

Board committees

AUDIT COMMITTEE
In 2023, the audit committee changed from being composed of the board as a whole to being made up of the members Mikael Olsson, Vilhelm Schottenius, and Adrian Nelje, with Mikael Olsson serving as the chairman of the committee. The audit committee is responsible for overseeing the company's financial reporting, risk management, and internal controls, as well as accounting and auditing practices. It also reviews and monitors the impartiality and independence of the auditors, other services provided by the company's auditors, and assists the company's nomination committee in preparing proposals for auditor selection. The members of the audit committee possess the competence and experience in accounting, auditing, and/or risk management required to fulfill the committee's duties. During the year, the audit committee held two meetings and, in its new form, will convene four times a year. The board also had meetings attended by the company's auditors. The committee's primary focus during the year has been on financial reporting, risk monitoring, internal control, and auditing issues.

REMUNERATION COMMITTEE
The board has established a remuneration committee. The committee's tasks include preparing the board's decisions on proposals for guidelines for compensation to senior executives and any decisions on deviations from these guidelines. The board shall prepare a proposal for new guidelines at least every fourth year and present the proposal for decision at the annual general meeting. The guidelines shall apply until new guidelines are adopted by the company meeting. For the 2024 annual general meeting, the committee has developed proposals for new guidelines for compensation to senior executives to apply until the 2028 annual general meeting. The remuneration committee shall also follow and evaluate the application of the compensation guidelines for senior executives and the current compensation structures and compensation levels in the Company. The chairman of the board is the chairman of the remuneration committee. The other members are Mikael Olsson and Adrian Nelje. All members are considered independent in relation to the company and its management. When the board addresses and makes decisions on compensation-related matters, the CEO or other members of the group management do not attend, insofar as the issues concern their own compensation.

REMUNERATION TO THE BOARD
At the annual general meeting on April 27, 2023, it was decided to increase the board members' remuneration compared to the previous year. This meant that the remuneration for the chairman of the board would be SEK 230,000 (an increase of SEK 30,000) and the remuneration for each of the other members elected by the general meeting would be SEK 115,000 (an increase of SEK 15,000). No remuneration shall be paid for committee work. Thus, the total remuneration for the members elected by the meeting would amount to SEK 805,000 (an increase of SEK 105,000), including committee work. For the 2024 annual general meeting, the nomination committee has proposed that the board's compensation remain unchanged compared to the previous year.

Board member	Appointed	Born	Board meetings	Audit committes	Remuneration committees	Independent to the company	Independent to major shareholders	Total remuneration
Vilhelm Schottenius (chairman)	2009	1956	10 (10)	2 (2)	1 (1)	Yes	No	230 000
Emma Stjernlöf (left 2023)	2019	1980	4 (10)	-	-	Yes	Yes	38 333
Jon Lindén	2019	1974	10 (10)	-	-	Yes	Yes	115 000
Johanna Schottenius	2020	1981	10 (10)	-	-	Yes	No	115 000
Mikael Olsson	2019	1963	10 (10)	2 (2)	1 (1)	Yes	Yes	115 000
Adrian Nelje	2008	1984	10 (10)	2 (2)	1 (1)	Yes	No	115 000
Ann Öberg (elected 2023)	2023	1974	7 (10)	-	-	Yes	Yes	76 667

CEO and senior executives

The CEO reports to the board. The CEO's responsibilities are regulated by the Swedish Companies Act, the Annual Accounts Act, the company's articles of association, guidelines from the general meeting, instructions for the CEO, and other internal guidelines and directives established by the board, as well as other applicable Swedish and foreign laws and regulations. Furthermore, the CEO must adhere to the Code and the Nasdaq First North Growth Market's regulations. According to the Swedish Companies Act, the CEO must manage the day-to-day operations in accordance with the board's guidelines and instructions. The CEO must also take necessary actions to ensure that the company's accounting is conducted in accordance with the law and that the management of funds is handled securely. The division of work between the board and the CEO is described in the instructions for the CEO. The CEO is to manage the operational leadership and execute the decisions made by the board. The CEO is responsible for presenting matters to be addressed by the board, in accordance with applicable legislation, the articles of association, and internal instructions. Furthermore, the chairman of the board must be continuously informed about the company's operations, its results and financial position, as well as other events, circumstances, or conditions that might be relevant to the board or shareholders. The CEO and senior executives are introduced in more detail in the section "Management" on pages 31-32.

The executive management of Vertiseit is the group management team, which currently consists of the CEO and group chief executive officer, along with seven additional senior executives. The group management consists of six men and two women. The members of the group management team have the following functions:

- Johan Lind, CEO, Group CEO, and Co-Founder
- Jonas Lagerqvist, Deputy CEO and Chief Financial Officer
- Oskar Edespong, Chief Technical Officer and Co-Founder
- Emil Kihlberg, Head of Business Development
- Sebastian Kryh, CEO Dise
- Roland Grassberger, Chief Innovation Officer
- Sandra Malmberg, HR Manager
- Ann Hjelte, CEO Grassfish

GUIDELINES FOR COMPENSATION TO SENIOR EXECUTIVES
All senior executives receive a fixed salary. In addition to the incentive programs described on page 37, where senior executives participate under the same terms as other employees, no variable compensation is provided. Pension compensation is awarded in accordance with the current guidelines for compensation to senior executives.

The Board's Annual Program

			JANUARY
		S	FEBRUARY
		S	MARCH
S	K	A	APRIL
			MAY
			JUNE
	S	K	JULY
			AUGUST
		S	SEPTEMBER
			OCTOBER
	S	K	NOVEMBER
	S	B	DECEMBER

S BOARD MEETING

K INTERIM REPORT

B BUDGET

A ANNUAL GENERAL MEETING

Other benefits may include, for example, a company car, health insurance, and occupational health services. The notice period with the right to compensation during the notice period is up to six months. No additional severance pay is granted. The senior executives of the Vertiseit Group include the eight individuals who are part of the group management.

The 2020 annual general meeting decided on guidelines for compensation to senior executives to apply until the 2024 annual general meeting. These guidelines cover the CEO and other senior executives in the company. These guidelines should be applied to compensations that are agreed upon, and changes made to already agreed compensations, after the guidelines were adopted at the 2020 annual general meeting.

The purpose of the guidelines for compensation to senior executives is to ensure that Vertiseit can attract, recruit, motivate, and retain qualified employees with the competence and experience required to achieve Vertiseit's operational goals and to ensure that the management has the right focus. The forms of compensation should be market-based and competitive based on the conditions in the markets where Vertiseit operates. The compensation forms should be designed in a way that motivates senior executives to do their utmost to create shareholder value.

FORMS OF COMPENSATION

The compensation for senior executives may consist of a fixed part (basic fixed salary), pension benefits, and other benefits. These components should create a well-balanced compensation that reflects individual competence, responsibility, and performance, both in the short and long term, as well as Vertiseit's overall results.

Additionally, independent of these guidelines, the general meeting may decide on, for example, share-based and share price-related compensations, known as incentive programs. The purpose of the incentive programs should be to increase the value for the group's shareholders by promoting and encouraging the management's commitment to the development of the group. Senior executives, including the CEO, shall be entitled to defined contribution pension provisions amounting to a maximum of 30 percent of the fixed annual cash salary. Besides the aforementioned pension provisions, senior executives are entitled to exchange salary for additional pension provisions provided that it is cost-neutral for Vertiseit.

Vertiseit may offer other benefits to senior executives in accordance with local practice. Such other benefits may include, for example, occupational health services, a company car, or similar. The total of severance pay and salary during the notice period for senior executives may amount to a maximum of twelve (12) months' salaries.

SALARIES AND EMPLOYMENT TERMS FOR EMPLOYEES

In preparing the board's proposal for these compensation guidelines, the salaries and employment conditions of the Company's employees have been taken into consideration. This was done by including information about employees' total compensation, the components of the compensation, and the rate of increase and pace of increase over time as part of the compensation committee's and the board's decision-making basis in evaluating the reasonableness of the guidelines and the limitations that follow from these.

DEVIATIONS FROM THE GUIDELINES

The board shall have the right to temporarily deviate, in whole or in part, from the above guidelines for compensation to senior executives if, in individual cases, there are special reasons and a deviation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. If the board deviates from the compensation guidelines for senior executives, this shall be reported at the next annual general meeting.

Auditor

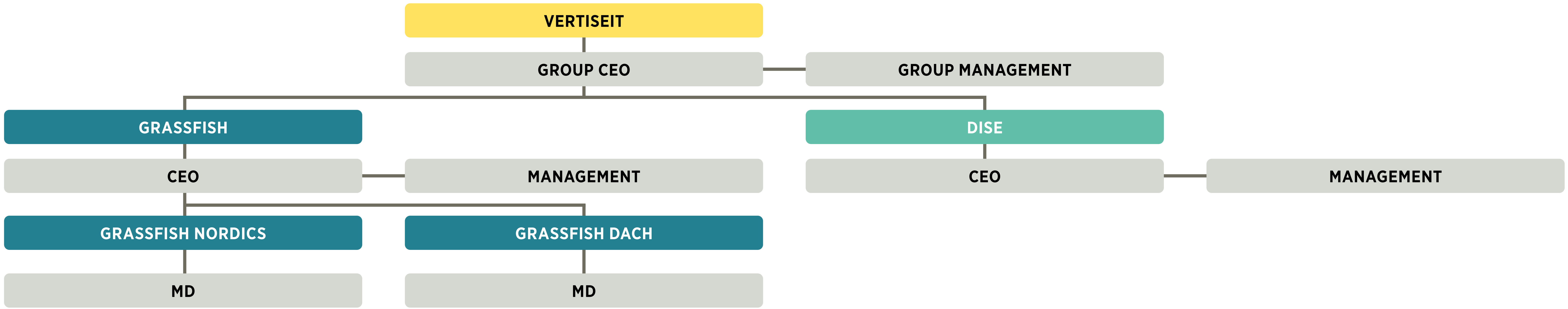
At the annual general meeting on April 27, 2023, KPMG AB was elected as the company's auditor. The principal auditor is Mikael Ekberg. The auditor's task is to audit the company's annual accounts and bookkeeping, the consolidated financial statements, and the relationships between the parent company and its subsidiaries, as well as the administration of the board and the CEO. After each fiscal year, the auditor must submit an audit report to the annual general meeting. According to the company's articles of association, the company should have at least one and no more than two auditors. For remuneration to the auditors, see note 7 on page 53. In connection with the board's approval of the annual accounts for 2023, the board had a review and received a report from the company's external auditors. On this occasion, the board also had a review with the auditors without the presence of the CEO or others in the company's management.

Risk Management and Internal control

The Group's finance department collaborates with the Group's operational units to identify and assess financial and operational risks. Risk management concerning the business, where the most significant risks involve quality and environment, is continuously monitored within the framework of governance processes, as well as internal and external ISO audits. Both business and financial risks are monitored through internal controls and are followed up by the audit committee. Parts of the internal controls are also followed up by the company's external auditors. The main objective for the finance function is to ensure that financial risks are optimized to a risk level, within the framework of the risk mandate from the board, that provides shareholders with a good return. Risk management is handled by the Group's finance department in accordance with the guidelines adopted by the board. Vertiseit's risk management process is also included in the preparation of the annual business plan, which contains an analysis of trends, business opportunities, and risks, and which enables assessment and rapid response to changing requirements. For more on risks and risk management, see "Risks and risk management" on page 23.

INTERNAL AUDIT

The board has decided not to establish a specific function for internal audit as the company considers that the business system, in terms of risk and quality, and the finance function together with the oversight of the audit committee, in terms of financial internal control, provide the necessary control and follow-up. The question of establishing a specific internal audit function is reviewed annually by the board.



POLICYS

The company has established a number of policies and governing documents that are approved annually by the board. Both policies and governing documents are managed within the company's management system. The following policies are established and approved by the board:

- Quality Policy
- Environmental Policy
- Workplace Safety Policy
- Equality Policy
- Salary Policy
- Privacy Policy
- Code of Conduct
- Supplier Code of Conduct
- Information Policy
- Financial Policy
- Compensation Policy
- Travel Policy
- Whistleblower Policy
- Information Security Policy
- Company Asset Policy

INTERNAL CONTROL AND RISK MANAGEMENT REGARDING FINANCIAL REPORTING

The board of directors and the CEO are ultimately responsible for ensuring that internal controls are developed, communicated to, and understood by the company's employees who implement the individual control structures, and that these control structures are monitored, executed, updated, and maintained. Officials at every level are responsible for ensuring that internal controls are established within their areas and that these controls achieve the intended effect. The process for internal control, risk assessment, control structures, and monitoring regarding financial reporting is designed to ensure reliable overall financial and external financial reporting in accordance with IFRS, applicable laws and regulations, and other requirements that may be imposed on companies listed on the Nasdaq First North Growth Market. This work involves the board, senior executives, and other staff. The manner in which the board monitors and ensures the quality of internal control is documented in the adopted work procedure for the board and in the instructions for the audit committee.

Operational activities are performed in accordance with established processes designed to meet Vertiseit's requirements for internal control. Process owners, along with other employees in the company, have clearly defined roles as well as clear areas of responsibility and guidance in the form of policies, processes, and strategies necessary to achieve operational goals. Self-assessments are conducted to assess the status and functionality of the risks and controls associated with them. This work is governed within the framework of the company's ISO system.

Internal self-assessments, along with the company's external ISO audits, are used to gain an overall picture in connection with the evaluation and improvement of the risk management system. The self-assessments are reviewed and evaluated by the finance function, auditors, and the audit committee to ensure proper risk management and accounting. Compliance reports from the external ISO audits are presented to the audit committee, the board, and the CEO. The CEO and senior executives are responsible for the controls within the framework of operational activities. The further responsibility for the overall evaluation and improvement of the risk management system is shared between the CEO, senior executives, the audit committee, and the board. Additionally, Vertiseit's external auditors review the group's internal controls as part of their annual audit.

BOARD OF DIRECTORS

VILHELM SCHOTTENIUS
Chariman of the Board

Vilhelm Schottenius was born in 1956. He is an educated economist, a serial entrepreneur, and a professional board member with experience from starting and developing several successful companies. Vilhelm Schottenius is considered independent in relation to the Company and its management, but not in relation to major shareholders. Board member since 2009, chairman since 2019.

SHAREHOLDING IN VERTISEIT
421 172 series A shares and 1 050 925 series B shares

OTHER ASSIGNMENTS
Provobis Holding AB, Chairman
RCL Holding Aktiebolag, Chairman
Interactive Security International AB, Chairman
Schottenius Invest AB, Chairman
Schottenius Holding AB, Chairman
Schottenius & Partners AB, Member
Partner Fondkommission AB, Member
Golfstore Group Ek förening, Member
Doklet AB, Member

ANN ÖBERG
Board Member

Ann Öberg holds a PhD in economics with extensive experience from expert positions at the Ministry of Finance, the National Institute of Economic Research, and the Fiscal Policy Council. She has served as the Chief Economist for both the Confederation of Swedish Enterprise and Svenska Handelsbanken, has experience from Klarna, and is currently the CEO of Almega. Ann Öberg is considered independent in relation to the Company, its management, and major shareholders. Board member since 2023.

SHAREHOLDING IN VERTISEIT
No holdings

OTHER ASSIGNMENTS
Öhman Fonder, Member
Ratio, Member
Wellstreet, Member of the investment committee

JOHANNA SCHOTTENIUS
Board Member

Johanna Schottenius was born in 1981 and holds a master's degree in economics from the School of Business, Economics and Law at the University of Gothenburg. She has experience from the retail sector and has worked globally within IKEA, including as All Channel Experience Manager. Johanna has also worked as a management consultant and is currently the CEO of Schottenius & Partners AB. Johanna Schottenius is considered independent in relation to the Company and its management, but not in relation to major shareholders. Board member since 2020.

SHAREHOLDING IN VERTISEIT
No holdings

OTHER ASSIGNMENTS
Björn Borg AB, Member
Pinpoint Estimates AB, Member
Whistleblowing Solutions AB, Member

JON LINDÉN
Board Member

Jon Lindén was born in 1974 and has a high school education. He is a serial entrepreneur within the tech sector with a background as one of the co-founders of Procera Networks (now Sandvine). Currently, Jon is the CMO and a co-owner of Ekkono Solutions AB, which develops Edge Machine Learning software. Jon has extensive experience in sales, business development, and leadership for high-tech product companies. Jon Lindén is considered independent in relation to the Company, its management, and major shareholders. Board member since 2019.

SHAREHOLDING IN VERTISEIT
4 000 series B shares

OTHER ASSIGNMENTS
Företagsinkubatorn i Varberg AB, Chairman
Ride My Bike AB, Member/CEO
RaceONE AB, Member

ADRIAN NELJE
Board Member / Co-founder

Adrian Nelje was born in 1984. He has a high school education and significant retail experience both as an employee and entrepreneur, including as store manager at Karlsson's Department Store. Adrian co-founded Vertiseit in 2008 and served as its Deputy CEO until 2019. Between 2017 and 2019, Adrian also held the position of CEO for the subsidiary Dise. Currently, Adrian is nowactive as a board member and private investor. Adrian Nelje is considered independent in relation to the Company and its management,but not in relation to major shareholders. Board member since 2008.

SHAREHOLDING IN VERTISEIT
682 617 series A shares and 1 317 103 series B shares

OTHER ASSIGNMENTS
Litium AB, Member
Kvarnvikens entreprenad AB, Dep. BM
Kallt Kaffe AB, Member
Perpetual Beta AB, Dep. BM
Elite Connexion AB, Dep. BM

MIKAEL OLSSON
Board Member

Mikael Olsson was born in 1963 and holds a degree in economics from the University of Gothenburg. He has previous experience as a certified auditor and tax consultant at KPMG, and as an Investment Manager at Amplico Capital. Currently, he is the CEO of Nordanland AB and Nordanland Investment AB. Mikael Olsson is considered independent in relation to the Company, its management and major shareholders. Board member since 2019.

SHAREHOLDING IN VERTISEIT
34 200 series B shares

OTHER ASSIGNMENTS
Nordanland Fastigheter AB, Member
Nordanland Finans Nr 1 AB, Member/CEO
Nordanland Finans Nr 2 AB, Member/CEO
Ryholm Förvaltnings AB, Member
K M Olsson Investment AB, Member
Solverandan AB, Member
KMO Kapitalförvaltning AB, Member/CEO

GROUP MANAGEMENT

JOHAN LIND
CEO / Co-founder

Johan has a high school degree, and has studied independent courses within marketing and economics. He has solid experience from retail, both as employee and entrepreneur. Johan co-founded Vertiseit in 2008 and has been the company's CEO ever since. Furthermore, Johan has extensive experience as an advisor and board member in both public and private activities. Employed, and in current role, since 2008.

SHAREHOLDING IN VERTISEIT
682 617 series A shares, 1 510 967 series B shares and 48 000 warrants

OTHER ASSIGNMENTS
Styrelseakademien Halland, Member

JONAS LAGERQVIST
Deputy CEO / CFO

Jonas Lagerqvist was born in 1980 and holds a degree in finance from the School of Business, Economics and Law at the University of Gothenburg. He has also completed the GEM - Joint Management Program at SSE Executive Education, Stockholm School of Economics. Furthermore, he has undertaken several internal and external leadership courses through Handelsbanken. Employed, and in his current role, since 2019.

SHAREHOLDING IN VERTISEIT
269 910 series A shares, 835 117 series B shares and 48 000 warrants

OTHER ASSIGNMENTS
Ferrum AB, Member
Subbe Fyr AB, Member
Kristin Lagerqvist AB, Dep. BM

OSKAR EDESPONG
CTO / Co-founder

Oskar Edespong, born in 1983, is educated in computer engineering at Chalmers University of Technology in Gothenburg. He has been engaged in system development as a consultant since high school through his own company. Oskar has also worked with system development at Ringhals and Mötesplatsen during his studies at Chalmers University of Technology. Oskar co-founded Vertiseit along with CEO Johan Lind and board member Adrian Nelje. Employed, and in his current role, since 2008.

SHAREHOLDING IN VERTISEIT
344 094 series A shares, 873 061 series B shares and 48 000 warrants

OTHER ASSIGNMENTS
Porten Invest AB, Member

ROLAND GRASBERGER
Chief Innovation Officer

Roland Grassberger, born in 1963, studied Computer Science at the Technical University of Vienna. He has been working at Vertiseit since 2021. Since 2005, Roland has been the Managing Director at Grassfish Marketing Technologies GmbH, which was acquired by Vertiseit in 2021. At Grassfish Marketing Technologies, Roland has served as CEO since 2005. Before founding Grassfish, Roland had co-founded several tech companies in Austria. Employed, and in his current role, since 2021.

SHAREHOLDING IN VERTISEIT
814 866 seriesB shares and 182 000 warrants

OTHER ASSIGNMENTS
No other assignments

SANDRA MALMBERG
HR manager

Sandra Malmberg, born in 1989, holds a bachelor's degree from the Labor Studies Program at the University of Gothenburg and has additionally studied behavioral science at Linköping University. She has solid experience in HR, most recently as HR Manager at Eugin Sweden AB, which operates several IVF clinics in Sweden. Previously, she has also worked as an HR Partner at MQ. Employed, and in her current role, since 2022.

SHAREHOLDING IN VERTISEIT
32 000 warrants

OTHER ASSIGNMENTS
No other assignments

ANN HJELTE
Head of Business Development

Ann Hjelte, born in 1972, holds a degree in economics from the Umeå School of Business, Economics and Statistics, specialising in accounting and financing. She has extensive experience in the tech, retail, and e-commerce sectors. Ann began her career as an auditor in Stockholm and London. Subsequently, she has served as CFO for a digital product development and consulting company within the tourism industry, as well as CFO for Nilson Group, where she was responsible for finance, controlling, and IT. Most recently, Ann comes from the position of Business Development Manager at Axfood-owned Mat.se. She has been employed since 2022 and in her current role since 2023.

SHAREHOLDING IN VERTISEIT
334 series B shares and 32 000 warrants

OTHER ASSIGNMENTS
No other assignments

SEBASTIAN KRYH
CEO Dise

Sebastian Kryh, born in 1981, has an MsC in Engineering with a specialisation in electrical engineering from Chalmers University of Technology. Furthermore, Sebastian has participated in numerous internal and external leadership training programs through Stena Metall AB and Bankgirot. He worked as a controller and deputy program manager at Stena Metall during the implementation of Six Sigma from 2007 to 2011, as a management consultant at SEB from 2011 to 2013, and in leading positions at Bankgirot from 2013 to 2017 before retraining as a Key Account Manager through Evidente AB from 2018 to 2019. Employed since 2019, and in his current role since 2021.

SHAREHOLDING IN VERTISEIT
6 872 series B shares and 32 000 warrants

OTHER ASSIGNMENTS
No other assignments

EMIL KIHLBERG
Head of Business Development

Emil Kihlberg, born in 1992, attended the technology program at Peder Skrivare’s School. He has been working at Vertiseit since 2011. Through various positions, from project manager to leadership roles within the company, he has gained a comprehensive perspective on the company’s operations. Emil is the Business Development Manager for Vertiseit and also leads the Grassfish Consulting business, focusing on developing and refining solutions based on customer business and operational needs. Employed since 2014, and in his current role since 2023.

SHAREHOLDING IN VERTISEIT
29 100 series A shares, 159 404 series B shares and 48 000 warrants

OTHER ASSIGNMENTS
No other assignments

FINANCIALS

ANNUAL REPORT 2023

MANAGEMENT REPORT

The board of directors and the CEO of Vertiseit AB (organisation number 556753-5272) hereby present the annual report and consolidated financial statements for the fiscal year January 1, 2023 to December 31, 2023. The company is based in Varberg.

The group

Vertiseit is a SaaS company within Digital In-store, offering platforms and expertise for leading brands and retailers. The company's products and services enable a unified customer journey by connecting digital and physical customer interactions. Vertiseit starts with the customer journey and specialises in Digital In-store. The company's wholly-owned subsidiaries, Grassfish Marketing Technologies GmbH (registration number FN 270120 k) and Dise International AB (organisation number 556643-1150), develop leading In-store Experience Management (IXM) platforms for Digital In-store. The platforms are tailored for the digital customer experience in physical retail. The subsidiaries' sales are conducted globally through, and together with, selected partners. The parent company in the group is Vertiseit AB (publ) (organisation number 556753-5272).

Operations

OPERATING SEGMENTS

The group's operations are divided into the business segments SaaS, Consulting, and Systems.

SAAS (SOFTWARE AS A SERVICE)

Key in the company's offering is the SaaS platforms, which include licensing and operation of the platform as well as monitoring and support. The platforms are developed by the company's subsidiaries, Grassfish Marketing Technologies GmbH and Dise International AB.

CONSULTING

Concept development of customer solutions grounded in a clear strategy for value creation. The work is carried out in cross-functional project teams in close collaboration with the client, where Vertiseit contributes expertise in strategy, CX (Customer Experience), UX (User Experience), Motion Design, and system development.

SYSTEMS

In the company's offerings in the Nordic region, delivery of displays, players, sensors, and other technical equipment is included. The company takes responsibility for the customers' asset management regarding the delivered systems. This includes activities from prestudies and installation to documentation, maintenance, and replacement.

GROWTH

During the full year of 2023, net sales increased by 10 percent compared to the same period the previous year. Annual Recurring Revenue (ARR) from SaaS increased organically and at constant exchange rates by 17 percent to SEK 160.8 MSEK (137.7).

PROFIT

Adjusted for extraordinary income and expenses, mainly related to the acquisition of the MultiQ group and the divestment of MultiQ Denmark A/S, the result before depreciation (adjusted EBITDA) for the full year 2023 amounted to 59.5 MSEK (47.7), with an adjusted EBITDA margin of 17.1 percent (15.1). Unadjusted, the result before depreciation (EBITDA) amounted to 55.3 MSEK (35.4), with an EBITDA margin of 15.9 percent (11.2). The net of extraordinary income and expenses for the year amounted to -4.2 MSEK (-12.3).

CASHFLOW AND INVESTMENTS

During the period, the cash flow from operating activities before changes in working capital amounted to 34.9 MSEK (41.1). The company has a capital-efficient business model that allows for a low degree of working capital engagement, despite a high growth rate. Cash flow from investing activities amounted to -24.3 MSEK (-166.7), primarily consisting of investments in product development and internal IT infrastructure as well as the acquisition of the remaining minority shares in MultiQ. Cash flow from financing activities totaled -20.7 MSEK (66.2). The total cash flow for the full year 2023 amounted to -10.4 MSEK (-65.8), with cash and cash equivalents as of December 31, 2023, amounting to 24.6 MSEK (35.0).

LIQUIDITY AND FINANCIAL POSITION

As of December 31, 2023, the group's total assets amounted to 540.9 MSEK (549.4), consisting of fixed assets of 428.2 MSEK (402.9) and current assets of 112.7 MSEK (146.5). Of the total assets, 68.6 percent (67.1) were intangible assets. The group's short-term liabilities as of December 31, 2023, amounted to 124.0 MSEK (138.1) and long-term liabilities to 146.7 MSEK (149.5). Long-term and short-term interest-bearing liabilities amounted to 95.4 MSEK (121.9) and 42.9 MSEK (43.0), respectively. Equity amounted to 270.3 MSEK (261.9), with a equity ratio of 50.0 percent (47.7). Net debt, excluding lease liabilities, amounted to 113.6 MSEK (129.9), corresponding to 1.9x adjusted EBITDA.

The group's available liquidity, including utilised credit facilities, amounted to 53.0 MSEK (62.5) as of the balance sheet date.

The share and development of share capital

Vertiseit's B-share was listed on the Nasdaq First North Growth Market on May 28, 2019. The price in the offering was SEK 15.30 per share, corresponding to a market value of the total number of shares in the company of 165 MSEK. At the end of the year, the price per share amounted to SEK 23.50, corresponding to a market value of the total number of shares in the company of 482 MSEK. The group's share capital as of December 31, 2023, amounted to 1.0 MSEK (1.0), divided into 20,501,747 shares with a quotient value of SEK 0.05 per share. For more information, see "Share and owner information" on page 24.

Risks and uncertainty factors

Vertiseit is exposed to a number of risks concerning both its own operations and the industry in which the company operates. The company works continuously to identify risks and their potential impact on Vertiseit, in order to prevent them from occurring or to minimize any possible damage these risks could cause.

Risks related to the market and external environment

COMPETITION

Vertiseit faces competition, including from actors with larger financial resources, which may mean these competitors have better conditions to adapt to changes in customer demand and allocate more resources to product development and marketing efforts. Consequently, there's a risk that Vertiseit may not be able to maintain its competitive edge or improve its market position. Increased competition could lead to price pressure on products and services as well as a decreased market share.

Risk management: Vertiseit holds a strong position in the market with many long-standing and close customer relationships among successful international companies. Moreover, the company has historically demonstrated a good ability to grow profitably despite intense competition.

CUSTOMERS

Vertiseit has a diversified customer base comprising more than 1 500 clients, spread across over 60 countries. Despite the good risk distribution, the company depends on individual customers' success and orders.

Risk management: Vertiseit is constantly working to expand its customer base with more clients and deeper collaborations. Vertiseit's clients are well diversified across different sectors. The top 100 customers in Grassfish and Dise accounted for about 75 percent of the recurring revenues during the year. No single customer accounted for more than 10 percent of the recurring revenues.

REGULATIONS AND POLITICAL DECISIONS

Vertiseit sells to customers in a large number of countries and is exposed to risks associated with changes in laws, regulations, taxes, and tariffs – all of which are beyond Vertiseit's control.

Risk management: Vertiseit works continuously to develop the company's compliance function to ensure good control and regulatory compliance.

DEVELOPMENT RISK

The industry is subject to rapid and constant development, and there is a risk that Vertiseit's products may not evolve as well as those of competitors, and that Vertiseit's products and services may not achieve the same commercial success in the market.

Risk management: Vertiseit has more than ten years of profitable growth behind it, achieved through continuous development of the company's offerings in close dialogue with its customers. Product development is conducted in a structured and professional manner and is an integral part of the company's organisation.

Financial risks

CAPITAL NEEDS
Vertiseit may need additional capital in the future. There is a risk that the company will not be able to raise capital in the future, which could negatively affect the company's development plans.

Risk management: Vertiseit has experienced profitable growth for more than ten years and has a stable financial position. Since 2019, the company's B-share is listed on the Nasdaq First North Growth Market, which positively affects the possibilities for future capital raising. For more information on financial risk management, see note 25 on pages 60-61.

Operational risks

BRAND
Vertiseit could be negatively affected if the company's reputation among its customers deteriorates. The company could also be affected if the reputation of chosen suppliers or customers is tarnished.

Risk management: Vertiseit carefully selects its customers, suppliers, and partners. These are evaluated on an ongoing basis, and the company always has the option to terminate or refrain from extending an existing collaboration if the counterpart does not meet the requirements set by Vertiseit.

Staff and key employees

Vertiseit depends on its senior executives, several of whom are also company founders, and other skilled employees in product development, marketing, and sales. The ability to recruit and retain qualified staff is crucial to maintaining the level of competence. If Vertiseit were to lose several of its key employees, or fail to recruit competent personnel, this could negatively affect expansion and growth.

Risk management: One of Vertiseit's most important success factors is the company's corporate culture. Since its inception, the company has cared for its employer brand and has a documented ability to attract qualified talent to the company.

Production

Vertiseit relies on, and intends to continue using, external manufacturers for the production of digital screens, media players, and other related equipment. This means that Vertiseit is dependent on external deliveries meeting requirements for delivery time, quantity, and quality. There is a risk that Vertiseit may suffer from missed or delayed deliveries or quality issues in the delivered products.

Risk management: Vertiseit has long-standing and close relationships with the most reputable international brands in terms of hardware, as well as with their suppliers. The cooperation with these is solution-oriented and characterised by reciprocity.

Acquisition risks

Vertiseit includes acquisitions as part of its growth strategy and may experience difficulties regarding the execution of acquisitions, integration of acquired operations, and achieving expected synergies.

Risk management: Vertiseit has documented capability and experience in conducting corporate acquisitions and integrating them into the company's operations.

Intellectual property risks

Vertiseit is exposed to risks related to intellectual property disputes such as infringement of the company's intellectual property rights, unintentional infringement on others' intellectual property rights, and the company not having unrestricted ownership of all its intellectual assets.

Risk management: The company continuously works to develop and protect its intellectual assets.

IT security/breaches

Disruptions in Vertiseit's IT system functions, such as outages, cyberattacks, or the IT systems failing to meet relevant integration requirements from customers, can have a significant negative impact on operations.

Risk management: IT security is an integral part of Vertiseit's operations, with internal expertise available in the area. Grassfish is certified according to ISO 27001, which will be extended to cover the entire Vertiseit Group during 2024.

SUSTAINABILITY RISKS
Vertiseit's business activities may expose it to risks regarding environmental aspects, social conditions, human rights, and compliance with regulations, which could lead to damage to both society and the company's reputation.

Management: The company's environmental and quality management systems are well-developed and certified according to ISO 9001 and ISO 14001. This work includes continuously evaluating and constantly improving the company's internal processes, regulatory compliance, and internal control.

Guidelines for remuneration to senior executives

The Group applies market-based compensation and salaries, which are based on a fixed salary, pension, and other benefits. The Board's proposal for remuneration guidelines is described on page 27. The term "senior executives" refers to the CEO, Deputy CEO, and the six additional individuals included in the group management team.

Corporate governance

Vertiseit's shares are listed for trading on the Nasdaq First North Growth Market and, therefore, are not subject to the requirement to follow the Swedish Corporate Governance Code ("the Code"). To clarify the company's ambitions regarding the quality of governance, monitoring, and control, Vertiseit has chosen to voluntarily follow the Code. See the "Corporate Governance" section on pages 25-29 for more information.

Organisation

As of December 31, 2023, the number of full-time employees, adjusted for individuals in their notice period, was 145 (177), of which 42 were women (46) and 103 were men (131). The average number of full-time employees during the year was 160 people (160).

Sustainability

At Vertiseit, sustainable business practices are natural in everyday life and a crucial factor for the company's continued development. Fundamentally, it's about enabling the world to meet today's needs without compromising the

> **"OPENNESS IS WELCOMING IDEAS, INITIATIVES, AND DIVERSE PERSPECTIVES. IT MEANS TAKING RESPONSIBILITY FOR CREATING A POSITIVE WORK ENVIRONMENT WHERE HARASSMENT DOES NOT OCCUR, AND WHERE DIFFERENCES IN AGE, ORIENTATION, CULTURE, AND ETHNICITY ARE CONSIDERED ASSETS. OPENNESS PROVIDES SECURITY AND THE COURAGE TO DARE TO RAISE IDEAS THAT DRIVE DEVELOPMENT IN THE COMPANY, AND ULTIMATELY, A BETTER SOCIETY.**

ability of future generations to meet their own needs. Vertiseit's ambition is to contribute to positive economic, social, and environmental development. Specifically, it often involves all the small choices made daily, which together make a significant difference.

ECONOMIC SUSTAINABILITY
Long-term value creation for Vertiseit's customers is the main prerequisite for the company's long-term development and profitability. Vertiseit actively works to balance economic growth with social and environmental sustainability. With economic development and stability, the company can contribute to positive change and meet the expectations of the market, employees, and society.

ENVIRONMENTAL SUSTAINABILITY
Vertiseit's solutions have a significant positive impact by reducing customers' resource usage. When e-commerce and physical stores are integrated, the proportion of returns and transports decreases. With complementary digital assortments, store spaces can be reduced, and overproduction decreased. Vertiseit's interactive solutions create conditions for more transparency and increased openness.

In the company's own operations, there is a strong commitment among employees and systematic work to identify and evaluate the environmental aspects that affect the business. Efforts are primarily focused on areas such as transportation, energy efficiency, and setting requirements in procurement. The company's management system is certified according to ISO 9001 and ISO 14001..

SOCIAL SUSTAINABILITY
At Vertiseit, diversity of people and competencies is a prerequisite for the company's current and future development. The corporate culture is based on the belief that differences among people are central to the company's development. Therefore, the company has chosen to support a number of local associations and initiatives. In the local community, Vertiseit contributes through partnerships with local associations, schools, Young Enterprise, and especially by being an attractive employer.

ORGANISATION AND EMPLOYEES
Vertiseit is an innovative company with high technical competence, which, combined with extensive knowledge and experience from the retail sector and its challenges, drives development in the industry. Today, the company consists of a team of around 150 employees with specialist expertise in selected disciplines.

The corporate culture is Vertiseit's most important asset and influences behavior towards each other and in relationships with customers, suppliers, and partners. The culture is based on core values: customer benefit, simplicity, and creativity. Vertiseit works closely with its customers, building trust by both creating business value and caring for and understanding their business. This approach gives customers confidence in the digital transition.

Significant events during the fiscal year

DIVESTMENT OF OPERATIONS
On September 20, 2023, Vertiseit announced that the company divested 100 percent of the shares in its subsidiary MultiQ Denmark A/S. The buyer was Journeo plc, a full-sevice provider of Intelligent Transport Solutions (ITS), listed on the London Stock Exchange, AIM. The divestment was based on a company value of approximately 27.4 MSEK. Payment was made in cash at the time of access corresponding to 70 percent of the purchase price, with the remaining amount paid in two equal installments, the first due 12 months after the day of closing and the second 24 months after the day of closing. Through the divestment, Vertiseit continued to execute on its Platform First SaaS strategy.

Directed share issues

INCENTIVE PROGRAMS
During the spring, the incentive programs with warrants offered to employees and board members in 2020 matured. In connection with this, 311,000 warrants were converted into newly issued B-shares in Vertiseit, and the company received approximately 6.2 MSEK in liquid assets. The total number of shares amounted to 20,501,747 after the issuance.

In 2023, Vertiseit offered an incentive program with warrants to employees and senior executives. At full subscription, 764,000 new B-shares can be issued, which corresponds to a dilution of 3.7 percent of the number of shares. The program runs until May 2026 with a redemption price of SEK 50.00 per B-share. The warrants were obtained for consideration, which at the time constituted the market value calculated according to the Black & Scholes model. The purpose of the incentive programs is to encourage broad share ownership among the company's employees, recruit and retain competent and talented employees, and increase the community of interest between the employees and the company's objectives.

For the 2024 Annual General Meeting, the board proposes that a new warrants program for employees and senior executives be established. At full subscription, 640,000 new B-shares can be issued, which corresponds to a dilution of 3.0 percent of the number of shares at full subscription. The program is proposed to run until May 2027 with a redemption price of SEK 53.00 per B-share. The warrants are obtained for consideration corresponding to the market value calculated according to the Black & Scholes model.

Parent company's results and position

Vertiseit AB (publ) is the parent company in the Vertiseit Group. The business concept of the parent company is to acquire and develop SaaS companies within Digital In-store. The net sales of the parent company amounted to 44.6 MSEK (93.2). The result before depreciation (EBITDA) amounted to 2.0 MSEK (-5.8). Equity amounted to 207.5 MSEK (210.5).

Future development

The Company's long-term goals:

Mission 200 - By the end of 2024, the Company's annual recurring revenue (ARR) shall exceed 200 MSEK.

Global #1 - By the end of 2026, Vertiseit aims to be the #1 Global Digital In-store platform company, measured as number of active SaaS licenses.

The Company's financial targets are:

Growth 25% - The Company's average annual ARR growth (CAGR) shall exceed 25 percent during the period 2022-2024.

Profitability 30% - The Company's EBITDA margin shall exceed 30 percent by the end of 2024.

Revenue Retention 100% - The recurring revenue from existing customers shall, at the end of each year, exceed 100 percent of the recurring revenue from the same customers at the beginning of the year.

Proposal for profit allocation

The board of directors proposes that no dividend be distributed at the annual general meeting in 2024, in line with the company's financial objectives. The year's result is proposed to be carried forward to new account.

The following amounts in Swedish krona (SEK) are available for the annual general meeting's disposal:

Share premium reserve	209 136 725
Retained earnings	7 540 049
Net profit for the year	-10 189 571
SEK	**206 487 203**

The board of directors proposes that the profits be allocated as follows::

Carried forward to new account	206 487 203
SEK	**206 487 203**

Regarding the company's results and financial position, reference is made to the subsequent financial reports with accompanying notes to the financial statements.

FINANCIAL STATEMENTS

THE GROUP'S STATEMENT OF COMPREHENSIVE INCOME

January 1 – December 31

KSEK	Note	2023	2022
Net revenue	2, 3	347 623	314 661
Other Operating Income	5	14 125	1 343
Total Operating Revenue		**361 748**	**316 004**
Cost of Goods and Services		-116 450	-123 078
Other External Costs		-62 314	-45 903
Cost of Staff		-127 714	-111 662
Operating Profit Before Depreciation and Amortisation (EBITDA)		**55 270**	**35 361**
Depreciation of Tangible and Intangible Assets		-27 201	-21 769
Operating Profit (EBIT)	3,6,7,21,26	**28 069**	**13 592**
Financial Income		132	30
Financial Costs		-10 647	-4 659
Exchange Rate Differences		-199	-5 233
Net Financial Income	8	**-10 713**	**-9 863**
Profit Before Tax		**17 356**	**3 729**
Tax	10	-5 503	5 615
Profit for the Year		**11 853**	**9 344**
Other Comprehensive Income			
Translation Differences from Translation of Foreign Operations		-565	15 510
Total Comprehensive Income for the Period		**11 287**	**24 854**
Profit for the Period Attributable to:			
Shareholders of the Parent Company		11 853	8 914
Non-controlling Interests		-	430
Profit for the Period		**11 853**	**9 344**
Total Comprehensive Income for the Period Attributable to:			
Shareholders of the Parent Company		11 287	24 307
Non-controlling Interests		-	547
Total Comprehensive Income for the Period		**11 287**	**24 854**
Earnings per Share for the Period			
Before Dilution (SEK)		0,58	1,27
Diluted (SEK)		0,52	1,14
Number of Shares at the End of the Period (pcs)		20 501 747	20 190 747
Number of Diluted Shares at the End of the Period (pcs)		23 080 747	22 645 747
Average Number of Shares (pcs)		20 316 519	19 625 562
Average Number of Diluted Shares (pcs)		22 983 698	21 876 573

REPORT ON FINANCIAL POSITION FOR THE GROUP

KSEK	Note	2023-12-31	2022-12-31
Assets	4	-	-
Intangible Fixed Assets	11	371 010	368 637
Tangible Fixed Assets	12	1 852	3 090
Leasing Assets	26	50 478	19 216
Deferred Tax Assets	10	1 996	10 988
Financial Fixed Assets		2 852	970
Total Fixed Assets		**428 188**	**402 901**
Inventory	14	16 455	21 836
Accounts Receivable	15	57 801	75 644
Contract Assets	2	1 363	2 868
Prepaid Expenses and Accrued Revenues	16	3 429	5 171
Other Receivables		9 045	5 951
Cash and Cash Equivalents	17	24 641	35 049
Total Current Assets		**112 733**	**146 519**
Total Assets		**540 921**	**549 420**
Equity and Liabilities			
Equity			
Share Capital		1 025	1 010
Other Contributed Capital		214 246	207 658
Reserves		16 337	16 902
Retained Earnings, Including Current Year's Result		38 663	26 811
Equity Attributable to the Parent Company's Owners		**270 271**	**252 380**
Non-controlling Interests		-	9 485
Total Equity		**270 271**	**261 865**
Liabilities	4		
Long-term Interest-bearing Liabilities	19	95 409	121 931
Long-term Leasing Liabilities	26	44 246	15 328
Other Labilities	25	-	1 871
Provisions	22	3 077	3 788
Deferred Tax Liabilities	10	3 928	5 096
Total Long-term Liabilities		**146 660**	**148 014**
Short-term Interest-bearing Liabilities	19	41 999	42 979
Short-term Leasing Liabilities	26	8 388	5 404
Accounts Payable		16 641	26 610
Contract Liabilities	2	25 553	25 258
Current Tax Liabilities	10	960	4 445
Other Liabilities		11 981	14 052
Accrued Expenses and Deferred Revenues	23	18 469	20 793
Total Short-term Liabilities		**123 989**	**139 542**
Total Liabilities		**270 649**	**287 556**
Total Equity and Liabilities		**540 921**	**549 420**

REPORT ON CHANGES IN EQUITY FOR THE GROUP

KSEK	Share capital	Other contributed capital	Translation reserve	Retained Earnings, Including Current Year's Result	Total	Non-controlling Interests	Total Equity
Opening Equity as of January 1, 2023	**1 009**	**207 658**	**16 902**	**26 811**	**252 380**	**9 485**	**261 865**
Total Comprehensive Income for the Period							
Total Comprehensive Income for the Period	-	-	-565	11 853	**11 287**	-	**11 287**
Transactions with the Group's Shareholders							
Share Issuance	16	6 204	-	-	**6 220**	-	**6 220**
Share Issuance costs	-	-	-	-	**-**	-	**-**
Warrants	-	384	-	-	**384**	-	**384**
Change in Ownership Interest in Subsidiaries							
Acquisition of Partially Owned Subsidiaries	-	-	-	-	**-**	-9 485	**-9 485**
Closing Equity as of December 31, 2023	**1 025**	**214 246**	**16 337**	**38 664**	**270 271**	**-**	**270 271**

KSEK	Share capital	Other contributed capital	Translation reserve	Retained Earnings, Including Current Year's Result	Total	Non-controlling Interests	Total Equity
Opening Equity as of January 1, 2023	**927**	**162 276**	**1 392**	**17 896**	**182 491**	**-**	**182 491**
Total Comprehensive Income for the Period							
Total Comprehensive Income for the Period	-	-	15 510	8 915	**24 425**	547	**24 972**
Transactions with the Group's Shareholders							
Share Issuance	82	44 431	-	-	**44 513**	-	**44 513**
Share Issuance costs	-	-	-	-	**-**	-	**-**
Warrants	-	951	-	-	**951**	-	**951**
Change in Ownership Interest in Subsidiaries							
Acquisition of Partially Owned Subsidiaries	-	-	-	-	**-**	8 938	**8 938**
Closing Equity as of December 31, 2023	**1 009**	**207 658**	**16 902**	**26 811**	**252 380**	**9 485**	**261 865**

REPORT ON CASH FLOWS FOR THE GROUP

January 1 - December 31

KSEK	Note	2023	2022
Operating Activities	31	-	-
Operating Profit (EBIT)		28 069	13 592
Adjustment for Depreciation and Amortisation		27 202	21 769
Other Non-Cash Items		-7 485	-2 991
Interest Received		132	30
Interest Paid		-10 647	-4 659
Income Tax Paid		-2 328	5 232
Increase (-)/Decrease (+) in Inventory		-3 534	4 508
Increase (-)/Decrease (+) in Trade Receivables		2 624	-18 314
Increase (+)/Decrease (-) in Trade Payables		8 696	7 443
Cash Flow from Operating Activities		**42 728**	**26 610**
Investing Activities			
Acquisition of Intangible Fixed Assets		-25 952	-23 731
Acquisition of Tangible Fixed Assets		-311	-1 498
Acquisition of Subsidiaries/Businesses, Net Cash Impact		-11 908	-141 422
Disposal of Subsidiaries/Businesses, Net Cash Impact		13 520	-
Acquisition of Financial Fixed Assets		-18	-15
Disposal of Financial Fixed Assets		388	-
Cash Flow from Investing Activities		**-24 282**	**-166 665**
Financing Activities			
Share Issuance		6 220	9 440
Costs of Share Issuance		-	-
Cash from Warrants Premiums		384	951
Net change in overdraft facilities		-928	8 101
Borrowings		-	82 000
Repayment of Loans		-26 793	-20 731
Repayment of Lease Liabilities		-7 680	-5 488
Cash Flow from Financing Activities		**-28 797**	**74 273**
Net Cash Flow for the Year		**-10 351**	**-65 783**
Cash and Cash Equivalents at the Beginning of the Year		**35 048**	**100 831**
Exchange Rate Differences in Cash and Cash Equivalents		**-57**	**-**
Cash and Cash Equivalents at the End of the Year		**24 641**	**35 048**

INCOME STATEMENT OF THE PARENT COMPANY

January 1 – December 31

KSEK	Note	2023	2022
Net Sales		42 266	93 192
Other Operating Income		2 368	7
Total Revenue		**44 635**	**93 199**
Cost of Goods and Services		-1 452	-47 544
Other External Costs		-26 234	-23 446
Cost of Staff		-14 920	-27 994
Profit Before Depreciation and Amortisation (EBITDA)		**2 029**	**-5 785**
Depreciation of Tangible and Intangible Fixed Assets		-2 932	-4 584
Operating Profit (EBIT)	6,7,21,26	**-903**	**-10 369**
Financial Income		134	3
Financial Costs		-9 479	-3 306
Exchange Rate Changes		-934	-6 043
Profit after Financial Items	8	**-11 181**	**-19 714**
Year-end allocations	9	1 312	9 932
Profit Before Tax		**-9 869**	**-9 782**
Tax	10	-320	1 049
Profit for the Year		**-10 190**	**-8 734**

THE PARENT COMPANY'S BALANCE SHEET

KSEK	Note	2023-12-31	2022-12-31
Assets	27		
Intangible Fixed Assets	11	11 540	5 802
Tangible Fixed Assets	12	186	-
Shares in Subsidiary Companies	30	335 646	324 991
Financial Fixed Assets	13	1 131	1 451
Total Fixed Assets		**348 502**	**332 244**
Inventory	14	-	1 838
Accounts Receivable	15	125	18 413
Receivables from Group Companies	13	56 838	31 991
Contract Assets	2	834	2 066
Prepaid Expenses and Accrued Revenues	16	1 860	940
Other Receivables		1 732	4 854
Current Tax Asset		2 376	-
Cash and cash equivalents		2 016	-
Total Current Assets		**65 781**	**60 101**
Total Assets		**414 283**	**392 345**
Equity and Liabilities			
Equity	18	-	-
Share Capital		1 025	1 010
Fund for Development Expenses		10 240	4 480
Share Premium Reserve		209 137	202 932
Retained Earnings		-2 700	10 770
Profit for the Period		-10 190	-8 734
Total Equity		**207 512**	**210 458**
		-	-
Provisions		-	-
Provisions		544	-
Total provisions		**544**	**-**
Liabilities			
Long-term Liabilities to Credit Institutions	20	94 034	120 593
Total Long-term Liabilities		**94 034**	**120 593**
Short-term Liabilities to Credit Institutions	20	38 380	39 308
Advance Payments from Customers		-	2 042
Accounts Payable		2 202	9 275
Current Tax Liabilities		-	3 220
Other Liabilities		891	3 357
Liabilities to Group Companies		67 255	1 000
Contract Liabilities	2	-	2 042
Accrued Expenses and Deferred Revenues	23	3 464	1 050
Total Current Liabilities		**112 193**	**61 294**
Total Liabilities		206 227	181 887
Total Equity and Liabilities		**414 283**	**392 345**

REPORT ON CHANGES IN EQUITY FOR THE PARENT COMPANY

KSEK	Share Capital	Fund for Development Expenses	Share Premium Reserve	Retained Earnings	Profit for the Year	Total Equity
Opening Equity as of January 1, 2023	**1 010**	**4 480**	**202 932**	**10 770**	**-8 734**	**210 458**
Reclassification of prior year's result	-	-	-	-8 734	8 734	-
Total Comprehensive Income for the Year						
Profti for the Year	-	-	-	-	-10 190	-10 190
Share Issuance	16	-	6 204	-	-	6 220
Share Issuance costs	-	-	-	-	-	-
Warrants	-	-	-	1 024	-	1 024
Capitalised Development Expenditures	-	5 759	-	-5 759	-	-
Closing Equity as of December 31, 2023	**1 026**	**10 240**	**209 136**	**-2 700**	**-10 190**	**207 512**

KSEK	Share Capital	Fund for Development Expenses	Share Premium Reserve	Retained Earnings	Profit for the Year	Total Equity
Opening Equity as of January 1, 2023	**928**	**-**	**158 501**	**14 298**	**-1 868**	**171 859**
Reclassification of prior year's result	-	-	-	-1 868	1 868	-
Total Comprehensive Income for the Year	-	-	-	-	-	-
Profti for the Year	-	-	-	-	-8 734	-8 734
Share Issuance	82	-	44 431	-	-	44 513
Share Issuance costs	-	-	-	-	-	-
Warrants	-	-	-	2 820	-	2 820
Capitalised Development Expenditures	-	4 480	-	-4 480	-	-
Closing Equity as of December 31, 2023	**1 010**	**4 480**	**202 932**	**10 770**	**-8 734**	**210 458**

REPORT ON CASH FLOWS FOR THE PARENT COMPANY

1 januari - 31 december

KSEK	Note	2023	2022
Operating Activities	31		
Operating Profit (EBIT)		-903	-10 369
Adjustment for Depreciation and Amortisation		2 932	1 856
Other Non-Cash Items		-156	-946
Interest Received		134	3
Interest Paid		-9 479	-3 306
Income Tax Paid		-5 597	5 211
Increase (-)/Decrease (+) in Inventory		1 838	557
Increase (-)/Decrease (+) in Trade Receivables		16 469	-11 360
Increase (+)/Decrease (-) in Trade Payables		-11 894	-712
Cash Flow from Operating Activities		**-6 656**	**-19 065**
Investing Activities			
Acquisition of Intangible Fixed Assets		-	-
Acquisition of Tangible Fixed Assets		-194	-
Capitalised Development Expenditures		-8 023	-3 442
Acquisition of Subsidiaries/Businesses, Net Cash Impact		-9 354	-144 553
Disposal of Subsidiaries/Businesses, Net Cash Impact		-	-
Acquisition of Financial Fixed Assets		-19 422	-1 980
Cash Flow from Investing Activities		**-36 993**	**-149 975**
Financing Activities			
Share Issuance		6 220	9 440
Share Issuance Costs		-	-
Net change in overdraft facilities		-928	8 101
Borrowings		-	82 000
Repayment of Loans		-26 792	-20 821
Change in Intra-group Liabilities		66 142	-1 761
Warrants Premiums		1 024	2 820
Cash Flow from Financing Activities		**45 665**	**79 779**
Net Cash Flow for the Period		**2 016**	**-89 261**
Cash and Cash Equivalents at the Beginning of the Period		**-**	**89 261**
Cash and Cash Equivalents at the End of the Period		**2 016**	**-**

NOTES

ACCOUNTING PRINCIPLES

Notes to the financial statements

Note 1 Significant accounting principles

Compliance with regulations and law

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the EU. Furthermore, the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups has been applied.

The parent company applies the same accounting principles as the group except in the cases specified under the section "Accounting Principles of the Parent Company."

The annual report and the consolidated financial statements have been approved for issuance by the board of directors and the CEO on April 8, 2024, and the report on financial position and the parent company's income statement and balance sheet are expected to be subject to approval at the annual general meeting on May 2, 2024.

Valuation bases applied in the preparation of the financial reports

Assets and liabilities are reported based on historical acquisition costs, with the exception of additional purchase prices, which are reported at fair value.

Functional currency and reporting currency

The parent company's functional currency is the Swedish krona, which is also the reporting currency for both the parent company and the group. This means that the financial reports are presented in Swedish krona. All amounts are, unless otherwise indicated, rounded to the nearest thousand.

Assessments and estimations in the financial reports

Preparing the financial reports in accordance with IFRS requires management to make assessments and estimates, as well as assumptions that affect the application of accounting principles and the amounts reported for assets, liabilities, revenues, and expenses. Actual outcomes may differ from these estimates and assessments.

Estimates and assumptions are reviewed regularly. Changes in estimates are reported in the period in which the change is made if the change only affects that period, or in the period in which the change is made and future periods if the change affects both the current period and future periods. Assessments made by management in applying IFRS that have a significant impact on the financial reports and estimates that may result in substantial adjustments in the subsequent year's financial reports are further described in Note 33.

Significant accounting principles applied

The accounting principles stated below have been consistently applied to all periods presented in the group's financial reports. Furthermore, the group's accounting principles have been consistently applied by the group's entities in their reporting, as they apply Local GAAP in their own financial reporting..

New IFRS not yet applied

New and amended IFRS with future application are not expected to have any significant effect on the company's financial reports. The changes that were applied from January 1, 2023, have had no impact on the consolidated financial statements.

CLASSIFICATIONS

Non-current assets consist primarily of amounts expected to be recovered or paid more than twelve months from the balance sheet date, while current assets consist primarily of amounts expected to be recovered or paid within twelve months from the balance sheet date. Long-term liabilities are primarily amounts that Vertiseit, by the end of the reporting period, has an unconditional right to choose to pay at a later date than twelve months after the end of the reporting period. If Vertiseit does not have such a right at the end of the reporting period, the debt amount is accounted for as a short-term liability.

Operating segment reporting

An operating segment is a part of the group that conducts business from which it can generate revenues and incur expenses, and for which separate financial information is available. The performance of an operating segment is further monitored by the company's management to evaluate its performance and to allocate resources to the segment. See note 2 for further description of the division and presentation of operating segments.

Consolidation principles and business acquisitions

SUBSIDIARIES

Subsidiaries are companies under the controlling influence of Vertiseit AB. Controlling influence exists if Vertiseit AB has power over the investee, is exposed to, or has rights to, variable returns from its involvement with the investee, and has the ability to use its power over the investee to affect its returns. In assessing whether controlling influence exists, potential voting rights and the presence of de facto control are considered.

Subsidiaries are accounted for using the acquisition method. This method treats the acquisition of a subsidiary as a transaction in which the group indirectly acquires the subsidiary's assets and assumes its liabilities. In the acquisition analysis, the fair value on the acquisition date of acquired identifiable assets and assumed liabilities, and any non-controlling interests, are determined. Transaction expenses, except for those related to the issuance of equity or debt instruments, incurred are recognized directly in the income statement for the year.

In business acquisitions where the transferred consideration, any non-controlling interest, and the fair value of previously held equity interest (in step acquisitions) exceed the fair value of the acquired assets and assumed liabilities accounted for separately, the difference is recorded as goodwill. When the difference is negative, known as a bargain purchase, it is recognized directly in the income statement for the year.

The transferred consideration in connection with the acquisition does not include payments for settling pre-existing business relationships. Such settlements are typically recognized in the income statement. Transactions eliminated in consolidation Inter-company receivables and payables, revenues or expenses, and unrealized gains or losses arising from inter-company transactions between group companies are entirely eliminated in the preparation of the consolidated financial statements.

Foreign currencies

TRANSACTIONS IN FOREIGN CURRENCIES

Transactions in foreign currencies are translated into the functional currency at the exchange rate prevailing on the transaction date. The functional currency is SEK for all Swedish group companies in the Vertiseit Group. For the group's foreign subsidiaries, the currency of the country is the functional currency for each subsidiary. The currencies are EUR, GBP, DKK, CHF and NOK. Monetary assets and liabilities in foreign currencies are translated into the functional currency at the exchange rate prevailing on the balance sheet date. Exchange rate differences arising from these translations are recognised in the income statement for the year. Non-monetary assets and liabilities recorded at historical cost are translated at the exchange rate at the time of the transaction. Non-monetary assets and liabilities recorded at fair value are translated into the functional currency at the exchange rate prevailing at the time of the valuation to fair value.

FOREIGN OPERATIONS

Assets and liabilities in foreign operations, including goodwill and other group-level fair value adjustments, are translated from the functional currency of the foreign operation to the group's reporting currency, Swedish Krona (SEK), at the exchange rate prevailing on the balance sheet date. Revenues and expenses in a foreign operation are translated at an average rate that serves as an approximation of the exchange rates prevailing at the respective transaction dates. Translation differences arising from the translation of foreign operations are recognized in other comprehensive income and accumulated in a separate component of equity called the translation reserve.

Revenues

PERFORMANCE OBLIGATIONS AND REVENUE RECOGNITION PRINCIPLES
Revenue is measured based on the compensation specified in the contract with the customer. The group recognises revenue when control of a good or service is transferred to the customer.

Information on the nature of and the timing for the fulfillment of performance obligations in contracts with customers, along with the associated revenue recognition principles, is summarised below.

SAAS (SOFTWARE AS A SERVICE)
SaaS revenues are recurring revenues and include licensing and operation of software platforms as well as monitoring and support. The revenues are charged per installed system and grow in line with the installed base.

SaaS agreements are characterised by Vertiseit's performance typically being carried out continuously over the license period by ensuring the customer's access to the agreed platform and its functionality. Therefore, revenue recognition occurs over time, usually on a straight-line basis, during the agreed license period.

CONSULTING
Within the Consulting business segment, performance obligations primarily consist of service deliveries regarding strategy, concept development, project management, design and development, as well as system integration.

Consulting agreements are characterised by Vertiseit's performance typically being carried out continuously during the contract period through instant knowledge transfer or updating of the customer's assets. Therefore, revenue recognition occurs over time as the agreed services are delivered.

SYSTEMS
Vertiseit's solutions require well-functioning systems. Therefore, the company's offering in some cases includes a commitment to customers' infrastructure consisting of displays, players, sensors, and other technical equipment. Revenues are generated from product sales and related services such as installation and financing solutions via third parties.

The majority of performance obligations in this business area consist of delivering hardware, and revenues are recognised at the point in time when the customer obtains control over the delivered equipment.

GOVERNMENT GRANTS
Government grants are recognised in the statement of financial position as deferred income when there is reasonable assurance that the grant will be received and that the group will comply with the conditions attached to the grant. The grant is systematically recognised in the income statement in the same way and over the same periods as the expenses the grants are intended to compensate for, unless the conditions to receive the grant are fulfilled after the related costs have been recognised. In these cases, the grant is recognised in the period during which the company acquires a receivable from the government. Government grants related to assets are presented in the balance sheet as a reduction of the carrying amount of the asset.

LEASING
When a contract is entered into, Vertiseit assesses whether the contract is, or contains, a lease agreement. A contract is, or contains, a lease agreement if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement of the lease or upon reassessment of a lease that contains multiple components, leasing and non-leasing components, Vertiseit allocates the consideration according to the contract to each component based on its stand-alone price.

LEASE AGREEMENTS WHERE VERTISEIT IS THE LESSEE
Vertiseit recognises a right-of-use asset and a lease liability at the commencement date of the lease. The right-of-use asset is initially measured at cost, which consists of the initial measurement of the lease liability, plus any lease payments made at or before the commencement date, up to the earlier of the end of the useful life of the asset and the end of the lease term, which for Vertiseit is normally the end of the lease term. In the rarer cases where the initial measurement of the right-of-use asset reflects that Vertiseit will exercise an option to purchase the underlying asset, the asset is depreciated over the period of use.

The lease liability, which is split into long-term and short-term parts, is initially measured at the present value of the remaining lease payments over the lease term assessed. The lease term consists of the non-cancellable period plus additional periods in the contract if it is reasonably certain at the commencement date that these will be utilised.

Lease payments are typically discounted using Vertiseit's incremental borrowing rate, which reflects Vertiseit's credit risk and the lease term, currency, and quality of the underlying asset intended as security.

The lease liability includes the present value of the following payments over the lease term assessed:

- Fixed payments, including in-substance fixed payments,
- Variable lease payments linked to an index or rate, initially measured using the index or rate applicable at the commencement date,
- Any expected payments under residual value guarantees,
- The exercise price of a purchase option if it is reasonably certain to be exercised by Vertiseit, and
- Penalties for terminating the lease if the lease term reflects that such termination will occur.

The value of the liability is increased by the interest cost for each period and reduced by the lease payments. The interest cost is calculated as the liability value times the discount rate. The lease liability for Vertiseit's premises with index-linked rent is calculated based on the rent applicable at the end of each reporting period. At this point, the liability is adjusted with a corresponding adjustment to the recorded value of the right-of-use asset. Similarly, the values of the liability and the asset are adjusted in connection with a reassessment of the lease term.

This occurs when the last termination date within the previously assessed lease term for premises lease contracts has passed, or significant events occur or circumstances change significantly in a way that is within Vertiseit's control and affects the current assessment of the lease term.

Vertiseit presents right-of-use assets and lease liabilities as separate line items in the balance sheet.

For lease contracts that have a lease term of 12 months or less or with an underlying asset of low value, not exceeding 50 KSEK, no right-of-use asset and lease liability are recognised. Lease payments for these lease contracts are recognized as an expense on a straight-line basis over the lease period.

Financial income and expenses

Vertiseit's financial income and expenses include interest income and interest expenses. These are recognised using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset, or
- the amortised cost of the financial liability.

TAXES
Income taxes consist of current tax and deferred tax. Income taxes are recognised in the income statement for the year, except when the underlying transaction is recognised in other comprehensive income or in equity, in which case the related tax effect is recognised in other comprehensive income or in equity.

Current tax is the tax expected to be paid or received for the current year, using the tax rates that have been enacted or substantively enacted by the balance sheet date. Current tax includes adjustments to current tax attributable to prior periods. Deferred tax is calculated using the balance sheet liability method, based on temporary differences between the accounting and tax bases of assets and liabilities. Temporary differences are not considered for goodwill or for differences arising at the initial recognition of assets and liabilities in transactions that do not affect either accounting or taxable income. Also, temporary differences related to investments in subsidiaries and associates that are not expected to reverse in the foreseeable future are not considered. The valuation of deferred tax is based on how the underlying assets or liabilities are expected to be realised or settled. Deferred tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets for deductible temporary differences and carry-forward of unused tax losses are recognised only to the extent that it is probable that they will be utilized. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Financial instruments

ACCOUNTING AND INITIAL VALUATION
Trade receivables are recognized when they are issued. Other financial assets and financial liabilities are recognised when the group becomes party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for financial instruments not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition

or issuance of the financial instrument. A trade receivable is measured at the transaction price.

Classification and subsequent valuation

FINANCIAL ASSETS
At the initial recognition, a financial asset is classified as measured at: amortized cost; fair value through other comprehensive income (interest-bearing assets); fair value through other comprehensive income (equity investments); or fair value through profit or loss. Financial assets are not reclassified after the initial recognition except if the group changes its business model for managing financial assets, in which case all affected financial assets are reclassified from the first day of the first reporting period following the change in the business model.

Vertiseit currently only holds financial assets in the form of trade receivables and other receivables, which have been classified as measured at amortized cost.

FINANCIAL LIABILITIES
Financial liabilities are classified as either measured at amortised cost or fair value through profit or loss.

A financial liability is classified at fair value through profit or loss if it is classified as held for trading purposes, as a derivative, or if it has been designated as such at initial recognition. Vertiseit's financial liabilities have been classified as measured at amortised cost.

Deductions from the statement of financial position (write-off)

FINANCIAL ASSETS
Vertiseit removes a financial asset from the statement of financial position when the contractual rights to cash flows from the financial asset expire or when the right to receive the contractual cash flows is transferred through a transaction in which substantially all risks and rewards of ownership are transferred, or in which Vertiseit neither transfers nor retains substantially all risks and rewards of ownership and does not retain control over the financial asset.

FINANCIAL LIABILITIES
The Group writes off a financial liability from the statement of financial position when the obligations specified in the agreement are fulfilled, cancelled, or expire. The Group also writes off a financial liability when the contractual terms are modified and the cash flows from the modified liability are substantially different. In this case, a new financial liability is recognised at fair value based on the modified terms. When a financial liability is written off, the difference between the carrying amount derecognised and the consideration paid (including transferred non-monetary assets or assumed liabilities) is recognised in profit or loss.

Tangible fixed assets

OWNED ASSETS
Tangible fixed assets are reported in the consolidated financial statements at cost less accumulated depreciation and any impairments. The cost includes the purchase price and expenses directly attributable to bringing the asset to its location and condition for use in accordance with the purpose of acquisition. Borrowing costs directly attributable to the acquisition, construction, or production of assets that take a significant amount of time to complete for intended use or sale are included in the cost. Accounting principles for impairments are outlined below. Tangible fixed assets consisting of components with different useful lives are treated as separate components of tangible fixed assets.

The carrying value of a tangible fixed asset is removed from the statement of financial position upon disposal or sale, or when no future economic benefits are expected from the use or disposal/sale of the asset. Profit or loss arising from the disposal or sale of an asset is the difference between the sales price and the carrying value of the asset, net of direct selling costs. Profit and loss are reported as other operating income/expenses.

ADDITIONAL EXPENSES
Additional expenses are added to the cost of acquisition only if it is probable that the future economic benefits associated with the asset will accrue to the company and the cost of acquisition can be reliably measured. All other additional expenses are recognized as expenses in the period they occur. An additional expense is added to the cost of acquisition if the expense relates to the replacement of identified components or parts thereof. Even in cases where a new component is created, the expense is added to the cost of acquisition. Any remaining undepreciated carrying amounts of replaced components, or parts thereof, are derecognised and expensed in connection with the replacement. Repairs are expensed as incurred.

DEPRECIATION PRINCIPLES
Depreciation is performed linearly over the estimated useful life of the asset; land is not depreciated. Leased assets are also depreciated over the estimated useful life or, if shorter, over the agreed lease term. The Group applies component depreciation, which means that the estimated useful life of the components forms the basis for depreciation.

Estimated useful lives: fixtures, tools, and installations 3-5 years. Depreciation methods, residual values, and useful lives are reassessed at the end of each year.

Intangible assets

GOODWILL
Goodwill is valued at cost less any accumulated impairments. Goodwill is allocated to cash-generating units and tested for impairment at least annually.

RESEARCH AND DEVELOPMENT
Expenses for research aimed at obtaining new scientific or technical knowledge are recognised as expenses when incurred. Expenses for development, where research findings or other knowledge are applied to create new or improved products or processes, are recognised as an asset in the statement of financial position if the product or process is technically and commercially feasible, and the company has sufficient resources to complete the development and subsequently use or sell the intangible asset. The carrying value includes all directly attributable expenses, such as for materials and services, employee compensation, registration of a legal right, depreciation on patents and licenses, borrowing costs in accordance with IAS 23. Other development expenses are recognized in the year's profit or loss as expenses when incurred. Development expenses recognised in the balance sheet are stated at cost less accumulated depreciation and any impairments.

OTHER INTANGIBLE ASSETS
Other intangible assets acquired by the Group consist of customer contracts, customer relationships, and trademarks, and are recognised at cost less accumulated depreciation (see below) and any impairments.

ADDITIONAL EXPENSES
Additional expenses for capitalized intangible assets are recognised as an asset in the statement of financial position only when they increase the future economic benefits of the specific asset to which they relate. All other expenses are recognised as expenses when incurred.

DEPRECIATION PRINCIPLES
Depreciation is recognised in the income statement linearly over the estimated useful lives of intangible assets, unless such useful lives are indefinite. Useful lives are reassessed at least annually. Goodwill and other intangible assets with an indefinite useful life or those not yet ready for use are tested for impairment annually and whenever indications arise suggesting that the asset in question has declined in value. Intangible assets with determinable useful lives are depreciated from the time they are available for use. The estimated useful lives are reassessed at least annually:

Goodwill and trademarks	Indeterminate
Customer relations	5-10 yrs
Customer contracts	1-2 yrs
Capitalized development expenditures	5 yrs

INVENTORY
Inventory is valued at the lower of cost and net realisable value. The cost of inventory is determined using the first-in, first-out (FIFO) method and includes expenses incurred in acquiring the inventory assets and transporting them to their current condition and location. For manufactured goods and work in progress, the cost includes a reasonable proportion of indirect costs based on normal capacity. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs necessary to make the sale.

Impairments

The group's recorded assets are assessed at each balance sheet date to determine whether there is any indication of impairment. IAS 36 is applied for impairments of assets other than financial assets, which are accounted for in accordance with IFRS 9.

IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS
If there is an indication of impairment, the recoverable amount of the asset is calculated (see below). For goodwill, other intangible assets with an indefinite useful life, and intangible assets not yet ready for use, the recoverable amount is also calculated annually. If substantially independent cash flows cannot be determined for an individual asset, and its fair value less costs to sell cannot be used, assets are grouped for the purposes of assessing impairment at the lowest level at which substantially independent cash flows can be identified – 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 recognised as an expense in the income statement for the year. When an impairment loss is identified for a cash-generating unit (group of units), the impairment loss is allocated first to goodwill. Thereafter, a proportional impairment of the other assets included in the unit (group of units) is made.

The recoverable amount is the higher of fair value less costs to sell and value in use. In calculating value in use, future cash flows are discounted using a discount rate that reflects the risk-free interest rate and the risk associated with the specific asset.

REVERSAL OF IMPAIRMENT
An impairment of assets within the scope of IAS 36 is reversed if there is an indication that the impairment no longer exists and there has been a change in the assumptions used to determine the recoverable amount. However, an impairment of goodwill is never reversed. A reversal is made only to the extent that the asset's carrying amount, after the reversal, does not exceed the carrying amount that would have been determined, net of depreciation where applicable, if no impairment had been recognised.

IMPAIRMENT OF FINANCIAL ASSETS
The loss allowance for trade receivables and contract assets is always measured at an amount equal to the lifetime expected credit losses.

VALUATION OF EXPECTED LOSSES
Expected credit losses are comprised of a probability-weighted estimation of credit losses. Credit losses are valued as the present value of all shortfalls in cash flows (i.e., the difference between the company's cash flows as per the agreement and the cash flow expected by the group). Loss provisions for financial assets valued at amortised cost have been deducted from the assets' gross value.

Distribution of capital to shareholders

DIVIDENDS
Dividends are reported as liabilities after the annual general meeting has approved the distribution.

EARNINGS PER SHARE
The calculation of earnings per share before dilution is based on the year's consolidated profit attributable to the parent company's shareholders and the weighted average number of shares outstanding during the year. In calculating earnings per diluted share, the average number of shares is adjusted to account for the effects of dilutive potential ordinary shares, which during the reported periods arise from share warrants issued to board members and employees. The dilution from the warrants is based on a calculation of how many shares could hypothetically have been purchased during the period at the exercise price and the value of remaining services in accordance with IFRS 2 Share-based Payment. The shares that could not have been purchased do not lead to dilution. Furthermore, the number of warrants, and hence shares, that would be earned if the degree of fulfillment of the vesting conditions that exist at the end of the current period were also to exist at the end of the vesting period is included. Potential ordinary shares are considered dilutive only during periods when they result in lower earnings per share or a greater loss per share.

Employee compensations

SHORT-TERM COMPENSATIONS
Short-term employee compensations are calculated without discounting and recognised as an expense when the related services are rendered.

DEFINED CONTRIBUTION PENSION PLANS
As defined contribution pension plans, these are plans where the company's obligation is limited to the contributions it has committed to pay. In such cases, the size of the employee's pension depends on the contributions that the company pays into the plan or to an insurance company, as well as the investment returns generated by those contributions. Consequently, the employee bears the actuarial risk (that the benefits will be lower than expected) and investment risk (that the invested assets will be insufficient to provide the expected benefits). Contributions to defined contribution plans and expenses related to these are recognised as an expense in the income statement for the period in which the employees render service to the company.

DEFINED BENEFIT PENSION PLANS
Defined benefit plans are different from defined contribution plans and represent another form of post-employment compensation. The group's defined benefit plans include ITP 2 plans, which are plans covering multiple employers. The ongoing contributions paid to Alecta are accounted for in the same manner as for defined contribution plans.

SEVERANCE PAY
A cost for compensation related to employee terminations is recognised at the earliest of when the company can no longer withdraw the offer to employees or when the company recognises restructuring costs. Compensation expected to be settled after twelve months is discounted to its present value. Compensation not expected to be settled entirely within twelve months is recognised as long-term compensation.

SHARE-RELATED COMPENSATION
Vertiseit has outstanding warrants programs to employees. Market-based consideration has been paid for the warrants, and therefore, no expense arises in the company's income statement. The group's equity is increased by the paid warrants premiums.

PROVISIONS
A provision differs from other liabilities in that there is uncertainty about the timing or amount of payment to settle the provision.
A provision is recognised in the balance sheet when there is an existing legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are made for the best estimate of the amount required to settle the existing obligation at the balance sheet date. Where the timing of payment is material, provisions are discounted to their present value using a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks associated with the liability.

GUARANTEES
A provision for warranties is recognised when the underlying products or services are sold. The provision is based on historical data regarding warranties and an assessment of potential outcomes weighted by the probabilities associated with those outcomes.

LOSS CONTRACTS
A provision for loss contracts is recognised when the expected benefits that the group expects to derive from a contract are lower than the unavoidable costs to fulfill the obligations under the contract.

CONTINGENT LIABILITIES
Disclosure about contingent liabilities is provided when there is a possible obligation arising from past events, the existence of which will be confirmed only by one or more uncertain future events beyond the group's control, or when there is an obligation that is not recognised as a liability or provision because it is not probable that an outflow of resources will be required or cannot be reliably estimate.

Parent company accounting principles

The parent company has prepared its annual report in accordance with the Annual Accounts Act (1995:1554) and the Swedish Accounting Standards Board's Recommendation RFR 2 Accounting for Legal Entities. Additionally, statements issued by the Swedish Accounting Standards Board regarding listed companies are applied. RFR 2 requires the parent company to apply all EU-adopted IFRS and statements in the annual report for the legal entity, to the extent possible within the framework of the Annual Accounts Act, the Insurance Contracts Act, and taking into account the relationship between accounting and taxation. The recommendation specifies the exceptions to and additions to IFRS that should be made.

Differences between the group's and the parent company's accounting principles

The differences between the group's and the parent company's accounting principles are outlined below. The accounting principles specified below for the parent company have been consistently applied to all periods presented in the parent company's financial reports.

CLASSIFICATION AND PRESENTATION FORMATS
For the parent company, an income statement and a statement of comprehensive income are presented, while for the group, these two statements together constitute a statement of comprehensive income. The income statement and balance sheets for the parent company are prepared in accordance with the schedules of the Annual Accounts Act, while the statement of comprehensive income, statement of changes in equity, and cash flow statement are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows. The differences from the group's reports that are evident in the parent company's income statement and balance sheets primarily consist of the presentation of non-current assets, equity, and the presence of provisions as a separate heading in the balance sheet.

SUBSIDIARIES
Shares in subsidiaries are accounted for in the parent company using the acquisition method. This means that transaction costs are included in the reported value. In the consolidated financial statements, transaction costs related to subsidiaries are recognised directly in the income statement when incurred.

FINACIAL GUARANTEES
The parent company's financial guarantee agreements primarily consist of guarantee commitments and capital coverage guarantees for the benefit of subsidiaries. Financial guarantees entail the company's commitment to compensate the holder of a debt instrument for losses incurred due to a specified debtor's failure to make payment at maturity according to the terms of the agreement.
For the accounting of financial guarantee agreements, the parent company applies a relief provision permitted by the Swedish Financial Reporting Board (Rådet för finansiell rapportering), compared to the rules in IFRS 9. The relief provision concerns financial

guarantee agreements issued for the benefit of subsidiaries.

The parent company recognises financial guarantee agreements as provisions in the balance sheet when the company has a commitment for which payment is likely to be required to settle the obligation.

TANGIBLE FIXED ASSETS

Tangible fixed assets in the parent company are reported at acquisition cost, net of accumulated depreciation and any impairments, in the same manner as for the group, but with additions for any revaluations..

LEASED ASSETS

The parent company does not apply IFRS 16, in accordance with the exemption provided in RFR 2. As a lessee, lease payments are recognised as an expense on a straight-line basis over the lease term, and therefore, the right-of-use assets and lease liabilities are not recognised in the balance sheet.

INTANGIBLE FIXED ASSETS

Goodwill and other intangible assets with an indefinite useful life, which in the group are not subject to amortisation, are impaired in the parent company in accordance with Swedish Accounting Standards (ÅRL). This entails amortisation over typically five years. In special cases, the amortisation period may be longer than five years.

Note 2 Revenue

REVENUE STREAMS

The group primarily generates revenue from providing software platform ('SaaS'), strategy and concept development ('Consulting'), as well as infrastructure and technical solutions ('Systems') for the in-store customer experience..

The group

KSEK	2023	2022
Revenue from contracts with customers	347 623	314 661
Net revenue	**347 623**	**314 661**

ALLOCATION OF REVENUE FROM AGREEMENTS WITH CUSTOMERS

The distribution of revenue from agreements with customers across primary geographic markets, operational areas, and the timing of revenue recognition is summarised below. The table also includes a reconciliation between the revenue distribution and the Group's operating segments (see note 3).

The group	Operating segment							
1 january - 31 december	SaaS		Consulting		Systems		Total	
KSEK	2023	2022	2023	2022	2023	2022	2023	2022
Geographical market								
Sweden	42 818	27 010	10 841	9 349	56 612	33 551	110 271	69 911
Within EU excl Sweden	100 347	83 624	18 158	21 699	44 737	85 616	163 242	190 939
Outside EU	34 528	25 739	7 316	9 083	32 267	18 990	74 111	53 811
Total	**177 693**	**136 373**	**36 315**	**40 131**	**133 616**	**138 157**	**347 623**	**314 661**
Timing of revenue recognition								
Goods recorded at a specific point in time	-	-	-	-	133 616	138 157	133 616	138 157
Goods and services recognised over time	177 693	136 373	36 315	40 131	-	-	214 008	176 504
Total revenue from contracts with customers	**177 693**	**136 373**	**36 315**	**40 131**	**133 616**	**138 157**	**347 623**	**314 661**

CONTRACT BALANCES

Information on receivables, contract assets, and contract liabilities from agreements with customers is summarised below.

The group

KSEK	2023-12-31	2022-12-31
Accounts receivable	57 801	75 644
Contract assets	1 363	2 868
Contract liabilities	25 553	25 258

The parent company

KSEK	2023-12-31	2022-12-31
Accounts receivable	125	18 413
Contract assets	834	2 066
Contract liabilities	-	2 042

Contract liabilities primarily relate to advances received from customers. Contract assets mainly represent work performed but not yet invoiced to customers.

No information is provided on remaining performance obligations as of December 31, 2023, or December 31, 2022, that have an original expected duration of one year or less, as permitted under IFRS 15.

Note 3 Operating segments

The Group's operating segments correspond to the business areas that collectively constitute the company's business model. The segments consist of Recurring License Revenue ("SaaS"), Consulting Services ("Consulting"), and Hardware Sales ("Systems").

In the operating segments' results, assets, and liabilities, items that are directly attributable or can be allocated to the segments in a reasonable and reliable manner have been included. The reported items in the operating segments' results, assets, and liabilities are valued in accordance with the results, assets, and liabilities that the company's Chief Executive Officer monitors.

Internal pricing among the Group's different operating segments adheres to the OECD transfer pricing principles, which emphasise market-based pricing.

The group — Operating segment

1 january - 31 december	SaaS		Consulting		Systems		Total	
KSEK	2023	2022	2023	2022	2023	2022	2023	2022
Net revenue	177 693	136 372	36 315	40 131	133 616	138 158	347 623	314 661
Cost of goods and services	-12 968	-7 531	-4 022	-10 177	-99 461	-105 370	-116 450	-123 078
Gross profit	**164 725**	**128 841**	**32 293**	**29 954**	**34 155**	**32 788**	**231 173**	**191 583**
Gross margin	93%	94%	89%	75%	26%	24%	67%	61%
Other operating income							14 125	1 343
Other external costs							-62 314	-45 903
Cost of staff							-127 714	-111 662
EBITDA							**55 270**	**35 361**
Depreciation of tangible and intangible fixed assets							-27 201	-21 769
EBIT							28 069	13 592
Financial income							**132**	**30**
Financial costs							-10 647	-4 659
Currency exchange rate fluctuations							-199	-5 233
Profit before tax							**17 356**	**3 729**

The parent company — Operating segment

1 january - 31 december	SaaS		Consulting		Systems		Total	
KSEK	2023	2022	2023	2022	2023	2022	2023	2022
Net revenue	1 824	31 370	-55	13 600	1 017	48 221	2 786	93 192
Other net revenue	-	-	-	-	-	-	39 480	-
Cost of goods and services	-1 345	-11 143	-	-464	-107	-35 937	-1 452	-47 544
Gross profit	**479**	**20 227**	**-55**	**13 136**	**910**	**12 284**	**40 814**	**45 648**
Gross margin	26%	64%	100%	97%	89%	25%	97%	49%
Other operating income							2 368	7
Other external costs							-26 234	-23 446
Cost of staff							-14 920	-27 994
EBITDA							**2 029**	**-5 784**
Depreciation of tangible and intangible fixed assets							-2 932	-4 584
EBIT							**-903**	**-10 368**
Financial income							134	3
Financial costs							-9 479	-3 306
Currency exchange rate fluctuations							-934	-6 043
Profit after financial items							-11 181	-19 714
Year-end adjustments							1 312	9 932
Profit before tax							**-9 869**	**-9 782**

The parent company — Geographical distribution

1 january - 31 december	Sweden		Within EU excl Sweden		Outside EU		Total	
KSEK	2023	2022	2023	2022	2023	2022	2023	2022
Net revenue	2 788	85 537	-2	5 434	-	2 219	2 786	93 192
Other net revenue	24 655	-	14 825	-	-	-	39 480	-
Total	**27 443**	**85 537**	**14 823**	**5 434**	**-**	**2 219**	**42 266**	**93 192**

Note 4 Acquisitions and divestments of business operations

During 2023, Vertiseit completed the redemption process regarding the remaining minority shares in MultiQ International AB (name changed to MQ International AB). The consideration for the shares was paid in cash and amounted to 9.4 MSEK.

On September 19, 2023, the Vertiseit Group divested 100% of the shares in MultiQ Denmark A/S. The divestment took place at a company valuation of approximately 27.4 MSEK. Payment was made through cash payment upon completion corresponding to 70% of the purchase price, with the remaining amount in two equal installments, the first of which falls due 12 months after the divestment and the second 24 months after the divestment. The buyer was Journeo Plc, a leading player in Intelligent Transport Solutions (ITS), listed on the London Stock Exchange, AIM. Through the divestment of the ITS business, Vertiseit continued to execute on its Platform First SaaS strategy..

Effects of acquisitions — MultiQ International AB

KSEK	2023	2022	Total
The acquired company's net assets at the time of acquisition:			
Intangible assets	-	18 391	18 391
Tangible fixed assets	-	8 745	8 745
Financial fixed assets	-	3 539	3 539
Inventory	-	23 156	23 156
Accounts receivable and other receivables	-	29 065	29 065
Cash and cash equivalents	-	4 644	4 644
Interest-bearing liabilities	-	-253	-253
Trade payables and other operating liabilities	-	-41 483	-41 483
Deferred tax liability	-	-1 946	-1 946
Net identifiable assets and liabilities	-	43 858	43 858
Goodwill	417	144 705	145 122
Transferred consideration	**417**	**188 563**	**188 980**

Transferred consideration

KSEK	2023	2022	Total
Cash and cash equivalents	9 354	144 553	153 907
New issue	-	35 073	35 073
Total transferred consideration	**9 354**	**179 626**	**188 980**

GOODWILL

The goodwill value includes the value of an installed base of systems, market presence, organisation, and industry-specific know-how. No part of the goodwill is expected to be tax-deductible. The value of intangible assets has been set at 18.4 MSEK. The Full Goodwill Method is applied, which means the difference between the Total Identified Value and the Total Transferred Consideration corresponds to the Non-controlling Interests..

Effects of divestments

KSEK	MultiQ Denmark A/S 2023
Reported value of disposed assets and liabilities:	
Intangible fixed assets	7 431
Tangible fixed assets	54
Financial fixed assets	254
Deferred tax receivable	3 003
Inventory	8 915
Trade receivables and other receivables	9 986
Other assets	5 824
Cash and cash equivalents	78
Interest-bearing liabilities	-
Trade payables and other operating liabilities	-22 231
Deferred tax liability	-
Total reported value of disposed assets	**13 314**
Result	5 399
Total sales value	**18 713**

Transferred consideration

KSEK	2023
Received purchase consideration	18 713
Less buyer's receivable	-5 115
Less disposed cash and cash equivalents	-78
Change in the group's cash and cash equivalents	**13 520**

Note 5 Other revenue

KSEK	2023	2022
The group		
Profit from sale of subsidiary	5 399	–
Other	8 726	1 343
Total other operating income	**14 125**	**1 343**
The parent company		
Other	2 368	7
Total other operating income	**2 368**	**7**

Note 6 Employees, personnel costs, and remunerations for executive officers

Costs for employee compensation

KSEK	2023	2022
The group		
Wages and salaries, etc.	107 084	97 166
Pension costs, defined contribution plans	5 502	5 344
Social security contributions	24 845	22 844
Total employee compensation	**137 431**	**125 354**

Average number of employees (full-time equivalents)

	2023	Share of women	2022	Share of women
The parent company				
Sweden	13	40%	42	31%
Total for the parent company	**13**	**40%**	**42**	**31%**
Subsidiaries				
Sweden	73	27%	48	30%
Norway	4	0%	4	0%
Denmark	15	13%	13	15%
Austria	59	30%	62	25%
Germany	3	0%	4	0%
United Kingdom	4	0%	3	0%
Total in subsidiaries	**158**	**25%**	**134**	**24%**
Total for the group	**171**	**26%**	**176**	**26%**

Gender distribution in management	Share of women 2023-12-31	Share of women 2022-12-31
The parent company		
Board of Directors	33%	33%
Other executive officers	20%	30%
The group		
Board of Directors	33%	33%
Other executive officers	25%	30%

SALARIES AND OTHER REMUNERATIONS ALLOCATED BETWEEN EXECUTIVE OFFICERS AND OTHER EMPLOYEES, ALONG WITH SOCIAL SECURITY COSTS IN THE PARENT COMPANY

The parent company 2023

KSEK	Executive officers (6 persons)	Other employees	Total
Salaries and other compensation	5 843	4 001	9 843
(of which bonuses, etc.)	(–)	(–)	(–)
Total for the parent company	5 843	4 001	9 843
(of which bonuses, etc.)	(–)	(–)	(–)
Social costs	3 054	1 504	4 557
(of which pension costs)	(1 089)	(636)	(1 725)

The parent company 2022

KSEK	Executive officers (7 persons)	Other employees	Total
Salaries and other compensation	5 557	17 662	23 219
(of which bonuses, etc.)	(–)	(–)	(–)
Total for the parent company	5 557	17 662	23 219
(of which bonuses, etc.)	(–)	(–)	(–)
Social costs	1 870	7 107	8 976
(of which pension costs)	(1 097)	(1 180)	(2 277)

Senior executives in the parent company include the group management, excluding Roland Grassberger, Ann Hjelte, and Sebastian Kryh.

SALARIES AND OTHER REMUNERATIONS, PENSION COSTS, AND PENSION LIABILITIES FOR EXECUTIVE OFFICERS IN THE GROUP

	2023	2022
KSEK	Executive officers (10 persons)	Executive officers (10 persons)
The group		
Salaries and other compensation	10 121	9 197
(of which bonuses, etc.)	(–)	(–)
Total for the parent company	10 121	9 197
(of which bonuses, etc.)	(–)	(–)
Social costs	4 547	2 749
(of which pension costs)	(1 487)	(1 244)

SALARIES AND OTHER REMUNERATIONS TO EXECUTIVE OFFICERS

The parent company 2023

KSEK	Base salary board remuneration	Variable compensation	Pension costs	Total
Chairman of the Board (Vilhelm Schottenius)				
Remuneration from the parent company	220	–	–	220
Board Member (Emma Stjernlöf)				
Remuneration from the parent company	33	–	–	33
Board Member (Ann Öberg)				
Remuneration from the parent company	77	–	–	77
Board Member (Johanna Schottenius)				
Remuneration from the parent company	110	–	–	110
Board Member (Jon Linden)				
Remuneration from the parent company	110	–	–	110
Board Member (Adrian Nelje)				
Remuneration from the parent company	110	–	–	110
Board Member (Mikael Olsson)				
Remuneration from the parent company	110	–	–	110
Chief Executive Officer (Johan Lind)				
Remuneration from the parent company	1 286	–	277	1 564
Deputy Chief Executive Officer (Jonas Lagerqvist)				
Remuneration from the parent company	1 281	–	280	1 560
Other executive officers (4 persons)				
Remuneration from the parent company	3 275	–	532	3 807
Total	**6 613**	**–**	**1 089**	**7 701**
Remuneration from the parent company	6 613	–	1 089	7 701
Remuneration from subsidiaries	–	–	–	–

The parent company 2022

KSEK	Base salary board remuneration	Variable compensation	Pension costs	Total
Chairman of the Board (Vilhelm Schottenius)				
Remuneration from the parent company	200	–	–	200
Board Member (Emma Stjernlöf)				
Remuneration from the parent company	100	–	–	100
Board Member (Johanna Schottenius)				
Remuneration from the parent company	100	–	–	100
Board Member (Jon Linden)				
Remuneration from the parent company	100	–	–	100
Board Member (Adrian Nelje)				
Remuneration from the parent company	100	–	–	100
Board Member (Mikael Olsson)				
Remuneration from the parent company	100	–	–	100
Chief Executive Officer (Johan Lind)				
Remuneration from the parent company	1 119	–	268	1 387
Deputy Chief Executive Officer (Jonas Lagerqvist)				
Remuneration from the parent company	1 091	–	256	1 348
Other executive officers (5 persons)				
Remuneration from the parent company	5 485	–	398	5 882
Total	**8 395**	**–**	**922**	**9 317**
Remuneration from the parent company	8 395	–	922	9 317
Remuneration from subsidiaries	–	–	–	–

SHARE-BASED COMPENSATION

On April 27, 2023, the group initiated a stock option program that grants employees and key personnel in executive positions the right to acquire shares in the company. Under the program, each option gives the holder the right to subscribe for one (1) new B-share in Vertiseit AB (publ) at a predetermined redemption price. The options were subscribed by the subsidiary In-store Experiences AB, which, in turn, has transferred the options to employees in the group against market compensation. Out of a total of 764,000 options subscribed by the subsidiary, 264,000 have been transferred to employees. All options were subscribed for in cash payment. The subscription price was set at market value calculated according to the Black & Scholes valuation model. There are no other conditions for allocation. All stock options are settled through physical delivery of shares according to the list below.

2023	Number of instruments	Contractual term/exercise price of the warrants
The parent company		
Subscription of the subsidiary In-store Experiences AB	764 000	3 yrs / 50 SEK
Total number of equity-settled warrants	**764 000**	
The group		
Allocation of warrants to key personnel in leadership positions on June 1, 2023	196 000	3 yrs / 50 SEK
Allocation of warrants to other employees on June 1, 2023	68 000	3 yrs / 50 SEK
Total number of equity-settled warrants	**264 000**	
Total for the group		
Total number of equity-settled warrants	**2 579 000**	

Number and weighted average exercise prices of equity-settled warrants	2023		2022	
SEK	Weighted average exercise price	Number of warrants	Weighted average exercise price	Number of warrants
The group				
Outstanding at the beginning of the period	31,15	1 343 350	21,76	1 398 000
Granted during the period	50,00	264 000	50,00	417 350
Forfeited during the period	-	–	–	–
Exercised during the period	20,00	311 000	20,00	472 000
Expired during the period	-	–	–	–
Outstanding at the end of the period	**37,67**	**1 296 350**	**31,15**	**1 343 350**
Exercisable at the end of the period	-	–	–	–
The parent company				
Outstanding at the beginning of the period	21,36	2 455 000	21,36	1 880 000
Granted during the period	50,00	764 000	50,00	1 175 000
Forfeited during the period	-	–	–	–
Exercised during the period	20,00	311 000	20,00	472 000
Expired during the period	20,00	329 000	20,00	128 000
Outstanding at the end of the period	**43,55**	**2 579 000**	**35,40**	**2 455 000**
Exercisable at the end of the period	–	–	–	–

Outstanding equity-regulated warrants as of December 31, 2023, have an average exercise price of 37.67 SEK and an average remaining contractual term of 13 months.

Fair value and assumptions regarding equity-settled warrants granted during the period and the comparison period

SEK	2023	2022
The group		
Fair value at valuation date	1,34	1,98
Share price (expressed as weighted average share price)	26,20	31,20
Exercise price (expressed as weighted average exercise price)	50,00	50,00
Expected volatility (expressed as weighted average volatility)	30%	30%
Option maturity (years, expressed as weighted average maturity)	3,00	3,00
Expected dividend	–	–
Risk-free rate (based on government bonds)	3,50%	0,05%
The parent company		
Fair value at valuation date	1,34	1,98
Share price (expressed as weighted average share price)	26,20	31,20
Exercise price (expressed as weighted average exercise price)	50,00	50,00
Expected volatility (expressed as weighted average volatility)	30%	30%
Option maturity (years, expressed as weighted average maturity)	3,00	3,00
Expected dividend	–	–
Risk-free rate (based on government bonds)	3,50%	0,05%

The input data provided in the two tables above refer to the basis on which the valuation of equity-settled warrants was made at the time of grant. The expected volatility is based on the assessed volatility (calculated based on the weighted average remaining term of the warrants), adjusted for any expected changes in future volatility due to officially available information. The expected term of the warrants granted in 2023 amounts to 3 years, which is in accordance with the terms of the warrants programs.

Note 7 Fees and expense reimbursement to auditors

KSEK	2023	2022
The group		
KPMG, EY, Stöhr, ADKL		
Audit engagements	1 305	1 709
Tax advisory	273	224
Other engagements	150	1 145
Total	**1 728**	**3 078**
The parent company		
KPMG AB		
Audit engagements	472	300
Tax advisory	-	-
Other engagements	110	1 120
Total	**581**	**1 420**

An audit assignment refers to the statutory audit of the annual and consolidated financial statements and accounting records, as well as the administration of the board of directors and the CEO. This includes other tasks that the company's auditor is required to perform, as well as advisory services or other assistance prompted by observations made during such an examination or the execution of such other tasks.

Note 8 Financial net

The group

KSEK	2023	2022
Financial income		
Interest income	132	30
Financial cost		
Interest expenses	-9 463	-3 441
Lease interest expenses	-804	-1 097
Other financial expenses	-380	-121
Net exchange rates		
Net exchange rates	-199	-5 233
Net financial result reported in the income statement	**-10 713**	**-9 863**

The parent company

KSEK	2023	2022
Financial income		
Interest income	134	3
Financial cost		
Interest expenses, excluding group companies	-9 479	-3 306
Net exchange rates		
Net exchange rates	-934	-6 043
Net financial result reported in the income statement	**-10 278**	**-9 346**

Note 9 Year-end allocations

The parent company

KSEK	2023	2022
Difference between reported depreciation and depreciation according to plan:		
Fixtures, tools, and installations	-	-
Received group contributions	1 312	9 932
Accrual fund, current year's provision	-	-
Accrual fund, current year's reversal	-	-
Total	**1 312**	**9 932**

Note 10 Taxes

REPORTED IN THE INCOME STATEMENT AND OTHER COMPREHENSIVE INCOME

The group

KSEK	2023	2022
Current tax expense (-) / tax income (+)		
Tax expense / tax income for the year	-490	-419
Adjustment of tax related to prior years	-196	342
Deferred tax related to temporary differences	-4 817	5 691
Total reported tax expense in the group	**-5 503**	**5 615**

The parent company

KSEK	2023	2022
Current tax expense (-) / tax income (+)		
Tax expense / tax income for the year	-	-
Deferred tax related to temporary differences	-320	1 049
Total reported tax expense in the parent company	**-320**	**1 049**

RECONCILIATION OF EFFECTIVE TAX

The group

KSEK		2023		2022
Profit before tax		17 356		3 729
Tax at the current parent company tax rate	20,6%	-3 575	20,6%	-768
Effect of other tax rates for foreign subsidiaries		-229		1 611
Non-deductible expenses		-2 044		-616
Tax related to prior years		-196		5 387
Non-taxable income		1 792		-
Revaluation of tax loss carryforwards		-1 231		-
Other		-20		1
Reported effective tax		**-5 503**		**5 615**

The parent company

KSEK		2023		2022
Profit before tax		-9 869		-9 782
Tax at the current parent company tax rate	20,6%	2 033	20,6%	2 015
Non-deductible expenses		-2 367		-966
Non-taxable income		14		-
Tax related to prior years		-		-
Reported effective tax		**-320**		**1 049**

CHANGE IN DEFERRED TAX IN TEMPORARY DIFFERENCES AND LOSS CARRYFORWARDS

The group

KSEK	Balance per 1 jan 2023	Reported in the year's result	Reported in other comprehensive income	Reported in equity	Acquisition/ divestment of operations	Balance per 31 dec 2023
Tangible fixed assets*	296	148	-	-	-	444
Intangible assets	-4 482	483	2	-	-	-3 997
Financial assets	-	-	-	-	-	-
Short-term receivables	4	66	-	-	-	70
Provisions	635	-635	-	-	-	-
Tax loss carryforwards	9 439	-4 879	25	-	-3 034	1 551
Total	5 892	-4 817	27	-	-3 034	-1 932

The group

KSEK	Balance per 1 jan 2022	Reported in the year's result	Reported in other comprehensive income	Reported in equity	Acquisition/ divestment of operations	Balance per 31 dec 2022
Tangible fixed assets*	101	195	-	-	-	296
Intangible assets	-4 444	-1 214	-	-	1 176	-4 482
Financial assets	-	-	-	-	-	-
Short-term receivables	33	-29	-	-	-	4
Provisions	-	635	-	-	-	635
Tax loss carryforwards	3 675	1 947	-	-	3 817	9 439
Total	**-635**	**1 534**	**-**	**-**	**4 993**	**5 892**

Of the disclosed deferred tax assets, 444 KSEK (296 KSEK) relate to leasing agreements. If these had been accounted for on a gross basis, the deferred tax asset would have amounted to 10,843 KSEK (4,271 KSEK) and the deferred tax liability to -10,398 KSEK (-3,974 KSEK).

Deferred tax assets relating to loss carryforwards are recognised to the extent that it is probable that they can be utilized against taxable profits within the specified utilisation periods below. As of December 31, 2023, these loss carryforwards amounted to 7,396 KSEK (44,197 KSEK). The tax effect of these loss carryforwards is recognised as an asset.

Maturity structure of tax loss carryforwards

KSEK	2023	2022
Within 1 year	-	-
Within 2-5 years	-	-
Exceeding 5 years	-	-
No maturity period	7 396	44 197

Note 11 Intangible fixed assets

The group

KSEK	Development expenses	Trademarks	Customer contracts	Customer relations	Concessions, patents, licenses, trademarks, and similar rights	Goodwill	Total
Accumulated acquisition values							
Opening balance as of 2022-01-01	33 689	11 230	4 292	5 281	4	140 232	194 728
Business acquisitions	8 938	-	4 725	4 727	-	144 705	163 095
Internally developed assets	23 731	-	-	-	-	-	23 731
Translation differences	1 351	900	274	288	-	10 541	13 353
Closing balance as of 2022-12-31	**67 709**	**12 130**	**9 291**	**10 296**	**4**	**295 478**	**394 908**
Opening balance as of 2023-01-01	67 709	12 130	9 291	10 296	4	295 478	394 908
Business acquisitions	-	-	-	-	-	417	417
Business divestments	-7 430	-	-	-	-	-	-7 430
Internally developed assets	24 642	-	-	-	-	-	24 642
Acquisitions	-	-	1 300	-	-	-	1 300
Translation differences	1 017	-34	3	21	-	-290	717
Closing balance as of 2023-12-31	**85 938**	**12 096**	**10 594**	**10 317**	**4**	**295 605**	**414 553**
Accumulated depreciation and impairments							
Opening balance as of 2022-01-01	-8 469	-	-2 365	-1 628	-4	-	-12 466
Depreciation for the year	-7 839	-	-4 087	-1 879	-	-	-13 805
Closing balance as of 2022-12-31	**-16 308**	**-**	**-6 452**	**-3 507**	**-4**	**-**	**-26 271**
Opening balance as of 2023-01-01	-	-	-	-	-	-	-
Depreciation for the year	-12 238	-	-2 841	-2 193	-	-	-17 272
Closing balance as of 2023-12-31	**-28 546**	**-**	**-9 293**	**-5 700**	**-4**	**-**	**-43 543**
Reported values							
Per 2022-01-01	25 220	11 230	1 927	3 653	-	140 232	182 262
Per 2022-12-31	51 401	12 130	2 839	6 789	-	295 478	368 637
Per 2023-01-01	51 401	12 130	2 839	6 789	-	295 478	368 637
Per 2023-12-31	57 392	12 096	1 300	4 617	-	295 605	371 010

The parent company

KSEK	Development expenses	Customer contracts	Goodwill	Total
Accumulated acquisition values				
Opening balance as of 2022-01-01	1 375	-	7 399	8 774
Mergers	-	-	-	-
Internally developed assets	3 442	-	-	3 442
Closing balance as of 2022-12-31	**4 817**	**-**	**7 399**	**12 216**
Opening balance as of 2023-01-01	4 817	-	7 399	12 216
Mergers	-	-	-	-
Internally developed assets	6 723	-	-	6 723
Acquisitions	-	1 300	-	1 300
Closing balance as of 2023-12-31	**11 540**	**1 300**	**7 399**	**20 239**
Accumulated depreciation				
Opening balance as of 2022-01-01	-133	-	-4 492	-4 625
Depreciation for the year	-204	-	-1 586	-1 789
Closing balance as of 2022-12-31	**-337**	**-**	**-6 078**	**-6 414**
Opening balance as of 2023-01-01	-337	-	-6 078	-6 414
Depreciation for the year	-963	-	-1 321	-2 285
Closing balance as of 2023-12-31	**-1 300**	**-**	**-7 399**	**-8 699**
Reported values				
Per 2022-01-01	1 242	-	2 907	4 149
Per 2022-12-31	4 481	-	1 321	5 802
Per 2023-01-01	4 481	-	1 321	5 802
Per 2023-12-31	10 240	1 300	0	11 540

IMPAIRMENT TESTS FOR CASH-GENERATING UNITS CONTAINING GOODWILL AND TRADEMARKS

Following acquisitions, operations have been transferred upwards in the corporate structure, hence impairment tests are carried out on the units that now contain the acquired operations. The recoverable amount has been determined through the calculation of the value in use in a discounted cash flow model.

This model is based on forecasting future cash flows from the operations under review. For goodwill, this refers to the entire current operation, and for trademarks, the flows deemed to be brand-related.

The forecasts are based on the budget and management's plans based on the outcomes of previous years, general market conditions, and the assessed industry development. The growth rate in the calculations has been assessed at 4.1-15.6% during the forecast period (5 years) and thereafter a long-term constant of 2%. Forecasts of future cash flows from operations are adjusted to present value with a discount rate (WACC, Weighted Average Cost of Capital). The used discount rate is based on the current market rate adjusted for specific risks and a reasonable capital structure.

In the calculations, parameter values listed in the table below have been used.

The company management considers that no reasonable changes in the key assumptions would lead to the calculated total recoverable amount of the units being lower than their total recorded value.

Cash-generating units consist of the two sub-groups Grassfish and Dise. These cash-generating units have significant recorded values regarding brands and goodwill:

	Reported values	Reported values
KSEK	**2023**	**2022**
Goodwill Vertiseit	-	-
Trademark Vertiseit	-	-
Goodwill DISE	84 668	84 359
Trademark DISE	1 000	1 000
Goodwill Grassfish	210 937	211 119
Trademark Grassfish	11 096	11 130
Total	**307 701**	**307 608**

	Long-term growth rate %	Discount rate %
Goodwill Grassfish	2,0	12,1
Trademark Grassfish	2,0	12,1
Goodwill Dise	2,0	12,1
Trademark Dise	2,0	12,1

Note 12 Tangible fixed assets

The group

KSEK	Furniture, Tools, and Fixtures	Total
Acquisition cost		
Opening balance as of January 1, 2022	3 589	3 589
Business acquisitions	1 801	1 801
Acquisitions	1 538	1 538
Closing balance as of December 31, 2022	**6 927**	**6 927**
Opening balance as of January 1, 2023	6 927	6 927
Business acquisitions	-	-
Acquisitions	322	322
Business disposals	-54	-54
Translation differences	5	5
Closing balance as of December 31, 2023	**7 200**	**7 200**
Depreciation		
Opening balance as of January 1, 2022	-2 200	-2 200
Business acquisitions	-	-
Depreciation for the year	-1 503	-1 503
Closing balance as of December 31, 2022	**-3 703**	**-3 703**
Opening balance as of January 1, 2023	-3 703	-3 703
Business acquisitions	-	-
Depreciation for the year	-1 511	-1 511
Closing balance as of December 31, 2023	**-5 214**	**-5 214**
Impairments		
Opening balance as of January 1, 2022	-134	-134
Impairments for the year	-	-
Closing balance as of December 31, 2022	**-134**	**-134**
Opening balance as of January 1, 2023	-134	-134
Impairments for the year	-	-
Closing balance as of December 31, 2023	**-134**	**-134**
Reported values		
Per 2022-01-01	1 255	1 255
Per 2022-12-31	3 090	3 090
Per 2023-01-01	3 090	3 090
Per 2023-12-31	1 852	1 852

The parent company

KSEK	Furniture, Tools, and Fixtures	Total
Acquisition cost		
Opening balance as of January 1, 2022	1 070	1 070
Acquisitions	-	-
Closing balance as of December 31, 2022	**1 070**	**1 070**
Opening balance as of January 1, 2023	1 070	1 070
Acquisitions	194	194
Closing balance as of December 31, 2023	**1 264**	**1 264**
Depreciation		
Opening balance as of January 1, 2022	-1 003	-1 003
Depreciation for the year	-67	-67
Closing balance as of December 31, 2022	**-1 070**	**-1 070**
Opening balance as of January 1, 2023	-1 070	-1 070
Depreciation for the year	-8	-8
Closing balance as of December 31, 2023	**-1 078**	**-1 078**
Reported values		
Per 2022-01-01	67	67
Per 2022-12-31	-	-
Per 2023-01-01	-	-
Per 2023-12-31	186	186

Note 13 Receivables from group companies

The parent company

KSEK	2023-12-31	2022-12-31
Accumulated acquisition values		
At the beginning of the year	31 990	20 097
Additional receivables	25 623	13 667
Amortized receivables	-776	-1 774
Ending balance as of December 31	**56 838**	**31 990**
Reported value	**56 838**	**31 991**

Note 14 Inventory

The group

KSEK	2023-12-31	2022-12-31
Finished goods and trading goods	17 821	22 125
Inventory write-down	-1 366	-289
Reported value	**16 455**	**21 836**

Note 15 Trade receivables

Trade receivables are recognised after taking into account customer losses incurred during the year, which amounted to 142 KSEK (429 KSEK) in the group. The losses occurred in connection with the bankruptcies of three of the group's smaller customers. In the parent company, customer losses amounted to 27 KSEK (22 KSEK).

Note 16 Prepaid expenses and accrued income

KSEK	2023-12-31	2022-12-31
The group		
Prepaid rental expenses	1 189	732
Other	2 240	4 439
Total	**3 429**	**5 171**
The parent company		
Prepaid rental expenses	1 004	–
Other	856	940
Total	**1 860**	**940**

Note 17 Cash and cash equivalents

The group

KSEK	2023-12-31	2022-12-31
The following sub-components are included in cash and cash equivalents:		
Cash on hand and bank deposits	24 641	35 049
Total as per the statement of financial position	**24 641**	**35 049**

Note 18 Equity

Types of shares

Number of shares	2023	2022
Common shares		
Issued as of January 1	20 190 747	18 553 539
Offset issue	–	1 165 208
Cash issue	311 000	472 000
Issued as of December 31 - paid	**20 501 747**	**20 190 747**

The group has also issued warrants (see note 6). As of December 31, 2023, the registered share capital consisted of 20,501,747 common shares (20,190,747), divided into 2,429,510 Class A shares (2,699,080) and 18,072,237 Class B shares (17,491,667). All shares have a par value of 0.05 SEK. Holders of common shares are entitled to dividends as determined from time to time, and the shareholding entitles to voting rights at the general meeting with 1 (one) vote per Class A share and 1/10 (one-tenth) vote per Class B share. All shares have the same right to the company's net assets.

DIVIDEND

The board proposes that no dividend be distributed at the annual general meeting of 2024, in line with the company's financial objectives. The result for the year is proposed to be carried forward to new account..

NON-RESTRICTED EQUITY

The following items, together with the result for the year, constitute non-restricted equity in the parent company, i.e., the amount available for distribution to the shareholders.

- ADDITIONAL PAID-IN CAPITAL

When shares are issued at a premium, meaning that the shares are paid for more than their nominal value, an amount corresponding to the received surplus over the nominal value of the shares shall be transferred to the share premium reserve. Amounts added to the share premium reserve as of January 1, 2006, are included in the unrestricted equity.

- RETAINED EARNINGS

Retained earnings consist of the retained earnings from the previous year and the result after deduction for dividends distributed during the year.

Dividend

SEK	2023	2022
Dividend per ordinary share	–	–
Reported dividend per share	**–**	**–**

Not 20 Interest-bearing liabilities

The following contains information about the company's contractual terms regarding interest-bearing liabilities. For further details on the company's exposure to interest rate risk and currency exchange rate risk, please refer to note 26.

The group

KSEK	2023-12-31	2022-12-31
Long-term liabilities		
Bank loans	88 236	113 830
Overdraft facility	7 173	8 101
Lease liabilities	44 246	15 328
Total long-term liabilities	**139 655**	**137 259**
Short-term liabilities		
Short-term part of bank loans	41 999	42 979
Short-term part of lease liabilities	8 388	5 404
Total short-term liabilities	**50 387**	**48 383**

TERMS AND REPAYMENT SCHEDULES

Terms and repayment schedules as per the table below..

2023-12-31

KSEK	Currency	Nominal interest rate	Maturity	Nominal amount	Reported value
Bank loans	EUR	5,89%	2024-12-30	54 828	54 828
Bank loans	SEK	6,10%	2024-12-30	5 070	5 070
Bank loans	SEK	6,10%	2027-04-30	65 343	65 343
Bank loans	EUR	2,10%	-	4 993	4 993
Overdraft facility	SEK	6,20%	-	7 173	7 173
Lease liabilities	SEK	6,00%	-	52 634	52 634
Total interest-bearing liabilities				**190 042**	**190 042**

2022-12-31

KSEK	Currency	Nominal interest rate	Maturity	Nominal amount	Reported value
Bank loans	EUR	4,10%	2024-12-30	67 660	67 660
Bank loans	SEK	4,75%	2024-12-30	6 240	6 240
Bank loans	SEK	4,75%	2027-04-30	77 900	77 900
Bank loans	EUR	2,10%	-	5 009	5 009
Overdraft facility	SEK	3,68%	-	8 101	8 101
Lease liabilities	SEK	4,50%	-	20 732	20 732
Total interest-bearing liabilities				**185 642**	**185 642**

Note 20 Liabilities to credit institutions

The parent company

KSEK	2023-12-31	2022-12-31
Long-term liabilities		
Bank loans	86 861	112 492
Overdraft facility	7 173	8 101
Total long-term liabilities	**94 034**	**120 593**
Short-term liabilities		
Short-term portion of bank loans	38 380	39 308
Total short-term liabilities	**38 380**	**39 308**

Note 21 Pensions

THE GROUP

DEFINED CONTRIBUTION PENSION PLANS

In Sweden, the group has defined contribution pension plans for employees that are fully funded by the companies. Payments to these plans are made regularly according to the rules of each plan..

KSEK	2023	2022
The group		
Costs for defined contribution plans	5 502	3 621
The parent company		
Costs for defined contribution plans	1 725	1 451

Note 22 Provisions

The group

KSEK	2023-12-31	2022-12-31
Reserves classified as long-term liabilities		
Total	3 077	3 788
Total	**3 077**	**3 788**

The group

KSEK	2023	2022
Opening balance	**3 788**	**1 081**
Increase in provisions	3 077	3 083
Utilised provision	3 788	376
Reversal of unused provision	–	–
Closing balance	**3 077**	**3 788**

The additional purchase consideration refers to expected payments of additional purchase consideration related to the acquisition of Dise International Ltd. (formerly InStoreMedia (UK) Ltd.) during the period from 2023 to 2024.

Note 23 Accrued expenses and prepaid revenues

KSEK	2023-12-31	2022-12-31
The group		
Prepaid revenue	-	-
Accrued personnel expenses	12 930	17 482
Other	5 539	3 312
Total	**18 469**	**20 794**
The parent company		
Prepaid revenue	-	269
Accrued personnel expenses	1 727	1 801
Other	1 737	1 022
Total	**3 464**	**3 092**

Note 24 Valuation of financial assets and liabilities at fair value and categorisation

All financial assets and liabilities are recorded at accrued acquisition value, which substantially corresponds to fair value.

Note 25 Financial risks and risk management

The group is exposed to various types of financial risks through its operations. The group's overall risk management is conducted by the central finance department, which identifies, evaluates, and, if necessary, hedges financial risks in close collaboration with the operational units. Risk management covers both overall risk management and specific areas, such as currency risk, interest rate risk, and the placement of excess liquidity. The CFO is responsible for operational risk management, and evaluation is conducted by the board.

- Credit risk
- Liquidity and financing risk
- Market risk

LIQUIDITY AND FINANCING RISK

Liquidity risk is the risk that the group may encounter difficulties in fulfilling its obligations associated with financial liabilities. Financing risk refers to the risk that the group may not be able to raise sufficient financing at a reasonable cost. The group's liquidity is continuously monitored to ensure that it has adequate cash reserves to meet the needs of its ongoing operations. Excess liquidity is placed in interest-bearing deposit accounts with appropriate maturities. As of the balance sheet date, the group had liquid assets consisting of cash totaling 24.6 MSEK (35.0) and unused overdraft facilities of 28.4 MSEK (27.5).

The group's loan financing is conducted within the respective group companies and managed by the central finance department. Financing consists of fixed loans and overdraft facilities. Loan terms include customary covenants linked to earnings before depreciation, solvency, and interest coverage ratio. Management regularly measures and monitors covenant calculations.

Credit facilities	Nominal	Utilised	Available
Overdraft facility, Parent company	35 548	-7 173	28 375
Total	**35 548**	**-7 173**	**28 375**
Available liquidity			24 641
Liquidity reserve			**53 016**

MATURITY STRUCTURE OF FINANCIAL LIABILITIES - UNDISCOUNTED CASH FLOWS

At year-end, the company's financial liabilities amounted to 104.6 MSEK (41.8), and the maturity structure of the debt is shown in the table below.

The group

2023

KSEK	Total	< 3 m	3-6 m	6 m - 1 y	1-5 y	> 5 y
Bank loans	130 235	17 927	8 963	17 927	80 424	4 993
Overdraft facility	7 173	–	–	–	7 173	–
Other liabilities (additional purchase price)	851	–	851	–	–	–
Accounts payable	16 641	16 641	-	-	-	-
Leasing liabilities	52 634	2 044	2 024	3 893	22 558	22 114
Total	**207 534**	**36 612**	**11 839**	**21 820**	**110 156**	**27 107**

2022

KSEK	Total	< 3 m	3-6 m	6 m - 1 y	1-5 y	> 5 y
Bank loans	156 809	8 719	8 719	17 439	116 923	5 009
Overdraft facility	8 101	–	–	–	8 101	–
Other liabilities (additional purchase price)	3 355	–	1 484	–	1 871	–
Accounts payable	26 610	26 610	-	-	-	-
Leasing liabilities	20 732	1 637	1 387	2 547	12 733	2 428
Total	**215 607**	**36 966**	**11 591**	**19 986**	**139 627**	**7 436**

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. According to IFRS, market risks are divided into three types: currency risk, interest rate risk, and other price risks. The market risks that primarily affect the group consist of interest rate risks, currency risks, and price risks. The group's objective is to manage and control market risks within established parameters while optimising the outcome of risk-taking within defined limits. These parameters are set with the aim that market risks in the short term (6-12 months) should only marginally affect the group's results and financial position. However, in the longer term, persistent changes in exchange rates, interest rates, and electricity prices will have an impact on the consolidated results.

CURRENCY RISK

The group's main operations are conducted in Sweden and the DACH region, with revenues in Swedish kronor (SEK) and euros (EUR). Some sales are made in British pounds (GBP), Swiss francs (CHF), and US dollars (USD), which entails currency risk. These risks are primarily managed by having expenses in corresponding currencies. For individual major projects, currency hedging of expected cash flows may be conducted. As of the balance sheet date, the group had no currency hedges.

INTEREST RATE RISK

Interest rate risk is the risk that the value of financial instruments varies due to changes in market interest rates. Interest rate risk can lead to changes in real values and changes in cash flows. The group's interest rate risk arises mainly from long-term borrowing and is managed by the central finance department. Borrowing is done at variable interest rates, with the possibility to hedge the interest rate if the exposure is deemed too large. The effect of a change in interest rates by +/-1 percentage point would result in a maximum increase or decrease in interest expense by 1,383 KSEK (1,649). As of the balance sheet date, there were no interest rate hedges.

PRICE RISK

Price risk refers to changes in the price of purchases of goods for sale and its impact on the results. For the group, it is primarily changes in the purchase price of displays and media players that pose a risk to affect the results. To reduce this exposure, supplier agreements with fixed prices are made for customer contracts containing fixed prices for hardware. In addition to this, inventory is held with suppliers with gradual call-offs and without purchase commitments to further minimise price risk.

CREDIT TRISK

Credit risk is the risk that a customer or counterparty in a financial instrument may fail to fulfill its obligation, thereby causing the group a financial loss. It primarily arises from the group's trade receivables. The reported value of financial assets and contract assets represents the maximum credit exposure. Impairments of financial assets and contract assets are recognised in the income statement as follows:

KSEK	2023	2022
Write-downs of trade receivables and contract assets arising from contracts with customers	233	142
Total	**233**	**142**

CREDIT RISKS IN TRADE RECEIVABLES AND CONTRACT ASSETS

The group's credit risk exposure is primarily influenced by each customer's individual characteristics. However, management considers factors that may affect the credit risk of the customer base, including the risk of bankruptcy associated with the industry and the country where customers operate. The group limits credit risk exposure from trade receivables by establishing a maximum payment period of three months for individual customers. The group does not require bank guarantees or other collateral for trade receivables and other receivables. The group has no trade receivables and contract assets for which impairment allowances are not recognised due to security. As of December 31, 2023, the credit exposure for trade receivables and contract assets per geographic region is as follows:

	Reported value	
KSEK	2023-12-31	2022-12-31
Sweden	18 335	16 806
Within EU (excl Sweden)	27 143	45 901
Outside EU	12 323	12 936
Total	**57 801**	**75 644**

PROVISION FOR EXPECTED CREDIT LOSSES

Expected credit losses for individual customers as of January 1 and December 31, 2023.

The group utilises a loss reserve matrix to measure expected credit losses for trade receivables on individual customers representing a large number of small balances.

Loss rate percentages are calculated using a "roll rate" method based on the likelihood of a receivable progressing through various levels of delinquency to write-off. The roll rate percentage is determined based on historical statistics of observed credit losses.

Below is a summary of the credit risk exposure and expected credit losses for trade receivables and contract assets for individual customers as of December 31, 2023..

31 december 2023

KSEK	Weighted average loss rate percentage	Reported gross value	Provision for losses	Credit deterioration
Not due	0,08%	42 885	34	–
Due 1-30 days	0,18%	12 590	23	–
Due >31-90 days	2,00%	1 655	33	–
Due >90 days	20,00%	952	190	–
	22%	**58 082**	**281**	**–**

The loss rate percentages are based on actual credit losses over the past three years. These percentages are multiplied by a factor reflecting differences between economic conditions during the period in which historical data has been collected, current conditions, and the group's view on the economic conditions expected to prevail throughout the expected lifespan of the receivables.

The change in credit risk reserves for trade receivables and contract assets during the year was as follows:

KSEK	2023	2022
Opening balance as of January 1	344	142
Revaluation of loss reserves, net	-63	202
Closing balance as of December 31	**281**	**344**

CAPITAL ALLOCATION

The group's financial objective is to maintain a strong financial position, which contributes to maintaining the confidence of investors, creditors, and the market, and serves as a foundation for the continued development of the business, while also generating good long-term risk-adjusted returns for shareholders. The group's business model is designed so that ongoing operations can be conducted with minimal working capital requirements. This is achieved through the adjustment of payment terms with customers and suppliers for high capital efficiency.

Capital is defined as total equity..

Equity

KSEK	2023-12-31	2022-12-31
Total equity	270 271	261 865

The net debt-to-equity ratio

KSEK	2023-12-31	2022-12-31
Financial liabilities	190 893	182 287
Less cash and cash equivalents and short-term investments	24 641	35 049
Net debt	**166 253**	**147 238**
Net debt-to-equity ratio (Net debt / Total equity)	**62%**	**56%**

The net debt-to-equity ratio excl leasing

KSEK	2023-12-31	2022-12-31
Financial liabilities	138 259	161 555
Less cash and cash equivalents and short-term investments	24 641	35 049
Net debt	**113 618**	**126 506**
Net debt-to-equity ratio (Net debt / Total equity)	**42%**	**48%**

Note 26 Leasing

LEASING AGREEMENTS WHERE THE COMPANY IS THE LESSEE

The group leases various types of assets such as cars, premises, and certain equipment. No leasing agreements contain covenants or other restrictions.

Right-of-use assets

KSEK	Properties	Vehicles	Other	Total
Depreciation during the year	6 727	960	730	8 417
Closing balance as of December 31, 2023	**45 608**	**1 693**	**3 177**	**50 478**

Additional right-of-use assets in 2022 amounted to 44.0 MSEK. This amount includes the acquisition cost for newly acquired right-of-use assets during the year, as well as additional amounts resulting from the reassessment of lease liabilities due to changed payments resulting from changes in the lease term.

LEASING LIABILITIES

For maturity analysis of lease liabilities, please refer to note 25 Financial Risks and Risk Management.

Amounts reported in the income statement

IFRS 16	The group
KSEK	**2023**
Depreciation on right-of-use assets	8 417
Interest on lease liabilities	804

Non-cancellable lease payments amount to:

KSEK	Parent company 2023	Parent company 2022
Within one year	5 538	975
Between one and five years	16 876	424
More than five years	16 735	–
Total	**39 149**	**1 399**

Expensed fees for operational leasing agreements amount to:

KSEK	Parent company 2023	Parent company 2022
Total leasing costs	3 128	599
Total	**3 128**	**599**

Amounts reported in the cash flow statement for the group

KSEK	2023	2022
Total cash outflows related to leasing agreements	8 484	5 488

The above cash outflow includes amounts for leasing agreements reported as lease liabilities, as well as payments made for variable lease payments, short-term leases, and leases of low value..

LEASING OF OFFICE SPACE

The group leases its office spaces. Lease agreements for office spaces typically have a duration of 5-7 years, which can be extended for additional periods of 2-3 years if the group does not terminate the agreement with a 9-month notice period. Some lease agreements include an option to renew the lease at the end of the lease term for an additional period with the same or shorter duration.

For office spaces, the group assesses in the majority of cases that it is not reasonably certain that the agreements will be extended beyond the initial period – meaning the lease term is typically assessed as a single period. Reported lease liabilities for these agreements amount to 47.4 MSEK.

Certain lease agreements include lease payments based on changes in local price indices or require the group to pay fees related to property taxes imposed by the lessor. These amounts are determined annually.

OTHER LEASE AGREEMENTS.

The group leases vehicles and equipment with lease terms ranging from 3 to 5 years. In some cases, the group has an option to purchase the asset at the end of the lease term. In other cases, the group guarantees the residual value of the leased asset at the end of the lease term. Extension options are only present to an insignificant extent.

Note 27 Collateral provided, contingent liabilities, and contingent assets.

The group

KSEK	2023-12-31	2022-12-31
Pledged collateral		
In the form of collateral pledged for own liabilities and provisions		
Corporate mortgages	60 350	60 350
Total pledged collateral	**60 350**	**60 350**
Contingent liabilities		
Guarantees for subsidiaries	60 350	60 350
Total contingent liabilities	**60 350**	**60 350**

The parent company

KSEK	2023-12-31	2022-12-31
Pledged collateral		
In the form of provided securities for own debts and provisions		
Corporate mortgages	60 350	60 350
Total contingent liabilities	**60 350**	**60 350**
Contingent liabilities		
Guarantees for subsidiaries	60 350	60 350
Total contingent liabilities	**60 350**	**60 350**

In addition to the above, the parent company has issued a non-restricted capital coverage guarantee to subsidiaries within the group.

Note 28 Disposition of the company’s profit

The board proposes that no dividend be distributed at the Annual General Meeting in 2024. The profit for the year is proposed to be carried forward to new account.

The following amounts in SEK are available for the annual general meeting's disposal:

Share premium reserve	209 136 725
Retained earnings	-2 699 500
Profit for the year	-10 189 571
SEK	**196 247 654**

The Board proposes that the profits be allocated as follows:

To be balanced in new account	196 247 654
SEK	**196 247 654**

Note 29 Related parties

RELATED PARTY TRANSACTIONS

The parent company has related party relationships with its subsidiaries.

Summary of related party transactions:

The group

KSEK	Year	Sales of goods/ services to related parties	Purchases of goods/ services from related parties	Receivables from related parties as of December 31	Liabilities to related parties as of December 31
Related party relationship					
Other related parties	2023	–	–	–	–
Other related parties	2022	–	–	–	–

The parent company

KSEK	Year	Sales of goods/ services to related parties	Purchases of goods/ services from related parties	Receivables from related parties as of December 31	Liabilities to related parties as of December 31
Related party relationship					
Subsidiary	2023	39 480	7 711	56 838	67 255
Subsidiary	2022	382	10 053	31 991	–
Other related parties	2023	–	–	–	–
Other related parties	2022	–	–	–	–

TRANSACTIONS WITH EXECUTIVE OFFICERS

The executive officers of the Company participate in the group's warrants program, see Note 7.

The following compensations have been received by the executive officers:

KSEK	2023	2022
The group		
Short-term remunerations to executive officers	10 121	9 197
Share-based remunerations	–	–
The parent company		
Short-term remunerations to executive officers	5 843	5 557
Share-based remunerations	–	–

For information on compensation for each key management personnel, please refer to Note 7.

Note 30 Group companies

Ownership in subsidiaries		**Ownership %**	
Subsidiary	**Subsidiary's domicile, country**	**2023-12-31**	**2022-12-31**
Grassfish Marketing Technologies GmbH	Vienna, Austria	100%	100%
Grassfish Deutschland GmbH	Düsseldorf, Germany	100%	100%
Grassfish Marketing Technologies Ltd.	Dukinfield, Great Britain	100%	100%
Grassfish Sweden AB	Varberg, Sweden	100%	100%
Digital Signage Solutions Sweden AB	Stockholm, Sweden	100%	100%
In-store Experiences AB	Varberg, Sweden	100%	100%
Dise International AB	Varberg, Sweden	100%	100%
Dise International Ltd.	Surrey, Great Britain	100%	100%
INSM Sweden AB	Varberg, Sweden	99,8%	99,8%
MQ International AB	Lund, Sweden	100%	95,3%
Grassfish Systems AB	Varberg, Sweden	100%	95,3%
Grassfish Norway AS	Oslo, Norway	100%	95,3%
Grassfish Denmark ApS	Copanhagen, Denmark	100%	95,3%
MultiQ Denmark A/S	Aarhus, Denmark	0%	95,3%
InStoreMedia AB	Varberg, Sweden	100%	95,3%
MQM AB	Lund, Sweden	100%	95,3%
MultiQ GmbH	Düsseldorf, Germany	100%	95,3%
MultiQ Ltd.	London, Great Britain	100%	95,3%

The parent company

KSEK	2023	2022
Accumulated acquisition amounts		
Starting balance January 1	324 991	144 391
Acquisitions	10 654	180 600
Divestments	–	–
Closing balance December 31	**335 646**	**324 991**
Reported amount December 31	**335 646**	**324 991**

Specification of the parent company's direct holdings of shares in subsidiaries			**Reported amount**	
Subsidiary / Registration number / Dominicile	**Number of shares**	**Share**	**2023-12-31**	**2022-12-31**
Dise International AB / 556837-1784 / Varberg	14 248	100%	76 197	3 697
Digital Signage Solutions Sweden AB / 559072-2756 / Stockholm	1 667	100%	5 121	5 121
Grassfish Marketing Technologies GmbH / FN 270120 k / Vienna	–	100%	135 524	135 524
In-store Experiences AB / 559316-7355 / Varberg	250	100%	25	25
Grassfish Sweden AB / 559340-6019 / Varberg	250	100%	74 800	1 000
MQ International AB / 556458-6948 / Lund	123 265	100%	43 980	179 625

Note 31 Specifications for the cash flow statement

Cash and cash equivalents - The group

KSEK	2023-12-31	2022-12-31
The following subcomponents are included in cash and cash equivalents:		
Cash and bank balances	24 641	35 049
Total according to the balance sheet	**24 641**	**35 049**

Cash and cash equivalents - The parent company

KSEK	2023-12-31	2022-12-31
The following subcomponents are included in cash and cash equivalents:		
Cash and bank balances	2 016	-
Total according to the balance sheet	**2 016**	**-**

Interest paid and dividend received

KSEK	2023	2022
The group		
Interest received	132	30
Interest paid	-10 647	-4 659
The parent company		
Interest received	134	3
Interest paid	-9 479	-3 306

Adjustments for items not included in the cash flow

KSEK	2023	2022
The group		
Depreciation	-27 202	-21 769
Gains/Losses on disposals	5 399	-
Changes in provisions	711	-2 703
Other	1 375	5 694
Total	**-19 717**	**-18 778**
The parent company		
Depreciation	-2 932	-1 856
Other	156	946
Total	**-2 776**	**-910**

Transactions not involving payments

KSEK	2023	2022
The group		
Acquisition of asset through leasing agreement	39 692	4 306

Acquisition of subsidiaries and other business units - The group

KSEK	2023	2022
Acquired Assets and Liabilities		
Intangible Fixed Assets	-	8 939
Customer contracts	-	4 725
Customer relationships	-	4 727
Trademark	-	-
Tangible fixed assets	-	8 745
Financial fixed assets	-	3 539
Deferred tax liability	-	-
Inventories	-	23 156
Trade receivables	-	29 065
Cash and cash equivalents	-	4 644
Total assets	**-**	**87 540**
Long-term provisions	-	-
Long-term Interest-bearing Liabilities	-	-253
Deferred tax liabilities	-	-1 946
Short-term provisions	-	-
Short-term trade payables	-	-41 483
Total provisions and liabilities	**-**	**-43 682**
Purchase price 1)	9 354	179 626
Paid purchase price	**9 354**	**144 553**
Deduct cash and cash equivalents in the acquired operations	-	-4 644
Impact on cash and cash equivalents	**9 354**	**139 909**
Adjustment of earn-out 2)	2 554	1 513
Total Impact on cash and cash equivalents	**11 908**	**141 422**

1) 9,354 KSEK refers to the acquisition of non-controlling interests attributable to MultiQ International AB
2) 2,554 KSEK refers to the settlement of seller note related to the acquisition of Dise International Ltd.

Reconciliation of liabilities arising from financing activities

KSEK	Liabilities to credit institutions	Leasing liabilities	Total liabilities arising from financing activities
The group			
Closing balance 2022	164 910	20 732	185 642
Cash flows	-27 721	-7 680	-35 401
Non-cash affecting changes	219	-13	206
Acquisition of subsidiaries	-	-	-
New leasing agreements	-	39 595	39 595
Closing balance 2023	**137 408**	**52 634**	**190 042**
The parent company			
Closing balance 2022	159 901	-	159 901
Cash flows	-27 720	-	-27 720
Non-cash affecting changes	234	-	234
Closing balance 2023	**132 415**	**-**	**132 415**

Unutilised credit facilities

KSEK	2023	2022
The group		
Unutilised credit facilities amount to	28 375	27 464
The parent company		
Unutilised credit facilities amount to	28 375	27 464

Not 33 Events after the reporting period

Inga väsentliga händelser har inträffat efter räkenskapsårets utgång.

Not 34 Significant estimations and assessments

The management has discussed with the audit committee the development, selection, and disclosures regarding the group's significant accounting policies and estimates, as well as the application of these policies and estimates.

SIGNIFICANT ASSESSMENTS IN THE APPLICATION OF THE GROUP'S ACCOUNTING PRINCIPLES

Below are descriptions of certain significant accounting assessments made in the application of the group's accounting policies.

KEY SOURCES OF UNCERTAINTIES IN ESTIMATES

The sources of uncertainties in estimates mentioned below refer to those that pose a significant risk of requiring substantial adjustments to the value of assets or liabilities during the upcoming financial year..

IMPAIRMENT TESTING OF GOODWILL

In calculating the recoverable amount of cash-generating units for assessing potential goodwill impairment, several assumptions about future conditions and estimates of parameters have been made. A description of these can be found in note 16..

Not 35 Information on the parent company

Vertiseit AB is a Swedish registered limited company based in Varberg. The parent company's shares are listed on the Nasdaq First North Growth Market. The address of the head office is Kyrkogatan 7, 432 41 Varberg. The group accounts for the year 2022 consist of the parent company and its subsidiaries, collectively referred to as the group.

ALTERNATIVE KEY METRICS

The Vertiseit Group's reporting contains several key metrics, which are used to describe the business and increase comparability between periods. These key metrics are not defined based on IFRS regulations, but are consistent with how group management and the Board measure and follow up the company's performance.

Key Metric	Definition	Motivation
Annual Recurring Revenue (ARR)	Annualised value of the period's last month's recurring SaaS revenue	The ratio indicates expected recurring SaaS revenue over the next 12 months and is a key metric for industry comparison
Recurring Revenue (SaaS)	Revenue of recurring nature from license and support of software (Software as a Service)	Relevant key metric as the revenue derives from the business segment that is paramount in the company's strategy
Profit before depreciation (EBITDA)	Profit before interest, taxes, depreciation and amortisation	Relevant key metric for evaluating the result from the ongoing operations
Adjusted EBITDA	Operating profit before depreciation, amortisation and impairments of other non-current assets, excluding extraordinary items	Relevant key metric for evaluating the result from ongoing operations, excluding extraordinary items
Operating profit (EBIT)	Comprehensive income before net financial items and income tax	Relevant key metric for evaluating the company's profitability, regardless of how the business was financed
EBITDA margin	EBITDA in relation to net revenue	Relevant key metric for evaluating the profit margin in the business
EBIT margin	EBIT in relation to net revenue	Relevant key metric for evaluating the margin in the business, regardless of how it was financed
Adjusted EBITDA margin	Adjusted EBITDA in relation to net revenue	Relevant key metric for evaluating the result from ongoing operations, excluding extraordinary items
Gross margin	Net revenue deducted by cost of goods and services in relation to net revenue	Relevant key metric for evaluating the gross profit in the business
Equity ratio	Equity in relation to total assets	Relevant key metric to assess the company's ability to fulfill its financial commitments, as well as the possibilities for investments and dividends
Net-debt	Long-term and short-term interest-bearing liabilities reduced by cash and cash equivalents	Relevant key metric for evaluating the company's financial strength and stability

SaaS Key Figures		
Churn Rate	Share of licenses discontinued during the period in relation to licenses at start of period	Relevant key metric to assess the business's opportunities for growth
Growth Rate	New licenses during the period in relation to licenses at start of period	The key metric is considered relevant to the company's prformance as it reflects it's ability to grow the license base
Customer Acquisition Cost (CAC)	Costs for acquiring a new license during the period	The key metric makes it easier to assess the cost of growing the company's license base
CAC Ratio	The cost of acquiring new ARR	The key metric is relevant for assessing the possibilities for license growth
Lifetime Value per license (LTV)	Average revenue per license multiplied by its' expected lifetime	The key metric is deemed relevant to assess the company's future revenue potential
LTV/CAC	Expected LTV per license in relation to CAC	The key ratio facilitates comparison with other companies with SaaS revenue
Months to recover CAC	Number of months to recover CAC	Relevant key metric to assess the company's growth opportunities
Average Revenue per Brand (ARPA)	Average ARR per end customer	The key metric is deemed relevant to assess how license revenue per customer changes
Net Revenue Retention (NRR)	Net change in ARR from existing end customers	The key figure helps to evaluate how license revenue develops from existing customers, without regard to newly added customers
SaaS Gross Margin	ARR deducted by SaaS costs in relation to ARR	Relevant key figure for evaluating the gross profit from the company's SaaS revenue

THE BOARD'S STATEMENT

The Board of Directors and the CEO certify that the annual report has been prepared in accordance with the Swedish Generally Accepted Accounting Principles (GAAP), and the consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU, as referred to in the European Parliament and Council Regulation (EC) No 1606/2002 of 19 July 2002 on the application of international accounting standards.

The annual report and the consolidated financial statements provide a true and fair view of the parent company's and the group's financial position and results. The management reports for the parent company and the group provide a true and fair overview of the development of the parent company's and the group's operations, financial position, and results, as well as describe significant risks and uncertainties faced by the parent company and the companies included in the group.

The annual report and the consolidated financial statements have, as indicated above, been approved for issuance by the Board of Directors and the CEO on April 8, 2024. The group's income statement, statement of comprehensive income, statement of financial position, and the parent company's income statement and balance sheet will be subject to approval at the Annual General Meeting on May 2, 2024.

Varberg, April 8, 2024

Vilhelm Schottenius
Chairman of the Board

Johanna Schottenius
Member of the Board

Ann Öberg
Member of the Board

Jon Lindén
Member of the Board

Adrian Nelje
Member of the Board

Johan Lind
Chief Executive Officer

Mikael Olsson
Member of the Board

Our audit report was issued on April 8, 2024

KPMG AB

Mikael Ekberg
Authorised auditor

AUDITOR'S REPORT

AUDITOR'S REPORT

To the general meeting of the shareholders of Vertiseit AB (publ), org no. 556753-5272

Report on the annual accounts and consolidated accounts

OPINIONS

We have audited the annual accounts and consolidated accounts of Vertiseit AB (publ) for the year 2023, except for the corporate governance statement on pages 25-32, the sustainability report on pages 21-22 and other information regarding the business, markets and strategy on pages 2-20. The annual accounts and consolidated accounts of the company are included on pages 34-67 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 2023 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 2023 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 25-32 and sustainability report on pages 21-22. 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 statement of comprehensive income and statement of financial position for the group.

BASIS FOR OPINIONS

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

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

OTHER INFORMATION THAN THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 2-33. The other information comprises also of information regarding the business, markets and strategy, sustainability report and corporate governance report which we obtained prior to the date of this auditor's report. 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 Accounting Standards 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 intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

AUDITOR'S RESPONSIBILITY

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

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

We also:

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

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

Report on other legal and regulatory requirements

OPINIONS

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Vertiseit AB (publ) for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the

Board of Directors and the Managing Director be discharged from liability for the financial year.

BASIS FOR OPINIONS

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

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

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

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

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

AUDITOR'S RESPONSIBILITY

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

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

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

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

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

Gothenburg, April 8, 2024

KPMG AB

Mikael Ekberg

Authorised Public Accountant

AUDITOR'S REPORT ON THE CORPORATE GOVERNANCE STATEMENT

To the general meeting of the shareholders in Vertiseit AB (publ), org no. 556753-5272

ENGAGEMENT AND RESPONSIBILITY
We have audited the corporate governance statement for the year 2023 on pages 25 - 32. It is the Board of Directors who is responsible for the corporate governance statement and that it has been prepared in accordance with the Annual Accounts Act. Our responsibility is to express an opinion on the corporate governance statement based on our audit.

THE SCOPE OF THE AUDIT
We conducted our audit with guidance of FAR's auditing standard *RevR 16 The auditor's examination of the corporate governance statement*. That standard requires that we have planned and performed the audit to obtain reasonable assurance that the corporate governance statement is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the information included in the corporate governance statement. We believe that our audit procedures provide a reasonable basis for our opinions.

OPINION
A corporate governance statement has been prepared. It is consistent with the annual accounts and the consolidated accounts and is in accordance with the Annual Accounts Act.

Gothenburg, April 8, 2024

KPMG AB

Mikael Ekberg

Authorised Public Accountant

FINANCIAL CALENDAR

17 APRIL 2024	INTERIM REPORT Q1 2024
17 APRIL 2024	CAPITAL MARKETS DAY 2024
2 MAJ 2024	ANNUAL GENERAL MEETING 2024
12 JULI 2024	INTERIM REPORT Q2 2024
20 OKTOBER 2024	INTERIM REPORT Q3 2024
12 FEBRUARI 2025	YEAR-END REPORT 2024

Certified Adviser

The company's Certified Adviser on Nasdaq First North Growth Market is Redeye AB
phone +46 (0)8 121 57 690
certifiedadviser@redeye.se
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Disclosure

This report was made public on April 8, 2024, by the designated contact persons.

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INFORMATION TO SHAREHOLDERS

Annual General Meeting

WELCOME TO THE ANNUAL GENERAL MEETING

The Annual General Meeting of Vertiseit AB (publ.) will be held on Thursday, May 2, 2024, at 18:00 at Vertiseit's head office, Kyrkogatan 7, Varberg.

REGISTRATION FOR PARTICIPATION

Shareholders wishing to attend the Annual General Meeting must be registered in the share register maintained by Euroclear Sweden AB by Tuesday, April 23, 2024. The Board of Directors asks that shareholders who intend to participate in the Annual General Meeting notify the Company of their and any assistants' attendance at the meeting no later than Friday, April 26, 2024.

Notification of attendance at the Annual General Meeting should be made to the Company in one of the following ways:

- by mail to Vertiseit AB (publ), "Vertiseit's Annual General Meeting", Kyrkogatan 7, 432 41 Varberg;
- by email to generalmeeting@vertiseit.com; or
- by phone at 0340 – 848 11

The notification should include the shareholder's name, personal or organisation number, address, telephone number, and, if applicable, information about representatives, proxies, or assistants. Representatives or proxies for minors or legal entities are requested to submit authorization documents to the Company well in advance of the meeting. To be entitled to participate in the Annual General Meeting, a shareholder who has their shares nominee-registered must, in addition to registering for the Annual General Meeting, have the shares registered in their own name so that the shareholder is entered in the share register by Tuesday, April 23, 2024. Such registration may be temporary (so-called voting rights registration) and should be requested from the nominee in accordance with the nominee's procedures well in advance of the meeting. Voting rights registrations made by Thursday, April 25, 2024, will be considered in the preparation of the share register.

Information about registration can also be found on the Company's website vertiseit.com.

NUMBER OF SHARES AND VOTES

At the time of issuing the notice, the Company has a total of 20,501,747 outstanding shares, which are divided into 2,429,510 A-shares and 18,072,237 B-shares. Each A-share entitles the holder to one (1) vote, and each B-share entitles the holder to one-tenth (1/10) of a vote, equivalent to a total of 4,236,733.7 votes, of which 2,429,510 votes are represented by A-shares and 1,807,223.7 votes are represented by B-shares. At the time of issuing the notice, the Company does not hold any shares on own account.

SHAREHOLDERS' RIGHT TO ASK QUESTIONS

Shareholders have the right, in accordance with Chapter 7, Section 32 of the Companies Act, to ask questions to the Company at the meeting regarding the matters to be addressed at the annual general meeting and about the financial situation of the Company and the Group. Shareholders who wish to submit questions in advance may do so to the Company at the address Vertiseit AB (publ), Attn: The Board of Directors, Kyrkogatan 7, 432 41 Varberg, or by email to generalmeeting@vertiseit.com.

PROPOSAL FROM THE NOMINATION COMMITTEE FOR THE BOARD OF DIRECTORS

ANNUAL GENERAL MEETING ON MAY 2, 2024

Vilhelm Schottenius - Chairman of the Board, nominated for re-election but has declined re-election as Chairman of the Board (elected in 2009).
Adrian Nelje - Board member, nominated for re-election (elected in 2008).
Jon Lindén - Board member, nominated for re-election (elected in 2019).
Mikael Olsson - Board member, nominated for re-election (elected in 2019).
Johanna Schottenius - Board member, nominated for re-election (elected in 2020).
Ann Öberg - Board member, nominated for re-election and proposed as Chairman of the Board (elected in 2023).

CONNECTING A WORLD OF RETAIL

Vertiseit is a leading Retail Tech platform company in Europe. Through the subsidiaries Dise and Grass-fish, the group offers SaaS platforms for Digital In-store and related consulting services. The company's customers consist of global brands and retailers who use the company's products and services. This enables a seamless customer journey by connecting the digital and physical meeting for a strengthened customer experience.

www.vertiseit.com

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