

Annual Report

Hedin Mobility Group

2021



HEDIN MOBILITY GROUP

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Key facts

Hedin Mobility Group is one of Europe's largest privately owned car dealers. The Group's portfolio includes 31 brands and the company provides full service for both private and corporate customers. The business is represented in more than 140 locations in Sweden, Norway, Belgium, Switzerland and Germany.

Our values



Credibility

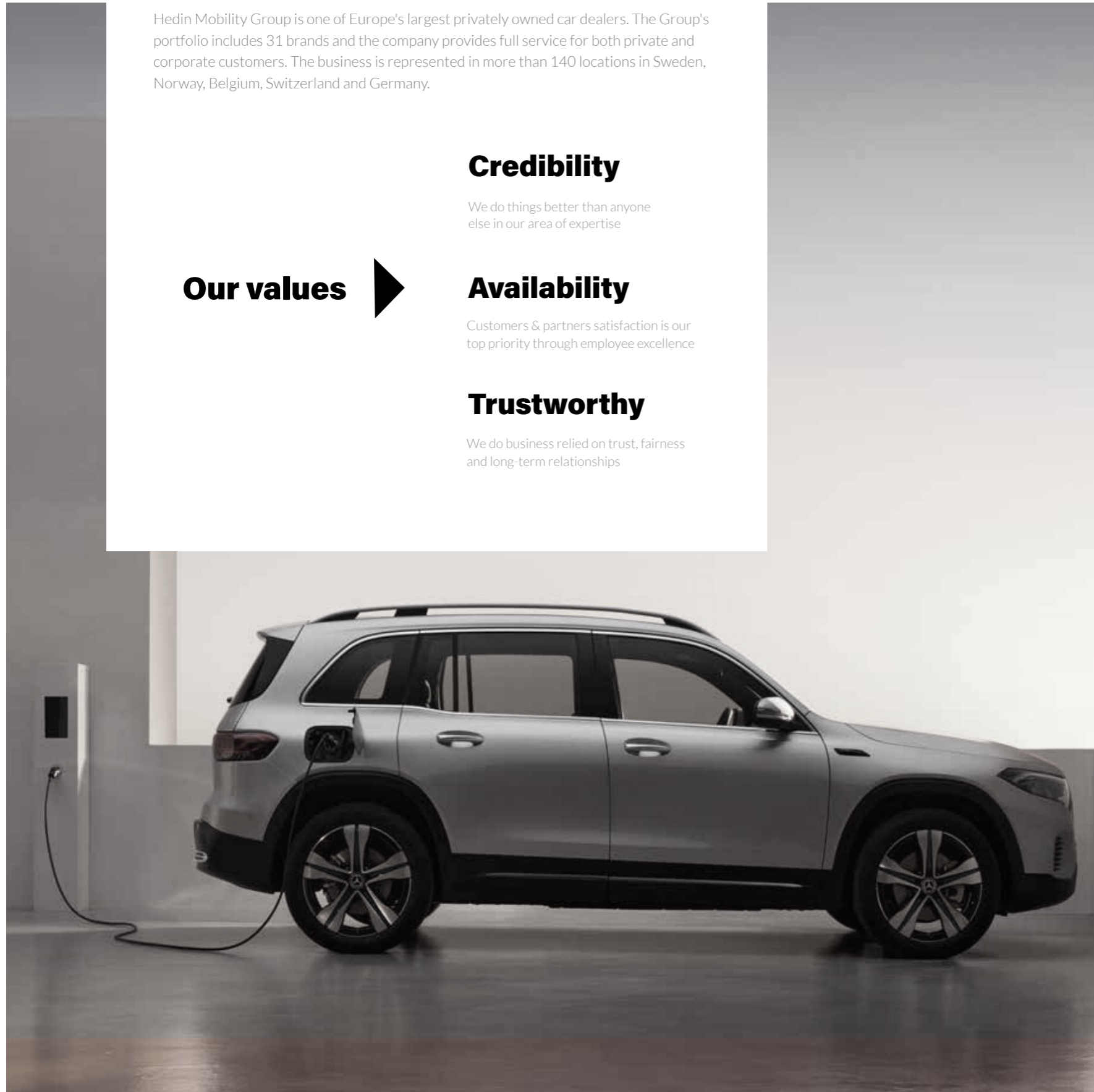
We do things better than anyone else in our area of expertise

Availability

Customers & partners satisfaction is our top priority through employee excellence

Trustworthy

We do business relied on trust, fairness and long-term relationships



125,081

Sold vehicles

21,462

Distributed Vehicles

103,619

Retailed

67,557

New

36,062

Used

28,191

Revenue (MSEK)

31

Brands in portfolio

144

Dealerships

89,119

Service agreements

6

Countries

3,569

Employees

A word from our CEO

2021 – A record breaking year!

The company continues to grow, innovate and build a corporate culture based on respect and transparency and at the same time we strive to be a transforming force in the european car industry.

In 2021, our business generated SEK 28.2 billion in total net sales. Of these, approximately SEK 26.4 billion originate from vehicle resale and SEK 2.8 billion from vehicle distribution. This was the highest net sales ever achieved in the company's history - record!

We generated SEK 1.15 billion in operating profit, which consists of SEK 1.0 billion from vehicle resale and SEK 154 million from vehicle distribution.

On January 4, we took over as distributor for new Ford vehicles in Sweden from Ford Werke GmBh, and this was a big milestone for us as a company. Also, throughout the year, our dedicated Ford retail subsidiary continues to grow their retail presence with Ford in Sweden while testing both new ownership models and various sales channels to achieve its goals.

Another milestone was the appointment to become sole distributor in Sweden for the re-launched all electric car brand "MG" from SAIC Motor Corporation Limited in April. From the day of signing the distribution agreement to market launch took only three months. And in less than seven months of operations in 2021 we managed to register a total 4,500 new MG vehicles. This has been a very impressive, exciting and so far, successful journey for our company.

Late in the year, our Belgian subsidiary Hedin Automotive Belgium AB, acquired three Toyota/Lexus dealerships in Vlanderen, adding these prestigious brands to our portfolio for the first time in our history.

Additionally, in the latter part of the year, we changed the name of one of our companies from "I.A Hedin Bil AB" to "Hedin Mobility Group AB". Subsequently, we consolidated all automotive related business under this company, and Erik Selin, CEO of the real estate company Balder AB, privately acquired 25 percent of the shares through a new share issue. Following this transaction Hedin Group AB remains majority owner with 71,5 percent of the shares.

Most of our principal vehicle manufacturers have all announced the likelihood for continued supply disruptions during 2022 of new vehicles, still caused by the global shortage of semi-conductors. Though, the supply situation was forecasted to improve during the second half of 2022, hence the deliveries of our already existing high order bank could materialize and vehicles reach their respective end-customer, however, this outlook is changing day-by-day following Russia's invasion of Ukraine.

Russia's invasion of Ukraine in February 2022 has created insecurity not only in Europe, but in the whole world. This war is likely to reduce global growth and raise global inflation over the next year, and if sanctions are imposed targeting the Russian economy through a total ban on oil and gas imports, it carries a high risk of recession in European economies thus also affecting vehicle sales.

Lastly – The company encourages an entrepreneurial spirit where each business unit leader has independent operational and financial responsibility for the day-to-day operations. Local experienced leaders tend to make better qualified decisions concerning the local operation, and thus, we can be more responsive to our customers' needs.

Looking forward to another Record Breaking Year!

Anders Hedin



Central support functions

In order to gain a greater insight into how we have handled new challenges and also what the view of the near future looks like, we have allowed a couple of our key employees to describe the highlights of 2021.



Per Mårtensson
CFO

The finance function consists of Treasury, Group accounting and Shared service center for the Swedish automotive business. 2021 has been a busy year with several acquisitions of both dealerships and companies. It is important to constantly improve the internal processes in order to be able to take good care of the new operations. One focus area is digitalisation, where we, for instance, develop our payment solutions, both in what way payment can be made in our dealerships and online, and also the development of our e-commerce.



Anna-Karin Höijer
Head of Procurement

Indirect Procurement work with Group-wide procurement of indirect material and services. The procurement organization is to be characterized by efficiency, competence and collaboration, where the best overall economy for the Group is prioritized. During 2021, framework agreements with realized cost saving and improved excellence were signed within a number of categories, for example, Transport & Logistics, Facility Management, Real Estate, Workshop Equipment & Services.



John Warfvinge
Chief Marketing Officer

A large part of the digital media purchases are handled by the in-house. This leads to higher efficiency, lower costs and builds the internal know-how. During the year, an extensive marketing and media plan was built for the launch of the new MG brand on the Swedish market, with everything from TV and Youtube to social media ads and online banners. In addition to media purchases, we have kept investing time in online customer service and several initiatives also started within e-commerce including the launch of a new shop for tires and rims on hedinbil.se.



Charlotte Martinsson
HR Manager

People with a go-ahead spirit are essential to the success of our business. During 2021, to attract and retain the most driven and committed employees in the business areas we operate in, we initiated the project "The Employer of the Future". The project, which is planned to run for at least three years, aims to both create a better structure and a more embracing culture for those who work with us today as well as future employees. "The Employer of the Future" includes several sub-projects such as recruiting the best, investing in new-hires, top-talents & leadership, and focus on Company Culture.



Jessika Johansson
Quality and Sustainability Manager

The quality and sustainability function's work assignment is to ensure that we meet national laws and regulations with a QHSE perspective in the company's strategic and operational development. Our effort is to run all of our company's operations in a responsible and sustainable manner takes into account social, environmental and economic factors and to create effectivity that provides business benefits. In 2021, the function was strengthened with additional employees. It is important to provide support that helps us to achieve our goals in a sustainable way.



Patrick Olsson
CEO Hedin IT AB

During 2021 we've managed to bring two new IMS-systems into production for our importer businesses. All supporting systems around the IMS, such as integrations to finance systems, parts, price files and the Transport Agency has been built by our own development team. Our new dealer portal is used by all Ford dealers. RPA and integration have been adopted as two new services at Hedin IT, lots of potential to optimize and improve business processes. Many new web sites have been launched on our new platform, SiteCore. For instance, shop.hedinbil.se, hedingroup.com, kwautohaus.de and ford2go.se. Our new Hedin One-Site concept was used for the first time, and we managed to setup a brand-new site in less than 50h. The ERP-team has been expanded to increase the production on our own IMS-system, which is a core product built using the Microsoft Business Central-platform with our own supporting functions.

Summary

Hedin Mobility Group

hedinmobilitygroup.com

The Hedin Mobility Group AB is part of Hedin Group AB which is one of Europe's largest privately owned car dealers.

The group's portfolio includes mobility solutions with a wide range of passenger cars, vans, trucks and minibuses. Some of the services offered are private leasing via Car to Go Sweden AB, company leasing via Unifleet AB and short-term rental through Mabi Mobility AB.

The portfolio also includes the general distribution of Ford in Sweden through Hedin HMC Motor Company AB and MG in Sweden via Hedin MG Sweden AB as well as Dodge and RAM in Europe through the subsidiary Klintberg & Way Automotive AB. The subsidiary Klintberg & Way Parts AB is an authorized spare parts distributor for General Motors North American Vehicles and Mopar, GS Bildeler is Norway's largest independent supplier of spare parts for BMW and MINI and Inter Wheel Sweden AB is one of Sweden's largest wholesalers in the tire trade as well as an appointed distributor for Alutec rims, Kumho tires and Cooper's tire programs.

The group is a major retailer of new and used vehicles and related automotive services in Sweden, Norway, Belgium, Switzerland, Germany and the Netherlands. The range includes 31 brands within the various vehicle types passenger cars, light commercial vehicles, trucks and motorcycles. The business is conducted under the names Hedin Bil, Bavaria, Hedin Performance Cars and Car Store in Sweden, Bavaria, Porsche Center and Car Store in Norway, Hedin Automotive in Belgium, Hedin Automotive in Switzerland and KW Autohaus in Germany.

The company's strategic investment in e-commerce is a collaboration between Hedin E-Commerce AB and Hedin IT. Today the e-commerce offer includes purchase of vehicles, leasing, spare parts and tires and rims etc. Hedin IT AB supports for all companies in the group with high-end operations, support and digital development.

In addition to its own IT department, the Group also has the central support functions finance, HR, marketing, procurement and quality and sustainability. The departments together consist of 115 employees.



Q1

- On January 4, the company Ford Motor Company AB was acquired. The company is the importer and the wholesaler of Ford in Sweden. The company has changed the name to Hedin HMC Motor Company AB.
- Modins Bil AB was acquired on February 5. The company is a Ford dealer in Uppsala.
- KW Parts acquired the Swedish e-commerce company Pickup XL AB on February 23. The company sells accessories to vans.
- On March 26, Hedin Group AB acquired 22 percent of Tuve Holding AB, and now holds 97 percent of the shares.

Q2

- Hedin Group was appointed distributor of the Chinese electric vehicle brand MG. On April 24, the brand was launched at 18 Hedin facilities in Sweden. The launch went better than expected and by the end of June a total of 1,667 cars had been registered. The model ZS EV was the best-selling electric car in Sweden in June, and the second best-selling car overall.
- Hedin Stockholm Bil AB acquired a business in Segeltorp, Stockholm that was selling Subaru on May 3. The facility on Smista Allé has been rebuilt to sell MG. The Subaru sales activities have been transferred to an existing facility next door on Smista Allé.
- On Maj 20, an agreement was signed to acquire BilMånsson i Halland AB and BilMånsson BC AB. The companies include dealerships for Ford in Halmstad and Värnamo, as well as Jaguar and Land Rover in Halmstad. The acquisition was completed on July 1.
- The ownership in Porsche Center Son AS was increased on June 9, when an additional 40 percent of the shares in the company was acquired. The ownership following the transaction amounts to 91 percent.
- On June 18, an agreement was signed to acquire the body and paint workshop CaroLack Galliker in Switzerland. The strategically important business will operate as a department within the dealership in Dielsdorf. The acquisition was completed on August 1.
- On June 22, an agreement was signed to acquire BilGruppen Enköping AB. The company is operating a Ford dealership based in Enköping. The acquisition included a property that was acquired by I.A. Hedin Fastighet AB.

Q3

- On July 9, an agreement was signed to acquire 100 percent of the shares in AutoFlorio AB which operates Porsche Center Umeå. The acquisition was completed on September 1.
- On July 13, an agreement was reached to acquire three dealerships with sales of Renault and Dacia in North Stockholm and Uppsala, as well as Ford After-market in Stockholm and Uppsala.
- On September 7, Norrlands Custom AB was acquired by KW Parts AB. Norrlands Custom imports and distributes spare parts and accessories for classic American cars.

Q4

- On October 27, an extraordinary general meeting resolved on a directed new share issue of SEK 3,570 million in which Erik Selin, through an indirect wholly owned company, becomes the owner of 25 % of the shares in the company. In connection with this, the meeting also resolved on a new group structure where all vehicle-related companies in the Hedin Group will belong to Hedin Mobility Group AB. A directed new share issue to Hedin Group AB was resolved to set off the payment of the purchase price for these companies. The external holdings in Pendragon PLC and Lasingoo Sverige AB have also been transferred to the company.
- To reflect all the Group's business areas, and its expansion in Europe, the parent company changed its name from I.A. Hedin Bil AB to Hedin Mobility Group AB, which was registered on November 16.
- On December 7, the outstanding bond loan of SEK 1,500 million was redeemed. In connection with this, the bonds were delisted from Nasdaq Stockholm's bond list.
- On December 7, an agreement was signed to acquire one of the largest full-service truck facilities in Småland, by a business transfer with Tecto trucks in Markaryd. Closing took place on February 1 2022.
- On December 29, an agreement was signed to acquire Toyota de Laat in Sint-Pieters-Leeuw, Belgium. This means that we welcome Toyota as a new brand in the Group, which complements the sales we currently have in Belgium with Mercedes-Benz.

Our business segments

- 01** Mobility
- 02** Distribution
- 03** Retail
- 04** E-commerce
- 05** IT



Our business segments

SWEDEN

Mobility
Distribution
Retail
E-commerce
IT

NORWAY

Mobility
Retail
E-commerce
IT

DENMARK

Mobility
Retail
E-commerce
IT

SWITZERLAND

Mobility
Distribution
Retail
E-commerce
IT

BELGIUM

Mobility
Retail
E-commerce
IT

GERMANY

Distribution
Retail
E-commerce
IT

EU

Distribution



”

New ownership models and sales channels are transforming automotive retail industry very fast, and in order to keep up with this transformation, we have to keep an open mindset – in the end, what you believe in, you can achieve!

Anders Hedin, CEO and owner Hedin Group AB





01

Mobility

Car to Go Sweden AB
Unifleet AB
Mabi Mobility AB

SWEDEN | NORWAY | GERMANY | SWITZERLAND | BELGIUM

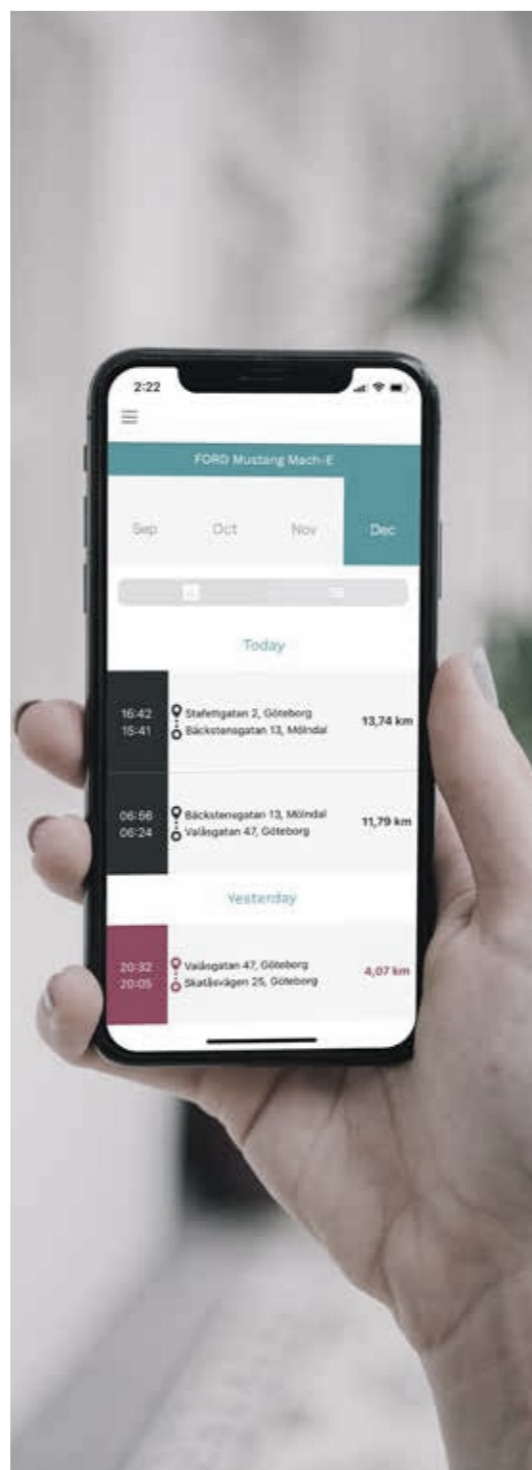
Car to Go Sweden AB

carplus.se

”

Summarizing 2021, it was the best year in the company history in terms of sales, revenue, and earnings. We sold more than 4,000 new cars and built the largest ever order backlog due to the ongoing delivery issues in the industry.

Jakob Werner - COO, Car to Go Sweden AB



During the year, we sold more of our own services and products under our new private leasing scheme than before. In mid-April, Carplus had the opportunity to partake in the launch of MG on the Swedish market, and in just one month received over 100 orders. As a result, MG ended up being the most successful launch in the history of the company. The MG brand was thereby a strong contributing factor to Car to Go exceeding all its company targets.

In Örebro, an event space was opened. This improved the company's cooperation with Hedin Örebro substantially, resulting in increased market shares in the region.

In September, the showroom in Täby Centrum was converted into a MG and Ford showroom and the operation was handed over to Hedin Stockholm Bil AB and Hedin Mölndal Bil AB. This resulted in an improvement in the company's results during the second half of the year.

The lease for the Väla Centrum showroom was terminated and is scheduled for expiration in 2022.

The company will continue to invest in physical outlets also in the future. This will predominantly be carried out in close collaboration with our existing dealer network within Hedin Mobility Group.

As a result of an increase in online marketing and a continuous focus on website development, Carplus has improved the online competitiveness substantially. Online conversion increased by 60 percent and web traffic by as much as 39 percent in 2021.

Carplus

19

Revenue (MSEK)

10,200

Leasing vehicles

22

Brands

8

Employees

SWEDEN | BELGIUM

Unifleet AB

unifleet.se

Unifleet's turnover increased by 100 percent, improving the company's earnings gradually despite heavy investments in its proprietary IT system throughout the year. The company is expected to deliver positive results already next year.

During the year, we increased our focus on ecommerce and online offering. By the end of the year, we had competitive offers on all "top 20" car models in the Swedish company & transport car market.

We increased traffic to Unifleet.se by 60 percent and online conversions by 2 percent. At the end of the year, we also started to scale up online marketing, which had been almost non-existent in the past.

A partnership with Ford Sweden was initiated towards the end of the year, offering Unifleet's services to all Ford dealers in Sweden. The cooperation is expected to have a positive effect on sales in 2022.

UNIFLEET

”

"With a year characterized by strong growth in turnover, new customers and a new organization, Unifleet continues to be Sweden's fastest growing fleet company gaining new market shares every month."

Jakob Werner, COO Unifleet AB



33

Revenue (MSEK)

3,000

Leasing vehicles

30

Brands

13

Employees

SWEDEN | BELGIUM

Mabi Mobility AB

mabi.se

The year 2021 has been difficult to plan due to both coronary restrictions and component shortages by car manufacturers. After an uncertain 2020, demand for our services has increased during the year to pre-pandemic levels. One effect we are seeing is that client groups have shifted from business to private rentals. The demand for longer rentals also increased.

A number of projects have been launched during the year to drive the development of various platforms for payment solutions and keyless mobility. We will continue this work in the coming years in order to remain an innovative challenger in the industry and to find new smart solutions that evolve according to our customers' needs.

We have implemented a customer satisfaction platform where we measure our customer satisfaction. This gives our customers the opportunity to easily give us feedback after completing their rental. The platform gives our letting agents an overview of what they are doing well and allows them to capture opportunities for improvement and provide the customer with answers directly in the platform.

The challenges for 2022 will be to plan for the uncertain supply of cars and continued restrictions in society which may change demand at short notice. But with new major agreements signed and a new partnership to increase our visibility in international booking channels, our prospects look good to continue on the same path to be able to gain market share in the coming years.



”

2021 can be summed up as an unpredictable year with a great increase in demand for our services. After a very strong Q4, which can be placed as the best quarter ever, both revenue and earnings surpass previous years.

André Schleeman, CEO of Mabi Mobility AB

258

Revenue (MSEK)

4,300

Available vehicles

31

Brands

173

Stations

42

Employees





02

Distribution

Hedin MG Sweden AB

Hedin HMC Motor Company AB

Klintberg & Way Automotive

Klintberg & Way Parts

GS Bildeler AS

Inter Wheel Sweden AB

SWEDEN

Hedin MG Sweden AB

mg.se

Negotiations with MG Motor Europe started in early 2021 and on March 17, MG Motor Europe announced Hedin Mobility Group as the distributor for MG's products in Sweden. Within only five weeks, 16 MG facilities opened under Hedin Bil, and the customer interest was immediate. The MG ZS was launched and quickly became a favorite in the Swedish market. This was partly due to competitive private leasing offering making the all-electric vehicle accessible to all. In June alone, 1,665 MG ZS were delivered to customers, making it the best-selling electric car model in Sweden with approximately 20 percent market share.

During the autumn, several new dealer agreements were signed and by 31 December 2021 there were 43 MG sites and 39 authorized MG workshops across Sweden. In 2022, the expansion will continue with several new facilities in the north. The goal is to exceed 50 MG locations before the end of the year.

MG received several positive press reviews from journalists after testing the cars. This culminated at the end of 2021 when the MG ZS received the "Stora Bilpriset 2022" award from Teknikerns Värld. Teknikerns Värld is one of the most influential car magazines in Sweden and they praised the MG ZS for the new updates and the outstanding results in their brake test.

In total during the year, more than 4,500 MG vehicles were delivered, and with an order backlog of 3,800 cars, it amounts to 8,000 signatures on orders for the car.

Sweden is moving more and more towards an electrified car industry and in just 3 years the number of clean electric cars has increased from a market share of 2 percent up to 20 percent, a trend that is predicted to continue in the coming years. In 2022, the world's first 100 percent electric station wagon MG5 will be launched. The model has already received a lot of attention and is expected to be a bestseller for the brand.

”

2021 marked an incredible start with the launch of MG, a completely new electric vehicle brand in Sweden. For 2022, our ambitions are even higher. We will make MG one of the leading electric car brands in Sweden.

Tomas Ernberg, CEO MG Sweden



1,330

Revenue (MSEK)

4,508

Retailed vehicles

3

Dealers

43

Sales points

39

Workshops

12

Employees

SWEDEN

Hedin HMC Motor Company AB

ford.se | ford2go.se | fordbusiness.se

On January 4, Hedin Mobility Group acquired 100 percent of the shares in Ford Motor Company AB, and through its subsidiary Hedin HMC Motor Company AB, became responsible for the import and distribution of passenger cars and light commercial vehicles, as well as the sale of accessories and spare parts for the Swedish market.

Despite challenging conditions during the first year of operation under new management and with major shortages in vehicle supply due to the global semiconductor shortage, the decade-long negative sales trend of Ford passenger cars in Sweden was broken. A total of 10,074 passenger cars were sold and registrations increased by +62 percent. Market share increased by +57 percent to 3.18 percent (+1.16 percent vs 2020) and 9,565 (+3,666 vs 2020) registered cars for the full year 2021. A strong launch of the all-new Mustang Mach-E electric vehicle together with good growth of the Kuga PHEV & Focus models accounted for the bulk of the volume growth on the passenger car side.

Light commercial vehicles continued to develop positively and a total of 9,675 light commercial vehicles were signed. Registrations number increased by 22 percent, which sums up to a market share of 17.72 percent (+0.79 percent vs 2020) and 6,421 (+1,170 vs 2020) registered vehicles. During the second half of 2021, Ford took the position as market leader in light transport vehicles.

Overall, 19,749 vehicles were signed in total, which increased market shares by 43 percent to a total market share of 4.74 percent (+1.29 percent vs 2020) and 15,986 (+4,836 vs 2020) registered vehicles.

In addition to setting up the business under new management, focus has been put on simplifying the business and strengthening the offering in the market. Among other things, a new business system has been developed and put into operation during the year and a considerable simplification of model range and business conditions has been implemented in combination with a strong focus on volume

growth. On the same subject, the conceptualization of builds in the transport vehicle segment has been launched with good results.

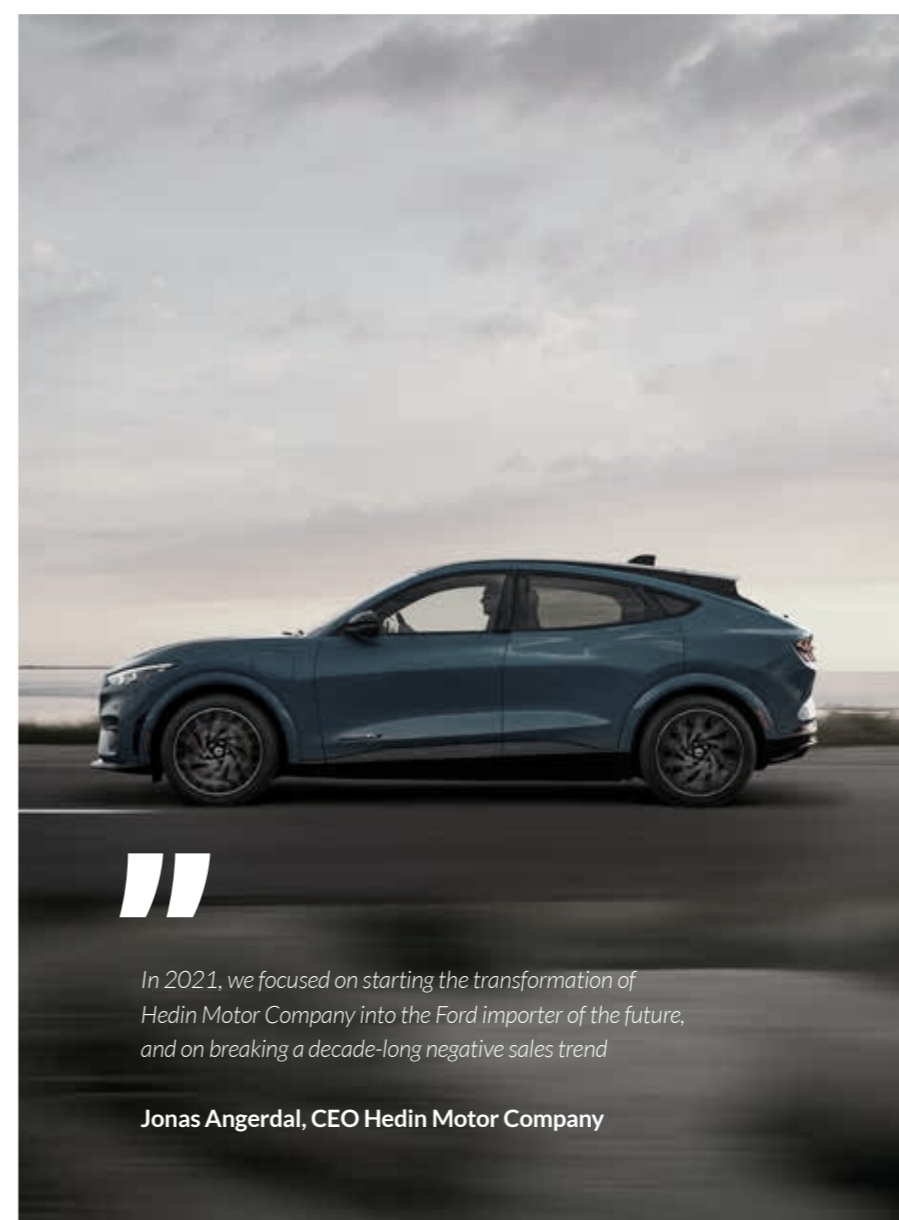
On the same theme, the conceptualization of builds in the transport vehicle segment has been launched with good results. For example, volume van sales increased by as much as +187 percent following the launch. On the distribution side, consolidation of the network has started with the aim of creating an efficient distribution.

Among other things, a new ERP system was developed and deployed, and a considerable simplification of model range and business conditions was implemented in combination with a strong focus on volume growth. On the same subject, the conceptualization of builds in the transport vehicle segment was launched with good results, where, for example, the sales of cabinet increased by +187 percent since the launch. On the distribution side, consolidation of the network has started with the aim of creating an efficient distribution.

The Go Electric marketing campaign, developed specifically for the Swedish market starring the well-known magician Joe Labero, generated very good traffic and increased the sales rate in the second half of the year.

The first projects of the planned digital development were launched with the introduction of Ford2Go offering online sales of private leasing, and Ford4Business offering operational leasing.

Overall, the year sums up as a major step towards our goal of cost-effectively growing the business in line with our objectives, achieving a 6 percent market share for passenger cars and a leading position in light commercial vehicles with >25 percent market share.



5,019

Revenue (MSEK)

15,475

Retailed vehicles

28

Dealers

80

Sales points

96

Workshops

43

Employees

EUROPE

Klintberg & Way Automotive

kwauto.com

Klintberg & Way Automotive ("KWA") is an official importer of Stellantis (former Fiat Chrysler Automotive). The company also imports and distributes American made vehicles and pickup trucks to European Authorized dealers under the RAM brand, and muscle cars and SUV:s under the Dodge brand. In its own premises, with a 500 vehicles per month capacity, BHC performs homologation of Dodge and RAM for the European market through its subsidiary **KW Homologering AB**.

KWA started its business in late 2017 and faced some startup difficulties. A restructuring of the business began in late 2019 and after completion one year later, KWA has shown a drastic turnaround. In 2021, the company delivered significant profits to the group despite severe semiconductor shortages and pandemic-related issues.

The outlook for 2022 is promising as the pandemic effects look to ease towards the middle of the year. There are still challenges ahead, the weakening euro and the war in Ukraine to name a few. Nevertheless, with a full order book, management is confident of over achieving the performance of 2021.



825

Revenue (MSEK)

1,479

Retailed vehicles

144

Dealers

147

Sales points

200

Workshops

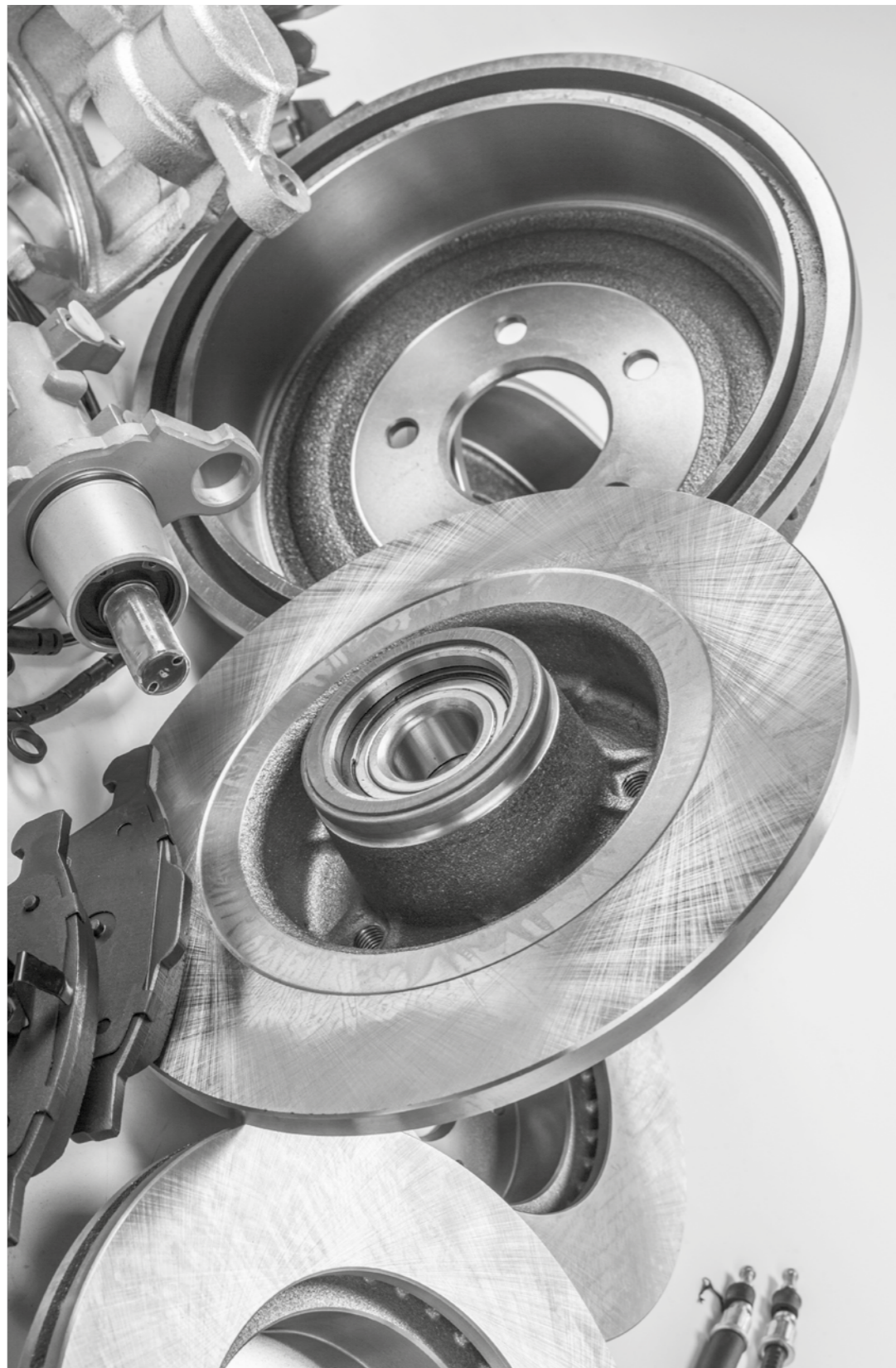
45

Employees

”

2021 was a challenging year from many different aspects, mostly the production constraints from the manufacturer. Despite this KWA retailed almost 1,500 cars and from a profit point of view kept on the positive development initiated already in 2020. KW Autohaus, our own Dodge/Ram dealership in Bremerhaven was launched and we managed to sell a number of Dodge/Ram to happy customers around Bremerhaven. Our homologation service for external customers was launched with quite a number of homologated cars during 2021.

Marcus Larsson, Chief Operating Officer

**307**

Revenue (MSEK)

65

Employees

EUROPE

Klintberg & Way Parts

kwparts.com

Klintberg & Way Parts continued to deliver spare parts for American-made vehicles, delivering stronger results than ever before in very challenging pandemic-related circumstances. The past year presented significant issues due to material manufacturing challenges and supply constraints. Declining segments have been rapidly replaced by new business opportunities, and the General Motors segment is stable despite a decline in the European fleet. The Mopar/Stellantis segment of the business is growing strongly and by the end of 2021 it was the largest business segment of spare parts for the parts Group.

The new warehouse in Sweden has continued to drive the company forward following the closure of the German warehouse in late 2021.

During the year, two acquisitions were carried out. In February, Pickup-XL AB was acquired. Pickup-XL is targeting the pickup truck enthusiast, delivering accessories and spare parts for pickup trucks with an aim to be Europe's market leader in the segment in a few years.

Norrlands Custom AB was acquired in September of 2021, supplying spare parts and accessories for classic American cars. Norrlands Custom has built a strong brand and presence in the Swedish market since its inception in the 1970s. The Klintberg & Way Parts Group with its new consumer brand, The DriveZone, now has the widest and most complete offering for American cars in Europe.

These initiatives, along with several more to come, make the outlook for 2022 very exciting.

SWEDEN

Inter Wheel Sweden AB

interwheel.se | dawero.se

Inter Wheel Sweden is a consortium of companies consisting of Inter Wheel Sweden AB, Dawa Däck AB, KW Wheels AB, Pro-Imp AB and Wheelspot AB.

The year 2021 was challenging for the Inter Wheel Sweden group. Component shortages related to the pandemic impacted new car sales heavily, which in turn affected wheel sales. In addition, a ransomware attack significantly damaged sales during the spring peak season, hitting both wheel and tire sales. This made for a tough start for the group.

The turnaround came in August and during the autumn it was noted that monthly sales figures exceeded the corresponding month in 2020 in all months from August onwards.

In February 2022, the newly installed wheel automation system passed its acceptance test and was put into operation.

These factors together with the expected easing of pandemic-related supply chain issues provide a good outlook for 2022 where sales are expected to increase again after two consecutive years of decline.

570

Revenue (MSEK)

145,454

Produced and sold wheels

65

Employees



GS Bildeler AS

gsbildeler.no | conlogo.no | brakes.no | koedbmw.com

GS Bildeler is Scandinavia's largest independent supplier and parts and accessories for BMW and MINI and offer world class logistics and distribution. With its 100 employees in eight locations in Norway and Denmark, GS Bildeler operates physical outlets and a highly successful B2B and B2C web shop with next day delivery. Collaboration with more than 200 partner workshops ensures close follow-up and superior technical support in Norway and Denmark.

Despite a challenging period of reorganization and centralization in 2021, GS Bildeler total revenue increased 8,4 percent to MNOK 435 from MNOK 400 the previous year. GS Bildeler experienced a shift in the market in 2021 with a decline in the consumer segment by 11 percent which was evened out by an increase in B2B. During the year, a shift in the market was noted with a decline of 11 percent in the consumer segment which was evened out by an increase in B2B.

The company operates a robotized warehouse in Oslo which was rolled out to most Bavaria dealerships, centralizing the handling of spare parts and accessories for the group. The rollout will be completed in 2022.

GS Parts is continuously seeking new ways of improving its competitiveness, and works closely with its sister companies Conlogo, a wholesaler and importer of premium car detailing products, Brakes Norway, a supplier of quality products for cars and motorcycles, and Koed, the Danish BMW and MINI parts specialist with presence in both Norway and Denmark.

Hedin Mobility Groups share in Koed amounts to 59,98 percent.

460

Revenue (MSEK)

108

Employees





03

Retail

- Summary
- Sweden
- Norway
- Belgium
- Switzerland
- Used vehicles, all countries

Brands

31

Total Brands

A Hedin Bil



KC MOTORS



HEDIN PERFORMANCE CARS



Bavaria



HEDIN AUTOMOTIVE



HEDIN AUTOMOTIVE



KWAUTOHAUS



Subsidiaries

<p>Sweden</p> <p>Norway</p> <p>Belgium</p> <p>Switzerland</p> <p>Germany</p>	<p>Hedin Göteborg Bil AB Hedin Helsingborg Bil AB Hedin Stockholm Bil AB Hedin Örebro Bil AB Hedin Mölndal Bil AB KC Motors AB Hedin Performance Cars AB Hedin British Car AB Bavaria Sverige Bil AB Car store Sweden AB</p> <p>Hedin Automotive Norge AS</p> <p>Hedin Automotive Belgium AB</p> <p>Hedin Automotive Switzerland AB</p> <p>KW Autohaus GmbH</p>
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Dealerships

104

Sweden

17

Norway

18

Belgium

4

Switzerland

1

Germany

144

Total Dealerships



Sweden

hedinbil.se | bavariabil.se | porsche.com*

The group offers a full-service concept in Sweden with new and used passenger cars, commercial vehicles and trucks, financing, service agreements and insurance for private and corporate customers alike. The vehicles are sold through both multi-brand dealerships as well as dedicated single-brand dealerships and pop-ups. Operations in Sweden are conducted under the well-known brands Hedin Bil, Bavaria, Hedin Performance Cars and KC Motors.

The year has been challenging due to the ongoing pandemic, and the business has on several occasions had to adjust the operation in accordance with the recommendations of the Swedish Public Health Agency. The global semiconductor shortage has led to long delivery times for new cars and spare parts. During the fourth quarter most brands suffered from these delivery issues. The lead time in the workshops has been longer due to a shortage of spare parts. The supply of cars and spare parts remains a question mark at the start of 2022 and supply is forecasted to be limited in the first half of the year before stabilizing. The delivery challenges have led dealers to carry a record high order backlog into 2022.

The new conditions in the market have led to a change in customer behaviour, and customers today visit the showrooms at an earlier stage in the process. From customers visiting the dealerships, a larger proportion complete their purchase. The total market declined in the autumn but after a strong spring, the Group's passenger car sales ended up +10 percent in Sweden, while the total market in only increased by +3.1 percent for the full year.

Some of the changes we see in the Swedish market are that more than half of all cars sold to private customers are now sold via private leasing and that as many as 45 percent of cars are chargeable cars, compared to 32 percent last year. One of the Group's success factors was the rapidly growing demand for MG (ZS/EHS) cars, which are now sold at 30 of our locations in Sweden. This, together with strong product portfolios from our other brands, positions us as one of the leading dealers in the fast-growing electric car segment.

With the ambition to be the "Employer of the Future" with the best, happiest, most loyal and committed employees in the industry, a range of activities will be offered throughout the year. For example, a leadership development program will be offered, and several employee benefits have been updated. Hedin Performance Cars and Bavaria were awarded the Great Place to Work certificate, proving that that the companies are perceived as a great place to work by its employees.

*Please find your dealership through Porsche's central website, porsche.com



Summary per company

Hedin Göteborg Bil AB achieved a record result, with a +10% increase in sales for the year. The workshops increased both their efficiency and upselling, and the year also ended strongly for the order book in the Vans segment. A brand new showroom was opened on Avenyn in central Gothenburg to showcase the new brand, MG.

Hedin Helsingborg Bil AB improved the result in both sales and service and ended year with the largest order backlog ever. Two new MG single brand facilities were opened in Helsingborg and Löddeköping during the year.

Hedin Örebro Bil AB increased sales by +21 percent during the year; an effect of better sales performance and the addition of the new MG brand.

Hedin Stockholm Bil AB grew from nine car dealerships at the beginning of 2021 to 19 dealerships in December 2021. Sales and deliveries increased by +20%, which is well above the industry average for both new and used cars.

Hedin Mölndal Bil AB experienced intensive growth during the year and the operations in Stockholm were expanded with dealerships in Akalla and Danderyd. Three additional dealerships were acquired in Enköping, Halmstad and Värnamo. Despite large investments and costs, the company has generated an expected positive result and the number of cars delivered in the last year has increased to approximately 10,000 compared to 4,500 cars in the previous year. The workshops are also showing strong growth with an increase of 23 percent.

KC Motors AB increased the number of cars sold and delivered by +13 percent in 2021 year-on-year. Unlike the other companies in the Group, the pandemic has not had any significant impact on KC Motors other than the noticeable change in the customer behavior, where customers today visit the showrooms at an earlier stage in the process.

Bavaria Sverige Bil AB had an incredibly strong performance in the Norrland region where sales increased by as much as 58 percent. Bavaria had its strongest year to date with a profitability of 125.8 MSEK and 3.8 percent in operating margin. The new dealers in Stockholm, Kista, Solna United and MINI Danderyd, have also developed well during the year and are performing according to plan.

Hedin Performance Cars AB has suffered from disruptions in production due to the semiconductor shortage and the number of new cars sold and delivered decreased to 645 cars from 660 cars in 2020. For the used car market, it was a good year with an increase to 821 cars from 721 in the year before. AutoFlorio AB, which operates Porsche Center Umeå was acquired during the year becoming the 7th facility in Sweden.

Hedin British Car AB In connection with the purchase of BilMånsson in Halmstad at the turn of the year 2021, Hedin British Car AB was formed. The business, which includes the Jaguar and Land Rover brands, operated today at 4 facilities. Except in Halmstad is located in Gothenburg, Örebro and Linköping. During Q2 2022, a new, modern full-service facility for Jaguar / Land Rover to open in Linköping.

Sweden

40,774

Retailed, new passenger Cars

7,651

Retailed, new vans

300

Retailed, new trucks

16,635

Revenue (MSEK)

104

Dealerships

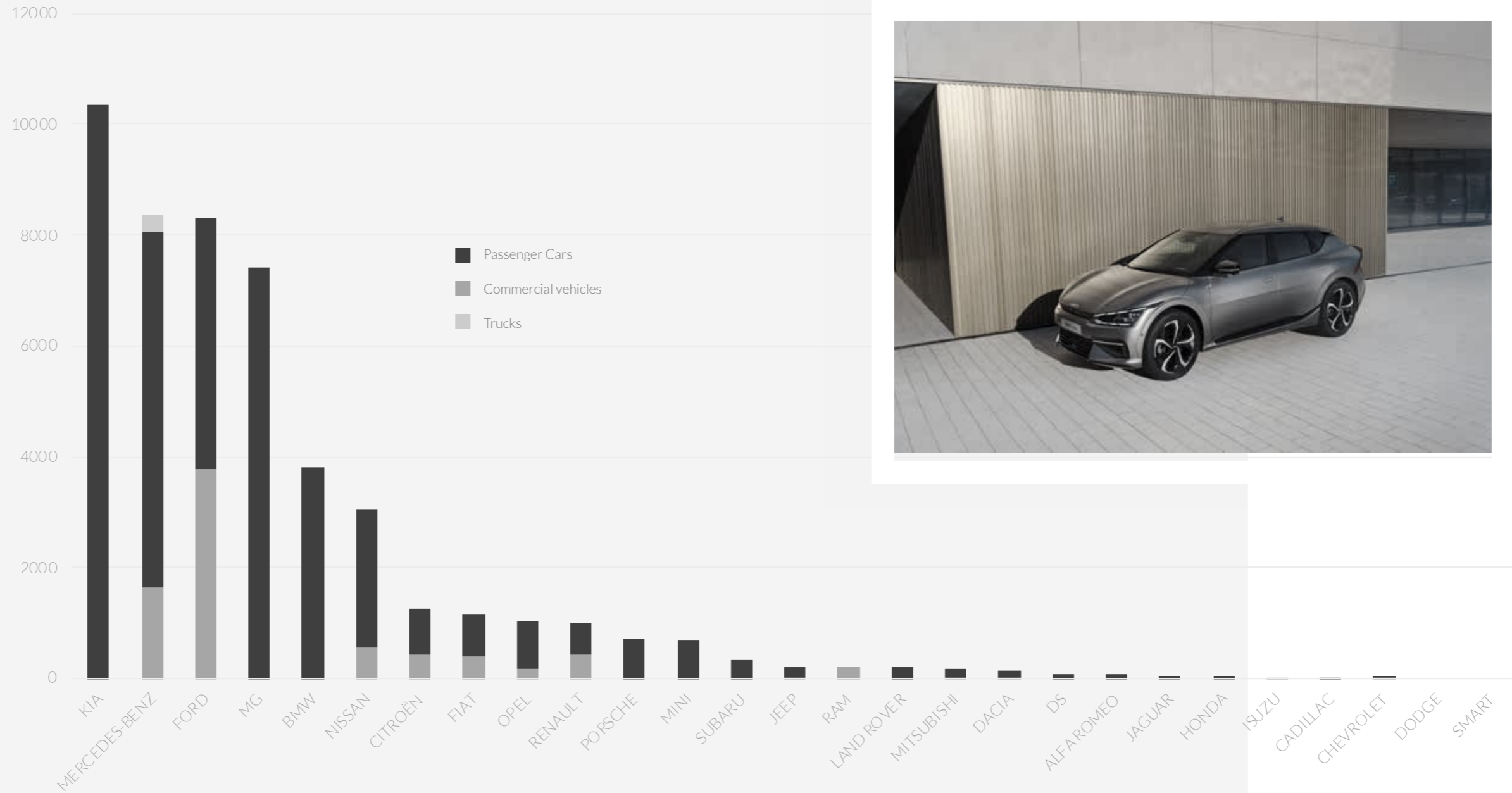
30

Brands

2,118

Employees

Retailed, new vehicles



Norway

4,806

Revenue (MSEK)

8,063

Retailed, new vehicles

17

Dealerships

4

Brands

410

Employees



bavaria.no | porsche.com*

The market in Norway ended at +25% for the full year, while our sales increased by +17 percent. Chargeable vehicles increased further and accounted for 85 percent of sales, of which 65 percent were 100 percent electric.

Bavaria had a good year in 2021 with all-time-high turnover and a +14 percent in delivered new cars and an +8 percent increase in used cars. A new record was also set in incoming orders with an increase of +64 percent compared to last year. The BMW i4 became the best-selling car model with 1,664 contracts, closely followed by the BMW iX with 1,337 contracts. The order backlog when closing the year was at a record level with 3,577 cars.

It has been something of a challenging year in the workshops due to Covid and a lower level of activity, and the company has been working hard to fill the dealers' workshops. The hard work resulted in a +10 percent increase in workshops and a +11 percent increase in spare parts.

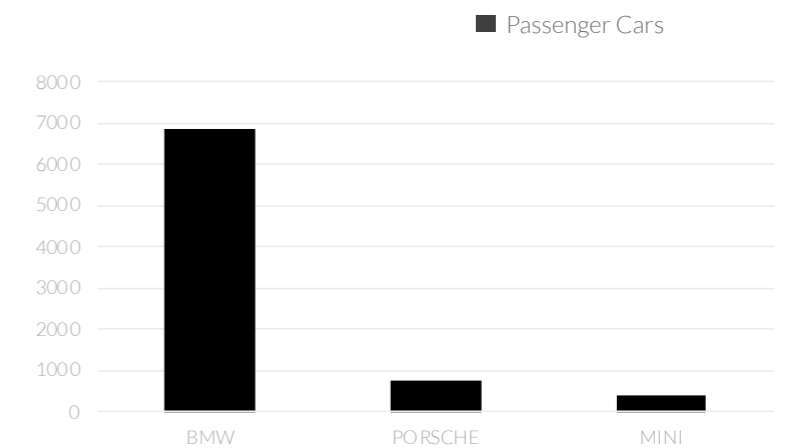
During the year, a successful implementation of Bavaria's robotised central warehouse and logistics hub was carried out. Bavaria Kristiansand moved into a new bodyshop and expanded its mechanical workshop.

Porsche Center has suffered from production disruptions related to semi-conductor shortages and the ongoing pandemic but managed to deliver 477 new cars which is an increase from 435 cars in 2021. 52 percent of the total deliveries of new cars were electric cars. Several new car models were launched during the year; the all-electric crossover Porsche Taycan Cross Turismo, the 911 GT3 and 911 GT3 Touring, 911 GTS and Cayenne GT Coupe.

Sales and deliveries of used cars fell slightly to 448 cars from 454 cars in 2020, but workshops performed very well, showing an increase of +43 percent.

In the coming year, several projects will be launched to centralise operations in Norway, including opportunities for management development through leadership training.

New retailed vehicles



*Please find your dealership through Porsche's central website, porsche.com

Belgium

hedinautomotive.be

In Belgium, the market decreased by -11 percent, while we increased by +15 percent.

Covid-19 and the shortage of semiconductors have had a severe negative impact on our ability to deliver customer sold vehicles. We started the year with a high and diversified stock of vehicles, but ended the year without a significant inventory. In the early stages of the Covid-19 restrictions, Hedin Automotive ordered and planned a sales campaign of the Camper Van, Mercedes-Benz V-class Marco Polo. With more than 100 Marco Polo's sold, Hedin Automotive has managed to become the number 1 retailer of Marco Polo's in the BeNeLux.

Hedin Automotive in Belgium started 2021 with the digital Brussels Motor Show. The traditional vehicle exhibition was replaced with a strong digital media presence, combined with local dealer activities. The customers have responded well to the digital transformation and all business units reported strong sales.

Recent changes in company car taxation has increased the demand of PHEV and BEV vehicles. Throughout the year, we have focused on adjustments to meet new customer requirements. To meet the changing demand and to spearhead the transformation towards selling environmentally friendly vehicles, Hedin Automotive has pioneered an EQ experience center in Gent. Over a 5-month period, internal staff, fleet and VIP customers had the opportunity to learn about the BEV technology and product line-up of Mercedes-Benz and Smart. This was then followed up with staff training and subsequent certification.

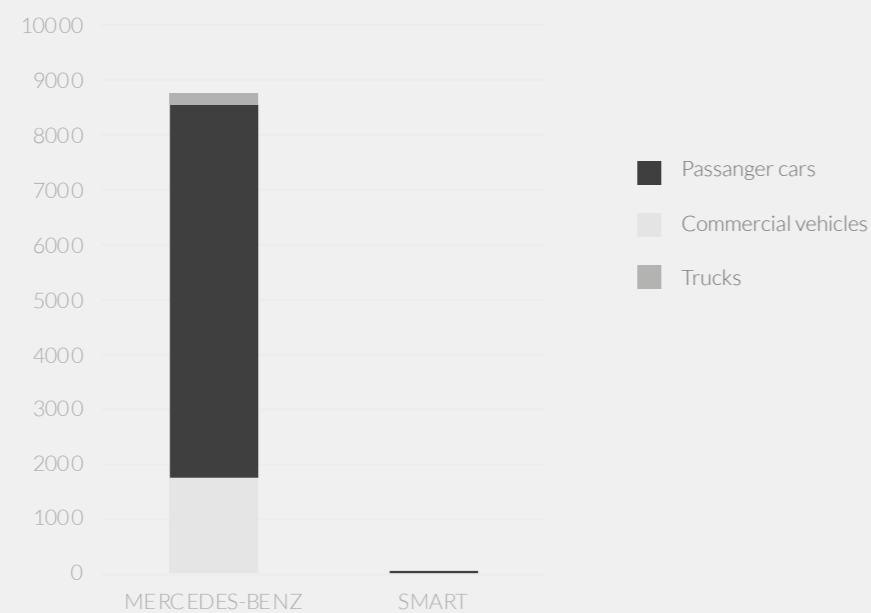
In late autumn, Hedin Automotive held a large and successful test drive event for electric vehicles.

At the end of 2021, Hedin Automotive took the first step, into the multi-brand strategy, by acquiring the first Toyota and Lexus dealership.

Just before 2021 ended, we launched our own car leasing company, Unifleet.

At the beginning of 2022, the future looks brighter than in recent years.

New retailed vehicles



6,836

Retailed new passenger cars

1,765

Retailed, new vans

191

Retailed, new trucks

4,444

Revenue (MSEK)

20

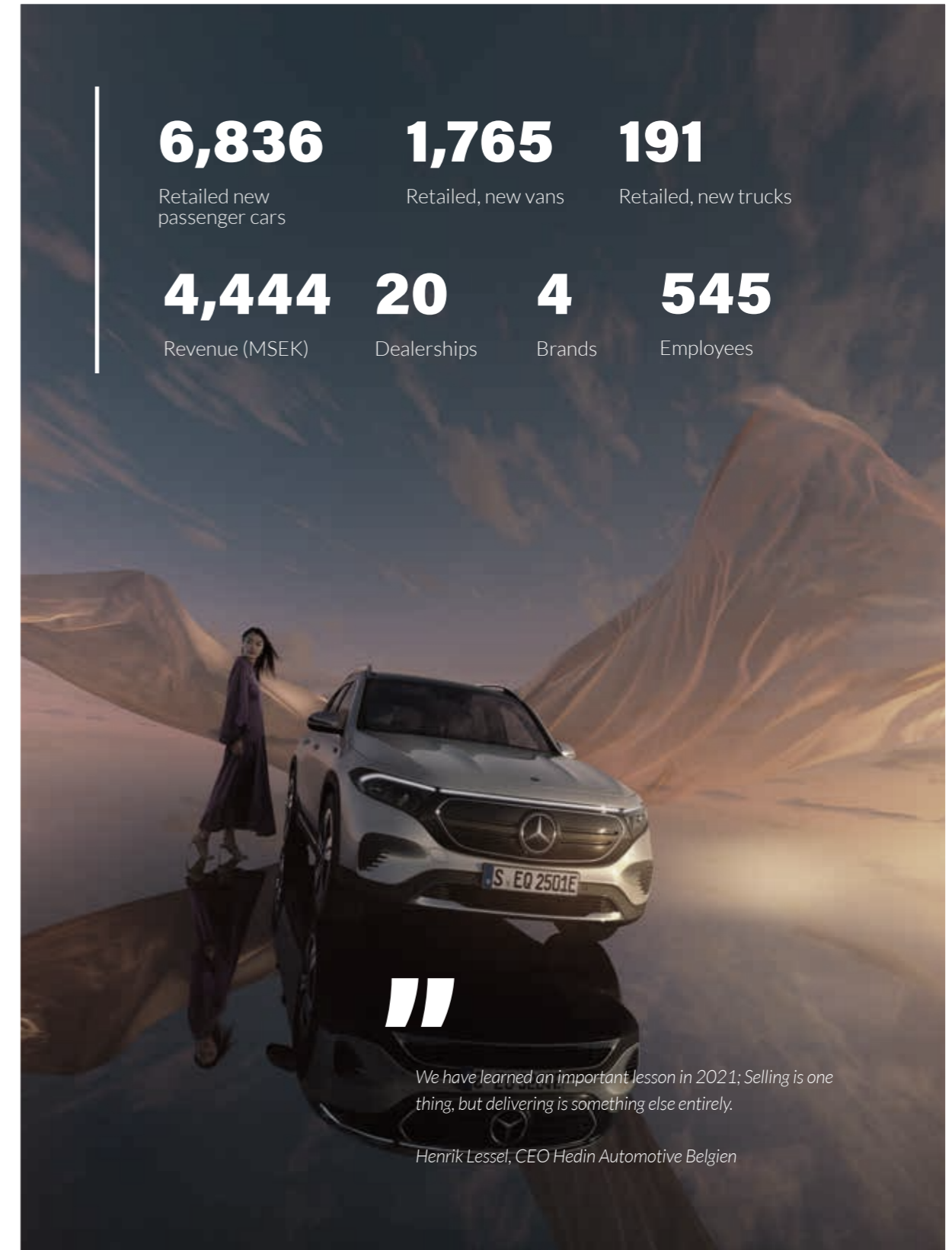
Dealerships

4

Brands

545

Employees



"We have learned an important lesson in 2021; Selling is one thing, but delivering is something else entirely.

Henrik Lessel, CEO Hedin Automotive Belgien

Switzerland



hedinautomotive.ch

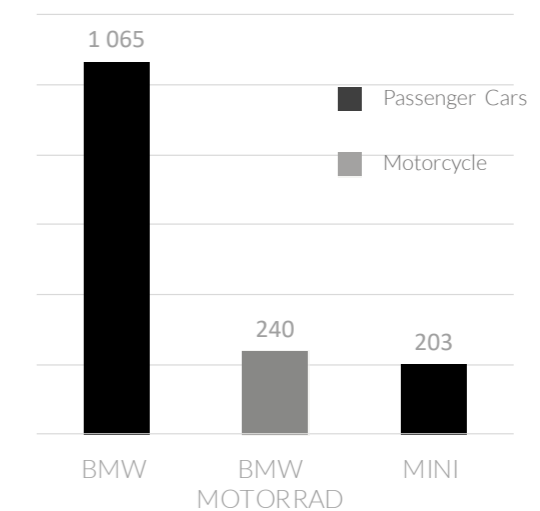
In 2020, Hedid Automotive expanded to Switzerland through the acquisition of three BMW and MINI dealerships in the greater Zurich-area; an important milestone in the strategic vision to strengthen the Hedid's position in Europe, leveraging on the existing, strong alliance with BMW. The company since announced a name change to Hedid Automotive AG reflecting the Swedish ownership, corporate culture, and vision for the future. With annual sales of around CHF 200 million, 230 employees and around 2,000 new vehicles sold per year, Hedid Automotive AG runs one of the larger workshop operations in Switzerland.

Hedid Automotive AG is part of Hedid's Scandinavian BMW division, Hedid Automotive headquartered in Norway. The Company also owns and operates Bavaria, one of the largest dealer groups of BMW and MINI in the Nordics. Hedid Automotive today is one of the largest partners for BMW and MINI in Europe.

Hedid Automotive AG grew further in June, as it welcomed the strategically important bodyshop and paint supplier CaroLack Galliker to the group.

The year 2021 was a year of transformation for Hedid Automotive AG. Through a program designed to harmonize and simplify processes and working methods, Hedid Automotive AG ensured significant synergies and a foundation for profitable growth. In October, Hedid Automotive launched its strategic program "Next Level", setting the strategic priorities and activities. Next Level will ensure the right competence, capabilities, focus and organizational culture to be able to deliver on the DNA "Surprisingly different, noticeably better". The priorities for 2022 include learning and competence development, leadership and succession, paving the way for long-term growth in Switzerland.

New retailed vehicles



*Please find your dealership through Porsche's central website, porsche.com

Germany

kwautohaus.de

In June 2021, KW Autohaus GmbH, a retailer of new and used Dodge and RAM, opened up for online sales as well as a temporary showroom at KW Technology Center in Bremerhaven, Germany. New facilities are being evaluated and the goal is to move to a new property with an area of at over 200 square meters, during the first half of 2022.

The ambition is to create a 360° american automotive hub in Bremerhaven, the flagship of KW Group, offering to final customer all the product and services Klintberg and Way group can provide, from homologation and new vehicles to accessories, spare parts and technical service. Private financing and leasing programs will soon be added to the portfolio.

7

Revenue (MSEK)

11

Retailed, new vehicles

1

Dealership

1

Employees

2

Brands



Used Cars

SWEDEN | NORWAY | SWITZERLAND | BELGIUM

carstore.se | hedincertified.se | hedinauction.se

Car Store Sweden AB is a wholly owned subsidiary of Hedin Mobility Group. The company aims to be the natural choice for buying, exchanging, or selling used cars in physical stores or online. Car Store is situated in several locations in Sweden; Täby in Stockholm, Kungens Kurva in Stockholm, Malmö, Mölndal in Gothenburg, as well as in Stavanger in Norway. Sales during the year amounted to 1,194 compared to 719 cars in 2020, an increase of 66 percent or 475 cars.

The ongoing pandemic has affected the company in many ways, and we saw a certain decline in sales towards the end of the year. The general advice communicated by the government and the Public Health Agency led to a decrease in the number of visitors to the car dealerships in the last quarter of 2021, while the traffic on the website increased significantly.

Uncertainty about the pandemic is still high and sales are expected to continue to decline in early 2022. The past year has also seen a significant used car shortage across Europe due to the problematic semiconductor shortage. However, the group's well-stocked order books for new cars predict a better inflow of used cars for the year.

Many new establishments in Sweden and Norway are planned for the year and collaborations will be initiated in Belgium, Switzerland and the Netherlands. This will create good and necessary growth in the company.

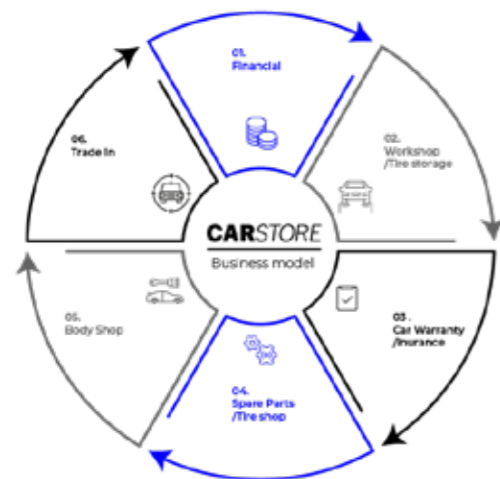
The long-awaited Europe Auction for the sale of used cars will be launched during the year. To meet the demand from the Auction and to secure a natural and stable flow of used cars at our dealerships around Europe, the number of employees in the central purchasing team will be doubled.

The general feeling is very good, and the company's expectations for the financial year are high. 2022 is expected to be Car Store's breakthrough year!

Hedin Certified sells used cars and is located as a separate department integrated in our new car dealerships.

At Hedin Auction, cars are sold at online auctions and the company currently has around 1,000 car dealers as customers.

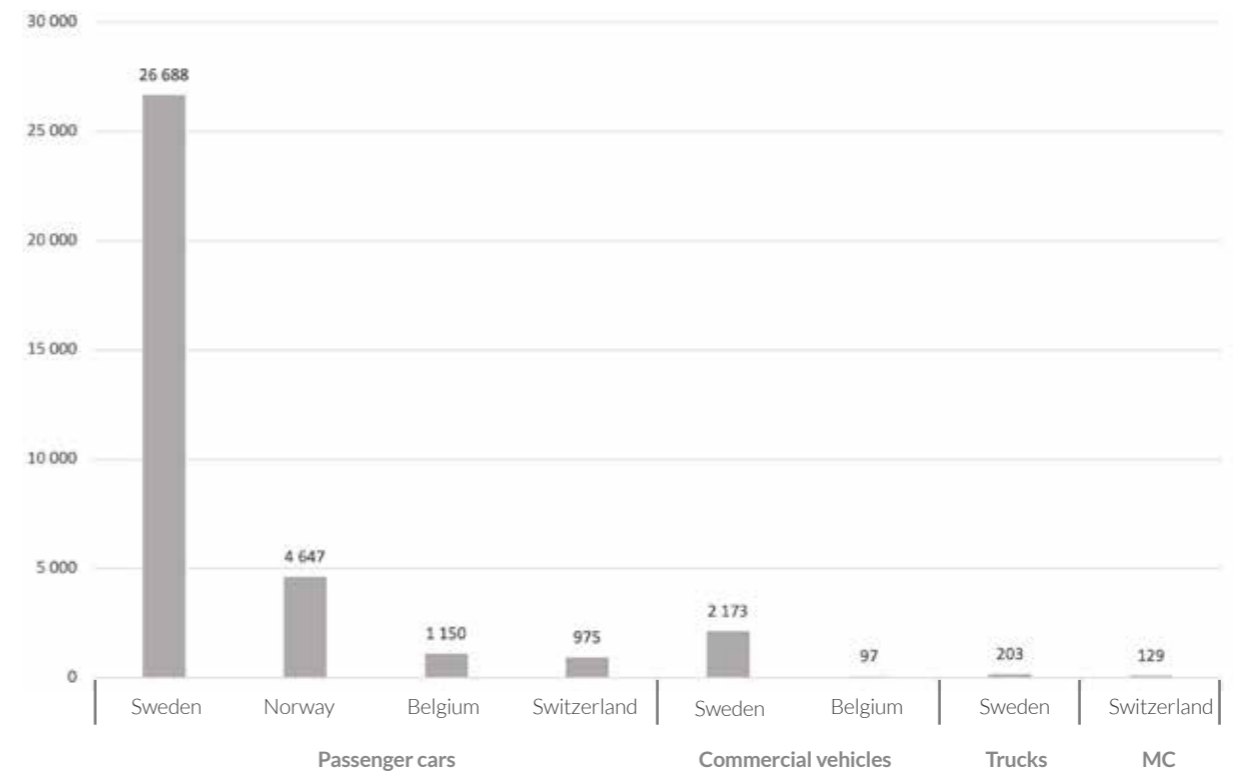
CARSTORE HEDIN AUCTION HEDIN CERTIFIED



36,092
Retailed used vehicles



Retailed, used vehicles





04

E-commerce

Hedin E-commerce AB
E-commerce businesses

EUROPE

Hedin e-commerce AB

Hedin e-commerce manages the web shop for wheels, tires, and rims at Hedinbil.se. The web shop is integrated with our systems making it possible for customers to buy new wheels while at the same time book a workshop appointment for tire change with storage. All wheels, tires and rims are ordered automatically and sent directly to customers or workshops. From 2022, Car Store and Bavaria customers will also be offered the same service in the web shop.

During the year, online vehicles sales will also be launched, with a range of payment options. Customers will be able to choose between payment in cash with an upfront reservation fee, leasing, or Smart Loan. The ambition is to offer customers the possibility to complete the entire transaction online using Bank-Id, before booking a slot in the online calendar for delivery.

The centralization of customer service continues and in 2022, Hedin e-commerce will be able to offer tire hotel customers an upgrade of their worn tires well in advance of the tire change season. Customers submitting tires for storage receive information about the exact tread depth at point of delivery. If the tread depth is worn, the customer will receive an email with an offer for new tires. Upon acceptance and payment, new tires are automatically ordered and delivered to the correct tire hotel.

By autumn 2022, Hedin e-commerce will also offer booking of rim repairs.

HEDIN E-COMMERCE



Vehicles

Through the group's various e-commerce platforms, it is possible for customers to buy a new or used car and to sign up for private or corporate leasing online.

carbuy.se

fordbusiness.se | ford2go.se

mg2go.se

Spare parts

The group includes dealers of spare parts and accessories for American cars and pickups, as well as an authorized partner for GM and MOPAR.

gsbildeler.no

koed.dk

brakes.no

conlogo.no

kwparts.no

norlandscustom.se

pickupxl.com

GS Bildeler and its subsidiaries work with the import and distribution of BMW's original spare parts and other spare parts in Norway.

Tires & Rims

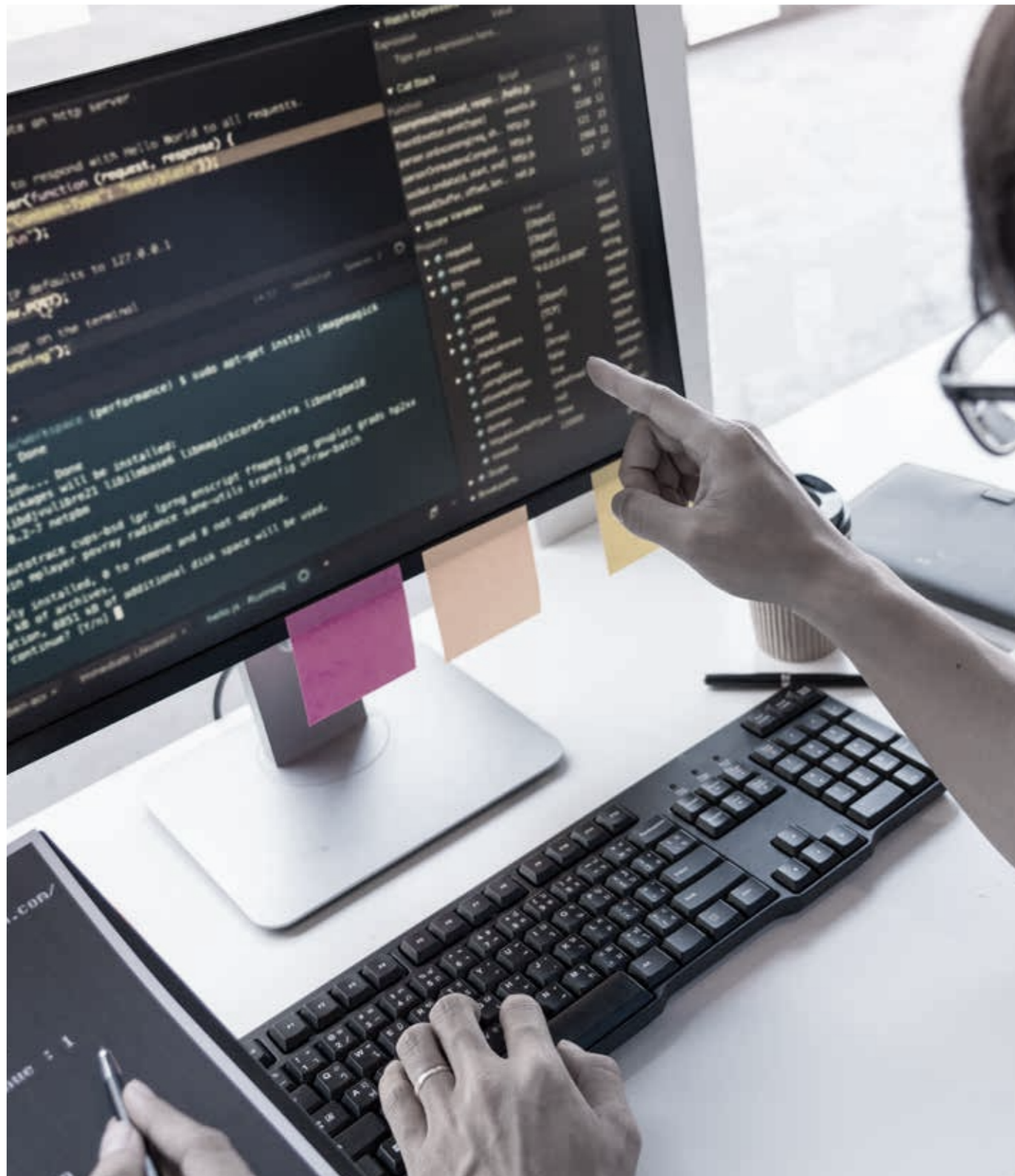
The group's subsidiaries sell a wide range of tires, including tires for heavy trucks, premium tires and tires for classic cars. Sales are directed to distributors, dealers, private individuals and companies.

interwheel.se

thedrivezone.com

dawero.se

The companies handles the distribution of Kumho tires, Alutec rims and Cooper's tire programs.



05

IT

Hedin IT AB

Hedin IT AB

hedinit.se

2021 was an exciting year with focus on strengthening all groups with more talented employees enabling Hedin IT to take on future challenges, while maintaining the service level for existing operations at the same time.

During the year, Hedin IT handled just over 25,000 cases and answered more than 15,000 telephone calls. A comprehensive approach has been taken on the telephony side with in-house administration of the switchboard and a new service manager.

Retail

Within Business Intelligence, we have worked on further developing our service market, which now enables the follow-up in several new areas such as service agreements and best practice reports.

At the end of the year, an agreement was signed with Incadea for the implementation of Incadea DMS in the Norwegian operations during 2022.

Distribution and import

We started the year with the configuration and deployment of Pinewood IMS for Hedin Motor Company and all integrations around spare parts, price files, banks, the Swedish Transport Agency, service agreements and so on. In parallel, we launched our new DealerPortal, which has grown into a powerful tool for all dealerships in 2021. We continue to focus on building smart tools with new features and solutions for our dealers.

Strong collaboration within the BI team has resulted in creating visibility for the various flows within the operation. The businesses can now track all their production through sales analysis, spare parts reporting, and market analysis. The companies' benchmark data is managed via Vroom and Industry Data.

In 2021, we expanded the focus on our proprietary IMS substantially; a Core product built on Microsoft Business Central with in-house developed support features.

Digital and Online

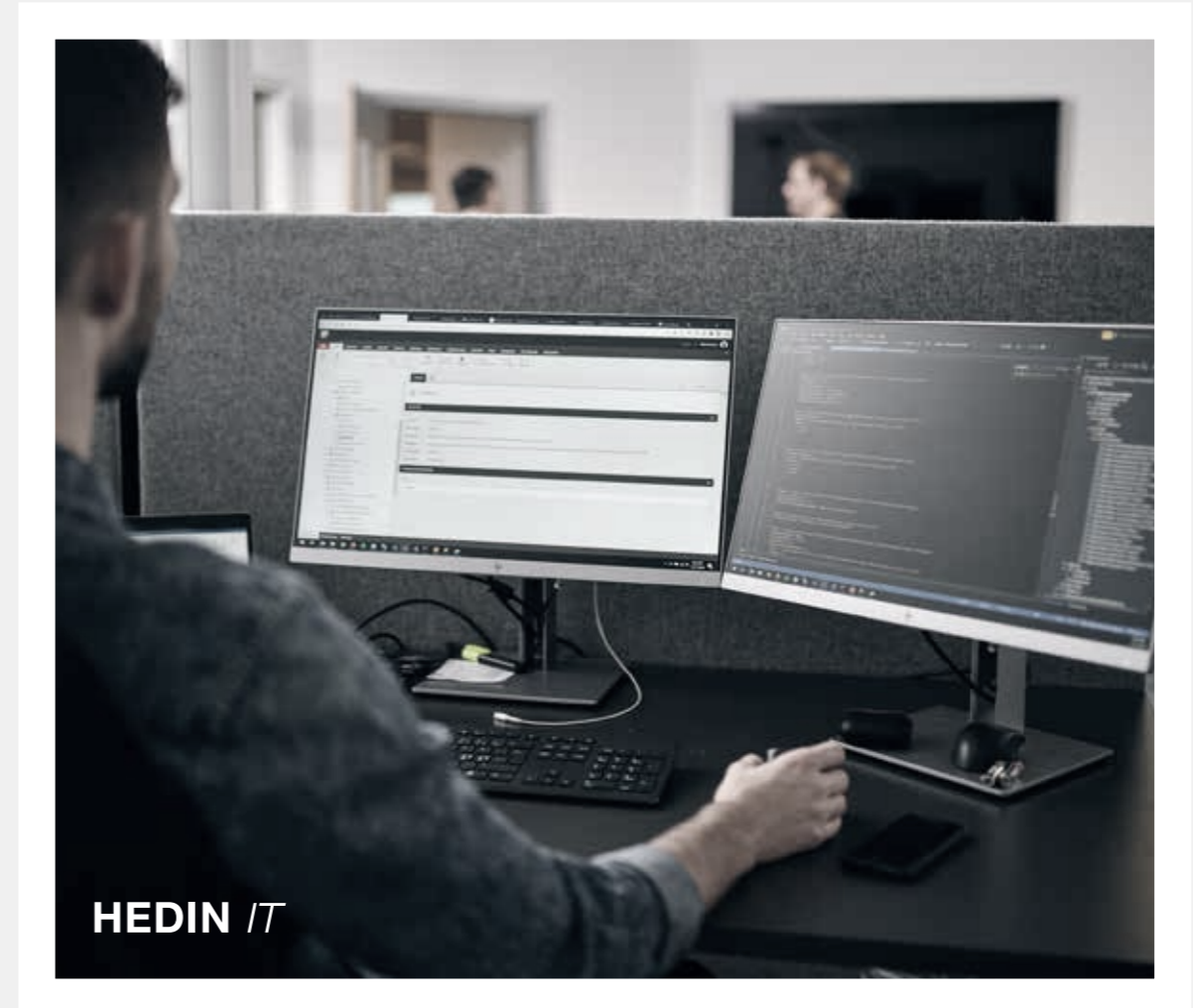
Many new sites were launched during the year, including:

- shop.hedinbil.se - The group's new e-commerce platform, the first to launch being tires and rims.
- hedingroup.com - New modern website for the group
- kwautohaus.de - Sale of Dodge and Ram on the German market
- ford2go.se - Private leasing offering with fully automated checkout with BankID

We raise our gaze

We are rolling out our new service desk system across the group, including integrated order management and automatic user account generation. As part of this project, we will also review all of our commitments to the business, so that we can deliver the best service when the business needs it. On the infrastructure side, we are bringing a new SQL cluster into production, and we are also completing our new data centre in Zurich to be ready for possible expansion in Europe.

The migration of the Norwegian operations is now being planned in detail and will be deployed in the first half of 2022.



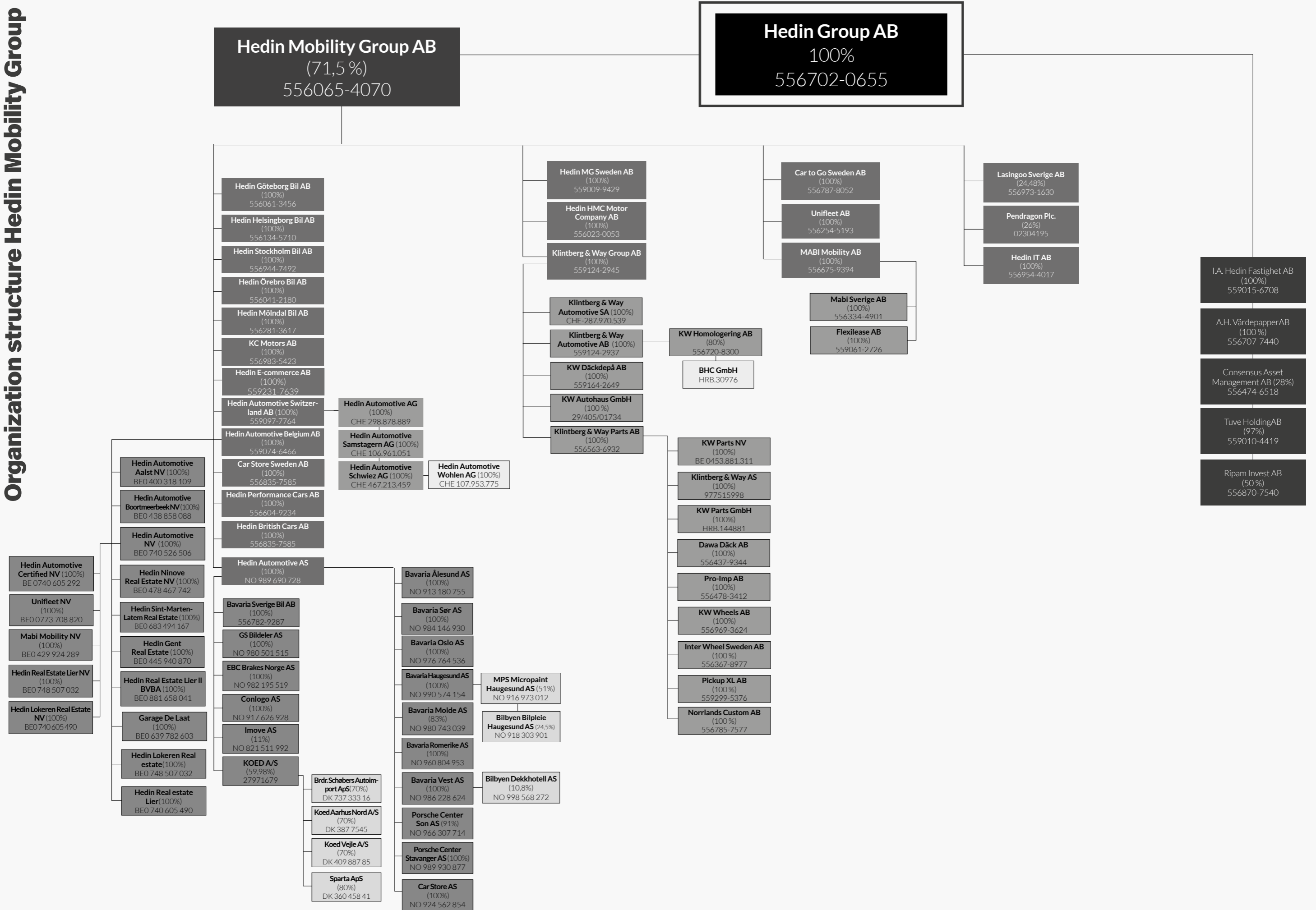
99

Revenue (MSEK)

37

Employees

Organization structure Hedin Mobility Group



Dealerships and Managers


MERCEDES-BENZ
43

SWEDEN
Johan Stålhammar

Alingsås
Anderstorp
Borås
Enköping
Göteborg / Hisings Kärra
Göteborg / Mölndalsvägen
Göteborg / Sisjön
Halmstad
Helsingborg
Jönköping
Kristianstad
Kungsbacka
Linköping
Ljungby
Mölnadal
Trollhättan
Strömstad
Trollhättan
Uddevalle
Uppsala
Varberg
Värnamo
Ängelholm

BELGIUM
Henrik Lesslè

Aalst
Berlaar
Boortmeerbeek
Brasschaat
Eeklo
Gent
Gent MB Certified
Kapellen MB Certified
Kontich
Lier
Lokeren
Ninove
Sint-Martens-Latem
Sint Niklaas
Zottemgem


MERCEDES-BENZ VANS
26

SWEDEN
Lars Holmström

Alingsås
Borås
Enköping
Göteborg
Halmstad
Helsingborg
Jönköping
Kristianstad
Kungsbacka
Linköping
Ljungby
Mölnadal
Trollhättan
Uddevalle
Uppsala
Varberg
Värnamo

BELGIUM
Henrik Lesslè

Aalst
Gent Zeehaven
Eeklo
Ninove
Lokaren
Sint Niklaas
Sint-Martens-Latem
Vertommen
Zottemgem


MERCEDES-BENZ AMG
4

SWEDEN
Johan Stålhammar

Göteborg / Sisjön Performance Center
Helsingborg Performance Center
Jönköping Performance Center

BELGIUM
Henrik Lesslè

Brasschaat AMG Performance Store



MERCEDES-BENZ TRUCKS
13

SWEDEN
Mattias Nilsson

Borås
Göteborg
Halmstad
Helsingborg
Jönköping
Kristianstad
Linköping
Uddevalle
Uppsala

BELGIUM
Henrik Lesslè

Aalst
Gent Zeehaven
Sint Niklaas



PORSCHE
10

SWEDEN
Rickard Magnusson

Borås
Göteborg
Halmstad
Jönköping
Linköping
Umeå

NORWAY
Rickard Magnusson

Kristiansand
Son
Son Classic Center
Stavanger


BMW
20

SWEDEN
Johan Frisk

Gävle
Luleå
Skellefteå
Stockholm / Danderyd
Stockholm / Solna
Stockholm / Tyresö
Stockholm / Vällingby
Uppsala
Östersund

NORWAY
Hallvard Vikeså

Arendal
Bryne
Farsund
Gardermoen
Haugesund
Kristiansand
Kristiansund
Lillestrøm
Oslo Økern
Stavanger
Ålesund



MINI
8

SWEDEN
Johan Frisk

Stockholm
Uppsala

NORWAY
Hallvard Vikeså

Kristiansand
Molde
Oslo Vika
Oslo Økern
Stavanger
Ålesund


SMART
3

SWEDEN
Johan Stålhammar

Göteborg


BELGIUM
Henrik Lesslè

Aalst
Eeklo


JAGUAR
5


SWEDEN
Rikard Alm

Göteborg
Halmstad
Linköping
Örebro


CHEVROLET
2


SWEDEN
Ludvig Almgren

Göteborg
Stockholm


LAND ROVER
5

SWEDEN
Rikard Alm

Göteborg
Linköping
Örebro


CORVETTE
2

SWEDEN
Ludvig Almgren

Göteborg
Stockholm


CADILLAC
2


SWEDEN
Ludvig Almgren

Göteborg
Stockholm


ALFA ROMEO
11


SWEDEN
Ludvig Almgren

Göteborg
Halmstad
Jönköping
Kristianstad
Linköping
Malmö
Stockholm / Akalla
Stockholm / Kungens Kurva
Uppsala
Örebro


HONDA
1


SWEDEN
Victor Liljenberg

Mölnadal


FIAT
16

SWEDEN
Ludvig Almgren

Göteborg / Grimbodalen
Göteborg / Åbro US Center
Halmstad
Jönköping
Kristianstad
Linköping
Lund
Malmö
Stockholm
Trelleborg
Uddevalle
Uppsala
Värnamo
Örebro


FIAT PROFESSIONAL
17

SWEDEN
Ludvig Almgren

Göteborg
Halmstad
Jönköping
Kristianstad
Linköping
Lund
Malmö
Stockholm / Akalla
Stockholm / Kungens Kurva
Uddevalle
Uppsala
Värnamo
Örebro


NISSAN
25

SWEDEN
Victor Liljenberg

Alingsås
Anderstorp
Borås
Enköping
Göteborg / Hisings Kärra TRP
Göteborg / Mölndalsvägen
Göteborg / Tagene
Halmstad
Helsingborg
Helsingborg
Kristianstad
Kungsbacka
Ljungby
Mölnadal TRP
Stockholm
Strömstad
Trollhättan
Uddevalle
Uppsala
Vara
Varberg
Värnamo
Ängelholm


NISSAN GTR
2

SWEDEN
Victor Liljenberg

Göteborg
Stockholm


JEEP
15

SWEDEN
Ludvig Almgren

Göteborg / Grimbodalen
Göteborg / Åbro US Center
Halmstad
Kristianstad
Linköping
Lund
Malmö
Stockholm / Akalla
Stockholm / Kungens Kurva
Uddevalle
Uppsala
Värnamo
Örebro


ABARTH
7

SWEDEN
Ludvig Almgren

Göteborg
Halmstad
Jönköping
Kristianstad
Malmö
Stockholm / Akalla
Stockholm / Kungens Kurva


RENAULT
15


SWEDEN
Michael Bergström

Göteborg / Hisings Kärra
Göteborg / Tagene
Halmstad
Halmstad LCV
Mölnadal / Krokslättis parkgata
Mölnadal / Flöjelbergsgatan
Stockholm/Kista
Stockholm/Kungsängen
Uppsala
Värnamo


MAXUS
2

SWEDEN
Pejman Philipsson

Norrtälje
Haninge


DS
3

SWEDEN
Selahattin Unsal


Malmö
Mölnadal
Stockholm


KIA
27

SWEDEN
Kenny Ohlsson

Alingsås
Borås
Göteborg
Halmstad
Helsingborg
Jönköping
Kungsbacka
Kristianstad
Lysekil
Mölnadal
Stockholm / Akalla
Stockholm / Segeltorp
Trollhättan
Uddevalle
Värnamo
Ängelholm

KC MOTORS
Danderyd
Malmö
Norrtälje


FORD
26

SWEDEN
Jonas Hamnstedt

Akalla
Daneryd
Eklanda
Enköping
Eskilstuna
Halmstad
Kungsbacka
Nacka
Segeletoorp
Södertälje
Tagene
Uppsala
Värnamo
Västerås


ISUZU
2


SWEDEN
Olle Holmberg

Göteborg
Karlskoga
Örebro


OPEL
18

SWEDEN
Olle Holmberg

Karlskoga
Kristianstad
Linköping
Malmö
Stockholm / Akalla
Stockholm / Segeltorp
Stockholm / Spånga
Trollhättan
Uppsala
Örebro


MG Electric
30


SWEDEN
Stefan Elmström

Göteborg Avenyn
Borås
Grimbodalen
Mölnadal
Strömstad
Tagene
Trollhättan
Uddevalle
Vara
Löddeköpinge
Halmstad
Helsingborg
Jönköping
Uppsala
Varberg
Värnamo
Akalla
Emporia
Haninge
Jägersro
Kristianstad
Lund
Norrtälje
Smista Allé
Täby Centrum
Västerås
Nacka
Karlskoga
Linköping
Örebro


CITROËN
17


SWEDEN
Safin Sherzad

Borås
Enköping
Göteborg
Halmstad
Halmstad
Halmstad
Jönköping
Jönköping
Kungsbacka
Malmö
Malmö LCV
Mölnadal LCV
Mölnadal LCV
Stockholm / Akalla
Stockholm / Spånga
Strömstad
Trelleborg


DODGE
17

SWEDEN
Kalle Bernhardsson

Göteborg / Grimbodalen
Göteborg / Åbro US Center
Halmstad
Helsingborg TRP
Jönköping
Karlskoga
Kristianstad
Linköping
Malmö TRP
Mölnadal
Norrtälje
Norrtälje
Stockholm / Akalla
Stockholm / Kungens Kurva
Stockholm / Spånga
Uppsala
Örebro


RAM
17

SWEDEN
Kalle Bernhardsson

Göteborg / Grimbodalen
Göteborg / Åbro US Center
Halmstad
Halmstad
Helsingborg
Jönköping
Karlskoga
Kristianstad
Linköping
Malmö TRP
Mölnadal
Norrtälje
Norrtälje
Stockholm / Akalla
Stockholm / Kungens Kurva
Stockholm / Spånga
Uppsala
Örebro


DACIA
15

SWEDEN
Micheal Bergström

Göteborg / Hisings Kärra TRP
Göteborg / Tagene
Halmstad
Halmstad
Mölnadal
Mölnadal TRP
Stockholm/Kista
Stockholm/Kungsängen
Uppsala


SUBARU
6

SWEDEN
Selahattin Unsal

Karlskoga
Kristianstad
Lund
Malmö
Stockholm / Akalla
Stockholm/Segeltorp

HEDIN PERFORMANCE CARS
2

SWEDEN
Rickard Magnusson

Göteborg (used cars)
Göteborg (body shop)

HEDIN CERTIFIED
1

SWEDEN
Peter Lampret

Inköp HK

CARSTORE
5

SWEDEN
Peter Lampret

Malmö
Mölnadal
Stavanger
Stockholm Täby
Stockholm Kungens Kurva

FINANCE - FIVE-YEAR SUMMARY

MSEK	2021	2020	2019	2018	2017
Net sales	28,191	24,064	22,301	21,043	12,657
Operating profit	1,069	729	360	227	197
Financial income and expense	-230	-217	-212	-114	-53
Profit before tax	839	511	148	113	144
Tax	-195	-125	-45	-26	-25
Profit for the year	644	386	103	87	119
Intangible fixed assets	2,109	1,695	1,877	1,522	1,215
Tangible fixed assets	12,676	7,475	7,563	2,003	1,519
Financial fixed assets	1,086	82	71	57	32
Inventories	4,363	2,775	3,089	2,736	2,446
Accounts receivables	1,534	909	970	717	591
Other current assets	2,579	605	1,722	646	3,580
Total assets	24,347	13,540	15,292	7,682	9,384
Equity	6,058	1,197	931	796	704
Non-current liabilities	10,077	7,633	7,877	2,892	2,929
Accounts payables	2,556	1,510	1,713	1,258	1,136
Other liabilities	5,656	3,200	5,513	2,736	2,716
Total equity and liabilities	24,347	13,540	16,035	7,682	7,485
Cash Flow from Operating activities	2,557	1,707	1,508	460	-12
Cash flow from Investing activities	-5,009	-680	-1,475	-1,239	-1,676
Cash Flow from Financing activities	4,125	-1,045	23	825	1,738
Cash flow for the year	1,673	-18	56	46	51
Equity to assets ratio	26%	11%	9%	15%	17%
Return on equity	18%	36%	12%	12%	18%
Number of employees	3,569	2,651	2,733	2,450	1,711

IFRS16 is applied from the year 2019. Earlier years have not been adjusted.

MEUR	2021	2020	2019	2018	2017
Net sales	2,757	2,397	2,137	2,048	1,285
Operating profit	105	73	35	22	20
Financial income and expense	-22	-22	-20	-11	-5
Profit before tax	82	51	14	11	15
Tax	-19	-12	-4	-3	-3
Profit for the year	63	39	10	8	12
Intangible fixed assets	206	169	180	148	123
Tangible fixed assets	1,239	745	725	195	154
Financial fixed assets	106	8	7	6	3
Inventories	427	276	296	266	248
Accounts receivables	150	91	93	70	60
Other current assets	252	60	165	63	363
Total assets	2,381	1,349	1,466	748	953
Equity	592	119	89	77	71
Non-current liabilities	985	760	755	281	297
Accounts payables	250	150	164	122	115
Other liabilities	553	319	528	266	276
Total equity and liabilities	2,381	1,349	1,537	748	760
Cash Flow from Operating activities	250	170	145	45	-1
Cash flow from Investing activities	-490	-68	-141	-121	-170
Cash Flow from Financing activities	403	-104	2	80	176
Cash flow for the year	164	-2	5	5	5
Equity to assets ratio	26%	11%	9%	15%	17%
Return on equity	18%	36%	12%	12%	18%
Number of employees	3,569	2,651	2,733	2,450	1,711
Exchange rate SEK/EUR	10,23	10,04	10,43	10,28	9,85

IFRS16 is applied from the year 2019. Earlier years have not been adjusted.

DIRECTOR'S REPORT

The board of Directors and CEO of Hedin Mobility Group AB (publ) corporate ID no. 556065-4070, hereby presents the Annual report and consolidated Financial Statements for the financial year 1/1/2021 – 12/31/2021

GENERAL ABOUT THE BUSINESS

Hedin Mobility Group is a family-owned business with sales and service of new and used vehicles, import and distribution of vehicles, spare parts and tires, and car rental.

The company name changed from I.A. Hedin Bil AB to Hedin Mobility Group AB at November 16, 2021.

Retail

In the business area Retail Hedin Mobility Group is operating authorized sales and after sales facilities for passenger vehicles, commercial vehicles and heavy trucks in Sweden, Norway, Belgium and Switzerland. The brands represented by Hedin Bil in Sweden are Mercedes-Benz, Jeep, Dodge, RAM, Smart, Nissan, Citroën, DS, Fiat, Cadillac, Corvette, Chevrolet, Chrysler, KIA, Opel, Dacia, Renault, Abarth, Honda, Jaguar, Alfa Romeo, Subaru, Isuzu, Range Rover, Land Rover, MG and Ford. The brands represented by Bavaria are BMW and MINI in Sweden and Norway. Porsche is sold in dedicated Porsche Centers in Sweden and Norway. The trademark Hedin Automotive is used in Belgium for sales of Mercedes-Benz and Smart, and in Switzerland for sales of BMW, Mini.

Hedin Mobility Group is currently represented through 147 automotive dealerships in Sweden, Norway, Belgium and Switzerland. The Group provides both new and used passenger cars, commercial vehicles and trucks. The ambition is to be a full-service company with a comprehensive offering for both private and corporate customers. The overall concept offers financing, service agreements, insurance and tire hotels.

Distribution

Distribution includes import and distribution of vehicles, spare parts, and tires. Klintberg & Way Parts AB is an authorized spare part distributor for General Motors North American Vehicles and Mopar (Chrysler, Jeep, Dodge, RAM) and is the largest wholesaler in Europe of spare parts for US-produced vehicles with sales in 37 countries.

Klintberg & Way Parts AB further holds authorization to wholesale Dodge and RAM in Europe, which is marketed under the trademark KW Automotive. The business is mainly conducted in Bremerhaven, Germany where the vehicles are homologated. The cars are sold to retailers in Europe.

Dawa Däck AB, one of Sweden's largest wholesalers in the tire sector and importer of Kumho, Nokian, Pirelli and Michelin. KW Wheels AB assembles and sells complete wheels on the Swedish market and has the agency for Alutec. Pro-Imp AB represents eight brands, including Cooper and Mickey Thompson, the leader in developing drag-, street- and offroad-racing tires.

Distribution and sales of spare-parts for BMW on the Norwegian market is performed by GS Bildeler, and Koed for the Danish market.

Hedin HMC Motor Company AB conducts import and distribution of the Ford brand to the Swedish market. The business includes sale of new passenger cars and commercial vehicles as well as spare parts to dealers, along with financing solutions, car damage guarantee and private leasing offers.

Hedin MG Sweden AB conducts import and distribution of the MG brand to the Swedish market. MG offer electric and plug-in hybrid vehicles. The business includes sale of new passenger cars and spare parts to dealers, along with financing solutions, car damage guarantee and private leasing offers.

Mobility

Mabi Mobility Group offers short-term rentals through a full range of cars, vans and minibuses. In addition, there is a long-term rental concept that is marketed under the trademark of Flexilease. The operations are mainly conducted through franchises and there is a national network of rental stations in Sweden.

Car To Go Sweden AB is a car broker through its own digital sales channels Carplus.se and Carbuy.se. The company also runs a store concept under the brand name Carplus Store, where the company's online business is combined with physical stores. The company is a driving force within the digital transformation of the automotive sector. Car To Go Sweden AB is also involved in product development of new digital online business aimed at private persons and companies. Unifleet AB provides operational and financial leasing as well as vehicle administration services to the Swedish corporate fleet market.

Parent company

Hedin Mobility Group AB operations consist primarily of managing and developing ownership interests in existing subsidiaries, and providing common support functions such as finance, HR, marketing, vehicle administration, etc.

The company is a subsidiary of Hedin Group AB, corporate ID No. 556702-0655, based in Mölndal, which also prepares consolidated accounts.

Key figures

Amount in million SEK (MSEK)	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017
Net sales	28,191	24,064	22,301	21,043	12,657
Operational earnings	1,146	805	428	281	200
Margin %	4.1	3.3	1.9	1.3	1.6
Operating profit	1,069	729	360	227	197
Profit after financial items	839	511	148	113	144
Total assets	24,347	13,540	14,323	7,682	6,350
Return on equity %	18	36	12	12	18
Equity ratio %	26	11	9	15	17
Equity ratio %, exclusive IFRS 16	33	17	13	15	17
Average number of employees	3,569	2,651	2,733	2,450	1,711

Definitions

Return on equity: Profit for the year in relation to average equity.

Equity ratio: Equity and subordinated loan to parent companies (Note 23) in relation to the total assets.

Operational earnings: Operating profit excluding items affecting comparability and amortization in surplus values.

KEY EVENTS DURING THE YEAR

- Modins Bil i Uppsala AB was acquired on February 5. The company operated a Ford dealership in Uppsala.
- On April 24, MG was launched at 18 Hedin facilities in Sweden. The launch went better than expected and by end of June a total of 1,667 cars had been registered. The model ZS EV was the best-selling electric car in June, and the second best-selling car overall.
- Hedin Stockholm Bil AB acquired a business in Segeltorp, Stockholm that was selling Subaru on May 3. The facility on Smista Allé has been rebuilt to sell MG. The Subaru sales activities have been transferred to an existing facility next door.
- On May 20, an agreement was signed to acquire BilMånsson i Halland AB and BilMånsson BC AB. The companies include dealerships for Ford in Halmstad and Värnamo, as well as Jaguar and Land Rover in Halmstad. The acquisition was completed on July 1.
- The ownership in Porsche Center Son AS was increased on June 9, when an additional 40 percent of the shares in the company were acquired. The ownership following the transaction amounts to 91 percent.
- On June 22, an agreement was signed to acquire BilGruppen Enköping AB. The company operated a Ford dealership based in Enköping. The acquisition was completed on July 1.
- On July 9, an agreement was signed to acquire 100 percent of the shares in AutoFlorio AB, which operated Porsche Center Umeå. The acquisition was completed on September 1.
- On July 13, an agreement was reached to acquire three dealerships with sales of Renault and Dacia in North Stockholm and Uppsala, as well as the Ford After-market in Stockholm and Uppsala. The acquisition was completed on October 1.
- On October 27, an extraordinary general meeting resolved on a directed new share issue of SEK 3,570 million in which Erik Selin, through an indirect wholly owned company, became the owner of 25% of the shares in the company. The general

meeting further resolved on a new group structure where all automotive related companies in the Hedin Group was consolidated under Hedin Mobility Group AB. A directed new share issue of MSEK 532 to Hedin Group AB was resolved to set off the payment of the purchase price for these companies. The holdings in Pendragon PLC and Lasingoo Sverige AB have also been transferred to the company.

- To reflect all the Group's business areas, and the expansion in Europe, the company changed its name from I.A. Hedin Bil AB to Hedin Mobility Group AB, which was registered on November 16.
- On December 7, the outstanding corporate bond loan of SEK 1,500 million was redeemed. In connection with this, the bonds were delisted from Nasdaq Stockholm's bond list.
- On December 7, an agreement was signed to acquire one of the largest full-service truck facilities in Småland, by a business transfer with Tec2 trucks in Markaryd. Closing took place on February 1 2022.
- On December 29, an agreement was signed to acquire Toyota de Laat in Sint-Pieters-Leeuw, Belgium. This means that we welcome Toyota as a new brand in the Group, which complements the sales we currently have in Belgium with Mercedes-Benz.
- The construction of the new head office for Hedin Bil and Hedin Group started in the end of 2020. The location is in Eklanda, Mölndal and the building is approximately 15,000 square meters. It will be ready in beginning of 2023.
- Also 2021 has been characterized by uncertainty due to the development of Covid-19 and its impact on the market. The business in some of our markets has been partly closed due to government restrictions, mainly in the beginning of the year. There have been delivery problems of vehicles for the major part of the brands, due to the global shortage of semiconductors, which will continue in 2022. This have caused a record level in our order backlog, which amounts to 21,900 vehicles at the end of the year.

EVENTS AFTER THE END OF THE FINANCIAL YEAR

- On January 6, the acquisition of Toyota de Laet in Belgium was completed. In addition, during January agreements were also reached to acquire Toyota and Lexus dealer Klaasen & Co. located in Turnhout, as well as Toyota dealer Trullemans, located in Dilbeek. Through these three Toyota dealers and a Lexus dealership, the Group has further strengthened the presence in the Belgian market.
- On January 10, it was announced that the company is acquiring all shares in Stern Facilitair B.V. from the listed automotive retailer Stern Group N.V. in the Netherlands. The agreement includes all parts of Stern's core business in the areas of retail, aftermarket, rental car and leasing operations. Stern consists of 47 full-service plants and is one of the largest car dealers in the Netherlands and represents leading brands such as Mercedes-Benz, Renault, Nissan, Ford, Volvo, Land Rover, Kia and Opel. The transactions was completed at 16th of March.
- Hedin Mobility Group has agreed, through a joint venture, together with Salvador Caetano Group, to acquire all shares in Renault Nordic AB from Renault s.a.s. The company is the importer and distributor of all brands from Renault, Dacia and Alpine in Sweden and Denmark. Hedin Mobility Group's holding amounts to 50%. The acquisition is subject to approval from the Swedish Competition Authority.
- On February 15, an agreement was signed to acquire four additional Mercedes-Benz dealers in Antwerp, Belgium, from Mercedes-Benz Group. The acquisition further strengthens the presence in the Belgian market to the existing 15 Mercedes-Benz dealerships. The transaction is subject to approval by the Belgian competition authorities.

EXPECTED FUTURE DEVELOPMENT

The business will continue to grow during next year, through the acquisitions that has been made during the year, and after the end of the financial year. Delivery problems due to the global shortage of semiconductors will remain, but through our diversification of different brands we see possibilities to offer our customers good alternatives. The new share issue that has been made and the restructuring of our group further provides a foundation for further growth.

RISKS

Car sales are dependent on the economic climate and this creates sensitivity in Group sales. Effective processes and control of the inventory situation are required with the purpose of reducing the sensitivity in profitability. Agreements with importers are on a rolling two-year or five-year term. This highlights even further the importance of maintaining a good relationship and to build long-term partnership between importer and dealer. Hedin Mobility Group aims to be a strategic partner for each importer and strives to build up a strong sense of trust between the parties.

The creation of a complete concept that includes financing, insurance, servicing, credit cards and different forms of ownership, is a key factor in promoting customer loyalty. Through a wide range of brands, the risks arising from excessive exposure on individual brands also decrease. At the same time, the expansion of recent years has mainly focused on the premium segment and in well-functioning markets which further reduces risk.

The Group is also operating in several sectors of the automotive industry, including sales, service centres, car rental and spare parts which is also contributing to a reduced overall risk.

Russia's invasion of Ukraine in February 2022 has created a great uncertainty in Europe and the rest of the world. There is a risk that this will cause a decline in economic activity in the markets, and that we enter a recession. The most important risks associated with the uncertain situation are the following:

- Demand: There is a risk that consumption of capital goods, including vehicles, will decrease to a significantly lower level over a longer period of time.

- Inventory values: If there is an oversupply in the market, there is a risk of price adjustments downwards in the pricing of vehicles. We continuously analyse existing inventory and trade-in value to ensure that the inventory is competitive. Due to the delivery problems that we experience for the moment, the inventory is on a low level.

- Ability to deliver: The shortage of components at suppliers to the car industry have caused delayed deliveries of some models. This can affect our delivery capacity in the short-term.

- Inflation: Uncertainties in the world situation increase the cost of transport and weakening the Swedish currency. This might cause increased prices for consumers with the risk of lower demand as a result.

- Financing and liquidity: If the decline becomes prolonged, there is a risk that refinancing of the current credit portfolio will not be possible. There is an ongoing dialogue with our creditors to ensure long-term cooperation.

CORPORATE GOVERNANCE REPORT

The supreme decision-making body in Hedin Mobility Group lies with the Shareholders' General Meeting. The Shareholders' General Meeting appoints the board, which has the ultimate responsibility to ensure that the internal control functions are working satisfactorily so that the quality of the financial reporting can be ensured. The Board of directors is responsible to ensure that the company's organization is designed in such a way that the accounting, funds management and the company's financial conditions are controlled in a satisfactory manner. The Board regularly evaluates the CEO's work. The CEO's task, together with the CFO, is to examine and ensure the quality of the financial reporting. Clear guidelines are communicated to the subsidiaries to ensure applied rules and principles are followed within the Group's companies. The Group's external auditors report to the Board if necessary, and at least once a year.

Shareholders General Meeting

The company's largest shareholder is Hedin Group AB, with a holding of 71.5 percent of the shares. Hedin Group AB is wholly owned by Anders Hedin, who is also President and CEO of Hedin Mobility Group AB. Skandrenting AB holds 25 percent, where Erik Selin is the ultimate beneficial owner, and the remaining 3.5 percent is owned by Ingemar Hedin. There are 100 shares of series A, each share entitling to ten votes, and 2,446 shares of series B, each share entitling to one vote. There are no restrictions on how many votes each shareholder can cast at a shareholders general meeting. All shares of series A are held by Hedin Group AB.

There are no special regulations in the Articles of Association for the appointment or dismissal of Board members, or amendments to the Articles of Association.

SUSTAINABILITY REPORT

Hedin Mobility Group has many employees and several business areas in different geographical locations. It is therefore important to share fundamental values on how the business should be conducted. The approach is essential for the business and guides on the challenges faced at work. The commitment, without compromise, is to act within proper ethical guidelines. This is a crucial element to gain trust and confidence from customers, suppliers and financiers.

We have set up guidelines and standards to help our employees to have a professional approach in approaching ethical issues that may arise at work. This guidance is described in our Code of Conduct, as part of the Sustainability Report.

The Swedish operations of the group has an overall Quality and Environment policy which, together with the quality- and management system, meets the requirements of ISO 9001 & ISO 14001. The environmental certification Miljöfyrtårn is implemented in parts of the Norwegian business. Guidelines, other policies and Code of Conduct are published and easily accessible to all employees within the Group.

Hedin Mobility Group is an automotive retailer that does not manufacture the products it distributes. Manufacturing and developing of vehicles are the responsibility of the car manufacturers. As a retailer in the automotive industry, there is limited ability to influence the car manufacturers. There is a greater possibility to make an impact on the operations of our facilities and workshops.

In 2021, the group continued to acquire and build new dealerships. The ambition is to implement the same sustainability guidelines to the newly added facilities. To ensure a long-term sustainability approach, we work actively to create the right conditions to reduce our environmental impact, based on the environmental aspects that are identified as crucial.

We are constantly working to improve the leadership and to develop the company forward to strengthen our brand as an employer. We are working with educational efforts for our managers and employees to meet new technologies and digital trends. Our digital introductory training for new employees supports a structured introduction, which we believe creates a strong employee commitment and gives the new employee the right conditions for the new profession. The purpose is to create an organisation where our employees are characterized by their sense of satisfaction and professional skills. The basis of all our work is Reliability, Trustworthy and Availability.

In accordance with chapter 6, section 11 of the Annual Accounts Act, the Sustainability Report is prepared as a separate report from the annual report. The Sustainability Report is available from the company, or on the website www.hedinbil.se.

REVENUE AND EARNINGS

Net sales increased by 17% to MSEK 28,191 (MSEK 24,064). The restructuring, which took place in October, means that all vehicle-related operations in the Hedin Group have been moved to Hedin Mobility Group. These activities are included in the reported data for three months from October 1. In connection with this, we have changed the division into segments to reflect our different business areas. "Retail" means the previously part of the Group with the addition of its retail operations in Switzerland. Our wholesale operations in Norway and Denmark through GS Bildeler AVS and Koed AS have been moved to the "Distribution" business area, which also includes imports and wholesale trade of cars, tires, and spare parts. The segment reconciliation mainly includes the rental car and leasing operations. In addition to this change, there have been acquisitions in Sweden, mainly additional Ford dealerships. Adjusted for changes, net sales increased by 4% for comparable units. There are further information regarding the acquisitions in note 28.

	2021	2020	Change %
Comparable Net sales	25,103	24,064	4%
Acquired businesses	1,899		
Restructuring 2021	1,189		
Net Sales	28,191	24,064	17%

Operational earnings increased by MSEK 341 to MSEK 1,146 (MSEK 805). The operating margin increased to 4.1% (3.3%).

Net Sales	2021	2020	Change %
Retail	26,392	22,959	15%
Distribution	2,807	341	723%
Segment reconciliation	-1,008	764	
Total	28,191	24,064	17%

Operational earnings	2021	2020	Change
Retail	1,003	736	36%
Distribution	154	24	542%
Segment reconciliation	-11	45	
Total	1,146	805	42%

Margin	2021	2020
Retail	3.8%	3.2%
Distribution	5.5%	7.0%
Segment reconciliation	1.1%	5.9%
Total	4.1%	3.3%

Retail

Net sales increased by 14% to MSEK 26,292 (MSEK 22,959). Sales of new and used vehicles increased by 33% and 11% respectively. In Sweden, sales increased by 10%. Sales financed through private leasing have increased throughout the year and including these vehicles, invoicing increased 26%. Sales in Norway increased by 17%. In Belgium, sales increased by 15%, with sales slowing at the end of the year due to component shortages in the factories. Switzerland is part of the Group from the fourth quarter.

Net Sales	2021	2020	Change %
Sweden	16,635	14,982	11%
Norway	4,806	4,124	17%
Belgium	4,444	3,853	15%
Switzerland	507		
Total	26,392	22,959	15%

Operational earnings	2021	2020	Change
Sweden	665	412	61%
Norway	284	257	10%
Belgium	74	67	10%
Switzerland	-20		
Total	1,003	736	36%

Margin	2021	2020
Sweden	4.0%	2.8%
Norway	5.9%	6.2%
Belgium	1.7%	1.7%
Switzerland	-3.9%	-
Total	3.8%	3.2%

Operational earnings increased by MSEK 267 to SEK 1,003 (MSEK 736). The margin increased to 3.8% (3.2%). In Sweden, operational earnings increased MSEK 253 and the margin increased to 4.0% (2.8%). In Norway, operational earnings increased MSEK 27 and the margin was 5.9% (6.2%). In Belgium, operational earnings improved by MSEK 7 with an unchanged margin of 1.7%. Switzerland showed a negative result for the quarter. In Switzerland, several activities are also underway to increase profitability both through increased volume and efficiency improvements in the business.

Operating margin in car sales was 2.8% (2.1%). The increase is largely due to the increase in volume, where sales increased by 15%. There are also improvement in the gross profit margins on used vehicles, which have improved in all markets. Operating costs in relation to sales are decreasing and also contributing to the improved operating margin.

Operating margin in the Service Market was 6.6% (7.2%). Net sales increased 21% and operational earnings MSEK 33.

Net Sales	2021	2020	Change
Vehicle sales	24,485	21,216	15%
After-market	4,916	4,056	21%
Elimination	-3,009	-2,313	
Total	26,392	22,959	15%

Operational earnings	2021	2020	Change
Vehicle sales	677	443	53%
After-market	326	293	11%
Total	1,003	736	36%

Margin	2021	2020
Vehicle sales	2.8%	2.1%
After-market	6.6%	7.2%
Total	3.8%	3.2%

Distribution

The Distribution business area includes the import and distribution of vehicles, tires, and spare parts. Most of the operations were transferred to Hedin Mobility Group in connection with the restructuring in October. Sales and earnings are only included from October 1 for these operations.

The import of Ford in Sweden was taken over on January 4. The brand has developed very positively during the year and increased its market share significantly. Sales in the fourth quarter were the best quarter in sales in the last ten years.

The Chinese electric car brand MG was introduced in the spring and has been very well received by the Swedish market. Demand has been very strong, and the order book is at a record high for 2022.

Dodge and RAM are imported from the US and sold through retailers throughout Europe. Sales during the autumn have been limited due to lack of deliveries. The order book at year-end covers the entire next year's expected sales.

FINANCIAL POSITION

As of December 31, 2021, cash and cash equivalents amounted to MSEK 1,813 (MSEK 132). Together with the unused overdraft facilities, there was a payment readiness of MSEK 3,018 (MSEK 843).

The Group's total assets amounted to MSEK 24,347 (MSEK 13,540) at balance sheet date. Investments during the year in fixed assets, excluding leasing vehicles and right-of-use assets, amounted to MSEK 189 (MSEK 170).

PARENT COMPANY

Hedin Mobility Group AB's operations consist primarily of managing and developing its existing subsidiaries, as well as providing intra-company services. The profit after financial items amounted to MSEK 13 (MSEK 61) and net profit for the year amounted to MSEK 255 (MSEK 123).

PROPOSED DISTRIBUTION OF UNAPPROPRIATED EARNINGS

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

Share premium reserve	4,100,597,412 SEK
Balanced earnings	654,583,261 SEK
Profit for the year	<u>254,522,007 SEK</u>
Total	5,009,702,680 SEK

The Board of Directors proposes that unappropriated earnings to be distributed as follows:

Balance carried forward	<u>5,009,702,680 SEK</u>
Total	5,009,702,680 SEK

For the company's financial development, please, refer to the following income statements and balance sheets with accompanying financial statements.

CONSOLIDATED INCOME STATEMENT AND TOTAL COMPREHENSIVE INCOME

Amount in million SEK (MSEK)	Note	1/1/2021 - 12/31/2021	1/1/2020 - 12/31/2020
Operating income			
Net sales	4	28,191	24,064
Other operating income	5	34	28
		28,225	24,092
Operating expenses			
Goods for resale		-21,951	-19,194
Other external expenses	7,8	-1,325	-1,034
Employee benefit expenses	6	-2,387	-1,946
Depreciation and amortization of tangible and intangible fixed assets	13,14	-1,493	-1,189
Operating profit		1,069	729
Profit/loss from financial items			
Financial income	9,11	38	8
Financial expenses	10,11	-268	-226
Profit, before tax		839	511
Taxes	12	-195	-125
Profit for the year		644	386
Profit for the year attributable to:			
Parent company's shareholders		634	372
Holdings with non-controlling interests		10	14
Profit for the year		644	386
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Revaluation of pension obligations, net after tax		41	0
<i>Items that can be reclassified to the profit for the period</i>			
Cash flow hedging		39	0
Conversion differences		97	-121
Other comprehensive income		177	-121
Total comprehensive income for the year		821	265
Comprehensive income for the year attributable to:			
Parent company's shareholders		809	252
Holdings with non-controlling interests		12	13
Total comprehensive income for the year		821	265

CONSOLIDATED BALANCE SHEET

Amount in million SEK (MSEK)	Note	12/31/2021	12/31/2020
ASSETS			
Fixed assets			
Intangible fixed assets			
	13		
Intangible rights		82	23
Customer relations		304	335
Goodwill		1,723	1,337
		2,109	1,695
Tangible fixed assets			
	14		
Land and buildings		559	276
Costs incurred on another's property		295	234
Equipment, tools and installations		335	249
Leasing vehicles		6,406	2,015
Right-of-use assets		5,081	4,701
		12,676	7,475
Financial fixed assets			
Shares in associated companies	15	923	0
Other long-term securities	16	35	21
Deferred tax assets	22	119	61
Other non-current receivables	17	9	0
		1,086	82
Total fixed assets		15,871	9,252
Current assets			
Inventories, etc.			
Finished products and goods for resale		4,363	2,775
		4,363	2,775
Current receivables			
Accounts receivable	18	1,534	909
Receivables from Group companies		1	15
Other current receivables		279	242
Prepaid expenses and accrued income	19	486	215
		2,300	1,381
Cash and cash equivalents	20	1,813	132
Total current assets		8,476	4,288
TOTAL ASSETS		24,347	13,540

CONSOLIDATED BALANCE SHEET

Amount in million SEK (MSEK)	Note	12/31/2021	12/31/2020
EQUITY AND LIABILITIES			
Equity	26		
Share capital		3	1
Other contributed capital		4,100	0
Reserves		38	-96
Balanced earnings, including profit for the year		1,891	1,256
Equity attributable to the parent company's owner		6,032	1,161
Holdings with non-controlling interests		26	36
Total equity		6,058	1,197
Non-current liabilities			
Provisions for pensions	21	162	86
Deferred tax liabilities	22	205	140
Liabilities to parent companies	29	350	350
Bond loans	29	0	1,496
Other liabilities to credit institutions	29	461	159
Leasing liability	29	4,363	4,119
Other non-current liabilities	23	4,536	1,283
Total non-current liabilities		10,077	7,633
Current liabilities			
Overdraft facilities	29	0	515
Liabilities to credit institutions	29	872	319
Leasing liability	29	636	499
Accounts payable		2,556	1,509
Liabilities to Group companies		311	247
Tax liability		193	73
Other current liabilities	23	2,378	962
Accrued expenses and prepaid income	24	1,266	586
Total current liabilities		8,212	4,710
TOTAL EQUITY AND LIABILITIES		24,347	13,540

GROUP REPORT ON CHANGES IN EQUITY CAPITAL

Amounts in MSEK	Share capital	Other contributed capital	Reserves	Balanced earnings, including profit for the year	Total	Holdings with non-controlling interests	Total equity
Opening balance 01/01/2020	1	0	24	885	910	21	931
Profit for the year				372	372	14	386
Year's change of conversion reserve			-120		-120	-1	-121
Revaluation of provisions for pensions					0		0
Other comprehensive income for the year			-120	0	-120	-1	-121
<i>Transactions with owners</i>							
Group contribution paid				-150	-150		-150
Tax effect on paid Group contribution				32	32		32
Shareholder's contribution				118	118		118
Business acquisitions						9	9
Changes in holding with non-controlling interests				-1	-1	-1	-2
Disposals						-5	-5
Dividends to holding with non-controlling interests						-1	-1
Closing balance 12/31/2020	1	0	-96	1,256	1,161	36	1,197
Profit for the year				634	634	10	644
Year's change of conversion reserve			95		95	2	97
Cash flow hedging			39		39		39
Revaluation of provisions for pensions				41	41		41
Other comprehensive income for the year			134	41	175	2	177
<i>Transactions with owners</i>							
New share issue	2	4,100			4,102	0	4,102
Changes in holding with non-controlling interests				-40	-40	-19	-59
Dividends to holding with non-controlling interests						-3	-3
Closing balance 12/31/2021	3	4,100	38	1,891	6,032	26	6,058

CONSOLIDATED CASH FLOW STATEMENT

Amount in million SEK (MSEK)	Note	1/1/2021 - 12/31/2021	1/1/2020 - 12/31/2020
Operating activities			
Profit after financial items		839	511
Non-cash items	27	1,492	1,192
Income tax paid		-152	-58
Cash flow from operating activities before changes in working capital		2,179	1,645
<i>Cash flow from changes in working capital</i>			
Increase(-)/Decrease (+) in inventories		-663	240
Increase(-)/Decrease (+) in operating receivables		-73	33
Increase(+)/Decrease (-) in operating liabilities		1,114	-211
Cash flow from operating activities		2,557	1,707
Investing activities			
Acquisition of subsidiaries	28	116	-16
Purchase of intangible and tangible assets		-189	-170
Sale of tangible assets		28	11
Purchase of leasing vehicles		-4,698	-1,135
Sale of leasing vehicles		633	642
Purchase of financial fixed assets		-899	-12
Cash flow from investing activities		-5,009	-680
Financing activities			
Borrowings	27	2,857	497
Repayment of debt	27	-2,197	-1,002
Repayment of lease liability	27	-637	-540
New share issue		4,102	0
Cash flow from financing activities		4,125	-1,045
Cash flow for the year			
Cash and cash equivalents at the beginning of year		132	157
Exchange rate difference in cash		8	-8
Cash and cash equivalents at the end of year		1,813	132



NOTES

Amounts in million SEK (MSEK) unless stated otherwise.

NOTE 1 MATERIAL FINANCIAL REPORTING STANDARDS

The Consolidated Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed by the EU. RFR 1 Complementary Accounting Regulations for Groups, issued by the Swedish Financial Reporting Board, has also been applied. Assets and liabilities have been valued at historical acquisition values with exception of certain disposable financial assets, as well as financial assets and liabilities valued at fair value through the income statement.

The Board approved these Consolidated Financial Statements for publication on April 7, 2022.

Preparing financial statements in accordance with IFRS requires the use of several significant estimates for accounting purposes. Furthermore, the management is required to make certain assessments when applying consolidated reporting standards. The areas that involve a high degree of assessment, which are complex, or are areas in which assumptions and estimates are of material significance to the Consolidated Financial Statements, are described in Note 3.

New financial reporting standards 2021

There are no new standards, changes or interpretations that are entered into force from January 1, 2021, that have had a significant impact on the Group's financial reports.

New financial reporting standards 2022

There are no new standards, changes or interpretations that are entered into force after December 31, 2021, that are expected to have significant impact on the Group's financial reports.

Consolidated Financial Statements

The Consolidated Financial Statements have been prepared in accordance with the principles set out in IFRS 10, Consolidated Financial Statements. The financial statements cover the Parent Company, Hedin Mobility Group AB, and all companies in which the Parent Company, directly or indirectly, holds more than 50 percent of the voting rights, or otherwise has a controlling interest. The Group has controlling interests in a company when it is exposed to, or has the right to, variable returns on shares in the company, and can affect returns by way of its controlling interests in the company. Companies are included in the Consolidated Financial Statements on the date controlling interests are transferred to the Group. They are excluded from the consolidated financial statement on the date controlling interests expire. Intragroup transactions, balance sheet items and unrealized gains and losses deriving from intragroup transactions are eliminated.

Acquisition method

The acquisition method is used for reporting the Group's business acquisitions. The purchase price for the acquisition of a subsidiary comprises the fair value of assets and liabilities. The purchase price also includes all assets and liabilities at fair value as a result of an agreed contingent purchase sum. Subsequent fair value adjustments of a contingent purchase sum that is classified as an asset or liability are reported in accordance with IAS 39, either in the Income Statement or in Other

Comprehensive Income. Contingent purchase sums that are classified as equity are not revalued and the subsequent adjustment is reported under Equity.

If the purchase price exceeds the fair value of identifiable acquired net assets, the difference is reported as goodwill. If, in the case of an acquisition made at a low purchase price, and the amount is below the fair value of the acquired net assets, the difference is reported through the income statement. Costs relating to acquisitions are expensed as they arise.

Changes in ownership in subsidiaries without changes in controlling interest

Transactions with shareholders without a controlling interest that do not result in a loss of controlling interest are reported as equity transactions, i.e., as transactions made by the shareholders in their role as shareholders. A change in shareholding is reported via an adjustment of the carrying value for the holdings with both controlling and non-controlling interests in order to reflect changes in their relative holdings in the subsidiary company. In acquisitions from a holder with a non-controlling interest, the difference between the fair value and the actual, acquired, share of the reported value of the subsidiary's net assets is reported under Equity.

Associated companies

Associated companies are all companies in which the Group has a significant but not controlling interest, which generally applies to shareholdings of 20-50% of the votes. Holdings in associated companies are reported in accordance with the equity method. When applying the equity method, the investment is initially valued at acquisition value and the carrying amount is increased or decreased accordingly with the purpose of taking into account the Group's share of the associated company's profit or loss following the acquisition date. The Group's reported value of holdings in associated companies includes goodwill identified in conjunction with the acquisition. The Group's share of profit that has arisen after the acquisition is reported in the Income Statement, and its share of changes in other comprehensive income after the acquisition is reported in Other Comprehensive Income, including corresponding adjustments to the carrying value of the holdings. When the Group's shares in an associated company's losses amount to or exceed its holdings in the associated company, including any unsecured claims, the Group does not report further losses unless the Group has accepted legal liability or informal obligations, or has otherwise made payments on behalf of the associated company.

Translation of currencies

The Parent Company's functional currency is the Swedish krona, which also is the currency used in statements issued by the Parent Company and the Group. Income items are adjusted at the average exchange rate. Translation differences that arise are expensed under Equity and reported under Other comprehensive income.

Transactions in foreign currencies are translated into the functional currency using the exchange rates on the date of the transaction or the date the items are revalued. Exchange gains and losses that arise from payment of the transactions and translation of monetary assets and liabilities in foreign currencies, as at the year-end, are reported in the Income Statement.

Exchange gains and losses that are attributable to loans and cash and cash equivalents are reported in the Income Statement as financial income or expense. Borrowings that are connected to acquisitions of foreign subsidiaries in the same currency are accounted as a hedge. The exchange rate effect on the borrowings is reported under Equity and other comprehensive income. All other exchange gains and losses are reported under Operating profit.

Intangible fixed assets

Goodwill

Goodwill that arises as a result of business acquisitions is included in intangible assets. Goodwill is not amortized, instead, an impairment test is conducted annually or more frequently if events or changes in conditions indicate a possible fall in value. Goodwill is recognized at cost less accumulated impairments. In the event of the sale of a unit, the goodwill carrying value is included in the resulting gain/loss.

To conduct an impairment test, goodwill arising from business acquisitions is distributed to cash-generating units or groups of cash-generating units that can be expected to benefit from acquisition synergies. Each unit or group of units to which the goodwill is distributed represents the lowest level in the group at which the relevant goodwill is monitored by internal management.

Customer relations

Customer relations that are acquired in business acquisitions are reported at fair value. The acquisition value is calculated through cash flow valuation at acquisition date.

Intangible rights

Intangible rights consist primarily of investment in and development of IT systems, software and licenses. Maintenance costs for software are expensed as they arise. Software development costs and costs for improved operating systems are recognized as an asset if they are technically usable and there are enough resources to pursue further development and implement the systems thereafter. Acquisition costs for software acquired through business acquisitions are recognized at fair value at the time of the acquisition.

Depreciation of intangible fixed assets with the purpose of allocating their acquisition value or revalued amount down to the estimated residual value over the estimated useful life, is made linearly as follows:

Customer relations	7 years
Intangible rights	3 - 5 years

Tangible fixed assets

Tangible fixed assets are reported at cost less depreciation. The acquisition value includes expenses that are directly attributable to the acquisition of the asset.

Additional costs are included in the asset's carrying value or are reported as an individual asset depending on which is appropriate, only when there is a likelihood of future financial benefits for the Group that are attributable to the asset, and the asset's acquisition value can be measured reliably. The carrying value of the replaced item is removed from the Balance Sheet. All other forms of repairs and maintenance are reported as costs in the Income Statement during the period in which they arise. Depreciation of assets in order to distribute their acquisition value or revalued amounts down to the estimated residual value during their estimated useful life is made on a straight-line basis as follows:

Buildings	20 – 50 years
Costs incurred on another's property	10 – 15 years years
Machinery	5 - 10 years
Equipment, tools and installations	3 - 5 years

The assets' residual value and useful life are tested at the end of each accounting period and adjusted as necessary. An asset's carrying value and useful life are depreciated immediately to its recoverable value if the asset's carrying value exceeds its estimated recoverable value. Gains and losses that arise from sales are established by comparing sales revenue and the carrying value and are reported under Other operating income or Other operating expense in the Income Statement.

Leasing vehicles

Assets that are leased under operating leases are reported as tangible fixed assets. These assets consist of sold cars combined with commitment to future repurchases at a guaranteed residual value. Depreciation is made at guaranteed residual value during the useful period, usually of 3 years.

Impairment of non-financial assets

Intangible assets that have an undefined useful life or intangible assets that are not ready for use are not depreciated. Depreciated assets are assessed for impairment whenever events or changes in circumstances indicate that the reported value may not be recoverable. An impairment loss is made by the amount at which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less the selling costs and its value in use. When assessing the impairment requirements, all assets are grouped at the lowest levels covering essentially independent cash flows (cash-generating units). For assets (other than goodwill) that have been previously written down, an assessment is made per each balance sheet date for determining whether the reversal should be made.

Financial instruments

Classification

From January 1, 2018, Hedin Mobility Group AB (publ) classifies the financial instruments in the following categories in accordance with IFRS 9; amortized cost and fair value through income statement. The classification is based on the nature of the asset's cash flows and on the business model the asset is covered by.

Financial assets measured at amortized cost

Interest-bearing assets (debt instruments) are held as part of collecting contractual cash flows, and these cash flows are solely payments of principal and interest, valued at amortized cost. The reported value of these assets is adjusted with any expected credit losses reported (see paragraph impairment below). The interest income from these financial assets is reported by the effective interest method and is reported as financial income. The Group's financial assets, valued at amortized cost, comprise receivables from Group companies, accounts receivable, other receivables and cash equivalents.

Financial liabilities measured at amortized cost

The Group's other financial liabilities are classified as valued at amortized cost, using the effective interest method. Financial liabilities at amortized cost consist of borrowings, accounts payable and liabilities/loan to Group companies. Borrowings are initially recognized at fair value, net after transaction costs. Borrowing is subsequently reported at amortized cost. Any differences between the amount received (net after transaction costs) and the repayment amount is reported in the statement of Other comprehensive income, allocated over the maturity period, applying the effective interest method. Borrowing is classified as short-term in the balance sheet if the company does not have an unconditional right to postpone the debt's maturity period for at least twelve months after the reporting period. Dividends paid are reported as a liability after the Shareholders General Meeting has approved the dividend. Accounts payable and other operating liabilities have expected short-term maturity and are valued without nominal amount discounting.

Financial assets and liabilities at fair value through the income statement

Financial assets measured at fair value through the income statement comprise long-term securities holdings and conditional supplementary purchase price. Financial liabilities measured at fair value through the income statement are also reported in subsequent periods at fair value and the change in value is recognized in profit or loss for the year. Liabilities in this category are classified as current liabilities if the maturity period is within 12 months from the balance sheet date. If the maturity period is later than 12 months from the balance sheet date, they are classified as long-term liabilities.

Impairment testing of financial assets

At each reporting date, the Group determine the future expected loan losses that are linked to assets, measured at amortized cost based on forward-looking information. The Group's financial assets, for which credit losses are expected, consists essentially of accounts receivable. The Group's provision method is based on whether there has been a significant change in credit risk or not. A credit provision is reported for expected credit losses at each reporting date. For the Group's financial assets, in all essentials accounts receivable, the Group applies the simplified approach for credit reservation, that is, the provision will correspond to the expected loss over the entire life of the accounts receivable. In order to measure the expected credit losses, accounts receivable have been classified based on distributed credit risk properties and overdue days. The Group uses forward-looking variables for expected credit losses.

Inventories

Inventories are reported at the lower of the acquisition value and net realizable value. The acquisition value is determined using the first-in-first-out method (FIFO). The net realizable value represents the estimated selling price in the current operations, less applicable variable selling costs. The valuation of the net realizable value is based on an individual assessment of vehicle inventories. In the case of spare parts stocks, an assessment of the stock is made based on age analysis.

Current and deferred taxes

The tax expense for the period comprises current and deferred taxes. The tax is reported in the income statement, with exception of taxes reported under Other comprehensive income or directly in equity. In those cases, the tax is also reported under Other comprehensive income and Equity. The current tax cost is calculated based on the set tax rules or that were decided in the countries where the parent company and its subsidiaries are active and generate taxable income.

The deferred tax is recognized on all temporary differences arising between the taxable value of assets and liabilities and their carrying value in the Consolidated Financial Statements. However, the deferred tax liability is not recognized if it arises as a result of the initial recognition

of goodwill. Moreover, the deferred tax is not recognized if it arises as a result of a transaction that represents the initial recognition of an asset or liability that is not a business acquisition and that, at the time of the transaction, does not affect the reported or taxable income. Deferred taxes are calculated using tax rates that have come into force or have been published at the year-end and which are expected to be in force when the relevant deferred tax asset is realized, or the deferred tax liability is settled. The deferred tax assets are reported provided the future taxable surpluses will be available and against which temporary changes can be utilized.

Remuneration to employees

Plans for post-employment benefits are classified as either defined contribution plans or defined benefit plans. In defined contribution plans, fixed fees are paid to another company, usually an insurance company, and there is no further obligation to the employee once the fee is paid. The extent of the employee's post-employment benefits depends on the contributions paid and the return on capital that the fees give. Obligations under defined benefit plans are met partly through the PRI system and partly through an insurance policy with Alecta. Defined benefit pension plans via insurance taken out with Alecta are reported as defined contribution pension plans. All pension premiums are thus expensed during the period they were earned.

The liability reported in the Balance Sheet that is attributable to defined benefit pension plans is based on the current value of the defined benefit plan obligation at the year-end. The defined benefit pension plan obligation is calculated annually by independent actuaries using the "projected unit credit method". The current value of the defined benefit plan is established by means of discounting of estimated future cash flows using interest rates for first-class mortgage bonds that have been issued in the same currency in which payments will be made and in accordance with maturities that are relevant to the pension plan obligation. Revaluation gains and losses that arise as a result of experience-based adjustments and changes in actuarial estimates are accounted for under Other comprehensive income for the period in which they arise. They are included under Retained earnings under Changes in equity and in the Balance Sheet. Costs attributable to services performed for previous periods are reported in the Income Statement.

Provisions

Provisions are reported in the Balance Sheet in the event the Group has a legal or informal commitment that has resulted from previous events, and when there is a likelihood that an outflow of resources may be required to settle the commitment, and the amount can be forecast with a degree of reliability. No provisions are made for future operating losses.

Revenue recognition

The recognized net sales mainly include revenues from sales of vehicles and aftersales services. Sales of vehicles include the sale of new vehicles as well as the sale of pre-owned vehicles.

Vehicles (Retail)

In connection with sale of vehicles, customers can do direct payments or enter into agreements on various financing solutions such as instalment credits and financial leases. The financing solutions are then passed on to various finance corporations. The revenue is recognized when the control of the vehicle has been transferred to the customer. The time for transfer of control refers to the delivery day of the vehicle. The value of provided discounts and other variable compensation has been considered as part of the revenue recognition. An assessment regarding variable compensation such as residual value guarantees is made at the beginning of the contract with ongoing revaluation at each reporting period.

Commissions on transferred financial assets are reported continuously during the term of the contract. In cases where a vehicle sale is combined with a repurchase agreement and there is a financial incentive for the customer to resell the vehicle, the control is not considered to be transferred to the customer. The revenue and the cost are then reported over the residual value commitment period in accordance with operational leasing. An asset, a residual value debt and a prepaid lease income are reported in the balance sheet. The asset is depreciated over the contract period and the prepaid lease income is accrued over the contract period. The residual debt remains unchanged until the end of the contract.

Service Market

The service market includes the sale of spare parts, service, extended warranty and other aftermarket products. Revenue is recognized when the control has been transferred to the customer, normally when the Hedin Mobility Group has provided the aftermarket service and a cost of the execution has arisen. Then the customer can have benefit from the service provided. For spare parts, revenues are reported at the time they are delivered to the customer. For service and other aftermarket products, revenue is reported over the contract period. In cases where a payment is made in advance for service contracts, a contractual liability is reported.

Vehicles, spare parts, and tires sold to dealers (Distribution)

Sales of vehicles, spare parts and tires are reported in accordance with IFRS15. Income is recognized at fair value of what has been received, or will be received, for goods and services sold less returns, discounts and VAT. Sales of vehicles are made through finance companies that offer consignment financing to the customer. In some cases, the customer and the finance company have the right to return the vehicles. An assessment is made of the proportion of sales that will be returned, whereby this share is not recognized as revenue. Normally, this proportion is non-existent.

Car Rental

The income is reported at the end of the rental period when it is possible to calculate the income and it is likely that the economic benefits will accrue to the company.

Bonus from suppliers

Bonuses from suppliers on sold cars are reported as a reduced cost of commodities.

Government support

Supports from governments are reported at fair value as there is a reasonable assurance that the support will be received and that the Group will meet the conditions associated with the support. Government supports relating to cost recovery are accrued and recognized as income in the income statement over the same time as the costs the support are intended to cover. Government supports are reported as Other operating income in the consolidated income statement.

Leasing

The Group as lessor

For the lessor, the concept financial and operational leasing remains. Leasing in which a material proportion of the risks and benefits of ownership are retained by the lessor are classified as operational leases. Payments made for the leasing period are expensed on a straight-line basis in the Income Statement during the term of the lease. In financial leasing, the financial risks and benefits attributable to ownership are transferred to the lessee.

The Group as lessee

The Group leases premises, equipment, and vehicles. At the time when the leased asset is available for use in the Group, the leasing agreement is reported as Right-of-use asset with a corresponding Lease liability. Lease payments are divided between amortization of the debt and financial expense. The right-of-use asset is depreciated on a straight-line basis over the asset's estimated useful life, which normally corresponds to the length of the leasing agreement. In cases where an assessment is made that the leasing will most certainly be extended, the useful life may be longer than the length of the agreement.

The lease liability corresponds to the discounted present value of future lease payments until the agreement expires. The lease payment includes fixed fees and variable leasing fees that depend on index. Leasing agreements with a term of less than 12 months, short-term leasing, and assets of low value are excluded and the leasing cost is expensed under Other external costs.

Cash Flow Statement

The Cash Flow Statement is prepared in accordance with the indirect method. The reported cash flow only includes transactions that involve incoming or outcoming payments.

In addition to cash in hand, the company classifies cash and cash equivalents as balances available at banks and other credit institutions, as well as current liquid investments listed on a marketplace and with a maturity of less than three months from the acquisition date. Blocked funds are not classified as cash and cash equivalents. Changes in blocked funds are reported as Investing activities.

Operating segments

The reporting of operating segments is consistent with the internal reporting to the highest executive decision maker. The highest executive decision makers have been defined as Group Management responsible for allocating resources to the operating segments and to evaluate their performance and to make the strategic decisions.

Retail

The Group's sale of new and pre-owned vehicles including commission from finance and insurance, as well as after-market that includes service, workshop services and workshop products, as well as spare parts.

Distribution

Distribution includes the import and distribution of vehicles, tires, spare parts, and other car accessories.

Segment reconciliation

The business area Mobility, that include the rental car business, leasing services and the IT business are reported in Segment reconciliation. Certain group-wide functions in the Parent Company, as well as the effects of IFRS16, are also included.

Parent Company financial reporting standards

The Parent Company applies RFR 2 Accounting for legal entities as well as the Annual Accounts Act. The Parent Company applies different accounting principles compared to the Group in the events listed below.

The Income Statement and Balance Sheet comply with the statement format set out in the Annual Accounts Act. The statement of changes in equity complies with the Group's statement format but must include the columns listed in the Annual Accounts Act. In addition, this entails differences in the terminology used compared with the Consolidated Financial Statements, primarily regarding financial income and expenses and equity.

Shares in subsidiary companies are reported at the acquisition value, less deductions for depreciation. Group subsidies are reported in the Income Statement under Appropriations.

Financial instruments are recognized at acquisition cost. All lease agreements are reported as operational leases, including the higher initial charge, but excluding costs for services such as insurance and maintenance. These are reported on a straight-line basis over the term of the lease.

RFR 2 permits exceptions from IFRS 16 Leases for legal entity, which the parent company has applied as a lessee. Leasing agreements are hereby reported as operational leasing.

NOTE 2 FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group is exposed through its operations to a number of financial risks, such as market risks (currency risks, interest risks) credit risks and liquidity risks. The Group's overall risk management policy includes carefully monitoring developments in the financial markets and taking appropriate measures to minimize potentially disadvantageous effects on the Group's financial earnings.

Risk management is handled by a central financial division in accordance with policies adopted by the Board. The CEO approves the risk management measures undertaken in accordance with policy and does so in close collaboration with the Group operating units.

Currency risk

The Group is exposed to currency risks that arise as a result of exposure to foreign currencies. The main currency risk for the Group is the currency fluctuations that arise when the assets and liabilities of the foreign subsidiaries are converted. Decisions have been made not to hedge these translation differences. Net assets in foreign currency amounted to MSEK 307 (MSEK 282) in EUR, MSEK 174 in CHF and to MSEK 1,261 (MSEK 1,278) in NOK.

Purchases are mainly made in local currency. Some purchases in the spare parts business in Norway are made in US dollars (USD) and in Euros (EUR). Currency risks arise as a result of future business transactions, reported assets and liabilities and net investments in operations abroad. To reduce the impact of currency risk, hedging of the purchase in USD and EUR is done through FX contracts, based on cash flow forecast. If the Swedish krona had weakened or strengthened by 10 percent in relation to the US dollar, with all other variables constant, the profit for the year as of December 31, 2021 would have been MSEK 59.1 (MSEK 1.4) lower/higher as a result of changes in purchase prices. If the Swedish krona had weakened or strengthened by 10 percent in relation to the Euro, with all other variables constant, the profit for the year as of December 31, 2021 would have been MSEK 465 (MSEK 5.4) lower/higher as a result of changes in purchase prices.

Interest rate risk in borrowing

The Group's interest rate risks arise as a result of long-term borrowing. In general, the Group does not use derivatives to adjust underlying interest rate exposure. Borrowings are at variable interest rates in SEK and EUR. Average interest rates are between 1.2 - 2.0 percent. If the interest rates on loans in Swedish kronor as of December 31, 2021 had been 1 percentage unit higher, with all other variables constant, the estimated profit after tax for the financial year would have been MSEK 3 (MSEK 18) lower/higher, mainly as a result of higher/lower interest rates for loans with variable interest rates. If the interest rates on loans in Euro had been 1 percentage unit higher, with all other variables constant, the estimated profit after tax for the financial year would have been MSEK 4 (MSEK 8) lower/higher.

Credit risk

Credit risks are managed at Group level, with exception of credit risks attributable to outstanding accounts receivable. Each company within the Group is responsible for following up and analyzing credit risks for each new customer prior to offering standard terms and conditions for payment and delivery. Credit risks arise as a result of cash and cash equivalents, holdings with credit institutions and bank deposits, as well as exposure to credit to customers, including outstanding receivables and agreed transactions. The use of credit limits is followed up regularly, and management does not expect any losses as a result of any parties defaulting on their payments. The credit risk in accounts receivable is specified in Note 18.

Liquidity risk

Cash flow forecasts are prepared by the Group's operating companies and aggregated by the Group's CFO. The Group's CFO carefully monitors current projections for the Group's liquidity reserves in order to ensure that the Group has sufficient liquidity to satisfy any requirements in current

operations while at the same time maintaining sufficient flexibility in agreed credit facilities that have not been utilized to ensure that the Group does not exceed the credit limits of any of its loan facilities.

The table below analyses the Group's financial obligations distributed over the period remaining as at the year-end through to the agreed expiry date. The amounts in the table are agreed non-discounted cash flows, including future interest payments.

Maturity of liabilities - Group	< 1 year	1-2 years	> 2 years
Bond loans	0	0	0
Liabilities to Group companies	311	350	0
Liabilities to credit institutions	889	52	466
Overdraft facilities	0	0	0
Leasing liability	645	655	4,199
Accounts payable	2,556	0	0
Other liabilities	1,942	1,413	3,313
Accrued expenses	241	0	0
Total	6,583	2,120	8,329

Maturity of liabilities - Parent Company	< 1 year	1-2 years	> 2 years
Bond loans	0	0	0
Liabilities to Group companies	1,363	0	386
Liabilities to credit institutions	76	17	13
Overdraft facilities	0	0	0
Accounts payable	6	0	0
Total	1,445	17	399

NOTE 3 ESTIMATES AND ASSESSMENTS

Estimates and assessments are valued continuously. These are based on historical experience and other factors, including expectations of future events, that under current conditions may be assumed to occur. The Group makes estimates and assumptions about the future. The resulting estimates for accounting purposes will, by definition, seldom match the actual results. The estimates and assumptions that carry a significant risk of essential adjustments in reported values for assets and liabilities during the following financial year that are mentioned below.

Impairment testing of goodwill

The Group examines the existence of any impairment for goodwill, in accordance with the Group's accounting principles. The recoverable amounts of cash-generating units have been established by calculating the value in use. By necessity, these calculations include certain estimates (Note 13).

Repurchase agreements

In some car sales, the Group may occasionally commit to repurchase agreements, which entail a commitment to repurchase a sold vehicle at a pre-agreed residual value. This occurs primarily in conjunction with private leasing transactions. The leases are reported as operational leases in accordance with the Group's accounting principles. The agreements entail a residual value risk in that the Group may be forced to sell pre-owned vehicles at a loss in the future, if the value then is weaker than predicted at the time the agreement was concluded. Ongoing assessments of these vehicles' future net realizable value are made along with randomized check of the resale value of the returned cars. The cars are reported as vehicles under Tangible assets and repurchase agreements are reported under Other liabilities.

Contract liabilities are in the form of cars sold with repurchase agreements, see note 23.

Inventories

Valuation of vehicles is made at the lower of acquisition cost and net realizable value. Net realizable value is established based on an estimated realizable value reduced by sales costs. Net realizable value was lower than acquisition cost by MSEK 47 (MSEK 36).

NOTE 4 NET SALES

	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
<i>Net sales distribution</i>		
Retail, Vehicle sales	24,485	21,216
Retail, After-market	4,916	4,056
Distribution, Vehicles	2,087	0
Distribution, Parts and Tires	720	341
Mobility	76	0
Elimination, other	-4,093	-1,549
	28,191	24,064
<i>Net sales per geographic market</i>		
Sweden	17,056	14,591
Norway	5,164	4,526
Belgium	4,510	3,853
Switzerland	525	0
Other EU countries	936	1,094
	28,191	24,064

The internal performance monitoring is divided into different operating segments. The operating segments have been changed due to the restructuring of the group in October. The operations are divided into business areas Import and distribution, Retail and Mobility.

Retail includes the retail sale of new and pre-owned vehicles including commission from finance and insurance, as well as after-market that includes service, workshop services and workshop products, as well as spare parts.

Distribution includes the import and distribution of vehicles, tires, spare parts, and other car accessories.

Segment reconciliation includes the rental car business, leasing services and the IT business. Certain group-wide functions in the Parent Company, as well as the effects of IFRS16, are also included.

Operational earnings are defined as operating profit excluding items affecting comparability and amortization in surplus values.

Operating segments

	Retail		Distribution		Segment reconciliation			Group	
	2021	2020	2021	2020	2021	2020	2021	2020	
Net sales	26,392	22,959	2,807	341	-1,008	764	28,191	24,064	
EBITDA	1,788	1,304	167	33	607	581	2,562	1,918	
Depreciation	-785	-568	-13	-9	-618	-536	-1,416	-1,113	
Operational earnings	1,003	736	154	24	-11	45	1,146	805	
Margin	3.8%	3.2%	5.5%	7.0%			4.1%	3.3%	
Amortization of surplus values	-77	-76					-77	-76	
Operating profit	926	660	154	24	-11	45	1,069	729	
Operating margin	3.5%	2.9%	5.5%	7.1%			3.8%	3.0%	
Financial items							-230	-218	
Profit before tax							839	511	
Tax expense							-195	-125	
Profit of the period							644	386	
Investments in									
- fixed assets	174	145	8	20	7	5	189	170	
- leasing vehicles	4,698	1,135					4,698	1,135	

NOTE 5 OTHER OPERATING INCOME

	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
Rental income	22	11
Support/contributions received	1	15
Exchange rate differences	8	0
Profit on sale of fixed assets	3	3
Other	0	0
Total	34	28

Government support, relating to Covid-19 consists of furloughing and sick pay costs, amounting to MSEK 0 (MSEK 13). Government support are presented as Other operating income in the consolidated income statement. There are no unfulfilled conditions or contingent liabilities associated with the support.

NOTE 6 EMPLOYEES AND EMPLOYEES BENEFIT EXPENSES

Average number of employees	1/1/2021- 12/31/2021	Of which men	1/1/2020- 12/31/2020	Of which men
Sweden	2,221	87%	1,661	90%
Norway	502	87%	491	86%
Belgium	524	88%	488	90%
Germany	41	76%	4	75%
Switzerland	238	80%	0	0%
Denmark	43	88%	7	86%
Group Total	3,569	86%	2,651	89%

The Board of Directors consists of 6 (5) persons, of which 0 (0) woman. Other senior executives include 10 (9) persons, including 1 (1) woman.

Salaries, other remuneration and social security costs	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
Board of Directors, CEO and other senior executives	29	19
(of which bonuses)	(6)	(4)
Other employees	3,508	1,396
Total Salaries and other remuneration	3,537	1,414
Social security costs	421	378
Pension costs	161	115
Total	4,119	1,908

The CEO of the parent company, Anders Hedin and the board member Hampus Hedin are employed in Hedin Group AB. Board members do not receive a director's fee. One board member submits invoices for services rendered.

NOTE 7 REMUNERATION TO AUDITORS

	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
<i>PwC</i>		
Audit assignment	6	4
Tax consulting	0	0
Other assignments	0	1
	6	5
<i>Other</i>		
Audit assignment	1	0
Other assignments	0	0
	1	0
Total	7	5

The audit assignment involves examination of the Annual Report and financial statements as well as the administration by the Board of Directors and the CEO. Other duties undertaken by the auditor include provision of advice as a result of observations made during the audit, and advice in other contexts. All other items are classified as Other assignments.

NOTE 8 LEASES

Group as lessee

Reported amount in the Balance sheet according to IFRS 16

In the Balance sheet the following amounts is reported related to leases:

	12/31/2021	12/31/2020
Right-of-use assets ¹⁾		
Premises	5,016	4,656
Equipment and vehicles	65	44
	5,081	4,700
Lease liabilities ¹⁾		
Short-term	608	500
Long-term	4,374	4,119
	4,982	4,619

Reported amount in the Income statement according to IFRS 16

In the Income statement the following amounts is reported related to leases:

	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
Depreciation of right-of-use assets		
Premises	-644	-520
Equipment and vehicles	-21	-12
	-665	-532
Interest expenses (included in financial expenses)		
Premises	-77	-71
Equipment and vehicles	-1	-1
	-78	-72

The total cash-flow applicable to leases was MSEK 658 (MSEK 572). Expenses attributable to short-term contracts, or lease contracts of lower value, are insignificant and reported as Other external expenses.

Group as lessor

Assets that are leased under operating leases are reported as tangible fixed assets. These assets consist of rental of premises, as well as sold vehicles combined with future repurchase commitments at a guaranteed residual value. The lease income for the year amounts to MSEK 736 (MSEK 491).

Future minimum lease fees at the closing date amounted to:	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
Within one year	752	241
Between one and five years	1,047	246
After five years	0	0
	1,799	487

NOTE 9 FINANCIAL INCOME

	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
Interest income, other	3	3
Dividends	0	1
Profit from other securities	0	3
Exchange gains	35	1
Total	38	8

NOTE 10 FINANCIAL EXPENSES

	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
Interest expenses	-190	-148
Interest expenses IFRS 16	-78	-72
Exchange losses	0	-6
Total	-268	-225

NOTE 11 EXCHANGE RATE DIFFERENCES

	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
Other operating income	8	0
Financial income	35	1
Financial expenses	0	-6
Total	43	-4

NOTE 12 TAX ON PROFIT FOR THE YEAR

	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
Current tax		
Current tax on profit for the year	-213	-142
Tax attributable to previous years	-6	-1
	-219	-143
Deferred tax		
Total	24	18
	-195	-125
<i>Reconciliation of effective tax rate;</i>		
Profit before tax	839	511
Tax according to the applicable tax rate for the parent company (20,6%)	-173	-109
Effect of foreign tax rates	-6	-2
Non-deductible costs	-9	-7
Non-taxable income	0	4
Standard tax rate on allocation reserves	0	0
Change of tax rate	0	0
Other permanent differences	-7	-10
	-195	-125

NOTE 13 INTANGIBLE FIXED ASSETS

	Intangible rights	Customer relations	Goodwill	Total
<i>Acquisition costs</i>				
Opening balance 01/01/2020	26	563	1,421	2,009
Purchase	12			12
Business acquisitions			5	5
Sales/disposals	-4			-4
Conversion differences	-1	-40	-89	-130
Closing balance 12/31/2020	32	522	1,337	1,892
Purchase	19			19
Business acquisitions	53	30	322	406
Sales/disposals	-3			-3
Transfers	3			3
Conversion differences	3	27	64	95
Closing balance 12/31/2021	108	580	1,723	2,411
<i>Accumulated depreciation</i>				
Opening balance 01/01/2020	-9	-123	0	-132
Depreciation for the year	-7	-76		-83
Sales/disposals	3			3
Conversion differences	3	13		15
Closing balance 12/31/2020	-9	-187	0	-196
Depreciation for the year	-13	-77		-90
Sales/disposals	3			3
Transfers	-2			-2
Conversion differences	-4	-12		-16
Closing balance 12/31/2021	-25	-276	0	-302
Carrying amount 12/31/2020	23	335	1,337	1,695
Carrying amount 12/31/2021	82	304	1,723	2,109

Impairment testing of goodwill

Goodwill is monitored by the management at Group level. Impairment testing of goodwill attributable to cash-generating units and other intangible assets is conducted annually. Estimated recoverable amount are based on the management's expectations of future earnings and cash flow. The estimated cash flows are based on five-year forecasts using estimated market trends. After the five-year period, the cash flow is based on a permanent growth rate of 2% (2%).

When calculating recoverable amount for cash-generating units, a discount factor of 9.4% (9.4%) before tax has been used, based on the weighted average cost of capital (WACC) and value in use, as the basis for the recoverable amount. The recoverable amount exceeds goodwill for all cash-generating units. There is no need to write down goodwill even with reasonable changes in the assumptions.

The following cash-generating units have reported goodwill values;

	12/31/2021	12/31/2020
Retail	1,623	1,337
Distribution	52	
Mobility	48	
Total	1,723	1,337

NOTE 14 TANGIBLE FIXED ASSETS

	Land and buildings	Costs incurred on another's property	Equipment, tools and installations	Leasing vehicles	Right-of-use assets	Total
<i>Acquisition costs</i>						
Opening balance 01/01/2020	296	273	679	2,555	5,345	9,148
Purchase	21	41	103	1,135	592	1,892
Business acquisitions	7	0	5	0	8	20
Sales/disposals	0	-16	-43	-1,012	0	-1,071
Transfers	0	5	-5	0	0	0
Conversion differences	-14	-6	-11	-39	-191	-261
Closing balance 12/31/2020	310	297	728	2,639	5,754	9,728
Purchase	18	63	89	4,698	601	5,469
Business acquisitions	271	40	98	913	311	1,633
Sales/disposals	-1	-12	-73	-1,088	0	-1,174
Transfers	-9	-3	10	0	0	-2
Conversion differences	25	8	12	94	85	224
Closing balance 12/31/2021	614	393	864	7,256	6,751	15,878
<i>Accumulated depreciation</i>						
Opening balance 01/01/2020	-23	-49	-431	-551	-532	-1,585
Depreciation for the year	-12	-32	-85	-445	-532	-1,106
Sales/disposals	0	15	30	369	0	414
Transfers	0	-1	1	0	0	0
Conversion differences	1	4	6	3	10	24
Closing balance 12/31/2020	-34	-63	-479	-624	-1,054	-2,253
Depreciation for the year	-14	-35	-92	-651	-612	-1,404
Sales/disposals	1	3	39	443	0	486
Transfers	-7	-1	10	0	0	2
Conversion differences	-1	-2	-7	-18	-4	-32
Closing balance 12/31/2021	-55	-98	-529	-850	-1,670	-3,201
Carrying amount 12/31/2020	276	234	249	2,015	4,700	7,474
Carrying amount 12/31/2021	559	295	335	6,406	5,081	12,676

NOTE 15 SHARES IN ASSOCIATED COMPANIES

Associated company / Corporate ID no. / Domicile	Capital share	Voting share	Carrying amount	
			12/31/2021	12/31/2020
Hedin Caetano AB, 559354-9651, Mölndal	50%	50%	0	0
Lasingoo Sverige AB, 556973-1630, Stockholm	24,5%	24,5%	8	0
Pendragon PLC, UK 2304195, Nottingham, UK	26,1%	26,1%	915	0
			923	0
<i>Accumulated acquisition cost:</i>				
Opening carrying amount			0	0
Purchase			923	0
Closing carrying amount			923	0

The share in profits from Pendragon PLC is reported in the consolidated group with a delay of one quarter, after the company's financial statements are available.

NOTE 16 OTHER LONG-TERM SECURITIES

	Carrying amount	
	12/31/2021	12/31/2020
Unlisted shares	35	21
	35	21
<i>Accumulated acquisition cost:</i>		
Opening carrying amount	21	2
Purchases	14	19
Conversion differences	1	0
Write-downs	-1	0
Sales	0	0
Carrying amount at year-end	35	21

NOTE 17 OTHER LONG-TERM RECEIVABLES

	Carrying amount	
	12/31/2021	12/31/2020
<i>Accumulated acquisition cost:</i>		
Opening carrying amount	0	7
Business acquisitions	9	0
Purchases	1	0
Conversion differences	0	0
Repayment	-1	-6
Carrying amount at year-end	9	0

NOTE 18 ACCOUNTS RECEIVABLES

Due date	12/31/2021	12/31/2020
Not due	1,010	632
Past due up to 30 days	383	194
Past due 30-60 days	60	37
Past due more than 60 days	81	46
	1,534	909

The maximum exposure of credit risk at end of the year for accounts receivables are the amounts disclosed. The fair value of the accounts receivables is the carrying amount, as the discount factor is insignificant. No accounts receivables have been pledged apart from disclosed in Pledged assets, note 25. The credit loss provision is estimated to MSEK 22 (MSEK 13).

NOTE 19 PREPAID EXPENSES AND ACCRUED INCOME

	12/31/2021	12/31/2020
Accrued bonus from suppliers	200	156
Currency futures	49	0
Other items	237	59
	486	215

NOTE 20 CASH AND CASH EQUIVALENTS

	12/31/2021	12/31/2020
Cash and bank balances	1,813	132
	1,813	132

NOTE 21 PENSIONS

	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
Opening carrying amount	86	90
Business acquisitions	123	0
Pension costs	15	0
Pension payments	-16	-6
Interest	1	1
Return on plan assets greater than net interest recognised	-35	0
Revaluation due to changes in financial assumptions	-25	2
Revaluation due to experience-based adjustments	8	-1
Conversion differences	5	0
Reclassification	0	0
	162	86

Defined benefit pension plans

For white collar employees in Sweden, the ITP 2 plan's defined benefit pension commitments for retirement and family pensions are secured through the insurance with Alecta. According to a statement from the Financial Reporting Board, UFR 10 Classification of ITP plans funded through an insurance in Alecta, a defined benefit plan covers several employers. The company has not had access to information and therefore could not report its proportional share of the plan's liabilities, management assets and expenses. This meant that the plan could not be reported as a defined benefit plan. Therefore, the pension plan ITP 2, secured through insurance in Alecta, is reported as a defined contribution plan. The premium for the defined-benefit retirement and family pension is individually calculated and depends, inter alia, on the salary, previously earned retirement and expected remaining retirement period. The annual pension insurance contributions in Alecta amount to MSEK 33 (MSEK 28).

The Group has also defined benefit plans in Sweden and these are secured through FPG/PRI. These plans are closed and no new earnings are made. The pension liabilities for these amount to MSEK 82 (MSEK 86). For the actuarial calculations, a discount rate of 1.4% (0.7%) and an inflation of 2.3% (1.5%) have been applied. The duration of the commitment is approx. 11 years.

The Group has defined benefit obligations in Switzerland, which are secured through collective pension foundations. The commitment depends on salary, age and period of service. The difference between the commitment and the value of the assets in the insurance is reported as a pension commitment. For the actuarial calculations, a discount rate of 0.25%, inflation of 1.0% and future wage increases of 1.5% have been applied. The duration of the commitment is estimated to 18.2 years.

The table below shows the composition of the obligation per country:

	12/31/2021			12/31/2020		
	Sweden	Switzerland	Total	Sweden	Switzerland	Total
Defined benefit obligation	82	335	417	86	0	86
Fair value of assets	0	-256	-256	0	0	0
Provision for pensions	82	79	161	86	0	86

Sensitivity analysis	Assumption	Change
Discount rate	+0,5%	-24
Inflation	+0,5%	13
Life span	+1 år	9

NOTE 22 DEFERRED TAX

Deferred tax assets	12/31/2021	12/31/2020
Opening carrying amount	61	62
Reported in income statement	15	0
Recognized in other comprehensive income	-11	0
Conversion differences	3	-1
Business acquisitions	51	0
	119	61

The deferred tax assets mainly consist of temporary differences between fiscal and carrying values of assets and liabilities, and losses carried forward.

Deferred tax liabilities	12/31/2021	12/31/2020
Opening carrying amount	-140	-160
Reported in income statement	9	18
Recognized in other comprehensive income	-8	-5
Conversion differences	-5	8
Business acquisitions	-61	-1
	-205	-140

Deferred tax liabilities consist of temporary differences between fiscal and carrying values of intangible assets, as well as untaxed reserves.

NOT 23 OTHER LIABILITIES

	12/31/2021	12/31/2021
Non-current liabilities		
Liability relating to sold cars with repurchase agreements	4,514	1,277
Other liabilities	22	6
	4,536	1,283
Non-current liabilities		
VAT	158	29
Employee's withholding tax	46	34
Liability relating to sold cars with repurchase agreements	1,973	754
Other liabilities	201	145
	2,378	962

NOTE 24 ACCRUED EXPENSES AND PREPAID INCOME

	12/31/2021	12/31/2020
Debt relating to employees	419	317
Interest expense	0	19
Prepaid income	44	5
Other items	802	246
	1,266	586

NOTE 25 PLEDGED ASSETS

	12/31/2021	12/31/2020
Floating charges	1,662	1,180
Inventories, accounts receivables and equipment	1,920	1,018
Land and buildings	399	185
Net assets in subsidiaries	0	0
	3,981	2,382

Liabilities for the collateral amounted to MSEK 645 (MSEK 1, 339) at year-end.

NOTE 26 CONTINGENT LIABILITIES

	12/31/2021	12/31/2020
Guarantee commitments FPG/PRI	1	1
Repurchase guarantees	0	46
Other guarantees	8	9
	9	56

NOTE 27 SPECIFICATIONS TO CASH FLOW STATEMENT

	12/31/2021	12/31/2020
Depreciation	1,493	1,189
Provisions/receivables relating to pensions	-3	-4
Gains/losses on sale of fixed assets	-2	5
Other non-cash items	4	2
	1,492	1,192

<i>Financial liabilities</i>	12/31/2021	12/31/2020
Opening carrying amount	8,740	9,559
Cash flow	23	-1,045
Business acquisitions	1,684	11
Leasing liability	649	539
Conversion differences	122	-324
	11,218	8,740

	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
<i>Interest payments</i>		
Paid interests	-268	-220
Received interests	3	3

NOTE 28 BUSINESS ACQUISITIONS

Acquisitions in 2021

Modins Bil i Uppsala AB was acquired on February 5. The company operated a Ford dealership in Uppsala. The purchase price amounted to MSEK 22 including goodwill of MSEK 13 that is attributable to synergies with our present Ford-business.

Hedin Stockholm Bil AB acquired a business in Segeltorp, Stockholm that was selling Subaru on May 3. The facility on Smista Allé has been rebuilt to sell MG. The Subaru sales activities have been transferred to an existing facility next door. The purchase price amounted to MSEK 7, of which MSEK 6 is attributable to synergies with our present business in the area.

On May 20, an agreement was signed to acquire BilMånsson i Halland AB and BilMånsson BC AB. The companies include dealerships for Ford in Halmstad and Värnamo, as well as Jaguar and Land Rover in Halmstad. The acquisition was completed on July 1. The purchase price amounted to MSEK 25 including goodwill of MSEK 14 that is attributable to synergies with our present Ford-business.

The ownership in Porsche Center Son AS was increased on June 9, when an additional 40 percent of the shares in the company were acquired. The ownership following the transaction amounts to 91 percent.

On June 22, an agreement was signed to acquire BilGruppen Enköping AB. The company operated a Ford dealership based in Enköping.

The acquisition was completed on July 1. The purchase price amounted to MSEK 5 including goodwill of MSEK 1 that is attributable to synergies with our present Ford-business.

On July 9, an agreement was signed to acquire 100 percent of the shares in AutoFlorio AB, which operated Porsche Center Umeå. The acquisition was completed on September 1. The purchase price amounted to MSEK 52 including goodwill of MSEK 40 that is attributable to synergies with our present Porsche-business.

On July 13, an agreement was reached to acquire three dealerships with sales of Renault and Dacia in North Stockholm and Uppsala, as well as the Ford After-market in Stockholm and Uppsala. The acquisition was completed on October 1. The purchase price amounted to MSEK 24 including goodwill of MSEK 15 that is attributable to synergies with our present business in Stockholm and Uppsala.

On October 27, an extraordinary general meeting resolved on a directed new share issue of SEK 3,570 million in which Erik Selin, through an indirect wholly owned company, became the owner of 25% of the shares in the company. The general meeting further resolved on a new group structure where all automotive related companies in the Hedin Group was consolidated under Hedin Mobility Group AB. A directed new share issue to Hedin Group AB was resolved to set off the payment of the purchase price for these companies. The purchase price amounted to MSEK 532 and was based on the consolidated value of these businesses.

Acquisitions in 2020

On May 8, the minority share of 33 percent in Conlogo AS was acquired and the Group now owns 100 percent in the company. The purchase price was MSEK 2. The minority share of the equity was MSEK 1 and the residual of MSEK 1 is reported in equity.

On November 13, 60 percent of Koed A/S was acquired by Hedin Automotive AS. The company is a Danish wholesaler of spare parts for BMW. The purchase price was MSEK 16 including goodwill of MSEK 5 that is attributable to synergies with our Norwegian company GS Bildeler AS.

	<i>New structure of the Group</i>	<i>Other acquisitions</i>	<i>Total 2021</i>	<i>2020</i>
Intangible fixed assets	83	0	84	0
Tangible fixed assets	1,622	11	1,633	12
Financial fixed assets	94	2	96	0
Inventories	759	87	846	26
Operating receivables	720	50	770	9
Cash and cash equivalents	839	7	845	2
Operating liabilities	-1,990	-68	-2,057	-18
Acquired net assets	2,128	89	2,217	32
Goodwill	220	102	322	5
Provisions	-175	-9	-184	-1
Non-controlling interests	0	59	59	-7
Financial liabilities	-1,640	-44	-1,684	-11
Purchase price	532	197	730	18
Liquid funds in acquired businesses	-839	-7	-845	-2
Impact on the Group's cash and cash equivalents	-307	191	-116	16

In 2021, the acquired businesses contributed with approximately MSEK 3,037 in net sales and MSEK 88 in operating profit. If the acquired companies had been consolidated from January 1, 2021, the consolidated income statement would show net sales of MSEK 33,165 and operating profit of MSEK 1,453.

The Group recognizes the non-controlling interest in an acquired company either to fair value or the proportionate share of the acquired company's identifiable net assets. This choice of principle is made for each individual business acquisition. For non-controlling interest in acquisitions during the year, the Group has chosen to report non-controlling interest as the proportional share of the acquired identified net assets.

During the year, no additional purchase price was paid in connection with the acquisition of businesses. There is also no current acquisition agreement where additional purchase price may expire at a later date.

NOTE 29 FINANCIAL INSTRUMENTS

The table below shows financial instruments per category.

December 31, 2021	Valued at fair value	Measured at amortized cost	Total
Assets			
Long-term securities	34		34
Receivables from Group companies		1	1
Trade receivables and other receivables		1,534	1,534
Cash and cash equivalents		1,813	1,813
Total assets	34	3,348	3,383

December 31, 2021		Measured at amortized cost	Total
Liabilities in the balance sheet			
Borrowings		5,869	5,869
Loans from Group companies		350	350
Accounts payable		2,556	2,556
Liabilities to Group companies		311	311
Accrued expenses		241	241
Total liabilities		9,326	9,326

December 31, 2020	Valued at fair value	Measured at amortized cost	Total
Assets			
Long-term securities	21		21
Receivables from Group companies		15	15
Accounts receivables and other receivables		909	909
Cash and cash equivalents		132	132
Total assets	21	1,056	1,077

December 31, 2020		Measured at amortized cost	Total
Liabilities in the balance sheet			
Borrowings		3,772	3,772
Loans from Group companies		350	350
Accounts payable		1,510	1,510
Liabilities to Group companies		247	247
Accrued expenses		62	62
Total liabilities		5,941	5,941

The parent company Hedin Group AB has submitted a loan of MSEK 350. The loan runs without interest and is subordinated to other liabilities.

The fair value of the loans corresponds to the carrying value, as the discount effect is insignificant. All borrowings are at a variable interest rate.

The Group has a granted overdraft of MSEK 1,205 (MSEK 1,225), renegotiated on an annual basis. Of the approved overdraft facility, MSEK 0 (MSEK 515) has been used as of December 31, 2021.

NOTE 30 RELATED TRANSACTIONS

The parent company, Hedin Group AB, provides internal services such as controlling and management, finance, procurement, etc. During the year 2021, Hedin Group AB has sold services to the Group at a total of MSEK 51 (MSEK 32).

Of the Group's total purchases and sales measured in MSEK, 0% (2%) of the purchases and 0% (1%) of the sales are attributable to sales companies in the Hedin Group.

The total receivables from Group companies and liabilities to Group companies are reported in the consolidated balance sheet.

The company has an obligation to pay leasing fees for a lease agreement entered into by Hedin Group AB, in the event that Hedin Group AB does not fulfil its obligations. The lease payments amount to MSEK 21 on a straight-line basis over 1.5 years.

In 2016, the affiliate company I.A. Hedin Fastighet AB with associated subsidiaries was divested to Fastighets AB Balder. The properties are rented by Hedin Mobility Group for a period of 12 years. Erik Selin has been a board member of Hedin Mobility Group AB since March 2017. The transaction was not classified as related transactions at the time of sale.

On October 27, an extraordinary general meeting resolved on a directed new share issue of SEK 3,570 million in which Erik Selin, through an indirect wholly owned company, became the owner of 25% of the shares in the company. The general meeting further resolved on a new group structure where all automotive related companies in the Hedin Group was consolidated under Hedin Mobility Group AB. A directed new share issue to Hedin Group AB was resolved to set off the payment of the purchase price for these companies. The purchase price amounted to MSEK 532 and was based on the consolidated value of these businesses.

NOTE 31 EVENTS AFTER THE END OF THE FINANCIAL YEAR

On January 6, the acquisition of Toyota de Laat in Belgium was completed. In addition, during January agreements were also reached to acquire Toyota and Lexus dealer Klaasen & Co. located in Turnhout, as well as Toyota dealer Trullemans, located in Dilbeek. Through these three Toyota dealers and a Lexus dealership, the Group has further strengthened the presence in the Belgian market.

On January 10, it was announced that the company is acquiring all shares in Stern Facilitair B.V. from the listed automotive retailer Stern Group N.V. in the Netherlands. The agreement includes all parts of Stern's core business in the areas of retail, aftermarket, rental car and leasing operations. Stern consists of 47 full-service plants and is one of the largest car dealers in the Netherlands and represents leading brands such as Mercedes-Benz, Renault, Nissan, Ford, Volvo, Land Rover, Kia and Opel. The transactions was completed at 16th of March.

Hedin Mobility Group has agreed, through a joint venture, together with Salvador Caetano Group, to acquire all shares in Renault Nordic AB from Renault s.a.s. The company is the importer and distributor of all brands from Renault, Dacia and Alpine in Sweden and Denmark. Hedin Mobility Group's holding amounts to 50%. The acquisition is subject to approval from the Swedish Competition Authority.

On February 15, an agreement was signed to acquire four additional Mercedes-Benz dealers in Antwerp, Belgium, from Mercedes-Benz Group. The acquisition further strengthens the presence in the Belgian market to the existing 15 Mercedes-Benz dealerships. The transaction is subject to approval by the Belgian competition authorities.

Russia's invasion of Ukraine in February 2022 has created a great uncertainty in Europe and the rest of the world. There is a risk that this will cause a decline in economic activity in the markets, and that we enter a recession. There is also a risk that it will affect the delivery of vehicles, apart from the shortage of some components that the industry already have, with delayed deliveries of some models.

INCOME STATEMENT - PARENT COMPANY

Amounts in MSEK	Note	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
Operating income			
Net sales	1	163	137
Other operating income	2	1	1
		164	138
Operating expenses			
Other external expenses	3,4	-98	-63
Employee benefit expenses	5	-80	-68
Depreciation of tangible fixed assets		-2	-2
Operating profit		-16	5
Profit (loss) from financial items			
Anticipated dividend from subsidiaries		60	95
Interest income and similar income	6	36	32
Interest expenses and similar charges	7	-67	-72
Profit after financial items		13	61
Appropriations	8	292	69
Profit before tax		305	131
Income tax	9	-51	-8
Profit for the year		255	123

In the parent company, there is no Other comprehensive income.

BALANCE SHEET - PARENT COMPANY

Amounts in MSEK	Note	12/31/2021	12/31/2020
ASSETS			
Fixed assets			
Intangible fixed assets			
Intangible rights	10	7	6
		7	6
Tangible fixed assets			
Costs incurred on another's property	10	1	1
Equipment, tools and installations	10	2	2
		3	3
Financial fixed assets			
Shares in Group companies	11	2,346	1,705
Shares in associated companies	12	923	0
Other securities held as non-current assets	13	11	11
Deferred tax assets	14	0	3
Receivables from Group companies	15	354	0
		3,634	1,718
Total fixed assets		3,644	1,728
Current assets			
Current receivables			
Receivables from Group companies	11	1,843	1,626
Tax assets		0	0
Other receivables		0	1
Prepaid expenses and accrued income	16	3	5
		1,846	1,632
Cash and cash equivalents		1,573	48
Total current assets		3,419	1,680
TOTAL ASSETS		7,063	3,408

BALANCE SHEET - PARENT COMPANY

Amounts in MSEK	Note	12/31/2021	12/31/2020
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital 2,564 shares (1,000)		3	1
Statutory reserve		0	0
		3	1
<i>Non-restricted equity</i>			
Share premium reserve		4,100	0
Profit and loss brought forward		655	532
Profit for the year		255	123
		5,010	655
Total Equity		5,012	656
Untaxed reserves			
Untaxed reserves	17	132	61
Total Untaxed reserves		132	61
Non-current liabilities			
Bond loans	18	0	1,496
Liabilities to credit institutions	18	29	0
Liabilities to Group companies	18	386	350
Total non-current liabilities		415	1,846
Current liabilities			
Overdraft facility	18	0	515
Liabilities to credit institutions		75	104
Accounts payable		6	5
Liabilities to Group companies		1,363	181
Tax liabilities		37	7
Other liabilities		7	3
Accrued expenses and deferred income	19	16	31
Total current liabilities		1,504	845
TOTAL EQUITY AND LIABILITIES		7,063	3,408

REPORT ON CHANGES IN EQUITY - PARENT COMPANY

Amounts in MSEK	Share capital	Statutory reserve	Unrestricted equity	Total
Open balance January 1, 2020	1	0	414	415
Shareholder's contribution			118	118
Profit for the year			123	123
Closing balance 12/31/2020	1	0	655	656
New share issue	2		4,100	4,100
Profit for the year			255	255
Closing balance 12/31/2021	3	0	5,010	5,012

CASH FLOW STATEMENT - PARENT COMPANY

Amounts in MSEK	Note	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
Operating activities			
Profit after financial items		13	61
Non-cash items	22	-54	-91
Income tax paid		-18	-1
Cash flow from operating activities before changes in working capital		-58	-32
<i>Cash flow from changes in working capital</i>			
Increase(-)/Decrease(+) in operating receivables		2	7
Increase(+)/Decrease(-) in operating liabilities		-10	4
Cash flow from operating activities		-66	-20
Investing activities			
Acquisition of subsidiaries		-617	0
Sale of subsidiaries		0	0
Acquisition of associated companies		-923	0
Acquisition of intangible and tangible fixed assets		-2	-6
Purchase of financial fixed assets		0	-11
Change in intercompany transactions		1,044	646
Cash flow from investing activities		-498	629
Financing activities			
Borrowings		50	0
Repayment of debt		-1,549	-52
Change in overdraft facilities		-515	-509
New share issue		4,102	0
Cash flow from financing activities		2,088	-561
Cash flow for the year		1,524	48
Cash and cash equivalents at the beginning of the year		48	0
Cash and cash equivalents at the end of the year		1,573	48

NOTES

Amounts in MSEK unless stated otherwise.

NOTE 1 NET SALES

Net sales mainly relates to charging of group-wide services.

NOTE 2 OTHER OPERATING INCOME

Other operating income of MSEK 0 (MSEK 1) consists of government support relates to Covid-19, which are support for furloughing and sick pay costs. There are no unfulfilled conditions or contingent liabilities associated with the support.

NOTE 3 REMUNERATION TO AUDITORS

	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
PwC AB		
Audit assignment	1	1
Tax consulting services	0	0
Other assignments	0	0
Total	1	1

The audit assignment involves examination of the Annual Report and financial statements as well as the administration by the Board of Directors and the CEO. Other activities of the auditor include advice as a result of observations made during the audit, and advice in other contexts. All other items are classified as Other assignments.

NOTE 4 OPERATIONAL LEASING

Operating leases for the year amounted to MSEK 6 (MSEK 6).

	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
Future minimum lease payments at the closing date amounted to:		
Within one year	6	6
Between one and five years	22	23
After five years	15	17
	44	46

NOTE 5 EMPLOYEES AND EMPLOYEES BENEFIT EXPENSES

Average number of employees	1/1/2021-		1/1/2020-	
	12/31/2021	Of which men	12/31/2020	Of which men
Sweden	101	37.6%	82	36.6%
Total	101	37.6%	82	36.6%

The Board of Directors consists of 6 (5) persons, of which all men. Other senior executives amount to 3 (2) persons, of which 1 (1) woman.

Salaries, other remuneration and social security costs	12/31/2021	12/31/2020
Board of Directors, CEO and other senior executives	6	4
(of which bonuses)	0	-1
Other employees	48	42
Total Salaries and other remuneration	53	46
Social security costs	7	15
Pension costs	18	6
Total	78	67

NOTE 6 INTEREST INCOME AND SIMILAR INCOME

	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
Interest income, external	1	2
Interest income, group companies	28	30
Exchange rate differences	8	0
Total	36	32

NOTE 7 INTEREST EXPENSES AND SIMILAR CHARGES

	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
Interest expenses, external	-67	-72
Interest expenses, group companies	0	0
Total	-67	-72

NOTE 8 APPROPRIATIONS

	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
Group contribution received	362	86
Provision to tax allocation reserve	-70	-16
Difference between fiscal and reported depreciation on fixed assets	0	-1
Total	292	69

NOTE 9 TAX ON PROFIT FOR THE YEAR

	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
Current tax		
Current tax on profit for the year	-48	-10
Deferred tax	-3	3
Total	-51	-8
Reconciliation of effective tax rate:		
Profit before tax	305	131
Tax according to the applicable tax rate for the parent company (20,6%)	-63	-28
Non-deductible costs	0	0
Non-taxable income	12	20
Standard tax rate on allocation reserves	0	0
	-51	-8

NOTE 10 INTANGIBLE AND TANGIBLE FIXED ASSETS

	Intangible rights	Costs incurred on another's property	Equipment, tools and installations	Total
Acquisition costs				
Opening balance 01/01/2020	0	2	14	16
Purchase	6	0	0	6
Closing balance 12/31/2020	6	2	14	22
Purchase				
Purchase	2	0	0	2
Closing balance 12/31/2021	8	2	14	24
Accumulated depreciation				
Opening balance 01/01/2020	0	-1	-10	-11
Depreciation for the year	0	0	-2	-2
Closing balance 12/31/2020	0	-1	-12	-13
Depreciation for the year				
Depreciation for the year	-1	0	-1	-1
Closing balance 12/31/2021	-1	-1	-13	-14
Carrying amount 12/31/2020	6	1	2	9
Carrying amount 12/31/2021	7	1	1	9

NOTE 11 SHARES IN GROUP COMPANIES

	12/31/2021	12/31/2020
Accumulated acquisition cost:		
At the beginning of the year	1,705	1,480
Purchase	617	0
Shareholder's contribution	24	225
Disposals	0	0
Carrying amount at year-end	2,346	1,705

Specification of the parent company's participations in Group companies

The ownership share of the capital also corresponds to the percentage of votes for the total number of shares.

Company/ Corp. ID No./ Domicile	in %	2021 Carrying value
- Hedin Göteborg Bil AB, 556061-3456, Mölndal	100	95
- Hedin Helsingborg Bil AB, 556134-5710, Mölndal	100	87
- Hedin Stockholm Bil AB, 556944-7492, Mölndal	100	93
- Hedin Örebro Bil AB, 556041-2180, Mölndal	100	28
- Hedin Mölndal Bil AB, 556281-3617, Mölndal	100	57
- Hedin Performance Cars AB, 556604-9234, Mölndal	100	172
- Car Store Sweden AB, 556835-7585, Mölndal	100	0
- Hedin Automotive Belgium AB, 559074-6466, Mölndal	100	20
- KC Motors AB, 556983-5423, Täby	100	2
- Hedin e-commerce AB, 559231-7639, Mölndal	100	0
- Hedin Automotive AS, 989 690 728, Stavanger, Norge	100	1,150
- BilGruppen Enköping AB, 556608-4041, Mölndal	100	5
- Hedin Halland Bil AB, 556740-0857, Mölndal	100	23
- Hedin British Cars AB, 559175-1903, Mölndal	100	6
- AutoFlorio AB, 556886-0406, Umeå	100	52
- Hedin HMC Motor Company AB, 556023-0053, Stockholm	100	225
- Hedin MG Sweden AB, 559009-9429, Göteborg	100	100
- Hedin Automotive Switzerland AB, 559097-7764, Mölndal	100	5
- Hedin IT AB, 556954-4017, Mölndal	100	9
- Unifleet AB, 556254-5193, Mölndal	100	4
- Car to Go Sweden AB, 556787-8052, Mölndal	100	14
- Klintberg & Way Group AB, 559124-2945, Stockholm	100	82
- Mabi Mobility AB, 556675-9394, Stockholm	100	94
- Hedin Premium Cars AB, 556042-0696, Uppsala	100	22
- Other shares in group companies		0
Total		2,346

Current receivables from Group companies refer to receivables from subsidiaries.

NOT 12 SHARES IN ASSOCIATED COMPANIES

Company/ Corp. ID No./ Domicile	Capital share	Voting share	Carrying amount 12/31/21
Hedin Caetano AB, 559354-9651, Mölndal	50%	50%	0
Lasingoo Sverige AB, 556973-1630, Stockholm	24,5%	24,5%	8
Pendragon PLC, UK 2304195, Nottingham, UK	26,1%	26,1%	915
			923
<i>Accumulated acquisition cost:</i>			
Opening carrying amount			0
Purchase			923
Reclassification			0
Closing carrying amount			923

NOTE 13 OTHER LONG-TERM SECURITIES

	Carrying amount 12/31/2021	12/31/2020
Unlisted shares	11	11
	11	11
<i>Accumulated acquisition cost:</i>		
Opening carrying amount	11	0
Purchase	0	11
Carrying amount at year-end	11	11

NOTE 14 DEFERRED TAX ASSETS

	12/31/2021	12/31/2020
Opening carrying amount	3	0
Reported in income statement	-3	3
	0	3

NOTE 15 RECEIVABLES FROM GROUP COMPANIES

	12/31/2021	12/31/2020
Opening carrying amount	0	0
Borrowings	354	0
Repayment of debt	0	0
Carrying amount at year-end	354	0

NOTE 16 PREPAID EXPENSES AND ACCRUED INCOME

	12/31/2021	12/31/2020
Prepaid rent	2	2
Accrued income	0	0
Other	1	3
	3	5

NOTE 17 UNTAXED RESERVES

	12/31/2021	12/31/2020
Tax allocation reserve fiscal year 2016	6	6
Tax allocation reserve fiscal year 2017	12	12
Tax allocation reserve fiscal year 2018	17	17
Tax allocation reserve fiscal year 2019	9	9
Tax allocation reserve fiscal year 2020	16	16
Tax allocation reserve fiscal year 2021	70	0
Accumulated difference between tax depreciation and depreciation according to the plan	2	2
	132	61

NOTE 18 FINANCIAL LIABILITIES

	12/31/2021	12/31/2020
Non-current borrowings		
Bond loans	0	1,496
Other non-current liabilities	29	0
Subordinated loan from Parent Company	386	350
	415	1,846
Current borrowings		
Overdraft facilities	0	515
	0	515

The parent company Hedin Group AB has submitted a loan of MSEK 350. The loan runs without interest and is subordinated to other liabilities.

The Group has an overdraft facility of MSEK 1,205 (MSEK 1,225), which is renegotiated on an annual basis.

The fair value of the borrowing corresponds to the carrying amount, since the discount effect is not significant. The total borrowings run at variable margins of approx. 1.0 – 1.6%.

NOTE 19 ACCRUED EXPENSES AND PREPAID INCOME

	12/31/2021	12/31/2020
Personnel costs	12	10
Accrued interest expenses	0	15
Prepaid income	0	2
Other	3	3
	16	31

NOTE 20 PLEDGED ASSETS

	12/31/2021	12/31/2020
Shares in subsidiaries	20	20
	20	20

NOTE 21 CONTINGENT LIABILITIES

	12/31/2021	12/31/2020
Guarantee for subsidiaries	2,101	112
	2,101	112

NOTE 22 CASH FLOW

	1/1/2021- 12/31/2021	1/1/2020- 12/31/2020
<i>Non-cash items</i>		
Depreciation	2	2
Anticipated dividend from subsidiaries	-60	-95
Other non-cash items	4	2
	-54	-91
<i>Interest payments</i>		
Paid interests	-69	-68
Received interests	38	28

NOTE 23 GROUP INFORMATION

Of the Parent Company's total purchases and sales measured in SEK are 55% (53%) of the purchases and 100% (100%) of the sales attributable to intra-group transactions.

NOTE 24 PROPOSED DISTRIBUTION OF UNAPPROPRIATED EARNINGS

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

Share premium reserve	4,100,597,412 SEK
Balanced earnings	654,583,261 SEK
Profit for the year	<u>254,522,007 SEK</u>
Total	5,009,702,680 SEK

The Board of Directors proposes that unappropriated earnings be distributed as follows:

Balance carried forward	<u>5,009,702,680 SEK</u>
Total	5,009,702,680 SEK

The Board of Directors and the CEO certify that the annual report has been prepared in accordance with generally accepted accounting principles and that the consolidated accounts have been prepared in accordance with the international set of accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards. The annual report and consolidated accounts give a true and fair view of the position and profit or loss of the Company and the Group, and that the director's report for the Company and for the Group gives a fair review of the development and performance of the business, position and profit or loss of the Company and the Group, and describes the principal risks and uncertainties that the Company and the companies in the Group face.

SIGNATURES

Möndal 4/20/2022



Jan Litborn
Chairman of the Board



Anders Hedin
CEO/Board member



Hampus Hedin
Board member



Erik Selin
Board member



Klaus Kibsgaard
Board member



Björn Hauber
Board member

Our audit report has been submitted April 4, 2022
PricewaterhouseCoopers AB



Bo Karlsson
Authorized accountant

Auditor's report

Unofficial translation

To the general meeting of the shareholders of Hedin Mobility Group AB (publ), corporate identity number 556065-4070

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Hedin Mobility Group AB (publ) for the year 2021 except for the corporate governance statement on page 70. The annual accounts and consolidated accounts of the company are included on pages 68 - 111 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 parent company and the group as of 31 December 2021 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on page 70. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

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

Basis for Opinions

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

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

Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1 - 67. 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 Director's and the Managing Director

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

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

Auditor's responsibility

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

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Report on other legal and regulatory requirements

Unofficial translation

To the general meeting of the shareholders of Hedin Mobility Group AB (publ.), corporate identity number 556065-4070

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Director's and the Managing Director of Hedin Mobility Group AB (publ) for the year 2021 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 Director's 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 Director's 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.

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.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on page 70 has been prepared in accordance with the Annual Accounts Act.

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

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

Göteborg 4/20/2022

PricewaterhouseCoopers AB



Bo Karlsson
Authorized Public Accountant

Board of directors and group management

Jan Litborn

Chairman of the Board

Anders Hedin

CEO/Board member

Hampus Hedin

Board member

Erik Selin

Board member

Klaus Kibsgaard

Board member

Björn Hauber

Board member

HEDIN MOBILITY GROUP

Anders Hedin, President and CEO
Hampus Hedin, Vice President
Per Mårtensson, CFO
Victor Bernander, Finance & Treasury
Andreas Joersjö, General Counsel
Charlotte Martinsson, HR Manager
Jørn Heiersjø, Real Estate Manager
Anna-Karin Höjjer, Procurement Manager

MOBILITY

Jakob Werner, COO Car to Go Sweden AB and Unifleet
André Schleemann, CEO Mabi Mobility AS

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Joacim Fredriksson, CEO Klintberg & Way Group AB
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Morten Westby, CEO Hedin Stockholm Bil AB and KC Motors AB
Anderz Larqvist, CEO Hedin Mölndal Bil AB
Rickard Magnusson, CEO Hedin Performance Cars AB
Pär Björkholm, CEO Hedin Örebro Bil AB
Marcus Larsson, CEO Hedin Automotive Norge AS
Henrik Lessèl, CEO Hedin Automotive Belgium AB
Marcus Larsson, CEO Hedin Automotive AS
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Hallvard Vikeså, CEO Bavaria Norge AS

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