

Annual Report

MFEX Mutual Funds Exchange AB 556559-0634

1 January – 31 December 2023

The Board of Directors and CEO hereby present their report on
the development of the Company and Group

Unless otherwise specifically stated, all amounts are presented in
thousands of Euro

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DIRECTOR'S REPORT FOR THE REPORTING PERIOD 1 JAN – 31 DEC 2023

MFEX Mututal Funds Exchange AB - Group (Million EUR)	2023	2022
OPERATING INCOME	67,3	59,7
OPERATING EXPENSES	-66,9	-134,6
EBITDA	4,7	-5,8
OPERATING PROFIT/LOSS	0,4	-74,9
PROFIT/LOSS FOR THE YEAR	1,7	-68,7

MFEX Mututal Funds Exchange AB - Parent Company (Million EUR)	2023	2022
OPERATING INCOME	50,7	44,4
OPERATING EXPENSES	-49,9	-63,3
EBITDA	2,4	-4,8
OPERATING PROFIT/LOSS	0,8	-18,9
PROFIT/LOSS FOR THE YEAR	1,3	-15,3

Group structure

MFEX Mutual Funds Exchange AB (MFEX/parent company) prepare consolidated accounts for the MFEX Group and is the holding company of MFEX France S.A., MFEX Luxembourg S.A., MFEX Suisse SA, MFEX Singapore Pts. Ltd., MFEX Malaysia SDN. BHD., MFEX Hong Kong Limited and Global Fund Watch GFW AB. MFEX is a wholly owned subsidiary to Euroclear SA/NV.

Information regarding operations

MFEX Mutual Funds Exchange AB

MFEX Mutual Funds Exchange AB (MFEX) and its subsidiaries, is a global fund distribution platform. MFEX offers a complete solution for fund trading, -custody, distribution services, data solutions and regulatory services.

Financial institutions and fund management companies use MFEX to trade and distribute funds efficiently on a global basis. Employing a single independent counterparty to access cross border and domestic fund markets reduces operational risk, decreases transaction costs, and opens comprehensive distribution channels and streamlines rebate management.

MFEX provides access to the world's largest fund range, with trading and fund data from more than 960 fund companies and 90,000 funds. Fund management companies are offered easy access to more than 352 distributors in 52 countries in Europe and Asia. MFEX also manages rebate commissions with full transparency for both distributors and fund companies.

The Company has a permit to conduct securities activities in accordance with the Swedish Securities Market Act (2007:528), and to manage fund units in accordance with the Swedish Investment Funds Act (2004:46).

MFEX France S.A.

The subsidiary, MFEX France S.A. is owned 100% by MFEX and offers services related to automated fund distribution, due diligence, and investment advice.

Other subsidiaries

The wholly owned subsidiary, Global Fund Watch GFW AB, provides digital solutions to financial institutions for regulatory compliance and customer awareness. The other subsidiaries in Europe and Asia primarily execute services facilitating the operations of MFEX Mutual Funds Exchange AB and MFEX France S.A.

Significant events during the financial year

Acquisition of MFEX by Euroclear SA/NV end 2021

Euroclear SA/NV acquired in 2021 100% of MFEX Mutual Funds Exchange AB, a leading global funds distribution platform. It enabled the Euroclear Group to strategically extend its capabilities and presence in the fund industry.

MFEX is the most significant acquisition by the Euroclear group in the past decade. By combining MFEX's well established fund distribution platforms with Euroclear's post-trade expertise, MFEX and Euroclear are creating a new end-to-end funds offering for clients, providing access to over 3,000 fund distributors and about 2,500 fund companies spanning 85 countries. Following the integration of MFEX within Euroclear consolidation perimeter, fund assets under administration reached Euro 3.1 trillion across the group (vs Euro 2.8 trillion at the end of 2022).

The integration of MFEX with Euroclear continues and is progressing well. Revenue and cost synergies expected by the acquisition are gradually emerging even though financial markets remained challenging for MFEX business franchise throughout 2023.

MFEX brings a broad fund distribution network which is complementary to Euroclear's existing post trade expertise in funds. This combination allows MFEX and Euroclear to offer an end-to-end suite of digital multi asset solutions for funds across Mutual Funds, ETFs and alternative asset classes.

Further significant events during the year

In addition to work related to integration of MFEX with Euroclear, the period has been characterised by continued strong level of engagement on behalf of the personnel, as well as by the implementation of the Group Funds strategy. Parallel with this work, the Group continued its expansion in existing and new markets supported by the investments in product development. Especially the fund distribution and data services have progressed further throughout the year and partially compensated the drop of Assets under Administration resulting from business transfers to the Euroclear Fundsettle platform.

Furthermore, MFEX managed during the year 2023 to improve rebate collection operations by reinforcing capabilities in France and Malaysia and enhancing in parallel operating processes. This enabled the Group (and the Parent Entity) to mitigate adequately provisioning risks related old rebate claims in line with group accounting principles.

During the year, after market volatility observed in 2022 following the invasion of Ukraine, market activity reduced and valuations showed limited recovery with high interest rates, persisting inflation and weak SEK foreign exchange rate. Consequently, this had a positive impact on net interest earned by EUR 3,3 M compared to previous year (EUR 1,6 M in Parent Company) balanced by a negative impact on net profit/loss from financial transactions by EUR -2,3 M (EUR -1,2 M in Parent Company). Low trading volumes also impacted slightly trading and custody service income.

Additionally, the accelerating transfer of trading & custody clients to Euroclear Bank SA/NV's FundSettle platform negatively impacted fund assets under administration (-28% on average vs prior year) and as a result, commission income relating to trading & custody services decreased by EUR -1,9 M (EUR 0,0 M in Parent Company) compared to prior year. Commission income related to Fund distribution services continued to develop positively and increased by EUR 0,4 M (EUR 0,8 M in Parent Company) compared to previous year. The increase in other operating income by EUR 8,1 M (EUR 5,3 M in Parent Company) can be explained mainly by one-off income from the sale of subsidiary Fondab AB of EUR 4,7 M and sale of additional trading & custody clients to Euroclear Bank SA/NV's FundSettle platform for about EUR 4,9 M. All in all, total operating income increased by less than recognised income from sale of subsidiary and clients, i.e. EUR 7,5 M (EUR 6,3 M in Parent Company), mainly due to compression of trading and custody commission income and lower net results from financial transactions driven by the depreciation and volatility of the SEK during the year.

Total costs decreased mainly due to contained employee expenses and large one-off impairments recognised last year. MFEX Group managed to control previous years' employee expense levels despite inflation and required staff expansion, by leveraging on MFEX presence in Malaysia, Euroclear Bank presence in Poland and completion of restructuring of trading and custody operations in Luxembourg.

Other operating expenses increased compared to prior year due to inflation across locations and intensifying integration with Euroclear which increased materially group service recharges. MFEX Group will continue to manage its cost base, however, without hindering the current strong growth strategy, and while maintaining high service delivery quality.

As a result of the acquisition by Euroclear, MFEX investment firm group is not subject anymore to prudential capital requirement at consolidated level, and instead MFEX is now part of the Euroclear banking group. However, MFEX Mutual Funds Exchange AB and MFEX France S.A are still on standalone basis EU regulated investment firms under IFR (Investment Firms Regulation) /IFD (Investment Firms Directive) and subject to such capital requirements.

In addition, following the transfer of its trading and custody activities which was completed end September 2023, MFEX Luxembourg became a non-regulated entity starting December 29, 2023. On that basis, the Board of the company decided in March 2024 to propose to MFEX Mutual Funds Exchange AB (as shareholder) to reduce its capital to an amount

proportionate to remaining administrative support services provided by MFEX Luxembourg to MFEX Mutual Funds Exchange AB.

The Parent Company, MFEX Mutual Funds Exchange AB, continues to be well capitalised with a total capital ratio of 47 % – compared with the minimum regulatory requirement of 16 %. Since the new capital adequacy regulations IFR/IFD came into force in June 2021, the company apply transitional rules in accordance with article 57.3 of IFR.

Future prospects

MFEX continues to closely monitor the risk associated with the Russia-Ukraine war and to implement the various sanctions that are issued by the different authorities. The implementation of sanctions did not materially influence the 2023 financial statements of MFEX, and the company remains confident that its low risk profile and the resilient nature of its business will preserve its safety and financial robustness.

Condensed earnings and financial position

Consolidated performance

Total operating income of MFEX Group increased by 12.6% to Euro 67.3 M (Euro 59.7 M last year) including the sale of Fondab (Euro 4.7 M) and international clients (Euro 4.9 M) and decreased by 2.7% excluding those items recognized in other operating income. Basically, the large drop in trading and custody services due to the accelerating transfer of clients to Euroclear SA/NV's FundSettle platform was almost offset by the increase in fund distribution income. Of the total fund assets under administration as of 31 December, approximately Euro 47 billion (89 billion last year) refers to fund units acquired by, or on behalf of, third parties. Such large decrease was related to the accelerating transfer of clients' trading & custody activities to Euroclear Bank SA/NV's FundSettle platform.

Total operating expenses of MFEX Group amounted to Euro -66.9 M (-134.6 M last year). Such a cost trend was driven by reinforced management of employee expenses as mentioned above and high one-off impairments taken last year as part of the integration with Euroclear, see further Note 6 "General administration expenses" and Note 9 "Intangible assets".

MFEX Group EBITDA improved to Euro 4.7 M (-5.8 M last year). And when excluding non-recurring items Euro 5.7 M last year related to MFEX Lux restructuring charges impacting EBITDA, EBITDA improved to Euro 4.7 M vs -0.1 M last year, representing an increase of Euro 4.8 M. Such an improvement resulted mainly from the increase in operating income related to the sale of Fondab and international clients of in total EUR 9.6 M partially offset by higher intra-group service recharge from Euroclear for Euro 2.6 M and by a modest increase of group staff costs driven mainly by inflation.

MFEX Group profit or loss for the year reached Euro 1.7 M vs -68.7 M last year and was negatively impacted by non-recurring cost items detailed above coupled with impairments on intangible assets of Euro -0.0 M (-55.0 M last year).

MFEX is investing a great deal of energy in business development in Fund Distribution Services, Fund Data and digitalization of the customer experience. The Group is accelerating our growth strategy by investing in new products such as market intelligence and expanding in Asia and Europe. As with last year, the strong growth is continuing through both integration of past acquisitions and organic growth while leveraging the business franchise of Euroclear Bank SA/NV since the acquisition by the Euroclear Group.

Macroeconomic and financial uncertainty has been an everyday situation for the Group, which is a challenge MFEX is equipped to meet. The Group has a unique infrastructure as the leading fund distribution marketplace and has reinforced its position, and even though there is a lot of work remaining, many factors indicate that MFEX can continue to look to the future with strong confidence.

Parent Company performance

Parent Company total operating income increased by 8.2 % to Euro 50.7 M (44.4 M last year) and total operating expenses amounted to Euro -49.9 M (-63.3 M last year). Increase in total operating income is related to increase in fund distribution services, one off income from sale of Fondab (Euro 4.7 M) and sale of international clients (Euro 4.7 M) which more than compensated for the drop of trading and custody service income resulting from migration of assets to the Euroclear FundSettle platform.

Parent Company EBITDA amounted to Euro 2.4 M (-4.8 M last year). Such positive EBITDA development in Parent Company was mainly driven by the one-off income from the sale of Fondab and sale of international clients, partially offset by increasing intra-group service recharges as mentioned above.

Parent Company profit for the year amounted to Euro 1.3 M (-15.3 M last year) and when adjusted for impairments on capitalized expenditure for development work for Euro 0.0 M (-6.3 M last year) and impairment of intangible assets related to previous acquisition in Spain of 0.0 M (-4.3 M last year), profit for the year reached Euro 1.3 M in 2023 vs Euro -4.7 M in 2022.

Investments in IT systems

To meet new business needs and further improve the quality of our products, we are continuously investing in our different offerings on MFEX platforms. Total investments in IT system during 2023 amounted to Euro 2.2 M (2.9 M last year) in MFEX Group and Euro 2.1 M (2.6 M last year) in Parent Company.

Liquidity

Total cash and cash equivalents for MFEX Group on 31 December amounted to Euro 117.3 M (87.4 M last year), Cash and cash equivalents were consisting of term deposits of Euro 15.0 M and remaining as cash at bank. Additionally, MFEX Group entities held in total on 31 December investment in Euroclear Treasury fund BE-R of Euro 25.7 M. Hence in total, cash assets (cash and cash equivalent combined with investment in Euroclear Treasury fund) amounted to Euro 143.0 M (112.3 M last year) reflecting the development of our rebate collection service offering during the year as well as additional loan from Euroclear SA/NV of SEK 70 M (see Cash Flow Statement hereunder).

For the Parent Company cash and cash equivalents on 31 December was Euro 61.9 M (39.3 M last year) consisting of only cash at bank. Additionally on 31 December Euro 11.8 M was held in Euroclear Treasury fund BE-R. During the year additional loans from MFEX France of Euro 7.0 M and from Euroclear SA/NV of SEK 70 M were paid to the Parent Company.

Equity and capital adequacy

On 31 December in MFEX Group, equity amounted to Euro 55.2 M (52.7 M last year), of which Euro 169 thousand in share capital. The increase in equity of about Euro 2.5M is mainly driven by the Group net profit for the year reported at Euro 1.7 M.

For the Parent Company, equity was Euro 114.8 M (113.3 M last year). Such an increase is mainly driven by the net profit of the company of Euro 1.3 M.

For the Parent company, the Common Equity Tier 1 capital ratio, in accordance with transitional rules in article 57.3 under IFR, amounted to 47 % (49 % last year). For additional information, see the Parent Company's "Statement of Changes in Equity", Note 23 "Equity" and Note 26 "Capital adequacy analysis".

IFR (Investment Firms Regulation) /IFD (Investment Firms Directive) replaced CRR/CRD for all securities companies during the year from 26 June 2021. During the first 5 years, there are transition rules implying that the companies can apply a lower capital adequacy requirement which is equivalent to two times the Pillar 1 requirement according to the version of CRR Regulation (EU) No. 575/2013, which would have been applicable if MFEX had continued to be covered by the capital adequacy requirements in the regulation in its changed wording according to Regulation (EU) 2019/630. As a consequence of the acquisition by Euroclear, MFEX investment firm group was dissolved in Q4 2021, and MFEX is now part of the Euroclear banking group.

Ownership

Euroclear SA/NV acquired in September 2021 100% of the shares of MFEX Holding AB. This company was 100% owner of MFEX Mutual Funds Exchange AB, a leading European and global funds distribution platform. During 2022, MFEX Holding AB was merged with MFEX Mutual Funds Exchange AB through a downstream merger and on 31 December Euroclear SA/NV was the 100% direct owner of MFEX Mutual Funds Exchange AB, see further Note 23," Equity".

Number of employees

In MFEX Group the average number of employees during the financial year was 378 (365) representing an increase of circ. 4% (mainly in France and Malaysia) of which 140 were women and 238 men, and as at the end of December 2023 the total number of employees was 385. This trend reflected the investments made by the Group in its operational and IT workforce to develop its business franchise and enhance its fund service offering.

In the Parent Company the average number of employees during the year was 97 (82) of which 25 were women and 72 men, and as at the end of December 2023 the total number of employees was 100 (83).

Multi-year overview, Group

Amounts in kEUR

	1 jan 2023- 31 dec 2023	1 jan 2022- 31 dec 2022	1 jan 2021- 31 dec 2021
Income statement			
Commission income	47 956	49 428	51 991
Net interest income	3 577	314	-541
Net profit/loss from financial transactions	700	3 034	197
Other operating income	15 047	6 965	7 041
Total operating income	67 280	59 741	58 688
General administrative expenses	-55 266	-60 585	-63 883
Depreciation / Impairment	-4 296	-69 042	-15 412
Other operating expenses	-7 303	-4 970	-2 614
Total operating expenses	-66 865	-134 597	-81 909
Operating profit/loss	414	-74 858	-23 222
Balance sheet	2023-12-31	2022-12-31	2021-12-31
Lending to credit institutions	102 274	72 410	95 966
Bonds and other interest bearing securities	15 000	15 000	-
Shares and participations, other	25 701	24 949	-
Intangible assets	4 156	3 863	76 168
Tangible assets	7 317	4 280	3 590
Deferred tax assets	13 220	12 063	7 240
Other assets	233 787	190 653	197 653
Prepaid expenses and accrued income	10 508	11 349	9 153
Assets held for sale	0	4 496	6 433
Total assets	411 963	339 063	396 203
Other liabilities	335 050	266 955	278 113
Accrued expenses and deferred income	15 331	8 960	10 837
Other provisions	6 339	7 526	1 181
Provision for taxes	-	-	4 271
Liabilities for assets held for sale	-	2 946	3 746
Equity	55 244	52 676	98 054
Total liabilities and equity	411 963	339 063	396 203
Equity/assets ratio ¹⁾	13%	16%	25%
Average number of employees	378	365	353
Return on assets ²⁾	0,41%	-20,25%	-4,88%

Multi-year overview Group only present 2023, 2022 and 2021, as since the downstream merger, the 2022 annual report include the first set of consolidated financial statements for the MFEX Mutual Funds Exchange AB Group, and 2021 numbers have been included for comparative purposes.

Parent Company Multi-year overview

Amounts in kEUR

	1 jan 2023- 31 dec 2023	1 jan 2022- 31 dec 2022	1 jan 2021- 31 dec 2021	1 jan 2020- 31 dec 2020	1 jan 2019- 31 dec 2019
Income statement					
Commission income	33 648	32 848	30 440	25 600	20 367
Net interest income	1 317	-281	-324	-149	-17
Net profit/loss from financial transactions	764	1 989	4 014	1 395	2 201
Dividend received	-	181	-	-	-
Other operating income	14 996	9 686	6 908	5 754	1 978
Total operating income	50 725	44 422	41 038	32 600	24 529
General administrative expenses	-22 009	-21 072	-28 127	-20 165	-23 463
Amortisation and depreciation	-1 544	-14 082	-3 970	-3 204	-2 097
Other operating expenses	-26 343	-28 134	-20 865	-16 789	-3 071
Total operating expenses	-49 896	-63 288	-52 962	-40 158	-28 631
Impairment of financial fixed assets	-	-	-7 148	-	-
Operating profit/loss	829	-18 865	-19 072	-7 558	-4 102
Balance sheet	2023-12-31	2022-12-31	2021-12-31	2020-12-31	2019-12-31
Lending to credit institutions	61 853	29 321	26 416	21 197	11 522
Bonds and other interest bearing securities	-	10 000	-	-	-
Shares and participations in Group companies	97 846	103 129	96 907	91 380	69 802
Shares and participations, other	11 823	8 501	-	-	-
Intangible assets	3 574	3 257	14 522	14 889	12 955
Tangible assets	897	426	442	604	601
Deferred tax assets	7 945	7 381	3 966	1 681	52
Other assets	98 073	80 837	85 640	69 728	61 343
Prepaid expenses and accrued income	9 559	10 371	8 265	8 672	4 528
Total assets	291 569	253 222	236 158	208 151	160 803
Other liabilities	173 523	135 634	128 241	93 529	73 050
Accrued expenses and deferred income	2 421	3 704	1 964	1 788	1 452
Provisions	796	575	190	-	-
Equity	114 830	113 309	105 763	112 834	86 300
Total liabilities and equity	291 569	253 222	236 158	208 151	160 803
Equity/assets ratio ¹⁾	39%	45%	45%	54%	54%
Average number of employees	100	82	87	102	111
Return on assets ²⁾	0,46%	-6,03%	-7,09%	-2,87%	-2,55%

1) **Equity/assets ratio:** Equity and share of equity ratio of untaxed reserves in relation to total assets.

2) **Return on assets:** Operating income less tax, divided by total capital.

Board of Directors

Brigitte Daurelle resigned as both CEO and Board member of the Company, by decision of an extra Board meeting on 17th of May 2023 and by decision at the extra General Meeting on 14th of June 2023. Carl-Axel Palmér was appointed as new CEO and Geert Desmedt as new Deputy CEO on 17th of May 2023.

At the ordinary General Meeting of Shareholders held on 29th of June 2023, Oliver Lagerström (Chair), Olivier Huby, René-Pierre Azria, Paul Hurd and Philippe Laurensy were re-elected as Board Members for a new term of 1 year. Sophie Lecloux was appointed as new independent Board member for 1 year.

The Board of the Company focused over the past year on the optimisation of the Group financial performance by completing the closure of MFEX Luxembourg operations, engaging into the strengthening of rebate collection processes and

implementing additional cost and risk mitigation measures in operations and IT. During 2023, the Board also discussed the pricing of Group fund distribution services as well as the implementation of MFEX data strategy for Funds. It also continued to pay attention to integration challenges within the Euroclear Group and to possible further opportunities of streamlining MFEX's corporate group structure to enhance Group efficiency.

Other subsidiaries and branch offices

MFEX Mutual Funds Exchange AB owns 100% of the subsidiary MFEX Suisse S.A., Corp. Reg. No. IDE CHE-305.126.621, 100% of the subsidiary MFEX Singapore Pte. Ltd. Corp. Reg. No. UEN 201629085E, 100% of the subsidiary Global Fund Watch GFW AB, Corp. Reg. No. 559033-8835, 100% of the subsidiary MFEX France S.A., Corp. Reg. No. 2005B17955, 100% of the subsidiary MFEX Malaysia SDN. BHD., Corp. Reg. No. 1282744-D, 100% of the subsidiary MFEX Hong Kong Limited, Corp. Reg. No. 2754915, and 100% of the subsidiary MFEX Luxembourg S.A., Corp. Reg. No. B233039.

MFEX Mutual Funds Exchange AB includes a Spanish branch under the name of MFEX Mutual Funds Exchange AB, Sucursal en España with registration number 105. MFEX Mutual Funds Exchange AB is also represented in Italy through one office in Milano, 9779570153, Milano.

Operational risks

MFEX Group's credit, market and liquidity risks are limited as both parties only act as intermediary in the financial markets. MFEX Group conducts no lending operations and all trading in fund units is financed through payments by customers. No trading takes place on its own behalf, rather, MFEX Group only conducts customer trading. Operational risk is, however, present as a natural part of the Group's operations. On behalf of the Board, the internal audit function assesses whether the organisation is complying with the guidelines established by the Board. MFEX Group is not involved in any legal or tax disputes. The risk exposure and management of operational risks is, in all major aspects, unchanged with previous years. See, also Note 27 "Risk management objectives and policies" for further information and a description of risks in the Group's business.

Accounting policies

The Group applies International Financial Reporting Standards (IFRS). Furthermore, the additions stipulated in the Swedish Annual Accounts for Credit Institutions and Investment Firms Act (1995:1559) and the Regulations and General Recommendations of the Swedish Financial Supervisory Authority on Annual Accounts of Credit Institutions and Investment Firms (FFFS 2008:25) have also been applied. The Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups and associated statements (UFR) were also applied.

The Parent Company applied the Swedish Annual Accounts for Credit Institutions and Investment Firms Act (1995:1559), the statutory International Financial Reporting Standards (IFRS) in accordance with the Regulations and General Recommendations of the Swedish Financial Supervisory Authority on Annual Accounts of Credit Institutions and Investment Firms (FFFS 2008:25), and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

For further information, refer to the section Accounting policies and notes.

Sustainability report

In accordance with Swedish Annual Accounts Act (1995:1554) Chapter 7, Section 31, MFEX Mutual Funds Exchange AB prepares a statutory sustainability report for the Group. The sustainability report is available on www.mfex.com.

Proposed appropriation of profit

The Parent Company's non-restricted equity amounts to Euro 109 612 548. The Board of Directors will not propose a dividend for 2023, implying that Euro 109 612 548 is to be carried forward.

Post balance sheet events

In March 2024, MFEX Luxembourg SA proposed to MFEX Mutual Funds Exchange AB (as shareholder) to reduce its capital to an amount proportionate to remaining administrative support services provided by MFEX Luxembourg to MFEX Mutual Funds Exchange AB.

Consolidated income statement

Amounts in kEUR	Note	1 jan 2023- 31 dec 2023	1 jan 2022- 31 dec 2022
Operating income			
Commission income	2	47 956	49 428
Interest income	3	4 258	876
Interest expense	3	-682	-562
Net profit/loss from financial transactions	4	700	3 034
Other operating income	5	15 047	6 965
Total operating income		67 280	59 741
Operating expenses			
General administrative expenses	6,11,12	-55 266	-60 585
Depreciation/impairment of tangible and intangible assets	9,10,11	-4 296	-69 042
Other operating expenses	7	-7 303	-4 970
Total operating expenses		-66 865	-134 597
Operating profit/loss		414	-74 858
Tax on profit/loss for the year	13	1 280	6 199
Profit/loss for the year		1 693	-68 658
<i>Wherof net income from operations held for sale</i>	20	-	296
Attributable to:			
Parent Company's shareholders		1 693	-68 658

Consolidated statement of comprehensive income

Amounts in kEUR	Note	1 jan 2023- 31 dec 2023	1 jan 2022- 31 dec 2022
Profit/loss for the year		1 693	-68 658
<i>Items which can be reclassified to profit or loss (including tax)</i>	23		
Equity funds designated at FVOCI	25	771	-78
Deferred tax relating to equity funds designated at FVOCI	13	-174	13
Translation differences		266	129
Total other comprehensive income		863	64
Comprehensive income for the year		2 556	-68 594
Attributable to:			
Parent Company's shareholders		2 556	-68 594

Consolidated balance sheet

Amounts in kEUR	Note	2023-12-31	2022-12-31
ASSETS	24		
Lending to credit institutions	14,25	102 274	72 410
Bonds and other interest bearing securities	14,25	15 000	15 000
Shares and participations, other	15,25	25 701	24 949
Intangible assets	9	4 156	3 863
Tangible assets	10,11	7 317	4 280
Deferred tax assets	13	13 220	12 063
Other assets	16,25	233 787	190 653
Prepaid expenses and accrued income	17,25	10 508	11 349
Assets held for sale	20	-	4 496
TOTAL ASSETS		411 963	339 063
LIABILITIES, PROVISIONS AND EQUITY			
Liabilities and provisions	24		
Other liabilities	11,18,25	335 050	266 955
Accrued expenses and deferred income	19,25	15 331	8 960
Provision other	12	6 339	7 526
Liabilities for assets held for sale	20	-	2 946
Total liabilities and provisions		356 720	286 388
Equity	23		
Share capital		169	169
Other contributed capital		122 060	122 060
Reserves		1 083	220
Retained earnings, including net profit/loss for the year		-68 068	-69 772
Total equity attributable to parent company shareholders		55 244	52 676
TOTAL LIABILITIES, PROVISIONS AND EQUITY		411 963	339 063

Consolidated statement of changes in equity

Amounts in kEUR	Share capital	Other contributed capital	Translation reserve	Fair value reserve	Retained earnings	Total equity
Equity 31/12/2021	169	117 560	155	-	-19 830	98 054
Profit/loss for the year	-	-	-	-	-68 658	-68 658
Other comprehensive income for the year	-	-	129	-65	-	64
Total comprehensive income for the year	-	-	129	-65	-68 658	-68 594
Merger difference	-	-	-	-	18 290	18 290
Other changes	-	-	-	-	426	426
<i>Transactions with owners</i>						
Received shareholder contributions	-	4 500	-	-	-	4 500
Total transactions with owners	-	4 500	-	-	-	4 500
Equity 31/12/2022	169	122 060	285	-65	-69 773	52 676
Profit/loss for the year	-	-	-	-	1 694	1 694
Other comprehensive income for the year	-	-	266	597	-	863
Total comprehensive income for the year	-	-	266	597	1 694	2 557
Other changes	-	-	-	-	10	10
<i>Transactions with owners</i>						
Nothing to report	-	-	-	-	-	-
Equity 31/12/2023	169	122 060	551	532	-68 068	55 244

Consolidated cash-flow statement

Excluding managed assets Amounts in kEUR	Note	1 jan 2023- 31 dec 2023	1 jan 2022- 31 dec 2022
Operating activities			
Operating profit/loss		414	-74 858
<i>Adjustments for non-cash items</i>			
Depreciation of tangible and intangible assets	10,11	4 296	8 166
Impairment of tangible and intangible assets	9	-	60 876
Changes in provisions		-1 186	6 344
Income tax paid		-743	-2 742
<i>Cash flow from operating activities before changes in assets and liabilities in the operating activities</i>		2 781	-2 213
<i>Increase (-) / decrease (+) in assets of operating activities:</i>			
Other assets		-43 133	9 821
Prepaid expenses and accrued income		841	-2 196
<i>Increase (+) / decrease (-) in liabilities of operating activities:</i>			
Other liabilities		70 014	-10 089
Accrued expenses and deferred income		6 370	-1 877
Cash flow from operating activities		36 873	-6 554
<i>of which from operations held for sale</i>		-	212
Investing activities			
Acquisition of intangible assets	9	-1 925	-2 892
Acquisition of tangible fixed assets	10	-5 702	-754
Purchase of financial instruments at FVOCI	15	-752	-24 949
Proceeds from sale of subsidiary		3 201	-
Sale of intangible assets	9	-	5 792
Cash flow from investments		-5 178	-22 803
<i>of which from operations held for sale</i>		-	-258
Financing activities			
Received shareholder contributions		-	4 500
Amortisation on leasing liabilities		-1 831	-1 868
Cash flow from financing activities		-1 831	2 632
Cash flow for the year		29 864	-26 724
<i>of which from operations held for sale</i>		-	-46
Cash and cash equivalents, 1 January		87 410	95 966
Received cash and cash equivalents in merger		-	18 168
Cash and cash equivalents at the end of the period		117 274	87 410
<i>of which from continuing operations</i>		117 274	85 643
<i>of which from operations held for sale</i>		-	1 767
Lending to credit institutions		102 274	72 410
Bonds and other interest bearing securities ¹⁾		15 000	15 000
Cash and cash equivalents, 31 December		117 274	87 410

¹⁾ Excluding bonds and other interest bearing securities with initial maturity more than 3 months

Parent company income statement

Amounts in kEUR	Note	1 jan 2023- 31 dec 2023	1 jan 2022- 31 dec 2022
Operating income			
Commission income	2	33 648	32 848
Interest income	3	3 019	379
Interest expense	3	-1 702	-661
Net profit/loss from financial transactions	4	764	1 989
Dividend received	15	-	181
Other operating income	5	14 996	9 686
Total operating income		50 725	44 422
Operating expenses			
General administrative expenses	6	-22 009	-21 072
intangible assets	9,10	-1 544	-14 082
Other operating expenses	7	-26 343	-28 134
Total operating expenses		-49 896	-63 288
Impairment of financial fixed assets	15	-	-
Operating profit/loss		829	-18 865
Profit/loss before tax		829	-18 865
Tax on profit/loss for the year	13	518	3 605
Profit/loss for the year		1 347	-15 260

Parent company's statement of comprehensive income

Amounts in kSEK		1 jan 2023- 31 dec 2023	1 jan 2022- 31 dec 2022
Profit/loss for the year		1 347	-15 260
<i>Items that can later be reversed in profit or loss:</i>			
Equity funds designated at FVOCI	25	340	-27
Deferred tax relating to equity funds designated at FVOCI	13	-70	5
Total other comprehensive income		270	-21
Comprehensive income for the year		1 617	-15 281

Parent company balance sheet

Amounts in kEUR	Note	2023-12-31	2022-12-31
ASSETS	24		
Lending to credit institutions	14,25	61 853	29 321
Bonds and other interest bearing securities	14,25	-	10 000
Shares and participations in Group companies	15	97 846	103 129
Shares and participations, other	15,25	11 823	8 501
Intangible assets	9	3 574	3 257
Tangible assets	10	897	426
Deferred tax assets	13	7 945	7 381
Other assets	16,25	98 073	80 837
Prepaid expenses and accrued income	17,25	9 559	10 371
TOTAL ASSETS		291 569	253 222
Liabilities and equity			
Liabilities	24		
Other liabilities	18,25	173 523	135 634
Accrued expenses and deferred income	19,25	2 421	3 704
Total liabilities		175 944	139 338
Provisions	12	796	575
Equity	23		
<i>Restricted equity</i>			
Share capital		169	169
Statutory reserve		1 453	1 453
Development expenditures fund		3 597	3 329
<i>Total restricted equity</i>		<i>5 219</i>	<i>4 951</i>
<i>Non-restricted equity</i>			
Free share premium reserve		10 351	10 351
Fair value reserve		249	-21
Retained earnings		97 665	113 288
Profit/loss for the year		1 347	-15 260
<i>Total non-restricted equity</i>		<i>109 611</i>	<i>108 358</i>
Total equity		114 830	113 309
TOTAL LIABILITIES, PROVISIONS AND EQUITY		291 569	253 222

Parent company statement of changes in equity

Amounts in kEUR	Restricted equity			Non-restricted equity			Total
	Share capital	Statutory reserve	Development expenditures fund	Free share premium reserve	Fair value reserve	Retained earnings	
Equity 31/12/2021	169	1 453	9 075	10 351	0	84 715	105 763
Profit/loss for the year	-	-	-	-	-	-15 260	-15 260
Other comprehensive income	-	-	-	-	-21	0	-21
Comprehensive income for the year	-	-	-	-	-21	-15 260	-15 281
Change in development expenditure	-	-	-5 746	-	-	5 746	-
Other changes	-	-	-	-	-	13	13
Merger difference	-	-	-	-	-	18 290	18 290
MFEX UK deregistration	-	-	-	-	-	24	24
<i>Transactions with owners</i>							
Shareholder contributions	-	-	-	-	-	4 500	4 500
Equity 31/12/2022	169	1 453	3 329	10 351	-21	98 028	113 309
Profit/loss for the year	-	-	-	-	-	1 347	1 347
Other comprehensive income	-	-	-	-	270	0	270
Comprehensive income for the year	-	-	-	-	270	1 347	1 617
Change in development expenditure	-	-	268	-	-	-268	-
Other changes	-	-	-	-	-	-95	-95
<i>Transactions with owners</i>							
Nothing to report	-	-	-	-	-	-	-
Equity 31/12/2023	169	1 453	3 597	10 351	249	99 012	114 830

Refer to note 23 for additional information

Parent company statement of cash flows

Excluding managed assets		1 jan 2023-	1 jan 2022-
Amounts in kEUR	Note	31 dec 2023	31 dec 2022
Operating activities			
Operating profit/loss		829	-18 865
<i>Adjustments for non-cash items</i>			
Depreciation/amortisation of tangible and intangible assets	9,10	1 544	3 251
Impairment/disposals of tangible and intangible assets	9,10	-	10 834
Change in provisions	12	220	385
Income tax paid		-46	214
<i>assets and liabilities in the operating activities</i>		2 547	-4 181
<i>Increase (-) / decrease (+) in assets of operating activities:</i>			
Other assets		-17 236	4 795
Prepaid expenses and accrued income		812	-2 106
<i>Increase (+) / decrease (-) in liabilities of operating activities:</i>			
Other liabilities		37 908	7 514
Accrued expenses and deferred income		-1 284	1 741
Cash flow from operating activities		22 747	7 763
Investing activities			
Acquisition of intangible assets	9	-1 674	-2 604
Acquisition of tangible fixed assets	10	-503	-200
Purchase of financial instruments at FVOCI	15	-3 322	-8 501
Investments (-) / sales (+) of subsidiaries	15	5 283	-6 222
Cash flow from investments		-215	-17 526
Financing activities			
Received shareholder contributions		-	4 500
		-	4 500
Cash flow for the year		22 532	-5 263
Cash and cash equivalents, 1 January		39 321	26 416
Received cash and cash equivalents in merger		-	18 168
Cash and cash equivalents, 31 December		61 853	39 321
Lending to credit institutions		61 853	29 321
1 other interest bearing securities ¹⁾		-	10 000
Cash and cash equivalents, 31 December		61 853	39 321

¹⁾ bonds and other interest bearing securities with initial maturity more than 3 months

Cash flow attributable to the ongoing operations of the Company includes received interest of Euro 74 thousand (66) and interest payments including capitalised interest of Euro 95 thousand (192).

Accounting policies and notes

All of the amounts in the Notes are presented in thousands of Euro.

Note 1

Company information

MFEX Mutual Funds Exchange AB ("MFEX"), Corp. Reg. No. 556559-0634, is a Swedish limited liability company with its registered office in Stockholm at the following address: Box 5378, 102 49 Stockholm, Sweden. MFEX Mutual Funds Exchange AB is a wholly owned subsidiary of Euroclear SA/NV, Corp. Reg. No. BE.423.747.369 with its registered office in Belgium.

The Board of Directors approved this annual report on June 7, 2024 and it will subsequently be proposed for adoption by the annual meeting of shareholders on June 13th, 2024.

Euroclear SA/NV acquired in September 2021 100% of the shares of MFEX Holding AB. During 2022 MFEX Holding AB was merged with MFEX Mutual Funds Exchange AB.

MFEX Mutual Funds Exchange AB owns 100% of the subsidiary MFEX Suisse S.A., Corp. Reg. No. IDE CHE-305.126.621, 100% of the subsidiary MFEX Singapore Pte. Ltd. Corp. Reg. No. UEN 201629085E, 100% of the subsidiary Global Fund Watch GFW AB, Corp. Reg. No. 559033-8835, 100% of the subsidiary MFEX France S.A., Corp. Reg. No. 2005B17955, 100% of the subsidiary MFEX Malaysia SDN. BHD., Corp. Reg. No. 1282744-D, 100% of the subsidiary MFEX Hong Kong Limited, Corp. Reg. No. 2754915, and 100% of the subsidiary MFEX Luxembourg S.A., Corp. Reg. No. B233039.

MFEX Mutual Funds Exchange AB prepares the consolidated accounts for the entire Group. Euroclear SA/NV, Corp. Reg. No. BE.423.747.369 prepares the consolidated accounts where MFEX Group is included.

MFEX Mutual Funds Exchange AB has a license to conduct securities activities in accordance with Chapter 2, Section 1, paragraphs 1 and 2 of the Swedish Securities Market Act (2007:528) and ancillary services in accordance with Chapter 2, Section 2, paragraphs 1 and 4, as well as ancillary activities in accordance with Chapter 2, Section 3. Furthermore, The Company also has a license to manage fund units in accordance with Chapter 4, Section 12 of the Swedish Investment Funds Act (2004:46).

The subsidiary MFEX France S.A. was founded in 2002 in London and offers services related to automated fund distribution, due diligence and investment consulting. MFEX France S.A. is licensed by the Autorité de Contrôle Prudentiel et de Résolution (ACPR).

The subsidiary MFEX Singapore Pte. Ltd. offers MFEX services locally in Asia and is licensed in Singapore by the Monetary Authority of Singapore (MAS) since 2017, and the subsidiary MFEX Suisse S.A. offers rebates collection services locally in Switzerland. MFEX Malaysia Sdn Bhd was established in conjunction with MFEX's acquisition of RBC Global Fund Platform (GFP). MFEX has outsourced parts of its back-office functions to MFEX Malaysia Sdn Bhd since 2019. In June 2020, MFEX Luxembourg SA completed the acquisition of Société Générale Securities Services (SGSS) Global Fund Trading platform. MFEX Hong Kong Ltd received its license from the Securities and Futures Commission (SFC) in June 2020, and now offers MFEX services locally in Hong Kong.

The Group's accounting policies

Compliance with laws and regulations

The Group applies International Financial Reporting Standards (IFRS). Furthermore, the additions stipulated in the Swedish Annual Accounts for Credit Institutions and Investment Firms Act (1995:1559) and the Regulations and General Recommendations of the Swedish Financial Supervisory Authority on Annual Accounts of Credit Institutions and Investment Firms (FFFS 2008:25) were also applied. The Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups and associated statements (UFR) were also applied.

The IFRS standards that entered into force on 1 January 2023:

No new or amended IFRS standards that entered into force on 1 January 2023 have had any significant impact on the reported income statements and balance sheets.

New IFRS standards and interpretations that have not yet entered into force but could impact future financial statements:

None of the published new and changed standards and interpretations of existing standards, which have yet to come into effect and are yet to begin to be applied, are expected to have a significant impact on the Group's financial reports, or on its capital adequacy for the financial year 2024 and following financial years.

Conditions relating to the preparation of the Group's financial statements

The Group's functional currency is the Euro (EUR). Unless stated otherwise, all amounts have been rounded to the nearest thousand.

The cost method was applied in preparing the financial statements except as regards certain assets and liabilities which were valued at fair value. The cost method entails that assets and liabilities are recognised at cost less decline in value and any impairment. The fair value is deemed to essentially correspond to the cost.

Non-current assets comprise tangible and intangible assets. Other assets are current assets. Current assets are expected to be recovered or paid within three months. All liabilities and current liabilities are expected to be recovered or paid within 12 months.

Significant accounting estimates and judgements

Group management makes estimates and assumptions about the future that impact the carrying amounts. As a result, the carrying amounts in these cases seldom corresponds to the actual amounts. Estimates and assumptions involving a significant risk of material adjustments to carrying amounts in future financial years are attributable to intangible assets (excluding goodwill, customer contracts & customer relationships and trademarks), goodwill and customer contracts & customer relationships and trademarks, tangible assets, deferred tax assets, other assets and other liabilities.

Intangible assets excluding goodwill etc

Main assumptions, estimates and judgements are related to capitalisation of internally developed expenditure, impairment of previous capitalisations, useful time of assets etc.

Goodwill, customer contracts & customer relationships and trademarks

Main assumptions, estimates and judgements are related to future earnings, model used to assess impairment and model critical data input such as discount rate etc.

Tangible assets

Main assumptions, estimates and judgements are related to useful time of assets, and discount rate used in Right-of-use-assets calculations and IFRS 16 leasing.

Deferred tax assets

Main assumptions, estimates and judgements are related to future earnings and capitalisation of taxes on losses carried forward.

Other assets

Main assumptions, estimates and judgements are related to allocation of received unallocated payments, provisioning assumptions of accounts receivables passed payment due date (net exposure).

Other liabilities

Main assumptions, estimates and judgements are related to discount rate used in leasing liability calculations under IFRS 16.

Group management determines and review assumptions and estimates related to these assets and liabilities on each balance sheet date and adjusted if necessary. For more information see Notes 9, 10, 11, 13, 16 and 18.

For the Parent Company, in addition to above, main assumptions, estimates and judgements are also related to Shares and participations in group companies namely future earnings in the subsidiary, model used to assess impairment and model critical data input such as discount rate etc, see Note 15.

Tax

Reported tax on net profit for the year includes tax payable or due in respect of the current year, adjustments related to current tax for prior years and changes in deferred tax. All tax liabilities and tax assets are valued at their nominal amounts and based on the tax rules and tax rates that have been enacted or that have been announced and are highly likely to be confirmed. Accordingly, for items recognised in profit or loss, the related tax effects are also recognised in profit or loss. Tax effects from items recognised directly in equity are recognised in equity. Deferred tax is calculated by applying the balance sheet method to all temporary differences between the carrying amounts and tax bases of assets and liabilities. Deferred tax assets relating to loss carry-forwards or other future tax deductions are recognised to the extent that it is likely that the deduction can be offset against future taxable profits.

Dividends paid

Dividends are recognised as liabilities after the Ordinary General Meeting resolves to approve the Board's dividend proposal.

Consolidation principles

Subsidiaries are companies over which MFEX Mutual Funds Exchange AB has a controlling influence, meaning a direct or indirect right to formulate a company's financial and operational strategies in order to receive financial benefits. Subsidiaries are consolidated in accordance with the acquisition method from the acquisition date until the date on which the controlling influence ceases.

All intra-Group receivables and liabilities, income, expenses, gains or losses arising from transactions between companies encompassed by the consolidated financial statements are eliminated in their entirety.

Business combinations

The consolidated cost is determined on the basis of an acquisition analysis performed when the acquisition takes place. As part of the analysis, the fair value of acquired assets and assumed liabilities is established. If the cost exceeds the net value of acquired assets and assumed liabilities, the difference is recognised as goodwill in the balance sheet. The acquisition analysis identifies the assets and values that are not recognised in the acquired company, for example, brands, customer contracts and customer relationships. Intangible assets identified in the acquisition analysis are amortised over an estimated useful life. Goodwill and strong brands that are deemed to have indefinite useful lives are not amortised and instead regularly monitored for any indication of impairment and impairment tested once a year. Transaction costs directly attributable to the acquisition are directly capitalised.

Non-controlling interests

For each acquisition, the Group decides whether to measure the non-controlling interest in the acquired company at fair value, meaning that goodwill is included in the non-controlling interest, or as a proportionate share of the identifiable net assets. The choice between these two methods is to be made individually for each acquisition. Transactions involving non-controlling interest that do not lead to a loss of control are recognised as equity transactions, meaning transactions with shareholders in their role as owners. A change in the participating interest is recognised by an adjustment to the carrying amounts of the non-controlling interests so that they reflect the changes in their relative holdings in the subsidiaries. In the event of acquisitions from non-controlling interests, the difference between the fair value of the purchase consideration paid and the actual acquired portion of the carrying amount of the subsidiary's participations is recognised in equity. Gains and losses on divestments to non-controlling interests are also recognised in equity.

Foreign currency

Translation of transactions in a currency other than Euro

Transactions in currencies other than Euro are translated to the Euro at the exchange rate on the transaction date. Monetary items (assets and liabilities) in foreign currency are translated to the Euro based on the exchange rate on the balance sheet date. Exchange-rate gains and losses arising on such translations are recognised in profit or loss as the net result of financial transactions. Currency differences arising in foreign long-term loans and liabilities and in the revaluation of bank account balances in a currency different to the accounting currency, are recognised in the net result of financial transactions.

Translation of foreign subsidiaries

When the consolidated financial statements are prepared, the balance sheets of the Group's foreign operations are translated from their functional currency to the Euro based on the exchange rate on the balance sheet date. The income statement and other comprehensive income are translated at the average rate for the period. The translation differences arising are recognised in other comprehensive income against the translation reserve in equity. If the Group has classified derivatives as the hedging instrument in a hedge of a net investment in a foreign operation, these exchange-rate differences are also recognised in other comprehensive income and accumulated in the translation reserve. The accumulated translation difference is transferred and recognised as part of the capital gains or losses if the foreign operation is divested. Goodwill and adjustments to fair value that are attributable to acquisitions of operations with a different functional currency to EUR are treated as assets and liabilities in the acquired operations' currency and translated at the exchange rate on the balance sheet date.

Translation of foreign branches

As at 31 December 2023, MFEX Mutual Funds Exchange AB had one branch whose functional currency is the Euro. The current rate method implies that net assets are revalued at the balance sheet date rate and that the income statement is recalculated at the transaction date rate/average rate, with any possible translation differences being reported in Other comprehensive income.

MFEX Mutual Funds Exchange AB has Euro as its functional currency. The currency exposure on monetary items in internal balances between the units is eliminated without generating an exchange rate gain or loss which would, otherwise, be reported in MFEX Mutual Funds Exchange AB's income statement. As this settlement procedure implies that net assets in

the foreign branches are reported at equal value, there is no translation exposure and, therefore, no translation effect on equity.

Revenue

Commission income

Commission income comprises securities commission and other commission. Securities commission mainly comprises fund commission, custodian fees and transaction-based income. Fund commission and custodian fees are calculated on the fund volume and recognised as income based on actual volume at every point in time. Transaction-based income and other commission is recognised over time, that is, as it is earned. The degree of completion is calculated based on completed performance. If the criteria for recognising the income over time are not satisfied, the income is recognised when the service has been rendered in its entirety. Contract assets arise in the cases when performance has been completed and there is an unconditional right to payment, but where settlement is yet to take place. The Group has no customer contracts with terms of more than one year, which is why the simplification rule is applied, meaning that disclosures do not need to be provided on the scope of signed, but yet to be completed, contracts.

Interest income and interest expenses

Interest income for lending to credit institutions is recognised as income in the period to which it is attributable. Negative interest on lending to credit institutions and other interest expenses is recognised as an expense in the period in which they are attributable.

Net profit/loss from financial translations

Profit/loss from financial transactions primarily comprises realised and unrealised gains/losses on currencies.

Employee benefits

The Group's plans for post-employment benefits include only defined contribution pension plans, apart from MFEX France that also has a defined benefit pension plan. In defined contribution plans, the Company makes fixed contributions to a separate legal entity. Once the contribution has been paid, the Company has no further obligations. Employee benefits such as salary and pension are recognised as expenses during the period in which the employee performed the services to which the remuneration refers.

Lease contracts

The Group's lease contracts refer primarily to rental agreements for office premises. From 1 January 2019, all lease contracts where the Group is the lessee, except for short-term contracts and contracts of a limited value, are reported as right-of-use assets and the equivalent financial liabilities are reported in the consolidated balance sheet. Right-of-use assets are included in tangible fixed assets and the financial liabilities are included in other liabilities. A cost for the write-off of the leased asset ad an interest expense on the financial liability is reported in the consolidated income statement.

Assets and liabilities originating from lease contracts are initially reported at the present value of future lease payments when the leased assets are available for use by the Group. Future lease payments are discounted based on the lease contract's implicit interest rate. If this interest rate cannot be easily determined, the lessee's marginal borrowing rate is applied. Lease payments are allocated between amortisation of the liability and the interest. The interest is reported in the income statement over the term of the lease in such a manner that fixed interest rates are determined for the reported lease liability to apply to the respective reporting periods.

Right-of-use assets are usually written off on a straight-line basis over the shorter of the useful life and the lease term. Payments for short-term contracts and contracts where the underlying asset is of a limited value are recognised in income on a straight-line basis in the income statement. A more detailed description of the Group's leasing activities and reporting of these activities is found in Note 11.

Cash flow statement

The Group's cash-flow statement has been prepared in accordance with the indirect method and presents inward and outward payments regarding the operating activities, investing activities and financing activities for the financial year.

Cash flows attributable to the operating activities primarily derive from the Group's income-generating operations. Net inward and outward payments in the operating activities are calculated by adjusting operating profit for the year for non-cash items, changes in operating assets and operating liabilities for the year and for items whose cash-flow effect is attributable to investing and financing activities.

Cash and cash equivalents comprise balances with an original maturity of not more than three months, including bonds and other interest-bearing securities.

Tangible assets

Tangible assets are recognised as assets in the balance sheet if it is probable that future financial benefits will flow to the Company and the cost of the item can be measured reliably.

Tangible assets are recognised at cost less any accumulated depreciation and impairment. The cost includes the purchase price and the costs directly related to the asset.

Tangible assets are derecognised from the balance sheet on disposal or divestment. Gains and losses are recognised as other operating income or operating expense.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of the assets. The useful life of tangible assets is deemed to be five years.

Intangible assets

Intangible assets are recognised as assets in the balance sheet if it is probable that future financial benefits will flow to the Company and the cost of the item can be measured reliably.

An intangible asset is measured at cost on initial recognition in the balance sheet. Following initial recognition, an intangible asset is recognised in the balance sheet at cost less any accumulated amortisation and impairment.

Intangible assets are derecognised from the balance sheet on disposal or divestment. Gains and losses are recognised as other operating income or operating expense.

Amortisation

Amortisation takes place straight-line over the useful life and amortisation commences once the asset has started to be used. The carrying amounts and useful lives of the intangible assets are tested at least at the end of the financial year, regardless of whether there is a decline in value, and, if necessary, the amortisation period is adjusted and/or impairment recognised. Intangible assets that are yet to be used are also tested annually even if there is no indication of an impairment requirement.

Brands with indefinite useful lives are not amortised and instead are retested at least at the end of the financial year, regardless of whether there is a decline in value, and, if necessary, impairment recognised.

Estimated useful lives:

Capitalised development expenditure	5-10 years
Software	5-8 years
Acquired customer assets	10 years

Capitalised expenditure for development work

Capitalised development expenditure is measured as a portion of fair value of the acquired operations less amortisation and any impairment. In addition to the fair value of acquired operations, proprietary development activities are carried out in which cases capitalised development expenditure comprises externally purchased services and capitalised personnel costs. Capitalised expenditure primarily refers to the development of the fund trading and rebate collection platforms and related applications, which provide the Company with long-term financial benefits through either increased income or cost savings.

Expenditure is capitalised as capitalised development expenditure in case of proprietary development takes place when all the following criteria have been met:

- it is technically possible to complete the asset and use or sell it
- the Company has the intention to complete, use or sell the asset
- the Company can show that it is likely that the asset will generate future financial benefits
- adequate technical, economic and other resources are available to complete the development and to utilise or sell the asset
- the Company can reliably measure the expenditure attributable to the asset.

Software

Software is measured as a portion of fair value of the acquired operations less amortisation and any impairment. In addition to the fair value of acquired operations, software comprises expenses for software that are recognised as an asset in the balance sheet when the expenses are expected to generate future financial benefits. Capitalised expenditure for software is amortised from the date on which the software is ready for use, respective during the estimated useful life of the asset.

Customer contracts and customer relationships

Customer contracts and customer relationships are measured as a portion of fair value of the acquired operations less amortisation and any impairment. The useful life of these assets is sometime many years, which reflects the long-term

approach of the underlying operations. The useful life for customer contracts is based on a calculation of how long net payments are expected to be received for these contracts, considering legal and financial factors.

Goodwill

Goodwill arises when the cost of shares in subsidiaries or an acquired operation exceeds the fair value of the acquired assets and liabilities according to the prepared acquisition analysis.

Brands

Brands are measured as a portion of the fair value when operations are acquired from third parties when the brand has a long-term value, and the brand can be sold separately from the remaining operations.

Impairment

The recoverable amount of an asset is determined if there is an indication of a decline in value. If the carrying amount of the asset exceeds its recoverable amount, the asset is written down to this recoverable amount. Impairment is recognised through profit or loss. The recoverable amount is the higher of the asset's fair value less selling expenses and its value in use. The value in use is calculated by estimating future inward and outward payments that are discounted to a present value using a discount factor that takes into consideration risk-free interest and the risk associated with the specific asset. For an asset that does not generate cash flows that are significantly independent of other assets, the recoverable amount is calculated for the cash-generating unit to which the asset belongs.

Impairment is reversed if a subsequent increase in the recoverable amount can objectively be attributed to an event that occurred after the impairment was recognised, except for goodwill which is not reversed.

Equity

Share capital - Group

Parent Company's share capital

Other contributed capital - Group

Refers to equity that has been contributed by the owners. The item includes surpluses paid in conjunction with new share issues.

Reserves - Group

The reserves refer to translation reserve and the fair value of derivatives hedging the translation differences. The translation differences include all of the exchange rate differences arising in the translation of the financial reports from the foreign companies preparing their financial reports in a currency other than the currency in which the Group's reports are presented. In addition, also the unrealised change in fair value through other comprehensive income is included here which refers to the investment into the unlisted Euroclear Treasury Fund BE-R. For further information see Note 25 and 23.

Downstream merger

In the downstream merger the merged company's assets and liabilities have been recognised in the acquiring company at their book value. The merger is recognised as of the merger date, 20th of December 2022, but is presented as if it has been merged throughout the year as such the opening balance is adjusted and a corresponding merger difference is recognised.

Merger difference has been calculated based on opening balances in the transferred company, and calculated as the difference between:

- (a) transferred company's recognised values of assets and liabilities that has been acquired through the merger, and
- (b) transferred company's book value of the participations in the acquiring company

The merger difference has been recognised in non-restricted equity. Year 2022 Income Statement of merged company has been recognised in the Income Statement from 1 January 2022.

Financial instruments

Financial Assets

Classification and measurement

On initial recognition, a financial asset is classified as measured at amortised cost, Fair Value through Other Comprehensive Income ('FVOCI') or Fair value through profit and loss ('FVPL'). The classification results from a two-step approach: The "cash flow characteristics" test will check whether the cash flows can be considered as Solely Payments of Principal and Interest ('SPPI'), and the business model for managing the asset.

Regular way purchases and sales of financial assets are accounted for at settlement date.

A financial asset is classified and measured at amortised cost if it is not designated as FVPL, and if it meets both of the following conditions: it is held for collection of contractual cash flows (Held to Collect) and its contractual terms give rise to cash flows that represent solely payments of principal and interest ('SPPI'). A financial asset classified and measured at amortised cost is recognised in the balance sheet on settlement date at fair value plus any directly related transaction costs. It is subsequently measured at amortised cost using the effective interest method less any loss allowances.

A financial asset is classified and measured at FVOCI if it is not designated as FVPL, and if it meets both of the following conditions: it is held for collection of contractual cash flows and for selling the assets, and its cash flows represent solely payments of principal and interest. A financial asset classified and measured at FVOCI is recognised in the balance sheet on settlement date at fair value less any directly related transaction costs. Gains or losses arising from changes in the fair value are recognised directly in equity, until the asset is either sold or matures, at which time the cumulative gain or loss previously recognised in equity is released to the income statement. Interest revenues are recognised using the effective interest method.

All other financial assets are measured at FVPL. These assets are initially recognised and subsequently measured at fair value. The movements in fair value are recognised in the income statement.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When available, the group measures the fair value of an instrument as the published price at the balance sheet date. In the case of investments with no listed market price, a valuation technique that maximise the relevant use of observable inputs (e.g. discounted cash flows and market multiples) is applied.

Business model assessment

A business model refers to how MFEX manages its financial assets in order to generate cash flows. It is determined on a level that reflects how financial assets are managed to achieve a particular business objective. MFEX's objective can be:

- solely to collect the contractual cash flows from the assets ('Held to Collect');
- to collect both the contractual cash flows and cash flows arising from the sale of assets ('Held to Collect and Sell');
- neither of above (e.g. financial assets are held for trading purposes), and then the financial assets are classified as part of 'other' business model.

Factors considered by MFEX in determining the business model for a group of assets include objectives for the portfolios, how the asset's performance and risks are evaluated, managed, and reported to management, and past experiences.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the group changes its business model for managing financial assets.

Financial liabilities

Financial liabilities are classified and subsequently measured at amortised cost.

Borrowings are recognised initially at fair value, being the consideration received net of transaction costs incurred. They are subsequently stated at amortised cost; any difference between proceeds net of transaction costs and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method.

Financial liabilities are derecognised when they are extinguished (when the obligation specified in the contract is discharged, cancelled, or expires).

Impairment of financial assets according to IFRS 9

MFEX Group recognises a loss allowance for expected credit losses ("ECL") on accounts receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The loss allowance is based on a model for expected credit losses.

MFEX Group apply the simplified approach for accounts receivables and contract assets since they are considered not to contain a significant financing component. That is MFEX Group recognise a lifetime expected loss allowance on accounts receivables and contract assets based on a provision matrix applying assessment on relevant loss rates to the accounts receivable balances outstanding (i.e. an accounts receivable age analysis).

For all other assets MFEX Group apply the general approach. In the general approach MFEX Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, MFEX Group measures loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Definition of default

MFEX Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including MFEX Group, in full.
- A financial asset is more than 90 days past due unless MFEX Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

The following valuation categories apply in the Company:

Financial assets measured at amortised cost – general approach

Financial assets in this category consist of lending to credit institutions and bonds and other interest-bearing securities and are part of a business model whereby contractual cash flows are collected and where these cash flows are comprised solely of payments of principal and interest. MFEX Group recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, MFEX Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. Despite the foregoing, MFEX Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations
- Institutions/banks included in lending to credit institutions have a minimum rating equivalent to a long-term S&P rating of A or short-term minimum rating of A-1

Expected credit losses has not been recognised in this category since the amount is considered not material.

Financial assets measured at amortised cost - simplified approach

Financial assets in this category consist of accounts receivables and contract assets and are initially measured at fair value and, subsequently, at amortised cost using the effective interest method, less allowance for expected credit losses. Expected credit losses are assessed based on their remaining lifetime according to the simplified approach as all financial assets in this category does not contain a significant financing component. The assessment is based on age analysis, payment history, past credit losses and future aspects. Based on past data, expected credit losses are deemed to be limited.

Financial assets valued at fair value through other comprehensive income

Financial assets in this category consist of shares and participations other and it is held for collection of contractual cash flows and for selling the assets. Gains or losses arising from changes in the fair value are recognised directly in equity, until the asset is either sold or matures, at which time the cumulative gain or loss previously recognised in equity is released to the income statement.

Financial liabilities measured at amortised cost

Interest-bearing and non-interest-bearing financial liabilities that are not held for trading are included in this category. The financial liabilities are measured at amortised cost by applying the effective interest method.

Offsetting

A financial asset and a financial liability are netted and reported with a net amount in the balance sheet only when there is a legal right to set off the amounts and there is an intention to settle the items with a net amount or to simultaneously realize the asset and settle the liability.

The Parent Company's accounting policies

In addition to above applied Group accounting policies, the differences between the Parent Company's and the Group's accounting policies are described below.

Compliance with laws and regulations

The Parent Company applied the Swedish Annual Accounts for Credit Institutions and Investment Firms Act (1995:1559), the statutory International Financial Reporting Standards (IFRS) in accordance with the Regulations and General Recommendations of the Swedish Financial Supervisory Authority on Annual Accounts of Credit Institutions and Investment Firms (FFFS 2008:25), and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

Dividends received

Dividends received are recognized in the income statement after the Ordinary General Meeting resolves to approve the Board's dividend proposal.

Group contributions and shareholders contributions

In reporting Group contributions, the Company applies the major rule in RFR 2. This implies that Group contributions provided to the Parent Company are reported as dividends, that is, directly in equity, and Group contributions received are, in the same manner, reported as a shareholder's contribution, that is, also directly in equity.

Shareholders contributions provided are reported by the contributor as an increase in shares and participations in Group companies. Shareholders contributions received are reported in the recipient directly against unrestricted equity.

Leasing as lessee

As regards costs for operating lease contracts, the Parent Company has chosen to utilise the allowed exemptions from IFRS 16, which implies that lease contracts are reported in the income statement on a straight-line basis over the term of the lease. This leasing refers primarily to the rental of premises.

Equity

Share capital – Parent Company

Parent Company's share capital

Fund for development expenses – Parent Company

The fund for development expenses comprises restricted equity with the aim of limiting the Parent Company's dividend possibilities in relation to the Parent Company's capitalised development expenditure intangible assets. For more information see Note 23.

Free share premium reserve – Parent Company

The free share premium reserve is comprised of non-restricted equity and refers to surplus prices paid in conjunction with new share issues.

Fair value reserve – Parent Company

The fair value reserve includes the unrealised change in fair value of the investment into the unlisted Euroclear Treasury Fund BE-R.

Notes that do not refer directly to income statements or balance sheets:

Pledged assets	Note 21
Managed assets not recognised in the balance sheet	Note 22
Capital adequacy analysis	Note 26
Risk management objectives and policies	Note 27
Related party disclosures	Note 28
Events after balance sheet date	Note 29
Proposed appropriation of profit	Note 30

	MFEX (Group)	MFEX (Group)	MFEX (Parent Company)	MFEX (Parent Company)
	2023	2022	2023	2022
2 Commission income				
Securities provisions	47 956	47 754	33 648	32 848
Other provisions	-	1 674	-	-
Total	47 956	49 428	33 648	32 848

	MFEX (Group)	MFEX (Group)	MFEX (Parent Company)	MFEX (Parent Company)
	2023	2022	2023	2022
3 Net interest income				
Interest income				
Lending to credit institutions	4 258	876	2 974	379
Interest income from subsidiaries	-	-	44	-
Total	4 258	876	3 019	379

	2023	2022	2023	2022
Interest expense				
Lending to credit institutions	-	-150	-	-106
Interest expense to subsidiaries	-551	-178	-	-555
Other interest expenses	-131	-234	-1 701	1
Total	-682	-562	-1 701	-661

Total net interest income	3 577	314	1 318	-281
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	MFEX (Group)	MFEX (Group)	MFEX (Parent Company)	MFEX (Parent Company)
	2023	2022	2023	2022
4 Net profit/loss from financial transactions				
Exchange-rate gains/losses	532	3 034	596	1 989
Unrealized change in value of short-term investments	168	-	168	-
Total	700	3 034	764	1 989

	MFEX (Group)	MFEX (Group)	MFEX (Parent Company)	MFEX (Parent Company)
	2023	2022	2023	2022
5 Other operating income				
Fund information fees	2 555	2 910	993	450
Other income	6 202	1 835	5 693	1 266
Intra-Group income	6 290	2 220	8 310	7 970
Total	15 047	6 965	14 996	9 686

	MFEX (Group)	MFEX (Group)	MFEX (Parent Company)	MFEX (Parent Company)
	2023	2022	2023	2022
6 General administrative expenses				
System operation	-3 596	-3 409	-2 805	-2 681
Cost of premises	-1 375	-914	-1 211	-656
Consultant costs	-6 703	-6 539	-3 577	-4 584
Personnel costs	-34 142	-38 735	-9 806	-7 404
Other operating and administrative costs	-9 450	-10 988	-4 610	-5 748
Total	-55 266	-60 585	-22 009	-21 072

	MFEX (Group)	MFEX (Group)	MFEX (Parent Company)	MFEX (Parent Company)
	2023	2022	2023	2022
The item personnel costs includes the following amounts:				
Salaries and other remuneration				
Members of the Board, CEO and senior executives ¹	-1 676	-929	-570	-338
Other employees	-22 571	-22 419	-5 662	-5 348
Total	-24 247	-23 348	-6 232	-5 686
Social security expenses				
Members of the Board, CEO and senior executives ¹	-743	-278	-278	-101
Other employees	-7 675	-8 394	-2 655	-2 492
Total	-8 418	-8 672	-2 933	-2 593

¹ The growth in comparison to prior year is explained by an increasing number of "Senior Executives" directly employed by MFEX, including the CEO.

Group:

Of personnel costs, kEUR 1,924 (2,892) was capitalised in the Group. These costs are attributable to internally accrued expenses (see Note 9) and comprise salaries for employed IT developers working on the development of the MFEX platform.

Pension insurance premiums were paid in amount of EUR 1,186 thousand (2,113) in the Group, which pertain to defined contribution pension plans that are paid at the earliest from the age of 55 and for at least five years. The Group has no defined benefit pension plans except MFEX France SA that has such plan. Provisions for direct pensions amounted to EUR 7 thousand (7) for the year.

Parent company:

Of personnel costs, EUR 535 thousand (1,009) was capitalised in the Company. These costs are attributable to internally accrued expenses (see Note 9) and comprise salaries for employed IT developers working on the development of the MFEX platform.

Pension insurance premiums were paid in amount of EUR 750 thousand (660) in the Company, which pertain to defined contribution pension plans that are paid at the earliest from the age of 55 and for at least five years. The Company has no defined benefit pension plans. Provisions for direct pensions amounted to EUR 7 thousand (7) for the year.

Average number of employees in the Group

	Men	Women	Total
2023	238	140	378
2022	223	142	365

Average number of employees in the Parent Company

	Men	Women	Total
2023	72	25	97
2022	61	21	82

Average number of employees per country in the Group

	2023		2022	
	Average number of employees	Of which men	Average number of employees	Of which men
Sweden	95	67	102	71
Spain	4	2	3,5	1
Singapore	8	6	6	5
Hong Kong	3	1	2	1
France	95	55	83	46
UK	0	0	3	3
Italy	3	2	2,5	2
Luxembourg	58	29	76	36
Switzerland	5	4	6	5
Malaysia	106	71	80	52
Ireland	1	1	2	2
Group total	378	238	366	224

Average number of employees per country in Parent company

	2023		2022	
	Average number of employees	Of which men	Average number of employees	Of which men
Sweden	88,25	67	76	58
Ireland	1,25	1	-	-
Italy	3	2	2,5	2
Spain	4	2	3,5	1
	97	72	82	61

Gender distribution in executive leadership

	MFEX (Group) 2023	MFEX (Group) 2022	MFEX (Parent Company) 2023	MFEX (Parent Company) 2022
Number of board members	16	19	6	6
of whom, women	2	3	1	1
Number of senior executives, incl. Managing Director	16	8	5	5
of whom, women	3	3	-	1

Remuneration to senior executives, 16 persons in the Group, and 5 in the Parent Company (in brackets) 2023

Board fees are not paid to Board members who are employed in the Group.

The Chairman and Board members receive remuneration from the Parent Company,
other senior executives receive remuneration from the subsidiaries.

	<u>Salary</u>	<u>Bonus</u>	<u>Pension</u>	<u>Board fees</u>
Senior executives incl. CEO, 16 (5)	1436 (540)	240 (30)	248 (107)	- (-)
Chairman of the Board, 5 (1)	- (-)	- (-)	- (-)	- (-)
Other Board members, 16 (6) ¹⁾	- (-)	- (-)	- (-)	135 (-)

¹⁾ Birgitte Daurelle, CEO and board member, resigned May 16th and her successor Carl Palmér was appointed as CEO.
A new board member was elected June 28th.

Remuneration to senior executives, 8 persons in the Group, and 7 persons in Parent Company 2022

Board fees are not paid to Board members who are employed in the Group.

The Chairman and Board members receive remuneration from the Parent Company,
other senior executives receive remuneration from the subsidiaries.

	<u>Salary</u>	<u>Bonus</u>	<u>Pension</u>	<u>Board fees</u>
Senior executives incl. CEO, 8 (7)	747 (320)	182 (18)	195 (18)	- (-)
Chairman of the Board, 1 (1)	- (-)	- (-)	- (-)	- (-)
Other Board members, 4 (1)	- (-)	- (-)	- (-)	132 (65)

In accordance with the resolution of the Ordinary General Meeting of shareholders, no remuneration has been paid to Board Members who are employed by the Group or the shareholder. Remuneration of senior executives is determined according to individual contracts. Salary levels are based on adopted criteria according to work duties/targets, skills, and contribution to earnings. The Company's Board discusses salary and remuneration issues. Salaries are determined after being discussed by the Board, combined with a decision by the CEO.

No agreements of severance pay exist for the senior executives.

Audit fees

	MFEX (Group)	MFEX (Group)	MFEX (Parent Company)	MFEX (Parent Company)
BDO France	2023	2022	2023	2022
Audit assignment	-20	-	-	-
Auditing activities in addition to audit assignment	-	-	-	-
Tax advisory services	-	-	-	-
Other services	-	-	-	-
Total	-20	-	-	-
Deloitte	2023	2022	2023	2022
Audit assignment	-594	-672	-309	-217
Auditing activities in addition to audit assignment	-	-	-	-
Tax advisory services	-	-	-	-
Other services	-15	-26	-	-26
Summa	-609	-698	-309	-243

Audit assignment comprises examination of the annual financial statements, accounting records and administration of the Board and CEO, other procedures required to be carried out by the Company's auditors and advice or other assistance arising from observations made during the performance of such services. Audit activities in addition to the audit assignment refer to other auditing services.

	MFEX (Group)	MFEX (Group)	MFEX (Parent Company)	MFEX (Parent Company)
	2023	2022	2023	2022
7 Other operating expenses				
Marketing expenses	-122	-133	-27	-39
Intra-Group expenses	-6 658	-4 095	-26 045	-27 749
Other expenses	-522	-742	-271	-346
Total	-7 303	-4 970	-26 343	-28 134

	MFEX (Parent Company)	MFEX (Parent Company)
	2023	2022
8 Leasing fees		
Operating lease, <i>solely non-cancellable rent for premises</i>		
Lease payments, expenses for the year	-1 001	-574
Remaining lease payments fall due as follows:		
Within one year	562	314
Between one and seven years	5 091	1 103
Total	5 653	1 417

The most significant rental agreements are MFEX Mutual Funds Exchange AB's offices in Stockholm, Umeå and Madrid.

	MFEX (Group)	MFEX (Group)	MFEX (Parent Company)	MFEX (Parent Company)
	2023	2022	2023	2022
9 Intangible assets				
<i>Capitalised expenditure for development work</i>				
Opening cost	7 522	21 776	6 100	19 042
Internally developed expenditure	727	1 297	535	1 009
Purchases	1 482	1 595	1 340	1 595
Disposals for the year	-542	-2 475	-542	-2 475
Reclassifications - assets held for sale	-	-1 288	-	-
Reclassifications	86	1 095	86	-
Conversion difference	-91	-	-	-
Impairment	-	-14 478	-	-13 071
Closing accumulated cost	9 184	7 522	7 519	6 100
Opening amortisation	-3 685	-10 013	-2 871	-9 709
Amortisation for the year	-1 464	-2 684	-1 213	-2 512
Disposals for the year	224	2 475	224	2 475
Reclassifications - assets held for sale	-	1 269	-	-
Reclassifications	-101	-3 577	-85	-
Conversion difference	-	-	-	-
Impairment	-	8845	-	6875
Closing accumulated amortisation	-5 027	-3 685	-3 945	-2 871
Carrying amount	4 157	3 837	3 574	3 229

In the category capitalised development expenditure, cost is amortised according to plan over five to ten years.

	MFEX (Group) 2023	MFEX (Group) 2022	MFEX (Parent Company) 2023	MFEX (Parent Company) 2022
<i>Software</i>				
Opening cost	86	1 441	86	865
Purchases	-	-	-	-
Disposals for the year	-	-148	-	-148
Reclassifications - assets held for sale	-	-641	-	-
Reclassifications	-86	-	-86	-
Conversion difference	-	-	-	-
Impairment	-	-566	-	-631
Closing accumulated cost	-	86	-	86
Opening amortisation	-60	-908	-59	-449
Amortisation for the year	-28	-86	-28	-80
Disposals for the year	-	148	-	148
Reclassifications - assets held for sale	-	200	-	-
Reclassifications	88	57	87	-
Conversion difference	-	-	-	-
Impairment	-	529	-	322
Closing accumulated amortisation	-	-60	-	-59
Carrying amount	-	26	-	27

In the category software, cost is amortised according to plan over five to eight years.

	MFEX (Group) 2023	MFEX (Group) 2022	MFEX (Parent Company) 2023	MFEX (Parent Company) 2022
<i>Customer contracts and customer relationships</i>				
Opening cost	-	23 751	-	1 259
Acquired operations	-	-	-	-
Reclassifications - assets held for sale	-	1 104	-	-
Sale of intangible assets	-	-8 759	-	-
Conversion difference	-	-	-	-
Impairment	-	-16 096	-	-1 259
Closing accumulated cost	-	-	-	-
Opening amortisation	-	-7 085	-	-430
Amortisation for the year	-	-3 018	-	-84
Reclassifications - assets held for sale	-	-1 104	-	-
Reclassifications	-	-	-	-
Sale of intangible assets	-	2 967	-	-
Conversion difference	-	-	-	-
Impairment	-	8 240	-	514
Closing accumulated amortisation	-	-	-	-
Carrying amount	-	-	-	-

In the category acquired customer assets, cost is amortised according to plan over ten years.

	MFEX (Group) 2023	MFEX (Group) 2022	MFEX (Parent Company) 2023	MFEX (Parent Company) 2022
<i>Goodwill</i>				
Opening cost	-	53 747	-	5 989
Acquired operations	-	-	-	-
Conversion difference	-	-	-	-
Impairment	-	-53 747	-	-5 989
Closing accumulated cost	-	-	-	-
Opening amortisation	-	-6 541	-	-2 046
Amortisation for the year	-	-	-	-399
Impairment	-	6 541	-	2 445
Closing accumulated amortisation	-	-	-	-
Carrying amount	-	-	-	-
Total carrying amount intangible assets	4 157	3 863	3 574	3 257

	MFEX (Group) 2023	MFEX (Group) 2022	MFEX (Parent Company) 2023	MFEX (Parent Company) 2022
10 Tangible assets				
<i>Inventory</i>				
Opening cost	3 600	3 480	955	1 390
Purchases for the year	1 230	754	503	200
Disposals/sales for the year	-456	-634	-199	-634
Reclassifications - assets held for sale	-	-5	-	-
Reclassifications	-1 359	5	191	-
Translation differences for the year	-58	-	-	-1
Closing accumulated cost	2 957	3 600	1 450	955
Opening depreciation	-2 289	-2 149	-529	-948
Depreciation for the year	-874	-783	-303	-176
Disposals/sales for the year	2	635	-	635
Disposals/scraping for the year	377	-	237	-37
Reclassifications - assets held for sale	-	4	-	-
Reclassifications	1 329	4	40	-
Translation differences for the year	-54	-	2	-3
Closing accumulated depreciation	-1 509	-2 289	-553	-529
Carrying amount	1 448	1 310	897	426
	MFEX (Group) 2023	MFEX (Group) 2022	MFEX (Parent Company) 2023	MFEX (Parent Company) 2022
<i>Right-of-use assets, rented premises</i>				
Opening cost	5 728	5 021	-	-
Additional contracts	6 175	1 767	-	-
Completed contracts	-2 864	-1 317	-	-
Reclassifications - assets held for sale	-	-431	-	-
Adjusted discount rate	-	688	-	-
	9 039	5 728	-	-
Opening depreciation	-2 758	-2 761	-	-
Completed contracts	1 518	1 891	-	-
Depreciation for the year	-1 931	-1 739	-	-
Reclassifications - assets held for sale	-	179	-	-
Adjusted discount rate	-	-328	-	-
	-3 170	-2 758	-	-
Carrying amount	5 869	2 971	-	-
Total carrying amount tangible assets	7 316	4 280	897	426

The cost of tangible assets is depreciated according to plan at 20% of historical cost. Art is treated as non-depreciable equipment and is, therefore, not depreciated in the accounts. Art amounting to EUR 11 thousand (54) is included in total tangible assets.

	MFEX (Group)	MFEX (Group)
	2023	2022
11 Lease agreements		
<i>Reported amount in the income statement</i>		
Amortisation and depreciation	-1 931	-1 739
Interest on leasing liabilities	-129	-11
Expenses related to short-term leases	-303	-234
Expenses related to low-value leases	-8	-21
Total	-2 371	-2 005
<i>Reported amount in the balance sheet</i>		
<u>Right-of-use assets</u>		
Rented premises	5 869	2 971
Assets held for sale	-	251
<u>Prepaid expenses and accrued income</u>		
Prepaid leasing expenses	-207	-281
Assets held for sale	-	-38
Total	5 662	2 903
<u>Other liabilities</u>		
Current leasing liabilities	1 597	1 642
Non-current leasing liabilities	4 275	1 110
Liabilities for assets held for sale	-	232
Total	5 872	2 984
<i>Reported amount in the cash-flow statement</i>		
Total outflow of cash and cash equivalents ¹⁾	-1 831	-1 868
Total	-1 831	-1 868

1) The amount refers to, in addition to paid lease fees relating to the right-of-use assets, payments for assets of a low value and for short-term leasecontracts where the exception rules in IFRS 16 have been applied. As a result, this amount is reported as a part of the cash flow from operating activities.

	MFEX (Group)	MFEX (Group)	MFEX (Parent Company)	MFEX (Parent Company)
	2023	2022	2023	2022
12 Provision other				
Opening balance	7 526	855	575	190
Additional provisions	-1 187	6 671	221	385
Total	6 339	7 526	796	575

The provisions in MFEX Group are mainly related to severance cost in one of the subsidiaries and in parent company mainly related to dilapidation cost.

	MFEX (Group) 2023	MFEX (Group) 2022	MFEX (Parent Company) 2023	MFEX (Parent Company) 2022
13 Tax on profit/loss for the year				
<i>Current tax expense</i>				
Current income tax	-92	-248	-	-33
Adjustments regarding taxes in previous years	-71	-3 628	-72	-
Deferred tax relating to loss carry-forwards	1 443	3 708	590	1 063
Deferred tax on other temporary differences	-	5 725	-	2 575
Change on deferred tax due to change tax rate	-	643	-	-
Total reported tax	1 280	6 199	518	3 605

	MFEX (Group) 2023	MFEX (Group) 2022	MFEX (Parent Company) 2023	MFEX (Parent Company) 2022
<i>Reconciliation of effective tax rate</i>				
Profit/loss before tax	414	-74 858	829	-18 865
Tax according to the applicable tax rate for the Parent Company 20	-85	15 421	-171	3 886
Non-deductible expenses	-227	-10 165	-163	-1 107
Non-taxable income	981	180	981	37
Non-assessed loss carry-forwards	580	1 063	-	1 063
Adjustments regarding taxes in previous years	-	-	-72	-
Foreign tax rate	-	261	-	-
Other	31	-560	-56	-275
Effective tax	1 280	6 199	518	3 605

	MFEX (Group) 2023	MFEX (Group) 2022	MFEX (Parent Company) 2023	MFEX (Parent Company) 2022
<i>Deferred tax pertaining to temporary differences</i>				
Opening balance	12 063	7 240	7 381	3 966
Deferred tax recognised in profit or loss	1 443	4 799	590	3 638
MFEX Holding Deferred tax relating to loss carry - forwards	-	-	-	227
Deferred tax recognised in statement of comprehensive income	-174	13	-70	5
Translation differences	-113	11	44	-454
Closing balance at year-end	13 220	12 063	7 945	7 381

Deferred tax in Parent company, pertaining to temporary differences relates to loss carry-forwards, totalling Euro 6,935 thousand (6,283). Deferred tax is also attributed to future tax deductions for direct pensions of Euro 0 thousand (28), bad debt and other provisions of Euro 1,075 thousand (1,070) and revaluation reserve for equity funds -65 (5).

	MFEX (Group) 2023	MFEX (Group) 2022	MFEX (Parent Company) 2023	MFEX (Parent Company) 2022
14 Lending to credit institutions				
Bank balances and cash and cash equivalents	102 274	72 410	61 853	29 321
Total	102 274	72 410	61 853	29 321

	MFEX (Group) 2023	MFEX (Group) 2022	MFEX (Parent Company) 2023	MFEX (Parent Company) 2022
Bonds and other interest bearing securities				
Term deposit	15 000	15 000	-	10 000
Total	15 000	15 000	-	10 000

Lending to credit institutions is payable on demand. Of Parent company bank balances and cash and cash equivalents, foreign currency other than Euro amounts to Euro 254 thousand (187). At the end of 2023, the Company had two shareholder loans of Sek 120 million and Euro 2 million. Both shareholder loans are included fully in Lending to credit institutions and include subsidiary loans of in total Euro 32.5 million and Sek 6 million.

	MFEX (Parent Company)	MFEX (Parent Company)
	2023	2022
15 Shares and participations in Group companies		
Opening cost	103 129	96 907
Repayment of shareholder contributions/new share issues	-3 000	6 222
Sale of subsidiary	-2 283	-
Closing cost	97 846	103 129
Impairments for the year	-	-
Closing accumulated impairment loss	-	-
Reported value	97 846	103 129
Received dividend	2023	2022
Fondab AB	-	181
Total	-	181

	Result	Equity	2023	2022
Shares and participations in Parent Company				
Fondab AB, Corp. Reg. No. 556697-5560 ¹⁾	292	-	-	2 283
MFEX Suisse SA, Corp. Reg. No. IDE CHE-305.126.621 ²⁾	45	609	580	580
MFEX Singapore Pte. Ltd., Corp. Reg. No. UEN 201629085E ³⁾	6	2 992	3 860	3 860
Global Fund Watch GFW AB, Corp. Reg. No. 559033-8835 ⁴⁾	-94	399	846	846
MFEX France SA, Corp. Reg. No. 2005B17955 ⁵⁾	-871	14 709	77 000	77 000
MFEX Malaysia SDN. BHD., Corp. Reg. No. 1282744-D ⁶⁾	-50	508	617	617
MFEX Hong Kong Limited, Corp. Reg. No. 2754915 ⁷⁾	7	844	965	965
MFEX Luxembourg S.A., B233039 ⁸⁾	1 352	16 741	13 977	16 977
Total	687	36 801	97 846	103 129

	MFEX (Group)	MFEX (Group)	MFEX (Parent Company)	(Parent Company)
	2023	2022	2023	2022
Shares and participations, other				
Equity Funds ¹⁾	25 701	24 949	11 823	8 501
Total	25 701	24 949	11 823	8 501

¹⁾ Unlisted holdings as of 31 December 2023 refers to Euroclear Treasury Funds BE-R

- 1) Registered office in Stockholm, 100% of the capital and votes, unlisted holding,
- 2) Registered office in Geneva, 100% of the capital and votes, unlisted holding,
- 3) Registered office in Singapore, 100% of the capital and votes, unlisted holding,
- 4) Registered office in Stockholm, 100% of the capital and votes, unlisted holding,
- 5) Registered office in France, 100% of the capital and votes, unlisted holding,
- 6) Registered office in Malaysia, 100% of the capital and votes, unlisted holding,
- 7) Registered office in Hong Kong, 100% of the capital and votes, unlisted holding,
- 8) Registered office in Luxemburg, 100% of the capital and votes, unlisted holding

	MFEX (Group)	MFEX (Group)	MFEX (Parent Company)	MFEX (Parent Company)
	2023	2022	2023	2022
16 Other assets				
Accounts receivable	42 998	183 885	12 599	68 658
Receivables from Group companies	24	5	2 013	2 786
Current tax receivable	1 027	732	-345	732
Other assets	189 737	6 031	83 807	8 661
Total	233 787	190 653	98 073	80 837

	MFEX (Group)	MFEX (Group)	MFEX (Parent Company)	MFEX (Parent Company)
	2023	2022	2023	2022
17 Prepaid expenses and accrued income				
Prepaid rental charges	89	159	17	159
Accrued interest	1 848	290	1 822	279
Accrued income / Contract assets	6 920	9 278	6 948	9 410
Other prepaid expenses	1 651	1 623	772	524
Total	10 508	11 349	9 559	10 371

	MFEX (Group)	MFEX (Group)	MFEX (Parent Company)	MFEX (Parent Company)
	2023	2022	2023	2022
18 Other liabilities				
Accounts payable	33 530	218 779	29 711	63 768
VAT liabilities	508	790	318	127
Liabilities to Group companies	1 782	-579	14 459	30 800
Liabilities to related parties	12 815	16 496	38 315	16 669
Leasing liabilities	5 872	1 408	-	-
Other liabilities	280 544	30 062	90 720	24 270
Total	335 050	266 955	173 523	135 634

	MFEX (Group)	MFEX (Group)	MFEX (Parent Company)	MFEX (Parent Company)
	2023	2022	2023	2022
19 Accrued expenses and deferred income				
Accrued social security contributions	1 393	1 280	180	119
Accrued holiday pay	1 959	1 926	464	415
Accrued interest	3 147	2 286	1 041	568
Accrued expenses related parties	-	3 469	-	-
Other accrued expenses & deferred income	8 833	-	736	2 602
Total	15 331	8 960	2 421	3 704

	MFEX (Group) 2023	MFEX (Group) 2022
20 Assets held for sale		
Assets held for sale - Fondab AB		
Lending to credit institutions	-	2 189
Intangible assets	-	747
Tangible assets	-	278
Other assets	-	296
Prepaid expenses and accrued income	-	986
Total	-	4 496

Liabilities for assets held for sale - Fondab AB

Other liabilities	-	2 766
Accrued expenses and deferred income	-	180
Total	-	2 946

Total	-	1 550
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	MFEX (Group) 2023	MFEX (Group) 2022
Net income from operations held for sale		

Operating income

Commission income	-	2 516
Interest income	-	444
Interest expense	-	-1
Net profit/loss from financial transactions	-	1 470
Other operating income	-	4 429

Operating expenses

General administrative expenses	-	-3 659
Depreciation/impairment of tangible and intangible assets	-	-338
Other operating expenses	-	-51
Total operating expenses	-	-4 048

Tax on profit/loss for the year	-	-85
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Net income from operations held for sale	-	296
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	MFEX (Group) 2023	MFEX (Group) 2022	MFEX (Parent Company) 2023	MFEX (Parent Company) 2022
21 Pledged assets				
Pledged assets that guarantee direct pensions to employees	92	137	92	137
Total	92	137	92	137

	MFEX (Group) 2023	MFEX (Group) 2022	MFEX (Parent Company) 2023	MFEX (Parent Company) 2022
22 Managed assets not recognised in the balance sheet				
Client's assets	104 723	116 720	104 723	59 507
Total	104 723	116 720	104 723	59 507

Managed assets acquired in the name of a third party are not recognised in the balance sheet.

23 Equity

Number of outstanding shares in the parent company	Number
2022-12-31	17 615 365
Nothing to report	-
2023-12-31	17 615 365

	MFEX (Group) 2023	MFEX (Group) 2022
<i>Translation reserves (including tax)</i>		
At the beginning of the year	284	155
Translation differences from translation of net assets in subsidiaries	267	129
Total	551	284

	MFEX (Parent Company) 2023	MFEX (Parent Company) 2022
<i>Development expenditures fund</i>		
At the beginning of the year	3 329	9 075
Provision for the year	1 420	297
Amortisation for the year	-1 152	-125
Impairment for the year	-	-5 918
Total	3 597	3 329

Downstream merger

In 2022, MFEX Holding AB (corp. Reg. No. 559097-5735) was merged into MFEX Mutual Funds Exchange AB through a downstream merger. The merger is recognized as of the merger date is 20th of December 2022, but is presented as if it has been merged throughout the year as such the opening balance is adjusted and a corresponding merger difference is recognized. MFEX Holding AB net results of -390 kEUR is included in MFEX Mutual Funds Exchange AB income statement during 2022 until the registration of the merger with Swedish Companies Registration Office. See further below condensed balance sheet presenting the size of the transferring company (MFEX Holding AB) assets and liabilities immediately preceding the transfer to the acquiring company (MFEX Mutual Funds Exchange AB).

Merger difference calculation	MFEX Mutual Funds Exchange		
	AB	MFEX Holding AB	Merger
Condensed Balance Sheet	2021-12-31	2021-12-31	2021-12-31
Assets			
Lending to credit institutions	26 416	18 168	44 584
Deferred tax asset	3 966	227	4 193
Other assets	85 640	1	85 641
Remaining assets	120 136		120 136
Total assets	236 158	18 396	254 554
Liabilities and provisions			
Other liabilities	128 241	23	128 264
Accrued expenses and deferred income	1 964	82	2 046
Provisions	190		190
Total liabilities and provisions	130 395	105	130 500
Equity			
Share capital	169		169
Statutory reserve	1 453		1 453
Development expenditures fund	9 075		9 075
Total restricted equity	10 697	-	10 697
Free share premium reserve	10 351		10 351
Retained earnings	101 465		101 465
Merger difference recognised in equity		18 291	18 291
Profit/loss for the year	-16 750		-16 750
Total non-restricted equity	95 066	18 291	113 357
Total equity	105 763	18 291	124 054
Total liabilities, provisions and equity	236 158	18 396	254 554

24 Terms for assets and liabilities – non-discounted cash flows

Remaining time to maturity

Group – 31 Dec 2023

<u>Assets</u>	<u>Payable on demand</u>	<u>< 12 months</u>	<u>1-5 years</u>	<u>Without maturity</u>	<u>Total</u>
Lending to credit institutions	102 274	-	-	-	102 274
Bonds and other interest bearing securities	-	15 000	-	-	15 000
Shares and participations, other	-	-	-	25 701	25 701
Intangible assets	-	-	-	4 157	4 157
Tangible assets	-	-	-	7 316	7 316
Deferred tax assets	-	-	13 220	-	13 220
Other assets	-	233 787	-	-	233 787
Accrued income / Contract assets	-	6 920	-	-	6 920
Total assets	102 274	255 707	13 220	37 174	408 375

<u>Liabilities and provisions</u>	<u>Payable on demand</u>	<u>< 12 months</u>	<u>1-5 years thout maturity</u>	<u>Total</u>
Other liabilities	-	335 050	-	335 050
Accrued expenses and deferred income	-	15 331	-	15 331
<u>Other provisions</u>	-	-	6 339	6 339
Total liabilities and provisions	-	350 381	6 339	356 720

Parent Company – 31 Dec 2023

<u>Assets</u>	<u>Payable on demand</u>	<u>< 12 months</u>	<u>1-5 years</u>	<u>Without maturity</u>	<u>Total</u>
Lending to credit institutions	61 853	-	-	-	61 853
Bonds and other interest bearing securitites	0	-	-	0	0
Shares and participations in Group companies	-	-	-	97 846	97 846
Shares and participations, other	-	-	-	11 823	11 823
Intangible assets	-	-	-	3 574	3 574
Tangible assets	-	-	-	897	897
Deferred tax assets	-	-	7 945	-	7 945
Other assets	-	98 073	-	-	98 073
Prepaid expenses and accrued income	-	9 559	-	-	9 559
Total assets	61 853	107 632	7 945	114 140	291 570

<u>Liabilities</u>	<u>Payable on demand</u>	<u>< 12 months</u>	<u>1-5 years</u>	<u>Without maturity</u>	<u>Total</u>
Other liabilities	-	135 208	38 315	-	173 523
Accrued expenses and deferred income	-	2 421	-	-	2 421
Total liabilities	-	137 630	38 315	-	175 945

Group – 31 Dec 2022

Assets	Payable on demand	< 12 months	1-5 years	Without maturity	Total
Lending to credit institutions	72 410	-	-	-	72 410
Bonds and other interest bearing securities	-	15 000	-	-	15 000
Shares and participations, other	-	-	-	24 949	24 949
Intangible assets	-	-	-	3 863	3 863
Tangible assets	-	-	-	4 280	4 280
Deferred tax assets	-	-	12 063	-	12 063
Other assets	-	190 653	-	-	190 653
Accrued income / Contract assets	-	11 349	-	-	11 349
Assets held for sale	-	4 496	-	-	4 496
Total assets	72 410	221 498	12 063	33 092	339 063

Liabilities and provisions	Payable on demand	< 12 months	1-5 years thout maturity	Without maturity	Total
Other liabilities	-	266 955	-	-	266 955
Accrued expenses and deferred income	-	8 960	-	-	8 960
Other provisions	-	-	7 526	-	7 526
Liabilitites for assets held for sale	-	2 946	-	-	2 946
Total liabilities and provisions	-	278 862	7 526	-	286 388

Parent Company – 31 Dec 2022

Assets	Payable on demand	< 12 months	1-5 years	Without maturity	Total
Lending to credit institutions	29 321	-	-	-	29 321
Bonds and other interest bearing securitites	-	10 000	-	-	10 000
Shares and participations in Group companies	-	-	-	103 129	103 129
Shares and participations, other	-	-	-	8 501	8 501
Intangible assets	-	-	-	3 257	3 257
Tangible assets	-	-	-	426	426
Deferred tax assets	-	-	7 381	-	7 381
Other assets	-	80 837	-	-	80 837
Prepaid expenses and accrued income	-	10 371	-	-	10 371
Total assets	29 321	101 208	7 381	115 313	253 222

Liabilities	Payable on demand	< 12 months	1-5 years	Without maturity	Total
Other liabilities	-	106 965	28 669	-	135 634
Accrued expenses and deferred income	-	3 704	-	-	3 704
Total liabilities	-	110 669	28 669	-	139 338

There are no assets or liabilities in the Group or Parent Company with a remaining term of up to 3 months, or more than 3 months up to 1 year, or a remaining term of more than 5 years.

25 Financial instruments

Group – 31 Dec 2023

Financial assets	Amortised cost	Fair value through profit/loss	Fair value through OCI	Total
Lending to credit institutions	102 274	-	-	102 274
Bonds and other interest bearing securities	15 000	-	-	15 000
Shares and participations, other	-	-	25 701	25 701
Other assets	233 787	-	-	233 787
Accrued income / Contract assets	6 920	-	-	6 920
Financial liabilities				
Other liabilities	332 760	-	-	332 760
Accrued expenses	13 938	-	-	13 938

Parent Company – 31 Dec 2023

Financial assets	Amortised cost	Fair value through profit/loss	Fair value through OCI	Total
Lending to credit institutions	61 853	-	-	61 853
Bonds and other interest bearing securities	-	-	-	0
Shares and participations, other	-	-	11 823	11 823
Other assets	96 406	-	-	96 406
Accrued income / Contract assets	6 948	-	-	6 948
Financial liabilities				
Other liabilities	173 205	-	-	173 205
Accrued expenses	2 241	-	-	2 241

Group – 31 Dec 2022

Financial assets	Amortised cost	Fair value through profit/loss	Fair value through OCI	Total
Lending to credit institutions	72 410	-	-	72 410
Bonds and other interest bearing securities	15 000	-	-	15 000
Shares and participations, other	-	-	24 949	24 949
Other assets	189 916	-	-	189 916
Accrued income / Contract assets	9 278	-	-	9 278
Financial liabilities				
Other liabilities	266 745	-	-	266 745
Accrued expenses	7 681	-	-	7 681

Parent Company – 31 Dec 2022

Financial assets	Amortised cost	Fair value through profit/loss	Fair value through OCI	Total
Lending to credit institutions	29 321	-	-	29 321
Bonds and other interest bearing securities	10 000	-	-	10 000
Shares and participations, other	-	-	8 501	8 501
Other assets	77 319	-	-	77 319
Accrued income / Contract assets	9 410	-	-	9 410
Financial liabilities				
Other liabilities	135 506	-	-	135 506
Accrued expenses	3 586	-	-	3 586

Group 31 Dec 2023

Financial instruments valued at fair value	Level 1	Level 2	Level 3
Equity funds	-	25 701	-
Total	-	25 701	-

Parent company 31 Dec 2023

Financial instruments valued at fair value	Level 1	Level 2	Level 3
Equity funds	-	11 823	-
Total	-	11 823	-

Group 31 Dec 2022

Financial instruments valued at fair value	Level 1	Level 2	Level 3
Equity funds	-	24 949	-
Total	-	24 949	-

Parent company 31 Dec 2022

Financial instruments valued at fair value	Level 1	Level 2	Level 3
Equity funds	-	8 501	-
Total	-	8 501	-

The Company uses the following hierarchy to determine and present the fair value of financial instruments per the valuation method:

Level 1: quoted (unadjusted) prices from financial markets for identical assets and liabilities.

Level 2: other valuation methods where all input data that has a significant effect on the stated fair value is observable data, either directly or indirectly.

The Euroclear Treasury Fund BE-R (recorded as financial assets designated at FVOCI) rely on two common investment funds, which are all managed by two custodians domiciled in Belgium and Luxembourg.

A financial asset is classified and measured at FVOCI if it is not designated as FVPL, and if it meets both of the following conditions: it is held for collection of contractual cash flows and for selling the assets, and its cash flows represent solely payments of principal and interest. A financial asset classified and measured at FVOCI is recognised in the balance sheet on settlement date at fair value less any directly related transaction costs. Gains or losses arising from changes in the fair value are recognised directly in equity, until the asset is either sold or matures, at which time the cumulative gain or loss previously recognised in equity is released to the income statement.

Such structures enable MFEX group entities to invest their regulatory cash and to some extent their surplus cash positions under strict rules such as to invest into EUR government or supra-national ECB eligible securities with rating, maturities, duration and concentration limitations.

Level 3: valuation method where input data that has a significant effect on stated fair value is not based on observable market information.

During the reporting period ending 31 December 2023, no fair value transfers were made between the levels.

	MFEX (Group) 2023	MFEX (Group) 2022	MFEX (Parent Company) 2023	MFEX (Parent Company) 2022
Equity funds				
Opening balance	24 949	-	8 501	-
Acquisition of instrument	59	25 027	3 009	8 528
Fair value adjustment	693	-78	313	-27
Closing balance	25 701	24 949	11 823	8 501

26 Capital adequacy analysis

For the determination of MFEX Mutual Funds Exchange AB ("MFEX")'s statutory capital requirements, the Act (2014:968) on special supervision of credit institutions and investment firms and IFR apply.

IFR (Investment Firms Regulation) /IFD (Investment Firms Directive) replaced CRR/CRD for all securities companies during the year from 26 June 2021. During the first 5 years, there are transition rules implying that the companies can apply a lower capital adequacy requirement which is equivalent to two times the Pillar 1 requirement according to the version of the CRR Regulation (EU) No. 575/2013, which would have been applicable if MFEX had continued to be covered by the capital adequacy requirements in the regulation in its changed wording according to Regulation (EU) 2019/630. As a consequence of the acquisition by Euroclear, MFEX investment firm group was dissolved in Q4 2021, and MFEX is now part of the Euroclear banking group.

Internal capital and risk assessment (ICARA)

MFEX shall make an assessment of the internal Pillar II capital requirement (ICARA). This assessment is forward-looking and is based on the company's strategic plans. In the assessment, all significant risks must be taken into account. The assessment is conducted by comparing the regulatory capital requirements with the company's internally assessed capital requirements. If any of the internally assessed requirements exceed the regulatory requirement, the difference is allocated as a supplement.

The ICARA report is prepared by MFEX at least once per year, or more frequently if significant changes have occurred in the firm. The risk function is responsible for the implementation of the report. The ICARA is the basis for current and future operations and includes a financial buffer for unforeseen events based on stress tests. The process also includes assessing whether management and control is effective in managing and controlling MFEX risks. The ICARA is used as a basis for decisions regarding the capital structure in, for example, decisions on dividends.

The ICARA exercise conducted early 2024 and approved by the Board demonstrates that MFEX has sufficient projected financial resources at its disposal to cover the risks to which the company is or could be exposed to during the foreseeable future.

Capital requirement – Pillar I

According to IFR, the new Pillar I requirement is based on the highest of the Permanent minimum capital requirement, the K-factor requirement and Fixed overheads requirement. MFEX has chosen to apply the transitional provisions according to Article 57 of IFR, which limits the capital requirement to a maximum of twice the capital requirement according to CRR.

Permanent minimum capital requirement

In accordance with Article 14 of IFR, MFEX has a minimum capital requirement corresponding to KEUR 150.

K-factor requirement

The K-factor requirement is calculated for RtC, RtF and RtM in accordance with Article 15 of IFR. A summary of the company's risks related to the above categories is shown in the table below.

Risk-to-Client (RtC)	The company calculates a capital requirement based on the K-factors K-CMH, K-ASA and K-COH in the category RtC.
Risk-to-Market (RtM)	The company has no exposures in the category RtM.
Risk-to-Firm (RtF)	The company calculates a capital requirement based on the K-factor K-DTF in the category RtF.

An evaluation of MFEX K-factor requirements is given in the table below.

K-factor requirement, KEUR

Risk category	Amount		K-factor requirement	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
RtC			28 149	38 977
- Of which: K-CMH	63 840	67 299	255	269
- Of which: K-ASA	69 378 064	96 425 982	27 751	38 570
- Of which: K-COH	142 833	137 546	143	138
RtF			165	296
- Of which: K-DTF	165 311	295 538	165	296
RtM			-	-
Total			28 315	39 273

Fixed overheads requirement

The capital requirement based on fixed overheads is calculated as 25% of the previous year's fixed overheads in accordance with Article 13 of IFR. A summary is given in the table below.

Fixed overheads requirement, KEUR

Entry	Amount	
	2023-12-31	2022-12-31
Total expenses of the previous year after distribution of profits	51 497	63 948
Total deductions	-	-
Total fixed overheads of the previous year	51 497	63 948
Fixed overheads requirement	12 874	15 987

Transitional provisions

The capital requirement under the transitional provisions under Article 57 of the IFR is calculated as two times 8% of the total risk exposure amount in accordance with CRR.

Total Pillar I requirement

The total capital requirement (Pillar I) is shown in the table below.

Total capital requirement, KEUR

Entry	Amount	
	2023-12-31	2022-12-31
Permanent minimum capital requirement	150	150
Fixed overheads requirement	12 874	15 987
K-factor requirement	28 315	39 273
Capital requirement based on transitional provisions	36 324	34 405
Total capital requirement (transitional provisions)	36 324	34 405

Information on own funds, KEUR

**Template EU IF CC1.01 -
Composition of regulatory own
funds (Investment firms other
than small and non-
interconnected)**

		a)		b)
		Amounts		Source based on reference numbers/letters of the balance sheet in the audited financial statements
Common Equity Tier 1 (CET1) capital: instruments and reserves				
		2022-12-31	2022-12-31	
1	OWN FUNDS	106 278	104 908	
2	TIER 1 CAPITAL	106 278	104 908	
3	COMMON EQUITY TIER 1 CAPITAL	106 278	104 908	
4	Fully paid-up capital instruments	169	169	FPCI
5	Share premium	10 351	10 351	SP
6	Retained earnings	99 012	113 288	RE
7	Accumulated other comprehensive income	249	-21	OCI
8	Other reserves	5 050	4 782	RES
9	Minority interest given recognition in CET1 capital			
10	Adjustments to CET1 due to prudential filters			
11	Other funds			
12	(-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	-8 552	-23 662	
13	(-) Own CET1 instruments			
14	(-) Direct holdings of CET1 instruments			
15	(-) Indirect holdings of CET1 instruments			
16	(-) Synthetic holdings of CET1 instruments			
17	(-) Losses for the current financial year	-	-15 260	LY
18	(-) Goodwill			IA
19	(-) Other intangible assets	-607	-1 020	IA
20	(-) Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	-6 934	-6 306	DTA
21	(-) Qualifying holding outside the financial sector which exceeds 15% of own funds			
22	(-) Total qualifying holdings in undertaking other than financial sector entities which exceeds 60% of its own funds			
23	(-) CET1 instruments of financial sector entities where the institution does not have a significant investment			
24	(-) CET1 instruments of financial sector entities where the institution has a significant investment			
25	(-) Defined benefit pension fund assets			
26	(-) Other deductions	-1 011	-1 076	OD
27	CET1: Other capital elements, deductions and adjustments			
28	ADDITIONAL TIER 1 CAPITAL			

29	Fully paid up, directly issued capital instruments			
30	Share premium			
31	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1			
32	(-) Own AT1 instruments			
33	(-) Direct holdings of AT1 instruments			
34	(-) Indirect holdings of AT1 instruments			
35	(-) Synthetic holdings of AT1 instruments			
36	(-) AT1 instruments of financial sector entities where the institution does not have a significant investment			
37	(-) AT1 instruments of financial sector entities where the institution has a significant investment			
38	(-) Other deductions			
39	Additional Tier 1: Other capital elements, deductions and adjustments			
40	TIER 2 CAPITAL			
41	Fully paid up, directly issued capital instruments			
42	Share premium			
43	(-) TOTAL DEDUCTIONS FROM TIER 2			
44	(-) Own T2 instruments			
45	(-) Direct holdings of T2 instruments			
46	(-) Indirect holdings of T2 instruments			
47	(-) Synthetic holdings of T2 instruments			
48	(-) T2 instruments of financial sector entities where the institution does not have a significant investment			
49	(-) T2 instruments of financial sector entities where the institution has a significant investment			
50	Tier 2: Other capital elements, deductions and adjustments			

Template EU IFCC2: Own funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements, KEUR

		a		c
		Balance sheet as in published/ audited financial statements		Cross reference to EU IF CC1
		As at period end		
Assets – Breakdown by asset classes according to the balance sheet in the published/audited financial statements				
		2023-12-31	2022-12-31	
1	Lending to credit institutions	61 853	29 321	
2	Bonds and other interest-bearing securities	-	10 000	
3	Shares and participations in Group companies	97 846	103 129	
4	Shares and participations, other	11 823	8 501	
5	Intangible assets	3 574	3 257	IA
6	Tangible assets	897	426	
7	Deferred tax assets	7 945	7 381	DTA, OD
8	Other assets	98 073	80 837	
9	Prepaid expenses and accrued income	9 559	10 371	
10	Total Assets	291 569	253 222	
Liabilities and Provisions - Breakdown by liability classes according to the balance sheet in the published/audited financial statements				
1	Other liabilities	173 523	135 634	
2	Accrued expenses and deferred income	2 421	3 704	
3	Provisions	796	575	
4	Total Liabilities and Provisions	176 740	139 913	
Shareholders' Equity				
1	Share capital	169	169	FPCI
2	Statutory reserve	1 453	1 453	RES
3	Development expenditures fund	3 597	3 329	RES
4	Free Share premium reserve	10 351	10 351	SP
5	Fair value reserve	249	-21	OCI
5	Retained earnings	97 665	113 288	RE
6	Profit/loss for the year	1 347	-15 260	LY
7	Total Shareholders' equity	114 830	113 309	

Template EU IF CCA: Own funds: main features of own instruments issued by the firm

		a
1	Issuer	MFEX Mutual Funds Exchange AB
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Public or private placement	Private
4	Governing law(s) of the instrument	Swedish law
5	Instrument type (types to be specified by each jurisdiction)	Share capital
6	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	0,169 MEUR
7	Nominal amount of instrument	168 729,55 EUR
8	Issue price	168 729,55 EUR
9	Redemption price	N/A
10	Accounting classification	Equity
11	Original date of issuance	1998-09-03
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity date
14	Issuer call subject to prior supervisory approval	N/A
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	N/A
20	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary
21	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary
22	Existence of step up or other incentive to redeem	N/A
23	Noncumulative or cumulative	N/A
24	Convertible or non-convertible	N/A
25	If convertible, conversion trigger(s)	N/A
26	If convertible, fully or partially	N/A
27	If convertible, conversion rate	N/A
28	If convertible, mandatory or optional conversion	N/A
29	If convertible, specify instrument type convertible into	N/A
30	If convertible, specify issuer of instrument it converts into	N/A
31	Write-down features	N/A
32	If write-down, write-down trigger(s)	N/A
33	If write-down, full or partial	N/A
34	If write-down, permanent or temporary	N/A
35	If temporary write-down, description of write-up mechanism	N/A
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A
38	Link to the full term and conditions of the instrument (signposting)	See Articles of Association
(1) Insert 'N/A' if the question is not applicable		

27 Risk management objectives and policies

Risk is inherent in the business operations of MFEX. The risk management framework for MFEX and the Group allows the organization to continuously evaluate and assess the risk exposure. The risk management framework is an integrated part of the decision-making process of the Group and thus contribute to the fulfilment of the objectives of the organization. Furthermore, the risk management framework incorporates strategies, processes and reporting lines that are necessary to continuously identify, assess, manage, control and report the risks associated with the business. As such the risk management framework is key for a true and fair internal capital and liquidity adequacy assessment.

Risk shall be kept at the lowest level possible while considering business strategy, market sentiment, regulatory requirements and capacity to absorb losses through earnings and capital. Risks that are not supported by established business plans shall not be taken. Risk management shall be conducted according to sound practice so that the relationship between risk and expected return is optimized.

Overview of MFEX risks and risk exposures

MFEX's operations primarily entail exposure to operational risks since the companies do not conduct any lending activities or maintain their own trading book. MFEX is active in identifying and managing the operational risks that arise in the business. This is achieved by charting and monitoring the material processes, internal limits and risk indicators in operations. MFEX's risk function also performs regular controls and recurring risk analyses. MFEX's risk management is, moreover, subject to regular evaluation through internal audits. MFEX pays particular attention to ensure that operations are always conducted without disruptions and interruption which is achieved by using fully redundant solutions for key components such as power, network, workplace, data storage and computer capacity, as well as well-developed work with business continuity management.

Since implementation of IFR (Investment Firms Regulation) MFEX has mapped its internally assessed risk with risk definitions according to IFR. According to IFR, risks are to be categorized into Risk-to-Firm ("RtF"), Risk-to-Client ("RtC"), Risk-to-Market ("RtM") and Liquidity risk. MFEX has categorized their risks according to the table below.

Assessed risks	Risk type	Risk area
Credit risk	RtF, RtC	Bank deposits and claims against fund companies
Market risk	RtF	FX positions held in trading process and FX positions held in rebates collection
Operational risk	RtC, RtF	Identified largest operational risks
Business risk	RtF	Risk that the company is not achieving its aimed, predicted financial results or the risk to its solvency or ability to meet capital requirements, for instance due to unexpected decrease in profitability; improper business decisions; lack of responsiveness towards changes impacting business objectives
Liquidity risk	Liquidity	Risk that MFEX does not have liquid assets available to meet its short-term obligations.

Credit risk

Credit risk is the risk of financial loss due to a counterparty's failure to meet its obligations. MFEX conducts no lending operations but is exposed to credit risk in the form of deposits in bank and trading accounts as well as custody activity and rebates collection. The credit risk that arises from bank deposits is a risk that targets the firm directly and is thus recognized as a risk to firm and shall be assigned to RtF. On the other hand, trading, rebate and fee collections is considered a risk to client since disturbances in this process could cause delays in payments and ultimately costs for the clients. These risks will therefore be assigned to RtC.

To limit the credit risk that arises from bank and trading accounts, MFEX deposits funds only with institutions/banks with a minimum rating requirement equivalent to a long-term S&P rating of A or short-term minimum rating of A-1. MFEX further continuously monitors the development of the deposit bank rating, and the risk control function provides quarterly reports to the board. To limit credit risk that arises from the rebates collection operations MFEX has a distributor agreement which allows for MFEX to retrieve any advance rebate payments to distributors if a fund company defaults in paying rebates to MFEX. Further, MFEX is also restrictive and will not enter into fund company agreements with a current or expected distressed financial situation.

Market risk

MFEX is not engaged in trading on its own books, due to its business model, MFEX is exposed to market risk primarily in the form of FX risk, which is materialized in the Trading- and the Rebates collection processes. Market risk is a risk that targets the firm directly and is thus recognized as a risk to firm and shall be assigned to RtF.

Market risks that arise from trading and custody accounts are limited by adding an additional spread to exchange rates to cover for the risk of potential losses due to movements in currencies. Open FX-positions in the trading flow are monitored on a daily basis. Market risks that arise from rebates collection is limited by performing a currency exchange to cover for remaining currency differences after netting assets and liabilities have been done.

Operational risk

Operational risk is the risk of losses resulting from inadequate or failed internal processes, people, and systems or from external events. It is inherent in every business organisation and covers a wide spectrum of issues, including the following categories:

- Legal Risk
- Compliance Risk
- HR Risk
- Personnel Risk
- Process and Product Risk
- IT Risk
- Third party Risk

The operational risks affect both the firm directly and the clients, depending on the individual risk. The operational risks that affect the firm are those that affect the support functions such as Finance or Human Resources and the control functions and are assigned to RtF. The operational risks that affect the clients are mainly linked to the Operations and IT functions and are assigned to RtC. To identify and assess operational risk for MFEX Group self-assessments are performed. Relevant operational risks are identified, and their materiality is assessed by determining inherent and residual risk in terms of impact and probability and taking into account the control environment in the analysis.

The technical development and support of MFEX's technical trading platform and IT security is highly important for sound and long-term profitability. It is therefore part of MFEX's strategy to constantly develop and improve its IT system. MFEX has implemented processes with efficient controls of system development, change management, incident management and authorisation management that are also part of the audit in the MFEX ISAE 3402 report. To ensure the appropriate handling of classified information in terms of availability, accessibility, accuracy and traceability, MFEX has devised and implemented an information security policy, Group Policy for Information Security. Examples of risk of losses arising due to external events outside of MFEX's control include fire on MFEX's premises, burglary, prolonged power failure and technical breakdowns. These risks have been minimised as MFEX has created a fully redundant solution for all key components, such as power, network, workplace, data storage and computer capacity. This is documented in the MFEX Group Policy BCMS (Business Continuity Management System).

Business risk

Business risk is the risk of decreasing revenues due to business climate changes, political decisions, economic recession, and similar macro-factors inherent to an organization's operations and the environment it operate in that may impair its ability to provide returns on investment. The primary business risk for MFEX is the loss of key clients (distributors) through changes in market demand. Business risk have an effect on the firm directly and are therefore assigned to RtF.

The client base has steadily been increasing during the last years and MFEX focuses on nurturing a close relationship with its largest clients and is continuously working to expand the client base.

Liquidity risk

Liquidity risk is the risk that MFEX does not have liquid assets available, or available without incurring significant cost, to meet its short-term obligations. MFEX is exposed to liquidity risk primarily through its operational expenses and in the process of rebates collection where fund distributors are to an extent paid before MFEX receive payment from the fund companies, and when early payments of redemption orders are made towards Distributors. The liquidity risks taken shall be limited, and no speculative elements shall occur in the daily operations. MFEX has assessed its business to be less complex and the company does not have a role as liquidity guarantor in the market.

Liquidity is continuously monitored and procedures for the management of potential or current liquidity deficit have been established which describes the minimum level of liquidity that MFEX shall hold. This includes liquidity reviews before payment of non-custody rebates to distributors and early payments of redemption orders, as well as recurring review of reallocation of liquidity between banks. Further details are found in the Policy on Liquidity Risk Management.

The Board has decided that the liquidity risk shall be limited, and no speculative elements shall occur in the day-to-day operations. Available liquidity shall consist of investments in treasury funds, term deposits and holdings at banks that meet the requirements of Article 43 of the IFR, which corresponds to at least one third of the requirement based on fixed expenses in accordance with Article 13 (1) of the IFR ("Regulatory requirement under IFR"). A larger internal limit is used for management monitoring of the liquidity situation as defined in the Policy on Risk Appetite and Risk Limits. The MFEX Finance function manages the on-balance sheet liquidity flows and must immediately inform Risk Control and the CEO if the total liquidity is less than or may be less than the liquidity limit based on, for example, forecasts.

Available liquidity	2023	2022
Lending to credit institutions	61 853	29 321
Bonds and other interest bearing securities	-	10 000
Shares and participations, other (haircut 20%)	9 458	6 801
Total	<u>71 311</u>	<u>46 122</u>
Financing sources		
Loans with related parties	46 129	42 524
Other liabilities, accrued expenses and deferred income, provisions	130 610	97 389
Equity	114 830	113 309
Balance sheet total	<u>291 569</u>	<u>253 222</u>
Regulatory liquidity requirement		
Regulatory requirement under IFR	4 291	5 329
Surplus against regulatory requirement	67 020	40 792

28 Related party disclosures

Related parties are defined in accordance with IAS 24 Related party disclosures. Related party transactions are conducted on normal commercial terms. Parent Company holds a controlling interest in Global Fund Watch GFW AB, MFEX Singapore Pte. Ltd., MFEX Suisse S.A., MFEX France S.A., MFEX Malaysia SDN. BHD, MFEX Hong Kong Limited, and MFEX Luxembourg S.A which are all wholly owned. The Group also has related party transactions to Euroclear Investment S.A and Euroclear SA/NV.

MFEX Mutual Funds Exchange AB:	MFEX (Parent Company)	MFEX (Parent Company)
	2023	2022
The company's receivables from MFEX Malaysia sdn Bhd	1 523	-
The company's receivables from Global Fund Watch Gfw AB	554	-
The company's receivables from Euroclear SA/NV	-	100
The company's receivables from Euroclear Sweden	28	-
The company's receivables from MFEX France SA	1 054	-
The company's receivables from Euroclear France	180	-
The company's liabilities to Global Fund Watch Gfw AB	-15	-
The company's liabilities to MFEX Singapore Pte. Ltd.	-693	-463
The company's liabilities to MFEX France SA	-30 884	-20 058
The company's liabilities to MFEX Suisse SA	-336	-436
The company's liabilities to MFEX Malaysia sdn Bhd	-845	-1 649
The company's liabilities to MFEX Luxembourg S.A.	-7 058	-6 679
The company's liabilities to MFEX Hong Kong Ltd	-141	-127
The company's liabilities to Euroclear Poland	-408	-
The company's liabilities to Euroclear Bank SA/NV	-860	-
The company's liabilities to Euroclear Belgium SA	-7 112	-
The company's liabilities to Euroclear Investments SA	-6 639	-16 669
Total	<u>-51 652</u>	<u>-45 981</u>

For information regarding remuneration to senior executives, refer to Note 6.

29 Events after balance sheet date

In March 2024, MFEX Luxembourg SA proposed to MFEX Mutual Funds Exchange AB (as shareholder) to reduce its capital to an amount proportionate to remaining administrative support services provided by MFEX Luxembourg to MFEX Mutual Funds Exchange AB.

30 Proposed appropriation of profit

The Board's proposed appropriation of the Parent Company's profit.

	MFEX (Parent Company) 2023	MFEX (Parent Company) 2022
At the disposal of the Annual General Meeting:		
Free share premium reserve	10 350 810	10 350 810
Fair value reserve	248 683	-21 117
Retained earnings	97 666 022	113 288 829
Profit/loss for the year	1 347 032	-15 260 222
Total	<u>109 612 548</u>	<u>108 358 300</u>

	MFEX (Parent Company) 2023	MFEX (Parent Company) 2022
The Board proposes the following appropriation:		
To be paid to shareholders (EUR 0.00 per share)	-	-
To be carried forward	109 612 548	108 358 300
Total	<u>109 612 548</u>	<u>108 358 300</u>

Stockholm, according to the date of digital signature

Oliver Lagerström

Chairman

Carl Palmér

CEO

Olivier Huby

René-Pierre Azria

Paul Hurd

Philippe Laurensy

Sophie Lecloux

Our auditor's report was submitted in Stockholm, according to the date of digital signature

Deloitte AB

Henrik Nilsson

Authorised Public Accountant