

2022120209641

Årsredovisning för  
**Snow Software AB**  
556664-0263

Räkenskapsåret  
**2021-01-01 - 2021-12-31**

Undertecknad styrelseledamot i Snow Software AB intygar härmed dels att denna kopia av årsredovisningen överensstämmer med originalet, dels att resultat- och balansräkningen fastställts på årsstämma 2022-11-26. Stämman beslöt också att godkänna styrelsens förslag till resultatdisposition vilket innebar en vinstutdelning om 120,000,000 kr.

Stockholm 2022 - 11 - 26

  
Jonas Ullman  
Styrelseledamot

2022120209642

**Innehållsförteckning:**

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## Förvaltningsberättelse

Styrelsen för Snow Software AB, 556664-0263 med säte i Stockholm får härmed avge årsredovisning för 2021. Redovisningsvaluta för bolaget är i svenska kronor. Samtliga belopp i årsredovisningen är redovisade i tusentals kronor om inte annat angivits.

### Allmänt om verksamheten

#### Ägarförhållanden

100% av rösterna i Snow Software AB ägs av Snow Software Ltd, Storbritannien. Snow Software Ltd ägs i sin tur till 100% av Snow Software US, Inc med säte i Delaware, USA.

#### Koncernförhållanden

Snow Software AB ägde vid räkenskapsårets utgång till 100% dotterbolag i Sverige och Hong Kong.

#### Information om verksamheten

Snow Software är världsledande inom områdena SAM (Software Asset Management), CMP (Cloud Management Platforms), SaaS (Software-as-a-Service) management, och HAM (Hardware Asset Management). Snows teknologiska plattform inventerar, upptäcker och hanterar programvara, applikationer, hårdvara och molninstanser över flera plattformar i kundens IT miljö. Företagets lösningar och tjänster används av olika organisationer för att analysera, hantera och administrera programvara, applikationer, enheter och molnmiljöer, från små företag till stora multinationella koncerner och offentliga myndigheter.

Snow Software AB har begränsad extern försäljning, bolagets kärnverksamhet är att bedriva produktutveckling samt tillhandahålla koncerngemensamma tjänster till övriga koncernbolag runt om i världen. Koncernen har dotterbolag runt om i världen som bedriver säljverksamhet.

#### Information om risker och osäkerhetsfaktorer

Bolaget hanterar risker och osäkerheter proaktivt genom väl etablerade lokala och globala processer vilka kontinuerligt granskas och förbättras. Kredit-, valuta- och likviditetsrisker hanteras enligt nedan:

#### Kreditrisker

Kreditrisken är risken att en kund eller någon annan part i en transaktion med ett finansiellt instrument inte kan fullgöra sitt åtagande, vilket för bolaget består av kreditexponering genom kundfordringar. Bolagets kundfordringar avser framförallt koncerninterna fordringar på dotterbolag. Dotterbolagen har i sin tur externa kundfordringar. Koncernen har en diversifierad kundportfölj och en väl fungerande kredithantering som hittills inneburit att bolaget inte har drabbats av kundförluster av betydelse.

#### Valutarisker

Valutarisk avser risken att ändrade valutakurser får negativ effekt på bolagets resultaträkning, balansräkning eller kassaflöde. Valutaexponering uppstår vid försäljning och inköp i andra valutor. Bolaget är exponerat för ringa transaktionsrisker gentemot externa parter. Exponeringen i utländsk valuta är dock större gentemot koncernbolagen då dessa faktureras i motpartens lokal valuta.

#### Likviditetsrisker

Likviditetsrisk avser risken att bolaget inte kan fullfölja sina ekonomiska åtaganden eller får minskad möjlighet att bedriva verksamheten på ett effektivt sätt på grund av brist på likvida medel. Koncernen har under året ingått ett nytt kreditavtal, där Snow Software AB är en av låntagarna, vilket har bidragit till ökad finansiella stabilitet.

#### Säkerheter och eventalförpliktelser

I samband med bolagets kreditavtal har vissa tillgångar ställts som säkerhet.

## Flerårsöversikt

Belopp i kkr

Nedan presenteras bolagets finansiella utveckling.

	2021-12-31	2020-12-31	2019-12-31	2018-12-31	2017-12-31
Nettoomsättning	221,903	307,430	256,214	437,435	361,691
Rörelsemarginal %	53.2	3.7	-45.2	-24.7	-47.9
Balansomslutning	1,116,648	2,016,947	1,996,467	1,148,673	1,106,609
Avkastning på eget kapital %	90	11.8	-105.7	-37.8	-57.1
Soliditet %	11.2	5.8	5.3	19	28.5

Rörelsemarginal: Rörelseresultat / Nettoomsättning.

Balansomslutning: Totala tillgångar.

Avkastning på eget kapital: Resultat efter finansiella poster / justerat eget kapital.

Soliditet: Totalt eget kapital / Totala tillgångar.

## Väsentliga händelser under räkenskapsåret

Nettoomsättningen, vilken omfattar externa intäkter samt koncerninterna licensavgifter från dotterbolagen, har minskat med 85,527 kkr (ca 28%). Detta är en kombination av minskad extern försäljning med 1,216 kkr (-5%), minskade koncerninterna licensavgifter med 104,201 kkr (37%), samt ökade intäkter från produktutveckling för övriga koncernbolags räkning. Minskningen av licensintäkter från koncernbolag och ökningen av intäkter från produktutveckling beror framförallt på att bolaget under räkenskapsåret sålt en betydande del sina immateriella rättigheter till bolagets produktportfölj.

Övriga rörelseintäkter/kostnader har netto förbättrats med 105,787 kkr (43%) vilket är en kombination av minskad fakturering av koncerngemensamma tjänster till koncernbolag (-100,292 kkr), en engångsvinst vid försäljning av immateriella rättigheter (187,063 kkr) samt mer fördelaktiga förändringar i valutakurser (19,017 kkr).

Bolaget uppvisar ett positivt rörelseresultat om 118,092 kkr (f.g. år 11,517 kkr) samt positivt resultat efter skatt om 112,032 kkr (f.g. år 10,573 kkr).

I början av 2020 spreds COVID-19-viruset i många länder runt om i världen, vilket har haft en negativ inverkan på den globala ekonomin. Koncernen som helhet kunde trots detta fortsätta att öka sina externa intäkter jämfört med föregående år.

Den 28 juni 2021 beslutade bolaget om en utdelning till det dåvarande moderbolaget Iglu Intressenter AB. Utdelningen omfattade dels en kontantutdelning om 15 mSEK och dels bolagets samtliga aktier i dotterbolagen i Storbritannien, Nederländerna, USA, Brasilien, Belgien, Frankrike, Norge, Australien, Finland, Italien, Danmark, Spanien, Mexiko, Singapore och Polen. Det bokförda värdet av dessa aktier uppgick till 62.8 mkr. Denna transaktion genomfördes som en del av en omorganisering av koncernens legala struktur och hade ingen inverkan på koncernens eller dotterbolagens operativa verksamhet.

Den 30 juni 2021 sålde bolaget en större del av sina immateriella rättigheter till systerbolagen Snow Software Inc (USA) samt Snow Software Ltd (UK) vilket resulterade i en försäljningsintäkt av engångskaraktär om ca 187 mkr. De immateriella rättigheterna avsåg framförallt licensrättigheter till de produkter som utvecklats av bolaget, samt varumärken. Denna transaktion genomfördes som en del av en omorganisering av koncernens operationella struktur och har ingen inverkan på koncernens operativa verksamhet. Däremot har transaktionen inneburit minskade licensintäkter för bolaget, samt ökade intäkter från vidarefakturering av utvecklingskostnader som numera ersätts av de nya licensägarna.

Den 7 juli 2021 ingick koncernen ett nytt avtal om extern finansiering. I och med detta återbetalades samtliga skulder till Blackrock, inklusive upplupen ränta, och kapitalisrade i det nya kreditavtalet fördelas koncernens sammanlagda kredit på ett flertal systerbolag. Bolagets andel av den nya externa finansieringen uppgår till USD 15 miljoner.

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Den 7 september 2021 beslutade bolaget om en utdelning till det dåvarande moderbolaget Iglu Intressenter AB. Utdelningen genomfördes den 9 september och omfattade bolagets samtliga aktier sitt dotterbolag i Tyskland. Det bokförda värdet av dessa aktier uppgick till 25.7 mkr. Denna transaktion genomfördes som en del av en omorganisering av koncernens legala struktur och hade ingen inverkan på koncernens eller dotterbolagens operativa verksamhet.

Den 8 december 2021 slutfördes koncernens omorganisation genom vilken det tidigare moderbolaget, Iglu Intressenter AB, fusionerats in koncernens nya moderbolag, Snow Software US, Inc, ett bolag med säte i Delaware, USA.

#### Händelser efter balansdagen

Några betydande händelser efter räkenskapsårets utgång har inte inträffat.

#### Förväntad framtida utveckling

Bolaget kommer under 2022 att fortsätta att huvudsakligen bedriva produktutveckling samt att tillhandahålla koncerngemensamma tjänster till övriga koncernbolag.

#### Forskning och utveckling

För att bevara och ytterligare stärka koncernens världsledande ställning investerar bolaget betydande resurser i forskning och utveckling beträffande bolagets programvara.

Samtliga kostnader för forskning och utveckling kostnadsförs löpande. De totala forsknings- och utvecklingskostnaderna för 2021 uppgick till 127 935 kkr (131 678 kkr).

#### Förslag till disposition av företagets vinst

Till bolagsstämmans förfogande står följande medel:

	<i>Belopp i kr</i>
Överkursfond	29,514,295
Balanserat resultat	-17,131,158
Årets resultat	112,031,677
Summa	124,414,814
Styrelsen föreslår att stående vinstmedel disponeras enligt följande:	
Till aktieägarna utdelas	120,000,000
Balanseras i ny räkning	4,414,814
Summa	124,414,814

Styrelsens yttrande enligt 18 kap. 4 § aktiebolagslagen (2005:551) presenteras vid årsstämman.

Vad beträffar resultat och ställning i övrigt hänvisas till efterföljande resultat- och balansräkning med tillhörande noter.

## Resultaträkning

<i>Belopp i kkr</i>	<i>Not</i>	<i>2021-01-01- 2021-12-31</i>	<i>2020-01-01- 2020-12-31</i>
Nettoomsättning	2,3	221,903	307,430
Övriga rörelseintäkter/(kostnader)	4	354,656	248,869
		576,559	556,299
<b>Rörelsens kostnader</b>			
Råvaror och förnödenheter	5	-31,361	-110,055
Övriga externa kostnader	5,6	-252,672	-272,213
Personalkostnader	7	-158,771	-146,635
Av/nedskrivningar av materiella och immateriella anläggningstillgångar		-15,663	-15,880
<b>Rörelseresultat</b>	3	118,092	11,516
<b>Resultat från finansiella poster</b>			
Resultat från andelar i koncernföretag		1,193	-
Ränteutgifter, valutakursvinster och liknande poster	8	101,888	178,744
Räntekostnader, valutakursförluster och liknande poster	9	-109,153	-176,595
<b>Resultat efter finansiella poster</b>		112,020	13,665
<b>Resultat före skatt</b>		112,020	13,665
Skatt på årets resultat	11	136	-1,236
Övriga skatter		-124	-1,856
<b>Årets resultat</b>		112,032	10,573

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## Balansräkning

Belopp i kkr	Not	2021-12-31	2020-12-31
<b>TILLGÅNGAR</b>			
<b>Anläggningstillgångar</b>			
<i>Immateriella anläggningstillgångar</i>			
Övriga immateriella anläggningstillgångar	12	2,191	19,952
Goodwill	13	-	3,666
		<u>2,191</u>	<u>23,618</u>
<i>Materiella anläggningstillgångar</i>			
Byggnader och mark	14	2,505	3,306
Inventarier, verktyg och installationer	15	3,099	3,567
		<u>5,604</u>	<u>6,873</u>
<i>Finansiella anläggningstillgångar</i>			
Andelar i koncernföretag	16	6,059	94,563
Fordringar hos koncernföretag	17	971,954	823,783
Andra långfristiga fordringar	18	6,659	6,845
		<u>984,672</u>	<u>925,191</u>
<b>Summa anläggningstillgångar</b>		<u>992,467</u>	<u>955,682</u>
<b>Omsättningstillgångar</b>			
<i>Kortfristiga fordringar</i>			
Kundfordringar		10,450	8,324
Fordringar hos koncernföretag		80,641	1,020,098
Aktuell skattefordran		2,056	-
Övriga fordringar		4,171	153
Förutbetalda kostnader och upplupna intäkter	19	10,227	9,711
		<u>107,545</u>	<u>1,038,286</u>
<b>Kassa och bank</b>	20	16,330	22,979
<b>Summa omsättningstillgångar</b>		<u>123,875</u>	<u>1,061,265</u>
<b>SUMMA TILLGÅNGAR</b>		<u>1,116,342</u>	<u>2,016,947</u>

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## Balansräkning

Belopp i kkr	Not	2021-12-31	2020-12-31
<b>EGET KAPITAL OCH SKULDER</b>			
<b>Eget kapital</b>	21		
Bundet eget kapital			
Aktiekapital		108	108
		<u>108</u>	<u>108</u>
Fritt eget kapital			
Överkursfond		29,514	29,514
Balanserad vinst eller förlust		-17,131	75,800
Årets resultat		112,032	10,573
		<u>124,415</u>	<u>115,887</u>
<b>Summa eget kapital</b>		<b>124,523</b>	<b>115,995</b>
<b>Avsättningar</b>			
Uppskjuten skatteskuld	22	-	106
		-	<u>106</u>
<b>Långfristiga skulder</b>	23		
Övriga skulder till kreditinstitut		131,270	661,587
Skulder till koncernföretag		317,077	222,187
Långfristiga förutbetalda intäkter		916	1,154
Övriga långfristiga skulder		-	829
		<u>449,263</u>	<u>885,757</u>
<b>Kortfristiga skulder</b>			
Leverantörsskulder		8,425	18,394
Skulder till koncernföretag		315,846	447,020
Skatteskulder		-	1,126
Kortfristiga skulder till kreditinstitut		1,357	106,488
Övriga kortfristiga skulder		24,606	28,427
Upplupna kostnader och förutbetalda intäkter	24,25	192,322	413,634
		<u>542,556</u>	<u>1,015,089</u>
<b>SUMMA EGET KAPITAL OCH SKULDER</b>		<b>1,116,342</b>	<b>2,016,947</b>

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## Kassaflödesanalys

<i>Belopp i kkr</i>	<i>Not</i>	<i>2021-01-01- 2021-12-31</i>	<i>2020-01-01- 2020-12-31</i>
<b>Den löpande verksamheten</b>			
Resultat före finansiella poster		118,092	11,517
Justeringar för poster som inte ingår i kassaflödet, m m	26	-177,279	17,069
		-59,187	28,586
Erhållen ränta		12	384
Erlagd ränta		-37,832	-71,157
Betald inkomstskatt		-3,139	-1,273
<b>Kassaflöde från den löpande verksamheten före förändringar av rörelsekapital</b>		<b>-100,146</b>	<b>-43,460</b>
<i>Kassaflöde från förändringar i rörelsekapital</i>			
Ökning(-)/Minskning (+) av rörelsefordringar		682,769	-45,554
Ökning(+)/Minskning (-) av rörelseskulder		-366,851	133,497
<b>Kassaflöde från den löpande verksamheten</b>		<b>215,972</b>	<b>44,483</b>
<b>Investeringsverksamheten</b>			
Förvärv av immateriella anläggningstillgångar			-553
Förvärv av materiella anläggningstillgångar		-1,467	-1,151
Lämnade lån och depositioner		-218,739	-25,888
Återbetalda lån och depositioner		674,244	9,165
<b>Kassaflöde från investeringsverksamheten</b>		<b>454,038</b>	<b>-18,427</b>
<b>Finansieringsverksamheten</b>			
Upptagna lån		148,646	227,301
Amortering av lån		-825,530	-234,417
<b>Kassaflöde från finansieringsverksamheten</b>		<b>-676,884</b>	<b>-7,116</b>
<b>Årets kassaflöde</b>		<b>-6,874</b>	<b>18,940</b>
Likvida medel vid årets början		22,979	5,228
Kursdifferens i likvida medel		225	-1,189
<b>Likvida medel vid årets slut</b>		<b>16,330</b>	<b>22,979</b>

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## Noter

### Not 1 Redovisningsprinciper

Belopp i kkr om inget annat anges

#### Allmänna redovisningsprinciper

Årsredovisningen har upprättats i enlighet med årsredovisningslagen och Bokföringsnämndens allmänna råd BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

#### Värderingsprinciper

Om inget annat anges nedan värderas kortfristiga fordringar till det lägsta av dess anskaffningsvärde och det belopp varmed de beräknas bli reglerade. Långfristiga fordringar och långfristiga skulder värderas efter det första värderingstillfället till upplupet anskaffningsvärde. Övriga skulder och avsättningar värderas till de belopp varmed de beräknas bli reglerade. Övriga tillgångar redovisas till anskaffningsvärde om inget annat anges nedan.

#### Immateriella anläggningstillgångar

Immateriella tillgångar som förvärvats redovisas till anskaffningsvärde minus ackumulerade avskrivningar och nedskrivningar. Företaget tillämpar den s.k. "kostnadsföringsmodellen" avseende internt upparbetade immateriella anläggningstillgångar. Metoden innebär att samtliga interna utgifter för utveckling av en tillgång kostnadsförs direkt när de uppkommer.

#### Avskrivningar

Avskrivningar redovisas i årets resultat linjärt över de immateriella tillgångarnas beräknade nyttjandeperioder. Immateriella tillgångar med bestämbara nyttjandeperioder skrivs av från den tidpunkt då de är tillgängliga för användning. Goodwill skrivs av på 5 år vilket anses spegla värdet på den infuserade verksamheten.

#### Immateriella anläggningstillgångar

	År
Goodwill	5
Övriga immateriella tillgångar	5-6

#### Materiella anläggningstillgångar

Materiella anläggningstillgångar redovisas som tillgång i balansräkningen när det på basis av tillgänglig information är sannolikt att den framtida ekonomiska nyttan som är förknippad med innehavet tillfaller företaget och att anskaffningsvärdet för tillgången kan beräknas på ett tillförlitligt sätt. Tillgångarna redovisas till anskaffningsvärde minskat med ackumulerade avskrivningar och nedskrivningar. I anskaffningsvärdet ingår förutom inköpspriset även utgifter direkt hänförliga till förvärvet.

#### Avskrivningar

Avskrivning sker linjärt över tillgångens beräknade nyttjandeperiod eftersom det återspeglar den förväntade förbrukningen av tillgångens framtida ekonomiska fördelar. Avskrivning sker med 20-33% per år grundat på bedömning av tillgångarnas ekonomiska livslängd. Avskrivningen redovisas som kostnad i resultaträkningen. Skillnaden mellan avskrivningar enligt plan och bokförda avskrivningar redovisas som bokslutsdisposition.

<i>Materiella anläggningstillgångar</i>	<i>Ar</i>
Datorer	3
Förbättringsutgifter på annans fastighet	5
Inventarier	5

#### **Leasingavtal där företaget är leasetagare**

Alla leasingavtal, såväl operationella som finansiella, redovisas som operationella leasingavtal. Leasingavgifterna enligt operationella leasingavtal redovisas som kostnad linjärt över leasingperioden.

#### **Omräkning av poster i utländsk valuta**

Fordringar och skulder i utländsk valuta har värderats till balansdagens kurs. Kursvinster och kursförluster på rörelsefordringar och rörelseskulder redovisas i rörelseresultatet medan kursvinster och kursförluster på finansiella fordringar och skulder redovisas som finansiella poster.

#### **Skatt**

Skatt på årets resultat i resultaträkningen består av aktuell skatt och uppskjuten skatt. Aktuell skatt är inkomstskatt för innevarande räkenskapsår som avser årets skattepliktiga resultat och den del av tidigare räkenskapsårs inkomstskatt som ännu inte har redovisats. Uppskjuten skatt är inkomstskatt för skattepliktigt resultat avseende framtida räkenskapsår till följd av tidigare transaktioner eller händelser. Uppskjuten skatteskuld redovisas för alla skattepliktiga temporära skillnader, dock inte för temporära skillnader som härrör från periodiseringsfonder.

#### **Intäkter**

Bolagets externa intäkter fördelas på licensintäkter, abonnemangintäkter vilka kan inkludera både licenser och underhåll, samt tjänsteintäkter. Intäkterna uppkommer via direktförsäljning till kund eller försäljning via externa partners.

Intäkter redovisas när inkomsten kan beräknas på ett tillförlitligt sätt och när huvudsakligen alla risker och rättigheter som är förknippade med ägandet övergått till köparen.

Licensförsäljning ger kunden rätt att använda en av företaget utställd licens. För dessa licenser har företaget uppfyllt sitt prestationsåtagande vid leveranstillfället och därmed redovisas även intäkten till fullo vid kundens övertagandet av rätten att använda licensen.

Abonnemangintäkter från försäljning av abonnemang vilka kan omfatta både licenser och underhåll/support redovisas linjärt i takt med att prestationsåtagandet fullgörs, det vill säga över abonnemangets löptid.

Intäkter från tjänster såsom installation, implementation och utbildning erhålls genom serviceavtal till fast eller rörligt pris. I båda fallen redovisas intäkterna i takt med att arbetet utförs. Färdigställandegraden fastställs genom att nedlagda utgifter ställs i förhållande till de totala beräknade uppdragsutgifterna, alternativt genom leveransgodkännande från kunden.

#### **Koncerngemensamma funktioner**

Bolagets verksamhet omfattar att tillhandahålla koncerngemensamma stödfunktioner och de koncernbolag som utnyttjar dessa tjänster faktureras ett marknadsmissigt pris. Dessa intäkter redovisas som övriga rörelseintäkter i bolagets resultaträkning.

### **Ersättningar till anställda**

#### **Kortfristiga ersättningar**

Kortfristiga ersättningar till anställda såsom lön, sociala avgifter, semesterersättning och bonus kostnadsförs i den period de anställda utför tjänsterna.

#### **Pensioner**

Företaget har avgiftsbestämda pensionsplaner. En avgiftsbestämd pensionsplan är en pensionsplan enligt vilket företaget betalar fasta avgifter till en separat juridisk enhet. Företaget har inte några rättsliga eller informella förpliktelser att betala ytterligare avgifter om denna juridiska enhet inte har tillräckliga tillgångar för att betala alla ersättningar till anställda som hänger samman med de anställdas tjänstgöring under innevarande period eller tidigare perioder. Företaget har därmed ingen ytterligare risk. Avgifterna till de avgiftsbestämda planerna redovisas som en kostnad i resultaträkningen i den takt de intjänas genom att de anställda utfört tjänster åt företaget under en period.

#### **Ersättningar vid uppsägning**

En kostnad för ersättningar i samband med uppsägningar av personal redovisas endast om företaget är bevisligen förpliktat, utan realistisk möjlighet till tillbakadragande, av en formell detaljerad plan att avsluta en anställning före den normala tidpunkten. När ersättningar lämnas som ett erbjudande för att uppmuntra frivillig avgång, redovisas en kostnad om det är sannolikt att erbjudandet kommer att accepteras och antalet anställda som kommer att acceptera erbjudandet tillförlitligt kan uppskattas.

#### **Finansiella instrument**

Finansiella instrument värderas utifrån anskaffningsvärdet.

#### **Bedömningar och uppskattningar**

Styrelsen har att bedöma huruvida väsentliga bedömningar eller uppskattningar föreligger och i sådana fall beskriva dessa. Styrelsen har för räkenskapsåret gjort bedömningen att inga väsentliga bedömningar eller uppskattningar föreligger som väsentligt skulle påverka räkenskaperna.

#### **Koncernredovisning**

Företaget är ett moderföretag men upprättar ingen koncernredovisning med hänvisning till undantagsregeln i årsredovisningslagen 7 kap. 2 §. Moderbolaget Snow Software US, Inc, med säte i Delaware, USA, upprättar koncernredovisning för den koncern där Snow Software AB ingår.

#### **Fordringar, skulder och avsättningar**

Om inget annat anges ovan värderas kortfristiga fordringar till det lägsta av dess anskaffningsvärde och det belopp varmed de beräknas bli reglerade. Långfristiga fordringar och långfristiga skulder värderas efter det första värderingstillfället till upplupet anskaffningsvärde. Övriga skulder och avsättningar värderas till de belopp varmed de beräknas bli reglerade. Övriga tillgångar redovisas till anskaffningsvärde om inget annat anges ovan.

Upplåning klassificeras som kortfristiga skulder om inte bolaget har en ovillkorlig rätt att skjuta upp betalning av skulden i åtminstone 12 månader efter balansdagen. Lånekostnader redovisas i resultaträkningen i den period till vilken de hänförs. Upplupen ränta redovisas som en del av kortfristig upplåning från kreditinstitut, i det fall räntan förväntas regleras inom 12 månader från balansdagen.

## Not 2 Nettoomsättning per geografisk marknad

### Nettoomsättning per geografisk marknad

	2021-01-01- 2021-12-31	2020-01-01- 2020-12-31
Sverige	15,673	36,515
Övriga Norden	27,477	41,967
Övriga Europa	130,708	159,268
Övriga marknader	48,045	69,680
<b>Summa</b>	<b>221,903</b>	<b>307,430</b>

## Not 3 Försäljning till koncernföretag och inköp från koncernföretag

	2021-01-01- 2021-12-31	2020-01-01- 2020-12-31
<b>Försäljning till koncernföretag</b>		
Andel av bolagets nettoomsättning som avser försäljning till andra koncernföretag	91%	93%
<b>Inköp från koncernföretag</b>		
Andel av bolagets inköp från andra koncernföretag	64%	70%

## Not 4 Övriga rörelseintäkter/(kostnader)

	2021-01-01- 2021-12-31	2020-01-01- 2020-12-31
Kursvinster/(förluster)	2,169	-16,905
Koncerngemensamma tjänster	165,424	265,717
Försäljning av immateriella rättigheter	187,063	-
Övrigt	-	57
<b>Summa</b>	<b>354,656</b>	<b>248,869</b>

## Not 5 Operationell leasing

Årets leasingkostnader avseende operationella leasingavtal utgörs främst av lokalhyror, bilar samt kontorsutrustning och uppgår till 14 206 kkr (16 421 kkr). Framtida betalningsåtaganden per 31 december för operationella leasingkontrakt fördelar sig enligt nedan.

	2021-01-01- 2021-12-31	2020-01-01- 2020-12-31
<b>Framtida minimileaseavgifter avseende icke uppsägningsbara operationella leasingavtal:</b>		
Inom ett år	14	14,116
Mellan ett och fem år	25	40,118
Senare än fem år	-	-
	<b>39</b>	<b>54,234</b>

**Not 6 Arvode och kostnadsersättning till revisorer**

	2021-01-01- 2021-12-31	2020-01-01- 2020-12-31
<i>E&amp;Y</i>		
Revisionsuppdrag	364	180
Revisionsverksamhet utöver revisionsuppdraget	-	-
Skatterådgivning	-	1,343
Andra uppdrag	54	-
<b>Summa</b>	<b>418</b>	<b>1,523</b>

**Not 7 Anställda och personalkostnader**

**Medelantalet anställda**

	2021-01-01- 2021-12-31	2020-01-01- 2020-12-31
Män	109	97
Kvinnor	53	58
<b>Totalt</b>	<b>162</b>	<b>155</b>

**Könsfördelning i företagsledningen**

	2021-12-31	2020-12-31
<i>Andel kvinnor</i>		
Styrelsen	0%	0%
Övriga ledande befattningshavare	0%	0%

Koncernen har en global ledningsgrupp. Ledande befattningshavare i Snow Software AB avser endast bolagets styrelse.

**Löner och andra ersättningar samt sociala kostnader, inklusive pensionskostnader**

	2021-01-01- 2021-12-31	2020-01-01- 2020-12-31
Styrelse	-	-
Övriga anställda	106,644	96,462
<b>Summa</b>	<b>106,644</b>	<b>96,462</b>
Sociala kostnader varav pensionskostnader	48,010 15,107	39,990 10,740

Bolaget har ingen verkställande direktör. Koncernens verkställande direktör är anställd i ett annat koncernbolag.

**Not 8 Ränteintäkter, valutakursvinster och liknande resultatposter**

	2021-01-01- 2021-12-31	2020-01-01- 2020-12-31
Ränteintäkter, koncernföretag	49,666	67,844
Ränteintäkter, övriga	12	2
Kursvinster	52,210	110,898
<b>Summa</b>	<b>101,888</b>	<b>178,744</b>

**Not 9 Räntekostnader, valutakursförluster och liknande resultatposter**

	2021-01-01- 2021-12-31	2020-01-01- 2020-12-31
Räntekostnader, koncernföretag	14,113	12,798
Räntekostnader, övriga	59,665	75,320
Kursförluster	35,375	88,477
<b>Summa</b>	<b>109,153</b>	<b>176,595</b>

**Not 10 Bokslutsdispositioner**

	2021-01-01- 2021-12-31	2020-01-01- 2020-12-31
Skillnad mellan skattemässig och redovisad avskrivning:	-	-
<b>Summa</b>	<b>-</b>	<b>-</b>

**Not 11 Skatt på årets resultat**

	2021-01-01- 2021-12-31	2020-01-01- 2020-12-31
Aktuell skattekostnad	-136	-1,236
	<b>-136</b>	<b>-1,236</b>

**Avstämning av effektiv skatt**

	2021-01-01- 2021-12-31		2020-01-01- 2020-12-31	
	Procent (%)		Procent (%)	Belopp
Resultat före skatt		112,020		13,665
Skatt enligt gällande skattesats	-20.6	23,076	-21.4	2,924
Skatteeffekt 20.6% (21.4%) av:				
Ej avdragsgilla kostnader	-1.9	2,103	-11.2	1,532
Ej skattepliktiga intäkter	0.2	-248	1.5	-211
Skatt hänförlig till tidigare år	-	30	-	-
Skillnad mellan bokförings- och skattemässiga avskrivningar	-0.5	603	4.4	-606
Begränsningar i ränteavdrag	-0.1	106	-13.5	1,842
Skattemässigt underskott för vilken uppskjuten skatt inte bokas upp	-2.9	3,202	-	-
Utnyttjande av tidigare ej aktiverade underskottsavdrag	25.7	-28,736	31.1	-4,245
<b>Redovisad effektiv skatt</b>	<b>-0.1</b>	<b>136</b>	<b>-9.1</b>	<b>1,236</b>

**Not 12 Övriga immateriella anläggningstillgångar**

	2021-12-31	2020-12-31
<i>Akkumulerade anskaffningsvärden</i>		
-Vid årets början	48,158	47,605
-Nyanskaffningar	-	553
-Avyttringar och utrangeringar	-34,705	-
Vid årets slut	13,453	48,158
<i>Akkumulerade avskrivningar</i>		
-Vid årets början	-28,206	-19,186
-Återförda avskrivningar på avyttringar och utrangeringar	20,549	-
-Årets avskrivning	-3,605	-9,020
Vid årets slut	-11,262	-28,206
<b>Redovisat värde vid årets slut</b>	<b>2,191</b>	<b>19,952</b>

Den 30 juni 2021 sålde bolaget en större del av sina immateriella rättigheter till systerbolagen Snow Software Inc (USA) samt Snow Software Ltd (UK). De immateriella rättigheterna avsåg framförallt licensrättigheter till de produkter som utvecklats av bolaget, samt varumarken.

Försäljningssumman var 201,219 tkr, och det bokförda värdet av tillgångarna som såldes var 14,156 tkr. Det bokförda värdet bestod av ackumulerade anskaffningsvärden om 34,705 tkr samt ackumulerade avskrivningar om 20,549 tkr. Bolaget redovisar en vinst om 187,063 tkr som ett resultat av denna försäljning.

**Not 13 Goodwill**

	2021-12-31	2020-12-31
<i>Akkumulerade anskaffningsvärden</i>		
-Vid årets början	20,702	20,702
Vid årets slut	20,702	20,702
<i>Akkumulerade avskrivningar</i>		
-Vid årets början	-17,036	-13,292
-Årets avskrivning	-3,666	-3,744
Vid årets slut	-20,702	-17,036
<b>Redovisat värde vid årets slut</b>	<b>-</b>	<b>3,666</b>

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*[Handwritten mark]*

**Not 14 Förbättringsutgifter på annans fastighet**

	2021-12-31	2020-12-31
<i>Akkumulerade anskaffningsvärden</i>		
-Vid årets början	5,613	5,613
-Nyanskaffningar	-	-
-Avyttringar och utrangeringar	-	-
Vid årets slut	5,613	5,613
<i>Akkumulerade avskrivningar</i>		
-Vid årets början	-2,307	-1,505
-Återförda avskrivningar på avyttringar och utrangeringar	-	-
-Årets avskrivning	-801	-802
Vid årets slut	-3,108	-2,307
<b>Redovisat värde vid årets slut</b>	<b>2,505</b>	<b>3,306</b>

**Not 15 Inventarier, verktyg och installationer**

	2021-12-31	2020-12-31
<i>Akkumulerade anskaffningsvärden</i>		
-Vid årets början	16,284	15,133
-Nyanskaffningar	1,467	1,151
-Avyttringar och utrangeringar	-5,381	-
Vid årets slut	12,370	16,284
<i>Akkumulerade avskrivningar</i>		
-Vid årets början	-12,717	-10,403
-Återförda avskrivningar på avyttringar och utrangeringar	5,381	-
-Årets avskrivning	-1,935	-2,314
Vid årets slut	-9,271	-12,717
<b>Redovisat värde vid årets slut</b>	<b>3,099</b>	<b>3,567</b>

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### Not 16 Andelar i koncernföretag

	2021-12-31	2020-12-31
Akkumulerade anskaffningsvärden:		
-Vid årets början	94,563	94,563
Utdelningar	-88,504	-
<b>Redovisat värde vid årets slut</b>	<b>6,059</b>	<b>94,563</b>

Den 28 juni 2021 beslutade bolaget om en utdelning till det dåvarande moderbolaget Iglu Intressenter AB. Utdelningen omfattade dels en kontantutdelning om 15 mkr och dels bolagets samtliga aktier i dotterbolagen i Storbritannien, Nederländerna, USA, Brasilien, Belgien, Frankrike, Norge, Australien, Finland, Italien, Danmark, Spanien, Mexiko, Singapore och Polen. Det bokförda värdet av andelarna i dotterbolag uppgick till 62,764 tkr.

Den 7 september 2021 beslutade bolaget om en utdelning till det dåvarande moderbolaget Iglu Intressenter AB. Utdelningen genomfördes den 9 september och omfattade bolagets samtliga aktier i bolagets tyska dotterbolag. Det bokförda värdet av dessa aktier uppgick till 25,740 tkr.

Företaget är ett moderföretag men upprättar ingen koncernredovisning med hänvisning till undantagsregeln i årsredovisningslagen 7 kap. 2§.

#### Specifikation av moderföretagets innehav av aktier och andelar i koncernföretag

Ägarandelen av kapitalet avses, vilket även överensstämmer med andelen av rösterna för totalt antal aktier.

Dotterföretag / Org nr / Säte	Antal andelar	1 %	Redovisat värde
Snow Software Nordic AB, 556840-8123, Solna	50,000	100	6,050
Snow Software Hong Kong Ltd, 1863103, Hong Kong	10,000	100	9
			<b>6,059</b>

### Not 17 Fordringar hos koncernföretag

	2021-12-31	2020-12-31
Akkumulerade anskaffningsvärden:		
-Vid årets början	823,783	851,615
-Tillkommande fordringar	266,789	98,190
-Reglerade fordringar	-674,244	-11,514
-Omklassificeringar	494,379	-1,954
-Årets valutakursdifferenser	61,247	-112,554
<b>Redovisat värde vid årets slut</b>	<b>971,954</b>	<b>823,783</b>

### Not 18 Andra långfristiga fordringar

	2021-12-31	2020-12-31
Akkumulerade anskaffningsvärden:		
-Vid årets början	6,845	6,984
-Tillkommande fordringar	552	-
-Reglerade fordringar	-745	-139
-Omklassificeringar	-	-
-Årets valutakursdifferenser	7	-
<b>Redovisat värde vid årets slut</b>	<b>6,659</b>	<b>6,845</b>

**Not 19 Förutbetalda kostnader och upplupna intäkter**

	2021-12-31	2020-12-31
Upplupna intäkter	331	-
Hyra	3,604	3,413
Försäkringar	-	823
Förutbetalda leasingavgifter	260	435
Programvara	331	2,612
Övriga förutbetalda kostnader	5,701	2,428
	<b>10,227</b>	<b>9,711</b>

**Not 20 Likvida medel**

	2021-12-31	2020-12-31
<i>Följande delkomponenter ingår i likvida medel:</i>		
Banktillgodohavande	16,330	21,116
	<b>16,330</b>	<b>21,116</b>

**Not 21 Eget kapital**

	2021-12-31	2020-12-31
Specifikation av förändringar i bundet och fritt eget kapital:		
Aktiekapital	108	108
Totalt bundet eget kapital	108	108
Fritt eget kapital vid årets ingång	115,887	105,314
Utdelning	-103,504	
Årets resultat	112,032	10,573
Totalt fritt eget kapital vid årets utgång	124,415	115,887
<b>Totalt eget kapital</b>	<b>124,523</b>	<b>115,995</b>

Aktiekapitalet består av 1,081,081 aktier med ett kvotvärde på 0,10 kr.

Den 28 juni 2021 beslutade bolaget om en utdelning till det dåvarande moderbolaget Iglu Intressenter AB. Utdelningen omfattade dels en kontantutdelning om 15 mkr och dels bolagets samtliga aktier i dotterbolagen i Storbritannien, Nederländerna, USA, Brasilien, Belgien, Frankrike, Norge, Australien, Finland, Italien, Danmark, Spanien, Mexiko, Singapore och Polen. Det bokförda värdet av andelarna i dotterbolag uppgick till 62,764 tkr.

Den 7 september 2021 beslutade bolaget om en utdelning till det dåvarande moderbolaget Iglu Intressenter AB. Utdelningen genomfördes den 9 september och omfattade bolagets samtliga aktier i bolagets tyska dotterbolag. Det bokförda värdet av dessa aktier uppgick till 25,740 tkr.

## Not 22 Uppskjuten skatt

	Uppskjuten skattefordran	Uppskjuten skatteskuld
<b>2021-12-31</b>		
<i>Väsentliga temporära skillnader</i>		
Uppskjuten skatteskuld för immateriella tillgångar	-	-
<b>Uppskjuten skattefordran/skuld (netto)</b>	-	-
<b>2020-12-31</b>		
<i>Väsentliga temporära skillnader</i>		
Uppskjuten skatteskuld för immateriella tillgångar	-	106
<b>Uppskjuten skattefordran/skuld (netto)</b>	-	106

## Temporär skillnad

	Redovisat värde	Skattemässigt värde	Temporär skillnad
<b>2021-12-31</b>			
<i>Väsentliga temporära skillnader hänförliga till:</i>			
Immateriella tillgångar	-	-	-
<b>2020-12-31</b>			
<i>Väsentliga temporära skillnader hänförliga till:</i>			
Immateriella tillgångar	494	-	494
	494	-	494

## Not 23 Långfristiga skulder

	2021-12-31	2020-12-31
Skulder som förfaller senare än ett år från balansdagen		
Övriga skulder till kreditinstitut	131,270	661,587
Förutbetalda intäkter	916	1,154
Övriga skulder		829
Skulder som förfaller senare än fem år från balansdagen		
Skulder till koncernföretag	317,077	222,187
<b>Totalt långfristiga skulder</b>	<b>449,263</b>	<b>885,757</b>

## Not 24 Upplupna kostnader och förutbetalda intäkter

	2021-12-31	2020-12-31
Personalrelaterade kostnader	14,053	12,953
Räntekostnader	530	231
Övriga upplupna kostnader	11,331	6,617
Förutbetalda intäkter	166,408	393,833
	<b>192,322</b>	<b>413,634</b>

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### Not 25 Fakturerade ej avräknade konsultintäkter

	2021-12-31	2020-12-31
Vid årets början	750	1,791
-Fakturerat	706	1,055
-Utfört arbete under året	-1,263	-2,096
Vid årets slut	193	750

### Not 26 Övriga upplysningar till kassaflödesanalysen

	2021-12-31	2020-12-31
Justering för poster som inte ingår i kassaflödet m m		
Avskrivningar	10,009	15,880
Kursdifferenser	-225	1,189
Realisationsresultat	-187,063	-
	-177,279	17,069

### Not 27 Disposition av vinst eller förlust

Styrelsens förslag till vinstdisposition presenteras i förvaltningsberättelsen.

### Not 28 Ställda säkerheter och eventalförpliktelser

#### Ställda säkerheter

	2021-12-31	2020-12-31
Aktier i dotterbolag	6,059	61,313
Bankräkningar	16,330	27,117
Materiella och immateriella tillgångar	7,794	-
Koncerninterna långfristiga fordringar	-	688,817
Företagsinteckningar	46,301	46,301
Summa ställda säkerheter	76,484	823,548

Under 2021 ingick koncernen ett nytt kreditavtal med Wells Fargo vilket ersatte det tidigare kreditavtalet med Blackrock. Per 31 december 2021 är bolagets aktier i de helägda dotterbolagen Snow Software Nordic AB och Snow Software Hong Kong Ltd, banktillgodohavanden, materiella och immateriella tillgångar, samt företagsinteckningar ställda som säkerhet för det nya kreditavtalet.

#### Eventalförpliktelser

	2021-12-31	2020-12-31
Eventalförpliktelser	6300	10 308
Eventalförpliktelser avseende kreditavtal	0	69 451
Summa eventalförpliktelser	6,300	79,759

Eventalförpliktelser avser ställda garantier för hyresavtal och kortkrediter. Eventalförpliktelser avseende kreditavtal avsåg föregående år företagsinteckningar vilka kunde ställas ut vid eventuellt kovenantbrott.

**Not 29 Väsentliga händelser efter räkenskapsårets slut**

Inga betydande händelser efter räkenskapsårets utgång har inträffat.

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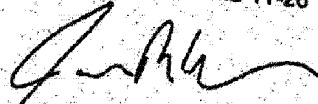
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Snow Software AB  
558664-0263

21(21)

## Underskrifter

Stockholm den 2022-11-26



James Denena  
Styrelseordförande



Jonas Ullman  
Styrelseledamot



Frans van Woudenberg  
Styrelseledamot

Vår revisionsberättelse har lämnats den 2022-  
Ernst & Young AB

Jakob Wojcik  
Auktoriserad revisor

2022120209663

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Ernst & Young AB

  
Jakob Wojcik  
Auktoriserad revisor

2022120209664



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working world.

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## Revisionsberättelse

Till bolagsstämman i Snow Software AB, org.nr 556664-0263

### Rapport om årsredovisningen

#### Uttalanden

Vi har utfört en revision av årsredovisningen för Snow Software AB för år 2021.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Snow Software ABs finansiella ställning per den 31 december 2021 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

#### Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Snow Software AB enligt god revisionssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

#### Styrelsens ansvar

Det är styrelsen som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen ansvarar även för den interna kontroll som den bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen för bedömningen av bolagets förmåga att fortsätta verksamheten. Den upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

#### Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om att årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.



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## Rapport om andra krav enligt lagar och andra författningar

### Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens förvaltning av Snow Software AB för år 2021 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamot ansvarsfrihet för räkenskapsåret.

### Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Snow Software AB enligt god revisions sed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

### Styrelsens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt.

### Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om styrelseledamot i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisions sed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisions sed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaper. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat styrelsens motiverade yttrande samt ett urval av underlagen för detta för att kunna bedöma om förslaget är förenligt med aktiebolagslagen.

### Anmärkning

Vid ett flertal tillfällen under räkenskapsåret har moms, avdragen skatt, källskatt och arbetsgivaravgifter inte betalats i rätt tid.

Årsredovisningen avgavs inte i sådan tid att det, enligt 7 kap. 10 § aktiebolagslagen, varit möjligt att hålla årsstämma inom sex månader efter räkenskapsårets utgång.

Stockholm den 26 november 2022

Ernst & Young AB

Jakob Wojcik  
Auktoriserad revisor



Snow Software US, Inc

2021

Consolidated Financial  
Statements

SNOW 

**Snow Software US, Inc.**

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2022120209669

## Report of Independent Auditors

To the Board of Directors of Snow Software US, Inc.

### Opinion

We have audited the consolidated financial statements of Snow Software US, Inc. (the Company), which comprise the consolidated balance sheet as of December 31, 2021, and the related consolidated statements of comprehensive loss, changes in stockholders' deficit and cash flows for the year then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.



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2022120209670

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



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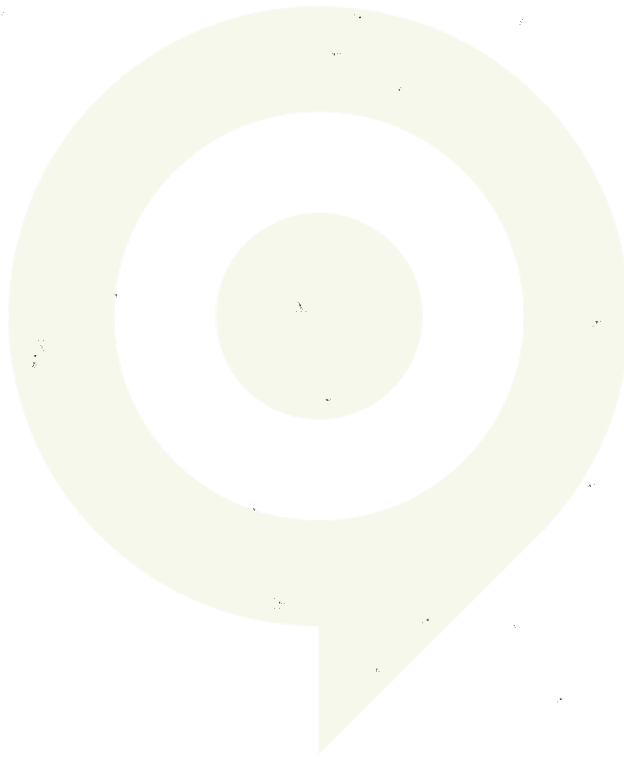
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*Ernst + Young LLP*

August 31, 2022





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2022120209672

## Report of Independent Auditors

### To the Board of Directors of Snow Software US, Inc.

We have audited the accompanying consolidated financial statements of Snow Software US, Inc., which comprise the consolidated balance sheet as of December 31, 2020, and the related consolidated statements of comprehensive loss, changes in stockholders' deficit and cash flows for the year then ended, and the related notes to the consolidated financial statements.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



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2022120209673

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Snow Software US, Inc. at December 31, 2020, and the consolidated results of its operations and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

Ernst & Young AB

*Ernst & Young AB*

August 31, 2022



**Snow Software US, Inc.**  
**Consolidated Balance Sheets**  
(in thousands, except per share amounts)

2022120209674

	December 31,	
	2021	2020
<b>Assets:</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 16,692	\$ 18,277
Accounts receivables, net	45,728	48,118
Prepaid expenses and other current assets	8,136	5,840
<b>Total current assets</b>	<b>70,556</b>	<b>72,235</b>
Deferred commissions	34,206	37,133
Property and equipment, net	10,126	8,418
Operating lease right-of-use asset	9,224	12,435
Intangible assets, net	10,080	14,848
Goodwill	75,149	78,932
Deferred tax assets, non-current	2,262	4,038
Other assets	677	949
<b>Total Assets</b>	<b>\$ 212,280</b>	<b>\$ 228,988</b>
<b>Liabilities and stockholders' deficit:</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued liabilities	\$ 8,536	\$ 10,926
Accrued payroll and other employee benefits	15,276	14,767
Contract liabilities, current	93,933	90,776
Debt, current	1,100	13,000
Operating lease liabilities	2,747	2,857
Other current liabilities	13,147	14,129
<b>Total current liabilities</b>	<b>134,739</b>	<b>146,455</b>
Contract liabilities, less current portion	36,026	49,228
Debt, less current portion	106,384	79,555
Operating lease liabilities, less current portion	7,770	10,901
Other liabilities, less current portion	699	629
<b>Total liabilities</b>	<b>285,618</b>	<b>286,768</b>
<b>Commitments and contingencies (Note 12)</b>		
<b>Stockholders' deficit:</b>		
Common stock USD 0.00001 par value, 200,000 shares authorized; 136,429 shares issued and outstanding at December 31, 2021	1	—
SEK 0.0037 par value, 152,369 shares authorized; 136,412 shares issued and outstanding at December 31, 2020	—	56
Additional paid-in capital	127,608	124,256
Accumulated deficit	(196,191)	(176,403)
Accumulated other comprehensive income (loss)	(4,757)	(5,689)
<b>Total stockholders' deficit</b>	<b>(73,338)</b>	<b>(57,780)</b>
<b>Total liabilities and stockholders' deficit</b>	<b>\$ 212,280</b>	<b>\$ 228,988</b>

*The accompanying notes are an integral part of these consolidated financial statements*

**Snow Software US, Inc.**  
**Consolidated Statements of Comprehensive Loss**  
(in thousands)

2022120209675

	Year Ended December 31,	
	2021	2020
<b>Revenue:</b>		
Subscription and SaaS	\$ 73,945	\$ 63,825
Product over time and maintenance	62,895	60,871
Total recurring revenue	136,840	124,696
Product upfront	1,857	3,608
Services revenue	9,973	13,259
Total revenues	148,670	141,563
<b>Cost of revenue:</b>		
Subscription and SaaS	5,859	5,687
Product over time and maintenance	4,832	5,287
Total recurring cost of revenue	10,691	10,975
Product upfront	40	98
Services revenue	12,642	11,987
Total cost of revenues	23,373	23,060
Gross profit	125,297	118,503
<b>Operating expenses:</b>		
Selling and marketing	70,351	65,249
Research and development	24,925	20,637
General and administrative	33,865	28,591
Income (loss) from operations	(3,845)	4,026
Interest expense	(10,865)	(8,539)
Other income (expense), net	(2,713)	6,208
Income (loss) before income taxes	(17,423)	1,695
Provision for income taxes	2,365	2,639
Net loss	(19,788)	(944)
<b>Other comprehensive income (loss), net of tax:</b>		
Foreign currency translation adjustments	932	(4,222)
Total other comprehensive income (loss), net of tax	932	(4,222)
Total comprehensive loss	\$ (18,856)	\$ (5,166)

*The accompanying notes are an integral part of these consolidated financial statements*

**Snow Software US, Inc.**  
**Consolidated Statements of Cash Flows**  
(In thousands)

2022120209676

	Year ended December 31,	
	2021	2020
<b>Operating activities:</b>		
Net Loss	\$ (19,788)	\$ (944)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation and amortization	6,921	7,659
Deferred commission, amortization	13,328	12,122
Share-based compensation	3,259	3,042
Amortization of debt issuance costs and loss on extinguishment of debt	3,917	688
Deferred taxes	1,356	52
Non-cash operating lease expense	2,724	2,036
Foreign currency transaction (gains) and losses	2,700	(6,215)
Changes in operating assets and liabilities		
Accounts receivable, net	2,401	574
Prepaid expenses and other assets	(14,125)	(9,641)
Accounts payable and other liabilities	(2,176)	4,667
Contract liabilities	(6,873)	(15,843)
Net cash used in operating activities	(6,355)	(1,803)
<b>Investing activities:</b>		
Purchase of property and equipment	(1,040)	(1,202)
Capitalized internal-use software development costs	(3,288)	(2,128)
Net cash used in investing activities	(4,328)	(3,330)
<b>Financing activities:</b>		
Issuance of common stock upon exercise of stock options	60	20
Repurchase of employee warrants	(22)	(2)
Payments on term loan	(550)	—
Proceeds from revolver	—	6,000
Payments on revolver	(3,000)	(7,000)
Proceeds from issuance of debt	110,000	10,000
Payments on extinguishment of debt	(93,340)	—
Debt issuance costs	(2,178)	—
Payments on finance leases	(1,067)	(1,236)
Net cash provided by financing activities	9,903	7,782
Effect of foreign currency rates on cash	(776)	1,024
Net change in cash and cash equivalents	(1,556)	3,673
<b>Cash, cash equivalents and restricted cash:</b>		
Beginning of period	19,888	16,215
End of period	<u>\$ 18,332</u>	<u>\$ 19,888</u>
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid during period for:		
Taxes	1,813	992
Interest	6,821	7,827
<b>Cash, cash equivalents and restricted cash at the end of the period:</b>		
Cash and cash equivalents	16,692	18,277
Restricted cash included in Prepaid expenses and other current assets	1,640	1,612
Total cash, cash equivalents and restricted cash	<u>\$ 18,332</u>	<u>\$ 19,888</u>

*The accompanying notes are an integral part of these consolidated financial statements*

2022120209677

**Snow Software US, Inc.**  
**Consolidated Statements of Stockholders' Deficit**  
(in thousands)

	Common stock		Additional paid-in capital	Accumulated other comprehensive income (loss)	Accumulated deficit	Total stockholder's deficit
	Shares	Amount				
<b>Balance - December 31, 2019</b>	136,407	\$ 56	\$ 121,194	\$ (1,466)	\$ (175,459)	\$ (55,675)
Issuance of common stock upon exercise of stock options	5	—	20	—	—	20
Repurchase of warrants	—	—	(2)	—	—	(2)
Stock-based compensation	—	—	3,042	—	—	3,042
Net loss	—	—	—	—	(944)	(944)
Other comprehensive loss	—	—	—	(4,222)	—	(4,222)
<b>Balance - December 31, 2020</b>	136,412	\$ 56	\$ 124,256	\$ (5,689)	\$ (176,403)	\$ (57,780)
Issuance of common stock upon exercise of stock options	16	—	60	—	—	60
Repurchase of warrants	—	—	(22)	—	—	(22)
Stock-based compensation	—	—	3,259	—	—	3,259
Net loss	—	—	—	—	(19,788)	(19,788)
Other comprehensive income	—	—	—	932	—	932
Redomiciliation to the US	—	(55)	55	—	—	—
<b>Balance - December 31, 2021</b>	136,429	\$ 1	\$ 127,608	\$ (4,757)	\$ (196,191)	\$ (73,338)

*The accompanying notes are an integral part of these consolidated financial statements*

**Snow Software US, Inc.**  
**Notes to Consolidated Financial Statements**

**Note 1. Business Overview**

Software Software US, Inc, a Delaware corporation, is the parent company of Snow Software operating subsidiaries (collectively, the "Company" or "Snow") and is jointly headquartered in Austin, Texas and Solna, Sweden. Snow delivers a single, next-generation IT management platform of best-of-breed solutions that enables organizations to manage and optimize their IT spend and governance across on-premise, SaaS and hybrid Cloud. We do this by leveraging the power of the largest software intelligence catalog in the world, continually enhanced by our global customer network adding over 500 million new data points each month. In doing so, we deliver the comprehensive visibility and contextual insight needed – what we call Technology Intelligence – for organizations to manage their complete technology infrastructure and to drive transformation with precision and agility. With 25 years of expertise in asset management, Snow Software has approximately 3,000 global customers, approximately 150 partners, and is supported by 20 offices around the world.

**Note 2. Summary of Significant Accounting Policies**

***Principles of Consolidation and Basis of Presentation***

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries ("the Snow Group"). All intercompany transactions and balances have been eliminated in consolidation. The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP").

***Redomiciliation***

Snow Software US, Inc. ("Snow" or "the Company"), a Delaware company, became the parent Company of the Snow Group on December 6, 2021 as a result of certain merger transactions. Prior to the merger transactions Iglu Intressenter AB, a Swedish company, had been our parent company since 2012. The merger transactions did not result in any change in control and no step-up in basis of assets or liabilities was recorded. References to parent company refer to Snow Software US, Inc. or Iglu Intressenter AB, for the applicable periods.

***Dollar Amounts***

The dollar amounts presented in the tabular data within these footnote disclosures are stated in thousands of dollars, except per share amounts, or as noted within the context of each footnote disclosure.

***Use of Estimates***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting periods and accompanying notes. In particular, we make estimates and assumptions with respect to the stand-alone selling price ("SSP") for each distinct performance obligation included in customer contracts with multiple performance obligations, the assessment of the useful life and recoverability of long-lived assets (property and equipment, goodwill and identified intangible assets), the period of benefit for deferred commissions, stock-based compensation expense including the valuation of the underlying common stock fair value, income taxes, and contingencies. Actual results could differ from those estimates.

***Foreign Currency***

The functional currencies of our foreign subsidiaries are their respective local currency, with the exception of our Singapore subsidiary, for which the functional currency is the U.S. dollar. Translation adjustments arising from the use of differing exchange rates from period to period are included in "Accumulated other comprehensive income (loss)" as a component of stockholders' deficit. Foreign currency transaction gains and losses are included in "Other income (expense), net". All assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the exchange rate on the balance sheet date. Revenue and expenses are translated at the average exchange rate during the period. Equity transactions are translated using historical exchange rates.

***Concentration of Credit Risk***

Financial instruments that potentially subject us to significant concentrations of credit risk consist principally of cash and accounts receivable. We maintain the majority of our cash balance with financial institutions that we believe are high-credit, quality financial institutions. Our accounts receivable is subject to collection risk. Our gross accounts receivable is reduced for this risk by an allowance for doubtful accounts due to estimated credit losses. Refer to note 4 for the allowance for doubtful accounts.

***Intangible Assets and Goodwill***

The Company records tangible and intangible assets acquired and liabilities assumed in business combinations under the purchase method of accounting and acquired intangible assets consist of technology, trademarks/brands, and customer relationships. The allocation of the purchase price in a business combination requires management to make significant estimates in determining the fair value of acquired assets and assumed liabilities, especially with respect to intangible assets. The excess of the purchase price in a business combination over the fair value of these tangible and intangible assets acquired and liabilities assumed is recorded as goodwill. Critical estimates in valuing certain intangible assets include, but are not limited to, revenue, discount rate, obsolescence rate, cost of sales, operating expenses and customer attrition rate. The Company estimates fair value primarily utilizing the income and market approaches, including the multi-period excess earnings method for certain intangible assets. Its estimates are inherently uncertain and subject to refinement. During the measurement period, which may be up to one year from the acquisition date, the Company may record adjustments to the fair value of these tangible and intangible assets acquired and liabilities assumed, with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the fair value of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to the Consolidated Statements of Comprehensive Loss.

Intangible assets that have finite lives are amortized over their useful lives and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset group may not be recoverable. During this review, the Company reevaluates the significant

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assumptions used in determining the original cost and estimated lives of the intangible assets. Although the assumptions may vary from asset to asset, they generally include operating results, changes in the use of the asset, cash flows and other indicators of changes in value. Management then determines whether the remaining useful life continues to be appropriate or whether there has been an impairment of the intangible assets based primarily upon whether expected future undiscounted cash flows are sufficient to support the assets group's recovery. If impairment exists, the Company would adjust the carrying value of the assets to fair value, generally determined by a discounted cash flow analysis.

Goodwill represents the excess of the purchase consideration over the net of the acquisition-date fair value of identifiable assets acquired, including identifiable intangible assets, and liabilities assumed in connection with business combinations. Goodwill is not amortized but is assessed for impairment at least annually, or more frequently if events or changes in circumstances indicate the fair value of the Company's sole reporting unit has been reduced below its carrying value. In testing for goodwill impairment, the Company first assesses qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the totality of events or circumstances, the Company determines it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then additional impairment testing is not required. If the Company concludes otherwise, the Company proceeds to the quantitative assessment. If the carrying value of the reporting unit exceeds its fair value, an impairment charge is recognized for the excess of the carrying value of the reporting unit over its fair value. Based on the results of the qualitative review of goodwill performed the Company did not identify any indicators of impairment.

**Cash and Cash Equivalents**

The Company considers all highly liquid investments with an original maturity of three months or less at the time of purchase to be cash equivalents.

**Restricted Cash**

Restricted cash is the carrying amount of cash and cash equivalents which are restricted under contract or otherwise as to withdrawal or usage. These include deposits primarily representing security deposits required for facility leases.

**Accounts Receivable**

The Company records trade accounts receivable at the net invoice value for its unconditional rights to consideration arising from the Company's performance under contracts with customers. The Company's standard billing terms are that payment is due upon receipt of the invoice, and payable within thirty to sixty days. We consider receivables past due based on contractual terms. The carrying value of such receivables, net of the allowance for doubtful accounts, represents their estimated net realizable value. When developing its estimate of expected credit losses on trade and other receivables, the Company considers the available information relevant to assessing collectability, which includes a combination of both internal and external information relating to past events, current conditions, and future forecasts.

**Property and Equipment, Net**

Property and equipment are recorded at cost, less accumulated depreciation. Maintenance, repairs and minor replacements are charged to expense as incurred. Depreciation on property and equipment, with the exception of leasehold improvements, is recorded using the straight-line method over the estimated useful lives of the assets. Depreciation on leasehold improvements is recorded using the shorter of the lease term or useful life. When property is retired or disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gains or losses are reflected in the Consolidated Statements of Comprehensive Loss in the period of disposal.

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets as follows:

	Useful Life
Leasehold Improvements	Shorter of lease term or 5 years
Office Equipment	5 years
Computers	3 years
Capitalized Software	2 years

**Leases**

The Company determines if an arrangement is or contains a lease at inception. Operating leases are included in operating lease right-of-use ("ROU") assets, current operating lease liabilities and non-current operating lease liabilities in the Company's consolidated balance sheet. ROU assets represent the Company's right to use an underlying asset over the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term. These leases have various expiration dates, some of which include options to extend the leases. Because the Company is not reasonably certain to exercise these renewal options, no options are recognized as part the Company's right-of-use assets and lease liabilities. The Company includes any anticipated lease incentives in the determination of lease liability.

For finance lease contracts, a lease liability equal to the present value of outstanding lease payments and a corresponding right-of use asset is initially recognized. The right-of-use asset is subsequently measured at amortized cost and depreciated on a straight-line basis over the length of the lease term, or until end of the useful life of the right-of-use asset if that would be assessed to occur earlier. Depreciation on lease assets and interest on lease liabilities is recognized in the consolidated statement of comprehensive loss.

The Company estimates incremental borrowing rate, which is derived from information available at the lease commencement date, in determining the present value of lease payments. The Company gives consideration to its recent debt issuances as well as publicly available data for instruments with similar characteristics when determining its incremental borrowing rates.

Leases with a term of 12 months or less are not recorded on the Company's consolidated balance sheets. The Company's lease agreements do not contain any residual value guarantees.

#### ***Deferred Commissions***

Sales commissions earned by the Company's sales representatives and third party sales agents are considered incremental and recoverable costs of obtaining a customer contract. These costs are capitalized and included in "Deferred commissions" on the consolidated balance sheets. We amortize the commissions paid on the initial contract over an expected period of benefit, which we have determined to be approximately five years. We have determined the period of benefit by taking into consideration our customer contracts, the duration of our relationships with our customers and our technology lifecycle. In capitalizing and amortizing deferred commissions, we have elected to apply a portfolio approach. There were no impairments to deferred commissions for all periods presented. Commission expense was \$12.5 million and \$10.2 million for the years ended December 31, 2021 and 2020, respectively.

#### ***Impairment of Long-Lived Assets***

Long-lived assets are reviewed for impairment whenever an event or change in circumstances indicates that the carrying amount of an asset or group of assets may not be recoverable. The impairment review includes comparison of future cash flows expected to be generated by the asset or group of assets with the associated assets' carrying value. If the carrying value of the asset or group of assets exceeds its expected future cash flows (undiscounted and without interest charges), an impairment loss is recognized to the extent that the carrying amount of the asset exceeds its fair value. The Company did not identify any impairment indicators and recorded no impairment charges in the years ended December 31, 2021 and 2020.

#### ***Research and Development***

Research and development costs for software sold to customers are generally expensed as incurred. These costs include salaries and personnel costs, including employee benefits, third-party contractor expenses, software development tools, an allocation of facilities and depreciation expenses and other expenses in developing new solutions and upgrading and enhancing existing solutions.

#### ***Capitalized Software Development Costs***

Capitalization of software development costs for software to be sold, leased, or otherwise marketed begins upon the establishment of technological feasibility. Costs incurred thereafter are capitalized until the product is made generally available. Amortization begins once the software is ready for its intended use, generally based on the pattern in which the economic benefits will be consumed. Costs incurred during the preliminary planning and evaluation stage of each project and during the post implementation operational stage are expensed as incurred. Costs incurred during the application development stage of each project are capitalized. We define the configuration and coding process as the application development stage. Capitalized development costs are included in "Property and equipment, net" on our consolidated balance sheets.

We capitalize certain costs incurred in connection with the implementation of software and cloud computing services acquired for internal use ("implementation costs"). Capitalized implementation costs are included in "Prepaid expenses and other current assets" on our consolidated balance sheets. Implementation costs capitalized are amortized on a straight-line basis over the term of the related software or cloud computing service arrangement.

#### ***Advertising Expense***

We expense advertising costs as incurred. We incurred \$2.4 million and \$1.6 million in advertising expenses for the years ended December 31, 2021 and 2020, respectively. Advertising costs are included in "Selling and marketing" expenses on our consolidated statements of comprehensive loss.

#### ***Revenue Recognition***

The Company derives its revenues in the form of subscriptions to bundled offerings that can include various combinations of cloud services, software licenses and maintenance fees and professional services and other fees.

#### ***Subscription and SaaS revenues***

Our subscription offerings are considered a single combined performance obligation and provide customers access to the Data Intelligence Service, a term license to our software platform installed on-premises by the customers and related customer support. Access to the Data Intelligence Service and our software platform are critical to their combined utility and together represent the Company's overall promise to the customers. The customer support services include critical updates, support, and maintenance services required to operate the software and, as such, are necessary for the software to maintain its intended utility over the contractual term. Because of this requirement, the Company has concluded that the software licenses, access to the Data Intelligence Service, and related customer support services, which together the Company refers to it as its On-Premises Software, are highly interdependent and interrelated and represent a single distinct performance obligation within the context of the contract. Revenue is generally recognized over the contract term on a ratable basis and commences when transfer of control occurs at delivery of the license key or hardware to customers, or when the license term commences, if later.

Cloud services are provided on a subscription basis and provide customers access to cloud solutions, which include related customer support. We satisfy our obligation and recognize revenue for cloud services over the related term of the arrangement commencing once access has been provided and recognize the associated revenue ratably over the term of the contract consistent with the pattern of benefit to the customer of such services.

#### ***Product over time and maintenance revenues***

Certain of our perpetual licenses combined with maintenance and access to the data intelligence service are also considered a single combined performance obligation and provide customers access to the Data Intelligence Service, a perpetual license to our software platform installed on-premises by the customers and related maintenance and customer support. Access to the Data Intelligence Service and our software platform are critical to their combined utility and together represents the Company's overall promise to the customers. The customer support services include critical updates, support, and maintenance services required to operate the software and, as such, are necessary for the software to maintain its intended utility over the contractual term. Because of this requirement, the Company has concluded that the perpetual software licenses, access to the Data Intelligence Service and related customer support services, are highly interdependent and interrelated and represent a single distinct performance obligation within the context of the contract. The non-refundable upfront fee on these contracts gives rise to a material right that allows customers to renew the contract without paying an additional upfront fee. The Company accounts for the non-refundable upfront fee over a term including the weighted-average expected renewal period, representing the customer life, using a portfolio approach. As a result, the license, access to our Data Intelligence Service and related customer support

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revenue is recognized on a ratable basis and commences when transfer of control occurs at delivery of the license key to customers, or when the Data Intelligence Service term commences, if later.

The maintenance performance obligation is a standalone performance obligation on perpetual license sales of certain of our products. Maintenance revenue recognized was \$6.1 million and \$5.9 million in the years ended December 31, 2021 and 2020 respectively.

#### Product up front revenues

Other revenues include product revenue which represents perpetual licenses for on-premises software ("software products") and hardware revenue for stand-alone products that represent separate distinct performance obligations which are recognized when transfer of control occurs at delivery of the license key or hardware to customers. Typically, when purchasing a perpetual license, a customer also purchases one year of maintenance for which they are charged a percentage of the license fee.

#### Services revenues

Services and other offerings include training and professional services that are not integral to the functionality of subscription services, products or cloud services.

Services and training are either provided on a time and material basis or as a subscription offering over a contract term. Professional services and training performance obligations are satisfied, and the associated revenue is recognized as services are delivered.

#### Contracts with multiple performance obligations

Certain contracts with customers may contain multiple performance obligations, which may include a combination of products and services. We apply significant judgment in determining what performance obligations are combined and what performance obligations are distinct and separable. For the contracts with multiple performance obligations, the transaction price is allocated to the separate performance obligations on a relative standalone selling price ("SSP") basis. We determine the SSP based on an observable standalone selling price when it is available, as well as other factors, including the historical selling price charged to customers, and our overall pricing objectives, while maximizing observable inputs. In situations where pricing is highly variable, we estimate the SSP using the residual approach.

Our policy is to record revenues net of any applicable sales, use or excise taxes. The consideration for license and cloud contracts is fixed and does not result in variable consideration.

#### Contract balances

A receivable is recorded when we have an unconditional right to payment, either because we satisfied a performance obligation prior to invoicing or we have a non-cancelable contract that has been invoiced in accordance with our standard payment terms. We typically invoice our customers annually. Unbilled receivables from our contracts, are included in "Accounts Receivable, net" on the consolidated balance sheets.

Payment terms and conditions vary by contract type, although our standard payment terms generally require payment within 30 to 60 days. Our contracts do not include a significant financing component.

A contract liability is recorded when we invoice a customer in advance of revenue being recognized.

#### Income Taxes

Income taxes are accounted for under the asset and liability method in accordance with authoritative guidance for income taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The Company reviews its deferred tax assets for recoverability by jurisdiction. A valuation allowance is established when the Company believes it is more likely than not that some portion of its deferred tax assets will not be realized. Changes in the valuation allowance from period to period are included in the Company's tax provision in the period of change. The guidance on accounting for uncertainty in income taxes requires us to identify, evaluate and measure all uncertain tax positions taken or to be taken on tax returns and to record liabilities for the amount of these positions that may not be sustained, or may only partially be sustained, upon examination by the relevant taxing authorities. Although we believe that our estimates and judgments were reasonable, actual results may differ from these estimates. All of these judgments are subject to review by the taxing authorities. For additional information regarding the Company's income taxes, see Note 14 to the Consolidated Financial Statements.

#### Stock-Based Compensation

We recognize compensation expense for all share-based payment awards based on the estimated fair value of the award on the grant date over the related vesting periods. The impact of forfeitures on stock-based compensation are recognized as they occur. We calculate the fair value of options using the Black-Scholes option pricing method estimated on the date of grant and recognize stock-based compensation expense using the straight-line approach over the requisite service period. The determination of the grant date fair value of options using the Black-Scholes option-pricing model is affected by several assumptions. The expected term of the options is based on the simplified method. The expected stock price volatility for our stock is determined by examining the historical volatility of comparative publicly traded peer companies. The risk-free interest rate is calculated using the average of the applicable interest rates with maturities that approximate the expected term. The dividend yield assumption is zero as we do not have any history of, nor plans to make, dividend payments.

For awards with market conditions, the effect of the market condition is reflected in the award's fair value on the grant date using an advanced option-pricing model, such as Monte Carlo simulations. The effect of the market condition results in a discount relative to the fair value of an award without a market condition. All compensation expense for an award with a market condition is recognized if the service period is fulfilled, even if the market condition is never satisfied.

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For awards with performance and/or service conditions, the performance and/or service condition is not considered in determining the award's fair value on the grant date. The company recognizes compensation expense for awards with performance conditions if and when the company concludes that it is probable that the performance condition will be achieved. The expense reflects the number of awards that are expected to vest and will be adjusted to reflect those awards that do ultimately vest.

**COVID-19**

Coronavirus ("COVID-19") has created and may continue to create uncertainty in macroeconomic conditions. As of the date of issuance of these consolidated financial statements, we are not aware of any specific event or circumstance that would require us to update our estimates, judgments or adjust the carrying value of our assets or liabilities. These estimates may change, as new events occur and additional information is obtained, and will be recognized in the consolidated financial statements as soon as they become known.

**Recently Adopted Accounting Pronouncements**

**Simplifying the accounting for income taxes**

In December 2019, the FASB issued Accounting Standards Update ("ASU") No. 2019-12, Income Taxes (Topic 740), Simplifying the Accounting for Income Taxes. The amendments in this ASU simplify the accounting for incomes taxes by removing certain exceptions to the general principles in Topic 740 and clarifying and amending existing guidance to improve consistent application. Most amendments within this standard are required to be applied on a prospective basis, while certain amendments must be applied on a retrospective or modified retrospective basis. We adopted this standard as of January 1, 2020 and the adoption of this standard did not have a material impact on our consolidated financial statements.

**Financial Instruments - Credit Losses**

In June 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-13, Financial Instruments - Credit Losses (Topic 326), Financial Instruments - Credit Losses. The amendments in this update require a financial asset (or a group of financial assets) measured at an amortized cost basis to be presented at the net amount expected to be collected. The new approach to estimating credit losses (referred to as the current expected credit losses model) applies to most financial assets measured at amortized cost and certain other instruments, including trade and other receivables, loans and available-for-sale securities. We adopted this standard as of January 1, 2020. The adoption of this new standard did not have a material impact on our consolidated financial statements. Under the new standard, we assess credit losses on accounts receivable by taking into consideration past collection experience, credit quality of the customer, age of the receivable balance, current economic conditions, and forecasts that affect the collectability of the reported amount.

**Simplifying the test for Goodwill impairment**

In January 2017, the FASB issued Accounting Standards Update ("ASU") No. 2017-04, Intangibles - Goodwill and Other (Topic 350), Simplifying the test for Goodwill impairment. ASU 2017-04 simplifies the accounting for goodwill impairment by removing Step 2 of the goodwill impairment test, which requires a hypothetical purchase price allocation. ASU 2017-04 is effective for annual or interim goodwill impairment tests in fiscal years beginning after December 15, 2019 and should be applied on a prospective basis. We adopted this standard as of January 1, 2020 and the adoption of this standard did not have a material impact on our consolidated financial statements.

**Note 3. Revenue**

**Disaggregated Revenue**

The following table presents percentage of revenues by major product or service type:

	Year Ended December 31, 2021		Year Ended December 31, 2020	
Subscription and SaaS	\$ 73,945	50 %	\$ 63,825	45 %
Product over time	56,753	38 %	54,917	39 %
Maintenance	6,142	4 %	5,954	4 %
Product upfront	1,857	1 %	3,608	3 %
Services revenue	9,973	7 %	13,259	9 %
Total	\$ 148,670	100 %	\$ 141,563	100 %

**Deferred Commissions**

Deferred sales commissions were \$34.2 million and \$37.1 million as of December 31, 2021 and December 31, 2020, respectively. Amortization expense for the deferred costs was \$13.3 million and \$12.1 million for the years ended December 31, 2021, and 2020, respectively. There was no impairment loss in relation to the costs capitalized for the periods presented.

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**Note 4. Accounts Receivables, Net**

Accounts receivable, net at December 31, 2021 and 2020, consists of the following:

	December 31,	
	2021	2020
Accounts receivable	\$ 43,999	\$ 44,799
Unbilled accounts receivable (contract assets)	2,551	4,143
<b>Total receivables</b>	<b>46,549</b>	<b>48,941</b>
Less: Allowance for doubtful accounts	(820)	(824)
<b>Total receivables, net</b>	<b>\$ 45,728</b>	<b>\$ 48,118</b>

The provisions for losses on accounts receivable for the years ended December 31, 2021 and 2020 were as follows:

	Year Ended December 31,	
	2021	2020
Balance at Beginning of Period	\$ 824	\$ 353
Add: current period provision	172	503
Less: write-offs, net of recoveries	(176)	(33)
<b>Balance at End of Period</b>	<b>\$ 820</b>	<b>\$ 824</b>

**Note 5. Contract Liabilities***Contract Liabilities*

For the years ended December 31, 2021 and 2020, the Company recognized approximately \$90.8 million and \$85.5 million, respectively, of revenue that was included in the contract liability balances at the beginning of the respective periods.

**Note 6. Goodwill and Acquired Intangible Assets**

The change in the carrying amount of goodwill for the years ended December 31, 2021 and 2020, was as follows:

Balance as of December 31, 2019	\$ 74,067
Foreign currency translation adjustments	4,865
Balance as of December 31, 2020	78,932
Foreign currency translation adjustments	(3,783)
Balance as of December 31, 2021	\$ 75,149

There were no impairments to goodwill during the years ended December 31, 2021 and 2020.

Intangible assets subject to amortization as of December 31, 2021 are as follows:

	Weighted-Average Remaining Useful Life (in months)	Gross Carrying Amount	Accumulated Amortization*	Net Carrying Amount
Developed Technology	35	\$ 21,115	\$ (16,851)	\$ 4,263
Trademarks	55	12,173	(9,335)	2,837
Customer Relationships	23	19,167	(16,188)	2,979
Total intangible assets subject to amortization		\$ 52,455	\$ (42,375)	\$ 10,080

\*Cumulative foreign currency translation adjustments, reflecting movement in the currencies of the underlying entities decreased total intangible assets by approximately \$(130) thousand as of December 31, 2021.

Intangible assets subject to amortization as of December 31, 2020 are as follows:

	Weighted-Average Remaining Useful Life (in months)	Gross Carrying Amount	Accumulated Amortization*	Net Carrying Amount
Developed Technology	47	\$ 22,781	\$ (17,056)	\$ 5,725
Trademarks	56	12,602	(8,160)	4,442
Customer Relationships	34	20,905	(16,224)	4,681
Total intangible assets subject to amortization		\$ 56,288	\$ (41,440)	\$ 14,848

\*Cumulative foreign currency translation adjustments, reflecting movement in the currencies of the underlying entities, increased total intangible assets by approximately \$0.41 million as of December 31, 2020.

Amortization expense from acquired intangible assets was \$4.6 million and \$4.8 million during the years ended December 31, 2021 and 2020, respectively.

The expected future amortization expense for acquired intangible assets as of December 31, 2021 is as follows:

	<b>Expected Amortization Expense</b>	
Fiscal 2022	\$	4,211
Fiscal 2023		3,428
Fiscal 2024		1,536
Fiscal 2025		216
Fiscal 2026 and Thereafter		689
Total amortization expense	\$	<u>10,080</u>

#### Note 7. Fair Value Measurements

The carrying amounts of certain of our financial instruments including accounts receivable, accounts payable and accrued liabilities approximate fair value due to their short-term maturities.

Assets and liabilities recorded at fair value in the consolidated financial statements are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Hierarchical levels that are directly related to the amount of subjectivity associated with the inputs to the valuation of these assets or liabilities are as follows:

**Level 1:** Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

**Level 2:** Quoted prices for similar assets or liabilities in markets that are not active or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

**Level 3:** Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

The Company does not enter into investments for trading or speculative purposes.

The fair value of the Company's Debt is classified in the level 2 hierarchy. See Note 10 for further detail regarding the Notes.

#### Note 8. Lease

The Company has operating and finance leases for corporate offices, vehicles, and certain equipment. The components of lease expense were as follows:

	Year Ended December 31,	
	2021	2020
Operating lease cost	\$ 2,947	\$ 3,119
Finance lease cost:		
Amortization of right-of-use assets	\$ 1,018	\$ 1,202
Interest on lease liabilities	26	78
Total finance lease cost:	\$ 1,044	\$ 1,280

Supplemental information related to leases was as follows:

	Year Ended December 31,	
	2021	2020
Cash paid for amounts included in the measurement of lease liability:		
Operating cash flows from operating leases	\$ 3,163	\$ 3,400
Operating cash flows from finance leases	25	27

As of December 31, 2020 and 2021, the weighted average remaining lease term and weighted average discount rate for operating and finance leases, respectively, were as follows:

	December 31,	
	2021	2020
<b>Weighted average remaining lease term:</b>		
Operating leases	4 years	5 years
Finance leases	2 years	2 years
<b>Weighted average discount rate:</b>		
Operating leases	2.49%	2.43%
Finance leases	1.42%	1.79%

As of December 31, 2021, future lease payments under operating leases were as follows:

	Amount	
Fiscal 2022	\$	2,880
Fiscal 2023		2,765
Fiscal 2024		2,708
Fiscal 2025		1,283
Fiscal 2026		1,089
Thereafter		388
<b>Total operating lease payments</b>	<b>\$</b>	<b>11,112</b>
Less: Imputed interest		(596)
<b>Total operating lease liabilities</b>	<b>\$</b>	<b>10,517</b>

As of December 31, 2021 future lease payments under finance leases due in the years end 2022, 2023 and 2024 was \$731 thousand, \$510 thousand and \$156 thousand, respectively.

Operating lease liabilities were recorded in the consolidated balance sheet as follows:	December 31,	
	2021	2020
Operating lease liabilities	\$ 2,747	\$ 2,857
Operating lease liabilities, less current portion	7,770	10,901
<b>Total operating lease liabilities</b>	<b>\$ 10,517</b>	<b>\$ 13,758</b>

Finance lease liabilities were recorded in the consolidated balance sheet as follows:	December 31,	
	2021	2020
Other current liabilities	\$ 731	\$ 983
Other liabilities, less current portion	666	584
<b>Total finance lease liabilities</b>	<b>\$ 1,397</b>	<b>\$ 1,567</b>

#### Note 9. Property and Equipment, net

Property and equipment, net as of December 31, 2021 consists of the following:

	Property, Plant and Equipment	Finance Lease Right-of-Use Assets	Property, Plant and Equipment & Finance Lease Right-of-Use Assets
Leasehold improvements	\$ 2,141	\$ —	\$ 2,141
Office Equipment	1,838	621	2,459
Computers	3,038	—	3,038
Vehicles	—	2,058	2,058
Capitalized software development costs	7,404	—	7,404
Property and equipment, gross	14,421	2,679	17,100
Less accumulated depreciation and amortization	(5,703)	(1,271)	(6,974)
<b>Property and equipment, net</b>	<b>\$ 8,718</b>	<b>\$ 1,408</b>	<b>\$ 10,126</b>

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Property and equipment, net as of December 31, 2020 consists of the following:

	Property, Plant and Equipment	Finance Lease Right-of-Use Assets	Property, Plant and Equipment & Finance Lease Right-of-Use Assets
Leasehold improvements	\$ 2,310	\$ —	\$ 2,310
Office Equipment	1,983	2,352	4,335
Computers	2,951	—	2,951
Vehicles	—	3,267	3,267
Capitalized software development costs	4,732	—	4,732
Property and equipment, gross	11,976	5,619	17,595
Less accumulated depreciation and amortization	(5,000)	(4,177)	(9,177)
Property and equipment, net	\$ 6,976	\$ 1,442	\$ 8,418

Depreciation and amortization (inclusive of capitalized software development costs) was approximately \$2.3 million and \$2.8 million for the years ended December 31, 2021 and 2020, respectively. Depreciation for capitalized software development costs was approximately \$340 thousand and \$313 thousand for the years ended December 31, 2021 and 2020, respectively.

During the years ended December 31, 2021 and 2020, the Company capitalized software development costs of approximately \$3.3 million and \$2.1 million, respectively. There were no significant assets disposed of during the years ended December 31, 2020 and 2021.

Unamortized capitalized software development costs were approximately \$6.7 million and \$4.4 million for the years ended December 31, 2021 and 2020, respectively.

No impairment was recorded for the years ended December 31, 2021 and 2020.

#### Note 10. Debt

Outstanding debt as of December 31, 2021 and 2020 was as follows:

	December 31, 2021			December 31, 2020		
	Principal	Unamortized debt issuance costs	Carrying Value	Principal	Unamortized debt issuance costs	Carrying Value
Wells Fargo Term Loan	\$ 109,450	\$ (1,966)	\$ 107,484	\$ —	\$ —	\$ —
Wells Fargo Revolving Credit Facility	—	—	—	—	—	—
Blackrock Term Loan	—	—	—	92,000	(2,445)	89,555
Blackrock Revolving Credit Facility	—	—	—	3,000	—	3,000
Total outstanding debt	\$ 109,450	\$ (1,966)	\$ 107,484	\$ 95,000	\$ (2,445)	\$ 92,555

#### Wells Fargo Term Loan & Revolving Credit Facility

In July 2021, the Company entered into long-term debt and revolving credit facility agreements (collectively "Wells Fargo Term Loan") with a group of lenders led by Wells Fargo Bank, as administrative agent. The agreement includes a \$110 million aggregate principal due July 7, 2026 and a revolving credit facility with borrowings up to \$20 million. Any outstanding loans drawn under the revolving credit facility are due at maturity on July 7, 2026. Outstanding borrowings may be paid at any time prior to maturity with a corresponding prepayment premium of between 0% and 1.50%. As of December 31, 2021 there were no outstanding borrowings on the revolving credit facility. In July 2022, the Company drew \$8 million on the the revolving credit facility.

Outstanding principal payments under the Term Loan are due as follows:

	Amount
Fiscal 2022	\$ (1,100)
Fiscal 2023	(1,100)
Fiscal 2024	(1,100)
Fiscal 2025	(1,100)
Fiscal 2026	(105,050)
Total outstanding principal payments	\$ (109,450)

Interest accrues on borrowings under the credit facility at either LIBOR plus a margin between 3.75% and 4.25% per annum or at the base rate of 1% plus a margin between 3.75% and 4.25% per annum. Interest is payable quarterly. A commitment fee of 0.50% is assessed on the daily average undrawn portion of revolving facility commitments.

The credit facility contains customary negative covenants that, among other things, restrict the ability to incur additional indebtedness, grant liens, make certain investments (including acquisitions), dispose of certain assets and make certain payments. As of December 31, 2021, the Company was in compliance with all financial covenants associated with the term loan and revolving credit facility.

#### **BlackRock Term Loan & Revolving Credit Facility**

In April 2019, the Company entered into long-term debt and revolving credit facility agreement with Cortland Capital Markets (BlackRock) as administrative agent. The agreement included a \$30 million aggregate principal term loan and a revolving credit facility with borrowings up to \$10 million, with a five year maturity. On November 13, 2019 and October 21, 2020, the Company executed the first and second amendments, respectively which increased the term loan by \$62 million collectively. Any outstanding loans drawn under the credit facility are due at maturity, but may be paid at any time prior to maturity. Additionally, the Company drew \$10 million from the revolving credit facility of which \$7 million and \$3 million were paid in November 2020 and February 2021, respectively. As of December 31, 2020, the \$3 million outstanding on the revolving credit facility and \$10 million of the term loan balances were classified within Debt, current. In July 2021, the Company utilized a portion of the proceeds from the Wells Fargo Term loan to extinguish the BlackRock term loan and revolving credit facility. The repayment of the BlackRock term loan was accounted for as a debt extinguishment. A \$3.20 million loss on debt extinguishment was recognized in the statement of comprehensive loss in 2021.

The credit facility contained customary negative covenants that, among other things, restrict the ability to incur additional indebtedness, grant liens, make certain investments (including acquisitions), dispose of certain assets and make certain payments. As of December 31, 2020, the Company was in compliance with all financial covenants associated with the term loan and revolving credit facility.

#### **Note 11. Stock Based Compensation**

##### **Stock Option and Stock Incentive Plans**

The following Stock Option and Stock incentive plans ("the Plans") have been adopted by our board.

- 2016 Stock Option Plan – US, Amended and Restated
- 2016 Stock Option Plan – International, Amended and Restated
- 2017 Stock Option Plan, Amended and Restated
- 2021 Stock Incentive Plan

The Plans authorize the granting of common stock options to employees, directors and consultants. The term of an incentive stock option may not exceed 10 years. Options generally vest over 4 years. Stock options are granted with exercise prices at 100% of fair market value, or FMV, on the date of grant as determined by the Board with the assistance of an independent third-party valuation firm engaged by the Company to perform periodic 409A valuations of the Company's stock, applying valuation techniques and methods that conform to generally accepted valuation practices.

The following table summarizes the stock option activity for grants with only service conditions during the year ended December 31, 2021:

	Options Outstanding		
	Shares	Weighted-Average Exercise Price per Share	Weighted-Average Remaining Contractual Term
Balances as of December 31, 2020	11,906,173	\$ 3.34	
Options granted	706,000	4.17	
Options exercised	(3,497)	4.77	
Options forfeited and expired	(1,216,882)	4.03	
Balances as of December 31, 2021	11,391,794	\$ 3.36	6.95
Vested	9,065,036	\$ 3.32	6.84

As of December 31, 2021, total unrecognized compensation cost related to unvested stock options was approximately \$10.50 million. The weighted-average remaining vesting period of unvested stock options at December 31, 2021 was 1.73 years.

Certain options awards granted are subject to certain performance based vesting conditions. As of December 31, 2021 and 2020, there were 2,940,000 outstanding options with performance conditions. There were no new grants, forfeitures, or expirations during 2021. As of December 31, 2021 and 2020, there were 140,000 and 105,000 options, respectively, with performance conditions vested. As of December 31, 2021, total unrecognized compensation cost related to unvested stock options with performance conditions was approximately \$5.4 million.

Certain options awards granted are subject to certain market vesting conditions. As of December 31, 2021 and 2020, there were 700,000 outstanding options with market conditions. There were no new grants, forfeitures, or expirations during 2021. As of December 31, 2021, total unrecognized compensation cost related to unvested stock options with market conditions was approximately \$0.4 million.

##### **Warrant Plans**

In 2021, Snow Software US, Inc issued Warrants Series 2017/2020 and Series 2019/2024B in exchange for Warrants previously issued to Swedish Employees under warrant plans of Iglu Intressenter AB. Warrants are offered for purchase by employees at grant date fair market value, generally vest over 4 years and the Company has certain repurchase rights. As of December 31, 2021 the unrecognized compensation expense for the outstanding warrants was immaterial.

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The following table summarizes the stock option activity under our Warrant Plan during the year ended December 31, 2021:

	Warrants Outstanding		
	Shares	Weighted-Average Exercise Price per Share	Weighted-Average Remaining Contractual Term
Balances as of December 31, 2020	146,600	\$ 3.29	
Options granted	33,700	4.17	
Options exercised	(12,875)	4.77	
Options forfeited and expired	(14,438)	3.49	
Balances as of December 31, 2021	152,987	\$ 3.49	2.46
Vested	105,249	\$ 2.28	1.97

#### Stock-Based Compensation Expense

Stock-based compensation expense related to our stock-based awards and employee stock purchases was allocated as follows:

	Year Ended December 31,	
	2021	2020
Cost of revenues	\$ 73	\$ 83
Research and development	430	413
Selling and marketing	966	890
General and administrative	1,791	1,657
Total stock-based compensation	\$ 3,259	\$ 3,042

#### Valuation Assumptions

The following table summarizes the assumptions used in the Black-Scholes method to determine the fair value of options granted during the years ended December 31, 2021 and 2020:

	Year Ended December 31,	
	2021	2020
Expected Volatility	39.2-40.0%	35.4-35.9%
Risk-free rate	0.0-0.3%	0.6-0.7%
Dividend Yield	0%	0%
Expected Term (in years)	5.0 - 6.1	5.3 - 6.1

#### Note 12. Commitments and Contingencies

##### Litigation

The Company is involved in various legal proceedings, claims and litigation which arise in the ordinary course of the business. The Company makes a provision for a liability relating to legal matters when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. These provisions are reviewed at least quarterly and adjusted to reflect the impacts of negotiations, settlements, rulings, advice of legal counsel and other information and events pertaining to a particular matter. The Company is not currently involved in any outstanding litigation that it believes, individually or in the aggregate, will have a material adverse effect on its business, financial condition, results of operations or cash flows.

##### Purchase Commitments

In the ordinary course of business, the Company enters into various purchase commitments for goods and services. As of December 31, 2021, the Company has outstanding purchase obligations of \$0.7 million in 2022 that were associated with agreements for purchases of services.

##### Indemnification

The Company's software agreements generally include certain provisions for indemnifying customers against liabilities if the Company's software solutions infringe a third party's intellectual property rights. As of December 31, 2021, the Company has not incurred any losses as a result of such indemnifications and has not accrued any liabilities related to such obligations in the Company's Consolidated Financial Statements.

#### Note 13. Related-Party Transactions

There were no related party transactions during the years ended December 31, 2021 and 2020.

#### Note 14. Income Taxes

The income tax provision consisted of the following for the years ended December 31, 2021 and 2020: Snow Software US, Inc., a Delaware company, became the parent Company of the Snow Group on December 6, 2021 as a result of certain merger transactions. Iglu Intressenter AB, a company incorporated in Sweden was previously our parent company. In conjunction with these merger transactions we also completed a restructure of our operations. These transactions had no material impact on the Company's income tax provision. The income tax provision consisted of the following for the years ended December 31, 2021 and 2020:

	Year Ended December 31,	
	2021	2020
<b>Current provision:</b>		
Federal	\$ 305	\$ 7
State and Foreign	747	2,494
	<u>1,052</u>	<u>2,501</u>
<b>Deferred provision:</b>		
Federal	(748)	(202)
State and Foreign	2,061	340
	<u>1,313</u>	<u>138</u>
	<u>\$ 2,365</u>	<u>\$ 2,639</u>

The differences between the effective tax rates reflected in the total provision for income taxes and the U.S. Federal and Swedish Statutory rate of 21% for the years ended December 31, 2021 and 2020, were primarily due to foreign income tax rate differentials, utilization of prior period net operating loss carryforwards in certain jurisdictions, increases in valuation allowance and non-deductible expenses.

	Year Ended December 31,	
	2021	2020
Deferred tax assets	\$ 39,787	\$ 37,734
Less: Valuation allowance	(29,787)	(23,688)
Deferred tax assets, net	\$ 10,000	\$ 14,046
Deferred tax liabilities	\$ (8,585)	\$ (11,101)
Deferred tax, net	<u>\$ 1,415</u>	<u>\$ 2,945</u>

The tax effects of temporary differences and other tax attributes give rise to deferred tax assets and liabilities. Deferred tax assets of \$39.8 million and \$37.7 million at December 31, 2021 and 2020, respectively, include net operating loss carryforwards, intangible assets, stock based compensation, contract liabilities and non deductible interest. Deferred tax liabilities of \$8.6 million and \$11.1 million at December 31, 2021 and 2020, respectively, include capitalized contract costs, intangible assets and other.

A valuation allowance is recorded against deferred tax assets, net for U.S. Federal, U.S. State, and certain foreign jurisdictions. Positive and negative evidence is evaluated each reporting period to assess whether business results or the economic environment in each jurisdiction support the realization of some or all of the Company's deferred tax assets on a more likely than not basis. At December 31, 2021 a valuation allowance was maintained in those jurisdictions where there is insufficient positive evidence to outweigh the historic negative evidence such that it was determined that it was not more likely than not that the deferred tax assets would be realized. The valuation allowance increased \$6.1 million during the year ended December 31, 2021.

U.S. Federal net operating losses, were approximately \$27.7 million and \$14.9 million, at December 31, 2021 and 2020, respectively. Swedish net operating losses, were approximately SEK 293 million and SEK 538 million, at December 31, 2021 and 2020, respectively. U.S. Federal net operating losses totaling \$8.7 million will begin to expire in 2037. U.S. Federal net operating losses generated after January 1, 2018 and Swedish net operating losses have no expiration.

Undistributed earnings of the majority of the Company's foreign subsidiaries are considered to be permanently reinvested and accordingly, no provision for federal or state income tax or foreign withholding taxes has been accrued on such earnings. The Company has and plans to continue to remit dividends from certain foreign subsidiaries. No withholding taxes were incurred on intergroup dividends in fiscal 2021 and 2020, respectively. The Company plans to utilize its foreign undistributed earnings, as well as continued funding from its U.S. operations, to support its continued foreign investment and growth in foreign operations.

The Company files tax returns in the U.S. and various foreign jurisdictions. The Company may be subject to U.S. federal income tax examination for the calendar tax years from 2014 and state and foreign income tax examination for various years depending on the statutes of limitation of those jurisdictions.

The Company records balances for net unrecognized tax benefits and accrues interest and penalties to tax expense. Reserves for unrecognized tax benefits were \$0.4 million and \$0.4 million as of December 31, 2021 and 2020, respectively. Interest and penalties were not material in the years ended December 31, 2021 and 2020. Tax positions are monitored and reserve estimates are revised regularly to take into consideration expiry of statute of limitations, settlements of tax audits and other regulatory developments. As of December 31, 2021, it is reasonably possible that approximately \$0.4 million of unrecognized tax benefits will be released within the next 12 months.

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**Note 15. Other Income (Expense), Net**

The following table presents the components of other income (expense), net:

	Year Ended December 31,	
	2021	2020
Foreign currency exchange gain (loss)	\$ (2,700)	\$ 6,215
Other, net	(13)	(6)
<b>Total</b>	<b>\$ (2,713)</b>	<b>\$ 6,208</b>

**Note 16. Equity****Common Stock**

As of December 31, 2021, the Company's amended Certificate of Incorporation, registered December 3, 2021, authorizes the Company to issue 50,000,000 shares of Series A common stock and 150,000,000 shares of Series B common stock. Both classes of common stock have a par value of \$0.0001 per share. As of December 31, 2021, 6,067,934 Series A common stock and 130,360,776 Series B common stock shares were issued.

As of December 31, 2020, the Company's Certificate of Registration authorized the Company to issue a minimum of 100,000,000 shares and a maximum of 400,000,000 shares, Series A and Series B combined. Each with a par value of 0.0037 SEK per share. As of December 31, 2020, 6,051,562 Series A common stock and 130,360,776 Series B common stock shares were issued.

Common Stock Series A is entitled to 1/10 vote per share and Series B common stock is entitled to 1 vote per share. Both classes of common stock participate pari passu in any dividends, if declared.

**Note 17. Subsequent Events**

The Company has evaluated subsequent events in accordance with ASC Topic 855, "Subsequent Events", through August 31, 2022, which is the date the consolidated financial statements were available to be issued. The Company identified no material subsequent events that require recognition or additional disclosure in these consolidated financial statements.