

When you want to **inspire, lead,
engage and develop** your employees,
Simployer is here for you.

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simployer

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Words from our CEO



Photo: Sveinung Bråthen

Work as we know it has been undergoing a digital revolution over the last couple of years. There are many questions but few answers about how we can get the right balance between flexibility and trust when it comes to working at home versus at the office and the struggle to attract, retain and develop talent, for example.

Vagleik Takle joined as CEO of Simployer in 2022. He has extensive experience from leading software companies, and throughout his career he has worked with management, internationalization and commercialization of companies such as Volue, Kongsberg Digital and Cxense. Along the way, he has followed Simployer from the sidelines - with great interest.

As the new CEO of Smployer, I have come at an **incredibly exciting time.**

In addition to various operational issues, HR is undergoing a major transformation from being an administrative support function to being a strategic and business-critical function. Smployer has been its customers' preferred HR partner for several years, and we intend to keep it this way.

HR trends for 2022

Most industries are now caught up in an intense battle for talent. One of the most significant challenges in the coming year will be recruiting, retaining and further developing employees. Smployer has taken the pulse of how we work in Sweden and Norway through the report *Smployer Puls 22*. By way of our own experts, customers and employees, we have gained a sound insight into the needs of younger and older employees and the challenges posed by the generation gap and the changing composition of skills.

Greater demand for feedback

For many, the annual employee interview has been one of the few permanent point of contact for managers and employees where they talk about more than just goals and achievements.

In order to be aware of any change in employees' motivation or commitment, it is important to take the pulse of the workplace and take concrete action when required.

At Smployer we believe it is increasingly important for leaders and organisations to have this kind of insight as the battle for talent continues. It is about retaining competence and developing it further as much as it about chasing new colleagues.

Smployer is here to support you

The last two years have been marked by digitalisation and have shown our customers and us alike how important HR technology is to ensuring efficient personnel management and employee development. At the same time, we have confirmed the importance of our advisers, who have guided our customers through "unknown terrain" in a demanding period.

We firmly believe that flexible HR technology combined with expert help tailored for local needs will be essential for all companies. It is no longer just a matter of having efficient administrative processes but also of retaining and further developing every company's most important resource: its people. We know that companies with highly motivated and committed employees create greater value.

When you want to inspire, lead, engage and develop your employees, Smployer is here for you. We will continue to invest heavily in solutions that combine knowledge and technology so as to help your employees attain their full potential.

Best regards,

Vigleik Takle, CEO Smployer

The HR sector is constantly evolving and so is Simployer. **We continually track market trends and stay close to our customers** in order to identify new needs and strategic shifts in our target group.

Simployer – the journey to unleash people’s full potential

While HR has previously been looked upon as an administrative function, it is gradually becoming a more business-critical function, and the people business has become even more challenging in the wake of large societal movements, e.g. “the great resignation” and the “hybrid workforce”.

During this time of change, Simployer’s core offering and competitive edge are equally relevant: our unique combination of HR tech and expertise. Simployer has developed products that support HR’s strategic role in organisations and we help our customers bring their organisation to the future of HR.

Whenever a company needs to inspire, engage, manage and develop its workforce, Simployer supports it so as to ensure that HR and managers can unleash the full potential of their people.

Unleashing people’s full potential is a bold endeavour that requires one’s full attention. In terms of Simployer’s offering, this means adopting a more prioritised product strategy going forwards. A strategy where we focus on an outstanding user experience and apply our deep understanding of how to best combine technology with actual expertise.



HRM



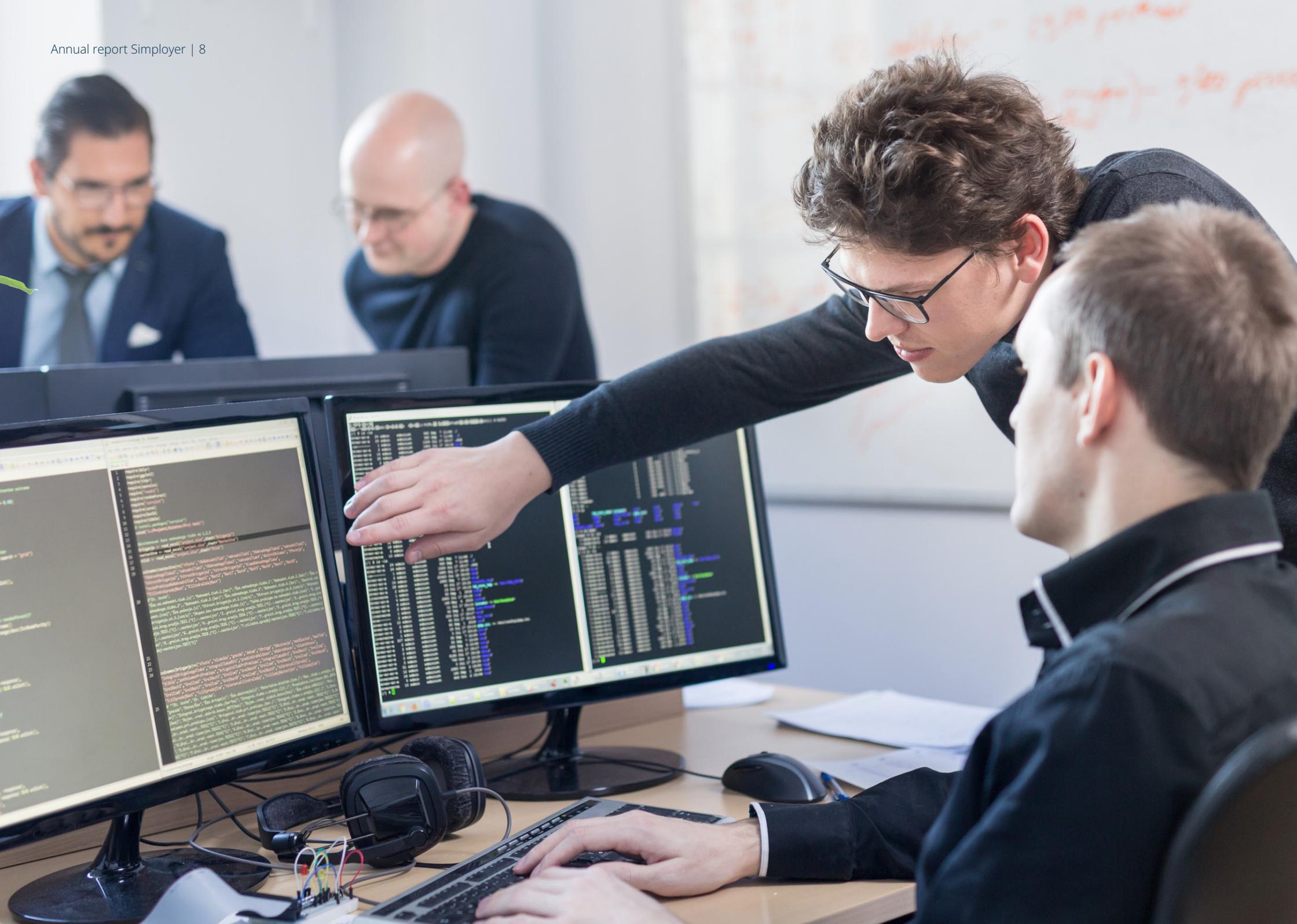
Knowledge



Learning

A shorter path to practical insights and good decisions

By way of our digital support and knowledge service, we enable managers and specialists in HR, payroll, accounting, tax and HSE to make better decisions and improve their expertise. Our team of advisors in Sweden and Norway ensures the delivery of quality-assured and up-to-date content, thus allowing for insight and quick action that fulfils our customers' needs. Simployer has a unique combination of HR tech and expertise.



Technology is the foundation of all Simployer services and is built as Software-as-a-Service (SaaS) from the start. **This means regulations, features and user experiences that are kept always up to date** for our users and provide great scalability for growth.

HR technology partner

Technological innovation is important to Simployer, and over the past couple of years we have made major investments in our internal and customer-facing technology platforms to create the HR solutions of the future.

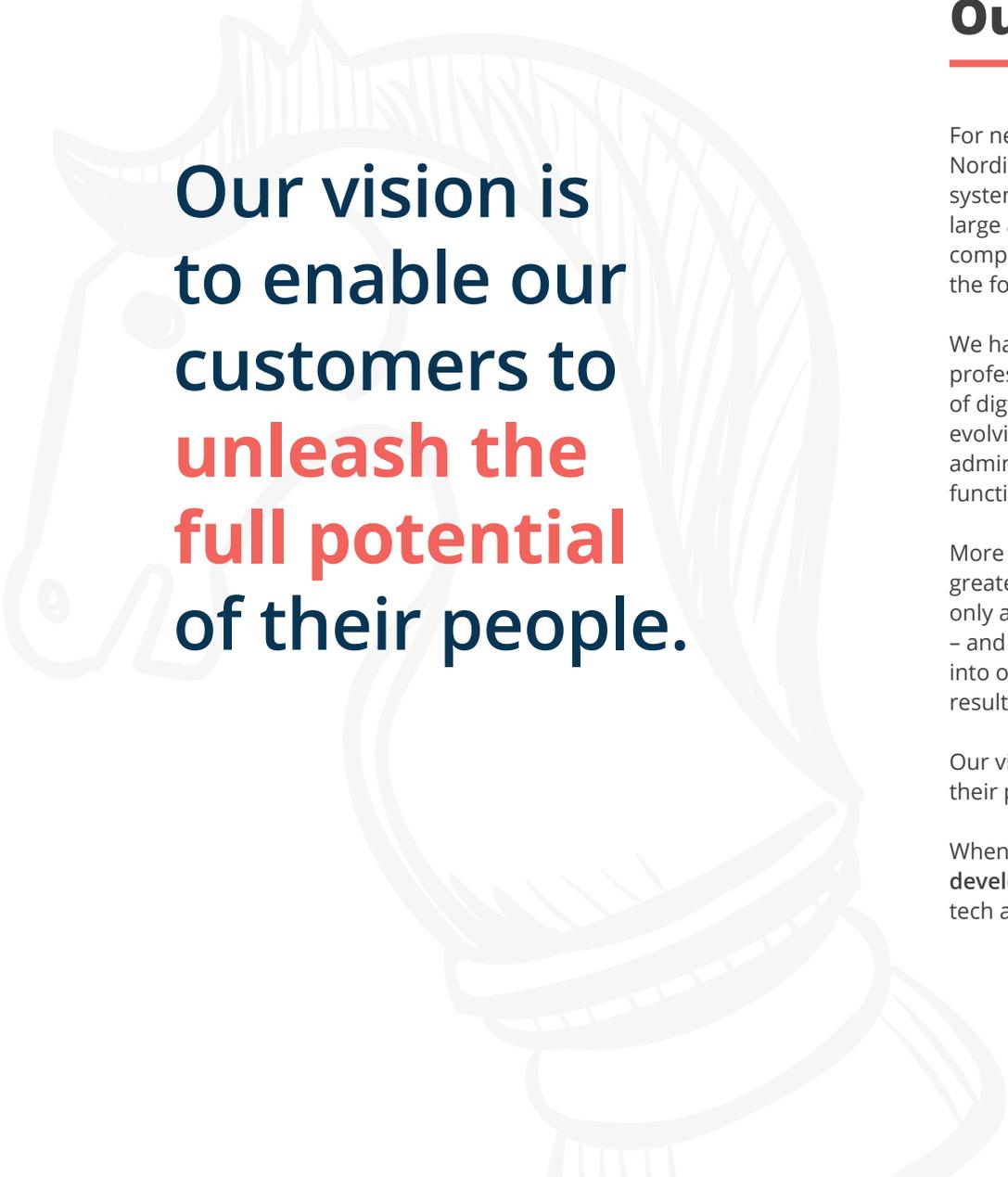
At the heart of this are solutions for HR master data and compensation management, the internationalisation of our software, easy sign-in using Vipps, BankID or Active Directory, a new mobile app and our brand-new data analytics solution – Simployer Insight. In addition, we continually seek to enhance the security and flexibility of our systems. The new platforms allow us to more rapidly develop and launch new services and products in the market.

Simployer has invested heavily in Salesforce as a customer relations management (CRM) system. Salesforce supports our ambitions for growth while continually improving the customer experience across all our services through tight coupling with all in-house product systems. These capabilities enable efficient digital and high-touch business models and are also provide essential support for our acquisition strategy.

Going forwards, we will continue to invest in a state-of-the-art mobile and desktop user experience, products with international reach and greater self-service capabilities. In 2021, we strengthened our partnership with Microsoft. We are gradually moving our services to Azure and use Azure's PaaS capabilities (Platform-as-a-Service) to further unleash the power of our technology.

For nearly 40 years, Simployer has been an **HR pioneer in the Nordics, delivering market-leading insight coupled with strong system support.** This has given us a solid platform in form of a large and satisfied customer base, together with a strong and competent organisation to serve current and future customers in the foreseeable future.





Our vision is
to enable our
customers to
**unleash the
full potential**
of their people.

Our strategy

For nearly 40 years, Simployer has been an HR pioneer in the Nordics, delivering market-leading insight coupled with strong system support. This has given us a solid platform in form of a large and satisfied customer base, together with a strong and competent organisation to serve current and future customers in the foreseeable future.

We have witnessed how the market has matured in terms of both professionalism in the HR industry and awareness and maturity of digital solutions. Like the rest of our society, HR is constantly evolving, and although it has previously been looked upon as an administrative function, it is gradually becoming a business-critical function.

More and more companies are starting to acknowledge that their greatest asset is in fact their own employees, and the pandemic has only accelerated this trend. It is people who make a business grow – and success is all about leadership. Sustainability (ESG) is woven into our company strategy. It is visible in our objectives and key results (OKRs) and must win battles for Simployer.

Our vision is to enable our customers to unleash the full potential of their people.

Whenever a company needs to **inspire, engage, manage** and **develop** its workforce, Simployer supports it with market-leading HR tech and expertise tailored to local market needs.

In order to deliver on our vision, we have set out three main strategic priorities: People, Customers and Growth.

PEOPLE



Make Simployer an amazing workplace where we have fun

At Simployer we have a passion for people! We firmly believe that by having engaged and motivated employees, we can build and deliver better products and services to our customers. We are devoted to creating a workplace where our own employees feel empowered to develop and innovate our offerings and have fun along the way!

CUSTOMERS



Deliver a cohesive customer experience that our customers love

Technology itself is only half of the equation. It is when you combine people and expertise with technology that full potential can be achieved. As a SaaS company, customers' trust and loyalty must be confirmed every day, in every interaction. Our aim is to be a valued partner to our customers, and we will continue to invest heavily in building a cohesive customer experience where the interconnected benefits of technology and expertise are made visible in our customers' business results.

GROWTH



Pursue #1 positions for our core offerings across Northern Europe

For Simployer, growth is key to enabling us to deliver our customer promise. Having more customers will enable us to invest more in our product offerings, thus providing our customers with even better value. This will also provide us with greater market insight and best practice that we can channel back to our existing customers. An important part of our growth strategy is reaching out to new markets outside the Nordics, and we will do this through a combination of acquisitions and organic growth.

Our seek to become the preferred choice of employees and customers in the HR sector in Northern Europe. Sure, these are bold ambitions, but we have the people, the technology, and the competence and can deliver.



More and more companies are starting to acknowledge that **their greatest asset is in fact their own employees**, and the pandemic has only accelerated this trend. It is people who make a business grow – and success is all about leadership.

From our beginnings as a sole proprietorship in 1985, we now have **more than 350 employees in three countries** who go to work in order to help companies unleash their people's full potential at work.

Companies and locations

Simployer has employees in Sarpsborg, Oslo, Kristiansund, Gothenburg, Stockholm and Gdansk. Ferd came in as a new majority shareholder in January 2020, with former shareholders still having significant ownership interests. Ferd is a family-owned Norwegian investment company with a value-adjusted equity of NOK 41 billion, whose vision is to create lasting value and leave clear traces. Having Ferd on the owner side gives Simployer additional strength and power that will help us realise our goal of becoming an international supplier of HR technology and expertise to the workplace.



Simployer Sarpsborg



Simployer Oslo



Simployer Kristiansund



Simployer Gothenburg



Simployer Stockholm



Simployer Gdansk

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Since the beginning

A lot has happened since 1985 when Simployer was established. It all started with Bjørn Garder, the self-employed entrepreneur who came to understand how difficult it was to stay up to date as an employer with constant changes and updates in the legislation.

1985

Our beginnings. Founder Bjørn Garder establishes Info Tjenester AS with the idea of making it simpler to be a great employer.

1998

We launch our first web-based solution: : Info Reise

2005

Infotjenester is amongst the first in the market to have a web-based personnel handbook.

2012

We optimise all of our systems and manuals for mobile devices.

2008

We launch our cloud-based HRM solution and focus on developing products that deliver high customer value.

2013

We establish ourselves in Sweden and launch a personnel and management handbook.

2015

We acquire Tholin & Larsson AB and become a market leader in Scandinavia within our field. We still make it easy to be an employer and introduce process tools for HR and managers that focus on on-/off-boarding, employee satisfaction interviews and HSE.

2017

We acquire Norwegian Capitech and Swedish Netcompetence - market leaders on time and resource planning, and digital talent management tools.

Smployer HRM system is launched - our flexible, module-based HRM system that supports HR, managers and employees.

2019

With our acquisition of Capitech and Netcompetence, Smployer now has the functional breadth to make us a full-line supplier of operational and strategic HR.

2020

In 2020 we went from Infotjenester to Smployer to bring all our companies, products and services under one umbrella. Ferd came in as majority owner in January.

2021

Swedish Edge HR and &frankly become part of the family. Engagement is now part of our offering.

Simployer seeks to make sustainability an integrated part of our business and, through our offerings, to **make it easier for companies and individuals to succeed** in an increasingly international, digital and sustainable world.

ESG at Simployer

ESG stands for “Environmental, Social and Governance”. It is often referred to as sustainability or corporate social responsibility. In a business context, sustainability relates to a company’s business model and how its products and services contribute to sustainable development.

Sustainable development is a key concern of all sectors. Companies are changing their business models, and digitalisation is playing a central role in the transformation of every sector and business.

We approach ESG as a work in progress, and here we consider four United Nations (UN) sustainable development goals that are of particular relevance to our business and our stakeholders.

ESG ambassadors

We have appointed internal ambassadors in connection with our four chosen Sustainable Development Goals to ensure that we make progress and stay accountable. Each team consists of Simployees across sites so as to anchor our goals to our employees wherever they are located. Here is a brief description of our current goals and actions.

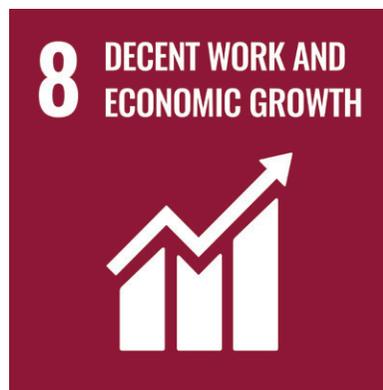
Our first ESG report will soon be available for all to read.

SUSTAINABLE DEVELOPMENT GOALS



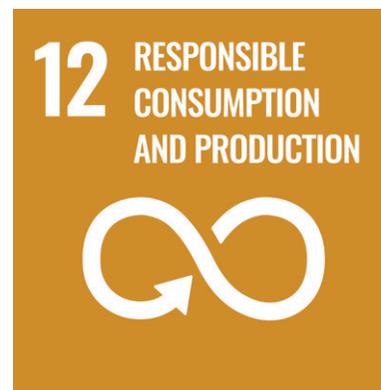
We wish to increase our positive impact on SDG 5 by being best in class when it comes to promoting equality and equal access to career development and equal pay and developing working conditions that are satisfying for both men and women.

When we recruit, we focus on diversity and gender equality at all levels in the organisation. Simployer will continue our efforts to ensure equal rights and opportunities for all and will strive proactively to prevent discrimination.



We strongly believe that we can achieve more by promoting and helping start-ups and students and in this way helping society to create new job openings along with economic growth. We have begun a start-up funding collaboration with our majority owner, Ferd.

Ongoing initiatives include the provision of free access to a learning library to students, compastartet Freemium solutions to companies that need our services but are unable to pay for them (primarily start-up companies), school visits to share our knowledge within SaaS and HR, and an apprentice programme.



We seek to reduce our negative impact on the environment by reducing unnecessary travel and purchases. We have opted to cut down on the number of gifts and gadgets for our employees and customers and to make more sustainable and reusable replacements for the occasional bouquet of flowers. In addition, we are undertaking to make our offices environmentally friendly and compliant with local waste treatment regulations and cooperating with our partner Intility to recycle and refurbish our old electronic equipment.



We strongly believe that we can achieve more by working together to reach the ambitious UN goals. For our partnerships, we seek organisations and initiatives that touch on our core goals.

This year we have established a partnership with the ODA network for women in tech to strive for a more diverse and inclusive workplace. With our headquarters in Sarpsborg, Norway, we believe we can make a difference to the society where we are in, and we are proud members of Sarpsborg Næringsforening and Fredrikstad Næringsforening, which are also aiming to meet several UN sustainability goals. Partnering up means that we work towards common goals as part of the community.

Our Group Executive Management



Vigeik Takle
*Chief Executive Officer
Simployer Group*



Eilin Gillesen
*Chief People & Culture Officer
Simployer Group*



Daniel Gulestø
Chief Financial Officer



Kristian Kolstad
Chief Technology Officer



Fredrik Christiansson
Country Manager, Sweden



Gard Rønning
Country Manager, Norway



Cornelia Bjørke-Hill
*Head of Group
Communications and PR*



Caroline Fjellner
Interim Chief Product Officer



Andreas Hjerpe
Chief Marketing Officer



Our Board of Directors



Frode Haugli
Chairman of the Board



Bjørn Petter Garder
Board Member



Danjal Pauli H. Danjalsson
Deputy Chairman of the Board, Ferd



Johan Made
Board Member



Jules Olivier
Board Member - employee representative



Adam Grünerwald
Board Member - employee representative

Simployer is a competence and systems supplier within HR that **enable employers in Scandinavia to inspire, manage and develop their employees and their organisation**, thus creating good and efficient jobs.

Board of Directors' Report

The nature of the business and where the business is run

We develop systems and services that facilitate improved organisational performance. Innovative solutions that combine good usability and local professional understanding enable customers to professionalise HR and finance tasks so as to contribute to the right decisions being taken, enhanced efficiency and lasting job security. The Group shares its knowledge and experience so as to improve customer competitiveness, both by attracting attractive employers and by allowing customers to focus more on their core business.

The majority of the shares in Simployer are owned by Ferd, a family-owned Norwegian investment company whose vision is to create lasting values and leave clear traces. Simployer Group AS is the Parent Company of the Simployer Group.

The company operates in modern premises in Sarpsborg, Oslo, Kristiansund, Stockholm and Gothenburg and in Gdansk in Poland. It is headquartered in Sarpsborg.

Development in results and position

Simployer had another solid year with growth in both operating revenues and operating profit. In the Group, operating revenues were NOK 478.7 million in 2021, compared with NOK 417.8 million in 2020. The Parent Company's operating revenues amounted to NOK 109.3 million in 2021.

This growth is partly driven by two acquisitions made in 2021. In January 2021, Simployer acquired Swedish market-leading company &frankly Pulse AB, a cloud-based service that measures engagement and can complement more traditional and comprehensive annual employee satisfaction surveys. The solution makes it possible to continually take the pulse of a company's employees and lead the organisation in the right direction.

In September 2021, Simployer acquired the Swedish company Edge HR AB, thereby further expanding its range of services in the area of HR software and knowledge services in the Nordic region. Edge HR delivers digital products that help organisations to simplify and streamline their HR and personnel work.

Operating profit before depreciation and amortisation (EBITDA) in the Group was NOK 89.4 million in 2021, compared to NOK 88.0 million in the previous year. In the Parent Company, operating profit before depreciation and amortisation (EBITDA) was NOK 16.2 million in 2021, compared with NOK 15.0 million in 2020.

The annual profit after tax in the Group amounted to NOK 52.4 million in 2021. In the Parent Company, the annual profit after tax was NOK 17.0 million in 2021, compared with NOK 27.7 million in 2020.

At the end of 2021, the total assets of the Group were NOK 504.7 million. The equity ratio was 25.5% as of 31 December 2021. Total assets of the Parent Company at the end of 2021 were NOK 715.8 million, compared with NOK 482.4 million at the end of 2020. The equity ratio in the Parent Company was 11.5% as of 31 December 2021.

Simployer had another solid year with growth in both operating revenues and operating profit.

In the opinion of the Board of Directors, the financial position and liquidity of the Parent Company and the Group are very satisfactory and their ability to self-finance investments is good.

The Board of Directors is not aware of extraordinary circumstances that may have affected the result, nor is the board aware of any material uncertainties that are included in the annual accounts or significantly adverse events that occurred after the end of the financial year.

In the opinion of the board, the annual accounts give a true and fair view of the company's and the Group's assets and liabilities, financial position and results.

R&D activities in 2021 were characterised by both the improvement and further development of existing products, as well as the development of new products.

Future development

Simplyer continues to have a robust market position, and the board considers the market outlook to be good. The market for systems and services to support and streamline daily decisions and processes in HSE, HR, wages and finance for employers, entrepreneurs, managers and employees is considered significant. The Group's expertise in these areas, combined with a thorough understanding of technology, provides a good basis for further growth and profitability. Based on its unique composition of skills and significant investment in product development and technological development, it is expected that Simplyer will continue to create attractive products and services for the market.

Thanks to its systematic in-house development and acquisitions, the Group has a very broad product portfolio that is characterised by high quality and user-friendliness and provides Simplyer with good conditions for further growth and profitability. The financial statements for 2021 reflect a strong position in the HR systems market, and extensive efforts over the last few years to prepare the business for further growth and scalability will facilitate the continued strong and profitable development of the Group. Having Ferd on the owner side gives Simplyer additional strength and power that will help it to implement its strategy for becoming an international supplier of HR technology and expertise to the workforce.

Financial market risk

The Group's cash flows primarily relate to the currencies of NOK and SEK. In the board's opinion, the Group's funding is weighted so that exposure to foreign exchange risk is low.

Prerequisites for continued operation

The financial statements for the year have been presented on the assumption that the Group is a going concern. The Board of Directors confirms that this assumption is valid.

Work environment, gender equality and discrimination

The working environment is considered good. Simplyer's working environment has a reputation that makes it an attractive workplace. This is regarded as a criterion of success for the business's operations and development. The Group has a working environment committee and a well-functioning HSE system. Absence due to illness in 2021 was 3.4% in the Parent Company. Absence due to illness in the Group was 3.03% in 2021 (2020: 3.6%). Each case is followed up through established routines. No serious work accidents or accidents resulting in any material or personal injury were reported during the year.

All members of the Board of Directors are men. Of management positions in the Parent Company, 63% are occupied by women and 37% by men, while the corresponding numbers for the Group are 36% women and 64% men as of 31 December 2021. Of employees in the Parent Company, 62% are women and 38% men, and in the Group 44% are women and 56% men (as measured by job percentage). Male employees are somewhat overrepresented in the market in which Simplyer operates, but the Group is actively working towards a diversified working environment. The Group will continue to ensure that women and men have equal advancement opportunities and will continue to develop working conditions that are satisfactory for both men and women.

The Group actively seeks to promote equality, secure equal opportunities and rights and prevent discrimination. This is reflected in the company's processes for recruitment and employee/manager development.

Environment

The Group's activities do not cause pollution, and the Board is not aware that the Group is polluting the external environment.



Income statement

Parent company		OPERATING INCOME AND OPERATING EXPENCES	Group	
2020	2021		2021	2020
93 816 788	108 866 344	Sales	476 121 673	416 480 609
7 550 560	402 798	Other operating income	2 516 267	1 349 748
101 367 347	109 269 142	Total income	478 637 940	417 830 357
82 528	157 018	Cost of materials	5 223 278	5 828 572
29 322 351	26 288 673	Personnel expenses	261 519 486	226 081 211
5 414 485	11 327 966	Depreciation	35 553 760	7 685 829
56 913 373	66 654 412	Other operating expenses	122 473 456	97 918 167
91 732 737	104 428 068	Operating expenses	424 769 980	337 513 779
9 634 610	4 841 074	Operating profit	53 867 960	80 316 578
FINANCIAL INCOME AND FINANCIAL EXPENSES				
35 674 241	23 375 402	Share of profit of subsidiaries	-	-
4 462 031	4 210 286	Interest income from group companies	-	160 298
210 480	36 695	Other interest income	81 679	370 448
278 300	3 676 611	Other financial income	6 942 604	286 052
5 782	45 660	Value increase, market based current assets	45 660	5 782
9 372 454	11 566 807	Interest expenses to group companies	-	-
224 347	750 237	Other interest expenses	1 392 793	368 717
5 152 036	342 304	Other financial expenses	342 304	17 436 957
25 881 998	18 685 305	Net financial items	5 334 846	-16 983 094
35 516 608	23 526 379	Ordinary result before tax	59 202 806	63 333 484
7 860 993	6 526 622	Taxes	6 811 672	10 046 053
27 655 615	16 999 757	Net profit for the year	52 391 134	53 287 431

Assets

Parent company			Group	
2020	2021		2021	2020
		FIXED ASSETS		
		<i>Intangible assets</i>		
43 694 759	87 051 606	Other intangible assets	118 969 584	59 642 936
72 834	-	Deferred tax assets	32 794 112	24 911 758
-	-	Goodwill	158 428 411	52 549 837
43 767 593	87 051 606	Total intangible assets	310 192 106	137 104 530
		<i>Tangible assets</i>		
3 460 542	1 571 171	Oper. Movable property, furniture, other	8 358 329	6 285 219
3 460 542	1 571 171	Total tangible assets	8 358 329	6 285 219
		<i>Fixed Financial assets</i>		
171 272 204	325 448 124	Investments in subsidiary	-	-
153 826 839	142 675 440	Loan to group companies	16 027 578	17 300 000
300 000	300 000	Other long-term receivables	913 277	730 310
325 399 042	468 423 564	Total fixed financial assets	16 940 855	18 030 310
372 627 178	557 046 341	Total fixed assets	335 491 290	161 420 060
		CURRENT ASSETS		
-	-	Inventories	262 895	230 270
		Debitors		
-	-	Accounts receivable	80 128 640	66 066 909
421 308	-	Accounts receivable group	-	-
42 248 415	153 079 847	Short-term group receivables	-	345 298
8 036 574	4 655 797	Other short-term receivables	19 173 225	17 721 566
50 706 297	157 735 644	Total receivables	99 301 865	84 133 772
185 642	231 302	Short term investments	231 302	360 381
58 863 754	788 708	Cash and deposits	69 406 083	124 866 546
109 755 693	158 755 654	Total current assets	169 202 145	209 590 970
482 382 871	715 801 995	Total assets	504 693 435	371 011 030

Equity and Liabilities

Parent company		EQUITY	Group	
2020	2021		2021	2020
<i>Paid-in equity</i>				
2 441 731	2 441 731	Share capital	2 441 731	2 441 731
4 600	4 600	Share premium reserve	4 600	4 600
2 095 510	2 095 510	Other paid-in equity	2 095 510	2 095 510
4 541 841	4 541 841	Total paid-in equity	4 541 841	4 541 841
<i>Retained earnings</i>				
68 670 784	77 808 218	Retained equity	124 225 083	97 737 014
68 670 784	77 808 218	Total retained earnings	124 225 083	97 737 014
73 212 625	82 350 059	Total equity	128 766 924	102 278 855
<i>LIABILITIES</i>				
<i>Allowances for liabilities</i>				
-	467 799	Other allowances for liabilities	6 248 740	6 652 035
-	-	Deferred tax liability	8 034 246	-
-	467 799	Total allowances for liabilities	14 282 986	6 652 035
<i>Other long-term liabilities</i>				
162 838 071	221 929 688	Other long-term group liabilities	-	-
162 838 071	221 929 688	Total other long-term liabilities	-	-
<i>Short term debt</i>				
12 340 880	4 027 796	Trade creditors	19 067 498	23 721 152
5 345 275	3 687 863	Tax payable	2 732 271	34 059 050
9 229 764	12 184 891	Value added taxes	32 873 549	23 251 225
213 845 560	334 466 444	Short-term group debt	39 135 078	12 116 194
5 570 696	56 687 455	Other short-term debt	267 835 129	168 932 519
246 332 175	411 054 449	Total short-term debt	361 643 525	262 080 140
409 170 246	633 451 936	Total liabilities	375 926 511	268 732 175
482 382 871	715 801 995	Total equity and liabilities	504 693 435	371 011 030

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