

# Annual report

2021



# 2021 – an extremely good year

In 2021 Softronic proved that we are able to achieve substantial growth, while also maintaining good profitability. Our employees did an incredible job during the year. The fact that we were able to report purely organic growth of 8% shows that we are capturing market shares on a growing market; but perhaps new sales of approximately SEK 60 million are more impressive and easier to understand. Working efficiently with good cost control has enabled us to maintain our profit margin, giving us a healthy profit. Our growth comes not only from the successful development we have had among our existing customers, but also from our brand new business relationships.

**We face challenges in both the short and medium term, mostly related to access to competence and cybersecurity.** All of the actors on the market, including industry colleagues and customers, are working hard to recruit enough IT professionals. We are all taking from each other, so unless there are new resources, we will not be able to resolve this shortage of competence. I personally think that a wonderful example of how to help create a long-term solution to this problem is Gate 1, our programme to quickly train new graduates to become productive consultants; this is a programme that Softronic has been running for more than 10 years.

I encourage both our competitors and customers to do something similar.

**The participants receive thorough training in a number of different subjects during one term.** All of our trainers are experienced Softronic employees and I cannot imagine a more effective bridge from the theoretical platform, provided by the university, to the reality that our customers experience. The final part of the training is a team project, where the participants work under a lot of time pressure to come up with a solution to an operational problem based on a real-life situation. The energy that these new employees give back to their lecturers is perhaps just as beneficial as the training itself.

**Security issues must be taken seriously.** Recently the number of cyber attacks and the military tension in the world around us have increased significantly. Technical solutions are being developed and improved at a rapid pace and they are proving to be essential; but they are not enough by themselves. Some things will always slip through the security net, particularly as we want to communicate and work together with many people at the same time. This explains why it is just as important to work with our employees' understanding of the problems and how they need to act in different situations. We are going to intensify our work in all parts of this complex area, both by ourselves and by working with our customers.

**Many new customers, agreements and assignments.** We know that our general offer, which provides competence in most areas of digitalisation, is being appreciated even more, particularly from our primary customer group, medium-sized organisations. We have a deep understanding of operations and a breadth of competence, making us the partner that many organisations are turning to for their digitalisation journey. In 2021 we were selected for many processes, including by the Swedish Research Council, the Swedish Migration Agency, Autoplan, HUGE Bostäder, Hifab and Collectum, and also developed our partnerships with our major customers. All of this provides us with a solid foundation for continued growth.

**GoodTech – Technology that does good in society.** Our focus on using technology that does good in society clearly remains our main motivation. We believe that this gives our employees a sense of pride in their work and hope that our customers also feel that this gives them added value. The collaboration we started with Rädda Barnen (Save the Children Sweden) during the year is just one practical example of how this works in reality.

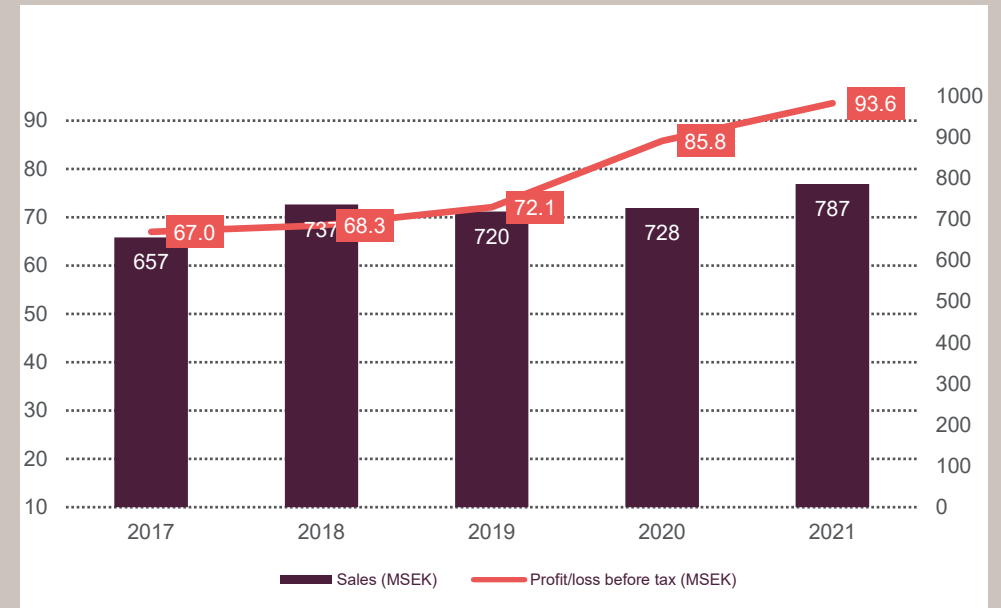
Per Adolfsson, CEO, Softronic

SOFTRONIC



# A good year that shows the strength of Softronic's business model

- » A dividend of SEK 1.35 per share is proposed
- » Profit/loss after tax per share: SEK 1.40 (SEK 1.27)
- » Cash flow from operating activities amounted to MSEK 111.3 (MSEK 103.1)
- » Total liquidity as of 31 December 2021 was MSEK 154
- » The equity/assets ratio amounted to 60% (66%)



	2017	2018	2019	2020	2021
Sales, MSEK	657.0	737.2	720.0	728.5	786.5
EBITDA, MSEK	75.5	75.0	97.0	110.7	116.7
Profit/loss before tax, MSEK	67.0	68.3	72.1	85.8	93.6
Profit margin, %	10.2	9.3	10.0	11.8	11.9
Number of employees at year-end	445	438	437	422	427

# GoodTech – Technology that benefits society



**A LISTED COMPANY  
SINCE 1998**



**CERTIFIED  
14001, 27001 and  
Swedish Quality Base**



**5 OFFICES  
IN SWEDEN**

# 610

customer relationships, most of whom are repeat customers

- LEADING CONSULTANCY FIRM
- COMPLETE PARTNER
- STRONG CUSTOMER REFERENCES
- MEASURABLE RESULTS
- BREADTH AND DEPTH



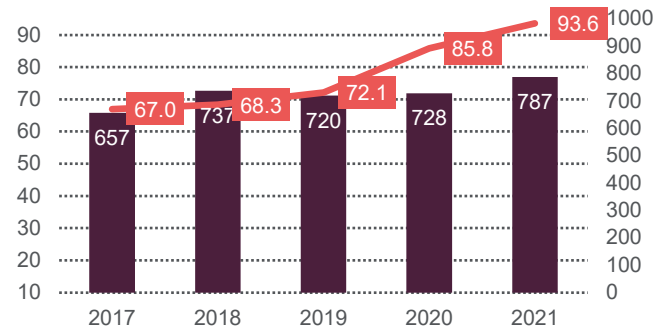
**REPEAT CUSTOMERS**  
Most of our customers stay 10–20 years



14% 20–29 YEARS | 23% 30–39 YEARS | 24% 40–49 YEARS | 30% 50–59 YEARS | 9% 60–69 YEARS

## AN INCREDIBLE TEAM!

INDUSTRY EXPERIENCE AVERAGE: 19.6 YEARS | EMPLOYED AT SOFTRONIC AVERAGE: 7.4 YEARS



■ Sales (MSEK) ■ Profit/loss before tax (MSEK)

# 427

Employees at the end of 2021



**SWEDEN'S MOST SATISFIED CUSTOMERS**

**RADAR'S CUSTOMER SATISFACTION INDEX 2020**

**GOLD MEDAL FOR CSR FROM ECOVADIS**



**DISTRIBUTION**

**75% men 25% women**



**WE HAVE BOTH BREADTH AND DEPTH**

- |                            |                    |
|----------------------------|--------------------|
| <b>Outsourcing</b>         | <b>Consultancy</b> |
| Innovation New development | Advice             |
| App.Mgmt                   | Standard systems   |
| App. Operation             | Assignments        |
| Operation                  | Services           |
|                            | Specialist         |

# ... and creates a real benefit to society



**INFORMATION ABOUT SWEDEN**  
The right information about society in the right place for new arrivals in 10 languages



**9.4 MILLION**

user accounts in the E services. An increase of more than 1 million in 2021.



**~27,000/DAY**

Queries answered via 1177 Healthcare Guide's phone line



**5.3 MILLION**

Members in our membership system



**2.3 MILLION**

Bookings/year



**24 BILLION** in payouts per year from unemployment insurance funds to approximately **340,000** beneficiaries

**25** unemployment insurance funds

20 of them are also partner customers



**65,000**

**JOB OPPORTUNITIES**

We have created the conditions for 65,000 agency jobs

**45**

**BILLION**

CM1-PEP and sanction checks/year



**1.51 MILLION** Credit checks/month



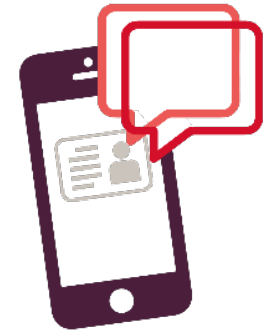
**Food for 5.7 billion**

are handled in our ERP systems every year



**5 MILLION**

Packages delivered/year



More than **1 million**

successful conversations with our CHATBOTS



**750,000**

Users of the Vklass school portal in more than 70 municipalities

# Owning shares in Softronic

- » Shares in Softronic have been listed on the Stockholm Stock Exchange since December 1998. The shares are traded on Nasdaq Stockholm Small Cap.
- » **As of 31 December 2021 the number of shareholders totalled 10,019.**
- » The aim is for the long-term dividend level to amount to around 50% of profits after tax, depending on the company's capital requirements for investments and changes to working capital, as well as the shareholders' desire for a good dividend yield.





# Board of Directors



**Petter Stillström, 1972**  
Chairman

Member since 2008 (also 01-06).  
CEO and Board Member of AB Traction.  
Other Board assignments (member):  
Hifab Group and BE Group.  
Other Board assignments (Chairman):  
Nilörngruppen, OEM International.  
Not independent in relation to major shareholders.

Major shareholder in Traction that owns:  
A shares: 589,000  
B shares: 11,000,000



**Stig Martín, 1945**

Member since 1984.  
Other Board assignments:  
Farsight Tech  
Nordic AB.

Not independent in relation to major shareholders.

A shares: 891,600  
B shares: 3,345,600



**Cristina Petrescu, 1968**

Member since 2021.  
Other Board assignments:  
Board member for some subsidiaries in Sodexo AB.

Independent of the company, its management team and major shareholders.



**Victoria Bohlin, 1973**

Member since 2019.  
Other Board assignments:  
For some subsidiaries in the Capiro Group.

Independent of the company, its management team and major shareholders.

A shares: -  
B shares: 12,000



**Susanna Marcus, 1965**

Member since 2016.  
Other Board assignments:  
Chair Kontract AB, Chair IAMIP AB.

Independent of the company, its management team and major shareholders.

A shares: -  
B shares: 12,000



**Johan Bergh, 1962**

Member since 2021.

Independent of the company, its management team and major shareholders.



**Tomas Högröm, 1963**

Employee representative since 2013.  
Employed since 1996.

Not independent of the company, but independent of its management team and major shareholders.

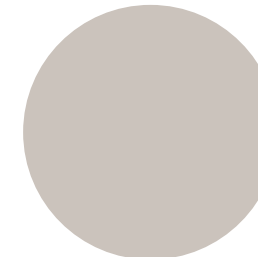
A shares: -  
B shares: 1,800



**Mikael Filén, 1975**

Employee representative since 2021.  
Employed since 1999.

Not independent of the company, but independent of its management team and major shareholders.



## Auditor

**Nicklas Kullberg**

Authorised public accountant; Auditor in charge since 2017.

PricewaterhouseCoopers AB



# Management



**Per Adolfsson, 1960**

CEO  
Employed since 2019

Other Board assignments:  
Datema AB.

B shares: 10,000



**Mathias Kjellberg, 1971**

COO  
Employed since 1999



**Anders Bergman, 1964**

CFO  
Employed since 2004



**Joachim Lundberg, 1965**

Manager of Group  
functions  
Employed since 1995  
B shares: 163,600



**Johan Andersson, 1972**

Business Area Manager  
Employed since 1999



**Anna Thörnlund, 1976**

Business Area Manager  
Employed since 2000  
B shares: 250



**Claes Brikell, 1966**

Sales Manager  
Employed since 1998



**Roger Gustavsson, 1969**

Business Area Manager  
Employed since 1999



**Claes Ulväng, 1971**

Business Area Manager  
Employed since 2020

# Profit and Loss Account and Balance Sheet

Profit and Loss Account, MSEK	2021	2020	2019	2018	2017
Revenue	786.5	728.5	720.0	737.2	657.0
Capitalised development costs	1.0	-	-	-	-
Operating expenses	-670.8	-617.8	-623.0	-662.2	-581.5
Depreciation and amortisation according to plan	-22.8	-23.9	-23.7	-6.9	-8.9
<b>Operating income</b>	<b>93.9</b>	<b>86.8</b>	<b>73.3</b>	<b>68.1</b>	<b>66.6</b>
Net financial income/expense	-0.3	-1.0	-1.2	0.2	0.4
<b>Profit/loss after net financial income/expense</b>	<b>93.6</b>	<b>85.8</b>	<b>72.1</b>	<b>68.3</b>	<b>67.0</b>
Taxes	-19.9	-18.9	-16.3	-16.0	-15.2
<b>Profit/loss for the period</b>	<b>73.7</b>	<b>66.9</b>	<b>55.8</b>	<b>52.3</b>	<b>51.8</b>

Balance Sheet, MSEK	2021	2020	2019	2018	2017
<b>Assets</b>					
Intangible and equipment	111.3	110.2	111.5	113.3	114.7
Property, plant and equipment	1.3	3.1	5.6	8.3	11.3
Right-of-use asset	9.4	25.3	38.8	-	-
Other non-current receivables	3.3	2.3	2.4	2.5	-
Current assets	172.1	174.9	178.5	174.9	173.8
Cash and cash equivalents (incl. current investments)	130.6	199.8	117.2	113.0	87.7
<b>Total assets</b>	<b>428.0</b>	<b>515.6</b>	<b>454.0</b>	<b>412.0</b>	<b>387.5</b>
<b>Equity and liabilities</b>					
Equity	256.4	341.0	274.1	270.9	258.1
Liabilities	171.6	174.6	179.9	141.1	129.4
<b>Total Equity and liabilities</b>	<b>428.0</b>	<b>515.6</b>	<b>454.0</b>	<b>412.0</b>	<b>387.5</b>

# Key performance indicators

Key performance indicators, employees	2021	2020	2019	2018	2017
Avg. no. of employees	426	424	443	452	441
Sales per employee, TSEK	1,846	1,718	1,625	1,631	1,490
Staff costs per employee, TSEK	882	851	858	842	768
Profit/loss before tax per employee, TSEK	220	202	163	151	152

Shares, key figures	2021	2020	2019	2018	2017
Earnings per share, SEK	1.40	1.27	1.06	0.99	0.98
Dividend in TSEK*	71,054	157,898	-	52,633	39,475
Dividend per share, SEK*	1.35	3.00	-	1.00	0.75
Share price as of 31 Dec SEK	29.1	21.4	16.6	14.4	12.8
Dividend yield, %*	4.6	14.0	-	6.9	5.9
Equity per share, SEK	4.9	6.5	5.2	5.1	4.9

\* Board's proposal (there was an additional dividend of SEK 1.75 for 2020)

Cash flow, MSEK	2021	2020	2019	2018	2017
Cash flow from operating activities	111.3	103.1	76.4	65.4	56.7
Cash flow from investing activities	-2.4	-0.6	-0.8	-0.6	-5.0
Cash flow from financing activities	-178.1	-19.9	-71.4	-39.5	-26.3
<b>Cash flow for the year</b>	<b>-69.2</b>	<b>82.6</b>	<b>4.2</b>	<b>25.3</b>	<b>25.4</b>

# Avtalat – pension and insurance through work

**Avtalat is available to almost three million** employers and employees with collective agreements in the private sector. The aim is for everyone to understand and appreciate pension and insurance through work – even before it is needed. Avtalat is jointly owned by the Confederation of Swedish Enterprise, the Swedish Trade Union Confederation (LO) and the Council for Negotiation and Cooperation (PTK).

**In February 2021 Softronic became** involved in Avtalat's management of its Microsoft Dynamics 365, which it had been using since 1 January 2021.

**Avtalat uses Microsoft Dynamics 365** as a platform for the provision of information from its owners and partner companies, and the registration of its customer service and other customer-focused operations.

**Softronic's role in this management work** has primarily been to provide resources that can help the company through its expertise of Dynamics 365, to increase the system's maintainability and usability, and to help control the quality of the data.

**Softronic supports Avtalat** by helping to manage and develop its Dynamics 365, which forms the hub of the operations for its customers.



“Softronic is an important partner for us in several areas, particularly for developing and managing Microsoft Dynamics 365. Dynamics is a central part of our customer operations that we are now building up so that we can manage 3 million customers who have collective agreements in the private sector.”

Jonas Granström, Head of IT, Avtalat

# Conversational AI enhances customer service at Lantmäteriet

**Lantmäteriet is the authority that maps Sweden.** Its work also includes registering and securing the ownership of all properties in Sweden, and managing their borders. Lantmäteriet is part of the Ministry of Finance.

**Lantmäteriet wanted to implement a Conversational AI** at Lantmäteriet.se so that it could provide a better service for both citizens and professionals, but also to relieve the pressure off its normal customer centre. It also wanted to install the entire platform 'on premise', making it our first customer in Sweden to do so.

**Softronic is responsible for introducing Conversational AI** with the James (Boost.ai) platform at Lantmäteriet.se. The assignment comprises an overall advisory responsibility and the identification of priority operational areas, where the chatbot will help citizens with their questions/tasks. This work includes the responsibility for the method, the framework and the overall structure of the knowledge that has to be built, as well as the production of the conversation flows.

**The project has already implemented 900+ different knowledge components** ('intents') for areas such as Property, Titles, Rights, Joint Property Units, Open Data and Aerial Images, as well as a large number of more general operational areas. Currently, Customer Centre, Geodata and Registration are the departments involved in this work. This project is still underway and will continue to develop and build new knowledge in the future.



**LANTMÄTERIETS VISION** Säkert, snabbt och tillgängligt  
om platsen och ägandet

“Our partnership with Softronic and the knowledge they have given us as a customer have been great, even though we had to change the way we were working together as a result of the pandemic. We are already seeing the benefits of our 'on premise' installation and the opportunities it will bring us in the future. This is something that is extremely important for us as an authority.”

Introduction Project, Owe Brinnen, Anders Enmark  
Emelie Simonsson, Lantmäteriet

## Softronic helps Jetpak keep its customer promise for speed and precision

The transport company Jetpak provides services for those who need their packages delivered as quickly as possible. Jetpak delivers in the same town or city within 60 minutes. In Sweden and the Nordic countries, delivery is the same day, while it is the following day for Europe and the rest of the world.

To keep its promise for speed and precision that it makes to its customers, Jetpak enlisted the help of Softronic to design, implement and manage an advanced business and logistics system. This has been a long partnership, dating back to the year 2001.

Based on hundreds of thousands of possible alternatives, this system includes everything from searching for the quickest and most cost-effective transport routes by plane or on land to following up and guiding deliveries in real time using IoT and mobile units with drivers and at airports.

In the transport industry every contact with the customer is counted so that a company can distinguish itself from its competitors. Supported by Softronic, Jetpak has the perfect foundation to create satisfied customers. Work on developing Jetpak's service is an ongoing process.



“Our collaboration goes back a long way and Softronic really understands our business and our needs. We work together every day as a team to continue to develop our system support.”

Romulus Tudose, CIO, Jetpak Group AB

## Automation solutions for a better level of service for the unemployed

**SMÅA is an unemployment fund for** small entrepreneurs and their family members, who work in small and medium-sized companies in Sweden and who want to insure against loss of income in the event of unemployment. SMÅA started its operations in 1969 and with more than 107,000 members, it is currently Sweden's largest entrepreneur-owned member organisation. SMÅA's vision is for all of Sweden's entrepreneurs to be members of an unemployment fund and for it be the first organisation they turn to.

**Softronic and SMÅA started** working together one year ago to increase the level of automation in SMÅA's critical processes. The aim is to increase SMÅA's ability to manage its members' tasks efficiently and to ensure the rapid and correct payments of financial support to its members.

**SMÅA's RPA solutions also help** its administrators in the more complex processes: Every task is automatically prepared with decision-making data, providing the administrator with a good overview of the task from the very start. Members are also notified before the administrator starts to investigate the task, if the automation process detects that some basic data is missing. SMÅA's members receive a quicker and better service because of the implementation of this automation solution.

**The work is continuing** with an ambition to keep on increasing the level of automation so that it can boost the level of service for its members and streamline its operations.



“The RPA solutions that SMÅA has implemented during the year has made task management easier and better for both us and our members. The main benefit is of course that by automating simple and repetitive tasks, we have freed up a lot of time for investigating and assessing more complex tasks.”

Bitte Dort, Operations Coordinator, SMÅA

# Realisation of an IT strategy and the modernisation of digital services

**AFA Försäkring is one of Sweden's** largest insurance companies and is owned by parties on the labour market. Through collective agreements, AFA insures employees in the private sector, municipalities and regional councils.

**This insurance pays out in the event of sickness**, workplace injuries, redundancy, death and parental leave. Currently almost 90% of everyone working in Sweden, 4.9 million people, are covered by at least one of AFA's insurance policies.

**As part of AFA Försäkring's IT strategy** and digitalisation journey, Softronic provides specialist competence in IT architecture, solution architecture and information architecture, and helps with solution design and information modelling.

**Softronic is involved in and contributes to the production** of target architectures, guidelines, principles, control models and decision-making data as part of the company-wide IT architecture work in AFA. This creates the right conditions to deliver value for the entire organisation.



“We are on a journey to realise our IT strategy and modernise our digital services. Receiving support from Softronic and their architecture specialists is incredibly valuable for us.”

Kristo Vusir, Chief Architect, AFA Försäkring



## IT partnership Softronic and UC – focused on continual development

**UC (Enento Group) is Sweden's leading** business and credit reference agency, which also offers products and services that help private individuals achieve greater security in their finances.

**UC is dependent on being able to deliver** up-to-the-minute information to its customers. It needs updated systems that are always accessible and scalable.

**This IT partnership started in 2011**, administering 30 applications. The assignment was extended to include operations and rewriting applications to open source.

**When UC became part of** the Enento Group in 2018, the applications moved to an OpenShift platform in Softronic's private cloud, which requires a holistic approach to technology and architecture.

**UC's ambition to continually develop** its business and its offering has meant that its digital services have to be continually developed. It requires a genuine IT partnership with a high level of continuity in Softronic's team.



“Softronic is a very flexible IT partner that has managed to adapt to our needs, despite a little bit of toing and froing. This ability has been valuable for us at a time when we are working on developing new services, while managing ongoing platform consolidation.”

Jörgen Olofsson, CIO, Enento Group

## Softronic helps Save the Children Sweden improve its psychology centre for children

**Children and young people who have** experienced difficult events and have not had their needs for support and treatment met by society come to the Centre for Support and Treatment (Centrum för stöd och behandling) that is run by Save the Children Sweden (Rädda Barnen).

**Softronic has been working with Save the Children Sweden** to help procure a new records systems for the Centre's operations. This will enable the child psychologists to work even more effectively and use their time where it is needed the most – with the children themselves.

**The records system is the hub** of its healthcare operations. An effective system that is adapted to Centre's operations relieves the pressure off its psychologists and psychotherapists and helps free up more time to treat the children.

**Having the right records system** enables Save the Children Sweden to follow up and adapt its work even more effectively to the needs of its target group.



Photo: Olof Ringmar/Rädda Barnen



“Softronic’s invaluable competence and knowledge mean that we are now able to make even more informed decisions, while improving our own competence.”

Sofia Blidö, Psychologist and Head of Operations  
at the Centre for Support and Treatment

