

Annual report 2021

Full year 2021 (full year 2020)

- Total income amounted to SEK 32.3 million (25.1 million)
- Net sales amounted to SEK 15.3 million (9.7 million)
- Operating income amounted to SEK -22.0 million (-34.1 million)
- Net income amounted to SEK -24.0 million (-36.9 million)
- Earnings per share amounted to SEK -0.93 (-1.76)
- Cash at the end of the period amounted to SEK 17.4 million (2.6 million)



This is the English version of the Annual Report. The Swedish is the official version. It takes precedence over the English one should any differences be found.

Table of content

Words from the CEO3
Board of Directors Report5
Group Financial Statements	...18
Notes, both for the Parent Company and the Group	...26
Auditor's Report	...37

Words from the CEO

In a year noticeably restrained by covid-related concerns, component shortages and surging cost inflation, the financial performance of Ranplan Group displayed healthy resilience. Net sales drawn from commercial products and services rose by 58% on the low-point of calendar 2020 while losses from operations – with all R&D expenses accounted for - fell by 36%. Operationally, substantial progress was registered. Relationships with existing customers were fortified and several new agreements were struck with new customers. Our suite of state-of-the-art software offerings, spanning an increasingly comprehensive universe of capabilities, received accolades for their accuracy, functionality, productivity, useability and versatility.

Although affected by delays of various nature, the demand picture – an indicator of forthcoming orders – appears robust across the globe. In 2021, all regions of any materiality showed solid growth. As society at large recuperates from the pandemic – its repercussions will stay in living memory – one can envisage (courtesy of pent-up demand) at least a resurrection of pre-covid project plans. Whilst timing of such events is fraught with uncertainties, we will increasingly shift our focus to commercialising our products and services. As a corollary, we will put less emphasis on research projects, with a commensurate reduction in Other Income and associated operating activities.

In September 2021, the balance sheet was reinforced through a directed issue (in which three institutional and two private investors took part) and a set-off issue (through which debt was converted into equity). As calendar 2021 came to a close, net cash stood at SEK 17.4 million (up by SEK 22.9 million from the end of 2020) with the full capacity of the credit line (SEK 50 million or circa USD 5.5 million) still being available. These facilities make us well prepared to ramp-up investments should attractive opportunities emerge.

Nowhere is our optimism greater than in the field of Private Wireless – a segment, building-centric, green-field and tailor-made in character that is ideally suitable to our wireless design expertise, field experience and software tools. Our unique ability to master the design of indoor and outdoor networks in full coordination, harmony and unison - using the very same logic within a single, unified software tool – allows all parties involved to meet specific key performance criteria, on a case-by-case basis, while, crucially, ascertaining that interference between the private (enterprise) the public (general) networks are minutely controlled.

The frenzy surrounding this space, amplified by the release of new spectrum or the flexible sharing of existing ones, is likely to continue unabated in 2022 and beyond. It sets the scene for the influx of a series of new actors - hyper-scalers, system integrators, enterprises, neutral hosts (asset owners) - which in collaboration or competition with traditional mobile network operators and equipment vendors seem destined to catapult investments in a bid to seize a leading role in perfecting 5G for industrial applications.

Making our modules available as cloud applications buoys the commercial appeal of our offerings. With access to virtually unlimited computing resources, the virtues of **Precise Design** – a signature of Ranplan and an absolute necessity for the smart factory of the future – is likely to become increasingly obvious to increasingly many. As an entrant with passion for automation, and innovation through development of software, we embrace openness. We seek a world without vendor lock-ins, where customers enjoy freedom of choice, where they mix-and-match a variety of best-of-breed components without onerous integration costs.

We feel well equipped to expand our own operations, go-to-market resources and networks of partners, including, highly qualified and strongly motivated resellers, software system architects and a growing roster of providers of communications platforms. Our products and services continually win terrain. Our customers seek better and safer alternatives than they may have experienced in the distant past. Our agility, dependability and objectivity (independence from any hardware ties) garner recognition, at a time when the next generation of beamforming antennas emerge as a chief point of vendor differentiation.

In conclusion, we feel that we have wind in our sails. We are spirited by our competency, ingenuity, and tenacity. We possess deep knowledge, a clear mission and a sense of purpose. We are encouraged by the sheer scale of demand. We benefit from migrations to cloud-native architectures. We advance our competitiveness vis-à-vis a group of a very select few.

As appropriate and customary, I wish to end my remarks by thanking all of our customers, employees, contractors, partners and shareholders. Our journey has had its ups and downs, produced memorable breakthroughs and suffered from exogenous shocks in recent years. Despite encountering multiple delays - not uncommon in the global software sector - our ambition to significantly grow our operations and hence establish sustainable profitability remains in place. All experience in the information and telecommunications industry shows that lead times to commercial decisions in a rapidly changing environment is very difficult to predict. Owing to this insight and prevailing uncertainties concerning the pandemic and the world economy in the wake of spiralling costs for energy, commodities and transportation we refrain from providing any forecasts.



Per Lindberg, CEO

Board of Directors Report

Information regarding the operations

In 2021, Ranplan experienced a gradual return to normalisation as the effects of COVID-related restrictions began to ease (albeit the spread of the Omicron variant led to a reversal in the latter part of the year). The Company responded to the exogenous shock through a variety of measures without any deleterious implications for its core operations, intellectual property or relationships with its customers, employees, partners and suppliers. Once external conditions permit, the Company aspires to return to face-to-face meetings, conferences and exhibitions and expand its go-to-market resources through new partnerships, sales agents and resellers.

The Board of Directors was altered at the Annual General Meeting in Stockholm on 17 May 2021 when the number of members were reduced from six to four (Jinxing Xue and Per Lindberg declined re-election). Tomas Isaksson retained the position of Chairman with Professor Jie Zhang, Wen Yang and Jon Ullmark re-elected as ordinary members of the Board. The number of full-time employee equivalents fell to 71 at the end of 2021 (81 in 2020).

Economic Development for the Group and the Parent Company

	NOTE	2020	2021
Group			
Total income		25,102	32,338
Income after financial items, KSEK		-36,902	-23,958
Total assets, KSEK		21,474	35,658
Number of employees	4	69	63
Equity divided by assets		0%	77%
Parent company			
Net sales, KSEK		8,752	7,520
Income after financial items, KSEK		-248	141
Total assets, KSEK		92,179	135,313
Number of employees	4	2	2
Equity divided by assets		89%	99%

For definitions of key figures, please see NOTE 1

Financial summary

In 2021, total income amounted to SEK 32.3 million, marking a material increase on SEK 25.1 million in 2020. Net sales, related to commercial products and services reached SEK 15.3 million versus SEK 9.7 million in 2020. Other Revenues emanating from research projects decreased to SEK 7.4 million from SEK 8.9 million in 2020. Other Operating Revenues tied to R&D tax credits were booked at SEK 9.6 million, compared with SEK 6.5 million in 2020.

The gross margin, which is calculated as the ratio of total income less cost of sales and total income, stayed at 99% in 2021 (99% in 2020) - levels which are typical of the pure licensing model employed (without resale of any commercial software components from third parties).

The net loss in 2021 amounted to SEK 24.0 million, compared with a net loss of SEK 36.9 million in 2020. Losses from operations decreased to SEK 22.0 million from SEK 34.1 million in 2020. Costs for (1) R&D increased slightly to SEK 34.3 million (34.2 million), of which no part was capitalised in the balance sheet, (2) sales and marketing fell to SEK 9.7 million (10.7 million), in part because of COVID-19, while (3) those related to administration fell to SEK 9.5 million (13.2 million), helped in part by one-off (non-recurring) effects.

No income tax burdened the Company, but a so called "withholding tax" on certain sales has been reported as other operating expenses (which can be recovered in certain situations).

The balance sheet expanded in 2021. Current assets including cash and cash equivalents of SEK 17.4 million (2.6 million) rose to SEK 35.7 million (21.5 million). In September 2021, the Board of Directors resolved to sell 3.4 million new shares to a group of investors at a unit price of SEK 8.20. At the EGM in Stockholm on 18 October 2021, shareholders approved a debt-for-equity swap ('set-off issue') which entailed that around three quarters of outstanding debt was settled against the issuance of 2.9 million new shares at a unit price of SEK 8.20. At the end of 2021, the credit line (SEK 50 million) that Per Lindberg, CEO, has made available was undrawn.

No fixed assets, neither tangible nor intangible ones, were held on the balance sheet at the end of December of 2021. Shareholders' equity amounted to SEK 27.5 million (SEK 0.05 million). This level should be judged against the fact that the Company has not assigned any value in the balance sheet to the patent portfolio or to R&D investments. Current liabilities amounted to SEK 8.1 million at the end of 2021 versus SEK 13.3 million twelve months earlier.

Comments to the Group Financials

Group Income Statement

Research and development costs

The vast majority of these costs are associated with compensation to employees and contractors working in R&D, most of whom are in Cambridge. Some of the work is carried out to specialist consulting firms in the UK or other countries. The cost of third-party software and hardware used by the Ranplan Group in development is the second largest cost source. Patent registration and maintenance is significant. Costs for office rents and other services are relatively low. R&D costs were relatively steady in 2021 compared with 2020.

Sales Costs

The majority of these costs are the salaries and associated costs of employees and sales agents. Employees are spread geographically worldwide with the biggest weight in North America. Sales costs fell significantly since 2020, and more moderately in 2021, in part due to streamlining, and in part due to COVID-19 restrictions to travel and face-to-face meetings.

Administration Costs

The majority of administration costs are salary related. In 2018 there was an unusually high expenditure on professional advice due to the listing on Nasdaq First North, but these decreased significantly in 2019 and decreased further in 2020 and 2021.

Other Operating Income

This income emanates principally from estimated cash subsidies from the UK government for eligible R&D, chiefly undertaken in Cambridge. The subsidies for 2020 were collected in 2021. In the same vein, the Company expects to collect subsidies for 2021 in calendar 2022.

Other Operating Expenses

These costs derive from non-income taxes paid to and (partially) recoverable from foreign governments and effects of foreign exchange movements.

Taxes

The Group incurred a loss in 2021 while the parent company registered a minor profit. No income taxes were owed or paid. Cumulative losses since the beginning of 2018 exceed SEK 90 million for the Group and SEK 15 million for the Parent Company. Losses carried forward are not capitalised as assets.

Group Balance Sheet

Accounts Receivable - trade

Over half of trade receivables relate to the UK operating entity Ranplan Wireless Network Design Ltd which bills customers all over the world except the Americas and mainland China.

Other Current Receivables

A very significant proportion of these items relates to R&D Tax Credits which are expected to be paid by the UK Government in the course of 2022.

Cash and bank

Based on current business projections and access to a credit line facility, the Company believes it has sufficient capital to fund operations through calendar 2022. The Company may also explore the Capital Market by issuing new shares – at the past three Annual General Meetings in 2019-21, the Board of Directors was authorised to increase the share capital by up to 20%.

Group Cash Flow

Cash flow in 2021 was negative reflecting the loss from operations and an increase in working capital (mainly due to a noticeable decrease of accrued expenses and deferred income).

Operating cash flow amounted to minus SEK 22.2 million (34.9 million) before and minus SEK 26.8 million (25.2 million) after movements of working capital. No investments were made.

Parent Company

Comments to the Parent Company's financial statements

Parent Company Financial Statements

The accounts set out below relate to the Group Parent Company Ranplan Group AB which was registered in March 2018 and which is the sole owner of all Ranplan operating companies.

Income Statement

The administrative expense in 2021 relate to members of the Board, the Chief Executive and Chief Strategy Officers as well as other costs required to operate the NASDAQ listed Company.

Balance Sheet

The shares in subsidiaries represent the cost of acquiring the activity of Ranplan Holdings Ltd. Group receivables represent advances made to Group subsidiaries to fund their operations.

Changes in Equity

The increase in equity is caused by net income realised in calendar 2021.

Dividend

The Board of Directors recommends that no dividend be paid for 2021.

The share

The number of outstanding shares increased from 24 138 242 to 30 438 242 as a direct effect of the two share issues that were carried out in the second half of 2021. After the annual general meeting 2021, 965 000 long-term stock options ("warrants"), subscription until the end of 2024, were sold to members of staff at fair value (38 SEK for 1 000 warrants), bringing the cumulative balance of the three concurrent programmes, one running until the end of 2022, another until the end of 2023 and the last one until 2024, all of which with a strike price of SEK 20.60, to 2 765 200 (equal to 9.1% of the number of shares outstanding at the end of 2021).

Share Data

At end of period	31 Dec 2020	30 Jun 2021	31 Dec 2021
Number of shares (000s)	24,138	24,138	30,438
Number of 2022 warrants (000s)*	815	815	815
Number of 2023 warrants (000s)*	985	985	985
Number of 2024 warrants (000s)*	0	965	965
Share price at end of period (SEK)	7.7	6.8	8.0
Full time employees	62	64	61

*Strike price at SEK 20.60, exercisable in Sep-Dec 2022, Sep-Dec 2023 and Sep-Dec 2024

Development of the number of shares outstanding

Number of Shares	Event	New Shares	Total Number	Price/share	Value
Mar-18	Pre-listing	NA	14,098,394	NA	NA
Jun-18	Listing	6,017,418	20,115,812	SEK 10.30	61,979,405
Oct-20	Set-Off Issue	4,022,430	24,138,242	SEK 7.92	31,857,646
Sep-21	Directed Issue	3,400,000	27,538,242	SEK 8.20	27,880,000
Oct-21	Set-Off Issue	2,900,000	30,438,242	SEK 8.20	23,780,000

Since the listing of Ranplan Group AB on NASDAQ First North on 28 June 2018 (at a subscription price of SEK 10.30), the number of outstanding shares have increased by approximately 50% from 20 115 812 via 24 138 242 through a Set-Off issue (at a conversion price of SEK 7.92) resulting in 4 022 430 new shares carried out in October 2020 to 30 438 242 through a combination of a Directed Issue (SEK 8.20) translating into 3 400 000 new shares and a Set-Off Issue (SEK 8.20) resulting in 2 900 000 new shares.

Ownership structure

Shareholders as of 31 Dec 2021*	No of shares	Ownership
Per Lindberg (CEO)	9,059,238	29.8%
Jinxing Xue	8,084,887	26.6%
Hongbing Li and Qimei Wu	2,624,070	8.6%
Jie Zhang (CScO) and Joyce Yuhua Wu (COO)	2,067,996	6.8%
St Petri Capital	1,000,000	3.3%
Fredrik Lundgren	890,205	2.9%
Wilhelm Risberg	865,403	2.8%
Modelio Capital	600,000	2.0%
Else og Erik Sorensens Familiefond	500,000	1.6%
Hui Song (CTO)	271,449	0.9%
Other	4,474,994	14.7%
Total	30,438,242	100.00%

*and 2 765 200 warrants (strike SEK 20.60) outstanding

Significant events during 2021

- On 21 February 2021, Ranplan signed a technology and reseller partnership with Magna Systems, a market leader in providing comprehensive and innovative RF solutions for telco customers in the Asia Pac region.
- On 17 May 2021, at the AGM in Stockholm, it was resolved that Tomas Isaksson be re-elected as chairman of the board, and that Jie Zhang, Wen Yang and Jon Ullmark be re-elected as ordinary members of the board (Jinxing Xue and Per Lindberg declined re-election as ordinary members of the board).

- On 15 June 2021, Ranplan Wireless launched the first version of its Automatic Cell Optimiser (ACO) module.
- On 18 August 2021, Ranplan announced that Chongqing College of Electronic Engineering (CQCEE) - one of the leading technical institutions in China - has awarded Ranplan Wireless a contract worth around USD 140k (SEK 1.2 million) for the provision of software licenses, training and support over a three-year period.
- On 21 Sept 2021, the Board of Directors, in accordance with its authorisation from the Annual General Meeting of 17 May 2021, decided to carry out a directed issue in the amount of SEK 27 880 000 before transaction costs by issuing 3 400 000 new shares at a subscription price of SEK 8.20 per share. Subscribers in the Directed Issue encompass three Nordic funds (St Petri Capital, Modelio Equity and a Family Fund based in Denmark) as well as two existing shareholders (Wilhelm Risberg and Fredrik Lundgren).
- On 22 Sept 2021, the Board of Directors published convening notice for extraordinary general meeting ('EGM') to be held in Stockholm on Monday 18 October 2021. The board proposed that the EGM resolve on a Set-Off Issue whereby loans in the amount of SEK 23 780 000 be converted into 2 900 000 new shares. The conversion price at SEK 8.20 – like the Directed issue - was determined by the 30-Day volume-weighted average share price in the market between 9 Aug and 17 Sep 2021 after applying a discount of 1.5%.
- On 18 Oct 2021, at an extraordinary general meeting in Stockholm, it was resolved that the proposed Set-Off Issue be carried out. The resolution was made in accordance with the proposal of the Board of Directors.

Customers

The Company recorded revenues from more than 60 customers in 2021. Demand for the Company's products and services remains robust but repercussions of the corona pandemic, albeit abating, appear to have had a restraining effect on general commercial sales activities.

Employees

As of 31 December 2021, the Company had **71** full-time employee equivalents (taking into account employees and contractors as well as the hours worked), down from 81 at the end of 2020. More than half the employees are involved in research and development, which is conducted mainly from the operational headquarter outside Cambridge, the United Kingdom.

Research and Development (R&D)

The Company invests heavily in research and development. Its R&D investments centre around (i) continuously enhancing the Company's existing portfolio of software primarily for the in-building and dense urban outdoor markets, (ii) leading the migration to cloud-native solutions, (iii) automating labour intense tasks by exploiting artificial intelligence and machine learning, (iv) advancing proactive network optimisation by taking advantage of e.g. data analytics and network slicing, and (v) enabling the design of buildings adapted for wireless communications.

R&D expenses in 2021 amounted to SEK 34.3 SEK million (34.2 million), representing 63.4% (58.1%) of the Company's operating expenditures (including sales, admin and other expenses).

Products and Markets

In 2021, the Company continued to augment its commercial offerings on both the desktop and cloud fronts. It won a series of new customers and cemented existing partnerships with others. In line with original plans, two new major software releases were made available. Additional resellers were added to the indirect sales channels. Although marketing and sales activities were restrained by the lingering effects of the COVID pandemic, the Company progressively returned to face-to-face sessions. On the research side, a number of projects were completed.

COVID-19

We continue to adapt to the shifting '*modus operandi*' evoked by the corona pandemic. In response to the gradual re-opening of society, additional investments have been made in marketing and sales. Customer engagements have in many cases been expanded or revived.

Financing and capital requirements

The Board of Directors and management continuously review the Group's capital needs on the basis of budget and forecast to assess whether the company has the financial resources required to conduct its operations in accordance with the strategic plan decided by the Board of Directors. As of December 31, 2021, the Group's cash and cash equivalents amounted to SEK 17.4 million, with the total of the credit line of SEK 50 million undrawn. The credit line, extended by the CEO Per Lindberg, will be available until July 17, 2024. As the company and the Group are in a commercialisation phase, the Board of Directors estimates that the business may from time to time need additional working capital.

In September 2021, in accordance with authorisation at the AGM 2021, the Board of Directors resolved to sell a total of 3.4 million new shares at a price of SEK 8.20 to a group of five investors. On 18 October 2021, shareholders voted in favour of a Set-Off issue whereby around three quarters of outstanding loans would be converted into equity in the form of 2.9 million new shares (on the same terms and conditions as the aforementioned directed issue). Following completion of these share issues the number of shares outstanding increased from 24 138 242 to 30 438 242.

Remuneration

Senior management did not obtain any variable compensation for 2021. To align the long-term financial interests of senior management and key employees/contractors with those of shareholders, the Board of Directors expanded the scope of the share option programme extending over three years. In 2021, 965 000 long-term share options (warrants) were issued in return for a payment corresponding to a fair theoretical price (according to Black Scholes).

Senior management

No changes were registered in 2021. At the end of 2021, the senior management team comprised seven members, five in addition to the CEO and CFO: Joyce Wu acts as the Chief Operating Officer (and Global Head of Human Resources); Jon Ullmark as the Chief Strategy Officer and Global Head of Software Development; Hui Song as the Chief Technology Officer,

Anthony Sutton as the Chief Commercial Officer, and Professor Jie Zhang, together with Joyce Wu, the founder of Ranplan Wireless Network Design Limited, as Chief Scientific Officer.

Board of Directors

Since the AGM in Stockholm on 17 May 2021, the Board of Directors consists of four members:

Tomas Isaksson (Chairman), Jie Zhang, Wen Yang, and Jon Ullmark.

In compliance with the Swedish Companies Act, members of the board are elected in connection with the AGM after each calendar (fiscal) year.

Corporate Governance

In 2021, Ranplan Group AB held 11 scheduled meetings. In addition, numerous other informal discussions or meetings took place between members of senior management and members of the Board. The work of the Board of Directors has centred, inter alia, on adjusting to the new circumstances evoked by the corona pandemic, developing the organisation and its partnerships, refining its business plans and strategy with the aim of achieving profitable growth, and, not least, the implementation of the share issues in the second half of the year. The Board regularly reviews the company's balance sheet, financial position, funding requirements, investment requirements; the latter of which covering administrative, financial and operational matters. Further details can be found in the Risk Factors section in this report.

Nomination Committee

The Nomination Committee for the AGM 2022 consists of the elected chairperson Per Lindberg, Wen Yang (representing two of the largest shareholder groups, Jinxing Xue and Hongbing Li + Qimei Wu), Jie Zhang (representing his family's shareholdings) and Tomas Isaksson (Chairman of the Board). The Nomination Committee will inter alia present a proposal regarding the composition and members of the board, their remuneration, the selection and remuneration of the Company's auditor(s) as well as procedures for the appointment of the Nomination Committee in advance of the AGM 2023.

Legal proceedings

The Company is not involved in any legal proceedings of any materiality.

Significant events after the end of the financial year

On 10 March 2022 Ranplan Wireless announced that it is pausing business activities in Russia until further notice.

Proposed appropriation of profits

The following earnings related to the Parent are reported at the annual general meeting:

KSEK	
Share premium reserve	133,528
Retained earnings	-1,554
Net income for the year	141
	132,115
The board recommends the following allocation of the result carried over	
	132,115

Risks relating to the Group's business and market

Risks related to the effects of the 'new corona virus' (COVID-19)

Although the Omicron strain appears to reduce the incidence of severe illness and hospitalisations associated with the new corona virus, we will continue to carefully monitor the situation in all markets in which we operate. Caution will be exercised when it comes to travel and face-to-face meetings. We will abide by the recommendations, restrictions and rules set by local authorities. In the event of a resurgence in infections, we shall be prepared to return to a complete 'lock-down'. Experience garnered in 2020-21 serves to demonstrate that our operations can handle such a change in the 'modus operandi' without any significantly debilitating effects. These remarks notwithstanding, there is no doubt, that COVID-19 has had and to a lesser extent still has a negative effect on the company's commercial activities.

Risks relating to early stage of development and future funding

Historically, the Group has not been able to generate sufficient cash flow to satisfy its working capital requirements. The Group's activities have been funded by contributions from its existing shareholders. There is a risk that the Company will record operating losses, or at least not be able to generate enough profits to finance its activities. As a result, the Group would continue to be dependent on financing from external sources.

Key personnel

The Company is highly dependent on its ability to retain and attract skilled personnel. Should the Group lose and not be able to replace any of its key personnel it may interrupt ongoing projects as well as other development plans laid out for the Group. Moreover, the Group is dependent on new hiring and retaining certain skilled personnel to continue its growth and to reach future success. If the Group cannot attract skilled personnel, then this may adversely impact the Company's business, financial position and profits in the future.

Risks relating to the quality of the product

The Company is reliant on its ability to develop and deliver products of a certain quality. Even if the Company deems the products to be of a certain quality, the demand from its customers

may deviate from what the Group is producing. The Group's operations are currently expanding in order to meet the increasing demand from the market and enable delivery of a larger quantity and complementary set of products without compromising quality.

Competition

Competitors may be ahead of the Company and entrants could emerge. Competitors may have greater resources than the Company. There is also a risk that competitors develop products which are more efficient and may sell at a lower cost. Moreover, other technologies may arise, which proves to be better suited or superior to the products of the Company. Intense competition may lead to adverse price development and/or heightened quality and functional requirements.

Risks relating to customers

The Group's customers consist of both public and private organisations. Tenders and procurement processes can be time consuming and complex and may require involvement of external advisers. If the Company cannot participate in, or participate and lose, tenders and procurement processes, it may have an adverse impact on the Company's business, financial position and profits in the future.

Risks relating to intellectual property rights and trade secrets

Patents, licenses, trademarks and other registered intellectual property rights are an important foundation for the Group. Intellectual property rights are developed by employees and in some case with third parties. There is a risk of mis-assigning intellectual property rights or ownership. In addition, rights to certain intellectual property might be uncertain or contested in which case the Company could be forced to take legal action to assert its rights.

Litigations and disputes

The Group may become involved in disputes. Such disputes may involve claims for payment and/or correction of work as well as other possible consequences connected to failure in providing products or services. Moreover, the Group may be subject to outstanding payments from customers as well as other situations which could force the Group to take legal actions.

Insurance risks

Claims not covered by the current insurances may arise. Moreover, even though a claim is fully covered such a claim may increase the Company's premiums paid to insurance companies.

Currency risks

The Group will continue to enter into agreements subject to payment in other currencies than SEK (mainly USD, GBP and EUR but also other local currencies). The currencies are ultimately recalculated into SEK for inclusion in the Group's consolidated financial statements, which are stated in SEK. Currently, the Group does not hedge against foreign exchange rate risks.

Legal and political risks

The Company is a Swedish company and the main part of the Group's operational activities are carried out in the United Kingdom. However, the market on which the Company operates is a global market and the Company has partners, suppliers and customers around the world. Risks may arise as a result of differences in legal systems and changes to legislation and other relevant regulations relating to taxation, customs and excise duties and other conditions.

Tax related risks

The Company is conducting its business pursuant to its interpretation and understanding of relevant tax legislations and tax agreements as well as other applicable regulations.

Global economic factors

The Group is exposed to the general market environment such as supply and demand, inflation and interest rate fluctuations, upswings and downturns and the will to invest.

Illustration: Design of radio network for industrial applications in Japan

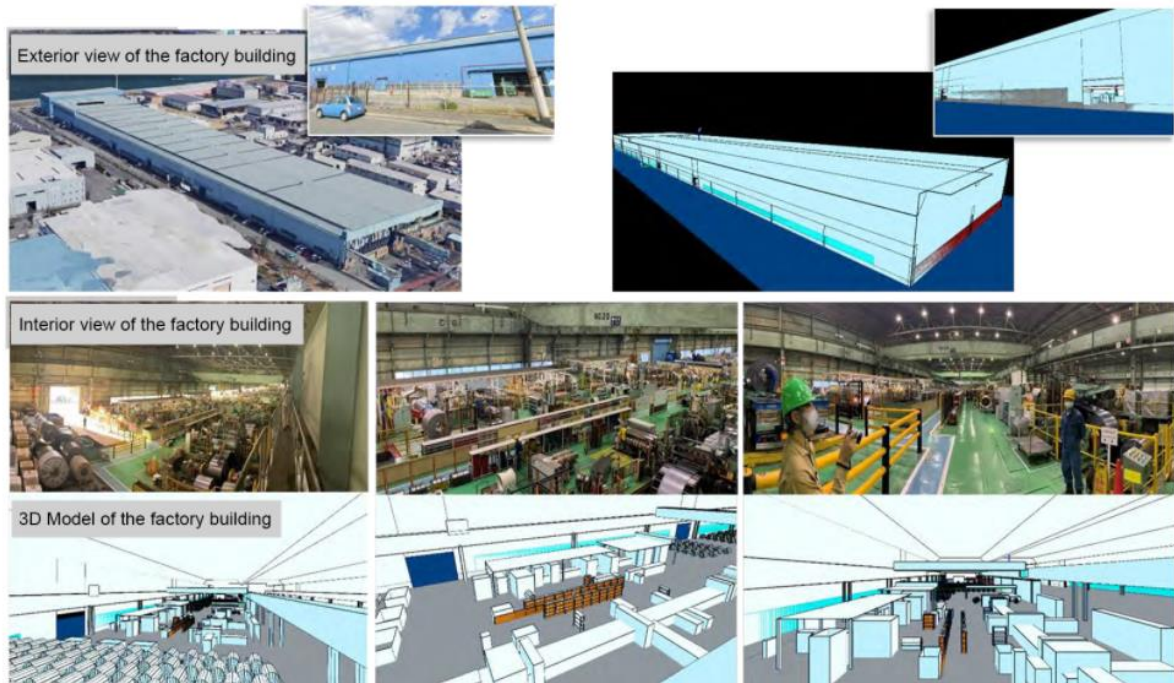
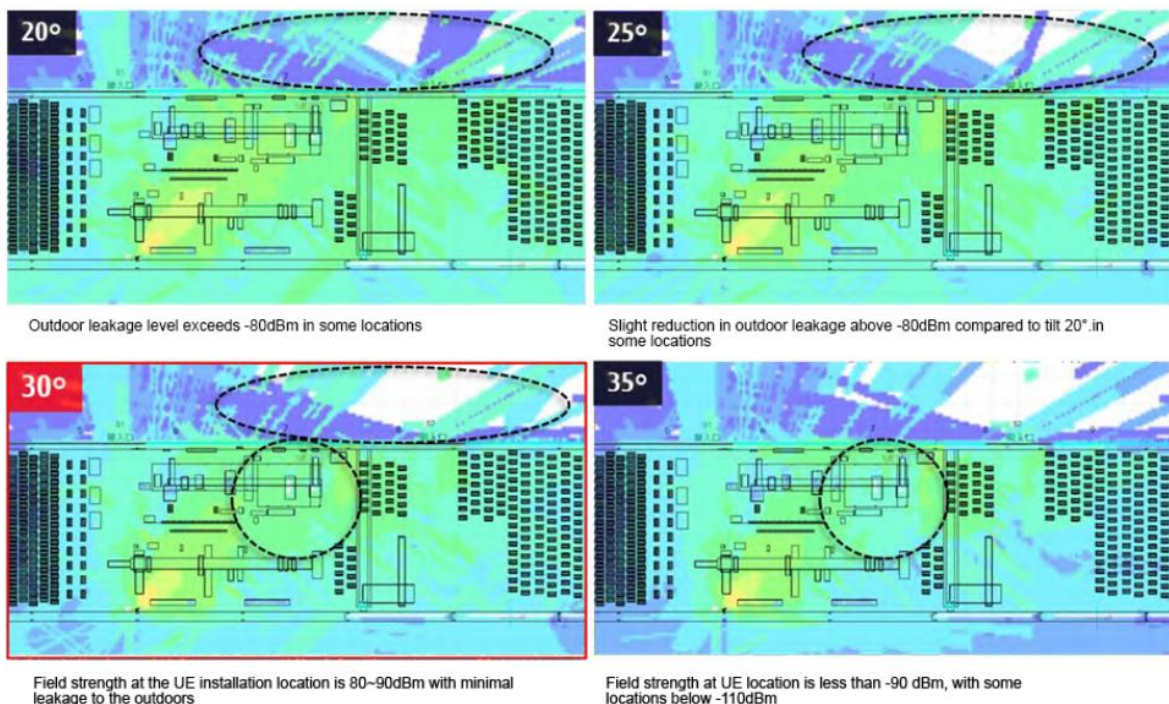


Image: Ministry of Internal Affairs and Communications (latter half) FY2020 L5G Development Demonstration Report_No7\Automating Visual Inspection and Remotely Confirming Quality P136 - [link](#)



Images: Ministry of Internal Affairs and Communications (latter half) FY2020 L5G Development Demonstration Report_No7\Automating Visual Inspection and Remotely Confirming Quality P140 - [link](#)

Source: [5G network for Japanese Smart Factory \(ranplanwireless.com\)](https://www.ranplanwireless.com)

Group Financial Statements

The Group

GROUP INCOME STATEMENT (KSEK)	NOTE	FY 2020	FY 2021
Net sales (commercial products)	2	9,691	15,315
Other income (research)	2	8,866	7,411
Other operating income (tax credits)		6,545	9,612
Total income		25,102	32,338
Cost of sales		-288	-215
Gross profit		24,814	32,123
R&D costs	4	-34,233	-34,270
Sales costs	4	-10,646	-9,659
Administration costs	3,4,5	-13,222	-9,530
Other operating expenses		-776	-629
Operating income		-34,063	-21,965
Financial items			
Financial income and expenses	6	-2,838	-1,993
Total financial items		-2,838	-1,993
Income after financial items		-36,901	-23,958
Tax on income		0	0
Net income for the period		-36,902	-23,958

GROUP BALANCE SHEET (KSEK)	NOTE	31 DEC 2020	31 DEC 2021
Assets			
Fixed assets			
Tangible fixed assets			
Equipment, tools, fixtures and fittings	7	0	0
Total fixed assets	7	0	0
Current assets			
Accounts receivable - trade		7,194	4,614
Other current receivables		5,471	8,814
Prepaid expenses and accrued income	8	6,201	4,821
Total current assets, before cash and bank balances		18,866	18,248
Cash and bank balances			
Cash and bank	9	2,607	17,409
Total current assets		21,473	35,658
Total assets		21,473	35,658
Equity and liabilities			
Equity			
Share capital		966	1,218
Share premium reserve		82,353	133,528
Other capital, translation differences and result for the period			
Other capital, differences, result of the period		-83,269	-107,227
Equity attributable to owners		50	27,518
Total equity		50	27,518
Non current liabilities			
Long term loan	10	8,113	0
Current liabilities			
Accounts payable - trade		1,714	1,185
Other current liabilities		1,834	2,070
Accrued expenses and deferred income	11	9,762	4,884
Total current liabilities		13,310	8,139
Total equity and liabilities		21,473	35,658

GROUP CHANGES IN EQUITY KSEK	SHARE CAPITAL	OTHER PAID-IN CAPITAL	RETAINED EARNINGS	TOTAL EQUITY
Starting balance 2019-12-31	805	50,656	-45,281	6,180
Net income, translation and other differences			-37,988	-37,988
Issue of equity	161	31,697		31,858
Ending balance 2020-12-31	966	82,353	-83,269	50
Starting balance 2020-12-31	966	82,353	-83,269	50
Net income for the period			-23,958	-23,958
Issue of equity	252	51,408		51,660
Issue costs		-233		-233
Ending balance 2021-12-31	1,218	133,528	-107,227	27,518

GROUP CASH FLOW STATEMENT (KSEK)	NOTE	FY 2020	FY 2021
Operating activities			
Operating income		-34,064	-21,965
Issue costs		0	-233
Adjustment for depreciation	7,12	54	0
Paid interest		-867	0
Cash flow before working capital movements		-34,877	-22,198
Change in net operating assets			
Trade receivables		6,474	2,580
Current receivables, accrued income		10,083	-1,963
Trade payables		-1,742	-529
Current liabilities, deferred income		-5,092	-4,642
Cash flow from operating activities		-25,154	-26,752
Investing activities			
Acquisition of fixed assets	7	0	0
Acquisition of subsidiaries		0	0
Cash flow from investing activities		0	0
Financing activities			
Proceeds from loans	10	18,000	21,200
Repayments of loans	10	0	-7,564
Proceeds from issues of shares and warrants		60	27,918
Cash flow from financing activities		18,060	41,554
Cash flow of the period		-7,094	14,802
Cash at the beginning of the period		10,848	2,607
FX and other effects		-1,147	0
Cash and equivalents at period end	9	2,607	17,409

Parent Company

PARENT COMPANY INCOME STATEMENT (KSEK)	NOTE	FY 2020	FY 2021
Operating income			
Net sales		8,752	7,520
R&D costs		-1,424	-1,371
Administration costs		-4,738	-4,015
Operating income		2,590	2,133
Financial income and expense	6	-2,838	-1,992
Income before taxes		-248	141
Net income		-248	141

PARENT COMPANY BALANCE SHEET (KSEK)	NOTE	31 DEC 2020	31 DEC 2021
Assets			
Investments			
Financial assets			
Shares in subsidiaries	13	3,396	3,396
Total investments		3,396	3,396
Current assets			
Receivables from subsidiaries		88,296	120,132
Other receivables and prepayments	8	71	147
Cash and bank balances	9	416	11,638
Total current assets		88,783	131,917
Total assets		92,179	135,313
Equity and liabilities			
Restricted equity			
Share capital	14	966	1,218
Non-restricted equity			
Share premium reserve	14	82,353	133,528
Retained earnings		-1,306	-1,554
Net income		-248	141
Total restricted equity		80,799	132,115
Total equity		81,765	133,332
Current liabilities			
Accounts payable - trade		3	80
Other payables		752	730
Accrued expenses	11	1,546	1,171
Total current liabilities		2,301	1,980
Loan	10	8,113	0
Total liabilities		10,415	1,980
Total equity and liabilities		92,179	135,313

PARENT COMPANY CHANGES IN EQUITY KSEK	SHARE CAPITAL	OTHER PAID-IN CAPITAL	OTHER EQUITY	TOTAL EQUITY
Starting balance 2019-12-31	805	50,656	-1,364	50,097
Net income and other effects			-189	-189
Set off issue	161	31,695		31,856
Ending balance 2020-12-31	966	82,353	-1,553	81,765
Starting balance 2020-12-31	966	82,353	-1,553	81,765
Net income			141	141
Directed share issue	136	27,744		27,880
Set off issue	116	23,664		23,780
Issue costs		-233		-233
Ending balance 2021-12-31	1,218	133,528	-1,412	133,332

PARENT COMPANY CASH FLOW STATEMENT (KSEK)	NOTE	FY 2020	FY 2021
Operating activities			
Operating income		2,590	2,133
Issue costs			-233
Interest received	6	0	0
Interest paid	6	-867	0
Cash flow before working capital movements		1,723	1,900
Change in net operating assets			
Current assets		-20,260	-31,912
Current liabilities		-656	-321
Other liabilities		505	0
Cash flow after working capital movements		-18,687	-30,332
Financing activities			
Proceeds from issue of shares and warrants		58	27,886
Proceeds from loan	10	18,000	21,200
Repayments of loan	10		-7,564
Cash flow from financing activities		18,058	41,522
Cash flow of the period		-629	11,190
Brought forward		1,045	416
Other effects			32
Cash and equivalents at period end		416	11,638

Notes, both for the Parent Company and the Group

Note 1 - Accounting and valuation principles

Ranplan Group AB's (corp id nr 559152-5315) financial statements have been prepared in accordance with the Swedish Annual Accounts Act and the general recommendations of the Swedish Accounting Standards Board, BFNAR 2012:1 Annual reports and consolidated accounts ("K3").

Consolidated financial statements

Ranplan Group AB prepares consolidated financial statements. The consolidated financial statements are prepared in accordance with the acquisition model. Information about the Group companies is included in the note regarding fixed financial assets. Subsidiaries are included in the consolidated financial statements from the date on that significant influence, that is voting majority, is transferred to the Group. They are excluded from the consolidated financial statements from the date on which the significant influence ceases.

Inter-company transactions between Group companies are eliminated in their entirety.

Subsidiaries in other countries prepare their annual accounts in foreign currency. At the time of consolidation, the items in these companies' balance sheets and transactions in their income statements are recalculated on the applicable exchange rate of the balance sheet day and transaction date exchange rate. The exchange rate differences that arise are reported in translations differences in the Group's equity.

Foreign currency

Monetary items in foreign currencies have been translated at the rates of exchange applicable on the balance sheet date. Transactions in foreign currency are translated at the transaction date exchange rate.

Income

Income has been recognised at the fair value of what has been received or is deemed to be received and reported to the extent that it is probable that the economic benefits will be utilised by the company and the revenues can be calculated reliably. As a rule, net sales (related to commercial products and services) are recognised at the time of delivery and/or confirmation of fulfilment of contractual obligations ('acceptance'). Exceptions can occur in the event of larger projects for which income may be recognised as a function of the degree of fulfilment. Other income associated with research projects are recognised linearly in tandem with the degree of time lapsed (certain exceptions can occur in the event of deviations from plan). Other operating income, tied to tax credits, is recognised on the basis of the amount of research and development deemed to be allowable for tax credits based on history. Net sales and other income derive in the main from software and services, elements which may be contractually combined and therefore not separable.

Leases

Ranplan Group AB is lessee and all agreements relate to premises. All leases are reported in accordance with the rules for operational leasing. Leasing fees for operational leases are reported as expenses on a straight-line basis during the lease term, provided that no other systematic method would better reflect the user's economic benefit during the period.

Employee benefits

Short-term benefits in the Group consist of salary, social security contributions, paid holiday, paid sick leave, healthcare and bonuses. Short-term benefits are recognized as an expense and a liability when there is a legal or informal obligation to pay compensation.

Income tax

Current tax is valued at the probable amount according to the tax rates and tax rules applicable at the balance sheet date. Deferred tax assets relating to tax loss carry forwards or other future tax deductions are reported to the extent that the deduction is deductible from surplus in future taxation.

Current tax is recognized in the income statement unless the tax is attributable to an event or transaction recognized directly in equity. Tax effects of items recognized directly in equity are reported against equity.

Fixed assets

Ranplan does not capitalise its own or third party software or computers (laptops, stationary and servers), nor does the Company assign any value to its growing and patent portfolio in the balance sheet. At the end of 2021, there were no fixed assets in the Company's balance sheet, neither intangible, nor tangible ones. Depreciation amounted to zero in calendar 2021.

Intangible assets

The company applies the cost accounting model for internally generated intangible assets. The expenses for this are reported as costs when they arise.

Tangible assets

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

Additional expenses relating to assets that are not divided into components are added to the acquisition value if they are expected to give the company future economic benefits, to the extent that the asset's performance increases in relation to the asset's value at the time of acquisition.

Expenses for ongoing repair and maintenance are reported as costs.

Capital gains and losses on the sale of a fixed asset are reported as Other operating income and Other operating expenses.

Tangible assets are depreciated systematically over the asset's estimated useful life. When the depreciable amount of the assets is determined, the residual value of the asset will be taken into account.

The following depreciation periods are applied:

Equipment, tools, fixtures and fittings 2 years

Impairment of non-financial assets

When there is an indication that the value of an asset has decreased, an impairment test is performed. If the asset has a recoverable amount that is lower than the net book value, it is written down to the recoverable amount. When assessing impairment, the assets are grouped at the lowest levels where there are separate identifiable cash flows (cash-generating units). For assets that have previously been written down, a review is made on each balance sheet date as to whether reversal should be made.

Financial instruments

Financial instruments are reported in accordance with the rules of K3, chapter 11, which means that valuation is based on acquisition value.

Financial instruments recognized in the balance sheet include accounts receivable and other receivables, loan liabilities and trade payables. The instruments are reported in the balance sheet when Ranplan becomes a party to the instrument's contractual terms.

Financial assets are derecognized when the right to receive cash flows from the instrument has expired or transferred and the Group has transferred virtually all risks and benefits associated with ownership.

Financial liabilities are derecognized when liabilities have been cancelled or otherwise terminated.

Trade receivables and other receivables

Receivables are reported as current assets with the exception of expiration dates more than 12 months after the balance sheet date, which are classified as non-current assets. Receivables are taken up to the amount that is expected to be paid after deduction of individually assessed doubtful claims. Receivables that are interest-free or which run at interest rates that differ from the market rate and have a maturity of more than 12 months are reported at a discounted present value and the change in time value is reported as interest income in the income statement.

Trade payables

Trade payables are initially recognized at cost less transaction costs. If the reported amount differs from the amount to be repaid at maturity date, the difference is recognized as interest expense over the term of the loan using the instrument's effective interest rate. As a result, at the maturity date, the reported amount and the amount to be repaid correspond.

Cash flow statement

The cash flow statement has been prepared using the indirect method. The reported cash flow only includes transactions involving inflows and outflows of cash.

Parent company accounting and valuation principles

The same accounting and valuation principles applies in the parent company as the group.

Key figures definitions

Total income: Income from Net sales, Other income and Other operating income

Net sales: Income from commercial products and services

Other income: Income from research projects

Other operating income: Income from research related tax credits

Other operating expenses: taxes and other government charges, net, as well as FX movements

Gross profit: Total income less cost of sales

Gross margin: Gross profit in relation to total income

Profit/loss after financial items: Profit after financial income and expenses before taxes.

Total assets: Total assets of the company.

Number of employees: The average numbers of employees of the period.

Solidity: Equity and untaxed reserves (less deferred tax) in relation to total assets.

Return on assets: Profit before deductions for interest expenses in relation to total assets.

Return on equity: Profit after financial items in relation to equity and untaxed reserves

Note 2 - Geographical distribution of net sales and other income

GROUP (KSEK)	JAN-DEC 2020	JAN-DEC 2021
Asia	4,437	8,602
North America	2,818	3,845
Europe, Middle East, Africa	11,301	10,279
Total	18,557	22,726

Note 3 - Auditors' remuneration

GROUP (KSEK)	JAN-DEC 2020	JAN-DEC 2021
BDO (2020 PwC)		
Audit fee	375	310
Audit related services	125	
Other services		12
Wellden Turnbull		
Audit fee	153	241
Other services	74	105
Total	727	668

Note 4 - Salaries, other remuneration and social security contributions

GROUP (KSEK)	JAN-DEC 2020	JAN-DEC 2021
Average number of employees		
Women	20	20
Men	49	43
Total	69	63
Salaries, social security expenses, remuneration, bonuses and pensions		
Salaries and remuneration to board and CEO	2,536	1,976
Salaries, remuneration and bonuses to other employees	28,217	30,653
	30,753	32,629
Social security for board, CEO and employees	4,023	4,469
Pensions for board and CEO	0	0
Pensions for other employees	1,245	2,140
Total	36,021	39,238
Board members and CEOs		
Number of board members at year end		
Women	1	1
Men	5	3
Total	6	4
Number of CEOs at year end		
Women	0	0
Men	1	1
Total	1	1

The Parent Company employs the CEO and the Chief Strategy Officer, both men, since Sept 2019. No members of the board or senior management are eligible to any severance pay. A mutual notice period of three months applies to all members of senior management, including the CEO.

Note 5 - Operating lease agreements

GROUP (KSEK)	31 DEC 2020	31 DEC 2021
Future minimum lease payments on non-cancellable operating leases		
Within 1 year	338	160
Later than 1 year but within 5 years	0	0
Total	338	160
Expensed leasing fees during the period	1,162	635
This consists of leased premises		

Note 6 - Net interest income and expense

GROUP (KSEK)	JAN-DEC 2020	JAN-DEC 2021
Interest expense	-2,838	-2,030
Warrant sale income	0	38
Total	-2,838	-1,992

PARENT COMPANY (KSEK)	JAN-DEC 2020	JAN-DEC 2021
Interest expense	-2,838	-2,030
Warrant sale income	0	38
Total	-2,838	-1,992

Note 7 - Equipment, tools, fixtures and fittings

GROUP (KSEK)	JAN-DEC 2020	JAN-DEC 2021
Cost		
Cost brought forward	795	795
Acquisitions	0	0
Through acquisitions of subsidiaries	0	0
Cost carried forward	795	795
Depreciation		
Depreciation brought forward	-743	-795
Depreciation acquired and charged in year	-52	0
Depreciation carried forward	-795	-795
Net book value	0	0

Note 8 - Prepaid expenses and accrued income

GROUP (KSEK)	JAN-DEC 2020	JAN-DEC 2021
Accrued income	5,388	4,205
Prepayments	813	616
Total	6,201	4,821

PARENT COMPANY (KSEK)	JAN-DEC 2020	JAN-DEC 2021
Other receivables	0	101
Prepayments	72	46
Total	72	147

Note 9 - Cash and cash equivalents

GROUP (KSEK)	JAN-DEC 2020	JAN-DEC 2021
Bank balances	2,607	17,409
Cash and cash equivalents in cash flow analysis	2,607	17,409

PARENT COMPANY (KSEK)	JAN-DEC 2020	JAN-DEC 2021
Bank balances	416	11,638
Cash and cash equivalents in cash flow analysis	416	11,638

Note 10 - Long term loan

The long term loan was paid off in the year. It accrues simple interest at the rate of 1% of the outstanding amount per month, and is repayable in full on 17 July 2024.

Note 11 - Accrued expenses and deferred income

GROUP (KSEK)	JAN-DEC 2020	JAN-DEC 2021
Deferred income	7,886	2,097
Accrued salaries and directors fees	1,292	2,156
Accrued non income taxes	72	66
Accrued professional fees	508	565
Other	4	0
Total	9,762	4,884

PARENT COMPANY (KSEK)	JAN-DEC 2020	JAN-DEC 2021
Accrued salaries and directors fees	1,095	833
Accrued non income taxes	72	66
Accrued professional fees	375	272
Other	4	0
Total	1,546	1,171

Note 12 - Adjustments for items not included in the cash flow analysis

GROUP (KSEK)	JAN-DEC 2020	JAN-DEC 2021
Depreciation	52	0
Total	52	0

Note 13 - Shares in subsidiaries

GROUP (KSEK)	JAN-DEC 2020	JAN-DEC 2021
Acquisition of Ranplan Holdings Ltd.	3,396	3,396
Cost at year end	3,396	3,396

GROUP	ID	REGISTERED	% OWNED
Ranplan Holdings Ltd	9363975 UK	Cambridge, UK	100%
Ranplan America LLC	802140893 TX	Dallas, USA	100%
Ranplan Wireless Network Design Ltd	5766973 UK	Cambridge, UK	100%
Ranplan China	91370100MA 3CDFB3XT	Jinan, PRC	100%

PARENT COMPANY	Capital share	Voting rights	Book value
Ranplan Holdings Ltd	100%	100%	3 396 KSEK
			3 396 KSEK

Note 14 – Share capital

The share capital consists of 30 438 242 shares with a quote value of 0.04 SEK.

Note 15 – Significant events after 2021

On 10 March 2022 Ranplan Wireless announced that it is pausing business activities in Russia until further notice.

Note 16 – Share Issues

During the year, (i) a Directed Share Issue encompassing 3,400,000 new shares and (ii) a Set Off Issue encompassing 2,900,000 new shares, both of which at a face value of SEK 0.04 and an Issue Price of SEK 8.20, were carried out.

Company Description

Ranplan is a software company that develops, markets and sells (licenses) a suite of solutions that allow principally mobile operators, telecommunication equipment vendors and system integrators to cost effectively and accurately plan, design and optimise for example 4G, 5G and Wi-Fi wireless networks inside the walls of buildings and in outdoor urban environments.

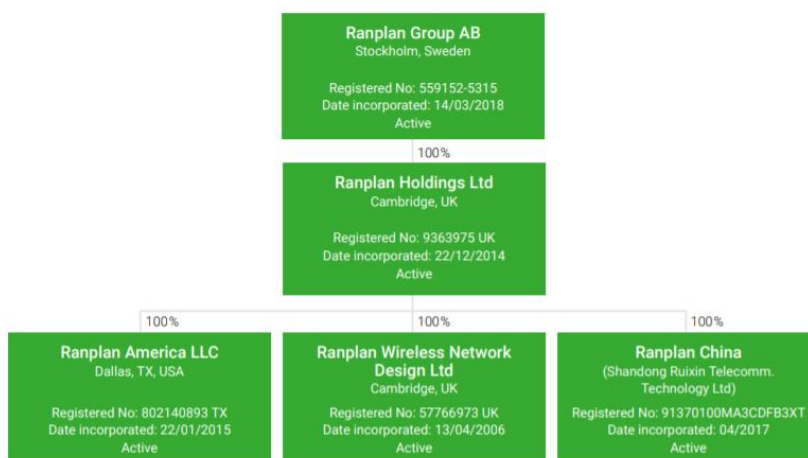
The purpose of an in-building wireless network is to provide enhanced network coverage and/or capacity when the existing outdoor network is not able to adequately satisfy the exacting requirements. Coverage may be poor due either to high penetration losses caused by the building structure or the latest materials used that are designed to improve thermal performance of the building. In dense urban environments, adjacent buildings may create an RF barrier that blocks coverage from nearby outdoor networks. Tall buildings typically have poor coverage on upper floors since outdoor antennas, many floors below, are specifically designed to suppress energy radiating above the horizon. Capacity may be an issue in venues such as stadia and convention centres where many thousands of users may be trying to simultaneously access the network, causing severe congestions.

Today, over 80 % of mobile data traffic is generated in buildings with only approximately 2 % of commercial buildings having a dedicated in-building (cellular) wireless network. Research also shows that in-building wireless networks could increase the value of the property by 28 % on average. With the roll out of 4G (LTE) and 5G technologies, the need to construct in-building wireless networks has increased and will continue to increase.

Ranplan’s operational ambition is to increase its position in the fast-emerging wireless market by providing quality software to enable mobile operators and telecommunications equipment vendors to plan wireless networks more accurately and cost effectively. While the nature of the company’s operations entail that its results are likely to vary markedly between reporting periods, Senior Management will continue to prioritise the creation of lasting industrial value.

Ranplan Group AB has been listed on Nasdaq First North Stockholm since June 2018, trading with the ticker RPLAN, ISIN: SE0011178201. It is the parent company of the Group with the following wholly-owned subsidiaries: (i) Ranplan Holdings Ltd (UK), (ii) Ranplan Wireless Network Design Ltd (UK), (iii) Ranplan China (China), and (iv) Ranplan America LLC (Texas, USA). All votes and shares in the subsidiaries are held by companies within the Group.

Group Structure



The Board of Directors and CEO hereby assure that this Annual Report for 2021 provides a true and fair overview of the performance of the parent company's and the Group's operations, financial position and earnings, and that it describes the significant risks and factors of uncertainty to which the Parent Company and the companies included in the Group are exposed.

Stockholm 21 April 2022

Per Lindberg, CEO

Tomas Isaksson, Chairman of the Board

Jie Zhang, Board member

Wen Yang, Board member

Jon Ullmark, Board member

Our auditor's report was presented on 22 April 2022

BDO Mälardalen

Carl-Johan Kjellman

Authorised public accountant

Auditor's report

Unofficial translation

To the general meeting of the shareholders of Ranplan Group AB, corporate identity number 559152-5315

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Ranplan Group AB for the year 2021. The annual accounts and consolidated accounts of the company are included on pages 5-36 in this document.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

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

Basis for Opinions

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

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

Other matter

The audit of the annual accounts and consolidated accounts for the year 2020 was performed by another auditor who submitted an auditor's report dated 21 April 2021, with unmodified opinions in the Report on the annual accounts and consolidated accounts.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-4 and 41-42. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into

account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

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

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

Auditor's responsibility

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. 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.
- Obtain an understanding of the company's internal control relevant to our 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We

also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Ranplan Group AB for the year 2021 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

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

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

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Stockholm April 22, 2022

BDO Mälardalen AB

Carl-Johan Kjellman

Authorized Public Accountant

Other information

Proposed allocation of Ranplan's profits

The Board of Directors recommend that no dividend be paid for the full year 2021.

2022 Annual General Meeting

The Annual General Meeting will be held on 16 May 2022 in Stockholm, Sweden.

Certified Adviser

FNCA Sweden AB

Address: Humlegårdsgatan 5, 102 48 Stockholm, Sweden

Telephone: +46 8 528 00 399

Questions regarding this report are answered by:

CEO Per Lindberg

E-mail: per.lindberg@ranplanwireless.com

Mobile: +46 (0)793407592

Contact

Ranplan Group AB
Riddargatan 18, 2tr
114 51 Stockholm
Sweden

Ranplan Wireless Network Design Ltd
Upper Pendrill Court
Ermine Street North
Papworth Everard
Cambridge CB23 3UY
United Kingdom

Financial Calendar

Interim report H1 2022: 25 August 2022

Subscribe for corporate news:

ranplanwireless.com/investors/subscription

Ranplan Group AB (publ) Corp ID No 559152-5315

www.ranplanwireless.com