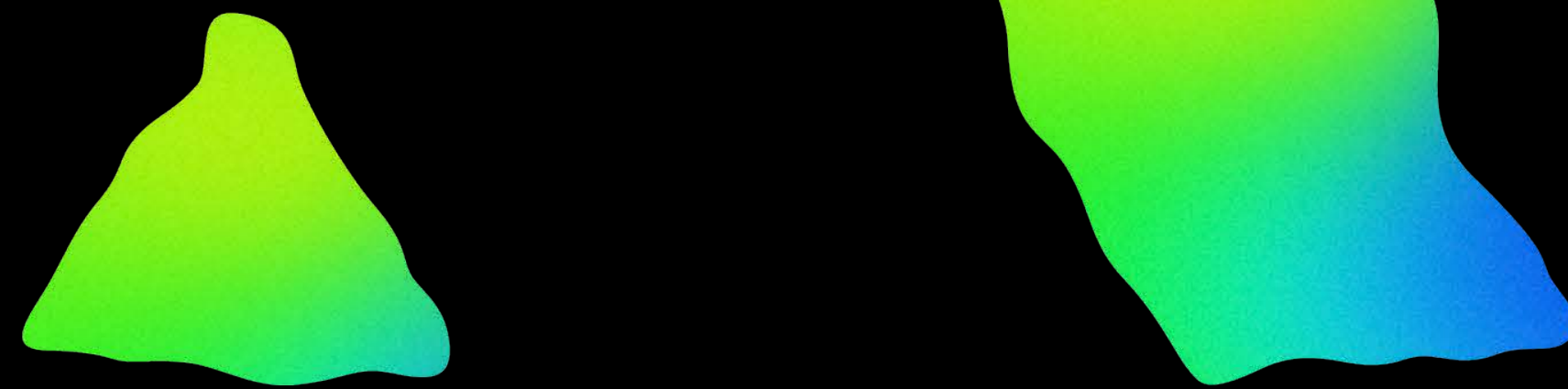
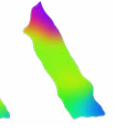


AVIDLY

Avidly Plc

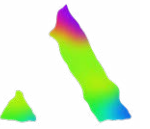
FINANCIAL STATEMENTS 2021





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REPORT OF THE BOARD OF DIRECTORS 2021

MARKET OVERVIEW

Our operating environment in 2021 was favorable despite the continuation of the coronavirus pandemic. Outside Finland, demand was particularly focused on digital services that accelerate sales and marketing automation, while in Finland, demand covered all the marketing technology services we offer.

While there are differences in our operating markets, the coronavirus pandemic has pushed consumers and businesses to shift their behaviour. As a result, online purchases have increased substantially, and customer loyalty patterns have changed as brand interaction has become a multi-pronged journey.

This behaviour shift highlights the importance of a full-funnel marketing and sales strategy where digital leads the pack and drives engagement and sales. In a world where growth is increasingly hard to come by, digital marketing and sales provide an opportunity to capture the next wave of growth.

In response to accelerated digital trends caused by the pandemic, there is also a clear shift in advertising budget spend as businesses diversify their spending across paid and owned media. Companies are now spending more time and resources on owned-media channels such as mobile apps, websites and customer service channels. And from a content perspective, there is a noticeable increase in customer conversation rates, with social and digital video channels driving the highest return on investment (ROI).

Effectively adapting to these circumstances requires a mindset shift in how organisations engage and communicate with audiences, which is a combination of art and science: it is driven by data and analytics, focused on personalisation rather than a one-size-fits-all approach, but it must not forget the earlier stages of the customer's decision journey, such as brand awareness.

Avidly's service offering, which was renewed in 2021, is well suited to the needs of modern marketing and sales, where all funnel stages are covered and silos removed.

SIGNIFICANT EVENTS DURING 2021

Digital 22 Online acquisition

In December 2021, Avidly signed an agreement to acquire the UK-based inbound marketing specialist and HubSpot Elite Partner, Digital 22 Online Limited. Digital 22 is a growth marketer which develops its customers' businesses through inbound, content and performance marketing and sales using the HubSpot technology primarily in the United Kingdom. The acquisition expands Avidly's operations into new markets in the UK and Canada and strengthens its position as the global leading service provider for the world's leading marketing automation system HubSpot.

The transaction was completed after the financial year in January 2022. The purchase price for the acquisition totaled EUR 1,225,882, which was paid upon completion of the acquisition by offering new Avidly shares in a directed issue to the owners of Digital 22 and through a cash payment totaling approximately EUR 833,600. In addition, Avidly will pay the sellers

an additional purchase price of up to EUR 4,903,530 in total in 2024 and 2025 in tranches, provided that the conditions set for the additional purchase price are met.

More information about the transaction can be found in the company releases published by Avidly on 21 December 2021 and 12 January 2022.

New reporting segments and reporting cycle

As of 1 January 2021, Avidly Plc began reporting its business divided into two geographical segments, which are: 'Finland' and 'Other Countries'. At the same time, Avidly ceased reporting on separate Marketing Services and Inbound Marketing segments. Avidly Plc also began publishing business reviews for the periods January–March and January–September.

Brand renewal

In March, Avidly refreshed its brand, which reflects the key element of its impact-driven growth strategy published in December 2020.

FINANCIAL DEVELOPMENT

Revenue

In 2021, Avidly's revenue increased by 20.1% in Finland and by 26.2% in other countries. The Group's revenue, taking into account group eliminations and unallocated items, increased by 20.0% to 29,972 thousand euros (24,970 thousand).

Full-year revenue growth was impacted by a favourable operating environment for martech services both in Finland and in other operating countries, and the development of the company's operations in the right direction.

REVENUE BY SEGMENT

EUR 1,000	1-12 2021	1-12 2020	Change %
Finland	23,672	19,717	20.1%
Other countries	7,099	5,627	26.2%
Group eliminations and unallocated	-799	-374	113.6%
Avidly Group, total	29,972	24,970	20.0%

Gross profit

Avidly's gross profit increased by 13.6% in Finland and by 24.1% in other countries. The Group's gross profit, taking into account group eliminations and unallocated items, increased by 15.8% to 21,596

thousand euros (18,649 thousand). The slower growth in gross profit than in revenue was due to an increase in the relative share of pass-through invoiced media advertising and subcontracting from the comparison year. Continuous services accounted for approximately 47% (42%) of gross margin.

GROSS PROFIT BY SEGMENT

EUR 1,000	1-12 2021	1-12 2020	Change %
Finland	15,936	14,025	13.6%
Other countries	5,953	4,797	24.1%
Group eliminations and unallocated	-293	-173	69.4%
Avidly Group, total	21,596	18,649	15.8%

FINANCIAL RESULT

Employee benefit expenses increased by 22.4% year-on-year to 16,600 thousand euros (13,558 thousand). A total of 953 thousand euros (169) of cost pursuant to IFRS associated with the share-based incentive scheme (technical, no impact on cash flow) was recognised in the Group's employee benefit expenses. Without this technical cost, the employee benefit expenses increased by 16.9%. In the comparison year, personnel expenses were affected by the cooperation negotiations and the adjustment of the number of personnel to meet demand through various holiday and layoff arrangements.

The Group's EBITDA decreased by -5.7% from the comparison year and was 1,625 thousand euros (1,724 thousand), or 5.4% of revenue (6.9%). This development was mainly affected by the increase in personnel expenses from the comparison year, including a total expense of 953 thousand euros (169 thousand) related to the share-based incentive scheme.

Avidly's operating result improved slightly to -57 thousand euros (-61 thousand). Operating profit accounted for -0.2% of revenue (-0.2%) and for -0.3% (-0.3%) of gross profit. Adjusted operating profit (EBITA = operating profit (EBIT) + allocated depreciation and impairment of acquired businesses) decreased slightly to 121 thousand euros (168 thousand), or 0.4% of revenue (0.7%). Taking into account the IFRS-related expenses related to the management share-based incentive plan, the adjusted operating result increased to 1,074 thousand euros (337 thousand).

OPERATING PROFIT BY SEGMENT

EUR 1,000	1-12 2021	1-12 2020	Change %
Finland	1,030	167	516.8%
Other countries	-132	-53	-149.1%
Group eliminations and unallocated	-955	-175	445.7%
Avidly Group, total	-57	-61	6.6%

ADJUSTED OPERATING PROFIT* BY SEGMENT

EUR 1,000	1-12 2021	1-12 2020	Change %
Finland	1,084	272	298.5%
Other countries	-8	71	-111.3%
Group eliminations and unallocated	-2	-6	-66.7%
Avidly Group, total	1,074	337	218.7%

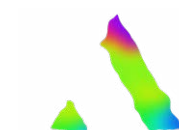
* Adjusted operating result = operating result (EBIT) adjusted for acquisition costs and allocated depreciation of acquired businesses, as well as expenses associated with the share-based incentive scheme pursuant to IFRS.

BALANCE SHEET AND FINANCIAL POSITION

On 31 December 2021, Avidly's balance sheet total was 22,105 thousand euros (23,935 thousand).

There were no changes in the goodwill on the balance sheet during the year and it amounted to 7,687 thousand euros at the end of the year (7,687 thousand). The impairment tests carried out in connection with the preparation of financial statements have not revealed any indications of impairment of assets.

The Group's equity increased by 849 thousand euros. At the end of December, the company's equity was 10,641 thousand euros (9,792 thousand). The equity



ratio on 31 December 2021 was 48.14% (40.91%). Equity per share was 2.02 euros (1.85).

ASSETS BY SEGMENT

EUR 1,000	1-12 2021	1-12 2020	Change %
Finland	19,569	18,909	3.5%
Other countries	4,415	6,348	-30.5%
Group eliminations and unallocated	-1,879	-1,322	42.1%
Avidly Group, total	22,105	23,935	-7.6%

LIABILITIES BY SEGMENT

EUR 1,000	1-12 2021	1-12 2020	Change %
Finland	9,107	11,534	-21.0%
Other countries	4,234	3,954	7.1%
Group eliminations and unallocated	-1,877	-1,345	39.6%
Avidly Group, total	11,464	14,143	-18.9%

The Group's cash flow from operating activities was EUR 1,873 thousand euros (1,611 thousand). Cash flow from financing was -2,883 thousand euros

(3,933 thousand). Cash flow in the comparison year was increased by the rights issue and financing arrangements implemented during the year.

The Group's interest-bearing debt on 31 December 2021 was 5,696 thousand euros (7,565 thousand) and the gearing was 6.22% (14.34%).

INVESTMENTS AND R&D EXPENSES

Avidly's cash flow from investments during the review period totaled -116 thousand euros (133 thousand). In the comparison year, Avidly received 100 thousand euros of funding for business development projects from Business Finland for the disruption caused by the COVID-19 pandemic.

CHANGES IN GROUP STRUCTURE

On 1 October 2021, Avidly Plc acquired the shares of Avidly Sweden AB, Avidly Norway AS and Avidly Denmark ApS from Avidly AB (the holding company) following the intra-group ownership arrangement and began the dissolution of Avidly AB in order to simplify the group structure. As a result of the ownership arrangement, Avidly Plc directly owns 100% of the shares of its subsidiaries.

PARENT COMPANY

In 2021, the Group's parent company Avidly Plc's revenue totalled 19,454 thousand euros (9,314), its operating profit was 46 thousand euros (-193) and result for the period was 368 thousand (-280).

At the end of December, the Parent Company's balance sheet total was 22,503 thousand euros (21,202) and equity was 13,230 thousand euros (12,861). Its equity ratio was 58.8% (60.7%).

PROPOSAL OF THE BOARD OF DIRECTORS CONCERNING THE USE OF PROFITS

The Board of Directors proposes to the Annual General Meeting that the profit based on the adopted balance sheet of Avidly Plc for the financial year that ended on 31 December 2021 shall be transferred to an account for profits/losses and that no dividend shall be distributed from the distributable funds for the financial year 1 January 2021 – 31 December 2021.

PERSONNEL

The Group employed an average of 237 (228) people during the review period. The number of personnel at the end of December was 242 (223). The number of personnel increased following growth recruitments.

Salaries and other remuneration paid for the financial year totaled 14 185 thousand euros (11 683), which includes a technical expense of 953 thousand euros (169) with no cash flow impact pursuant to IFRS associated with the management's long-term share-based incentive scheme.

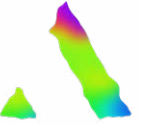
Due to the corona pandemic, Avidly continued to operate remotely in 2021. In addition, we continued the work started in 2020 to build a corporate culture and human resources practices that will best support Avidly's strategic goals in the future.

CORPORATE RESPONSIBILITY

For Avidly, sustainability means above all social responsibility, ensuring the well-being of personnel and creating an inspiring work environment that promotes creativity.

Avidly invests strongly in personnel development and well-being at work, wanting to provide its employees with an enthusiastic working community that pulls together. Avidly's values are Ambition, Respect and Courage.

Employee satisfaction is surveyed on a bi-weekly basis. According to the survey, Avidly people's satisfaction with their work and employer is at a good level. The company's eNPS was 20 (19) in December 2021. In addition, Avidly measures customer satisfaction.



Based on the results, customer satisfaction developed positively and Avidly's NPS was 60 in December 2021.

Avidly's environmental impacts have been estimated to be minor, and they are associated with the environmental impacts of normal office-based knowledge work, such as the electricity consumption of IT hardware, printing, recycling, general energy use and travel by the personnel. In 2021, business travel was very limited due to the COVID-19 pandemic.

In 2021–2022, Avidly is a partner of FIBS ry, the largest corporate responsibility network in the Nordic countries. Avidly's pro bono partnership includes the implementation of the FIBS corporate responsibility survey aimed at Finnish large corporations, and Avidly will also be involved in developing corporate responsibility communications to FIBS member companies in the years to come. Avidly also continued its pro bono partnership with Planet Company in 2021. Planet Company is a startup that specializes in developing a community of responsible business practices. We also act as a pro bono partner for the social food company Venner. Venner delivers food boxes to low-income families in Finland and teaches ecological and economical cooking skills.

Avidly is also involved in the Corporate Social Responsibility working group of the AMIN advertising agency network. In September 2020, the working group published a report on the expectations of the general public of business and brands in a situation in which climate change, inequality, COVID-19 and racial

equality have emerged as symbols of a new era. The report is available here: www.aminworldwide.com/wp-content/uploads/2020/09/AMIN-CSR-Ebook.pdf. In Q1 2022, the working group is expected to publish a new report on sustainability in marketing.

Avidly's subsidiary Sugar Helsinki Oy, established in 2015, is a PR office focusing on sustainable and ecological values. The competitive advantages of the customers of Sugar Helsinki are, without exceptions, based on an ecologically sustainable operating model or products.

In December 2021, Avidly's Management Team made a decision to take the next step in the company's sustainability work. In 2022, Avidly will conduct a materiality analysis of its business to determine what are the most important areas of sustainability in its own business, how they will be measured and how the company's sustainability will be reported in the future.

SHARE AND SHARE CAPITAL

The Company has a single share series. Each share gives one vote. Avidly Plc's shares are listed on the Nasdaq First North Growth marketplace in Helsinki under the code AVIDLY.

Trading in shares and market value

In 2021, a total of 3,091,734 (2,143,933) Avidly shares were traded for 16.9 million euros (5.8), representing approximately 59% (54%) of all shares (weighted

average number of outstanding shares during the period). On the final trading day of the reporting period, the share price was 5.18 euros (3.98). The volume-weighted average share price during the year was 5.45 euros (2.59), the highest quoted price during the period was 6.70 euros (5.22) and the lowest was 3.68 euros (1.10). The market value of Avidly Plc's outstanding shares at the end of December was 27.3 million euros (21.0).

Share capital, number of shares and share ownership

There were no changes in the number of Avidly Plc shares during the year. The number of shares was 5,290,004 from which 5,279,531 were outstanding and the share capital was 322 thousand euros on 31 December 2021. The number of shareholders increased clearly during the year and totaled 1,796 at year-end (1,243).

The average number of shares during the year was 5,279,531 (3,954,023).

Treasury shares

There were no changes in the number of treasury shares held by the company during the year. At the end of December, the number of the company's own shares was 10,473, or 0.2% of all shares. On 23 December 2021, Avidly Plc announced that it would start a share repurchase program. The implementation of the program has been described in events after the financial year.

Holdings of the Board of Directors and the CEO

The holdings of the Board of Directors, the CEO and the bodies they control (directly or indirectly) totaled approximately 8% (15%) at the end of December.

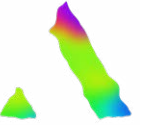
Management's share-based incentive scheme

On 30 June, the company had one long-term share-based incentive scheme for the Group's management in place. The incentive scheme has one earnings period (1 June 2020–31 May 2023), during which the participants of the incentive scheme can earn an investment-based reward and a performance-based reward. If the terms and conditions of the incentive scheme are met, the rewards will be paid in full as shares in the company by the end of September 2023.

The company's Board of Directors decides on whether new shares in the company, treasury shares or cash will be granted as the reward. The rewards paid based on the earnings period are a maximum of 569,580 company shares.

The terms and conditions of the incentive scheme and conditions relating to the issue of the shares are described in more detail in the company release issued on 15 July 2020:

investors.avidlyagency.com/en/company-news



Share authorisations

Authorisation to resolve upon the acquisition of the company's own shares

The AGM, held on 13 April 2021, resolved to authorise the Board of Directors to resolve upon the acquisition of the company's own shares in one or more instalments. The maximum number of shares to be acquired under the authorisation is 529,000 shares, corresponding to approximately a maximum of 10% of all shares in Avidly Plc on the date of the notice to the general meeting. Any acquisition under the authorisation may only be carried out by using the company's non-restricted equity and at a value formed in Nasdaq First North Growth Market market place maintained by Nasdaq Helsinki Ltd (Helsinki Stock Exchange) at the time of the applicable acquisition.

The Board of Directors is otherwise authorised to resolve upon all terms and conditions of the aforementioned acquisitions, including the procedure by which the shares shall be acquired. The acquired shares may be held in the company's possession or they may be annulled or further transferred. The authorisation is valid until 30 June 2022. Avidly did not repurchase any of its own shares during the review period under this or a previous authorisation.

On 23 December 2021, the Board of Directors of Avidly Plc resolved to launch a share buy-back program for the Company's own shares and to begin repurchasing

Company's own shares. The implementation of the program has been described in the events after the financial year.

Authorisation to resolve upon one or more share issues

The 2021 AGM also resolved to authorise the Board of Directors to resolve upon one or more share issues without payment and/or share issues against payment. The authorisation includes the right to issue new shares or to transfer treasury shares possessed by Avidly Plc or to resolve upon issuing of option rights and other special rights entitling to shares as set out in the Finnish Limited Liability Companies Act Chapter 10 Section 1.

The maximum number of shares that can be issued under the authorisation, either by issuing new shares, transferring treasury shares possessed by Avidly Plc or by issuing option and other special rights entitling to shares as set out in the Finnish Limited Liability Companies Act Chapter 10 Section 1, is 1,587,000 shares. The amount corresponds to approximately a maximum of 30% of all shares in Avidly Plc, after all shares that can be issued and/or all treasury shares that can be transferred and/or all shares that can be issued based on option and other special rights entitling to shares as set out in the Finnish Limited Liability Companies Act Chapter 10 Section 1 have been issued and/or transferred pursuant to a decision made under the authorisation. The authorisation shall not limit

the right of the Board of Directors to resolve upon directed issues of shares or option and other special rights entitling to shares as set out in the Finnish Limited Liability Companies Act 10 Section 1.

The authorisation may be used in connection with arrangements important to the company, such as in transactions and business acquisitions or in connection with financing of other business arrangements or investments. The authorisation may also be used for expanding the company's ownership structure, providing incentives to the company's employees or for strengthening employee engagement or in connection with other applicable situations as resolved upon the Board of Directors from time to time, provided that there are weighty financial grounds for issuing shares or options or other special rights set out in the Finnish Limited Liability Companies Act Chapter 10 Section 1. The authorisation is valid until 30 June 2022.

The Avidly Board of Directors resolved to use this authorisation when it decided on a directed share issue to the sellers of Digital 22 Online Limited on 21 December 2021. The issue was completed in January 2022 and has been described in the events after the financial year.

Both authorisations revoked the corresponding authorisations previously granted. The resolutions of the Annual General Meeting are available in their entirety on Avidly's website investors.avidlyagency.com/en/company-news

CORPORATE GOVERNANCE

Annual General Meeting

Avidly's annual general meeting (AGM) was held in Helsinki, Finland, on 13 April 2021. The AGM adopted the 2020 Financial Statements, including the consolidated financial statement, and discharged the members of the Board of Directors and the CEO from liability.

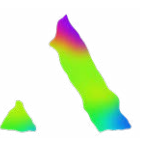
The AGM resolved, according to the proposal of the Board of Directors, that the loss based on the adopted balance sheet for the financial year that ended on 31 December 2020 shall be transferred to an account for profit/loss and that no dividend shall be paid from the distributable funds.

The AGM re-elected Joakim Fagerbakk, Juha Mikkola and Ville Skogberg as Members of the Board for a term continuing until the end of the company's next AGM. Åsa Arvidsson was elected as a new member of the Board. At its organising meeting, the Board elected Joakim Fagerbakk as the Chairman of the Board and Juha Mikkola as the Vice Chairman of the Board.

The authorisations given to the Board by the AGM are discussed below in the section Authorisations of the Board.

Company management

Jonaz Kumlander was appointed Avidly Plc's Chief Technology Officer (CTO) and a member of the Management Team as of 1 October 2021.



Teea Björklund, COO of Avidly's Finnish operations and a member of the company's Management Team, took up a new position outside Avidly at the end of September 2021. Ville Himberg was appointed Chief Operating Officer (COO) of Avidly and a member of the company's Management Team in February 2022, taking up his position on 1 March 2022.

Ingunn Bjøru's area of responsibility in the Management Team changed from COO of Avidly's International Operations to Chief Customer Experience Officer (CXO). The change announced in September 2021 came into force on 1 February, 2022.

In 2021, the company's management team also included CEO Jesse Maula, Deputy CEO, Chief Strategy Officer Ismo Nikkola, CFO Hans Parvikoski, Chief Revenue Office (CRO) Barbro Faberbakk and Chief Creative Officer (CCO) Jufu Peltomaa.

Certified Advisor

The Company's certified advisor, as required by the Nasdaq First North Growth Market marketplace rules, has been Oaklins Merasco Oy during the accounting period.

Auditor

The AGM of 2021 elected Authorized Public Accountant Jari Paloniemi as the auditor of Avidly Plc and its Group and Authorized Public Accountant Veikko Terho as the deputy auditor.

BUSINESS RISKS AND UNCERTAINTIES

Risks related to changes in the market environment

Especially in the short- and medium-term, Avidly's risks and uncertainties are associated with the development of the general economy. Uncertainty in the global economy, cost inflation and unfavorable changes in world politics, including the outbreak of war in Ukraine and related measures, may have an adverse impact on the ability and willingness of Avidly's customers to invest, and thus to the demand for Avidly's services. Avidly has no direct customers or subcontracting in Ukraine or Russia.

Strategic risks

Avidly aims to grow faster than the market both organically and by actively concluding M&A transactions. Digitalization is currently rapidly changing the marketing communications industry. This has brought, and will continue to bring, many new, agile operators into the industry, and defining the entire industry segment has become more difficult than before. This has made competition tougher, and Avidly will need to compete even more against both the established industry operators and entirely new competitors.

Operational risks

The general market situation has a major impact on demand for marketing communications services. The company has continuously aimed to improve its cost

efficiency and financial control and, thereby, its ability to react to any changes in the market situation.

The continuing strong shift of focus in the marketing communications industry towards digital services demands that the current personnel acquire new competences and are able to rapidly renew themselves. Furthermore, it must be possible to recruit new expertise, which makes Avidly's employer brand very important.

Marketing communications projects commonly use a fixed price. Profitability requires that the projects are assessed and priced correctly. It is possible that the pricing of the projects will fail and the projects' profitability will suffer. Pricing projects focused on software is particularly challenging. Furthermore, there is increased price competition in public administration projects in particular, which may affect the profitability of the projects. With regard to outsourcing services, the service contracts signed with clients will often have a long duration, and if Avidly should fail in the negotiations and pricing related to them, this may have a negative impact on the development of profitability within Avidly.

In line with its strategy, Avidly has concluded and will continue to aim to conclude M&A transactions in order to extend the Group's service offering and grow its geographical coverage. In the longer term, Avidly aims to conclude even more M&A transactions in Europe. Concluding acquisitions outside of Finland

and the Nordic countries may be more difficult than in a domestic context. There is uncertainty related to the completion of acquisition in terms of finding suitable companies and determining the correct price. The integration phase occurring after an acquisition includes the risk of the customers and personnel of the acquired companies leaving following the arrangement.

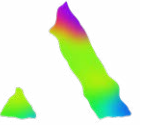
Financial risks

Avidly's total interest-bearing liabilities are approximately 5.7 million euros, of which approximately 2.7 million lease liabilities under IFRS16 Leases. Changes in reference rates do not have a material impact on Avidly's financing costs, as the majority of loans from financial institutions are hedged with an interest rate collar.

The Group's currency risk mainly consists of currency translation risk in foreign operations. Avidly's long-term financing is in euros and does not have any exchange rate risk. Avidly estimates its exchange rate risks to be minor on the closing date.

Accident and interruption insurance has been taken out in order to protect against interruptions in Avidly's business due to accidents. In order to ensure business continuity, most of Avidly's documents are also automatically backed up in a secured storage located outside of the office locations.

One of Avidly's subsidiaries has two pending interlinked disputes related to the termination of



employment of two former employees. The company won the dispute in the Helsinki District Court and the plaintiffs have appealed to the Court of Appeal. The Court of Appeal has not yet ruled on the appeal. Avidly is not aware of any other litigation related to the Parent Company or other Avidly Group companies or risks related to measures by the authorities.

COVID-19

As vaccination coverage increases in Avidly's countries of operation, the risks associated with the coronavirus pandemic have eased to some extent. However, a possible new virus mutation in our operating countries of operation could weaken our customers' business conditions and demand for our services.

However, Avidly is well-positioned to also serve its customers during the pandemic, as remote working has not significantly affected Avidly's ability to provide services to the customer companies. Employees' safety and health play a key role in the company being able to provide services in the current disruption.

The company's management has closely monitored the impacts of the pandemic and surveyed its potential impacts on forecasts and the measurement principles of balance sheet items. Based on the management's monitoring and assessment, the COVID-19 pandemic has not had significant negative impacts on the company's business so far. According to current knowledge, the impacts do not make it necessary to adjust the long-term objectives.

EVENTS AFTER THE REVIEW PERIOD

A share buy-back program for the Company's own shares

Between 3 January 2022 and 7 January 2022, Avidly acquired a total of 19,650 of its own shares in trading on the Nasdaq First North Growth Market Finland, organized by Nasdaq Helsinki Oy. The average purchase price per share was 5.0860 euros and the total value was 99,938.97 euros.

Following the acquisitions, the company holds 30,123 of its own shares, corresponding to approximately 0.57% of all the company's shares.

The Digital 22 Online acquisition was completed

On 12 January 2022, Avidly Plc completed the acquisition of Digital 22 Online Limited, a UK inbound marketing expert and Hubspot Elite partner.

The total purchase price of the shares was 1,225,882 euros, of which the cash payment accounted for approximately 833,600 euros. The purchase price paid for Avidly's shares amounted to approximately 392,282 euros, according to which the sellers of Digital 22 Online Limited's shares subscribed for 79,656 new Avidly shares in the share issue directed to them. The subscription price per share was 4.9247 euros, which corresponds to the trade-weighted average price of Avidly's shares on the Nasdaq First North Growth

marketplace maintained by the Helsinki Stock Exchange on 13 December 2021 – 11 January 2022.

The subscription price was recorded in full in Avidly's invested unrestricted equity fund. The number of subscribed shares corresponds to approximately 1.48% of the holding in Avidly after the registration of the shares.

The new shares were registered and admitted to trading on the Nasdaq First North Growth Market Finland together with other Avidly shares on 31 January 2022.

After registration, the number of Avidly shares is 5,369,660.

New COO

Ville Himberg (b. 1976) was appointed Chief Operating Officer (COO) and a member of the Management Team of Avidly as of 1 March 2022. Himberg has previously been the CEO of the software and IT services company Bilot Oyj and prior to that for 15 years in different positions at the strategy, design and technology company Reaktor.

Recognitions received

In January, Avidly won the esteemed global partner of the year award at HubSpot's 2021 Impact Awards for the third consecutive year. In addition, the Saka Finland campaign created by Avidly won a bronze medal in the Effie Finland competition, which measures the effectiveness of advertising.

OUTLOOK FOR 2022

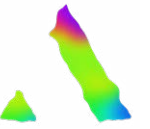
Avidly estimates that its revenue in 2022 will be between 34 and 36 million euros (revenue in 2021: 30.0 million euros) and that its adjusted operating result will increase (adjusted operating result in 2021: 1.1 million euros).

The adjusted operating result refers to the operating result (EBIT) that has been adjusted for the acquisition costs and allocated depreciation of acquired businesses as well as expenses associated with the share-based incentive scheme pursuant to IFRS.

In Helsinki, 3 March 2022.

AVIDLY PLC

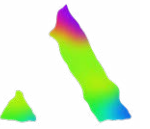
BOARD OF DIRECTORS



CONSOLIDATED INCOME STATEMENT, IFRS

EUR 1,000	Note	1 Jan-31 Dec, 2021	1 Jan-31 Dec, 2020
REVENUE	2,3	29,972	24,970
Other operating income	4	86	258
Materials and services	5	-8,462	-6,579
Employee benefit expenses	6, 21	-16,600	-13,558
Depreciation and amortization	7	-1,683	-1,785
Other operating expenses	8	-3,371	-3,368
Share of profit in associated companies		0	0
OPERATING RESULT		-57	-61
Financial income and expenses	9	-212	-339
PROFIT BEFORE TAX		-269	-400
Income taxes	10	51	58
Profit for the period		-218	-342

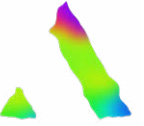
EUR 1,000	Note	1 Jan-31 Dec, 2021	1 Jan-31 Dec, 2020
ATTRIBUTABLE TO:			
Parent company shareholders		-218	-342
Minority shareholders		0	0
EARNINGS PER SHARE CALCULATED FROM PROFIT ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS, EUR:			
Undiluted	11	-0.04	-0.09
Diluted	11	-0.04	-0.08
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, EUR 1,000			
Profit for the period		-218	-342
Items that may be reclassified to profit or loss in subsequent periods			
Translation differences		114	-38
Total comprehensive profit for the period		-104	-380
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Parent company shareholders		-104	-380
Minority shareholders		0	0



CONSOLIDATED BALANCE SHEET, IFRS

EUR 1,000	Note	31 Dec, 2021	31 Dec, 2020
ASSETS			
Non-current assets			
Intangible rights	13	387	540
Goodwill	13, 14	7,687	7,687
Buildings	12	1,998	2,483
Machinery and equipment	12	762	780
Other tangible assets	12	20	19
Investments in associated companies	15	315	316
Deferred tax assets	16	443	525
Total non-current assets		11,612	12,437
Current assets			
Work in process	17	584	645
Accounts receivables	18	3,163	3,278
Deferred tax assets	16	436	388
Other receivables	18	480	550
Prepayments and accrued income	18	796	563
Cash and cash equivalents	19	5,034	6,161
Total current assets		10,493	11,585
TOTAL ASSETS		22,105	23,935

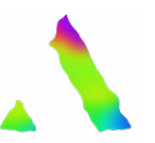
EUR 1,000	Note	31 Dec, 2021	31 Dec, 2020
EQUITY AND LIABILITIES			
Equity			
Share capital	20	322	322
Invested unrestricted equity fund	20	12,659	12,659
Retained earnings	20	-2,340	-3,189
Total equity		10,641	9,792
Non-current liabilities			
Financial liabilities	22, 24	2,907	4,316
Deferred tax liabilities	16	171	209
Total non-current liabilities		3,078	4,525
Current liabilities			
Financial liabilities	22, 24	2,789	3,249
Received advances	23	560	609
Accounts payable	23, 24	1,166	1,174
Other liabilities	23, 24	1,898	2,636
Accrued expenses and deferred income	23, 24	1,973	1,950
Total current liabilities		8,386	9,618
TOTAL LIABILITIES		11,464	14,143
TOTAL EQUITY AND LIABILITIES		22,105	23,935



CONSOLIDATED CASH FLOW STATEMENT, IFRS

EUR 1,000	1 Jan-31 Dec 2021	1 Jan-31 Dec 2020
CASH FLOW FROM OPERATIONS		
Operating result	-57	-61
Adjustments to operating result	2,636	1,890
Change in working capital	-481	-6
Received financial income	36	18
Financial expenses paid	-261	-233
Taxes paid	-	3
Cash flow from operations	1,873	1,611
CASH FLOW FROM INVESTMENTS		
Investments in tangible and intangible assets	-116	133
Cash flow from investments	-116	133

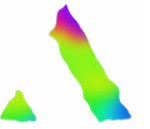
EUR 1,000	1 Jan-31 Dec 2021	1 Jan-31 Dec 2020
CASH FLOW FROM FINANCING		
Business acquisitions	-	-80
Changes in loans	-1,434	2,810
Sale of treasury shares	-	10
Share issue	-	2,592
Lease payments	-1,449	-1,399
Cash flow from financing	-2,883	3,933
TOTAL CASH FLOWS	-1,127	5,677
Changes in cash and cash equivalents	-1,127	5,677
Cash and cash equivalents at 1 Jan	6,161	484
Cash and cash equivalents at 31 Dec	5,034	6,161



CHANGES IN CONSOLIDATED EQUITY, IFRS

EUR 1,000	Share capital	Invested unrestricted equity fund	Retained earnings	Total
EQUITY AT 1 JANUARY 2020	322	9,690	-2,978	7,034
Share issue		2,959		2,959
Transfer of treasury shares		10		10
Share-based incentive program			169	169
Translation difference			-38	-38
Profit for the period			-342	-342
EQUITY AT 31 DECEMBER 2020	322	12,659	-3,189	9,792

EUR 1,000	Share capital	Invested unrestricted equity fund	Retained earnings	Total
EQUITY AT 1 JANUARY 2021	322	12,659	-3,189	9,792
Share issue				-
Share-based incentive program			953	953
Translation difference			114	114
Profit for the period			-218	-218
EQUITY AT 31 DECEMBER 2021	322	12,659	-2,340	10,641



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

BASIC INFORMATION ON THE GROUP

Avidly is a leading martech service provider listed on the Nasdaq First North Growth marketplace in Helsinki. We offer holistic digital marketing and sales services and customer experience, data and technology are closely entwined into our impact-driven growth strategy. At year-end 2021, we were a team of approximately 240 persons in 16 locations in Finland, Sweden, Norway, Denmark and Germany.

The group's parent company is Avidly Plc. The parent company's domicile is Helsinki, its country of incorporation is Finland and its registered address is Konepajankuja 1, 00510 Helsinki, Finland.

A copy of the consolidated financial statements is available at Konepajankuja 1, 00510 Helsinki, Finland. Avidly Plc's Board of Directors has approved these financial statements for publication in its meeting on 3 March, 2022. Pursuant to the Finnish Limited Liability Companies Act, shareholders may approve or reject the financial statements in a General Meeting held following their publication. The General Meeting may decide on amending the financial statements.

Accounting policies

The consolidated financial statements are drawn up according to the International Financial Reporting Standards (IFRS), and the IAS and IFRS standards and SIC and IFRIC interpretations in force as of 31 December 2021 have been used during their preparation. In the Finnish Accounting Act and the regulations issued based on it, the International Financial Reporting Standards refer to the standards

approved for application within the EU according to the procedure decreed in EU Regulation no. 1606/2002. The notes to the consolidated financial statements are also in line with the Finnish accounting and company legislation that supplements the IFRS regulations.

Unless otherwise stated in these accounting policies, the consolidated financial statements are based on historical cost.

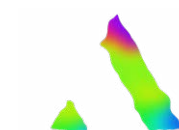
The financial statements are presented in thousands of euros.

The consolidated financial statements utilize the exemptions available for first-time adopters in the IFRS 1 standard for business acquisitions prior to 1 January 2015. Any other exemptions allowed by the IFRS 1 standard have not been applied.

POLICIES REQUIRING MANAGEMENT JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements pursuant to the IFRS standards requires certain estimates and judgments from the group management. Furthermore, judgment is required in the application of the accounting policies and in the preparation of estimates for depreciation periods and impairment tests, for example.

The estimates made during the preparation of the financial statements are based on the management's best available outlook on the final date of the reporting period. The estimates are based on earlier experience as well as assumptions concerning the future that are considered to be the most likely at the time of the



closing of the accounts. Any changes in the estimates or assumptions are entered in the accounting records for the accounting period during which the estimate or assumption is adjusted, and for all accounting periods following it.

In Avidly group, the key assumptions concerning the future and the key sources of estimation uncertainty on the date of the financial statements are related to the determination of fair value of the assets and liabilities of acquired businesses, the allocation of acquisition cost to unrecognized assets of the acquired company, and the impairment testing of goodwill and intangible assets with an unlimited useful life. The valuation of inventories involves estimates and judgment especially as regards the obsolescence of inventories.

Each year, the group performs impairment tests on goodwill and those intangible assets with an unlimited useful life, and estimates any indications of impairment. The recoverable amounts from units generating cash flow have been determined using calculations based on value in use. Preparing these calculations requires using estimates. Additional information regarding the sensitivity of the recoverable amount to changes in the assumptions is available in note 13, "Intangible assets".

Share-based payments include discretion especially related to the estimation of the amount of the shares, which are assumed to be vested at the end of the incentive program's earning period.

CONSOLIDATION PRINCIPLES

Policies for preparation of the consolidated financial statements

Subsidiaries are companies that the group has control over. Control is created when the group, by participating in an entity, is exposed to the entity's variable profit or is entitled to partake in its variable profit, and it is able to affect the said profit by exercising its control over the entity.

The acquisition method has been used to eliminate share ownership between group companies. The transferred consideration and the acquired company's identifiable assets and liabilities have been recognized at fair value at the time of acquisition. Costs related to the acquisition have been recognized as expenses. The consideration transferred does not include transactions that are treated separately from the purchase. These are usually recognized in profit or loss. Any possible contingent purchase price is valued at fair value at the time of acquisition, and it is classified as either liability or equity. A contingent purchase price classified as a liability is valued at fair value at the end of each reporting period, and the resulting profit or loss is recognized in profit or loss. A contingent purchase price classified as equity is not valued again. Any possible non-controlling interests in the object of the acquisition are recognized either at fair value or at an amount corresponding to the non-controlling interests' proportional share of the object's identifiable net assets. The recognition principle is defined separately for each business acquisition. The treatment of

goodwill resulting from the purchase of subsidiaries is described in the section titled "Goodwill".

Acquired subsidiaries are included in the consolidated financial statements from the moment the group gains control, and transferred subsidiaries are included up to the moment the control ceases to exist. Any business transactions between group companies, receivables, liabilities and unrealized gains as well as the internal distribution of profits are eliminated when the consolidated financial statements are prepared. Unrealized losses are not eliminated if the loss is due to impairment. Changes in the Parent Company's ownership interest in the subsidiary that do not lead to loss of control are treated as business transactions concerning equity.

Associated companies are companies that the group has significant influence over. Significant influence is generally established when the group owns more than 20% of the votes in the company or when the group otherwise has significant influence but no control.

Associated companies are consolidated into the consolidated financial statements by means of the equity method. If the group's share of the losses of an associate exceed the investment's book value, the investment is recorded at zero value and losses exceeding book value are not consolidated unless the group is committed to fulfilling the obligations of associates. Investments in associates include the goodwill created by the acquisition. Unrealized

gains and losses between the group and the associate have been eliminated in proportion to the group's ownership interest. Unrealized losses are not eliminated if the business transaction points toward the impairment of the transferred asset. The share of profit in an associated company, proportional to the group's ownership interest, is presented prior to operating profit. Correspondingly, the group's share of any changes recognized under other items in the associated companies' comprehensive income is recognized under other items in the group's comprehensive statement of income. The group's associated companies have had no such items during the accounting periods 2015–2021.

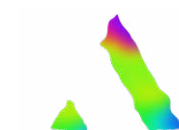
Avidly group does not have any joint ventures.

SEGMENT INFORMATION

Group reports two segments, Finland and Other countries.

CONVERSION OF ITEMS DENOMINATED IN A FOREIGN CURRENCY

The consolidated financial statements are presented in euros, which is the operation and presentation currency of the group's parent entity.



Receivables and liabilities are converted at the closing rate. Exchange differences caused by the conversion are recognized in profit or loss.

REVENUE RECOGNITION POLICIES AND REVENUE

Income from the sales of products and services, adjusted for indirect taxes and discounts, is presented as revenue.

Revenue is recognized when the service has been rendered and the control has been transferred to the customer. The control is transferred when the group is entitled to receive payment from the service, the risks and benefits are transferred to the customer, and the customer has approved the service.

OTHER OPERATING INCOME

Other operating income includes, for example, profit from the sales of fixed assets and income from the transfer of business operations.

EMPLOYEE BENEFITS

Pension plans are classified as defined benefit plans and defined contribution plans. Avidly's statutory and voluntary pension plans are defined contribution plans.

The pension insurance fees for defined contribution pension plans are paid to the pension insurance company. Payments into defined contribution plans are recognized as expenses in the income statement for the accounting period that it concerns.

SHARE-BASED PAYMENTS

The group has incentive plans where the payments are being performed as equity instruments.

The granted benefits of the plan are valued at fair value on the reporting date and recognized as an expense in the income statement during the contractual life (earning period). The impact on the profit and loss is presented in the employee benefit expenses.

The determined expense of the shares on the reporting date is based on the group's estimate of the number of shares that are assumed to be allocated at the end of the contractual life (earning period). The group updates the estimate on the final number of the assumed shares on each reporting date. The changes in the assumptions are recognized in the income statement and retained earnings in the group's equity.

Additional information on the share-based payments are presented in the Note 21 "Share-based payments".

OPERATING PROFIT

The group has defined operating profit as follows: operating profit is the net sum received from revenue added by other operating income and subtracted by costs from materials and services adjusted for inventory changes, employee benefit expenses, depreciations and any possible impairment losses, other operating expenses, and share of profit in associated companies. All other income statement items than those listed above are presented below the operating profit.

INCOME TAXES

The income taxes in the consolidated income statement consist of current and deferred taxes. Taxes are recognized in profit or loss, except for when they are directly related to items recognized as equity or other items in the comprehensive income statement. In this case, the tax is also recognized under these items.

Deferred taxes are calculated from the temporary differences between book value and the tax base. The largest temporary differences arise from the treatment of finance leases and the amortization differences between sales recognition and incomplete work. No deferred tax is recognized for goodwill impairment that is not tax deductible. Deferred taxes are calculated using tax rates that have been enacted or substantively enacted by the date of the financial statements.

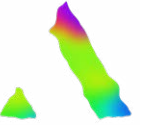
Deferred tax assets are recognized up to an amount of probable future taxable income against which the deferred tax assets can be utilized; this approach has been applied in the calculation of deferred tax assets from losses confirmed in taxation. Deferred tax liabilities are recognized in full.

The group will subtract deferred tax assets from deferred tax liabilities in cases where the group has a legally enforceable right to settle current tax assets and liabilities and the deferred tax assets and liabilities are related to income taxes collected by the same recipient, from either the same taxpayer or different taxpayers who aim to settle the current tax assets and liabilities or realize the receivables and pay off the liabilities contemporaneously.

TANGIBLE ASSETS

Tangible assets are valued at acquisition cost deducted by accrued depreciations and impairment losses. Acquisition cost includes costs directly resulting from the purchase of tangible assets. Other expenses, such as normal maintenance and repair, are recognized as costs in the income statement.

Tangible assets consist of machinery and equipment. A straight-line method of depreciation is used accounting to the useful life of 3–5 years.



INTANGIBLE ASSETS

Goodwill

Goodwill created from business acquisitions is recognized at the amount by which the total sum of the transferred consideration, non-controlling interests in the object of purchase, and the previously owned share exceed the fair value of the acquired net assets.

According to the Finnish financial reporting framework, goodwill is calculated as the difference of the purchase price and the subsidiary's equity, and registered to those subsidiary assets that are considered to be the cause of the difference. In IFRS financial statements, the identifiable assets and liabilities of the acquired subsidiary are valued at fair value on the date of acquisition, which will usually reduce the portion of goodwill. The consolidated financial statements retroactively apply the IFRS 3 standard. Pursuant to the requirement in IFRS 1, all goodwill is tested for impairment at the time of transition. The test did not lead to recognition of impairment in the IFRS balance sheet.

Other intangible assets

In business acquisition, a part of the difference between the purchase price and the subsidiaries' equity is registered to customer relationships for which a 5-year straight-line depreciation is used.

IMPAIRMENTS

The book values of assets are regularly assessed in order to detect any possible signs of impairment. If signs of impairment are observed, the recoverable amount for the asset is determined. Goodwill is registered to cash generating units. It is tested for impairment annually. Impairment loss is generated if the book value of an asset or cash-generating unit exceeds the asset's recoverable amount.

Impairment loss is registered in the income statement. Impairment loss from a cash-generating unit is primarily registered as a reduction of goodwill for the cash-generating unit and secondarily as a reduction of other assets in the unit on a pro rata basis.

The recoverable amount from intangible and tangible assets is defined as either the fair value less costs to sell or the value in use, whichever is higher. When determining value in use, the estimated future cash flows are discounted to present value using discount rates that depict the average capital cost before tax for the cash-generating unit in question. Impairment loss related to tangible assets and other intangible assets, except goodwill, is reversed if the estimates used when determining the asset's recoverable amount have changed. Impairment loss is reversed at most up to the amount that would have been determined as the book value for the asset if no impairment loss had been registered in previous years.

LEASES

Avidly group applies IFRS 16 Leases -standard. As a result, non-cancellable leases are recognized in the group's balance sheet. Rental expenses included in the income statement's other operating expenses are replaced by interest expenses and depreciation.

INVENTORIES

Inventories consist of work in process that is valued under variable expenses in a manner where the value of the work in process does not exceed the net realizable value available from it. Net realizable value is the estimated selling price for the inventories received during ordinary course of business, deducted by the estimated costs for completion and the estimated necessary selling costs.

ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets held for sale and asset related to discontinued operations are valued pursuant to the IFRS 5 standard at book value or fair value, whichever is lower, deducted by the estimated selling costs. Once an asset has been classified as a non-current asset held for sale or a disposal group, no depreciation is made. Non-current assets classified as held for sale and assets included in the disposal group are presented as separate items in the balance sheet. Debt related to a

disposal group is also presented as a separate item in the balance sheet.

A discontinued operation is a component of the group that has been disposed of or classified as held for sale and that meets the classification criteria for a discontinued operation pursuant to IFRS 5. Earnings from discontinued operations are presented as a separate item in the consolidated statement of comprehensive income.

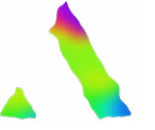
On the date of the financial statements, the group has no discontinued operations or non-current assets held for sale pursuant to IFRS 5.

ACCOUNTS RECEIVABLE

Accounts receivable are valued at acquisition cost, and receivables from which no future profit is expected are registered as impairment. Based on the available information, the company's management assesses the client's ability to fulfil its responsibilities and, if it appears probable that the entire sum cannot be collected, estimates the amount of credit loss.

FINANCIAL INSTRUMENTS

Group's financial instruments are valued and classified according to IFRS 9 standard in the following groups: financial instruments at amortized cost, financial instruments at fair value through comprehensive



income statement, and financial instruments at fair value through profit and loss. The financial instruments are classified based on targets related to the business model and the contractual cash flow nature at the original trade date. Financial instruments at fair value through profit and loss includes contingent purchase price receivables and derivative financial instruments. Contingent purchase price receivables are recorded in business acquisitions. Purchase price receivables and derivative financial instruments are recorded at fair value in balance sheet on the trade date and revalued at the end of the accounting period. Changes in the contingent purchase price receivables are recorded in financial items in income statement. The valuation of contingent purchase price receivables and contingent considerations is based on estimated discounted values of corresponding cash flows. The valuation is done on each reporting day based on the conditions set in purchase agreement. Management estimates the fulfilment of conditions on each reporting day.

Financial instruments valued at amortized cost include account receivables and other receivables. According to IAS 39, these items were included in item 'loans and other receivables'. Account receivables and

contractual assets are written off from balance sheet as final credit loss when no payment within reason can be expected. Indications on no payment being expected include significant financial difficulties of debtor, likelihood of bankruptcy, nonpayment of bills or late payments of over 180 days. Impairment loss related to account receivables and contractual assets are presented in other operating expenses in income statement. Shares in unlisted companies are classified as financial instruments at fair value through comprehensive income statement and the profit or loss related to the changes in fair value is recorded in other items of comprehensive income statement and are not recognized in profit or loss when sold. The dividends from these shares are recorded in financial income when the group is entitled to a dividend.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash, demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash, and that are subject to an insignificant risk of change in value.

PROVISIONS AND CONTINGENT LIABILITIES

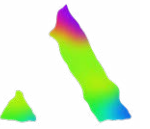
Provisions are entered in the balance sheet when the group has, as a consequence of a past event, a present legal or constructive obligation, it is probable that meeting the obligation will require a payment or cause a financial loss, and the amount of the obligation can be reliably assessed. Provisions may be related to restructuring of operations, onerous contracts, litigation, and tax risks. A contingent liability presented in the notes is either a potential obligation generated as a consequence of past events whose realization is uncertain, or a present obligation that will probably not require making a payment or the amount of which cannot be reliably determined.

APPLIED NEW AND AMENDED STANDARDS AND INTERPRETATIONS

No such new or amended standards and interpretations came into force in 2021 that would have had an impact on Avidly group's accounting policies.

NEW AND RENEWED STANDARDS AND INTERPRETATIONS TO BE APPLIED LATER

On the reporting date, the group has not identified any such new or renewed standards and interpretations that would have an impact on Avidly group's accounting policies.

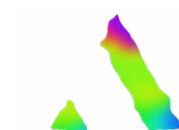


2. SEGMENT REPORTING

Group reports two segments, Finland and Other countries

EUR 1,000	1-12 2021	1-12 2020
REVENUE BY SEGMENT		
Finland	23,672	19,717
Other countries	7,099	5,627
Group eliminations and unallocated	-799	-374
Avidly Group, total	29,972	24,970
GROSS PROFIT BY SEGMENT		
Finland	15,936	14,025
Other countries	5,953	4,797
Group eliminations and unallocated	-293	-173
Avidly Group, total	21,596	18,649
OPERATING RESULT BY SEGMENT		
Finland	1,030	167
Other countries	-132	-53
Group eliminations and unallocated	-955	-175
Avidly Group, total	-57	-61
ADJUSTED OPERATING RESULT* BY SEGMENT		
Finland	1,084	272
Other countries	-8	71
Group eliminations and unallocated	-2	-6
Avidly Group, total	1,074	337

EUR 1,000	31 Dec 2021	31 Dec 2020
ASSETS BY SEGMENT		
Finland	19,569	18,909
Other countries	4,415	6,348
Group eliminations and unallocated	-1,879	-1,322
Avidly Group, total	22,105	23,935
LIABILITIES BY SEGMENT		
Finland	9,107	11,534
Other countries	4,234	3,954
Group eliminations and unallocated	-1,877	-1,345
Avidly Group, total	11,464	14,143



3. REVENUE

EUR 1,000	2021	2020
Finland	23,310	19,343
Other countries	6,662	5,627
Total	29,972	24,970

4. OTHER OPERATING INCOME

EUR 1,000	2021	2020
Profit from the sale of fixed assets	0	0
Rental income	0	0
Other income	86	258
Total	86	258

5. MATERIALS AND SERVICES

EUR 1,000	2021	2020
Purchases during the accounting period	5,386	4,341
Changes in inventory	74	395
External services	3,002	1,843
Total	8,462	6,579

6. EMPLOYEE BENEFIT EXPENSES

EUR 1,000	2021	2020
Salaries	14,185	11,683
Pension expenses, defined contribution plan	1,826	1,445
Other employee benefit expenses	589	430
Total	16,600	13,558
Average number of group personnel during the accounting period	237	228

Salaries include in total of 953 thousand euros of shared-based incentive related IFRS-bookings (not cash flow related). More details are presented in the Note 21. Share-based payments.

Information regarding the management's employee benefits is presented in note 26. Related party transactions

7. DEPRECIATIONS AND AMORTIZATIONS

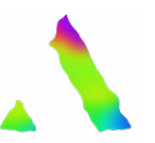
EUR 1,000	2021	2020
Intangible assets	216	325
Finance lease + rental properties	1,400	1,403
Other tangible assets	67	57
Total	1,683	1,785

8. OTHER OPERATING EXPENSES

EUR 1,000	2021	2020
Expenses of premises	469	437
Other expenses	2,902	2,931
Total	3,371	3,368

AUDITOR'S FEES

EUR 1,000	2021	2020
Statutory Audit	68	61
Other services	26	25
Total	94	86



9. FINANCIAL INCOME AND EXPENSSES

FINANCIAL INCOME

EUR 1,000	2021	2020
Interest income from others	37	26
Total	37	26

FINANCIAL EXPENSES

EUR 1,000	2021	2020
Interest expenses for financial liabilities valued at amortized cost	116	107
Other financial expenses	133	258
Total	249	365

10. INCOME TAXES

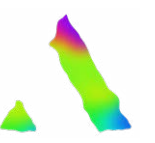
EUR 1,000	2021	2020
Tax based on taxable income from accounting period	0	0
Prior accounting periods taxes	0	-3
Deferred taxes:		
Created and reversed temporary differences	-51	-55
Total	-51	-58

RECONCILIATION OF THE TAX EXPENSE RECOGNIZED IN THE CONSOLIDATED STATEMENT OF INCOME AND INCOME TAXES CALCULATED AT THE FINNISH STATUTORY TAX RATE 20%

EUR 1,000	2021	2020
Profit before tax	-269	-400
Income taxes at current tax rate	-54	-80
Unbooked tax receivable based on the profit for the period	3	22
Booking of unused confirmed losses	0	0
Total	-51	-58

11. EARNINGS PER SHARE

EUR 1,000	2021	2020
Profit for the period attributable to parent company shareholders	-218	-342
Profit for the period attributable to parent company shareholders in order to calculate earnings per share, continuing operations	-218	-342
Number of shares, weighted average during accounting the period	5,279,531	3,954,023
Undiluted earnings per share, continuing operations	-0.04	-0.09



12. TANGIBLE ASSETS

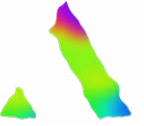
2021 EUR 1,000	Machinery and equipment	Other tangible assets	Buildings	Total
Acquisition cost at 1 Jan	2,721	19	4,501	7,241
Additions	335	1	629	965
Deductions	0	0	0	0
Acquisition cost at 31 Dec	3,056	20	5,130	8,206
Accumulated depreciations and impairment at 1 Jan	-1,941	0	-2,018	-3,959
Depreciation	-353	0	-1,114	-1,467
Accumulated depreciations and impairment at 31 Dec	-2,294	0	-3,132	-5,426
Book value at 1 Jan 2021	780	19	2,483	3 282
Book value at 31 Dec 2021	762	20	1,998	2,780

2020 EUR 1,000	Machinery and equipment	Other tangible assets	Buildings	Total
Acquisition cost at 1 Jan	2,576	83	3,105	5,764
Additions	145	23	1,396	1,564
Deductions	0	-87	0	-87
Acquisition cost at 31 Dec	2,721	19	4,501	7,241
Accumulated depreciations and impairment at 1 Jan	-1,570	0	-929	-2,499
Depreciation and amortization	-371	0	-1,089	-1,460
Accumulated depreciations and impairment at 31 Dec	-1,941	0	-2,018	-3,959
Book value at 1 Jan 2020	1,006	83	2,176	3,265
Book value at 31 Dec 2020	780	19	2,483	3,282

13. INTANGIBLE ASSETS

2021 EUR 1,000	Goodwill	Intangible rights	Total
Acquisition cost at 1 Jan	7,687	2,404	10,091
Additions	0	63	63
Deductions	0	0	0
Acquisition cost at 31 Dec	7,687	2,467	10,154
Accumulated depreciations and impairment at 1 Jan	0	-1,864	-1,864
Depreciation and amortization	0	-216	-216
Accumulated depreciations and impairment 31 Dec	0	-2,080	-2,080
Book value at 1 Jan 2021	7,687	540	8,227
Book value at 31 Dec 2021	7,687	387	8,074

2020 EUR 1,000	Goodwill	Intangible rights	Total
Acquisition cost at 1 Jan	7,731	2,313	10,044
Additions	20	91	111
Deductions	-64	0	-64
Acquisition cost at 31 Dec	7,687	2,404	10,091
Accumulated depreciations and impairment at Jan 1	0	-1,539	-1,539
Depreciation and amortization	0	-325	-325
Accumulated depreciations and impairment at 31 Dec	0	-1,864	-1,864
Book value at 1 Jan 2020	7,731	774	8,505
Book value at 31 Dec 2020	7,687	540	8,227



IMPAIRMENT TESTING

The group has two reportable segments. For the purposes of impairment testing, goodwill is allocated on the segments in question. The combined value of goodwill allocated on the Group is EUR 7 687 thousand. The cash flow forecasts used in impairment testing are based on company and group level forecasts approved by the management which cover a five-year period and affect the terminal period. Cash flows following the forecast period approved by the management have been extrapolated by using a steady growth factor of 3%.

The key variables used in calculating value in use are as follows:

1. Volume increase based on an estimate of sales development.
2. A discount rate determined on the basis of average weighted capital cost for the industry segment that describes the total cost of equity and liabilities. The factors in the discount rate are as follows:

- market-specific risk-free interest rate
- market risk premium
- non-equity capital cost
- equity ratio

A discount rate of 10% has been used.

Sensitivity analyses were carried out using a downside projection. In the projection, sales growth was reduced from the management estimate or interest rates were increased.

According to the goodwill testing sensitivity analysis, value in use would continue to match book value for all cash-generating units if:

- Revenue growth during the terminal period would not exceed 1%.
- Discount rate would increase by 5 percentage points.

Based on the impairment testing and completed sensitivity analyses, there is no need for recognizing impairment.

14. ACQUIRED BUSINESS

ACQUISITIONS DURING THE ACCOUNTING PERIOD 2021

The group did not do any acquisitions during accounting period 2021.

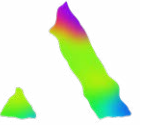
ACQUISITIONS DURING THE ACCOUNTING PERIOD 2020

The group did not do any acquisitions during accounting period 2020.

15. PARTICIPATIONS IN ASSOCIATED COMPANIES

EUR 1,000	2021	2020
Opening balance	316	316
Additions	-1	0
Book value at 31 Dec	315	316

Name	PCKT Money Oyj
Main industry segment	Offering of payment cards
Domicile	Espoo, Finland
Ownership interest	25%



16. DEFERRED TAX ASSETS AND LIABILITIES

2021

EUR 1,000	1 Jan	Recognized in income statement	Recognized as equity	31 Dec
Deferred tax assets				
Differences related to income recognition	233	11	0	244
Confirmed losses	642	-45	0	597
Acquired businesses	38	0	0	38
Total	913	-34	0	879
Deferred tax assets Dec 31, 2021	913	-34	0	879

2020

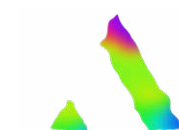
EUR 1,000	1 Jan	Recognized in income statement	Recognized as equity	31 Dec
Deferred tax assets				
Differences related to income recognition	188	45	0	233
Confirmed losses	713	-71	0	642
Acquired businesses	38	0	0	38
Total	939	-26	0	913
Deferred tax assets Dec 31, 2020	939	-26	0	913

2021

EUR 1,000	1 Jan	Recognized in income statement	Recognized as equity	31 Dec
Deferred tax liabilities				
Differences related to income recognition	57	-36	0	21
Acquired businesses	139	0	0	139
Other	13	-2	0	11
Total	209	-38	0	171
Deferred tax liabilities Dec 31, 2021	209	-38	0	171

2020

EUR 1,000	1 Jan	Recognized in income statement	Recognized as equity	31 Dec
Deferred tax liabilities				
Differences related to income recognition	103	-46	0	57
Acquired businesses	139	0	0	139
Other	47	-34	0	13
Total	289	-80	0	209
Deferred tax liabilities Dec 31, 2020	289	-80	0	209



17. INVENTORIES

EUR 1,000	2021	2020
Work In Process	584	639
Goods	0	6
Total	584	645

18. ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

EUR 1,000	2021	2020
Current		
Loans and receivables		
Accounts receivable	3,163	3,278
Deferred tax assets	436	388
Other receivables	203	210
Loan receivables	277	340
Prepayments and accrued income	796	563
Total	4,875	4,779

During the accounting period, the group has recognized an impairment loss for accounts receivable totaling EUR 44 thousand (2020: EUR 73 thousand). There are no significant credit risk concentrations related to the receivables. The book value of the accounts receivable corresponds to their fair value. The maximum amount of the credit risk related to accounts receivable and other current receivables is their book value. The group has no securities for accounts receivable or other receivables.

AGE BREAKDOWN FOR ACCOUNTS RECEIVABLE

EUR 1,000	2021	2020
Undue and overdue for less than 30 days	2,971	3,041
Overdue for 31–60 days	73	113
Overdue for 61–90 days	57	68
Overdue for more than 90 days	62	56
Total	3,163	3,278

SIGNIFICANT ITEMS IN PREPAYMENTS AND ACCRUED INCOME

EUR 1,000	2021	2020
Other non-interest bearing receivables	573	364
Other expense advances	109	100
Advance invoicing	114	99
Total	796	563

19. CASH AND CASH EQUIVALENTS

EUR 1,000	2021	2020
Cash on hand and bank accounts	5,034	6,161
Recognized cash and cash equivalents	5,034	6,161

20. EQUITY

SHARE CAPITAL

Share subscription price in connection with share issues is credited to share capital unless it is resolved in the share issue decision that it shall be recorded in invested unrestricted equity fund.

Avidly Plc has one share class. At the end of the accounting period Avidly had 5,290,004 shares. There is no maximum number of shares in Articles of Association. The share has no nominal value.

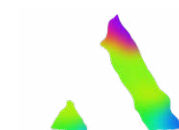
The shares are in book-entry system. Changes in number of shares and corresponding changes in equity are presented below.

EUR 1,000	Number of shares (thousand)	Share capital	Invested unrestricted equity fund	Treasury shares
1 Jan 2020	2,488	322	9,690	14
Share issue	2,802		2,959	
Transfer of treasury shares	0	0	10	-4
31 Dec 2020	5,290	322	12,659	10
Share issue	0	0	0	0
Transfer of treasury shares	0	0	0	0
31 Dec 2021	5,290	322	12,659	10

The Group had 10,473 treasury shares at the end of the period (2020: 10,473 shares).

INVESTED UNRESTRICTED EQUITY FUND

Invested unrestricted equity fund includes other equity additions as well as the part of share subscription price that according to the share issue decision is not to be credited to the share capital.



DIVIDENDS

In 2021 and 2020, a dividend of EUR 0.00 per share was paid.

After the accounting period, the Board of Directors has proposed a dividend of EUR 0.00 per outstanding share.

21. SHARE-BASED PAYMENTS

Avidly Plc's Board of Directors has resolved on July 15, 2020 to establish a new share-based long-term incentive plan for the group management.

The incentive plan includes one performance period. The performance period will commence on 1 June 2020 and end on 31 May 2023. The participants may earn an investment-based reward and a performance-based reward from the performance period.

The prerequisites for receiving investment-based reward on the basis of the plan is that a participant acquires Company's shares or allocates previously owned Company's shares up to the number determined by the Board of Directors and has not terminated his/her employment or service relationship with the Company or a company belonging to the same group upon reward payment. The performance-based reward from the plan is based on the total shareholder return of the Company's shares and on a participant's employment or service relationship upon reward payment. As a general rule, no performance-based

reward will be paid, if a participant's employment or service relationship ends before the reward payment.

The performance based part of the reward will be paid, subject to meeting other conditions, if the Company's share price exceeds EUR 2.30 at the time of review. A share price of EUR 6.50 at the time of review is required to receive the full performance based reward.

The rewards of the incentive plan will be paid in full in the form of the Company's shares by the end of September in 2023. The Board of Directors determines whether the reward will be Company's new shares or treasury shares. Shares paid as a reward may not be transferred during a one-year commitment period set for the shares with exception to shares gradually released from the transfer restriction. The Board of Directors has the right to resolve that the reward is paid fully or partly in cash.

As a general rule, a participant must hold a minimum of 25 per cent of the shares given on the basis of the plan after payment of taxes, until the participant's shareholding in the Company in total corresponds to the value of the participant's fixed annual gross salary and for as long as the participant's employment or service in a company belonging to the group continues.

The target group of the plan includes Jesse Maula, the Company's CEO, Hans Parvikoski, CFO, and Ingunn Bjøru, Chief Operating Officer, International segment. The rewards to be paid on the basis of the performance period amount up to a maximum of 569,580 the Company's shares.

Effect on the result of the period and the financial position in 2021

EFFECT OF SHARE-BASED INCENTIVES ON THE RESULT AND FINANCIAL POSITION

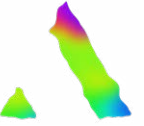
EUR 1,000	2021	2020
Expenses for the financial year, share-based payments	953	169
Value recognized in the balance sheet's retained earnings	1,122	169

VALUATION PARAMETERS FOR GRANTED INSTRUMENTS

EUR	Incentive plan 2020-2023 investment-based reward	Incentive plan 2020-2023 performance-based reward
Share price at the time of grant	1.55	1.55
Share price at 31 Dec 2021	5.18	5.18
Expected dividends	0	0
Fair value at 31 Dec 2021, EUR 1,000	682	1,505

INFORMATION ON SHARE-BASED INCENTIVE PLAN

	Incentive plan 2020-2023 investment-based reward	Incentive plan 2020-2023 performance-based reward
Maximum number of shares	132,000	437,580
Initial grant date	15.7.2020	15.7.2020
Vesting date	31.5.2023	31.5.2023
Vesting conditions	Share ownership and employment	Share ownership and employment
Maximum contractual life, years	3.0	3.0
Remaining contractual life, years	1.4	1.4
Number of persons	3	3
Payment method	Shares or cash	Shares or cash



CHANGES IN 2021

EUR 1,000	Incentive plan 2020-2023 investment- based reward	Incentive plan 2020-2023 performancet- based reward
Outstanding at 1 Jan, 2021	0	0
Granted	0	0
Forfeited	0	0
Exercised, gross	0	0
Outstanding at 31 Dec, 2021	0	0

22. FINANCIAL LIABILITIES

BOOK VALUE

EUR 1,000	2021	2020
Non-current financial liabilities valued at amortized cost		
Loans from credit institutions	1,566	2,440
Finance lease liabilities + rental properties	1,341	1,876
Total	2,907	4,316

Current financial liabilities valued at amortized cost	2021	2020
Loans from credit institutions	690	904
Factoring	759	1,105
Finance lease liabilities + rental properties	1,340	1,240
Total	2,789	3,249
Total financial liabilities valued at amortized cost	5,696	7,565

The book value for loans from credit institutions has been calculated with the effective interest method and fair value has been defined using the discounted cash flow method where the discount rate used has been a rate at which the group could receive a similar external loan at the end of the accounting period.

All loans from credit institutions are denominated in euros.

23. TRADE AND OTHER PAYABLES

EUR 1,000	2021	2020
Current		
Accounts payable	1,166	1,174
Advances received	560	609
Other current liabilities	1,898	2,636
Accrued expenses and deferred income	1,973	1,950
Total	5,597	6,369

The fair value of trade payables and other current liabilities corresponds to their book value. Advances received include amounts invoiced for incomplete work.

SIGNIFICANT ITEMS IN ACCRUED EXPENSES AND DEFERRED INCOME

EUR 1,000	2021	2020
Holiday pay expenses	1,232	1,183
Other accruals and deferred income	741	767
Total	1,973	1,950

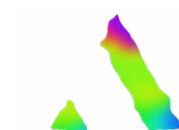
24. FINANCIAL RISK MANAGEMENT

The Group is exposed to several financial risks in its business. The aim of the Group's risk management is to minimize the adverse impacts of changes in the financial market on the Group's earnings. The key financial risks are currency risk, interest rate risk, liquidity risk, and credit risk. The general principles of the Group's risk management are approved by the Board of Directors and their practical implementation is the responsibility of the Group's finance department. The Group's finance department identifies and assesses the risks and if department identifies and assesses the risks and if necessary, acquires the instruments to shield against the risks.

CURRENCY RISK

The Group's currency risk mainly consists of currency translation risk in foreign operations. The Group has not hedged this risk. Avidly's long-term financing is in euros and does not have exchange rate risk. The Group has not hedged the currency risk related to equity investments.

Avidly estimates its exchange rate risks at the time of closing the accounts to not be substantial.



INTEREST RATE RISK

Interest rate variations affect the Group's interest expenses and earnings. The purpose of the Group's interest rate risk management is to reduce the uncertainty related to earnings caused by interest rate variations.

INTEREST RATE RISK SENSITIVITY ANALYSIS

EUR 1,000	2021	2020
Loans with varying interest rates		
Loans from credit institutions	2 256	3 344
Impact of a change of 1% in the market rate of interest on earnings after tax		
Change + 1 %	23	33
Change -1 %	-23	-33

LIQUIDITY RISK

Liquidity risk refers to the company's risk of becoming insolvent due to insufficient liquid funds or difficulties in acquiring financing. It is the Group's understanding that it has a sufficient amount of liquid assets to mitigate the liquidity risk.

Shares from the Group companies and corporate mortgages are used as collateral for the Group's loans.

A company restructuring program according to the Restructuring of Enterprises Act was confirmed on 9 July 2014 for Avidly Marketing Oy, a subsidiary of Avidly Plc. Avidly Marketing Oy finalized the restructuring programme in 2020.

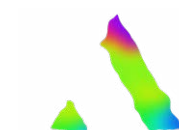
CASHFLOWS BASED ON FINANCIAL LIABILITY AGREEMENTS (INCLUDING FINANCIAL EXPENSES)

EUR 1,000	Carrying amount	2022	2023	2024+	Total
2021					
Loans from credit institutions	2,256	718	941	687	2,346
Financial lease liabilities + rental properties	2,681	1,380	1,096	285	2,761
Factoring	759	770	0	0	770
Checking account limit	0	0	0	0	0
Accounts payable	1,166	1,166	0	0	1,166
Total	6,862	4,034	2,037	973	7,044

CASHFLOWS BASED ON FINANCIAL LIABILITY AGREEMENTS (INCLUDING FINANCIAL EXPENSES)

EUR 1,000	Carrying amount	2021	2022	2023+	Total
2020					
Loans from credit institutions	3,344	949	949	1,613	3,511
Financial lease liabilities + rental properties	3,116	1,277	1,343	589	3,209
Factoring	1,105	1,121	0	0	1,121
Checking account limit	0	0	0	0	0
Accounts payable	1,174	1,174	0	0	1,174
Total	8,739	4,521	2,292	2,202	9,016

Loans from financial institutions contain standard covenant terms concerning the equity ratio.



CREDIT RISK AND COUNTERPARTY RISK

The Group's credit risk consists of accounts receivable and prepayments. The Group's most common payment term is 14 days net. Accounts receivable involve no significant credit risk, since the receivables consist of a large number of small receivables. During the accounting period, the Group recognized EUR 44 thousand in credit loss (2020: EUR 73 thousand). The age analysis for accounts receivable is presented in note 18, "Accounts receivable and other receivables".

In order to minimize the counterparty risk related to prepayments in purchasing, the Group aims to work with suppliers that it has known for an extensive period of time.

CAPITAL STRUCTURE MANAGEMENT

The aim of capital management is to achieve an efficient capital structure that ensures normal prerequisites for business and increases shareholder value in the long term. In order to preserve or alter the capital structure, the Group may, for example, modify the amount of dividends paid to shareholders or adjust the amount or timing of investments. The capital being managed is the equity indicated in the consolidated statement of financial position.

25. CONTINGENT LIABILITIES

GUARANTEES GIVEN ON OWN BEHALF

EUR 1,000	2021	2020
Corporate mortgages	4,600	4,600
Total	4,600	4,600

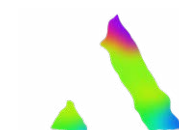
26. RELATED PARTY TRANSACTIONS

The group's related parties include the parent entity and subsidiaries

Company	Domicile	Group ownership interest %	Parent company ownership interest %
Avidly Oyj	Finland		
Avidly Marketing Oy	Finland	100	100
Avidly Inbound Finland Oy	Finland	100	100
Sugar Helsinki Oy	Finland	100	100
Avidly AB	Sweden	100	100
Avidly Sweden AB	Sweden	100	100
Avidly Norway AS	Norway	100	100
Avidly Denmark APS	Denmark	100	100
Netpress GmbH	Germany	100	100

In addition, related parties include parties that are able to exercise control or significant influence over Avidly Plc's in decisions concerning its finances and business operations, such as the major shareholders, board members, chief executive officer, their immediate family, companies under their direction and other parties defined as related parties pursuant to the IAS 24 standard.

Receivables from related parties amount to EUR 148 thousand in total.



MANAGEMENT BENEFITS, WAGES AND REMUNERATION

EUR 1,000	2021	2020
Wages and other short-term benefits as well as remuneration		
Chief Executive Officer	201	201
Other members of the management team	739	561
Joakim Fagerbakk (Chair of the Board)	48	42
Jari Tuovinen (Vice Chair of the Board until AGM 2021)	11	39
Juha Mikkola (Vice Chair of the Board since AGM 2021)	0	0
Ville Skogberg (Member of the Board))	24	24
Åsa Arvidsson (Member of the Board	17	0
Lasse Järvinen (Member of the Board)	0	6
Total	1,040	873

27. EVENTS AFTER THE REPORTING PERIOD

REPURCHASE OF OWN SHARES

During the time period from 3 January 2022 to 7 January 2022 the company has purchased, through trading on the Nasdaq First North Growth Market Finland marketplace maintained by Nasdaq Helsinki, a total amount of 19,650 company's own shares. Average price per share was approximately EUR 5.0860 and the total purchase price paid for the shares was EUR 99,938.97.

After the repurchases, the company holds a total of 30,123 own shares corresponding to approximately 0.57 per cent of the total number of the company shares.

DIGITAL 22 ONLINE LIMITED ACQUISITION

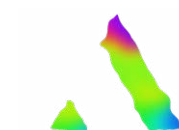
Avidly Plc completed the acquisition on January 12, 2022 in which it acquired UK-based inbound marketing specialist and HubSpot Elite Partner, Digital 22 Online Limited. The purchase price for the

shares of Digital 22 Online Limited is EUR 1,225,882 in total. The purchase price was paid with a combination of cash and new Avidly shares. The amount of cash payment is approximately EUR 833,600. The amount paid in Avidly's shares is approximately EUR 392,282, according to which, the sellers of the shares in Digital 22 Online Limited subscribed 79,656 new Avidly shares with the subscription price of 4.9247 per share in a share issue directed to them. The subscription price was recorded in its entirety to the Avidly's reserve for invested unrestricted equity. The number of subscribed shares corresponds to approximately 1.48 per cent of Avidly's shares after registration of the shares. New shares were registered and admitted to trading on the Nasdaq First North Growth Market Finland marketplace together with other shares of the company, on January 31, 2022. After the registration the total amount of Avidly's shares is 5,369,660.

NEW CHIEF OPERATING OFFICER

Ville Himberg (b. 1976) has been appointed Chief Operating Officer (COO) and a member of the Management Team of martech service provider Avidly Plc as of 1 March 2022.

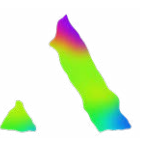
PARENT COMPANY FINANCIAL STATEMENTS



PARENT COMPANY INCOME STATEMENT (FAS)

EUR	1 Jan-31 Dec 2021	1 Jan-31 Dec 2020
REVENUE	19,454,264.87	9,314,298.97
Other operating income	80,492.64	106,182.92
Materials and services		
External services	-8,392,851.30	-2,152,741.32
Total materials and services	-8,392,851.30	-2,152,741.32
Employee benefit expenses		
Wages	-6,432,141.78	-3,892,669.80
Other employee expenses		
Pension expenses, defined contribution plan	-1,114,092.05	-597,088.01
Other employee benefits	-198,634.94	-97,924.00
Total employee benefit expenses	-7,744,868.77	-4,587,681.81
Depreciation and amortization	-271,158.35	-174,817.65
Other operating expenses	-3,079,848.76	-2,698,225.72
OPERATING PROFIT	46,030.33	-192,984.61

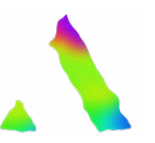
EUR	1 Jan-31 Dec 2021	1 Jan-31 Dec 2020
Financial income and expenses		
Other interests and financial income		
From group companies	69,492.00	61,217.00
From others	50,161.64	6,901.14
Interests and other financial expenses		
To others	-178,951.61	-155,114.44
PROFIT BEFORE TAX	-13,267.64	-279,980.91
Group contributions received	381,500.00	0.00
PROFIT FOR THE PERIOD	368,232.36	-279,980.91



PARENT COMPANY BALANCE SHEET (FAS)

EUR	2021	2020
ASSETS		
NON-CURRENT ASSETS		
Intangible assets		
Intangible rights	4,067.11	13,090.27
Goodwill	934,514.89	1,144,076.53
Other intangible assets	64,791.61	67,564.41
Total intangible assets	1,003,373.61	1,224,731.21
Tangible assets		
Machinery and equipment	72,722.26	70,845.74
Total tangible assets	72,722.26	70,845.74
Investments		
Shares in group companies	11,007,982.41	8,475,616.73
Participating interests	30,012.50	30,012.50
Total investments	11,037,994.91	8,505,629.23
TOTAL NON-CURRENT ASSETS	12,114,090.78	9,801,206.18

EUR	2021	2020
CURRENT ASSETS		
Inventories		
Work in process	59,044.00	76,043.00
Total inventories	59,044.00	76,043.00
Non-current receivables		
Receivables from group companies	30,000.00	30,000.00
Total non-current receivables	30,000.00	30,000.00
Current receivables		
Accounts receivables	2,434,104.54	1,957,440.52
Receivables from group companies	4,292,116.28	3,959,374.62
Loan receivables	181,669.18	244,111.82
Other receivables	54,552.20	65,051.76
Prepayments and accrued income	330,689.49	225,359.75
Total current receivables	7,293,131.69	6,451,338.47
Cash and cash equivalents	3,007,222.65	4,843,512.45
TOTAL CURRENT ASSETS	10,389,398.34	11,400,893.92
TOTAL ASSETS	22,503,489.12	21,202,100.10



PARENT COMPANY BALANCE SHEET (FAS)

EUR	2021	2020
EQUITY AND LIABILITIES		
EQUITY		
Share capital	322,400.00	322,400.00
Invested unrestricted equity fund	12,916,743.38	12,916,743.38
Retained earnings	-377,717.28	-97,736.37
Profit (loss) for the period	368,232.36	-279,980.91
TOTAL EQUITY	13,229,658.46	12,861,426.10
APPROPRIATIONS		
Deferred tax liabilities	25,358.00	-
TOTAL APPROPRIATIONS	25,358.00	-
LIABILITIES		
NON-CURRENT LIABILITIES		
Financial liabilities	1,553,570.56	2,232,142.28
TOTAL NON-CURRENT LIABILITIES	1,553,570.56	2,232,142.28
CURRENT LIABILITIES		
Financial liabilities	1,237,495.90	1,544,974.04
Accounts payable	730,728.10	678,441.85
Liabilities to group companies	3,669,869.66	1,408,433.69
Other liabilities	945,149.19	1,412,601.69
Accrued expenses and deferred income	1,111,659.25	1,064,080.45
TOTAL CURRENT LIABILITIES	7,694,902.10	6,108,531.72
TOTAL LIABILITIES	9,248,472.66	8,340,674.00
TOTAL EQUITY AND LIABILITIES	22,503,489.12	21,202,100.10

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

PARENT COMPANY ACCOUNTING PRINCIPLES

Avidly Oyj:s financial statements have been compiled in accordance with FAS.

The group consists of parent company Avidly Oyj, Avidly Marketing Oy, Avidly Inbound Finland Oy, Sugar Helsinki, Avidly AB, Avidly Sweden AB, Avidly Denmark APS, Avidly Norway AS and NetPress GmbH.

NON-CURRENT ASSETS AND CURRENT ASSETS ARE VALUED AND PERIODIZED BASED ON THE FOLLOWING PRINCIPLES AND METHODS:

Fixed assets are valued at acquisition cost deducted by accrued depreciations.

Depreciation according to plan is based on the initial acquisition cost and estimated as follows:

Intangible rights	3 year straight-line depreciation
Goodwill	7 year straight-line depreciation
Other intangible assets	4–5 year straight-line depreciation
Machinery and equipment	25 % residual depreciation

EUR	2021
INTANGIBLE ASSETS	
Intangible rights	
Acquisition costs 1 Jan	13,090.27
Additions/Disposals	0.00
Planned amortizations	-9,023.16
Acquisition costs 31 Dec	4,067.11
Goodwill	
Acquisition costs 1 Jan	1,144,076.53
Additions/Disposals	0.00
Planned amortizations	-209,561.64
Acquisition costs 31 Dec	934,514.89

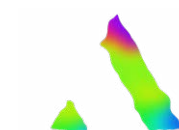
EUR	2021
Other intangible assets	
Acquisition costs 1 Jan	67,564.41
Additions/Disposals	25,560.00
Planned amortizations	-28,332.80
Acquisition costs 31 Dec	64,791.61
TANGIBLE ASSETS	
Machinery and equipment	
Acquisition costs 1 Jan	19,621.30
Additions/Disposals	14,932.81
Acquisition costs 31 Dec	34,554.11
Planned amortizations	-8,638.53
Acquisition costs 31 Dec	25,915.58
Equipment and other tangible assets	
Acquisition costs 1 Jan	51,224.44
Additions/Disposals	11,184.46
Acquisition costs 31 Dec	62,408.90
Planned amortizations	-15,602.22
Acquisition costs 31 Dec	46,806.68

	2021
Personnel	
Permanent employees	121

ACQUISITION AND TRANSFER OF TREASURY SHARES AND OWNERSHIP INTERESTS

Basis for acquisitions made during the accounting period

During the year, there has been no change in the amount of treasury shares.



NUMBER OF ALL SHARES ACQUIRED AND HELD BY THE COMPANY

The company holds a total of 10,473 own shares.

EUR	2021
AUDITOR'S FEES	
Other operating expenses include the following amount of fees paid to the auditor:	
Audit	17,500.00
Auditor's fees total	17,500.00

EUR	2021
LIABILITIES AND CONTINGENT LIABILITIES	
Loans from financial institutions	2,232,142.28
Pledged accounts receivables	558,924.18
Quarantees given on behalf of subsidiaries	920,000.00
In addition Avidly Oyj has given its subsidiaries Avidly Denmark APS, Avidly Norway AS and Netpress GmbH a parent company guarantee which is valid until financial statements 2022.	
Corporate mortgages	4,000,000.00
Leasing liabilities	787,331.24
Rental liabilities	
Rental liabilities to be paid during the next accounting period	777,592.94
Rental liabilities to be paid later (over 12 months)	558,957.82
Total	1,336,550.76
Rental deposits	
	53,552.20

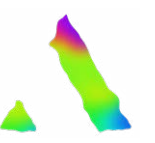
EUR	2021
RELATED PARTY LOANS	
Loan receivables	148,443.97
EQUITY	
Equity	
Share capital 1 Jan	322,400.00
Share capital 31 Dec	322,400.00
Unrestricted equity	
Invested unrestricted equity fund 1 Jan	12,916,743.38
Invested unrestricted equity fund 31 Dec	12,916,743.38
Retained earnings 1 Jan	-377,717.28
Profit for the period	368,232.36
Distributable equity 31 Dec	12,907,258.46
Total equity	13,229,658.46

GROUP COMPANIES

NAME OF THE COMPANY	Domicile	Company share of ownership
Avidly Marketing Oy	Helsinki	100%
Sugar Helsinki Oy	Helsinki	100%
Avidly Inbound Finland Oy	Helsinki	100%
Avidly Sweden AB	Stockholm	100%
Avidly Norway AS	Oslo	100%
Avidly Denmark APS	Aarhus	100%
Avidly AB	Stockholm	100%
NetPress GmbH	Munich	100%

PROPOSAL OF THE BOARD OF DIRECTORS ON THE DISPOSAL OF THE PROFIT/LOSS FOR THE FINANCIAL YEAR

The Board of Directors of Avidly proposes that no dividend will be paid.



SIGNATURES TO THE FINANCIAL STATEMENTS

Helsinki March 3, 2022

Joakim Fagerbakk
Chair of the Board

Juha Mikkola
Vice Chair of the Board

Ville Skogberg
Member of the Board

Åsa Arvidsson
Member of the Board

Jesse Maula
CEO

AUDITOR'S NOTE

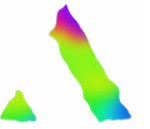


Our Auditor's report has been issued today.

Tampere March 3, 2022

Jari Paloniemi

Authorized Public Accountant



AUDITOR'S REPORT

TO THE ANNUAL GENERAL MEETING OF AVIDLY OYJ

(Translation of the Finnish original)

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

OPINION

I have audited the financial statements of Avidly Oyj (business identity code 2018481-2) for the year ended 31 December, 2021. The financial statements comprise the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including a summary of significant accounting policies, as well as the parent company's balance sheet, income statement and notes.

In my opinion the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the

financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

BASIS FOR OPINION

I conducted my audit in accordance with good auditing practice in Finland. My responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of my report. I am independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to my audit, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR FOR THE FINANCIAL STATEMENTS

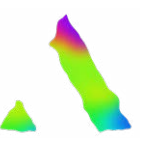
The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the company's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis

of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the company or cease operations, or there is no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES IN THE AUDIT OF FINANCIAL STATEMENTS

My objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the



economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, 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 my opinion. 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 internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

OTHER REPORTING REQUIREMENTS

OTHER INFORMATION

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report but does not include the financial statements and my auditor's report thereon. I have obtained the report of the Board of Directors prior to the date of this auditor's report, and the Annual Report is expected to be made available to me after that date.

My opinion on the financial statements does not cover the other information.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my

knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, my responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In my opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Tampere March 3, 2022

JARI PALONIEMI

Authorized Public Accountant



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