



Dear All,

Time runs fast when you have fun!

Despite the Covid-19, 2021 has been a good year for us. Business has adapted to the new situation and we are still of the opinion that the world is becoming a better and better place.

We have been talking about starting a newspaper on the net called “Positive News” because it seems that positive news is not news in the perception of most journalists. We will see if we have time and resources to do it.

The most positive thing for us – and for the world – is the new way of communication. The adaption to digital video talks/conferences has saved enormous amounts of money and time and will continue to do so. We have tried to evaluate what this will mean on an aggregated level and came to the conclusion that the GNP for Sweden will increase 1-2 % points due to these new patterns of working. We used Sweden as an example as we have good statistics here. Of course, airlines, hotels, restaurant, real estate owners etc. have suffered and will continue to suffer, but with a little longer perspective most of them will prosper. We must remember that the tourism and travel industries was already before the pandemic the world’s biggest industry and will continue to grow.

Real estate will have a tougher journey. The real estate owner’s association in Sweden made a prognosis/warning at the beginning of the year that the need for office space will diminish with 20-30%. Now they have come out with a new prognosis saying that it will diminish with 50%. This will also be taken care of, but it will take much longer time. The most important trend here is that people have already changed their preferences and want larger flats or houses and can accept longer travel time to and from their workplaces.

I have been chairman for the Swedish Art & Business Association for more than 10 years now. The purpose of the association is to initiate, stimulate and reward productive and profitable cooperation between business and culture. Only companies and cultural institutions/companies can be members. We do this through giving a price for best cooperation between a culture actor and a company/companies during the past year. We are also helping companies and culture actors finding partners and we are trying to form opinions for more and more profitable cooperation between business and culture.

What makes cooperation with culture more profitable for a company? When we meet our client CEOs in Lagerkvist & Partners, they always talk about the difficulties to

recruit excellent, intelligent people and how to keep them, we also talk about the necessity to infuse more creativity and speed into their product development and service development. The students at the Business and Technical Universities have different values today than when I studied at the Stockholm School of Economics. They want an interesting job, a developing job, working for a company with good values and want to be a progressive force in society. Salary, "to be rich", to do a career comes lower. Cooperation with culture operators makes the company more attractive and develops its creativity.

Our company Lagerkvist & Partners has been very active helping our clients with their geographical expansion finding companies and acquiring them – most of them has not been for sale but we have made them for sale by meeting them and talking with them in their own language and where our people have a long working experience as managers so they will have trust in them they are speaking with. The deals have been good for both parties as the consolidation rapidly changes the conditions to do business in very many industries.

There are many unconsolidated businesses in Europe where we have started and been working with these processes mostly spearheaded the developments. We also look forward to start-up activities in Georgia probably the country of origin of wine making.

Finally, I have written a book "The downfall of Sweden and..." – a book about Sweden's future and the reasons why we are where we are. So far it is in Swedish (Sveriges nedgång och ... - en bok om Sveriges framtid och varför vi är där vi är) but we might translate it to English.

Nevertheless, optimism is our basic mindset.

Merry Christmas and a Very Happy New Year!

LAGERKVIST & PARTNERS AB

Magnus Lagerkvist