

POINTS TO PROFIT

Q1 2022









Erik Grohman

CEO


- CEO since 7th March 2022
- Background in online retail & services (EssilorLuxottica, Zmarta, Betsson) and FMCG (Unilever, Scan)
- Master of Science in Business Administration and Economics, Stockholm University


AWARDIT IN BRIEF


 MARKET LEADER IN LOYALTY PROGRAMS AND GIFT CARDS WITH A BROAD OFFERING TO CATER FOR ALL NEEDS

	Strategy & Concept
	Design & UX
	SaaS-platform
	Partnerships
	Loyalty marketplace
	Customer support


 FOUNDED IN 1999


 10 ACQUISITIONS SINCE IPO IN DEC 2017


 135 EMPLOYEES


 OFFICES IN STOCKHOLM (HQ), GOTHENBURG, COPENHAGEN AND HAMBURG


 ATTRACTIVE FUNDAMENTALS FUELING GROWTH AGENDA

 Largest company and platform for loyalty-, incentive- and gift card programs in the Nordics. Provided continued strong organic growth 1bn is within reach 2022!


 Our vision is to become one of the absolute leaders in our industry on the European market. On our journey we will continue to help build better customer relationships and to increase the value of customer data not only for businesses but also for their customers.

 SaaS-toolbox that covers all parts of the loyalty- incentive- and gift card program value chain

 +250 programs reaching more than 15 million consumers

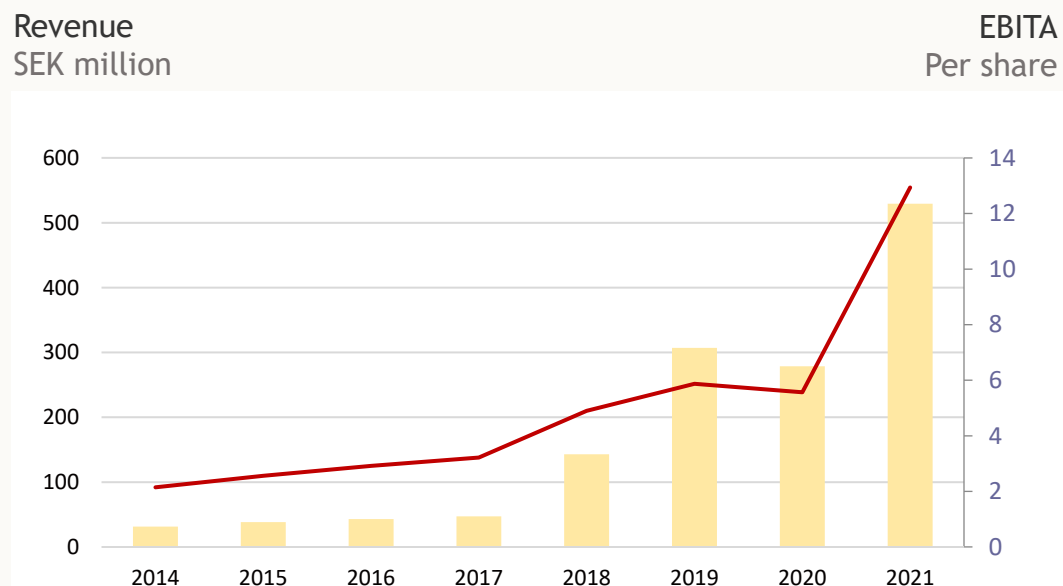
 Strong organic growth and rising profitability

 Two business areas; Loyalty & Gift cards

 10 completed acquisitions since IPO in Dec 2017.

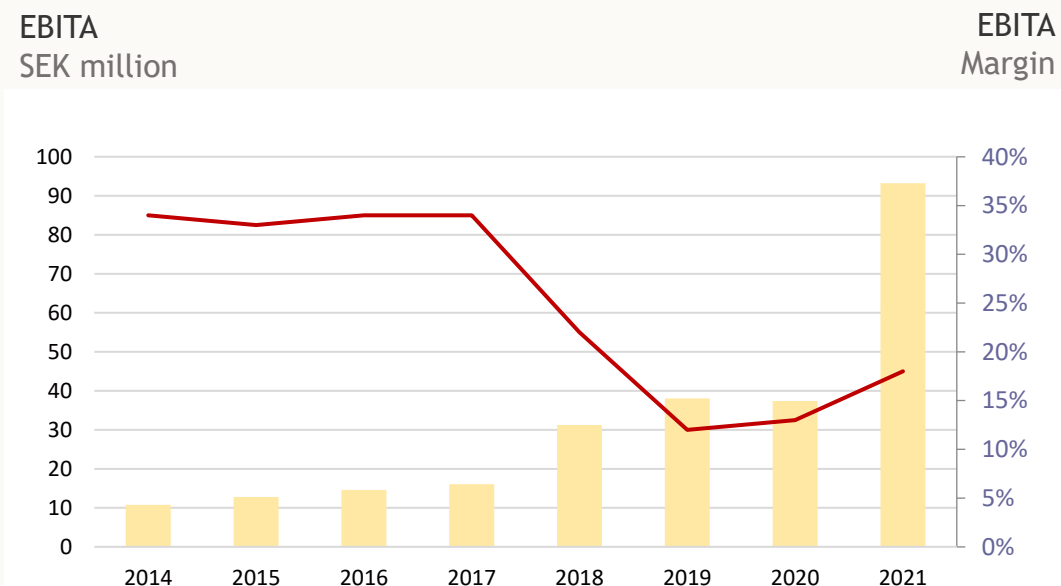
FY 2017-2021 IN BRIEF

CURRENT PIPELINE SUPPORTS ACCELERATED GROWTH



- 1 Exclusively organic growth until 2017
- 2 M&A and organic growth from 2018 and forward
- 3 2020 revenue adversely impacted by the pandemic. 2021 back to high growth, 89% of which 24% organic, but some areas are still behind vs 2019. Revenue was 529m.

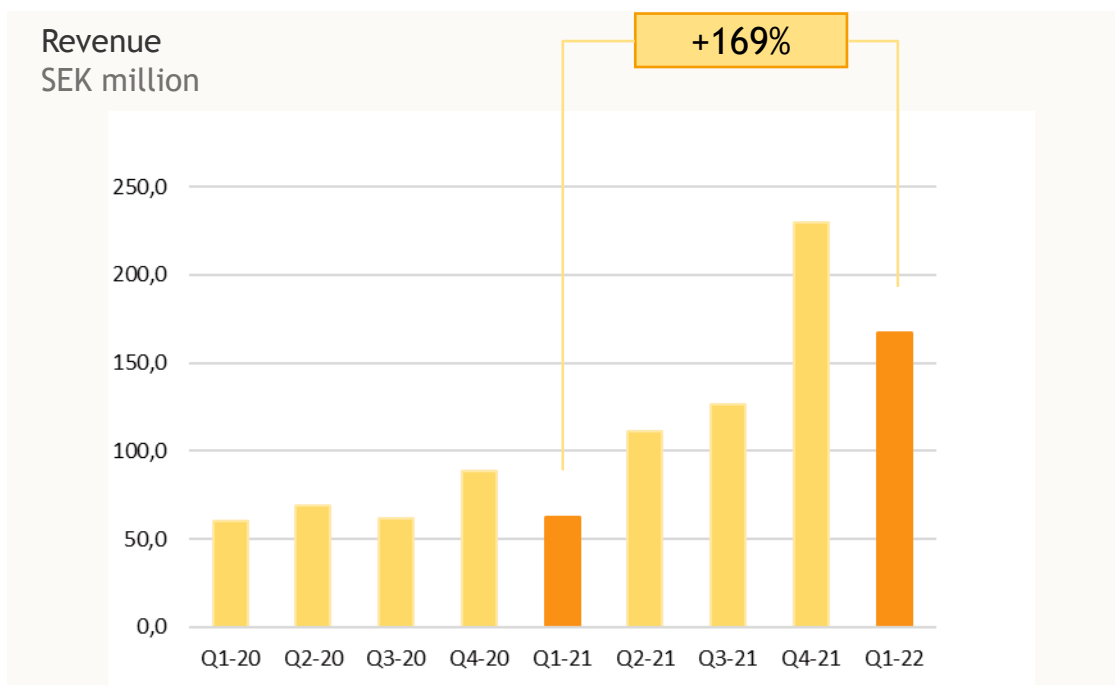
UNDISPUTABLE EARNINGS GROWTH



- 1 Profitable growth adding EBITA per share. 2021 EBITA was 93,2m. 149% growth of which 32% organic.
- 2 Increased gross margins and EBITA-margins over time
- 3 Proven highly scalable business model

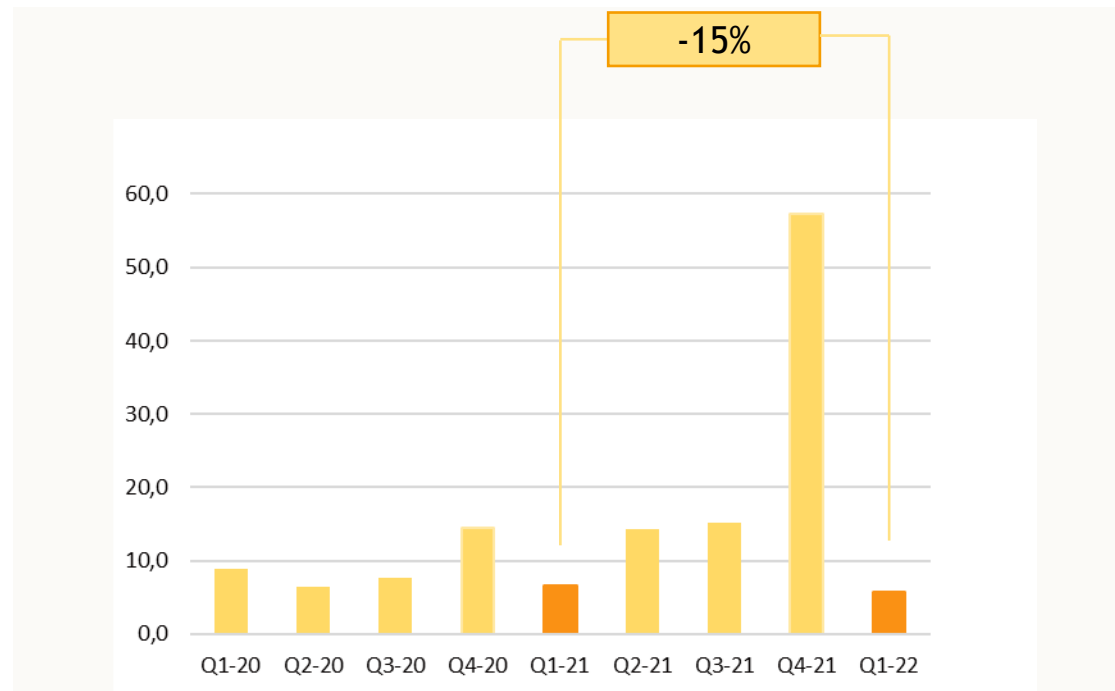
Q1 WAS A QUARTER OF CONTINUED STRONG REVENUE GROWTH

QUARTERLY ACCELERATING REVENUES



- 169% growth of which approx. 40% organic driven by strong performance by Awardit loyalty programs and gift cards. >30% organic growth in April.
- MBXP, PD and TIC contributed 80,3 MSEK of revenues
- Zupergift growth of 128%
- Slower market in Germany impacted revenues negatively for PD

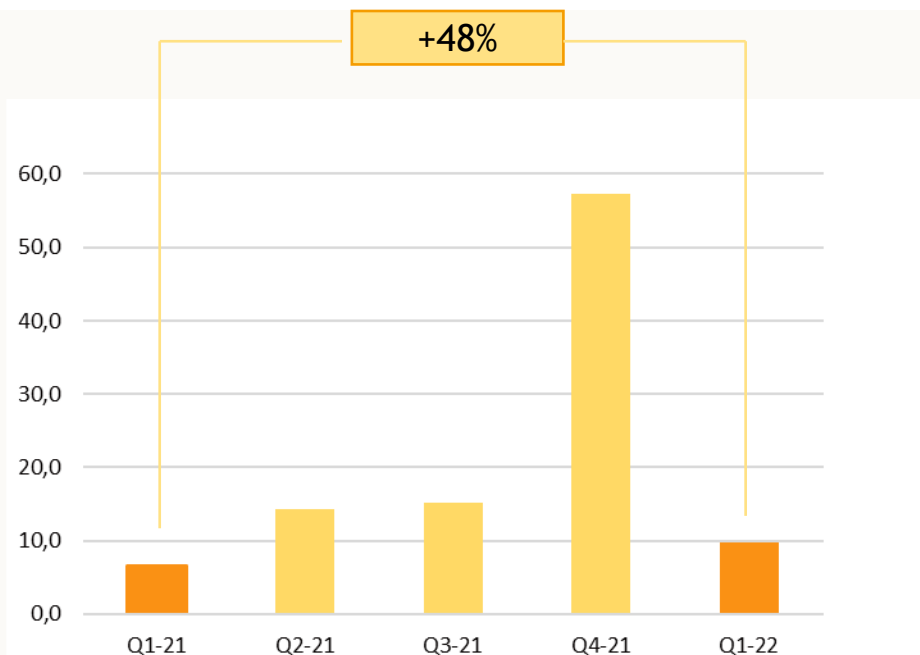
EBITA DEVELOPMENT



- -15% EBITA in Q1 2022 (5,7 MSEK) vs Q1 2021 (6,6 MSEK)
- Negative impact from short term one off events; a pricing error (-1,4 MSEK) and a customer bad debt loss (-2,7 MSEK)
- Negative impact from seasonality of MBXP business (-1,4 MSEK) and PD market slowdown (-1,4 MSEK)

Q1 ADJUSTED EBITA OF +48% AND HEALTHY GROSS MARGINS

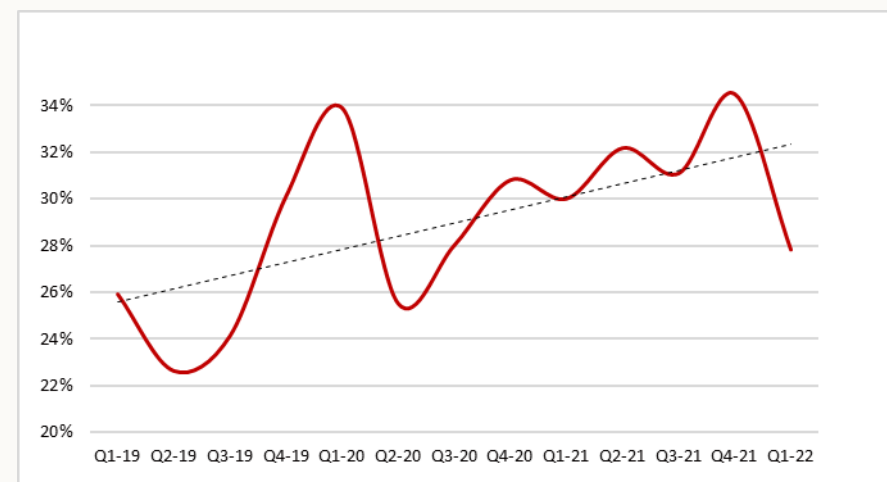
ADJUSTED EBITA DEVELOPMENT



- EBITA adjusted for the negative impact from the one off events is 9,8 MSEK (5,7+1,4+2,7 MSEK)
- Adjusted EBITA in Q1 2022 (9,8 MSEK) is +48% vs Q1 2021 (6,6 MSEK)

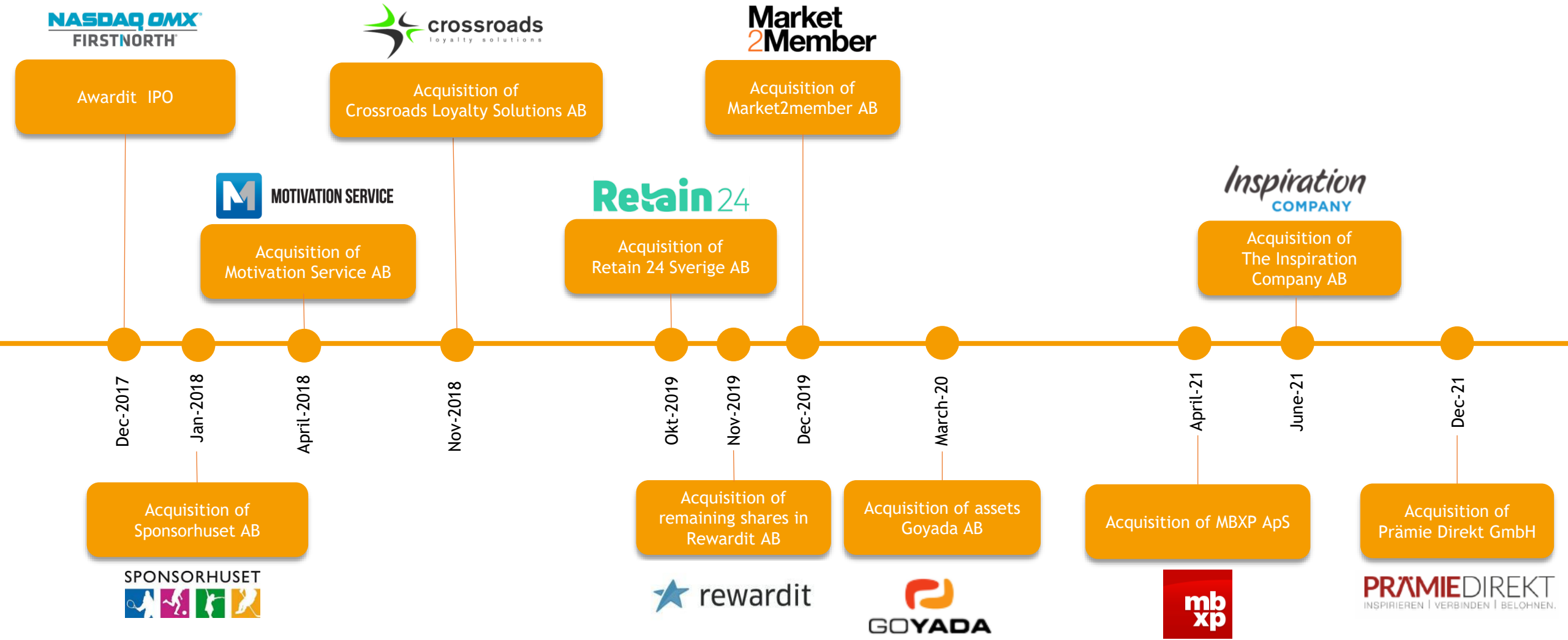
GROSS MARGIN DEVELOPMENT

Gross profit Margin



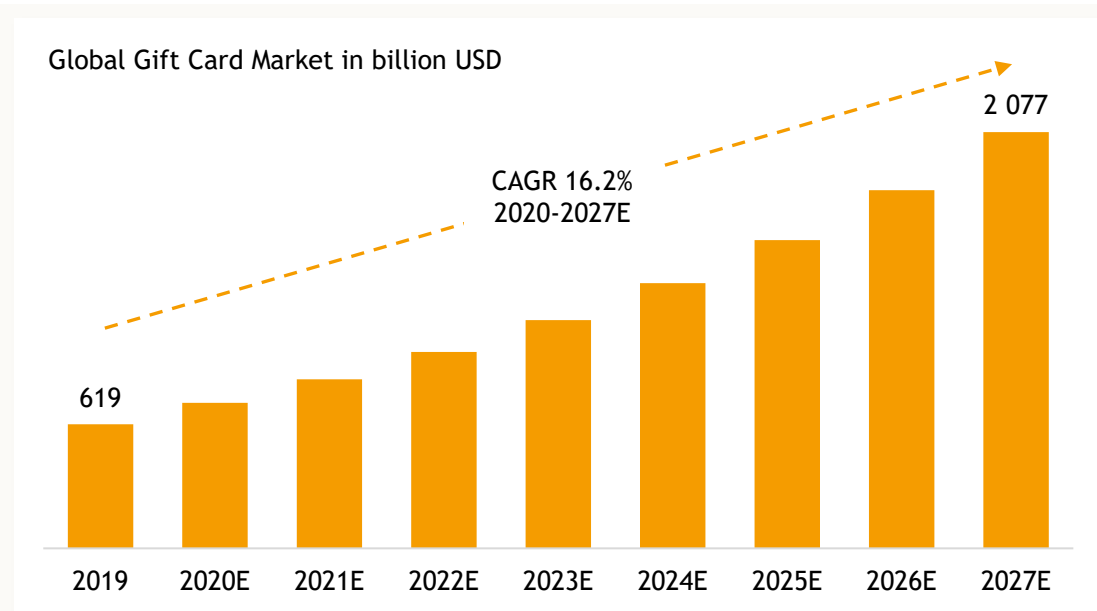
- Gross profit margin was 27,8% in Q1 2022 (46,6 MSEK) vs 30,0% in 2021 (18,7 MSEK)
- Added business and volumes from MBXP, PD and TIC dilutive to total margin percentage, with a combined margin of 24,1% in the quarter
- Gross profit margin of organic business was 31,2%, up from 30,0% in 2021

AWARDIT TIMELINE

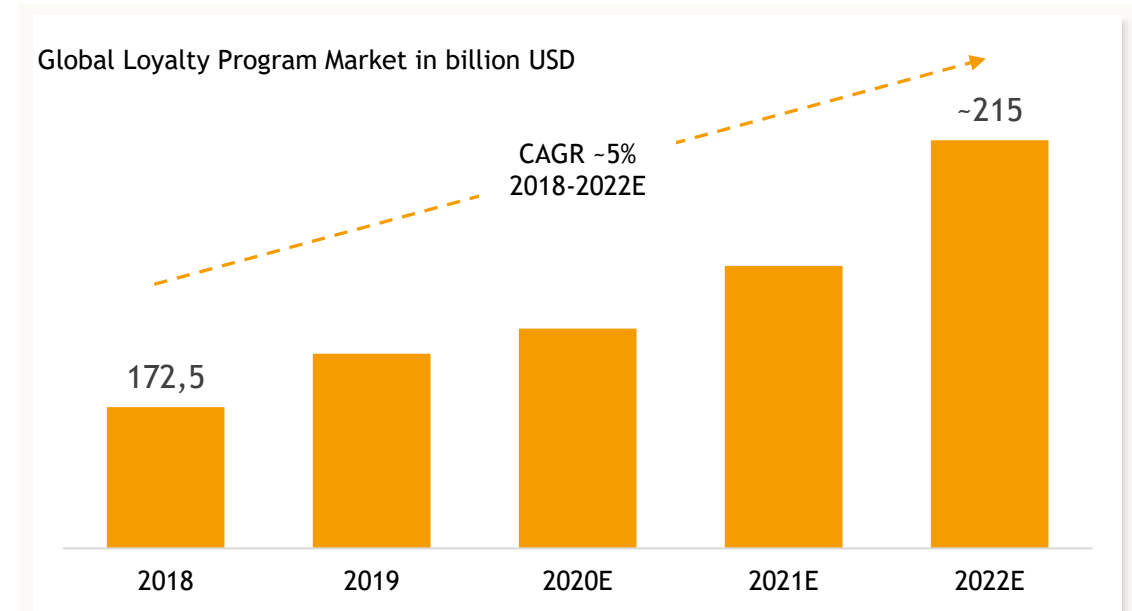





EXPOSED TO MASSIVE GLOBAL MARKETS




STABLE DOUBLE DIGIT GROWTH



DIGITAL LOYALTY PROGRAM GROWTH UNDERPINNED BY DIGITAL TRANSITION



-  The expanding adoption of smartphones is expected to increase the gift card market by offering flexible payment methods for customers
-  Modern technology has created ways for smartphone users to integrate everything in one convenient package
-  Environmentally friendly driven shift from plastic to digital gift cards contributes to a more flexible product







-  Outsourcing the reward program comes with strong cost benefits related to expensive technology platform
-  The growing footprint of the adoption of loyalty program strategy by buyers indicate the willingness of both the supplier and buyers to partner on a global scale
-  Growth in online buying culture and high adoption of smartphones has raised the need for a digital loyalty program strategy

CUSTOMER ACQUISITION STRATEGY

TARGET AUDIENCES



DRIVING FORCES FOR OUR CUSTOMERS

-  Achieve a greater "share of wallet"
-  Reduce price and discount focus
-  Increase customer lifetime and reduce churn
-  Establish a more responsive and cost-effective customer communication
-  Offer attractive value-add services
-  Stimulate own personnel or reseller through rewarding results, activity, competency and engagement

BUSINESS MODEL

ATTRACTIVE OFFERING YIELDING LONG-TERM VALUE CREATION FOR AWARDIT'S CUSTOMER



Loyalty

- ✓ Set-up fees
- ✓ Monthly fees
- ✓ Sale of points
- ✓ Loyalty marketplace
- ✓ Expert Service



Gift Cards

- ✓ Set-up fees
- ✓ Monthly fees
- ✓ Loading fees
- ✓ Commissions
- ✓ Breakage (private labels)
- ✓ Expert service



Partnerships

- ✓ Commissions
- ✓ Sale of points
- ✓ Campaign fees

Extensive customer portfolio



PRIVATE LABELS





WELL POSITIONED FOR CONTINUED SUCCESS



Integration of TIC 50% done. Prämie Direkt project initiated to identify procurement savings and cross selling opportunities.



Continued strong organic growth of +33% in April.



Continued work on business oriented synergies (cross selling) within the group. Launch of Zupergift on additional markets.



Continued establishment of partnership network based on Open Banking / Account & Card linking



Steady flow of new customers - especially within the Giftcard segment. Strong pipe of new prospective customers.



Additional value creating acquisitions. Cash position of approx. 209 MSEK at years end provides buying power.



Vision to become one of the absolute leaders on the European market.

MANAGEMENT TEAM



Erik Grohman, CEO

- Employed since March 2022
- Master of Science in Business Administration and Economics, Stockholm University
- 5 300 shares



Ulrik Zielfelt, Sales & Marketing Manager

- Employed since 2019
- MSc in Economics, Gothenburg School of Business
- 20 000 shares



Cecilia Ponthan, CFO

- Employed since 2022
- Business IT, Nackademin
- 0 shares



Anna Törner, Loyalty B2B Business Area Manager

- Employed since 2015
- Business Administration and Economics, Umeå University
- 1 795 shares



Anders Svanberg, Loyalty B2C Business Area Manager

- Employed and member of management team since 2018
- Lux Business School, Business Administration at Stockholm University
- 24 232 shares



Mattias Lundqvist, Giftcards Business Area Manager

- Employed since 2013
- Industrial Economics, Chalmers and the Universidad Politécnica de Madrid
- 20 752 shares



Christian Lindholm, CIO

- Employed since 2021
- Master of Business Administration, Gothenburg School of Business, Bachelor of Information Technology, Halmstad University and Unitec Institute of Technology, Auckland
- 0 shares



Jonas Sjögren, CPO

- Employed since 2015
- Purchasing, Institute of Business Administration
- 0 shares

BOARD OF DIRECTORS

**Niklas Lundqvist, Member Board of Directors**

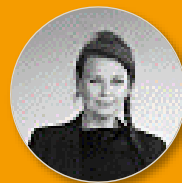
- Head of M&A, founder and member of the Board of Directors since 1999
- Bachelor of Laws and LLM, Uppsala University and Maastricht University Economics Gothenburg School of Business, Uppsala University
- 1 111 550 shares

**Samir Taha, Member Board of Directors, Chairman**

- Member of the Board of Directors since 2000
- MSc in Economics, Uppsala University
- 320 519 shares

**Olle Isberg, Member Board of Directors**

- Member of the Board of Directors since 2002
- Stockholm School of Economics, Stockholm
- 2 100 000 shares

**Charlotte Eisner, Member Board of Directors**

- Member of the Board of Directors since 2017
- Master of Science in Business Administration, School of Business, Economics and Law at the University of Gothenburg
- 0 shares

**Claudio Simatovic, Member Board of Directors**

- Member of the Board of Directors since 2020
- Founder and previous CEO of several companies including Retain24 Sverige AB
- 132 211 shares

**Peter Borsos, Member Board of Directors**

- Member of the Board of Directors since 2020
- Economics Master of Economics (Örebro University, Freie Universität Berlin and University of Massachusetts)
- 49 000 Shares

LARGEST SHAREHOLDERS

MARCH 31, 2022

Shareholder	Shares	% Ownership	% Votes
Visionalis AB	2 090 000	25,1%	25,1%
Niklas Lundqvist	1 111 550	13,3%	13,3%
Consensus Asset Management AB	428 900	5,1%	5,1%
Johan Hagman	339 612	4,1%	4,1%
Samir Taha (gm Sultanen Invest AB)	325 000	3,9%	3,9%
Livförsäkringsaktiebolaget Skandia	248 600	3,0%	3,0%
Filip Engelbert	242 653	2,9%	2,9%
Jonas Nordlander	242 652	2,9%	2,9%
S Thorberg Inspiration Investment Ltd	196 331	2,4%	2,4%
Claudio Simatovic (gm Paradidel AB)	132 211	1,6%	1,6%
Other shareholders	2 978 009	35,7%	35,7%
Total	8 335 518	100.0%	100.0%

INCOME STATEMENT

SEK thousand	Q1'22	Q1'21	2021
Revenue	167,403	62,297	529,319
Activated work for own account	380	-	3,021
Other operating income	2,479	787	19,387
Total operating income	170,262	63,084	551,727
Operating expenses			
Merchandise	-120,848	-43,597	-356,273
Other external costs	-20,602	-2,586	-38,474
Personnel costs	-22,593	-10,242	-62,925
D&A	-9,305	-1,917	-30,083
Other operating costs	-460	-21	-464
Total operating expenses	-173,808	-58,363	-488,219
Operating result	-3,546	4,722	63,508
Financial income	276	2	601
Financial costs	-8,602	-459	-23,700
Results from units in the group and associated companies	-221	37	-236
Net result from financial items	-8,547	-420	-23,336
Profit before tax	-12,404	4,302	40,172
Income tax	-1,687	-1,344	-14,065
Deffered tax	1,377	203	4,398
Net profit	-12,404	3,161	30,506

SEGMENT REPORTING

Group, revenue by geography	Q1'22	Q1'21	2021
Sweden	87,793	52,755	380,413
Norway	14,159	5,891	52,807
Denmark	13,064	2,445	52,440
Finland	5,210	512	15,433
Germany	46,224	266	25,764
Other	953	429	2,461
Total	167,403	62,297	529,319

Group, revenue by segment	Q1'22	Q1'21	2021
B2B	114,617	26,868	316,797
B2C	52,786	35,429	212,522
Total	167,403	62,297	529,319

Operating profit after depreciation	Q1'22	Q1'21	2021
B2B	-1,885	6,796	57,000
B2C	-1,661	-2,074	6,508
Total	-3,546	4,722	63,508

BALANCE SHEET

SEK thousand	Q1, 2022	Q1, 2021	2021
Assets			
Long-term assets			
Goodwill	363,679	137,678	360,604
Customer relationships	126,076	30,410	129,905
Platform	69,001	7,970	71,470
Other intangible assets	-	15	-
Right-of-use assets	7,204	1,243	7,764
Shares in associated companies	6,044	-	6,081
Equipment, tools and installations	421	89	510
Deffered tax asset	488	-	47
Total long-term assets	615,515	177,405	618,591
Short-term assets			
Inventories	49,048	13,231	52,664
Current tax assets	439	64	223
Accounts receivable	85,581	33,725	181,414
Tax claims	7,781	13	10,742
Other short-term receivables	34,781	75	56,002
Prepaid expenses and accrued income	6,981	7,586	8,619
Cash and cash equivalents	209,283	33,769	240,221
Total Short-term assets	393,894	88,462	549,885
Total Assets	1,009,409	265,867	1,168,476

SEK thousand	Q1, 2022	Q1, 2021	2021
SHAREHOLDERS EQUITY AND LIABILITIES			
Equity	499,924	154,796	505,595
Long-term liabilities	270,313	39,874	269,601
Short-term liabilities	239,172	71,197	393,280
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES	1,009,409	265,867	1,168,476

CASH FLOW STATEMENT

SEK thousand	Q1'22	Q1'21	2021
Cashflow from operations			
Profit before tax for continuing operations	-3,546	4,722	63,508
Adjustments for non-cash items			
Repayment of depreciation	9,305	1,917	30,083
Other items not affecting cashflow	1,492	132	2,246
interest received	-	2	9
Interest Paid	-1,811	-262	-5,084
Paid income tax	-530	-1,927	-16,750
Cash flow from operations before change in working capital	4,910	4,583	74,012
Change in working capital	-15,444	8,540	-25,322
Cash flow from operations	-15,444	13,123	48,690
Cash flow from investing activities	-722	-88	-170,959
Cash flow from financing activities	-15,737	-7,574	333,786
Cash flow for the period	-31,903	5,461	211,517
Cash and cash equivalents, opening balance	240,221	28,308	38,308
Cash and cash equivalents, ending balance	209,283	33,769	240,221

CONTACT DETAILS

Erik Grohman

CEO

erik.grohman@awardit.se

076-1805512

Twitter (of founder Niklas Lundqvist): @PointmanAwardit