

# Interim Report

1 April – 30 June 2021

## Interim report Q2-2021

Awardit AB (publ), listed on the NASDAQ First North Growth Market, submits the following report for the period 1 April to 30 June 2021.

### April – June 2021

- Revenue amounted to MSEK 112.4 (MSEK 69.2 April – June 2020)
- Operating result EBIT amounted to MSEK 7.9 (4.5)
- Operating margin EBIT amounted to 7.0 (6.6) per cent
- Operating result EBITA amounted to MSEK 14.2 (6.4)
- Operating margin EBITA amounted to 12.7 (9.2) per cent
- Earnings per share after tax amounted to SEK 0.31 (0.46)
- EBITA per share amounted to SEK 2.08 (0.94)

### January – June 2021

- Revenue amounted to MSEK 175.5 (MSEK 129.7 January – June 2020)
- Operating result EBIT amounted to MSEK 12.6 (11.6)
- Operating margin EBIT amounted to 7.2 (8.9) per cent
- Operating result EBITA amounted to MSEK 20.9 (15.2)
- Operating margin EBITA amounted to 11.9 (11.8) per cent
- Earnings per share after tax amounted to SEK 0.78 (1.25)
- EBITA per share amounted to SEK 3.05 (2.23)

### Important events during the period

- On 15 April 2021, MBXP ApS was taken over. MBXP was founded in 2012 and is the Nordic region's largest distributor of digital gift cards and other vouchers in physical retail and grocery stores.
- On 11 May, Awardit and the owners of The Inspiration Company TIC AB (TIC) signed a Term Sheet, meaning that Awardit acquired 100% of the shares in TIC.
- Awardit carried out a private placement of almost MSEK 90 in mid-June. A large number of Swedish and international institutional investors, including Consensus Asset Management, Filip Engelbert and Jonas Nordlander, participated in the private placement, which was heavily oversubscribed.
- A change of CEO was carried out on 18 June, where Niklas Lundqvist replaced Henrik Olander as CEO. Henrik Olander was also appointed the Company's COO.

## Important events after the end of the period

- On 1 July, the acquisition of TIC was completed when the share transfer agreement regarding all shares in TIC was signed. The purchase price amounted to MSEK 60 on a debt-free basis, including cash of approximately MSEK 10. MSEK 30 of the purchase price was paid in cash and MSEK 30 was paid in the form of reversals which were converted into Awardit shares following an issue decision at the Extraordinary General Meeting on 16 August. Of the amount paid in cash, MSEK 10 was financed from Awardit's cash and bank balances, and MSEK 20 through bank loans.

## Key figures

All key figures in the table below are in accordance with IFRS.

	2021	2020	2021	2020	2020
	3 months	3 months	6 months	6 months	12 months
	APR - JUN	APR - JUN	JAN - JUN	JAN - JUN	JAN-DEC
Revenue, MSEK	112.4	69.2	175.5	129.7	280.5
Operating result, EBIT	7.9	4.5	12.6	11.6	29.9
Operating margin, EBIT	7.0%	6.6%	7.2%	8.9%	10.7%
Operating result, EBITA	14.2	6.4	20.9	15.2	37.4
Operating margin, EBITA	12.7%	9.2%	11.9%	11.8%	13.3%
Cash liquidity, %	120%	125%	120%	125%	97%
Equity/assets ratio, %	37.1%	55.2%	37.1%	55.2%	49.7%
No. of employees	79	50	79	50	50
Earnings per share	0.31	0.46	0.78	1.25	3.28
EBITA per share	2.08	0.94	3.05	2.23	5.46

*EBIT* – Operating result before interest and taxes.

*EBITA* – Operating result before interest, taxes, depreciation and amortisation (including write-offs of customer contracts).

*Cash liquidity, %* – Current assets (excl. inventories) as a percentage of short-term liabilities.

*Equity/assets ratio, %* – Equity in relation to the balance sheet total.

*No. of employees* – Number of employees in the Group at the end of the period.

*Earnings per share* – Earnings after tax divided by the number of shares, based on the average number of shares during the period Jan - Jun 2021.

*EBITA per share* – EBITA divided by the number of shares, based on the average number of shares during the period Jan - Jun 2021.

## CEO's comments

Another pandemic-affected quarter has passed, but it has continued to be an eventful one. For Awardit, it has been a quarter with clearly positive signs. The quarter shows that the previously reported organic growth continues and has gradually strengthened, while the EBITA result has increased significantly.

During the second quarter, revenue amounted to MSEK 112.4 (MSEK 69.2) and EBITA profit to MSEK 14.2 (MSEK 6.4), an increase of 62 and 122 per cent, respectively. Organic growth, excluding MBXP, which was incorporated in mid-April, was around 20 per cent during the second quarter. MBXP's revenue during the period amounted to MSEK 29.2, and the EBITA contribution to the Group was MSEK 2.8. MBXP's operations are even more affected by the prevailing pandemic than Awardit in general, which means that we expect continued good results growth in a normalised market situation. The fact that MBXP shows a positive EBITA result is largely due to the fact that a savings programme has been implemented, and has had the desired impact on costs.

Awardit's EBITA margin, excluding MBXP, increased during the period from 9.2 to 13.7 per cent. As the Company has previously highlighted, the EBITA margin will in future be affected by the gift card product Zupergift, which so far has not contributed anything other than a negligible effect on the result from overdue values. It was not until the third and fourth quarters of 2020 that sales of Zupergift gained momentum, and therefore it is only during the third quarter of this year that this effect on the result will gradually materialise.

Sales of Zupergift remain strong, and from launch in May 2020 to mid-year this year, we have gone from zero to MSEK 78, without major investments in marketing or employees. This will be a further income for the great value in Awardit's platform-oriented business model.

During the second quarter, we are still affected by the prevailing pandemic in parts of the business, and in a scenario where our most impacted customer accounts performed as prior to the pandemic, revenue would have been estimated at MSEK 10 higher (MBXP not included).

We started the third quarter very strongly, and in July we showed an organic revenue growth of 50 per cent (excluding MBXP and TIC) compared to July 2020. Overall, we remain optimistic about continued growth, but at the same time expect some continued inhibiting effect from the pandemic in parts of the business.

At the beginning of July, we took over our ninth acquisition, The Inspiration Company TIC AB, which is thereby included in the Group's accounts from the third quarter. A 100-day plan for integration and development of market and cost synergies has been initiated and is proceeding according to plan. Even initially, we have identified savings of almost MSEK 2 on an annual basis that will be realised in October.

Since TIC's operations in B2B are more or less identical to Awardit's, there is good potential for business and organisational synergies in the future.

In June, we carried out a private placement of approximately MSEK 90 to around 40 Swedish and foreign institutional investors in order to strengthen the Company's acquisition capacity. The great interest in the issue resulted in a subscription ratio of approximately 300 per cent, and we are now even better positioned to carry out more and larger acquisitions than we have been before. We continue to see a large number of acquisition opportunities which we are continuously evaluating.

In addition, the business has developed positively, with a number of new interesting customers and further developed existing relationships. The cross-selling opportunities and growth potential of the existing customer base are great, and it is, as always, easier to develop the relationship with an existing customer than to gain new ones.

We recently entered into an interesting collaboration with the insurtech company Upptec, which means that insurance companies have the possibility of offering policyholders insurance compensation in the form of physical products and digital vouchers in an e-commerce shop, under the insurance company's own brand. The common solution will be offered to all Upptec's customers, which today consist of 90% of the Swedish insurance companies. To date, two Nordic insurance companies have decided to implement the solution on a pilot basis.

On a personal level, I am extremely curious about the future and how large Awardit may become in the next few years. I am convinced that we are on the right track with our strategy to consolidate the market for loyalty, motivation and gift card programmes to become one of the absolute leading platforms, not only in the Nordic region but also in Europe.

Finally, I would like to extend a big thank you to all the employees who, during one of the most eventful years in Awardit's history, constantly fight bravely and accomplish great things. A huge thank you also to all our investors, and especially to the newcomers - I hope you will find the journey with Awardit as exciting as I do.



Niklas Lundqvist  
CEO  
Awardit AB (publ)

## Financial comments for the Group: April - June

Revenue during the second quarter of the year amounted to MSEK 112.4 (MSEK 69.2 April - June 2020), which means an increase of 62.3 per cent. Adjusted for revenue growth attributable to the acquisition of MBXP, the Group achieved revenue of MSEK 83.2, which corresponds to an increase of 20.2 per cent compared with the corresponding period last year.

The Group's gross margin was 32.2 per cent during the second quarter of the year. This can be compared with 25.5 per cent in the same quarter last year, or 29.5 per cent for the full year 2020. MBXP's gross margin during the quarter amounted to approximately 35 per cent, and contributed to the improvement compared with the second quarter last year.

The operating result EBITA amounted to MSEK 14.2 (6.4), which means an EBITA margin of 12.7 (9.2) per cent. Increased amortisation of goodwill and intangible fixed assets in MBXP affected EBITA during the period by approximately MSEK 1.9, compared with the corresponding quarter last year. MBXP's EBITA for the period is approximately MSEK 2.8, so, adjusted for MBXP, the Group generated an EBITA of approximately MSEK 11.4. Personnel costs increased to approximately the same degree as the Group's total number of employees increased as a result of the acquisition of MBXP. The Company has also incurred one-off costs amounting to MSEK 1.1 linked to the acquisition of MBXP in April.

The operating profit EBIT amounted to MSEK 7.9 (4.5), which means an EBIT margin of 7.0 (6.6) per cent.

The result after financial items amounted to MSEK 2.4 (4.0). Interest expenses amounted to MSEK 5.4 (0.5). MSEK 3.2 of these represent a cost for resolution of discounted debt linked to the additional purchase price for MBXP, and that we see increased interest costs from both the new acquisition credits linked to the acquisition of MBXP and interest costs for MBXP's external loans.

The result after tax amounted to MSEK 2.1 (3.1). Deferred tax affects the result after tax by MSEK 1.5.

The comprehensive income for the period amounted to MSEK 1.9 (3.0). The difference against the result after tax is made up of exchange rate differences.

## Financial comments for the Group: January - June

Revenue during the first half of the year amounted to MSEK 175.5 (MSEK 129.7 January - June 2020), which means an increase of 35.3 per cent. Adjusted for sales growth attributable to the acquisition of MBXP, the Group achieved revenue of MSEK 146.3, which corresponds to an increase of 20.0 per cent compared with the corresponding period last year.

The gross margin in the Group was 31.4 per cent during the first half of the year. This can be compared with a 29.4 per cent gross margin in the same period last year, or 29.5% for the full year 2020.

The operating result EBITA amounted to MSEK 20.9 (15.2), which means an EBITA margin of 11.9 (11.8) per cent.

The operating result EBIT amounted to MSEK 12.6 (11.6), which means an EBIT margin of 7.2 (8.9) per cent.

The result after financial items amounted to MSEK 6.7 (10.4). Interest expenses amounted to MSEK 5.9 (1.2). MSEK 3.2 of these represent a cost for resolution of discounted debt linked to the additional purchase price for MBXP, and that we see increased interest costs from both the new acquisition credits linked to the acquisition of MBXP and interest costs for MBXP's external loans.

The result after tax amounted to MSEK 5.3 (8.3). Deferred tax affects the 'result after tax' by MSEK 1.7.

The comprehensive income for the period amounted to MSEK 5.3 (8.1). The difference against the 'result after tax' is made up of translation differences (exchange rate differences).

## Balance sheet items, 30 June 2021

Liquid assets at the end of the period amounted to MSEK 84.8 (23.1). During the second quarter of the year, the Group's cash was mainly affected by the addition of MSEK 86.3, after transaction costs, from the private placement at the end of June. The cash has been reduced by the loan of MDKK 19, and the capital injection of MDKK 6 that was implemented in conjunction with the takeover of MBXP in mid-April, a total of approximately MSEK 34.

Interest-bearing liabilities amounted to MSEK 167.0 (51.6). These consist of bank loans and promissory notes connected to the completed company acquisitions. The large increase relates to the part of the purchase price for MBXP that consists of a contingent consideration, which is recorded as an 'other' long-term financial liability. Amortisations for the quarter amounted to a total of MSEK 9.8.

The Group's inventory value as of 30 June 2021 was MSEK 28.5, which is MSEK 12.0 higher than at the turn of the year 2020/2021, when the inventory value was MSEK 16.5. By



comparison, the inventory value as of 30 June 2020 was MSEK 9.1. The increased inventory value is a result of the MBXP acquisition and tactical purchases at the end of the quarter.

The contingent consideration for MBXP has been reported in its entirety as an 'other' long-term financial liability. See Note 3 for more information on the acquisition and effects on the balance sheet.

Equity at the end of the period amounted to MSEK 249.9 (149.8), which corresponds to SEK 33.9 (22.4) per share.

The equity/assets ratio was 37.1 (55.2) per cent.

### Cash flow January - June 2021

Cash flow from operating activities amounted to MSEK -33.7 (-3.0).

The largest change in other current receivables is a result of sales once again increasing among large customers with long payment periods. Furthermore, cash flow has been negatively affected by the refinancing of MBXP's short-term liabilities that was carried out in conjunction with the acquisition.

Cash flow from investing activities amounted to MSEK -2.0 (-5.5).

Cash flow from financing activities amounted to MSEK 92.1 (-4.0). During the period, acquisition credits were amortised with MSEK 13.2, and approximately MSEK 7.5 was paid in share dividends. During the quarter, acquisition credit in conjunction with the acquisition of MBXP amounted to a total of MSEK 22.5. Furthermore, the private placement contributed MSEK 90.0, before issue costs, to the Company at the end of June.

Liquid assets at the end of the period amounted to MSEK 84.8 (23.1).

## Owners

<b>Shareholders</b>	<b>Shareholding</b>	<b>Proportion</b>
Visionalis AB	2 100 000	28.5%
Niklas Lundqvist	1 111 550	15.1%
Johan Hagman	339 612	4.6%
Samir Taha (GM Sultanen Invest AB)	320 519	4.3%
Consensus Asset Management AB	195 000	2.6%
Filip Engelbert	172 653	2.3%
Jonas Nordlander	172 652	2.3%
Modelio Equity AB	150 000	2.0%
Claudio Simatovic (GM Paradidel AB)	132 211	1.8%
Henrik Olander (GM House of cash AB)	125 910	1.7%
<b>Total ten largest shareholders</b>	<b>4 820 107</b>	<b>65.3%</b>
Other shareholders	2 557 504	34.7%
<b>Total</b>	<b>7 377 611</b>	<b>100.0%</b>

The above ownership table refers to 30 June 2021.

## Consolidated Income Statement

Amounts in TSEK	Note	2021-04-01	2020-04-01	2021-01-01	2020-01-01	2020-01-01
		2021-06-30	2020-06-30	2021-06-30	2020-06-30	2020-12-31
Net revenue	2	111 277	68 816	173 574	128 635	278 613
Capitalised work for own account		680	83	680	194	194
Other operating income		426	344	1 213	846	1 717
<b>Total operating income</b>		<b>112 382</b>	<b>69 244</b>	<b>175 467</b>	<b>129 675</b>	<b>280 524</b>
<b>Operating expenses</b>						
Commodities		-75 470	-51 263	-119 067	-90 816	-196 350
Other external expenses		-6 008	-3 602	-8 954	-6 995	-11 771
Personnel costs		-16 268	-7 917	-26 510	-16 454	-34 603
Depreciation and amortisation of tangible and intangible fixed assets		-6 358	-1 854	-8 725	-3 662	-7 519
Other operating expenses		-401	-60	-421	-161	-399
<b>Total operating expenses</b>		<b>-104 505</b>	<b>-64 697</b>	<b>-162 868</b>	<b>-118 089</b>	<b>-250 643</b>
<b>Operating result</b>		<b>7 876</b>	<b>4 546</b>	<b>12 599</b>	<b>11 586</b>	<b>29 881</b>
Financial income		9	5	11	19	27
Financial expenses		-5 458	-546	-5 917	-1 223	-2 190
Result from interests in Group and associated companies		-	-	37	-	-
<b>Result from financial items</b>		<b>-5 449</b>	<b>-541</b>	<b>-5 869</b>	<b>-1 204</b>	<b>-2 163</b>
<b>Result before tax</b>		<b>2 428</b>	<b>4 005</b>	<b>6 730</b>	<b>10 382</b>	<b>27 718</b>
Income tax		-1 824	-1 141	-3 168	-2 448	-6 155
Deferred tax	4	1 506	216	1 709	432	333
<b>Result for the year</b>		<b>2 109</b>	<b>3 080</b>	<b>5 270</b>	<b>8 366</b>	<b>21 896</b>
<b>Earnings per share</b>						
		2021-04-01	2020-04-01	2021-01-01	2020-01-01	2020-01-01
		2021-06-30	2020-06-30	2021-06-30	2020-06-30	2020-12-31
Earnings per share before dilution (SEK), note 1		0.31	0.46	0.78	1.25	3.26
Earnings per share after dilution (SEK)		0.31	0.46	0.78	1.25	3.26
Outstanding shares at the end of the period		7 377 611	6 678 683	7 377 611	6 678 683	6 720 559
Average number of shares during the period		6 841 622	6 678 683	6 781 090	6 678 683	6 682 289

Note 1: Based on the average number of shares January – June 2021.

## Consolidated Report of Comprehensive Income

	2021-04-01 2021-06-30	2020-04-01 2020-06-30	2021-01-01 2021-06-30	2020-01-01 2020-06-30	2020-01-01 2020-12-31
<b>Result for the period</b>	<b>2 109</b>	<b>3 080</b>	<b>5 270</b>	<b>8 366</b>	<b>21 896</b>
<b>Other total result:</b>					
Translation differences	-220	-106	-89	-202	-267
<b>Comprehensive income for the period</b>	<b>1 889</b>	<b>2 974</b>	<b>5 182</b>	<b>8 164</b>	<b>21 629</b>

## Consolidated Balance Sheet

Amounts in TSEK	2021-06-30	2020-06-30	2020-12-31
<b>ASSETS</b>			
<b>Fixed assets</b>			
Goodwill	234 197	131 930	137 678
Customer relations	88 790	33 418	31 413
Platform	65 786	8 965	8 358
Other intangible fixed assets	10	30	20
Usufruct assets	5 060	2 395	1 627
Interests in associated companies/security holdings	169	25	–
Equipment, tools and installations	510	138	101
Deferred tax assets	762	526	–
<b>Total fixed assets</b>	<b>395 284</b>	<b>177 427</b>	<b>179 197</b>
<b>Current assets</b>			
Inventory	28 539	8 860	16 450
Advances to suppliers	8 042	232	818
Accounts receivable	128 459	53 519	72 356
Current tax receivables	1 310	1 478	1 063
Other receivables	21 791	33	75
Prepaid expenses and accrued income	5 691	6 672	6 725
Liquid assets	84 779	23 129	28 308
<b>Total current assets</b>	<b>278 611</b>	<b>93 923</b>	<b>125 796</b>
<b>TOTAL ASSETS</b>	<b>673 895</b>	<b>271 350</b>	<b>304 992</b>

## Consolidated Balance Sheet (cont.)

Amounts in TSEK	2021-06-30	2020-06-30	2020-12-31
<b>EQUITY</b>			
<b>Equity that can be attributed to the Parent Company's owners</b>			
Share capital	738	668	672
Other contributed capital	205 560	109 119	112 426
Reserves	-490	-337	-401
Earned result, including results for the year	44 077	40 331	38 807
<b>Total equity</b>	<b>249 885</b>	<b>149 781</b>	<b>151 504</b>
<b>LIABILITIES</b>			
<b>Long-term liabilities</b>			
Borrowing from credit institutions	34 384	27 642	15 634
Liabilities relating to usufruct assets	3 576	477	52
Other long-term liabilities	126 030	15 617	16 003
Deferred tax liabilities	29 172	6 880	6 453
Other provisions	22 514	3 353	2 092
<b>Total long-term liabilities</b>	<b>215 677</b>	<b>53 968</b>	<b>40 234</b>
<b>Short-term liabilities</b>			
Borrowing from credit institutions	9 754	6 004	12 424
Liabilities relating to usufruct assets	1 690	1 569	1 225
Overdraft facilities	-	2 368	-
Advances from customers	21 659	3 202	17 148
Accounts payable	139 227	37 456	46 164
Current tax liabilities	1 575	1 504	2 903
Other liabilities	10 691	4 341	18 672
Accrued expenses and prepaid income	23 738	11 157	14 719
<b>Total short-term liabilities</b>	<b>208 332</b>	<b>67 601</b>	<b>113 254</b>
<b>TOTAL LIABILITIES AND OCH EQUITY</b>	<b>673 894</b>	<b>271 350</b>	<b>304 992</b>

## Consolidated Cash Flow Statement

Amounts in TSEK	Note	2021-04-01	2020-04-01	2021-01-01	2020-01-01	2020-01-01
		2021-06-30	2020-06-30	2021-06-30	2020-06-30	2020-12-31
<b>Cash flow from operating activities</b>						
Operating result		7 877	4 546	12 599	11 586	29 889
Adjustments for items not included in the cash flow						
- Reversal of depreciation		6 357	2 224	8 274	3 662	7 519
- Other items not effecting cash		-183	-136	-52	-232	-305
Interest received		9	5	11	19	27
Interest paid		-2 050	-337	-2 313	-847	-1 428
Paid tax		-2 186	-1 439	-4 113	-5 085	-6 978
<b>Cash flow from operating activities before changes in working capital</b>		<b>9 823</b>	<b>4 863</b>	<b>14 406</b>	<b>9 105</b>	<b>28 724</b>
Changes in working capital						
Increase/decrease in inventories and work in progress		-10 682	826	-6 709	10 330	2 153
Increase/decrease in other current receivables		-76 093	-11 526	-38 323	20 334	1 409
Increase/decrease in other short-term liabilities		30 175	26 308	-3 029	-42 802	-14 800
<b>Total changes in working capital</b>		<b>-56 601</b>	<b>15 608</b>	<b>-48 061</b>	<b>-12 138</b>	<b>-11 237</b>
<b>Total cash flow from operating activities</b>		<b>-46 778</b>	<b>20 471</b>	<b>-33 655</b>	<b>-3 034</b>	<b>17 486</b>
<b>Cash flow from investing activities</b>						
Investments in intangible fixed assets		-2 745	-5 179	-2 870	-5 533	-5 961
Investments in business acquisitions		844	–	844	–	-2 438
Sales of financial fixed assets		–	–	–	–	–
Divestment of subsidiaries		–	–	37	–	12
<b>Total cash flow from investing activities</b>		<b>-1 900</b>	<b>-5 179</b>	<b>-1 988</b>	<b>-5 533</b>	<b>-8 387</b>
<b>Cash flow from financing activities</b>						
Issue of shares		86 400	–	86 400	–	–
Transaction costs for issue of shares		–	–	–	–	–
Change in overdraft facility		–	2 135	–	-161	-2 529
Repayment of loans		-9 828	-2 377	-13 247	-3 002	-8 589
Repayment of loans relating to usufruct assets		15	-795	-377	-795	-1 563
Loans		26 865	–	26 865	–	–
Dividend		-3 764	–	-7 527	–	-3 764
<b>Total cash flow from financing activities</b>		<b>99 688</b>	<b>-1 036</b>	<b>92 114</b>	<b>-3 957</b>	<b>-16 444</b>
<b>Cash flow for the period</b>		<b>51 010</b>	<b>14 256</b>	<b>56 471</b>	<b>-12 523</b>	<b>-7 344</b>
Liquid assets at the beginning of the period		33 769	8 872	28 308	35 652	35 652
<b>Liquid assets at the end of the period</b>		<b>84 779</b>	<b>23 129</b>	<b>84 779</b>	<b>23 129</b>	<b>28 308</b>

## Consolidated Statement of Changes in Equity

Attributable to the Parent Company's shareholders					
Amounts in TSEK	Share capital	Other contributed capital	Reserves	Earned result, including results for the year	Total equity
<b>Opening balance as of 2020-01-01</b>	668	109 119	-135	31 965	141 617
<b>Comprehensive income</b>					
Result for the year				8 366	8 366
<b>Other comprehensive income</b>					
Translation differences			-202		-202
<b>Total comprehensive income</b>	–	–	-202	8 366	8 164
<b>Closing balance as of 2020-06-30</b>	668	109 119	-337	40 331	149 781
<b>Opening balance as of 2021-01-01</b>	672	112 426	-401	38 807	151 504
<b>Comprehensive income</b>					
Result for the year				5 270	5 270
<b>Other comprehensive income</b>					
Translation differences			-89		-89
<b>Total comprehensive income</b>	–	–	-89	5 270	5 182
<b>Transactions with shareholders</b>					
Non-cash issue	6	6 793			6 800
New issue	59	89 941			90 000
Transaction costs for issues		-3 600			-3 600
<b>Total transactions with shareholders</b>	66	93 134			93 200
<b>Closing balance as of 2021-06-30</b>	738	205 560	-490	44 077	249 885



## Parent Company Income Statement

Amounts in TSEK	2021-04-01	2020-04-01	2021-01-01	2020-01-01	2020-01-01
	2021-06-30	2020-06-30	2021-06-30	2020-06-30	2020-12-31
<i>Operating income</i>					
Net revenue	19 097	15 239	32 311	28 328	57 918
Capitalised work for own account	-	83	-	194	194
Other operating income	44	44	87	143	230
<b>Total operating income</b>	<b>19 141</b>	<b>15 366</b>	<b>32 398</b>	<b>28 664</b>	<b>58 341</b>
<b>Operating expenses</b>					
Commodities	-9 598	-8 408	-16 429	-15 683	-29 410
Other external expenses	-2 542	-2 135	-4 640	-3 126	-6 917
Personnel costs	-201	-428	-205	-852	-861
Depreciation of tangible fixed assets	-258	-172	-515	-300	-813
Other operating expenses	-142	-	-152	-	1
<b>Total operating expenses</b>	<b>-12 742</b>	<b>-11 143</b>	<b>-21 942</b>	<b>-19 961</b>	<b>-38 000</b>
<b>Operating result</b>	<b>6 399</b>	<b>4 223</b>	<b>10 456</b>	<b>8 703</b>	<b>20 341</b>
Result from interests in Group companies	15 000	1 500	15 000	2 800	2 800
Result from interests in associated companies	-	-	-	-	-23
Interest expenses and similar result items	-348	-326	-570	-663	-1 207
<b>Result from financial items</b>	<b>14 652</b>	<b>1 174</b>	<b>14 430</b>	<b>2 137</b>	<b>1 570</b>
<b>Result before tax</b>	<b>21 051</b>	<b>5 397</b>	<b>24 886</b>	<b>10 841</b>	<b>21 912</b>
Deferred tax	742		742		
Tax on the result for the year	-2 039	-838	-2 830	-1 727	-4 099
<b>Result for the year</b>	<b>19 753</b>	<b>4 560</b>	<b>22 798</b>	<b>9 114</b>	<b>17 813</b>

## Parent Company Balance Sheet

Amounts in TSEK	2021-06-30	2020-06-30	2020-12-31
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>			
Capitalised development expenditure	5 830	6 381	6 085
<b>Total intangible assets</b>	<b>5 830</b>	<b>6 381</b>	<b>6 085</b>
<b>Financial fixed assets</b>			
Interests in Group companies	280 367	183 918	189 720
Receivables from Group companies	25 843	-	-
Deferred tax assets	742	-	-
<b>Total financial fixed assets</b>	<b>306 951</b>	<b>183 918</b>	<b>189 720</b>
<b>Total fixed assets</b>	<b>312 781</b>	<b>190 299</b>	<b>195 805</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Accounts receivable	13 325	10 796	18 607
Receivables from Group companies	8 161	700	374
Other receivables	13	270	268
Prepaid expenses and accrued income	2 032	1 408	2 372
<b>Total current receivables</b>	<b>23 531</b>	<b>13 173</b>	<b>21 621</b>
Cash and bank balances	66 230	11	45
<b>Total current assets</b>	<b>89 761</b>	<b>13 184</b>	<b>21 666</b>
<b>TOTAL ASSETS</b>	<b>402 542</b>	<b>203 484</b>	<b>217 471</b>

## Parent Company Balance Sheet (cont.)

Amounts in TSEK	2021-06-30	2020-06-30	2020-12-31
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital	738	668	672
Fund for development expenditure	1 372	1 413	1 377
<b>Total restricted equity</b>	<b>2 109</b>	<b>2 081</b>	<b>2 049</b>
<b>Unrestricted equity</b>			
Premium fund	198 205	101 764	105 071
Retained earnings	23 345	20 544	5 526
Result for the year	23 575	9 114	17 813
<b>Total unrestricted equity</b>	<b>245 125</b>	<b>131 422</b>	<b>128 410</b>
<b>Total equity</b>	<b>247 234</b>	<b>133 503</b>	<b>130 459</b>
<b>Long-term liabilities</b>			
Liabilities to credit institutions	34 384	27 642	15 634
Liabilities to Group companies	-	8 950	-
Other long-term liabilities	91 766	17 500	17 500
<b>Total long-term liabilities</b>	<b>126 151</b>	<b>54 092</b>	<b>33 134</b>
<b>Short-term liabilities</b>			
Liabilities to credit institutions	9 754	6 004	12 424
Advances from customers	150	-	-
Overdraft facilities	-	2 368	-
Accounts payable	2 756	1 077	7 624
Liabilities to Group companies	8 900	3 758	17 900
Current tax liabilities	373	341	746
Other liabilities	4 960	679	12 176
Accrued expenses and prepaid income	2 265	1 663	3 007
<b>Total short-term liabilities</b>	<b>29 157</b>	<b>15 889</b>	<b>53 878</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>402 542</b>	<b>203 484</b>	<b>217 471</b>

## Notes to the interim report

### Note 1 Accounting principles

Awardit AB applies the International Financial Reporting Standards (IFRS) as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act, and RFR 1 Supplementary Accounting Rules for Groups.

The Parent Company's accounts have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The same accounting principles as for the Group are applied, except in the cases specified in the section "Parent Company accounting principles" in the Annual Report 2020, published on the website, note 2.21.

The accounting principles are unchanged since the Annual Report 2020, published on the website.

For a more detailed description of the accounting principles applied for the Group and the Parent Company in this interim report, see the Annual Report 2020, published on the website.

#### *New accounting principles from the current financial year*

No new standards have entered into force that are expected to have an impact on Awardit's accounting.

## Note 2 Operating segments

Net revenue, distributed by goods and services, is as follows:

	2021-04-01	2020-04-01
<b>The Group</b>	<b>2021-06-30</b>	<b>2020-06-30</b>
Sale of goods	66 932	60 906
Sale of services	44 344	7 910
<b>Total net revenue</b>	<b>111 277</b>	<b>68 816</b>

Net revenue, distributed by geographical markets, is as follows:

	2021-04-01	2020-04-01
<b>The Group</b>	<b>2021-06-30</b>	<b>2020-06-30</b>
Sweden	75 237	67 410
Norway	4 180	926
Denmark	31 371	436
Finland	489	43
<b>Total net revenue by geographical market</b>	<b>111 277</b>	<b>68 816</b>

Net revenue, distributed by operating segments, is as follows:

	2021-04-01	2020-04-01
<b>The Group</b>	<b>2021-06-30</b>	<b>2020-06-30</b>
B2B	49 145	23 899
B2C	62 132	44 917
<b>Total net revenue per operating segment</b>	<b>111 277</b>	<b>68 816</b>

Operating result after depreciation, distributed by segment, is as follows:

	2021-04-01	2020-04-01
<b>The Group</b>	<b>2021-06-30</b>	<b>2020-06-30</b>
B2B	7 371	5 641
B2C	505	-1 114
<b>Operating result after depreciation per operating segment</b>	<b>7 876</b>	<b>4 527</b>

### Note 3 Business acquisitions

On 15 April 2021, Awardit AB (publ.) acquired 100% of the equity instruments in MBXP ApS (“MBXP”) and thereby gained a controlling influence in the company. The acquisition was made to further strengthen Awardit's presence in the Nordic market for digital vouchers and gift cards.

The initial purchase price amounted to MDKK 5 (MSEK 6.8) with a contingent consideration of nine (9) times MBXP's average EBITDA result for 2021 and 2022, with deductions for the initial purchase price and interest-bearing liabilities. The acquisition calculation is preliminary and may change after the publication of the interim report.

When calculating the contingent consideration of MDKK 54.6 (MSEK 74.3), three different possible outcomes have been assessed, which have subsequently been tested for probability and discounted with an interest rate of 23%. The contingent consideration may be settled in cash or through a combination of cash and equity instruments in Awardit AB. It is the management of Awardit that decides whether any equity instrument is to be paid. Upon submission of this interim report, the assessment has been made that everything will be settled through cash payment, which is why the contingent consideration in its entirety has been reported as an ‘other’ long-term financial liability. The value of the liability will be reconsidered every reporting date.

#### Sensitivity analysis

EBITDA is the basis for calculating the contingent consideration. If our assessment of EBITDA, in the three different scenarios, were to be reduced or increased by 10%, the contingent consideration would be 16.3% lower (corresponding to MSEK 8.9) and 16.3% higher (corresponding to MSEK 8.9).

MBXP is the Nordic region's largest distributor of digital gift cards and other vouchers in physical retail and grocery stores. MBXP sells value codes via integrations to the chains' cash register systems. The products are displayed in stores via specially adapted sales solutions that are placed in highly-trafficked parts of the stores. The company achieved sales of approximately MDKK 96, with an EBITDA result of approximately MDKK 2.2 during the financial year 2019/2020. The deal also means that Awardit invests MDKK 6 in MBXP via a new issue and lends MDKK 19 for refinancing purposes.

The acquired business contributed a net revenue of MSEK 29.2 and a net result of MSEK -1.3 to the Group for the period 15 April – 30 June 2021. If the acquisition had been completed on 1 January 2021, the consolidated pro forma for net revenue and net result, as of 30 June 2021, would show MSEK 63.5 and MSEK -3.0, respectively. These amounts have been calculated using the subsidiary's results, with adjustment for differences in accounting principles between the Group and the subsidiary, and the additional depreciation that would have arisen provided that the adjustment to fair value for tangible and intangible fixed assets had been applied from 1 January 2021, together with attributable tax effects.

The details of the business acquisition are as follows:

Acquisition price: 1.3600

<b>Fair value of consideration transferred</b>	<b>TDKK</b>	<b>TSEK</b>
Amount settled in cash	-	-
Amount settled with equity instruments	5 000	6 800
Contingent consideration	54 608	74 267
<b>Total purchase price</b>	<b>59 608</b>	<b>81 067</b>
<b>Assets and liabilities reported as a result of the acquisition (fair value)</b>		
Intangible fixed assets - <i>Customer relations</i>	45 552	61 951
Intangible fixed assets - <i>Technology</i>	42 126	57 291
Other fixed assets	4 775	6 494
Inventory	9 256	12 588
Accounts receivable and similar receivables	28 231	38 394
Loan	-27 576	-37 503
Short-term portion of loan	-9 060	-12 322
Deferred tax liability	-17 432	-23 708
Provisions	-17 106	-23 264
Other liabilities	-2 984	-4 058
Accounts payable and similar liabilities	-68 349	-92 955
Liquid assets	621	848
<b>Acquired identifiable net assets</b>	<b>-11 946</b>	<b>-16 247</b>
<b>Goodwill on acquisition</b>	<b>71 554</b>	<b>97 313</b>
Acquisition cost that is report as an expense in the results	838	1 140

### **Consideration transferred**

The acquisition of MBXP was settled with equity instruments of TSEK 6 800. Acquisition costs amounting to TSEK 1 140 have not been included in the consideration transferred, but have been recognised in the consolidated income statement included in the item 'Other external costs'.

### **Goodwill**

A goodwill item of MSEK 97.3 mainly relates to expected synergies on both the cost and sales side, MBXP's customer base and the technology platform Paytjek.

### The Inspiration Company AB (TIC)

On 1 July 2021, Awardit AB (publ) acquired 100% of the equity instruments in The Inspiration Company AB (“TIC”) and thereby gained a controlling influence in the company.

The acquisition was carried out as part of efforts to further strengthen Awardit's presence in the Nordic market for loyalty and motivation programmes in the B2B segment. The purchase price amounts to MSEK 60, including approximately MSEK 10 in cash.

TIC was founded in 1999 and provides B2B loyalty and motivation programmes. TIC's net revenue and EBITDA result for the financial year 2020/21 amounted to MSEK 99.4 and MSEK 10.4, respectively.

After the acquisition was made, no fair value of consideration transferred has been made, neither has a preliminary statement of acquired net assets been established.

Takeover final accounts will be prepared as of 30 June 2021, and for further information on the acquisition, please refer to future interim reports.

### Note 4 Amounts reported directly in equity

Aggregated current and deferred tax for the period, attributable to items not recognised in the income statement or other comprehensive income, but directly in equity:

	2021-04-01	2020-04-01
The Group	2021-06-30	2020-06-30
Deferred tax: Issue costs	742	-



## Financial definitions

### Return on equity

Result after tax divided by equity.

### Equity per share

Equity attributed as of the balance sheet date, divided by the number of shares at the end of the period.

### Operating result (EBIT)

Operating result before interest and taxes.

### Operating margin (EBIT-margin)

Operating result EBIT divided by net revenue.

### EBITA

Result before interest, taxes, amortisation and depreciation (incl. goodwill write-offs).

### EBITA-margin

EBITA divided by net revenue.

### Earnings per share

Result for the period after tax divided by the number of shares.

### Working capital

Current assets minus short-term liabilities.

### Equity/assets ratio

Closing equity divided by the balance sheet total.

### Profit margin

Result after tax divided by net revenue.

## Calendar for financial information

12 November 2021 Interim report July - September  
25 February 2022 Year-end report 2021

## Other information

This report is issued by the CEO on behalf of the Board of Directors. This interim report has not been subject to review by the Company's auditor.

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