

A quarter with continued strong organic revenue growth, result has been negatively affected by short-term factors

January - March 2022

- Net revenue amounted to MSEK 167.4 (62.3), of which acquired net revenue amounted to MSEK 80.3.
- EBITA result amounted to MSEK 5.7 (6.6), and EBITA margin amounted to 3.4 (10.6) percent.
- Operating result (EBIT) amounted to MSEK -3.5 (4.7) and EBIT margin amounted to -2.1 (7.6) percent, of which acquired operating result (EBIT) amounted to MSEK -4.8.
- The result for the quarter amounted to MSEK -12.4 (3.2), earnings per share before dilution amounted to SEK -1.49 (0.47), and earnings per share after dilution to SEK -1.49 (0.47).

Key Figures

	Q1 2022	Q1 2021	Full Year 2021
Net revenue, MSEK	167.4	62.3	529.3
Comparable net revenue, MSEK	87.1	62.3	344.9
Gross profit, MSEK	46.6	18.7	173.0
Gross margin, %	27.8%	30.0%	32.7%
EBITA, MSEK	5.7	6.6	93.2
EBITA margin, %	3.4%	10.6%	17.6%
Operating profit (EBIT), MSEK	-3.5	4.7	63.5
EBIT margin, %	-2.1%	7.6%	12.0%
Result for the period, MSEK	-12.4	3.2	30.5
Quick ratio, %	144.2%	105.7%	126.4%
Equity/assets ratio, %	49.5%	58.2%	43.3%
Cash flow from operating activities, MSEK	-15.5	13.1	48.7
EBITA per share, before dilution, SEK	0.68	0.99	12.94
EBITA per share, after dilution, SEK	0.68	0.99	12.94
Earnings per share, before dilution, SEK	-1.49	0.47	4.24
Earnings per share, after dilution, SEK	-1.49	0.47	4.24
Equity per share, before dilution, SEK	60.0	23.0	70.2
Equity per share, after dilution, SEK	60.0	23.0	70.2
Number of employees, end of period	135	55	142

Significant events during the first quarter

- On 2 February, Awardit appointed Erik Grohman as the new CEO, taking office on 7 March. Founder, Niklas Lundqvist, continues in the Company, with a focus on acquisitions and business development (see more details in the press release on the Company's website).
- On 21 March, the shareholders of Awardit were summoned to an Extraordinary General Meeting on 4 April. The Board of Directors proposed that the Extraordinary General Meeting resolve to establish a subscription-based incentive programme for employees in Awardit and a private placement of subscription warrants, as well as a resolution on authorisation for the Board of Directors to make decisions on issues of shares (see more details in the press release on the Company's website).

Significant events after the end of the reporting period

- On 4 April, it was announced that the Annual General Meeting had resolved, in accordance with the Board of Directors' proposal, to introduce an incentive programme for senior executives, key individuals, and other employees, consisting of a maximum of 250,000 subscription warrants in a series 2022/2025, where each subscription warrant gives the right to subscribe for one (1) new share in Awardit, and to authorise the Board of Directors, within the framework of the current Articles of Association, on one or more occasions until the next Annual General Meeting, decide on an increase in the Company's share capital through a new issue of shares (see more details in the press release on the Company's website).

Awardit shows strength through organic revenue growth

Awardit continued to show strength through organic revenue growth of approximately 40 percent during the first quarter of 2022, despite the fact that certain areas of the business are still not back at the levels that existed before the pandemic. During the quarter, the result was negatively affected in the short term by seasonal variations in parts of the Group, and due to pricing errors in connection with platform migration, reservation of a customer bad debt loss, inventory relocation in Germany, and market factors beyond the Company's control in the German market.

Net revenue during the quarter increased by 168.7 percent and amounted to MSEK 167.4 (62.3). The acquired businesses MBXP, The Inspiration Company (TIC), and Prämie Direkt (PD) contributed MSEK 80.3. Net revenue excluding the acquired businesses amounted to MSEK 87.1, which means that we achieved an organic revenue increase of approximately 40 percent. Growth has continued to develop positively during April, with organic growth of approximately 33 percent. The influx of customers has remained good, at the same time as revenue has increased for existing customers.

The pricing errors occurred in connection with the migration of loyalty programmes from the TIC platform to the Awardit platform, and are estimated to have had a negative impact on the result of approximately MSEK 1.4 during the quarter. The errors were discovered and rectified at the beginning of May, and as such also affect the beginning of the second quarter. A provision for the customer loss amounts to MSEK 2.7, and refers to the sale of Zupergift to an authority through an intermediary at the end of 2020. Together, these factors have affected the EBITA result negatively during the first quarter by MSEK 4.1.

The seasonal variations are mainly attributable to MBXP, which made a negative result contribution of approximately MSEK 1.4 (EBITA) to the Group during the first quarter. From an historical perspective, MBXP has been unprofitable in the first months of the year. In March, however, MBXP once again showed profitability. PD was included in the Group in December 2021 and delivered a relatively large result contribution to the Group in 2021. However, as with other Group companies, they have a high revenue and profitability at the end of the year. During the first quarter of 2022, however, PD made a negative contribution to the Group's profitability of MSEK 1.4 (EBITA). The reason for this can be summarised as tough market conditions in Germany in the wake of Covid-19 and the war in Ukraine, especially among energy companies, as well as the inventory relocation that was carried out and an insufficient supply of required items from suppliers. PD has a number of energy companies among its customers, all of which have paused their customer loyalty activities and campaigns, which resulted in a loss of income of approximately MSEK 15 during the quarter. PD's management team expects these customers to return to planned levels during the third or fourth quarter. We will of course follow the continued development very closely. The inventory relocation that was carried out during March and April, as well as product shortages, are estimated to have entailed a loss of income of approximately MSEK 3 during the quarter.

The Group's EBITA result for the quarter amounted to MSEK 5.7 (6.6), which means an EBITA margin of 3.4 percent. The EBITA result was negatively affected by PD, MBXP and TIC, all of which were acquired in 2021, by a total of MSEK 2.6. The organic EBITA margin was 8.6 percent, which compared to the corresponding period in 2021 (10.6 percent), is a decrease of 2.0 percentage point. Adjusted for the burden on the EBITA result from the provision for the customer loss of MSEK 2.7, and the pricing errors occurred in connection with the migration of loyalty programmes from the TIC platform to the Awardit platform, the EBITA margin for the quarter would be 13.3 percent, which is an improvement of 2.7 percentage point.

The migration of TIC's customers to Awardit's technology platform began in January, and has come about halfway. The project is expected to be completed during the autumn. We found that the migrated loyalty programmes lost revenue (points redemption) for 2-3 months after the migration was completed, in connection with relaunching when the members' accounts had to be reactivated.

However, this should not affect the long-term business as outstanding balances rise. The organisational integration of TIC is complete.

We see continued positive development in our Giftcards business area, with new customers on our SaaS platform and increased sales through new channels. As for Zupergift, sales success has continued, and growth during the first quarter compared with the previous year was 128 percent. During the quarter, a positive effect on the result of approximately MSEK 0.5 arose from so-called breakages (expired values). We anticipate that the EBITA margin will be gradually strengthened over time through breakage from larger volumes of Zupergift placed on the market.

At the beginning of April, an Extraordinary General Meeting resolved on a subscription warrant-based incentive programme for all employees in Awardit, comprising a maximum of 250,000 shares. The purpose of the programme is, among other things, to encourage shareholding among senior executives and key individuals, as well as other employees in the Group, to create an increased alignment of interests between employees and the Company's shareholders, to promote the Company's long-term value creation, and increase motivation in order to achieve or exceed the Company's financial goals, as well as to retain competent employees and facilitate recruitment. The coverage ratio was approximately 50 percent, with the largest impact among employees in Sweden, which we consider to be a good result.

I took over as CEO on 7 March, and have since focused on acquainting myself with the business, getting to know the staff, and meeting other stakeholders. A new management team has been formed, which also includes the CEOs of MBXP and PD. The management team has begun work to develop the Company's leadership, strategy and implementation capacity. At the same time, former CEO and founder, Niklas Lundqvist, has taken on a role with full focus on acquisitions and business development, which are important areas for Awardit's future development. After my first weeks, I am impressed by Awardit and the people in the Company, which makes me feel very confident about the future.

With the current growth rate, we continue to aim for our ambitious goal of Awardit reaching one billion in sales by 2022. We see good opportunities to combine our strong organic growth with continued acquisitions in the Nordic region and Europe, and aim to become the most successful company in Europe within loyalty, motivation and gift card programmes.

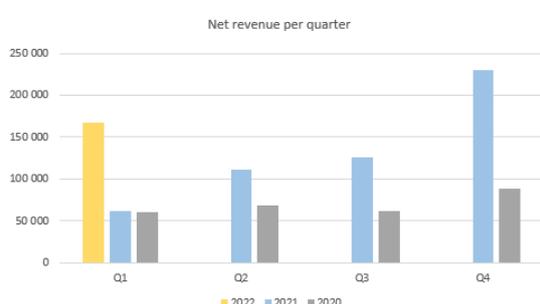
Erik Grohman
President and CEO
Awardit AB (publ)

Financial overview

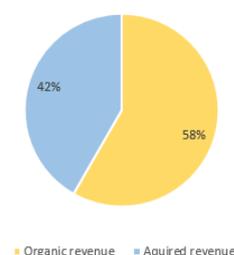
Net revenue

January - March

Net revenue increased by 168.7 percent, and amounted to MSEK 167.4 (62.3). The acquired businesses MBXP ApS, The Inspiration Company TIC AB, and Prämie Direkt GmbH contributed MSEK 80.3. Net revenue excluding the acquired businesses amounted to MSEK 87.1, an organic increase of 39.8 percent. Growth continues to develop positively, as restrictions have been lifted and life has started to return to normal. The influx of customers has remained good, at the same time as revenue have increased for existing customers. The German market has had a somewhat poorer development, primarily as a result of customers in the energy sector pausing their customer loyalty activities and campaigns, which has affected revenue negatively by approximately MSEK 15. Prämie Direkt has also relocated its inventory, and experienced a product shortage at certain subcontractors during the first quarter, which has had a negative effect on revenue of approximately MSEK 3.



Distribution of net revenue between organic and acquired, rolling 12 months



Gross profit and operating profit

January to march

The gross margin for comparable units amounted to 31.2 (30.0) percent, while the gross margin for acquired businesses amounted to 24.1 percent. The Group's total gross margin for the quarter amounted to 27.8 percent.

The EBITA result amounted to MSEK 5.7 (6.6), which means an EBITA margin of 3.4 percent. The EBITA result has been negatively affected by a provision for customer losses of MSEK 2.7, and pricing errors occurred in connection with the migration of loyalty programmes from the TIC platform to the Awardit platform of approximately MSEK 1.4.

The operating result (EBIT) amounted to MSEK -3.5 (4.7), which corresponds to an EBIT margin of -2.1 (7.6) percent. The acquired businesses made a negative contribution to the quarter's operating result (EBIT) of MSEK 4.8. Depreciation has increased by MSEK 7.4 compared with the corresponding period last year, where MSEK 5.5 is attributable to depreciation of excess values linked to the business acquisitions made in 2021, and MSEK 2.3 is additional depreciation in the acquired businesses.

Personnel costs were MSEK 22.6 which corresponds to 13.5 percent of revenue, compared with MSEK 2.6 and 16.4 percent for the corresponding period last year. Personnel costs have increased by MSEK 12.4, of which MSEK 1.2 relates to comparable operations, and the remaining MSEK 11.2 to additional operations.

The quarter's revenue from Zupergift from so-called breakage (expired values) was MSEK 0.5, and the amount is included in the item 'Other operating income'.

Net financial items and profit for the period

January - March

Net financial items amounted to MSEK -8.5 (-0.4). Financial expenses amounted to MSEK -8.6 (-0.5), of which MSEK -4.6 is the resolution of discounted debt linked to the contingent consideration for MBXP, and the seller's reverse linked to the acquisition of Awardit CLS (Crossroads). Adjusted for this item, interest expenses are MSEK -1.8, which is explained by increased acquisition loans linked to the acquisitions of MBXP, TIC and Prämie Direkt, as well as interest expenses for MBXP's external loans. Net financial items also consist of exchange rate losses of MSEK -2.1. The result after financial items amounted to MSEK -12.1 (4.3). The result after tax amounted to MSEK -12.4 (3.2). Deferred tax affects the result after tax by MSEK 1.4 (0.2).

The difference between the result for the period and the comprehensive income for the period amounted to MSEK 6.7 (0.1) and is attributable to translation differences.

Cash flow

January - March

Cash flow from operating activities after changes in working capital amounted to MSEK -15.5 (13.1). The change in inventory is at approximately the same level as the corresponding period last year, while accounts receivable have decreased by MSEK 95.8 since the turn of the year, and accounts payable have also decreased by MSEK 80.3. The decrease compared with the turn of the year is related to the fact that the fourth quarter is the strongest quarter in terms of sales. The large change in current receivables and short-term liabilities is also related to increased sales during the fourth quarter. The gift card liabilities and prepaid income generated during the fourth quarter are resolved to a much greater extent than new liabilities and prepaid income are generated, which means that both receivables and liabilities decrease significantly.

Cash flow from investment activities amounted to MSEK -0.7 (-0.1), of which MSEK -0.7 relates to investments in intangible fixed assets. Cash flow from financing activities amounted to MSEK -15.7 (-7.6), the majority of which relates to amortisation of acquisition loans (Note 6).

Balance sheet items 31 March 2022

Liquid assets at the end of the period amounted to MSEK 209.3 (33.8). As the cash has been used for operating activities and no major investments have taken place during the quarter, cash remains strong following the new share issue carried out during the fourth quarter of 2021.

Interest-bearing liabilities amounted to MSEK 249.9 (40.8). These mainly consist of bank loans and a contingent consideration related to the acquisition of MBXP. Amortizations for the quarter amounted to MSEK 15.1.

The Group's inventory value as of 31 March 2022 was MSEK 49.0 (13.2), which is MSEK 35.8 higher than at the corresponding time last year. The acquired businesses have affected the inventory value by a total of MSEK 24.2; the rest of the increase is due to the increased revenue and more customer shops.

Equity

The Group's equity as of 31 March 2022 amounted to MSEK 499.9 (154.8), which corresponds to SEK 60.0 (23.0) per share.

Employees

The average number of employees in the Group during the quarter was 121 (53). On 31 March 2022, the number of employees was 135 (55 as of 31 March 2021).

Parent company

The Parent Company provides complete solutions for loyalty programmes on a SaaS basis, including trading opportunities and partner networks, based on a self-developed technical platform. Awardit's operations have had uninterrupted growth for many years, even during the pandemic. Growth has accelerated further since the pandemic, as the influx of customers has been good, the range of services has developed, and existing customers have grown.

The Parent Company's net revenue amounted to MSEK 22.1 (13.2), an increase of 67.3 percent compared with the corresponding quarter last year. The result before tax amounted to MSEK 2.1 (3.8). The Parent Company's liquid assets amounted to MSEK 124.8 (1.0). Equity amounted to MSEK 488.9 (133.5). No significant investments have taken place in intangible or tangible fixed assets. Investments in Group companies have been made in the amount of MSEK 0 (0).

The Parent Company's interest-bearing net liabilities was MSEK 119.7 at the end of the quarter, compared with MSEK 121.5 as of 31 December 2021. The Parent Company has no significant transactions with related parties, other than transactions with subsidiaries.

Ownership

Aktieägare	Aktieinnehav	Andel
Visionalis AB	2,090,000	25.1%
Niklas Lundqvist	1,111,550	13.3%
Consensus Asset Management AB	428,900	5.1%
Johan Hagman	339,612	4.1%
Samir Taha (gm Sultanen Invest AB)	325,000	3.9%
Livförsäkringsaktiebolaget Skandia ¹	248,600	3.0%
Filip Engelbert	242,653	2.9%
Jonas Nordlander	242,652	2.9%
S Thorberg Inspiration Investment Ltd	196,331	2.4%
Claudio Simatovic (gm Paradidel AB)	132,211	1.6%
Summa tio största aktieägarna	5,357,509	64.3%
Övriga aktieägare	2,978,009	35.7%
Totalt	8,335,518	100.0%

Above reflects the ownership structure as of 31 March 2022

Seasonal variations

Awardit's sales are partly affected by seasonal variations: Sales increase in the fourth quarter in connection with Christmas shopping. The fourth quarter has historically had the highest income in all parts of the Group.

Consolidated Income Statement

Amount, TSEK	Note	2022-01-01	2021-01-01	2021-01-01
		2022-03-31	2021-03-31	2021-12-31
Net revenue	2	167,403	62,297	529,319
Capitalised 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				
Commodities		-120,848	-43,597	-356,273
Other external expense		-20,602	-2,586	-38,474
Personnel costs		-22,593	-10,242	-62,925
Depreciation and amortisation of tangible and intangible assets		-9,305	-1,917	-30,083
Other operating expense		-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 expenses		-8,602	-459	-23,700
Result from interests in Group and associated companies		-221	37	-236
Result from financial items		-8,547	-420	-23,336
Result before tax		-12,093	4,302	40,172
Tax		-311	-1,141	-9,667
Result for the period		-12,404	3,161	30,506
Attributable to:				
The Parent Company's shareholders		-12,404	3,161	30,506
Stock data				
Earnings per share before dilution, SEK ¹		-1.49	0.47	4.24
Earnings per share after dilution, SEK ¹		-1.49	0.47	4.24
Outstanding shares at the end of the period		8,335,518	6,720,559	8,335,518
Average number of shares during the period		8,335,518	6,720,559	7,199,059

¹ Based on the average number of shares during the period

Consolidated Report of Comprehensive Income

Amounts, TSEK	2022-01-01	2021-01-01	2021-01-01
	2022-03-31	2021-03-31	2021-12-31
Result for the period	-12,404	3,161	30,506
Other total result:			
Translation differences	6,733	132	1,401
Comprehensive Income for the period	-5,671	3,293	31,907
Attributable to:			
The Parent Company's shareholders	-5,671	3,293	31,907

Consolidated Report of Net Financial Items

Belopp, tkr	2022-01-01	2021-03-31	2021-01-01
	2022-03-31	2021-03-31	2021-12-31
Exchange rate gains	276	-	592
Interest income	-	2	9
Total financial income	276	2	601
Interest expenses	-1,811	-253	-4,868
Interest expenses, right-of-use assets	-63	-9	-125
Discount, seller reversal	-206	-196	-800
Discount, contingent consideration	-4,404	-	-11,551
Exchange rate loss	-2,118	-	-6,139
Other financial expenses	-	-	-217
Total financial expenses	-8,602	-459	-23,700
Result from interests in Group and associated companies	-221	37	-236
Total net financial items	-8,547	-420	-23,336

Consolidated Balance Sheet

Amounts, TSEK	Note	2022-03-31	2021-03-31	2021-12-31
ASSETS				
Fixed assets				
Goodwill		363,679	137,678	360,604
Customer relations		126,076	30,410	129,905
Platform		69,001	7,970	71,470
Brand		42,602	-	42,210
Other intangible assets		-	15	-
Right-of-use assets		421	89	510
Interests in associated companies		7,204	1,243	7,764
Equipment, tools and fittings		6,044	-	6,081
Deferred tax assets		488	-	47
Total fixed assets		615,515	177,405	618,591
Current assets				
Inventory		49,048	13,231	52,664
Advances to suppliers		439	64	223
Accounts receivable		85,581	33,725	181,414
Current tax receivable		7,781	13	10,742
Other receivables		34,781	75	56,002
Prepaid expenses and accrued income		6,981	7,586	8,619
Liquid assets		209,283	33 769	240,221
Total current assets		393,894	88,462	549,885
TOTAL ASSETS		1,009,409	265,867	1,168,476

Consolidated Balance Sheet (cont.)

Amounts. TSEK	Note	2022-03-31	2021-03-31	2021-12-31
EQUITY				
Equity that can be attributed to the Parent Company's owners				
Share capital		834	672	834
Other contributed capital		434,448	112,426	434,448
Translation differences		7,733	-270	1,000
Earned result, including results for the year		56,909	41,968	69,313
Total Equity		499,924	154,796	505 595
LIABILITIES				
Long-term liabilities				
Borrowing from credit institutions	6	98,856	15,634	104,175
Liabilities relating to right-of-use assets		4,980	33	5,565
Other long-term liabilities	7	92,271	16,199	87,381
Deferred tax liabilities		55,808	6,249	56,749
Other provisions		18,398	1,758	15,731
Total long-term liabilities		270,313	39,874	269,601
Short-term liabilities				
Borrowing from credit institutions		33,883	9,006	43,049
Liabilities relating to right-of-use assets		2,937	853	2,944
Advances from customers		18,492	10,629	27,406
Accounts payable		111,892	21,128	192,237
Current tax liabilities		11,497	1,270	11,528
Other liabilities		27,094	12,443	34,284
Accrued expenses and prepaid income		33,377	15,870	81,832
Total short-term liabilities		239,172	71,197	393,280
TOTAL LIABILITIES AND EQUITY		1,009,409	265,867	1,168,476

Consolidated Cash Flow Statement

Amounts, TSEK	Note	2022-01-01 2022-03-31	2021-01-01 2021-03-31	2021-01-01 2021-12-31
Cash flow from operating activities				
Operating result		-3,546	4,722	63,508
Adjustment for items not included in the cash flow				
- Reversal of depreciations		9,305	1,917	30,083
- Other items not affecting cash		1,492	132	2,246
Interest received		-	2	9
Interest paid		-1,811	-262	-5,084
Paid tax		-530	-1,927	-16,750
Cash flow from operating activities before changes in working capital		4,910	4,583	74,012
<u>Changes in working capital</u>				
Increase/decrease in inventory and work in progress		3,459	3,974	-11,104
Increase/decrease in other current receivables		119,567	37,770	9,566
Increase/decrease in other short-term liabilities		-143,380	-33,204	-23,784
Total change in working capital		-20,354	8,540	-25,322
Total cash from operating activities		-15,444	13,123	48,690
Cash flow from investing activities				
Investment in intangible fixed assets		-722	-125	-6,087
Investments in business acquisition		-	-	-165,042
Sales of financial fixed assets		-	-	170
Divestment of subsidiaries		-	37	-
Total cash flow from investing activities		-722	-88	-170,959
Cash flow from financing activities				
Issue of shares		-	-	281,806
Share issue costs		-	-	-11,767
Amortisation of liabilities		-15,737	-3,810	-37,462
Loans	6	-	-	112,500
Dividend		-	-3,764	-11,291
Cash flow from financing activities		-15,737	-7,574	333,786
Cash flow for the period		-31,903	5,461	211,517
Liquid assets at the beginning of the period		240,221	28,308	28,308
Exchange rate difference in liquid assets		965	-	396
Liquid assets at the end of the period		209,283	33,769	240,221

Consolidated Statement of Changes in Equity, summary

	2022-01-01	2021-01-01	2021-01-01
Amounts, TSEK	2022-03-31	2021-03-31	2021-12-31
Equity at the beginning of the period	505,595	151,504	151,504
Non-cash issue	-	-	52,145
New share issue	-	-	281,806
Share issue costs	-	-	-11,767
Comprehensive income for the period	-5,671	3,293	31,907
Equity at the end of the period	499,924	154,796	505,595
Equity attributable to			
The Parent Company's shareholders	499,924	154,796	505,595
Number of outstanding shares at the beginning of the period	8,335,518	6,720,559	6,720,559
New share issue	-	-	330,420
Non-cash issue	-	-	1,284,539
Number of outstanding shares at the end of the period	8,335,518	6,720,559	8,335,518

Parent Company Income Statement

Amounts, TSEK	2022-01-01	2021-01-01	2021-01-01
	2022-03-31	2021-03-31	2021-12-31
<i>Operating income</i>			
Net revenue	22,111	13,213	75,686
Other operating income	68	44	267
Total operating income	22,179	13,257	75,953
<i>Operating expenses</i>			
Commodities	-13,541	-6,831	-39,648
Other external expenses	-4,733	-2,098	-10,989
Personnel costs	-123	-14	-553
Depreciation and amortisation of tangible and intangible assets	-260	-257	-1,030
Other operating expense	-106	-	-21
Total operating expenses	-18,764	-9,200	-52,243
Operating result	3,415	4,057	23,710
Result from interests in Group companies	-	-	15,000
Other interests income and similar items	763	-	1,386
Interests expenses and similar result items	-2,050	-222	-3,442
Result from financial items	-1,287	-222	12,945
Result before tax	2,128	3,835	36,655
Tax	-481	-790	-2,076
Result for the period	1,647	3,045	34,579

Parent Company Balance Sheet

Amounts, TSEK	Note	2022-03-31	2021-03-31	2021-12-31
ASSETS				
Fixed assets				
Intangible assets				
Capitalised development expenditure		5,538	5,954	5,584
Total intangible assets		5,538	5,954	5,584
Financial fixed assets				
Interests in Group companies	10	561,851	189,720	561,800
Receivables from Group companies		26,414	-	26,193
Total financial fixed assets		588,265	189,720	587,993
Total fixed assets		593,803	195,674	593,577
Current assets				
Current receivables				
Accounts receivables		18,768	7,473	21,998
Receivables from Group companies		14,270	340	14,144
Tax receivables		2,612	-	1,796
Other receivables		22	23	1,339
Prepaid expenses and accrued income		3,875	3,185	3,561
Total current receivables		39,547	11,020	42,838
Cash and cash equivalents		124,825	1,024	132,982
Total current assets		164,372	12,044	175,820
TOTAL ASSETS		758,175	207,718	769,397

Parent Company Balance Sheet (cont.)

Amounts, TSEK	2022-03-31	2021-03-31	2021-12-31
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	834	672	834
Fund for development expenditure	1,454	1,370	1,375
Summa bundet eget kapital	2,288	2,042	2,209
Unrestricted equity			
Premium fund	427,094	105,071	427,094
Retained earnings	57,840	23,345	23,341
Result for the year	1,647	3,045	34,579
Total unrestricted equity	486,581	131,462	485,014
Total equity	488,869	133,504	487,223
Long-term liabilities			
Liabilities to credit institutions	6 76,250	15,634	78,002
Other long-term liabilities	7 116,875	17,500	115,897
Total long-term liabilities	193,125	33,134	193,899
Short-term liabilities			
Liabilities to credit institutions	33,882	9,006	43,049
Advances from customers	388	137	304
Accounts payable	3,713	3,397	8,915
Liabilities to Group companies	14,871	17,900	10,000
Current tax liabilities	-	227	-
Other liabilities	18,400	7,519	19,276
Accrued expenses and prepaid income	4,927	2,894	6,731
Total short-term liabilities	76,181	41,080	88,275
TOTAL LIABILITIES AND EQUITY	758,175	207,718	769,397

Notes

Note 1 Accounting principles

Awardit AB applies the International Financial Reporting Standards (IFRS) as adopted by the EU. This interim report has been prepared for the Group 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 2021, published on the website, note 2.21.

The accounting principles are unchanged since the Annual Report 2021, 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 2021, 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.

All amounts in the interim report are, unless otherwise stated, rounded to the nearest million, which means that rounding differences may occur. In texts and tables, numbers between 0 and 0.5 are reported with 0.

Note 2 Net revenue per geographic market

Amount, TSEK	2022-01-01	2021-01-01	2021-01-01
	2022-03-31	2021-03-31	2021-12-31
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 EU countries	851	56	1,621
Other countries	102	373	840
Total	167,403	62,297	529,319

Note 3 Net revenue divided into goods and services

Amounts, TSEK	2022-01-01	2021-01-01	2021-01-01
	2022-03-31	2021-03-31	2021-12-31
Sale of goods	119,224	49,147	386,288
Sale of services	48,179	13,150	143,031
Total	167,403	62,297	529,319

Note 4 Operating segments

The Group consists of the Parent company, Awardit AB, and 18 operating wholly owned subsidiaries. The companies are divided into two segments, B2B (Business-to-Business) and B2C (Business-to-Consumer). B2C consists of Awardit CLS AB and Sponsorhuset AB, the remaining subsidiaries are included in B2B.

Amounts, TSEK	Q 1, 2022		Q 1, 2021		2022	2021	2022	2021
	B2B	B2C	B2B	B2C	Elimination	Elimination	Total	Total
Net revenue	114,617	52,786	26,868	35,429			167,403	62,297
Transactions between segments	22,276	1,396	21,386	1,218	-23,671	-22,603	-	-
Total revenue	136,893	54,182	48,254	36,647	-23,671	-22,603	167,403	62,297
EBITA	6,237	-571	7,255	-627	-	-	5,666	6,628
EBITA-margin, %	5.4%	-1.1%	27.0%	-1.8%	-	-	3.4%	10.6%
Operating resultat	-1,885	-1,661	6,796	-2,074	-	-	-3,546	4,722
Operating margin, %	-1.6%	-3.1%	25.3%	-5.9%	-	-	-2.1%	7.6%

Note 5 Other operating income

Group	2022-01-01	2021-01-01	2021-01-01
Amounts, TSEK	2022-03-31	2021-03-31	2021-12-31
Translation difference	453	407	375
Recovered customer losses	-	10	10
Rental income	134	170	680
Government grant	306	197	9,821
Invoiced administration, service and handling fees	875	-	1,369
Marketing contribution	201	-	1,044
Breakage (expired values)	495	-	4,448
Other	14	3	1,641
Total other operating income	2,479	787	19,387

Note 6 Long-term borrowings from credit institutions

Group Amounts, TSEK	Due date	2022-03-31	2021-03-31	2021-12-31
Swedbank	2022-12-31	-	8,438	1,688
Swedbank	2022-12-31	-	322	64
Swedbank	2022-06-30	-	1,875	-
Swedbank	2023-08-30	2,500	5,000	2,500
Swedbank	2024-04-30	11,250	-	11,250
Swedbank	2024-06-30	10,000	-	10,000
Swedbank	2025-10-30	52,500	-	52,500
Danske Bank - MBXP	2023	6,796	-	8,168
Danske Bank - MBXP	2023	2,242	-	2,710
Vækstfonden - MBXP	2024	3,961	-	4,566
Vækstfonden - MBXP	2024	9,607	-	10,729
Total		98,856	15,634	104,175

During 2021, Awardit took out new loans from Swedbank to finance the acquisitions of MBXP, TIC and Prämie Direkt. The part of the loan that matures within 12 months is handled as a current liability.

Covenants regarding the loans with Swedbank: the Group's net liability/EBITDA measured as a rolling twelve-month value may not exceed 2.75 as of the record date that falls during the period 2021-01-01 to 2021-12-31, and 2.15 as of the record date that falls during the period 2022-01-01 to 2025-12-31. The equity/assets ratio measured as a rolling twelve-month value as of the record date may not be less than 25 percent.

Note 7 Other long-term liabilities

Group Amounts, TSEK	2022-03-31	2021-03-31	2021-12-31
Seller reversal Awardit CLS	-	16 199	-
Conditional consideration MBXP	92,271	-	87,381
Total	92,271	16,199	87,381

Parent Company Amounts, TSEK	2022-03-31	2021-03-31	2021-12-31
Seller reversal Awardit CLS	-	17,500	-
Conditional consideration MBXP	116,875	-	115,897
Total	116,875	17,500	115 897

The seller reversal regarding Awardit CLS falls due for payment in 2022. The conditional consideration for MBXP falls due for payment in 2023. The amounts are discounted and valued at fair value through profit or loss.

Note 8 Significant risks and uncertainties

The Group's risks and uncertainties are described on pages 19 - 20 and pages 42 - 45 in the Annual report for 2021. No significant changes have taken place that affect the reported risks.

Note 9 Transactions with related parties

In addition to salaries and other remuneration to Company management, as well as board fees, according to the AGM resolution, no transactions have taken place with related parties.

Note 10 Shares in subsidiaries

Parent company	2022-03-31	2021-03-31	2021-12-31
Opening aquisition value	561,800	189,720	189,720
Investment	51,058	-	372,080
Closing aquisition value	561,851	189,720	561,800

Investment in Group companies of TSEK 51 refers to additional acquisition costs in Prämie Direkt. In the Group, this cost is booked against other external expenses.

The Parent Company holds shares in the following subsidiaries:

Name	Corporate identity no.	Residence	Capital Share	No of shares	Booked amount	
					2022-03-31	2021-03-31
Rewardit AB	556942-7296	Stockholm, Sverige	100%	7 031	3,110	2,860
Sponsorhuset AB	556831-3109	Göteborg, Sverige	100%	111 296	12,185	12,185
- Zappa Events AB	556666-3711	Göteborg, Sverige	99,1%	1 140 000	-	-
Awardit Motivation Service AB	556193-9298	Stockholm, Sverige	100%	4 000	12,140	12,140
Awardit CLS AB	556578-1571	Göteborg, Sverige	100%	333 757	107,426	107,426
- Crossroads Loyalty Solutions AS	984825846	Notodden, Norge	100%	1 000	-	-
- Crossroads Loyalty Solutions ApS	28988710	Fredriksberg, Danmark	100%	1 000	-	-
- Crossroads Loyalty Solutions Oy	2902604-4	Helsingfors, Finland	100%	250	-	-
Retain 24 Sverige AB	556635-5516	Stockholm, Sverige	100%	100 000	41,652	41,652
Market2member AB	556743-0169	Stockholm, Sverige	100%	130 534	13,456	13,456
MBXP ApS	34480389	Köpenhamn, Danmark	100%	107 000	130,464	-
- Convenient Card AB	556708-0311	Stockholm, Sverige	100%	2 000	-	-
- MBXP Finland ApS (filial)	34480389	Köpenhamn, Danmark	100%	0	-	-
- MBXP Norge AS	912557421	Oslo, Norge	100%	1	-	-
- MBXP Sweden AB	556987-9728	Malmö, Sverige	100%	500	-	-
- MBXP Sweden 1 AB	559154-7830	Stockholm, Sverige	100%	50 000	-	-
- Paygoo AB	556885-7576	Stockholm, Sverige	100%	197 768	-	-
- Paygoo AS	916390424	Oslo, Norge	100%	1 000	-	-
The Inspiration Company TIC AB	556580-0561	Stockholm, Sverige	100%	1 000	60,282	-
Prämie Direkt GmbH	HRB 4715 PI	Elmshorn, Tyskland	100%	1	181,136	-
Closing balance					561,851	189,720

Note 11 Significant events after the end of the reporting period

- On 4 April, it was announced that the Annual General Meeting had resolved, in accordance with the Board of Directors' proposal, to introduce an incentive programme for senior executives, key individuals, and other employees, consisting of a maximum of 250,000 subscription warrants in a series 2022/2025, where each subscription warrant gives the right to subscribe for one (1) new share in Awardit, and to authorise the Board of Directors, within the framework of the current Articles of Association, on one or more occasions until the next Annual General Meeting, decide on an increase in the Company's share capital through a new issue of shares.

Key figures - quarterly

	2022	2021				2020		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Net revenue, MSEK ¹	167.4	229.5	126.2	111.3	62.3	88.4	61.6	68.8
Gross profit, MSEK	46.6	79.3	39.2	35.8	18.7	27.2	17.2	17.6
Gross margin, %	27.8%	34.5%	31.1%	32.2%	30.0%	30.8%	28.0%	25.5%
EBITA, MSEK	5.7	57.2	15.1	14.2	6.6	14.5	7.7	6.4
EBITA-margin, %	3.4%	24.9%	12.0%	12.8%	10.7%	16.4%	12.5%	9.3%
Result for the period, MSEK	-12.4	23.6	1.7	2.1	3.2	9.2	4.3	3.1
Cash flow from operating activities, SEK	-15.4	56.0	26.4	-46.8	13.1	3.2	17.3	20.5
Quick ratio, %	144%	126%	121%	120%	106%	97%	133%	125%
Equity, MSEK	499.9	505.6	282.2	249.9	154.8	151.5	154.1	149.8
Equity/assets ratio, %	49.5%	43.3%	41.0%	37.1%	58.2%	49.7%	56.0%	55.2%
Number of employees at the end of the period	135	142	99	79	55	50	50	50
Stock data								
EBITA per share, before and after dilution, SEK	0.68	7.35	2.03	2.08	0.99	0.99	1.15	0.94
Earnings per share, before and after dilution, SEK	-1.49	3.02	0.23	0.31	0.47	1.37	0.65	0.46
Cash flow from operating activities per share, SEK	-1.9	7.2	3.5	-6.8	2.0	0.5	2.6	3.1
Equity per share, SEK	60.0	70.2	37.9	36.5	23.0	23.0	23.1	22.4
Average number of shares during the period, thousands	8,336	7,788	7,447	6,842	6,721	6,682	6,679	6,679
Number of shares end of period, thousands	8,336	8,336	7,578	7,378	6,721	6,721	6,679	6,679

¹ Net revenue numbers are adjusted to include only net sales, previously the entire "total operating income" was included

Finansiella definitioner

Key figures	Definition/calculation	Purpose
Result on equity	Result after tax divided by equity	Shows how much profit the shareholders' investments generate. The higher the result, the greater the profitability.
Equity per share	Equity attributed as of the balance sheet date, divided by the number of shares at the end of the period	Shows the owners' proportion of the Company's total equity per share.
Operating result (EBIT)	Operating result before interest and taxes	Shows the profitability of the operational activities.
Operating margin (EBIT margin)	Operating result (EBIT) divided by net revenue	Shows the profitability of the operating activities as a percentage of net revenue.
EBITA	Operating result before interest income and interest expenses, taxes, amortisation and impairment of intangible assets	Shows the business's underlying development.
EBITA margin	EBITA divided by net revenue	Shows the business's underlying development as a percentage of net revenue.
EBITA per share	EBITA divided by the number of shares, based on the average number of shares during the period	Since Awardit is an acquiring company that conducts new issues, and EBITA is the performance measure that best reflects operational development, EBITA development at share level is relevant to follow.
Earnings per share	Result for the period after tax divided by the number of shares, based on the average number of shares during the period. Reported both before and after the effect from dilution.	Earnings per share are used to determine the value of the Company's outstanding shares.
Working capital	Current assets minus current liabilities	Shows the capital needed to finance the operating activities.
Equity/assets ratio (%)	Closing equity divided by the balance sheet total	Shows the proportion of assets that are financed with equity. The assets that are not financed with equity are financed with loans.
Profit margin	Result after tax divided by net revenue	Shows how much of each revenue krona constitutes profit.
Quick ratio (%)	Current assets (excl. Inventory) as a percentage of current liabilities	Shows short-term solvency.
Leverage ratio	Net liabilities divided by total capital (net debt + total equity)	Shows the Company's debt level.
Number of employees	The number of employees in the Group at the end of the period	Shows how many employees, in total, were in the Group as of the balance sheet date, regardless of the form of employment.
Average number of employees	Average number of employees during the period, taking into account actual time worked	Shows how many employees, on average, worked within the Group during the period.

Upcoming reports and Annual General Meeting 2022

20 May 2022	Annual General Meeting
19 August 2022	Interim Report April - June 2022
11 November 2022	Interim Report July - September 2022
24 February 2023	Year-end report 2022

About Awardit

Awardit AB (publ.) helps companies increase their revenue and profitability by implementing and running loyalty programmes, motivation programmes and gift card programmes aimed at consumer and corporate customers. Awardit assists customers with software platforms on a SaaS basis, content in the form of trading opportunities, and partner networks, as well as networks for third-party distribution of gift cards. The solutions are generally provided on a white label basis, but Awardit also operates a number of private labels. Awardit is the Nordic region's largest company and platform in the industry.

Awardit has been listed on the Nasdaq First North Growth Market since 2017, which is a so-called Multilateral Trading Facility (MTF).

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.

Contact details

President and CEO:	Erik Grohman
Phone:	+46 76 180 55 12
E-mail:	erik.grohman@awardit.com

Awardit AB (publ), corporate Identity No: 556575-8843
Snickarbacken 2
111 39 Stockholm
www.awardit.com

Stockholm 13 May 2022
Awardit AB (publ)

Erik Grohman
VD och koncernchef