

**Strong quarter, with high organic growth and acquisition of Connex****January - March 2023**

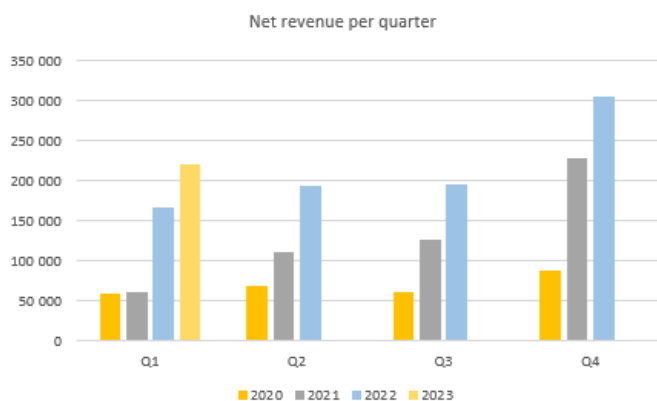
- Net revenue increased with 32.6 percent to MSEK 221.9 (167.4), of which 15.2 percent was organic.
- Adjusted EBITA result amounted to MSEK 11.5 (5.7) and adjusted EBITA margin amounted to 5.2 (3.4) percent.
- EBITA result amounted to MSEK 7.1 (5.7) (including acquisition costs of MSEK 4.4), and EBITA margin amounted to 3.2 (3.4) percent.
- EBITA per share, before and after dilution, amounted to SEK 0.83 (0.68).
- Operating result EBIT amounted to MSEK -3.3 (-3.5), and EBIT margin amounted to -1.5 (-2.1) percent.
- The result for the quarter amounted to MSEK -12.6 (-12.4), and earnings per share after tax, before and after dilution, amounted to SEK -1.47 (-1.49).

**+15.2%**Growth comparable net revenue  
Q1 2023 compared to Q1 2022**+32.6%**Growth net revenue  
Q1 2023 compared to Q1 2022**5.2%**

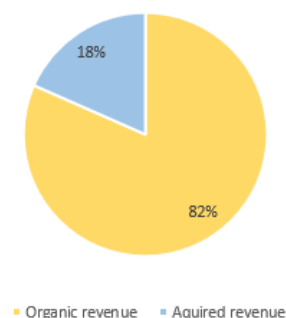
Adjusted EBITA margin Q1 2023

**Summary of significant events after the end of the reporting period**

- No significant events to report



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

**Key figures**

	Quarter 1 2023	Quarter 1 2022	Full Year 2022	R12
Net revenue, MSEK	221.9	167.4	862.3	916.8
Gross margin, %	32.0%	27.8%	29.6%	30.5%
Adjusted EBITA, MSEK <sup>1</sup>	11.5	5.7	115.3	117.0
Adjusted EBITA-margin, %	5.2%	3.4%	13.4%	12.8%
EBITA, MSEK	7.1	5.7	111.2	112.6
EBITA margin, %	3.2%	3.4%	12.9%	12.3%
Operating profit (EBIT), MSEK	-3.3	-3.5	70.9	71.1
EBIT margin, %	-1.5%	-2.1%	8.2%	7.8%
Quick ratio, %	104.3%	144.2%	107.6%	104.3%
Equity/assets ratio, %	42.9%	49.5%	44.7%	42.9%
Cash flow from operating activities, MSEK	-18.5	-15.5	82.4	79.4
EBITA per share, before and after dilution, SEK	0.83	0.68	13.34	13.43
Number of employees, end of period	250	135	143	250

<sup>1</sup> Adjusted EBITA is excluding acquisition costs

## Awardit shows strong organic revenue growth and is well positioned in DACH

During the first quarter of 2023, Awardit has continued to show strength in the form of organic revenue growth of approximately 15 percent. The group's EBITA result for the quarter amounted to MSEK 11.5 (5.7), adjusted for acquisition costs of MSEK 4.4. The first quarter of the year, as with last year, we see that the result is negatively affected by the seasonal variations that we have in our business, where the first quarter is the weakest, and the fourth quarter is the strongest.

Net revenue during the quarter increased by 32.6 percent and amounted to MSEK 221.9 (167.4). Net revenue excluding Connex amounted to MSEK 192.9. Growth has continued to develop positively during April, with organic growth in line with the first quarter.

The organic growth has been driven primarily by a continued strong development of the Loyalty business area within the Nordic Region, as well as increased sales for Giftcards. We are also seeing that we have a continued strong pipeline of potential additional customers in all business areas, and have a positive outlook on being able to continue driving profitable growth on our platforms. The migration of TIC customers to the Awardit's technology platform was completed during the first quarter of the year, which entails operational advantages through synergies in the utilisation of the platform and resources. We are seeing continued positive development within our Giftcards business area, with new customers on our SaaS platform, where we achieve substantial economies of scale through additional business deals.

The EBITA result in the first quarter is typically negatively affected by seasonal variations, primarily with MBXP. This year is no exception, but rather we have seen extraordinarily high redemption rates of experience products during the quarter that has burdened the result compared to the previous year. We see that the redemption rates have normalised during the end of the quarter, and during April was back towards budgeted levels.

For Supergift, the sales success has continued, and growth during the first quarter compared to the previous year was 100 percent in issued value. Activation in new channels and through new types of campaigns has been successful, and driven growth for Supergift in the first quarter. As a consequence of this, the total gross margin has been diluted somewhat compared to the previous year's first quarter. A positive result effect of MSEK 0.9 (0.5)

materialised during the quarter from so-called Breakage (due values) from Supergift.

Connex was incorporated into Awardit on 1 February. Connex is a strategic acquisition that complements our existing operations perfectly. The purchase price amounted to MSEK 120,9 (MEUR 10.7) and through the acquisition, Awardit establishes itself as a leading provider of full-scale loyalty and giftcard solutions in the DACH region. Connex is a very well-managed company, with a revenue and EBIT result for 2022 of MSEK 189.2 (MEUR 17.8) and MSEK 18.2 (MEUR 1.7) respectively, which is higher than estimated at the time of the closing (MEUR 15.6 and MEUR 1.4, respectively). A sign of strength from Connex, which also contributed to the EBITA result for the first quarter of the year with MSEK 3.7. Connex also provides the Group with cash and cash equivalents of MSEK 107.8, and financial assets of MSEK 29.8 per acquisition date. Pro forma, Awardit's revenue in 2022 including Connex was MSEK 1 051, with an EBITA result for 2022 of MSEK 130.

We are well positioned in DACH following the acquisition of Connex, where the market is still fragmented and there are very good opportunities for further complementary acquisitions. With continued organic growth and funds of over MSEK 324.5, we are well equipped for our continued journey towards becoming the leading player in Europe within full-scale loyalty and giftcard solutions.

Erik Grohman  
President and CEO  
Awardit AB (publ)

## Significant events

### During the first quarter

- On 1 February 2023, Awardit AB acquired 100 percent of the Austrian loyalty and gift card company Connex Marketing GmbH ("Connex"). The total purchase price was approximately MSEK 120.9 (MEUR 10.7), of which MSEK 81.7 (MEUR 7.2) was paid in cash and MSEK 39.2 (MEUR 3.5) was paid in Awardit shares. The Board of Directors has, in accordance with authorisation from the Annual General Meeting of 20 May 2022, also decided to carry out a non-cash issue of 325,330 shares, at an issue price of SEK 120.493, directed to the two owners of Connex. The share price is based on the average price of Awardit's share during the period 30 December 2022 until 27 January 2023. The total number of shares in Awardit after completed new issue increases from 8,335,518 to 8,660,848, which corresponds to a dilution of approximately 3.8 percent. Connex's turnover for the financial year 2021 was MEUR 12.9 with an EBIT result of MEUR 0.8. The turnover for 2022 was MSEK 189.2 (MEUR 17.8) with an EBIT result of MSEK 18.2 (MEUR 1.7). The Company has 100 employees, mainly based in Wels, Austria.

### After the end of the reporting period

- No significant events to report

### Financial calendar 2023/2024

16 May 2023	Annual General Meeting
15 August 2023	Interim Report April - June 2023
2 November 2023	Interim Report July - September 2023
20 February 2024	Year-end Report 2023

## Financial Overview

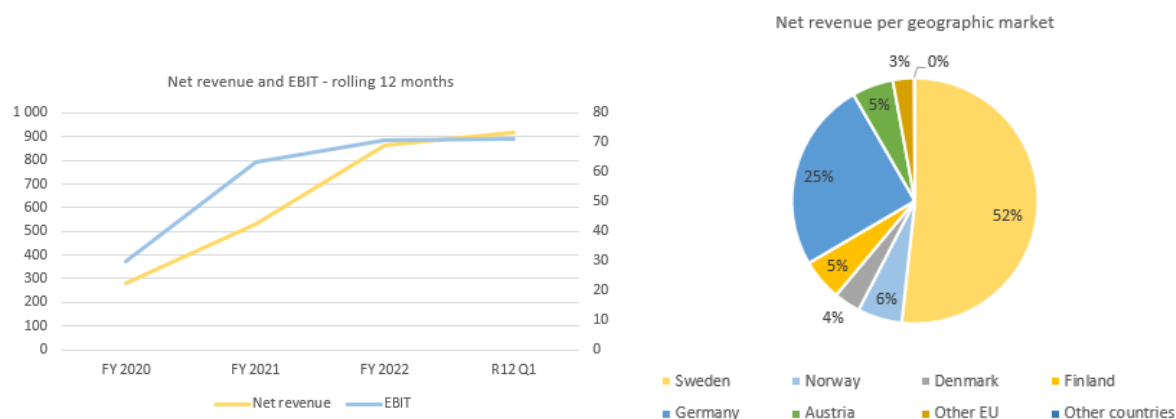
### Net revenue

#### January to March

Net revenue amounted to MSEK 221.9 (167.4), an increase by 32.6 percent. Organic growth amounted to 15.2 percent, while currency-adjusted organic growth amounted to 12.3 percent. Connex was acquired on 1 February, and contributed MSEK 29.0 to revenue for the quarter, which was in line with expectations.

Revenue from existing loyalty programmes is still good, and we do not see any slowdown linked to increased inflation at the current time. The German market has been somewhat tentative during the first quarter, which has negatively affected revenue on the German market. However, things are brighter moving forward, as we see a great possibility that the planned business deals that didn't materialise during the first quarter will be completed later in the year. Revenue from MBXP was negatively affected by seasonal variations, where the first quarter was negatively affected by the accrual of breakage linked to the high revenue in the fourth quarter, where redemption takes place to a large extent during the first quarter of the following year.

Within Giftcards, we have seen continued positive development with new customers on our SaaS platform, and increased sales through new channels.



### Gross result and operating result (EBIT)

#### January to March

Gross margin amounted to 32.0 (27.8) percent. The increase in gross margin is mainly attributable to Connex, which has a higher margin in its business than other companies in the Group. Comparable gross margin amounted to 26.7 percent. The change in the gross margin is mainly due to dilution through a higher proportion of sales in programmes and parts of the business with a lower margin, as well as, to some extent, to temporary changes in the product mix (i.e. the ratio between physical and digital products). We have also tested marketing our own giftcard, Zupergift, by way of advertising on social media. This has been successful and driven increased volumes, which has contributed to the issued value for Zupergift increasing by 100 percent in the first quarter of 2023, compared to the corresponding quarter of the previous year. However, campaign-driven volume has primarily evolved in channels with a slightly lower margin, which has negatively affected the average margin.

Other external expenses have increased by MSEK 6.1 compared to the corresponding quarter last year, of which MSEK 3.9 is attributable to acquired businesses. Other external expenses are negatively affected by acquisition costs of MSEK 4.4, excluding these, comparable other external expenses have decreased by MSEK 2.2.

Personnel costs have increased by MSEK 14.5 compared to the corresponding quarter last year, of which MSEK 11.0 is attributable to acquired businesses. Comparable personnel costs have increased by MSEK 3.5. The total personnel cost corresponds to 16.7 percent of revenue, compared to 13.5 percent for the corresponding quarter last year. The increase in personnel costs in comparable operations is mainly attributable to the strengthening of the organisation carried out in 2022, in order to be equipped for our continued journey towards becoming the leading player in Europe in full-scale loyalty, and incentive and giftcard solutions.

The EBITA result amounted to MSEK 7.1 (5.7), meaning an EBITA margin of 3.2 (3.4) percent. The EBITA result is negatively affected by acquisition costs of MSEK 4.4 connected to the acquisition of Connex. The adjusted EBITA result amounted to MSEK 11.5, meaning an EBITA margin of 5.2 percent.

The operating result (EBIT) amounted to MSEK -3.3 (-3.5), which corresponds to an EBIT margin of -1.5 (-2.1) percent.

Depreciation has increased by MSEK 3.7 compared to the corresponding quarter last year, which is attributable to depreciation of excess values and a high proportion of leasing contracts linked to the year's business acquisitions.

## **Net financial items and result for the period**

### **January to March**

Net financial items amounted to MSEK -8.1 (-8.5). The financial income is positively affected by exchange rate gains of MSEK 1.0 (0.3), as well as interest income of MSEK 0.2 (0) and other financial income of MSEK 0.7 (0). Financial expenses amounted to MSEK -9.7 (-8.6), of which MSEK -5.1 (-4.4) is the resolution of discounted debt linked to the contingent consideration for MBXP. Adjusted for this item, interest expenses are MSEK -2.3 (-1.9). Net financial items also consist of exchange rate losses of MSEK -1.9 (-2.1), the largest part of which is attributable to translation differences in Awardit AB, as well as other financial costs of MSEK -0.4 (0).

The result after financial items amounted to MSEK -11.5 (-12.1). The result after tax amounted to MSEK -12.6 (-12.4). Deferred tax affects the result positively after tax by MSEK 2.0 (1.4).

The difference between the result for the period and the comprehensive income amounted to MSEK 1.4 (6.7) and is attributable to translation differences.

## **Cash flow**

### **January to March**

Cash flow from operating activities after changes in working capital amounted to MSEK -18.5 (-15.4).

The change in working capital follows the same pattern as last year, with current receivable and payables decreasing in the first quarter due to the seasonality of our business.

Cash flow from investing activities amounted to MSEK 20.0 (-0.7), where MSEK -1.7 (-0.7) refers to investment in intangible fixed assets (capitalised development expenditure) and MSEK 21.7 refers to the investment in Connex. Connex's funds at the time of the acquisition were MSEK 107.8, meaning there will be a positive effect on investment activities, as existing funds are higher than what we paid in cash (parts were paid by way of Awardit-shares).

Cash flow from financing activities amounted to MSEK 65.8 (-15.7) where MSEK -12.0 relates to the final payment of MBXP's loans with Danske Bank and Vækstfonden, and MSEK 80.0 relates to new loans within the credit facility with Nordea in order to pay the purchase price for Connex (note 7). In April, this MSEK 80.0 reverted to unused credit capacity in the facility.

## **Balance sheet items as of 31 March 2023**

Cash and cash equivalents at the end of the period amounted to MSEK 324.5 (209.3). The acquisition of Connex contributed a positive effect on cash and cash equivalents of MSEK 97.7. Excluding Connex, we had a negative cash flow of MSEK 30.3, which is mainly due to the fact that current receivable and payables have decreased compared to the fourth quarter of 2022, which follows the seasonal variations that exists in our business.

Interest-bearing liabilities amounted to MSEK 313.1 (249.9). These mainly consist of bank loans and a contingent consideration for the acquisition of MBXP.

The Group's inventory value as of 31 March 2023 was MSEK 78.4 (49.0), which is MSEK 29.4 higher than at the corresponding time last year, and is entirely due to the acquisition of Connex, which has affected the inventory value by MSEK 31.2.

### Share option programme

The Company will issue a maximum of 250,000 subscription warrants in a series 2022/2025. As of 31 December, 124,650 warrants have been subscribed out of 250,000. As the subscription price for the warrants is SEK 361.40, there is no dilution effect as options and subscription warrants only have a dilution effect when it would lead to an issue of ordinary shares, which it would not currently do. The warrants did not initially entail any cost as a valuation of the options at fair value through the Black-Scholes valuation model corresponds to the premium the company received. All outstanding warrants are covered by Awardit's right of first refusal in the event of transfers, and the company has further reserved the right to buy back warrants if employment ends.

### Employees

The average number of employees in the Group for the quarter was 195 (121). On 31 March 2023, the number of employees was 250 (135 as of 31 March 2022). The increase essentially comes from acquired businesses.

### 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 after 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 for the period January to March amounted to MSEK 31.5 (22.1). The result before tax amounted to MSEK 3.6 (2.1). The Parent Company's cash and cash equivalents amounted to MSEK 74.4 (124.8). Equity amounted to MSEK 552.6 (488.9). Awardit has updated its policy regarding capitalised costs, which means that more costs connected to the development of the platform will be activated in the future, compared to what has been done previously. No significant investments have taken place in tangible fixed assets. Investments in Group companies amounted to MSEK 125.3 (0).

The Parent Company's interest-bearing liabilities were MSEK 296.5 at the end of the period, compared with MSEK 214.9 as of 31 December 2022. Net debt mainly consists of utilised credit facility (MSEK 169.2) and the contingent consideration for MBXP (MSEK 127.3). The Parent Company has no significant transactions with related parties, other than transactions with subsidiaries.

### Ownership

Shareholders	Shareholding	Share
Visionalis AB	2,088,272	24.1%
Niklas Lundqvist	1,022,441	11.8%
Consensus Asset Management AB	459,072	5.3%
Filip Engelbert	401,953	4.6%
Jonas Nordlander	401,952	4.6%
Johan Hagman	322,186	3.7%
Samir Taha (Sultanen Invest AB)	295,000	3.4%
Magellan Privatstiftung	292,979	3.4%
S Thorberg Inspiration Investment Ltd	196,331	2.3%
Claudio Simatovic (Paradidel AB)	132,211	1.5%
<b>Total ten largest owners</b>	<b>5,612,397</b>	<b>64.8%</b>
Other shareholders	3,048,451	35.2%
<b>Total</b>	<b>8,660,848</b>	<b>100.0%</b>

The above reflects the ownership structure as of 31 March 2023

## Development by Operating Segment

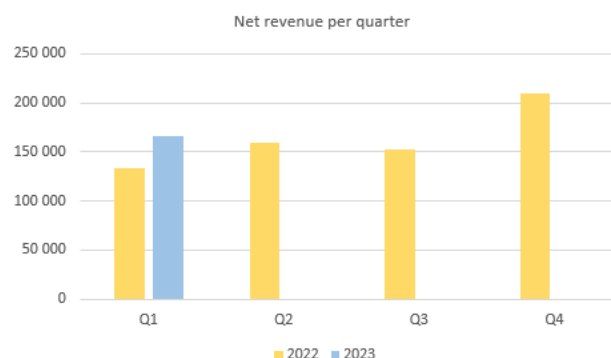
Awardit helps companies increase their revenue and profitability by implementing and operating full-scale loyalty programmes ("Loyalty") and giftcard solutions ("Giftcards").

### Loyalty

#### First quarter

Net revenue amounted to MSEK 165.9 (133.0), an increase by 24.8 percent. Loyalty's comparable revenue growth amounted to 16.9 percent. The Loyalty business area's comparable revenue growth is for the most part explained by continued strong growth within existing programmes. The EBITA result amounted to MSEK 4.2 (4.0), which corresponded to an EBITA margin of 2.5 (3.0) percent. The EBITA result is on par with the previous year. However, the quarter has been burdened by acquisition costs relating to Connex of MSEK 4.4. The adjusted EBITA result was MSEK 8.6, which corresponded to an EBITA margin of 5.2 percent.

Group			Full year
Amounts, TSEK	Q1, 2023	Q1, 2022	2022
Net revenue	165,932	132,973	680,283
EBITA	4,197	3,993	83,441
EBITA margin, %	2.5%	3.0%	12.3%
Operating result	-845	-237	63,336
Operating margin, %	-0.5%	-0.2%	9.3%

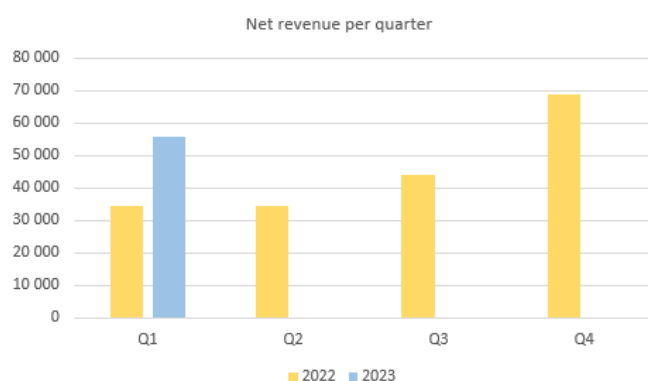


### Giftcards

#### First quarter

Net revenue amounted to MSEK 56.0 (34.4), an increase by 62.6 percent. Giftcards' comparable revenue growth amounted to 9.0 percent. The Giftcards business area's comparable revenue growth is for the most part explained by new customers on our SaaS platform. The EBITA result amounted to MSEK 2.9 (1.7), which corresponded to an EBITA margin of 5.2 (4.9) percent.

Group			Full Year
Amounts, TSEK	Q1, 2023	Q1, 2022	2022
Net revenue	55,999	34,430	182,014
EBITA	2,903	1,670	27,733
EBITA margin, %	5.2%	4.9%	3.2%
Operating result	-1,809	-3,310	7,575
Operating margin, %	-3.2%	-9.6%	0.9%



## Consolidated Income Statement

Amounts, TSEK	Note	2023-01-01	2022-01-01	2022-01-01
		2023-03-31	2022-03-31	2022-12-31
Net revenue	3	221,931	167,403	862,297
Capitalised work for own account		1,494	380	2,387
Other operating income	5	2,326	2,479	21,870
<b>Total operating income</b>		<b>225,751</b>	<b>170,262</b>	<b>886,554</b>
<b>Operating expenses</b>				
Commodities		-151,014	-120,848	-607,197
Other external expenses		-26,696	-20,602	-67,377
Personnel expenses		-37,141	-22,593	-98,792
Depreciation and amortisation of tangible and intangible assets		-13,034	-9,305	-40,557
Other operating expenses		-1,214	-460	-1,721
<b>Total operating expenses</b>		<b>-229,098</b>	<b>-173,808</b>	<b>-815,644</b>
<b>Operating result</b>		<b>-3,347</b>	<b>-3,546</b>	<b>70,910</b>
Financial income		1,858	276	9,483
Financial expenses		-9,718	-8,602	-39,251
Result from interests in Group and associated companies		-258	-221	-887
<b>Result from financial items</b>		<b>-8,118</b>	<b>-8,547</b>	<b>-30,655</b>
<b>Result before tax</b>		<b>-11,464</b>	<b>-12,093</b>	<b>40,255</b>
Tax		-1,101	-311	-15,007
<b>Result for the period</b>		<b>-12,565</b>	<b>-12,404</b>	<b>25,248</b>
<b>Attributable to:</b>				
The Parent Company's shareholders		-12,565	-12,404	25,248
<b>Stock data</b>				
Earnings per share before dilution, SEK <sup>1</sup>		-1.47	-1.49	3.03
Earnings per share after dilution, SEK <sup>1</sup>		-1.47	-1.49	3.03
Outstanding shares at the end of the period		8,660,848	8,335,518	8,335,518
Average number of shares during the period		8,534,331	8,335,518	8,335,518

<sup>1</sup> Based on the average number of shares during the period



## Consolidated Report of Comprehensive Income

Group	2023-01-01	2022-01-01	2022-01-01
Amounts, TSEK	2023-03-31	2022-03-31	2022-12-31
<b>Result for the period</b>	<b>-12,565</b>	<b>-12,404</b>	<b>25,248</b>
<b>Other total result:</b>			
Translation differences	1,365	6,733	31,031
<b>Comprehensive income for the period</b>	<b>-11,200</b>	<b>-5,671</b>	<b>56,279</b>
<b>Attributable to:</b>			
The Parent Company's shareholders	-11,200	-5,671	56,279

## Consolidated Report of Net Financial Items

Group	2023-01-01	2022-01-01	2022-01-01
Amounts, TSEK	2023-03-31	2022-03-31	2022-12-31
Exchange rate gains	956	276	9,473
Interest income	235	-	9
Other financial income	667	-	-
<b>Total financial income</b>	<b>1,858</b>	<b>276</b>	<b>9,483</b>
Interest expenses	-2,093	-1,811	-5,362
Interest expenses, right-of-use assets	-218	-63	-583
Discount, seller reversal	-	-206	-697
Discount, contingent consideration	-5,142	-4,404	-16,320
Exchange rate loss	-1,883	-2,118	-15,127
Other financial expenses	-382	-	-1,162
<b>Total financial expenses</b>	<b>-9,718</b>	<b>-8,602</b>	<b>-39,251</b>
Result from interests in Group and associated companies	-258	-221	-887
<b>Total net financial items</b>	<b>-8,118</b>	<b>-8,547</b>	<b>-30,655</b>

## Consolidated Balance Sheet

Amounts, TSEK	Note	2023-03-31	2022-03-31	2022-12-31
<b>Assets</b>				
<b>Fixed assets</b>				
Goodwill		417,668	363,679	375,959
Customer relations		128,184	126,076	117,900
Platform		62,722	69,001	64,119
Brand		64,747	42,602	48 284
Other intangible assets		5,074	-	-
Equipment, tools and fittings		4,594	421	316
Right-of-use assets		22,739	7,204	11,032
Interests in associated companies		7,748	6,044	8,006
Other financial assets		29,575	-	-
Deferred tax assets		25	488	39
<b>Total fixed assets</b>		<b>743,075</b>	<b>615,515</b>	<b>625,656</b>
<b>Current assets</b>				
Inventory		78,439	49,048	51 574
Advances to suppliers		31	439	521
Accounts receivable		139,265	85,581	236 891
Current tax receivable		6,701	7,781	1 924
Other receivables		81,853	34,781	77 781
Prepaid expenses and accrued income		11,671	6,981	13 712
Cash and cash equivalents		324,486	209,283	257 092
<b>Total current assets</b>		<b>642,447</b>	<b>393,894</b>	<b>639 495</b>
<b>TOTAL ASSETS</b>		<b>1,385,522</b>	<b>1,009,409</b>	<b>1 265 151</b>

## Consolidated Balance Sheet (cont.)

Amounts, TSEK	Note	2023-03-31	2022-03-31	2022-12-31
<b>EQUITY</b>	6			
<b>Equity that can be attributed to the Parent Company's owners</b>				
Share capital		866	834	834
Other contributed capital		447,730	434,448	438,563
Translation differences		32,396	7,733	32,031
Earned result, including result for the year		82,996	56,909	94,561
<b>Total Equity</b>		<b>593,989</b>	<b>499,924</b>	<b>565,989</b>
<b>LIABILITIES</b>				
<b>Long-term liabilities</b>				
Borrowing from credit institutions	7	169,237	98,856	82,297
Liabilities relating to right-of-use assets		13,205	4,980	6,677
Other long-term liabilities		2,868	92,271	-
Deferred tax liabilities		61,949	55,808	55,241
Other provisions		3,609	18,398	1,637
<b>Total long-term liabilities</b>		<b>250,868</b>	<b>270,313</b>	<b>152,852</b>
<b>Short-term liabilities</b>				
Borrowing from credit institutions		-	33,883	11,930
Liabilities relating to right-of-use assets		10,494	2,937	5,162
Advances from customers		122,959	18,492	34,869
Accounts payable		142,945	111,892	289,535
Current tax liabilities		16,218	11,497	18,781
Other liabilities		201,420	27,094	134,588
Accrued expenses and prepaid income		46,630	33,377	51,445
<b>Total short-term liabilities</b>		<b>540,666</b>	<b>239,172</b>	<b>546,310</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,385,522</b>	<b>1,009,409</b>	<b>1,265,151</b>

## Consolidated Cash Flow Statement

Amounts, TSEK	Note	2022-07-01	2022-01-01	2022-01-01
		2022-09-30	2022-03-31	2022-12-31
<b>Cash flow from operating activities</b>				
Operating result		-3,347	-3,546	70,910
Adjustment for non-cash items				
- Reversal of depreciations		13,034	9,305	40,557
- Other items not affecting cash		-5,246	1,492	-10,804
Interest received		1,228	-	9
Interest paid		-1,694	-1,811	-7,744
Paid tax		-8,289	-530	-11,217
<b>Cash flow from operating activities before changes in working capital</b>		<b>-4,313</b>	<b>4,910</b>	<b>81,711</b>
<u>Changes in working capital</u>				
Increase/decrease in inventory and work in progress		4,356	3,459	2,160
Increase/decrease in other current receivables		164,187	119,567	-76,967
Increase/decrease in other short-term liabilities		-182,714	-143,380	75,527
<b>Total change in working capital</b>		<b>-14,171</b>	<b>-20,354</b>	<b>720</b>
<b>Total cash from operating activities</b>		<b>-18,484</b>	<b>-15,444</b>	<b>82,431</b>
<b>Cash flow from investing activities</b>				
Investment in intangible fixed assets		-1,698	-722	-2,387
Investment in tangible fixed assets		-	-	-40
Investments in business acquisition		21,650	-	-
Investments in financial assets		-	-	-502
Divestment of subsidiaries		-	-	39
<b>Total cash flow from investing activities</b>		<b>19,952</b>	<b>-722</b>	<b>-2,891</b>
<b>Cash flow from financing activities</b>				
Stock options		-	-	4,115
Amortisation of liabilities		-14,224	-15,737	-160,460
Borrowings	7	80,000	-	90,000
<b>Total Cash flow from financing activities</b>		<b>65,776</b>	<b>-15,737</b>	<b>-66,345</b>
<b>Change in cash and cash equivalents</b>		<b>67,244</b>	<b>-31,903</b>	<b>13,195</b>
Cash and cash equivalents at start of period		257,092	240,221	240,221
Exchange rate difference in cash and cash equivalents		151	965	3,675
<b>Cash and cash equivalents at end of period</b>		<b>324,486</b>	<b>209,283</b>	<b>257,092</b>

## Consolidated Statement of Changes in Equity, Summary

Amounts, TSEK	2023-03-31	2022-03-31	2022-12-31
<b>Equity at the beginning of the period</b>	<b>565,989</b>	<b>505,595</b>	<b>505,595</b>
Non-cash issue	39,200	-	-
Stock options	-	-	4,115
Comprehensive income for the period	-11,200	-5,671	56,279
<b>Equity at the end of the period</b>	<b>593,989</b>	<b>499,924</b>	<b>565,989</b>
<b>Equity attributable to:</b>			
The Parent Company's shareholders	593,989	499,924	565,989
<b>Number of outstanding shares at the beginning of the period</b>	<b>8,335,518</b>	<b>8,335,518</b>	<b>8,335,518</b>
Non-cash issue	325,330	-	-
<b>Number of outstanding shares at the end of the period</b>	<b>8,660,848</b>	<b>8,335,518</b>	<b>8,335,518</b>

## Income Statement, Parent Company

	2023-01-01 2023-03-31	2022-03-01 2022-03-31	2022-01-01 2022-12-31
<b>Amounts, TSEK</b>			
<i>Operating income</i>			
Net revenue	31,529	22,111	138,113
Capitalised work for own account	1,399	-	617
Other operating income	830	68	2,250
<b>Total operating income</b>	<b>33,759</b>	<b>22,179</b>	<b>140,980</b>
<i>Operating expenses</i>			
Commodities	-20,766	-13,541	-84,457
Other external expenses	-6,883	-4,733	-22,617
Personnel costs	-18	-123	-689
Depreciation and amortisation of tangible and intangible assets	-320	-260	-1,054
Other operating expenses	-287	-106	-146
<b>Total operating expenses</b>	<b>-28,274</b>	<b>-18,764</b>	<b>-108,962</b>
<b>Operating result</b>	<b>5,485</b>	<b>3,415</b>	<b>32,018</b>
Other interest income and similar items	1,592	763	9,202
Interest expenses and similar result items	-3,518	-2,050	-16,054
<b>Result from financial items</b>	<b>-1,926</b>	<b>-1,287</b>	<b>-6,852</b>
Appropriations	-	-	-900
<b>Result before tax</b>	<b>3,558</b>	<b>2,128</b>	<b>24,266</b>
Tax	-733	-481	-5,055
<b>Result for the period</b>	<b>2,825</b>	<b>1,647</b>	<b>19,261</b>

## Balance Sheet, Parent Company

Amounts, TSEK	Note	2023-03-31	2022-03-31	2022-12-31
<b>ASSETS</b>				
<b>Fixed assets</b>				
<b>Intangible assets</b>				
Capitalised development expenditure		6,226	5,538	5,147
<b>Total intangible assets</b>		<b>6,226</b>	<b>5,538</b>	<b>5,147</b>
<b>Financial fixed assets</b>				
Interests in Group companies	8	687,162	561,851	561,851
Receivables from Group companies		28,762	26,414	28,397
<b>Total financial fixed assets</b>		<b>715,924</b>	<b>588,265</b>	<b>590,248</b>
<b>Total fixed assets</b>		<b>722,150</b>	<b>593,803</b>	<b>595,395</b>
<b>Current assets</b>				
<b>Current receivables</b>				
Accounts receivable		26,302	18,768	38,172
Receivables from Group companies		37,460	14,270	35,032
Tax receivables		397	2,612	-
Other receivables		2,367	22	4
Prepaid expenses and accrued income		5,173	3,875	5,092
<b>Total current receivables</b>		<b>71,699</b>	<b>39,547</b>	<b>78,300</b>
Cash and cash equivalents		74,376	124,825	75,968
<b>Total current assets</b>		<b>146,075</b>	<b>164,372</b>	<b>154,268</b>
<b>TOTAL ASSETS</b>		<b>868,226</b>	<b>758,175</b>	<b>749,663</b>

## Balance Sheet, Parent Company (cont.)

Amounts, TSEK	Note	2023-03-31	2022-03-31	2022-12-31
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
<b>Restricted Equity</b>				
Share capital		866	834	834
Fund for development expenditure		2,643	1,454	1,438
<b>Total restricted Equity</b>		<b>3,509</b>	<b>2,288</b>	<b>2,272</b>
<b>Unrestricted Equity</b>				
Premium fund		470,376	427,094	431,208
Retained earnings		75,913	57,840	57,857
Result for the year		2,825	1,647	19,261
<b>Total unrestricted Equity</b>		<b>549,115</b>	<b>486,581</b>	<b>508,326</b>
<b>Total Equity</b>		<b>552,623</b>	<b>488,869</b>	<b>510,598</b>
<b>Long-term liabilities</b>				
Liabilities to credit institutions	7	169,237	76,250	89,297
Other long-term liabilities		-	116,875	-
<b>Total long-term liabilities</b>		<b>169,237</b>	<b>193,125</b>	<b>89,297</b>
<b>Short-term liabilities</b>				
Liabilities to credit institutions		-	33,882	-
Advances from customers		370	388	383
Accounts payable		6,002	3,713	7,886
Liabilities to Group companies		3,424	14,871	6,163
Current tax liabilities		861	-	861
Other liabilities		128,205	18,400	127,121
Accrued expenses and prepaid income		7,504	4,927	7,353
<b>Total short-term liabilities</b>		<b>146,366</b>	<b>76,181</b>	<b>149,768</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>868,226</b>	<b>758,175</b>	<b>749,663</b>



## Notes

**Note 1 Accounting principles**

Awardit AB (publ.) 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 and calculation methods have been used in the Interim report as in the Annual report for 2022, except as noted below.

All amounts in the interim report are, unless otherwise stated, rounded to the nearest million, which means that rounding differences may occur.

**New accounting principles 2023 and beyond**

Awardit has made the assessment that new or changed standards and Interpretation statements will not have any significant effect on the Group's financial statements.

**Note 2 Other material information****Seasonal effects**

Awardit's sales are partly affected by seasonal variations. The fourth quarter has historically had the highest income in all parts of the Group, as sales are positively affected by Christmas shopping. The first quarter's profitability is negatively affected by the high giftcard sales of private label products in December, this is most clearly seen in MBXP, when much of what is sold in the fourth quarter is redeemed in the first quarter of the following year, which will affect the accrual of Breakage. The second and third quarters are to be seen as normalised operations.

**Transactions with related parties**

In addition to salaries and other remuneration to the company management and board fees, according to the resolution of the annual general meeting, no transactions have taken place with related parties.

**Significant risks and uncertainties**

Awardit's significant risks and uncertainty factors are described in the annual report for 2022 on the pages 15 - 16 and pages 52 - 56.

The Group's operations are diversified in terms of offers, customer segments and geography, which in itself means a spread of risk. It has proven to be a strength in times of challenge, such as the energy crisis that arose in Germany in the wake of the war in Ukraine. Where turnover has been affected by the fact that the energy companies have cancelled their planned campaigns, but they have succeeded in rescheduling and selling campaigns to new customer segments instead.

**Note 3 Operating segments**

As of 2023, the Group will monitor activities in the Loyalty and Giftcards business areas. MBXP, Retain24 and parts of Connex are part of the Giftcards business area, and the other companies are part of the Loyalty business area.

Group	Loyalty		Giftcards		Elimin.		Total	
Amounts, TSEK	2023	2022	2023	2022	2023	2022	2023	2022
Net revenue, external	165,932	132,997	55,999	34,430	-	-	221,931	167,403
Net revenue, internal (between segments)	1,353	674	3,244	1,006	-4,597	-1,680	-	-
<b>Net revenue</b>	<b>167,285</b>	<b>133,647</b>	<b>59,243</b>	<b>35,437</b>	<b>-4,597</b>	<b>-1,680</b>	<b>221,931</b>	<b>167,403</b>
EBITA	4,197	3,993	2,903	1,670			7,100	5,663
EBITA margin, %	2.5%	3.0%	5.2%	4.9%			3.2%	3.4%
Operating result	-845	-237	-1,809	-3,310			-2,654	-3,546
Operating margin, %	-0.5%	-0.2%	-3.2%	-9.6%			-1.2%	-2.1%

## Distribution of Income

Group Amounts, TSEK	Loyalty		Giftcards		Total	
	2023	2022	2023	2022	2023	2022
Products	153,321	119,224	19,329	1,259	172,651	120,483
Services	12,611	13,750	36,670	33,171	49,281	46,921
<b>Sum net revenue</b>	<b>165,932</b>	<b>132,973</b>	<b>55,999</b>	<b>34,430</b>	<b>221,931</b>	<b>167,403</b>

## Note 4 Information on acquisitions

## Connex Marketing GmbH

On 1 February 2023, Awardit AB (publ.) acquired 100 percent of the shares of the Austrian loyalty and giftcard company Connex Marketing GmbH ("Connex"). The acquisition was made to further strengthen Awardit's presence in the DACH region. With the acquisition of Connex, we are well equipped for our continued journey towards becoming the leading player in Europe. Net revenue and EBIT result for the financial year 2022 amounted to MSEK 189.2 (MEUR 17.8) and MSEK 18.2 (MEUR 1.7) respectively.

The acquisition of Connex was settled in cash to the sum of MSEK 81.7 (MEUR 7.2), and with Awardit shares to a value of MSEK 39.2 (MEUR 3.5). The total purchase price for Connex amounted to MSEK 120.9 (MEUR 10.7), which exceeded the net fair value of all identified assets and liabilities by MSEK 38.9. Acquisition costs of MSEK 4.4 have been recognised as other external expenses in the consolidated income statement. Excess values are attributed to customer relations, software development, brand and goodwill. Goodwill pertains to expected synergy effects on both the cost and sales side, customer relations to Connex's customer base, brand to the renowned name, and software development to the company's technical platform. Customer relationships are depreciated over 6 years, the technology platform over 5 years, and the brand over 15 years. Goodwill is not impaired according to IFRS, but is tested for impairment once a year.

The acquisition analysis is preliminary and may change after the publication of the interim report.

*Preliminary acquisition analysis, Connex Marketing GmbH (TSEK)*

Estimated purchase price, TSEK	
Amount settled in cash	81,670
Amount settled with Awardit shares	39,233
<b>Total purchase price</b>	<b>120, 903</b>

Acquired net assets at the time of acquisition	Reported value in the Company	Fair value adjustment	Fair value in the Group
Intangible fixed assets	1,339	35,449	36,789
Other fixed assets	49,446	-	49,446
Current assets	108,550	-	108,550
Cash and cash equivalents	107,766	-	107,766
Other liabilities	-212,433	-8,150	-220,583
<b>Net identifiable assets/liabilities</b>	<b>54,669</b>	<b>27,299</b>	<b>81,968</b>
Goodwill			38,935
<b>Estimated purchase price</b>			<b>120,903</b>

**Note 5 Other operating income**

<b>Group</b>	<b>2023-01-01</b>	<b>2022-01-01</b>	<b>2022-01-01</b>
<b>Amounts, TSEK</b>	<b>2023-03-31</b>	<b>2022-03-31</b>	<b>2022-12-31</b>
Translation differences	617	453	1,821
Rental income	240	134	620
Government grant	225	306	751
Invoiced administration, service, and handling fees	320	875	2,553
Marketing contribution	390	201	4,680
Breakage (expired values) <sup>1</sup>	-	495	9,913
Other	534	14	1,531
<b>Total other operating income</b>	<b>2,326</b>	<b>2,479</b>	<b>21,870</b>

<sup>1</sup> Breakage for Supergift is reported as part of net sales from January 2023

**Note 6 Equity**

As of 31 March 2023, the Group's equity amounted to MSEK 594.0 (499.9), which corresponds to SEK 69.6 (60.0) per share. In February, a non-cash issue was carried out. The share issue included 325,330 shares, and related to part payment for the acquisition of Connex. The number of registered shares amounts to 8,660,848 after the non-cash issue.

**Change in number of shares and share capital:**

	<b>No. of shares</b>	<b>Share capital, SEK</b>
Non-cash issue, Connex	325,330	39,232,521
<b>Closing balance 2023-03-31</b>	<b>325,330</b>	<b>39,232,521</b>

**Note 7 Borrowing from credit institutions**

	<b>2023-03-31</b>	<b>2022-03-31</b>	<b>2022-12-31</b>
Swedbank	-	76,250	-
Danske Bank	-	9,038	-
Vækstfonden	-	13,568	-
Nordea	169,237	-	89,297
<b>Total borrowings</b>	<b>169,237</b>	<b>98,856</b>	<b>89,297</b>

Agreed covenants regarding the revolving credit facility at Nordea are: The Group's net liability/EBITDA measured as a rolling twelve-month value may not exceed 2.50 as of the record date and that the equity/assets ratio measured as a rolling twelve-month value as of the record date may not be less than 25 percent. As of the record date of 31 March 2023, Awardit fulfils the agreed covenants.

**Note 8 Shares in subsidiaries**

Parent company Amounts, TSEK	2023-03-31	2022-03-31	2022-12-31
Opening acquisition value	561,851	561,800	561,800
Investment	125,311	51	51
<b>Closing acquisition value</b>	<b>687,162</b>	<b>561,851</b>	<b>561,851</b>

The Parent Company holds shares in the following subsidiaries and step-down subsidiaries:

Name	Corporate identity no.	Residence	Capital Share	No of shares	Booked amount	
					2023-03-31	2022-12-31
Rewardit AB	556942-7296	Stockholm, Sweden	100%	7,031	3,110	3,110
Sponsorhuset AB	556831-3109	Gothenburg, Sweden	100%	111,296	12,185	12,185
- Zappa Events AB	556666-3711	Gothenburg, Sweden	99.1%	1,140,000	-	-
Awardit Motivation Service AB	556193-9298	Stockholm, Sweden	100%	4,000	12,140	12,140
Awardit CLS AB	556578-1571	Gothenburg, Sweden	100%	333,757	107,426	107,426
- Crossroads Loyalty Solutions AS	984825846	Notodden, Norway	100%	1,000	-	-
- Crossroads Loyalty Solutions ApS	28988710	Fredriksberg, Denmark	100%	1,000	-	-
- Crossroads Loyalty Solutions Oy	2902604-4	Helsinki, Finland	100%	250	-	-
Retain 24 Sverige AB	556635-5516	Stockholm, Sweden	100%	100,000	41,652	41,652
Market2member AB	556743-0169	Stockholm, Sweden	100%	130,534	13,456	13,456
MBXP ApS	34480389	Copenhagen, Denmark	100%	107,000	130,464	130,464
- Convenient Card AB	556708-0311	Stockholm, Sweden	100%	2,000	-	-
- MBXP Finland ApS (filial)	34480389	Copenhagen, Denmark	100%	0	-	-
- MBXP Norge AS	912557421	Oslo, Norway	100%	1	-	-
- MBXP Sweden AB	556987-9728	Malmö, Sweden	100%	500	-	-
- MBXP Sweden 1 AB	559154-7830	Stockholm, Sweden	100%	50,000	-	-
- Paygoo AB	556885-7576	Stockholm, Sweden	100%	197,768	-	-
- Paygoo AS	916390424	Oslo, Norway	100%	1,000	-	-
The Inspiration Company TIC AB	556580-0561	Stockholm, Sweden	100%	1,000	60,282	60,282
Prämie Direkt GmbH	HRB 4715 PI	Elmshorn, Germany	100%	1	181,136	181,136
Connex Marketing GmbH	FN 135472 z	Wels, Austria	100%	1	125,311	-
- Connex Loyalty GmbH	FN 223134 p	Wels, Austria	100%	1	-	-
- Connex Deutschland GmbH	HRB 79879	Frankfurt/Main, Germa	100%	1	-	-
- Connex CEE s.r.o.	35,938,137	Bratislava, Slovakia	100%	1	-	-
<b>Closing balance</b>					<b>687,162</b>	<b>561,851</b>

**Note 9 Significant events after the end of the reporting period**

- No significant events to report

## Key Figures - Quarterly

	2023	2022				2021		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Net revenue, MSEK <sup>1</sup>	221.9	305.0	196.0	193.9	167.4	229.5	126.2	111.3
Comparable net revenue, MSEK	192.9	267.4	154.7	133.2	87.1	126.0	73.8	82.8
Gross profit, MSEK	70.9	89.7	55.1	63.7	46.6	79.3	39.2	35.8
Gross margin, %	32.0%	29.4%	28.1%	32.9%	27.8%	34.5%	31.1%	32.2%
EBITA, MSEK	7.1	57.6	20.1	27.8	5.7	57.2	15.1	14.2
EBITA margin, %	3.2%	18.9%	10.3%	14.3%	3.4%	24.9%	12.0%	12.8%
Result for the period, MSEK	-12.6	26.7	3.2	7.7	-12.4	23.6	1.7	2.1
Cash flow from operating activities, MSEK	-18.5	62.0	33.8	2.1	-15.4	56.0	26.4	-46.8
Quick ratio, %	104%	108%	128%	140%	144%	126%	121%	120%
Equity, MSEK	594.0	566.0	530.7	519.8	499.9	505.6	282.2	249.9
Equity/asset ratio, %	42.9%	44.7%	50.9%	49.3%	49.5%	40.0%	41.0%	37.1%
Number of employees at the end of the period	250	143	143	135	135	142	99	79
<b>Stock date</b>								
EBITA per share before and after dilution, SEK	0.83	6.91	2.42	3.34	0.68	7.35	2.03	2.08
Earnings per share before and after dilution, SEK	-1.47	3.20	0.39	0.92	-1.49	3.02	0.23	0.31
Cash flow from operating activities per share, SEK	-2.2	7.4	4.0	0.2	-1.9	7.2	3.5	-6.8
Equity per share, SEK	69.6	67.9	63.7	62.4	60.0	70.2	37.9	36.5
Average number of shares during the period, thousands	8,534	8,336	8,336	8,336	8,336	7,788	7,447	6,842
Number of shares end of period, thousands	8,661	8,336	8,336	8,336	8,336	8,336	7,578	7,378

<sup>1</sup> The net revenue figures have been adjusted to only include net revenue, in 2021 and before the entire "total operating income" was included.

## Alternative Key Figures - Use and Reconciliation

In addition to the financial key figures established in accordance with IFRS, Awardit presents financial key figures that are not defined according to IFRS or the Annual accounts act, so-called alternative key figures. The alternative key figures aim to provide supplementary Information that contributes to analysing Awardit's operations and development.

### EBITA

EBITA is a measure that Awardit considers relevant to investors, analysts and other stakeholders who want to understand the earnings generation before depreciation of intangible fixed assets. The key figure is an expression of the operating profit before depreciation and write-downs of intangible assets.

Group	2023-01-01	2022-01-01	2022-01-01
Amounts, TSEK	2023-03-31	2022-03-31	2022-12-31
Operating result	-3,347	-3,546	70,910
Depreciation and amortisation of intangible assets	10,447	9,209	40,264
<b>EBITA</b>	<b>7,100</b>	<b>5,663</b>	<b>111,174</b>

### Adjusted EBITA

Group	2023-01-01	2022-01-01	2022-01-01
Amounts, TSEK	2023-03-31	2022-03-31	2022-12-31
EBITA	7,100	5,663	111,174
Acquisition costs	4,441	-	-
<b>Adjusted EBITA</b>	<b>11,541</b>	<b>5,663</b>	<b>111,174</b>

### Net liabilities

The Group believes that the key figure is relevant for readers of the financial reports as a supplement in order to assess the possibility of dividends, to carry out strategic investments, and to assess the Group's ability to live up to financial commitments. The key figure is an expression of how large the financial leverage is in the Company in absolute terms, after a deduction for cash and cash equivalents.



	2023-03-31	2022-03-31	2022-12-31
Long-term interest-bearing liabilities	182,442	196,107	95,974
Short-term interest-bearing liabilities	130,703	53,829	130,178
<b>Sum interest-bearing liabilities</b>	<b>313,145</b>	<b>249,936</b>	<b>226,152</b>
Cash and cash equivalents	-324,486	-209,283	-257,092
<b>Net liabilities (+)/-receivables (-)</b>	<b>-11,341</b>	<b>40,653</b>	<b>-30,940</b>

## Financial Definitions

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 and lease	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, considering actual time worked.	Shows how many employees, on average, worked within the Group during the period.
Comparable net revenue	Net revenue excluding acquired net revenue for the part of the period to which it is not comparable, i.e. included in the corresponding period of the previous year.	Shows how the organic turnover develops excluding acquired, non-comparable net revenue.

## This is Awardit

### Awardit in brief

-  Market leader in full-scale loyalty programmes and giftcard solutions, with a wide range of offers for all needs
-  Founded in 1999
-  11 acquisitions since IPO in December 2017
-  Offices in Stockholm (HQ), Gothenburg, Copenhagen, Elmshorn (Germany) and Wels (Austria)
-  250 employees as of 31 March 2023

### Business concept



Awardit helps companies increase their revenue and profitability by implementing and operating full-scale loyalty programmes ("Loyalty") and giftcard solutions ("Giftcards"). Revenues from the parts of the business that are primarily aimed at consumers make up segment B2C, and the others make up the segment B2B. Awardit acts as, among other things, a bank for digital point currencies, and provides everything from proprietary, stand-alone loyalty programmes to complex coalition programmes, with hundreds of partners and clearing transactions between them.

By offering turnkey solutions on a SaaS basis, start-up and operating costs can be kept low. Awardit also offers strategic and operationally oriented services, aimed at maximising the value of the programme. From the customer's perspective, Awardit is a one-stop-shop that assists with strategy for the programme, technical operation on a SaaS basis, implementation and operational service, for example trading with point redemption products, partner network, data analysis and campaign execution, all with the aim of maximising the benefit of the programme and reducing the burden on the customer's organisation.

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

### Business model

Attractive offers that provide long-term value creation for Awardit's customers.

 <b>Loyalty</b>	Revenue within Loyalty consists of set-up charges, monthly fees, sales of points and products, loyalty marketplace and expert services. Within Loyalty, revenue can also come about via partnerships. This revenue consists of commissions, sales of points, and promotional fees.
 <b>Giftcards</b>	Revenue within Giftcards consists of set-up charges, monthly fees, charging fees, commissions, breakage (private labels) and expert services.



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

Awardit AB (publ), Corp ID No.: 556575-8843  
Snickarbacken 2  
111 39 Stockholm  
Sweden  
[www.awardit.com](http://www.awardit.com)

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Erik Grohman  
President & CEO