

Continued organic growth, profitability pressured by challenges in MBXP and a weak market in DACH

July - September 2023

- Net revenue increased with 27.3 percent to MSEK 249.5 (196.0), of which 6.8 percent organic.
- EBITA result amounted to MSEK 7.9 (20.1) and EBITA margin amounted to 3.2 (10.3) percent.
- EBITA per share, before and after dilution, amounted to SEK 0.92 (2.42).
- Operating result EBIT amounted to MSEK -2.6 (10.7) and EBIT margin amounted to -1.0 (5.4) percent.
- The result for the quarter amounted to MSEK 1.0 (3.2) and earnings per share after tax, before and after dilution amounted to SEK 0.11 (0.39).

+27.3%

Growth net sales
Q3 2023 compared to Q3 2022

+6.8%

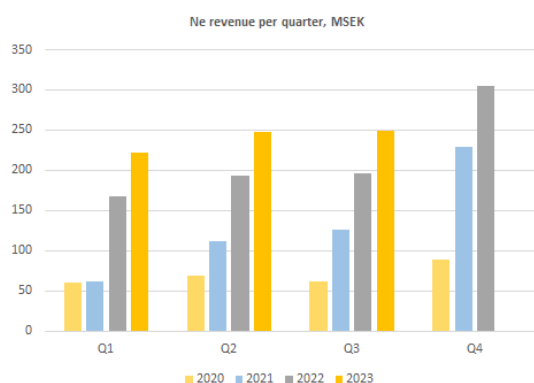
Growth comparable net sales
Q3 2023 compared to Q3 2022

3.2%

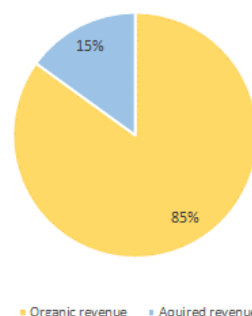
EBITA margin Q3 2023

Summary of significant events after the end of the reporting period

- On 26 October, it was announced that Awardit and the owner of the leading German loyalty company, IPO PrämienServices GmbH ("IPO"), had signed a share transfer agreement through which Awardit has acquired 100 percent of IPO.



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



Key figures

	Quarter 3 2023	Quarter 3 2022	9 months 2023	9 months 2022	Full Year 2022	R12
Net revenue, MSEK	249.5	196.0	719.4	557.3	862.3	1 024.3
Gross margin, %	31.1%	28.1%	32.1%	29.7%	29.6%	31.3%
Adjusted EBITA, MSEK ¹	7.9	20.1	33.7	53.6	111.2	91.2
Adjusted EBITA-margin, %	3.2%	10.3%	4.7%	9.6%	12.9%	8.9%
EBITA, MSEK	7.9	20.1	29.0	53.6	111.2	86.6
EBITA margin, %	3.2%	10.3%	4.0%	9.6%	12.9%	8.5%
Operating profit (EBIT), MSEK	-2.6	10.7	-3.8	25.6	70.9	41.5
EBIT margin, %	-1.0%	5.4%	-0.5%	4.6%	8.2%	4.0%
Quick ratio, %	115.5%	127.6%	115.5%	127.6%	107.6%	115.5%
Equity/assets ratio, %	46.5%	50.9%	46.5%	50.9%	44.7%	46.5%
Cash flow from operating activities, MSEK	15.6	33.8	16.9	20.4	82.4	78.9
EBITA per share, before and after dilution, SEK	0.92	2.42	3.37	6.43	13.34	10.13
Number of employees, end of period	256	143	256	143	143	256

¹ Adjusted EBITA is excluding acquisition costs

² The Group has MSEK 160 in unused credit space within the revolving credit facility with Nordea

Continued organic growth and further consolidation in DACH, profitability under pressure from challenges in the subsidiary MBXP and by a weak market in DACH

The revenue growth of Awardit AB (publ) was 27.3 percent in the third quarter of 2023 compared to the corresponding quarter of the previous year, of which organic revenue growth amounted to 6.8 percent, and where the core business continued to develop positively despite a challenging market situation. The fourth quarter has started with a growth rate in line with the third quarter, both in the Nordics and DACH.

EBITA for the quarter amounted to MSEK 7.9 (MSEK 20.1), which, for the most part, was negatively affected by a continued weak result in MBXP during the period, where EBITA for the quarter was MSEK 5.6 lower than the corresponding quarter last year, as well as negative results for the quarter in the DACH subsidiaries, where consolidation is ongoing but the full business and cost synergies has not yet been achieved.

Awardit Nordics

The core business within Loyalty and Giftcards, based in Sweden, delivered a revenue increase during the third quarter of the year of approximately 12.4 percent, with continued good margins. The major customers in both B2B and B2C showed continued solid growth, despite challenging conditions in their respective markets, which demonstrates Awardit's resilience to economic fluctuations in this part of the business.

In the Swedish giftcards business area, agreements were signed during the quarter with several new clients for the launch of giftcards on our platform.

Breakage from Supergift amounted to MSEK 0.7 (MSEK 1.5) during the quarter and facevalue sales to MSEK 20.6 (11.4)

MBXP

The result in MBXP for the third quarter was stabilised, with an underlying earning capacity, but was still significantly lower than the previous year (MSEK 5.6 lower EBITA compared to Q3 2022). The negative result was partly due to a bad debt loss and inventory write down in conjunction with bankruptcy proceedings of one of the Mastercard issuing partners of Paygoo, which is a company within the MBXP group.

A process is underway for the calculation of a correct earn-out relating to MBXP. In conjunction with this, an internal audit, using external expertise, with regards the years 2021-2022 has been initiated. A number of deviations and incorrect accruals of income and expenses have been found in the preliminary audit report. These inaccuracies affect the results of the current year negatively as one-off items. Our current assessment is that MBXP will report an EBITA for Q4 that is significantly lower than the corresponding quarter last year, which is also attributable to the above-mentioned inaccuracies. Based on the information that has emerged so far in the internal audit, we assess that MBXP will once again be profitable in 2024. The ongoing internal audit is expected to be completed during the fourth quarter, after which the final determination of the earn-out will take place. Based on the preliminary internal audit report, we assess that the amount we have reserved for the earn-out will exceed the final outcome. However, we await the internal audit's final report for a definitive assessment.

DACH

Within DACH, Prämie Direkt delivered a result in terms of revenue for the third quarter that was slightly lower than the previous year, and, with a negative EBITA result. Market conditions within rewards management continued to be challenging in

Germany, and new agreements concluded did not achieve full effect in the third quarter.

Connex delivered a quarter where revenue and profitability were broadly in line with the previous year, however, with a negative EBITA result, which follows the normal seasonal pattern for Connex. The fourth quarter accounts for almost the entire year's total earnings.

With regard to expenses, certain synergies have been achieved as a result of the integration between Connex and Prämie Direkt, but we do not expect to see the full effects until 2024. Business synergies that have been initiated have yet to have any material impact, however, we see significant future potential in, for example, the sale of Prämie Direkt's shop solution to Connex's customer base, which has been initiated. During the third quarter, agreements were concluded with several new customers, with start-up during the fourth quarter of the year.

Our consolidation of the DACH region has continued, through the expansion of our group with the German loyalty company IPO PrämienServices GmbH ("IPO") as of 1 November. IPO is one of the leading companies in rewards management on the German market. The company's revenue for the financial year 22/23 was MEUR 17.8, with an EBITDA result that, adjusted for various owner-related costs, was approximately MEUR 1. IPO has 41 employees, with an office and warehouse in southern Germany. IPO is an acquisition that is a good match with the rest of Awardit on the DACH market, and gives us the opportunity to realise significant coordination and scale advantages within, for example, management, purchasing and warehouse/logistics. Prämie Direkt's former CEO, Jörg Behnke, now Senior Business Development Advisor DACH, has taken over as CEO of the IPO as of 1 November.

General

In the performed review of possible synergies and cost savings within Awardit moving forward, MSEK 15-20 of savings on a full-year basis have been identified. These will be fully realised in 2024, primarily through synergies in DACH, centralisation of certain administrative roles, and streamlining of existing staffing. Our cash position at the end of the third quarter was still strong, with MSEK 254, excluding unused credit facilities of MSEK 160, to be compared with MSEK 248 at the beginning of the quarter, excluding unused credit facilities of MSEK 160.

Awardit is well equipped for future growth and strengthened profitability. The core business shows stable growth, even in these challenging times, and we have great confidence in the future, a gradual normalisation of the result in MBXP, together with a final regulation of the acquisition cost, realisation of business synergies in DACH, together with the acquisition of IPO, as well as the implementation of targeted cost savings. There are also further interesting acquisition objects with the potential to add value and synergies to the Group.

I, together with the rest of the team, look forward to continuing our journey towards becoming Europe's leading player in loyalty and giftcard solutions

Erik Grohman
President & CEO
Awardit AB (publ)

Significant events

During the third quarter

- On 4 September, the shareholders in Awardit were summoned to an Extraordinary General Meeting, to be held on 19 September. The Board of Directors proposed that the Extraordinary General Meeting give authority to the Board to, on one or more occasions, during the period until the next Annual General Meeting, prepare and implement a programme for synthetic buy-back of own shares at a number corresponding to a maximum of ten (10) percent of all shares in the Company. Redemption of shares covered by the programme to be ultimately resolved by the General Meeting.
- On 6 September, it was announced that Christian Sörensen, CEO of the subsidiary MBXP ApS, had left his role and the company. As of the same date, Awardit's President and CEO took over as acting CEO of MBXP.
- On 19 September, it was announced that the Extraordinary General Meeting had resolved to give authority to the Board of Directors to, on one or more occasions, during the period until the next Annual General Meeting, prepare and implement a programme for synthetic buy-backs of own shares.
- On 25 September, it was announced that Paygoo, which is a subsidiary of MBXP, had made a reservation of MSEK 4.4 for customer loss and inventory impairment in connection with the bankruptcy proceedings of one of its Mastercard issuing partners, which will burden the result in the third quarter. The future operations of Paygoo have been secured and are not affected.

After the end of the reporting period

- On 26 October it was announced that Awardit AB (publ) and the owner of the leading German loyalty company, IPO PrämienServices GmbH ("IPO"), had signed a share transfer agreement through which Awardit has acquired 100 percent of IPO. The purchase price amounted to MEUR 7.8, on a debt- and cash-free basis, and will be paid in cash as of the point of accession, on 31 October. A contingent consideration corresponding to the gross profit attributable to a possible new part of the business may be added during a two-year period, but for a maximum of MEUR 2.

Financial calendar 2023/2024

20 February 2024

Year-End Report 2023

Financial Overview

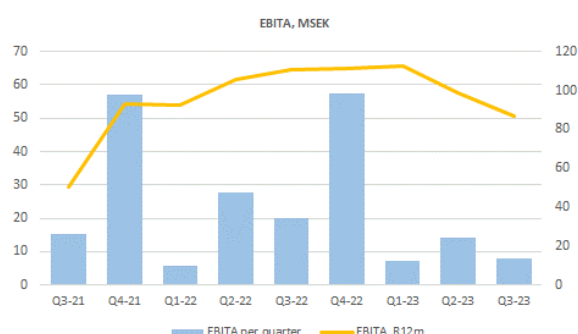
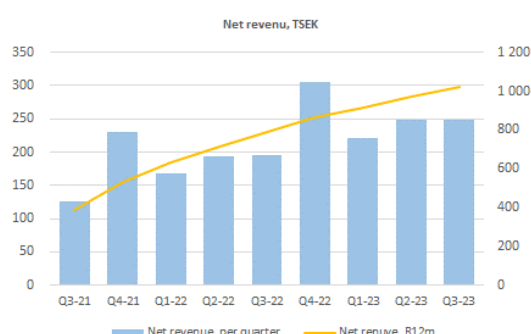
Net revenue

July to September

Net revenue amounted to MSEK 249.5 (196.0), an increase by 27.3 percent. Organic growth amounted to 6.8 percent, while currency-adjusted organic growth amounted to 2.5 percent. Connex was acquired on 1 February and contributed MSEK 40.3 to revenue for the quarter.

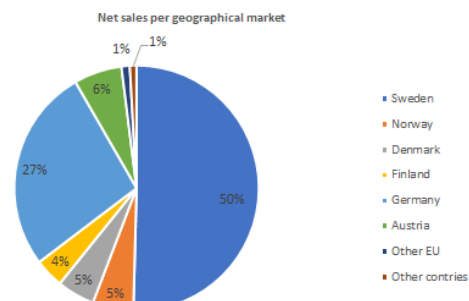
The Loyalty business area, within the Nordic market, has continued to develop positively with good margins. The major customers in both B2B and B2C showed continued good growth. Prämie Direkt's revenue is slightly lower compared to the previous year. Market conditions within the rewards management segment continue to be challenging, and new agreements concluded during the quarter will not be expected to have a full impact on sales until later.

Within the Giftcard business area, we are experiencing continued positive development of new customers on our SaaS platform, as well as increased sales through new channels within our Swedish Giftcard business. The reduction in comparable revenue growth is mainly explained by reduced revenue within MBXP.



January to September

Net revenue amounted to MSEK 719.4 (557.3), an increase by 29.1 percent. Organic growth amounted to 8.2 percent, while currency-adjusted organic growth amounted to 4.6 percent. Connex was acquired on 1 February and contributed MSEK 116.5 to revenue for the period.



Gross result and operating result (EBIT)

July to September

Gross margin amounted to 31.1 (28.1) 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 26.6 percent. The gross margin is negatively affected by the impairment of inventory of MSEK 2.2 that MBXP's subsidiary Paygoo needed to implement in connection with bankruptcy proceedings at one of its Mastercard issuing partners. The gross margin is also diluted by increased sales in programmes and parts of the business with a lower margin, e.g., Zupergift.

Other external expenses have increased by MSEK 9.0 compared to the corresponding quarter last year, of which MSEK 5.8 is attributable to acquired businesses. Other external expenses are affected by MSEK 0.3, attributable to the reservation of customer loss in MBXP's subsidiary Paygoo in connection with bankruptcy proceedings at one of its Mastercard-issuing partners. Excluding this, other external expenses in MBXP are in line with the previous year. Other external expenses are primarily affected by increased costs, attributable for the most part to consulting costs within the Swedish operations and increased sales costs within the German operations.

Personnel costs have increased by MSEK 23.5 compared to the corresponding quarter last year, of which MSEK 20.2 is attributable to acquired businesses. Comparable personnel costs have increased by MSEK 3.4. The total personnel cost corresponds to 17.8 percent of revenue, compared to 10.7 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 gift card solutions.

The EBITA result amounted to MSEK 7.9 (20.1), meaning an EBITA margin of 3.2 (10.3) percent. The EBITA result is negatively affected by MSEK 2.5, due to the impairment of inventory and reservation of customer loss linked to the Paygoo business within MBXP, as a result of the bankruptcy proceedings of one of their Mastercard-issued partners. Without this item, which affects comparability, the EBITA result would have amounted to MSEK 10.4. Prämie affects the EBITA result negatively for the quarter, compared to a neutral result for the corresponding quarter last year, which is due to a lower gross margin and higher expenses, as well as slightly lower revenue, compared to the previous year. Connex contributed negatively to the quarter's EBITA result by MSEK 3.3. Organic EBITA result is MSEK 11.3.

The operating result (EBIT) amounted to MSEK -2.6 (10.7), which corresponds to an EBIT margin of -1.0 (5.4) percent.

Depreciation has increased by MSEK 4.3 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.

January to September

Gross margin amounted to 32.1 (29.7) 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 27.3 percent. The gross margin is negatively affected by the impairment of inventory of MSEK 2.2 that MBXP's subsidiary Paygoo had to do in connection with bankruptcy proceedings at one of its Mastercard issuing partners. The gross margin is also diluted by increased sales in programmes and parts of the business with a lower margin, e.g., Zupergift.

Other external expenses have increased by MSEK 24.2 compared to the corresponding period last year, of which MSEK 14.5 is attributable to acquired businesses. Other external expenses are negatively affected by acquisition costs of MSEK 4.6 (Connex), increased expenses within MBXP, primarily linked to increased costs to retailers reported in the second quarter. The third quarter has been negatively affected by MSEK 0.3, which is attributable to the reservation of customer loss in MBXP's subsidiary Paygoo in connection with bankruptcy proceedings at one of its Mastercard-issuing partners. In terms of expenses, the Swedish operation is less the previous year, if you exclude the above acquisition costs, while the German operation has higher expenses, primarily linked to sales.

Personnel costs have increased by MSEK 58.6 compared to the corresponding period last year, of which MSEK 50.0 is attributable to acquired businesses. Comparable personnel costs have increased by MSEK 8.6. The total personnel cost corresponds to 17.8 percent of revenue, compared to 12.5 percent for the corresponding period 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 gift card solutions.

The EBITA result amounted to MSEK 29.0 (53.6), meaning an EBITA margin of 4.0 (9.6) percent. The EBITA result is negatively affected by acquisition costs of MSEK 4.6, linked to the acquisition of Connex. MBXP's poorer performance in the second quarter also negatively affects the accumulated EBITA result, and also higher expenses in the third quarter in Prämie, primarily linked to lower gross margin and higher sales costs. Adjusted EBITA result amounted to MSEK 33.7, which means an EBITA margin of 4.7 percent. Connex contributed positively to the period's EBITA result with MSEK 1.3. The organic EBITA result is MSEK 27.7.

The operating result (EBIT) amounted to MSEK -3.8 (25.6), which corresponds to an EBIT margin of -0.5 (4.6) percent.

Depreciation has increased by MSEK 13.6 compared to the corresponding period 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

July to September

Net financial items amounted to MSEK 4.5 (-5.9). The financial income is positively affected by exchange rate gains of MSEK 2.5 (4.9), as well as interest income of MSEK 1.6 (0) and other financial income of MSEK 2.7 (0) of which are attributable to a fair value calculation of financial assets at Connex. Financial expenses amounted to MSEK -2.2 (-10.5), of which MSEK 0 (-5.2) is the resolution of discounted debt linked to the contingent consideration for MBXP. Adjusted for this item, interest expenses are MSEK -1.6 (-2.1). Net financial items also consist of exchange rate losses of MSEK -0.3 (-3.2), as well as other financial costs of MSEK -0.3 (0).

The result after financial items amounted to MSEK 1.9 (4.8). The result after tax amounted to MSEK 1.0 (3.2). Deferred tax affects the result positively after tax by MSEK 2.2 (1.4).

The difference between the result for the period and the comprehensive income amounted to MSEK -11.9 (8.1) and is attributable to translation differences.

January to September

Net financial items amounted to MSEK -11.9 (-22.6). The financial income is positively affected by exchange rate gains of MSEK 3.5 (6.8), as well as interest income of MSEK 2.9 (0) and other financial income of MSEK 3.3 (0). Financial expenses amounted to MSEK -21.0 (-28.7), of which MSEK -8.8 (-14.7) is the resolution of discounted debt linked to the contingent consideration for MBXP. Adjusted for this item, interest expenses are MSEK -5.7 (-4.8). Net financial items also consist of exchange rate losses of MSEK -4.9 (-9.3), the largest part of which is attributable to translation differences in Awardit AB, as well as other financial costs of MSEK -1.6 (0).

The result after financial items amounted to MSEK -15.7 (3.0). The result after tax amounted to MSEK -19.4 (-1.5). Deferred tax affects the result positively after tax by MSEK 6.4 (4.3).

The difference between the result for the period and the comprehensive income amounted to MSEK 6.3 (22.8) and is attributable to translation differences.

Cash flow

July to September

Cash flow from operating activities after changes in working capital amounted to MSEK 15.6 (33.8).

Other short-term receivables decreased mainly due to reduced trade receivables and short-term receivables. The other receivables are mainly linked to a settlement of a pension debt to a former employee of Connex. The payment has been financed by the pension company and has not affected the funds at Connex.

Short-term liabilities decreased, primarily due to reduced accounts payables and advances from customers, where the majority is attributable to Connex's operations, where parts of the liabilities have been reclassified as a long-term liability as it is due for payment at a point later than one year ahead.

Cash flow from investing activities amounted to MSEK -2.6 (-2.0), where MSEK -2.6 (-0.3) refers to investment in intangible fixed assets (capitalised development expenditure) and MSEK 0 (-1.7) refers to investment in financial assets.

Cash flow from financing activities amounted to MSEK -2.7 (-16.6) where MSEK 2.7 to the amortisation of right-of-use assets compared to the previous year, when we also repaid our bank loans.

January to September

Cash flow from operating activities after changes in working capital amounted to MSEK 16.9 (20.4).

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

Cash flow from investing activities amounted to MSEK 16.0 (-3.9), where MSEK -5.5 (-1.6) refers to investment in intangible fixed assets (capitalised development expenditure) and MSEK 21.5 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 -37.5 (-44.1) 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. In April, this MSEK 80.0 reverted to unused credit capacity in the facility. In May, dividend of MSEK 19.5 was paid out to the shareholders. Financing activities also include amortisation of right-of-use assets of MSEK 7.5.

Balance sheet items 30 September 2023

Cash and cash equivalents at the end of the period amounted to MSEK 253.7 (214.6). The quarter's impact on cash and cash equivalents is positive with MSEK 5.9

Interest-bearing liabilities amounted to MSEK 235.1 (241.1). These mainly consist of bank loans and a contingent consideration for the acquisition of MBXP.

The Group's inventory value as of 30 September 2023 was MSEK 69.2 (47.6), which is MSEK 21.7 higher than at the corresponding time last year, due to the acquisition of Connex, which has affected the inventory value by MSEK 24.0.

Share option programme

The Company will issue a maximum of 250,000 subscription warrants in a series 2022/2025. As of 30 September 2023, 124,650 subscription warrants have been subscribed out of 250,000. As the price for the subscription 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 company will issue a maximum of 295,000 subscription warrants in a series 2023/2026. As of 30 September 2023, 59,200 subscription warrants have been subscribed for out of 295,000. As the subscription price for the warrants is SEK 219.40, there is no dilution effect.

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 223 (133) and for the period January to September 212 (127). On 30 September 2023, the number of employees was 256 (143 as of 30 September 2022). The increase essentially comes from acquired business.

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 September amounted to MSEK 108.4 (91.2). The result before tax amounted to MSEK 17.8 (14.0). The Parent Company's cash and cash equivalents amounted to MSEK 120.3 (94.1). Equity amounted to MSEK 546.0 (502.4). 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 125.5 (0).

The Parent Company's interest-bearing liabilities were MSEK 219.6 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 90.0) and the contingent consideration for MBXP (MSEK 129.6). The Parent Company has no significant transactions with related parties, other than transactions with subsidiaries.

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

July to September

Net revenue amounted to MSEK 182.7 (151.9), an increase by 20.3 percent, of which Connex contributed with MSEK 16.5. Comparable sales growth amounted to 9.4 percent where primarily the Loyalty business in the Nordic market, has continued to develop positively. Currency-adjusted organic growth amounted to 6.3 percent.

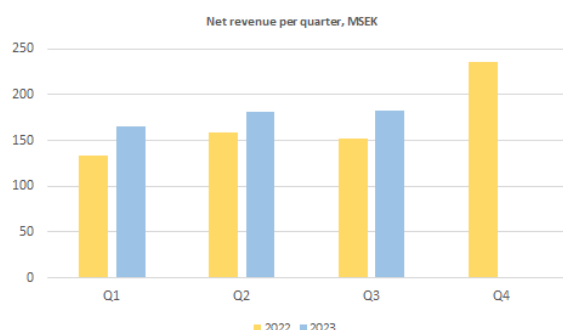
The EBITA result amounted to MSEK 14.3 (16.0), which corresponded to an EBITA margin of 7.8 (10.6) percent. Connex affects the EBITA result positively with MSEK 2.3. Comparable EBITA-result amounts to MSEK 12.0, which is negatively affected by the weaker development in the German market, where Prämie's contribution to the EBITA result is negative for the quarter.

January to September

Net revenue amounted to MSEK 529.6 (444.2), an increase by 19.2 percent, of which Connex contributed with MSEK 43.6. Comparable revenue growth amounted to 9.4 percent, which is mainly explained by continued strong growth within existing programmes within the Nordic loyalty business. Currency-adjusted organic growth amounted to 6.8 percent.

The EBITA result amounted to MSEK 30.4 (42.2), which corresponded to an EBITA margin of 5.7 (9.5) percent. The period has been burdened by acquisition costs relating to Connex of MSEK 4.6. Connex affects the EBITA result negatively with MSEK 0.5. Comparable EBITA result amounts to MSEK 30.9, which is negatively affected by the weaker development in the German market, where Prämie's contribution to the EBITA result is negative for the period.

Group	2023-07-01	2022-07-01	2023-01-01	2022-01-01	2022-01-01
Amounts, TSEK	2023-09-30	2022-09-30	2023-09-30	2022-09-30	2022-12-31
Net revenue	182,678	151,905	529,615	444,182	680,283
EBITA	14,285	16,042	30,398	42,236	83,441
EBITA-margin, %	7.8%	10.6%	5.7%	9.5%	12.3%
Operating result	9,245	11,636	14,307	29,281	63,336
Operating margin, %	5.1%	7.7%	2.7%	6.6%	9.3%



Giftcards

July to September

Net revenue amounted to MSEK 66.8 (44.1), an increase by 51.6 percent, of which Connex contributed with MSEK 23.8. Comparable revenue growth amounted to -2.3 percent. The reduction in comparable revenue growth is mainly explained by reduced revenue within MBXP; in our Swedish Giftcard business we see continued positive development of new customers on our SaaS platform, as well as increased sales through new channels. Currency-adjusted organic growth amounted to -10.5 percent.

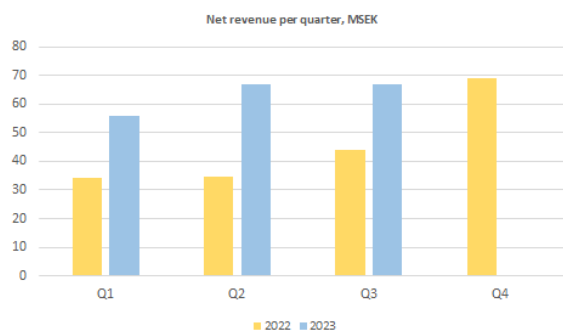
The EBITA result amounted to MSEK -6.3 (4.1), which corresponded to an EBITA margin of -9.5 (9.3) percent. Connex affects the EBITA result negatively with MSEK 5.5. Comparable EBITA result amounts to MSEK -0.8, which is negatively affected by the weaker development in MBXP, whose contribution to the EBITA result is MSEK -2.9.

January to September

Net revenue amounted to MSEK 189.7 (113.1), an increase by 67.7 percent, of which Connex contributed with MSEK 72.9. Comparable revenue growth amounted to 3.2 percent. Currency-adjusted organic growth amounted to -4.0 percent.

The EBITA result amounted to MSEK -1.4 (11.4), which corresponded to an EBITA margin of -0.7 (10.1) percent. Connex affects the EBITA result positively with MSEK 1.8. Comparable EBITA result amounted to MSEK -3.1, which is negatively affected by the weaker development in MBXP, whose contribution to the EBITA result is MSEK -11.3.

Group	2023-07-01	2022-07-01	2023-01-01	2022-01-01	2022-01-01
Amounts, TSEK	2023-09-30	2022-09-30	2023-09-30	2022-09-30	2022-12-31
Net revenue	66,844	44,081	189,735	113,131	182,014
EBITA	-6,339	4,088	-1,351	11,370	27,733
EBITA-margin, %	-9.5%	9.3%	-0.7%	10.1%	15.2%
Operating result	-11,798	-983	-18,120	-3,656	7,575
Operating margin, %	-17.6%	-2.2%	-9.6%	-3.2%	4.2%



Consolidated Income Statement

		2023-07-01	2022-07-01	2023-01-01	2022-01-01	2022-01-01
Amounts, TSEK	Note	2023-09-30	2022-09-30	2023-09-30	2022-09-30	2022-12-31
Net revenue	3	249,523	195,986	719,350	557,314	862,297
Capitalised work for own account		2,937	868	5,450	1,629	2,387
Other operating income	5	2,327	2,505	9,777	10,377	21,870
Total operating income		254,787	199,359	734,577	569,319	886,554
Operating expenses						
Commodities		-171,865	-140,875	-488,409	-391,934	-607,198
Other external expenses		-25,136	-16,124	-76,345	-52,172	-67,377
Personnel expenses		-44,503	-20,968	-128,252	-69,665	-98,792
Depreciation and amortisation of tangible and intangible assets		-13,839	-9,554	-41,836	-28,198	-40,557
Other operating expenses		-1,998	-1,185	-3,548	-1,724	-1,721
Total operating expenses		-257,341	-188,705	-738,391	-543,694	-815,644
Operating result		-2,553	10,654	-3,813	25,625	70,910
Financial income		6,746	4,887	9,685	6,803	9,483
Financial expenses		-2,222	-10,513	-20,959	-28,745	-39,251
Result from interests in Group and associated companies		-34	-268	-613	-662	-887
Result from financial items		4,491	-5,895	-11,886	-22,605	-30,655
Result before tax		1,938	4,758	-15,700	3,021	40,255
Tax		-950	-1,519	-3,691	-4,483	-15,007
Result for the period		988	3,240	-19,391	-1,462	25,248
Attributable to:						
The Parent Company's shareholders		988	3,240	-19,391	-1,462	25,248
Stock data						
Earnings per share before dilution, SEK ¹		0.11	0.39	-2.25	-0.18	3.03
Earnings per share after dilution, SEK ¹		0.11	0.39	-2.25	-0.18	3.03
Outstanding shares at the end of the period		8,660,848	8,335,518	8,660,848	8,335,518	8,335,518
Average number of shares during the period		8,660,848	8,335,518	8,618,676	8,335,518	8,335,518

¹ Based on the average number of shares during the period

Consolidated Report of Comprehensive Income

Group	2023-07-01	2022-07-01	2023-01-01	2022-01-01	2022-01-01
Amounts, TSEK	2023-09-30	2022-09-30	2023-09-30	2022-09-30	2022-12-31
Result for the period	988	3,240	-19,391	-1,462	25,248
Other total result:					
Translation differences	-11,881	8,054	6,314	22,837	31,031
Comprehensive income for the period	-10,893	11,295	-13,077	21,375	56,279
Attributable to:					
The Parent Company's shareholders	-10,893	11,295	-13,077	21,375	56,279

Consolidated Report of Net Financial Items

Group	2023-07-01	2022-07-01	2023-01-01	2022-01-01	2022-01-01
Amounts, TSEK	2023-09-30	2022-09-30	2023-09-30	2022-09-30	2022-12-31
Exchange rate gains	2,461	4,885	3,469	6,799	9,473
Interest income	1,599	2	2,896	4	9
Other financial income	2,687	-	3,320	-	-
Total financial income	6,746	4,887	9,685	6,803	9,483
Interest expenses	-1,374	-1,986	-5,020	-4,510	-5,362
Interest expenses, right-of-use assets	-209	-157	-647	-274	-583
Discount, seller reversal	-	-197	-	-612	-697
Discount, contingent consideration	-	-4,980	-8,777	-14,066	-16,320
Exchange rate loss	-292	-3,171	-4,939	-9,261	-15,127
Other financial expenses	-347	-22	-1,576	-22	-1,162
Total financial expenses	-2,222	-10,513	-20,959	-28,745	-39,251
Result from interests in Group and associated companies	-34	-268	-613	-662	-887
Total net financial items	4,491	-5,895	-11,886	-22,605	-30,655

Consolidated Balance Sheet

Amounts, TSEK	Note	2023-09-30	2022-09-30	2022-12-31
Assets				
Fixed assets				
Goodwill		422,255	371,288	375,959
Customer relations		118,583	120,668	117,900
Platform		58,720	67,019	64,119
Brand		60,891	47,476	48 284
Other intangible assets		3,799	-	-
Equipment, tools and fittings		6,884	351	316
Right-of-use assets		18,005	10,605	11,032
Interests in associated companies		7,393	8,284	8,006
Deferred tax assets		54	14	39
Total fixed assets		696,584	625,706	625,656
Current assets				
Inventory		69,243	47,584	51,574
Advances to suppliers		42	596	521
Accounts receivable		120,948	99,703	236,891
Current tax receivable		4,553	8,766	1,924
Other receivables		42,260	30,427	77,781
Prepaid expenses and accrued income		14,141	15,390	13,712
Other short-term receivables		32,790	-	-
Cash and cash equivalents		253,676	214,644	257,092
Total current assets		537,653	417,111	639,495
TOTAL ASSETS		1,234,236	1,042,817	1,265,151

Consolidated Balance Sheet (cont.)

Amounts, TSEK	Note	2023-09-30	2022-09-30	2022-12-31
EQUITY	6			
Equity that can be attributed to the Parent Company's owners				
Share capital		866	834	834
Other contributed capital		479,366	447,101	438,563
Translation differences		37,345	23,837	32,031
Earned result, including result for the year		56,651	59,313	94,561
Total Equity		574,228	531,085	565,989
LIABILITIES				
Long-term liabilities				
Advances from customers		70,900	-	-
Borrowing from credit institutions	7	89,900	49,734	82,297
Liabilities relating to right-of-use assets		8,518	7,164	6,677
Other long-term liabilities		24,194	108,531	-
Deferred tax liabilities		57,193	54,356	55,241
Other provisions		3,593	2,386	1,637
Total long-term liabilities		254,299	222,171	152,852
Short-term liabilities				
Borrowing from credit institutions		-	53,796	11,930
Liabilities relating to right-of-use assets		10,430	4,335	5,162
Advances from customers		54,112	26,214	34,869
Accounts payable		129,440	131,592	289 535
Current tax liabilities		14,458	9,066	18,781
Other liabilities		152,430	29,903	134,588
Accrued expenses and prepaid income		44,840	34,655	51,445
Total short-term liabilities		405,710	289,561	546,310
TOTAL LIABILITIES AND EQUITY		1,234,236	1,042,817	1,265,151

Consolidated Cash Flow Statement

		2023-07-01	2022-07-01	2023-01-01	2022-01-01	2022-01-01
Amount, TSEK	Note	2023-09-30	2022-09-30	2023-09-30	2022-09-30	2022-12-31
Cash flow from operating activities						
Operating result		-2,553	10,654	-3,813	25,625	70,910
Adjustment for non-cash items						
- Reversal of depreciations		13,839	9,554	41,836	28,198	40,557
- Other items not affecting cash		1,518	-550	-16,272	-2,351	-10,804
Interest received		1,598	4	2,896	4	9
Interest paid		-2,122	-1,707	-6,573	-4,232	-7,744
Paid tax		-5,108	-3,227	-16,037	-6,743	-11,217
Cash flow from operating activities before changes in working capital		7,172	14,728	2,037	40,502	81,711
<u>Changes in working capital</u>						
Increase/decrease in inventory and work in progress		3,340	1,906	7,218	5,693	2,160
Increase/decrease in other current receivables		52,775	32,089	225,053	103,925	-76,967
Increase/decrease in other short-term liabilities		-47,689	-14,968	-217,408	-129,731	75,527
Total change in working capital		8,426	19,027	14,863	-20,113	720
Total cash from operating activities		15,597	33,755	16,900	20,389	82,431
Cash flow from investing activities						
Investment in intangible fixed assets		-2,637	-309	-5,450	-1,669	-2,387
Investment in tangible fixed assets		-	-	-57	-	-40
Investments in business acquisition		-	-	21,469	-	-
Investments in financial assets		-	-1,701	-	-2,203	-502
Divestment of subsidiaries		-	-	-	-10	39
Total cash flow from investing activities		-2,637	-2,010	15,962	-3,882	-2,891
Cash flow from financing activities						
Stock options		-	-	1,635	4,115	4,115
Amortisation of liabilities		-2,656	-16,606	-99,614	-48,220	-160,460
Borrowings	6	-	-	80,000	-	90,000
Total Cash flow from financing activities		-	-	-19,487	-	-
		-2,656	-16,606	-37,467	-44,105	-66,345
Change in cash and cash equivalents						
		10,304	15,139	-4,605	-27,599	13,196
Cash and cash equivalents at start of period						
Exchange rate difference in cash and cash equivalents		247,772	199,291	257,092	240,221	240,221
Cash and cash equivalents at end of period		-4,400	214	1,189	2,022	3,675
Cash flow from operating activities		253,676	214,644	253 676	214,644	257,092

Consolidated Statement of Changes in Equity, summary

Amounts, TSEK	2023-09-30	2022-09-30	2022-12-31
Equity at the beginning of the period	565,989	505,595	505,595
Dividend	-19,487	-	-
Non-cash issue	39,167	-	-
Stock options	1,635	4,115	4,115
Comprehensive income for the period	-13,077	21,375	56,279
Equity at the end of the period	574,228	531,085	565,989
Equity attributable to:			
The Parent Company's shareholders	574,228	531,085	565,989
Number of outstanding shares at the beginning of the period	8,335,518	8,335,518	8,335,518
Non-cash issue	325,330	-	-
Number of outstanding shares at the end of the period	8,660,848	8,335,518	8,335,518

Parent Company Income Statement

	2023-07-01	2022-07-01	2023-01-01	2022-01-01	2022-01-01
Amounts, TSEK	2023-09-30	2022-09-30	2023-09-30	2022-09-30	2022-12-31
<i>Operating income</i>					
Net revenue	36,805	31,157	108,365	91,199	138,113
Capitalised work for own account	548	483	2,869	483	617
Other operating income	759	6	2,382	318	2,250
Total operating income	38,112	31,646	113,616	92,000	140,980
<i>Operating expenses</i>					
Commodities	-23,689	-19,185	-69,562	-54,835	-84,457
Other external expenses	-7,306	-5,587	-21,124	-16,669	-22,617
Personnel costs	-51	-47	-243	-370	-689
Depreciation and amortisation of tangible and intangible assets	-377	-265	-1,049	-788	-1,054
Other operating expenses	-393	-35	-709	-145	-146
Total operating expenses	-31,817	-25,118	-92,688	-72,806	-108,962
Operating result	6,296	6,528	20,928	19,194	32,018
Other interest income and similar items	2,568	3,891	5,039	6,713	9,202
Interest expenses and similar result items	-680	-5,059	-8,200	-11,925	-16,054
Result from financial items	1,888	-1,168	-3,161	-5,212	-6,852
Appropriations	-	-	-	-	-900
Result before tax	8,184	5,360	17,767	13,982	24,266
Tax	-1,699	-1,104	-3,669	-2,885	-5,005
Result for the period	6,485	4,256	14,097	11,096	19,261

Parent Company Balance Sheet

Amounts, TSEK	Note	2023-09-30	2022-09-30	2022-12-31
ASSETS				
Fixed assets				
Intangible assets				
Capitalised development expenditure		6,966	5,278	5,147
Total intangible assets		6,966	5,278	5,147
Financial fixed assets				
Interests in Group companies	8	687,343	561,851	561,851
Receivables from Group companies		29,283	27,708	28,397
Total financial fixed assets		716,627	589,559	590,248
Total fixed assets		723,593	594,837	595,395
Current assets				
Current receivables				
Accounts receivable		26,202	19,946	38,172
Receivables from Group companies		49,591	33,478	35,032
Tax receivables		-	2,469	-
Other receivables		-	205	4
Prepaid expenses and accrued income		6,360	4,800	5,092
Total current receivables		82,153	60,898	78,300
Cash and cash equivalents		120,332	94,121	75,968
Total current assets		202,484	155,018	154,268
TOTAL ASSETS		926,077	749,855	749,663

Parent Company Balance Sheet (cont.)

Amounts, TSEK	Note	2023-09-30	2022-09-30	2022-12-31
EQUITY AND LIABILITIES				
Equity				
Restricted Equity				
Share capital		866	834	834
Fund for development expenditure		3,633	1,445	1,438
Total restricted Equity		4,499	2,279	2,272
Unrestricted Equity				
Premium fund		472,011	427,094	431,208
Retained earnings		55,436	61,965	57,857
Result for the year		14,097	11,096	19,261
Total unrestricted Equity		541,544	500,155	508,326
Total Equity		546,043	502,434	510,598
Long-term liabilities				
Liabilities to credit institutions		89,433	49,729	89,297
Other long-term liabilities	7	-	122,598	-
Total long-term liabilities		89,433	172,327	89,297
Short-term liabilities				
Liabilities to credit institutions		-	38,036	-
Advances from customers		-	345	383
Accounts payable		6,163	4,114	7,886
Liabilities to Group companies		146,375	6,330	6,163
Current tax liabilities		1,137	-	861
Other liabilities		129,731	18,389	127,121
Accrued expenses and prepaid income		7,196	7,882	7,353
Total short-term liabilities		290,601	75,095	149,768
TOTAL LIABILITIES AND EQUITY		926,077	749,855	749,663

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 gift card 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 operations in the Loyalty and Giftcards business areas. Where MBXP, Retain24 and parts of Connex are part of the Giftcards business area, 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	529,615	444,182	189,735	113,131	-	-	719,350	557,314
Net revenue, internal (between segments)	7,944	2,879	8,190	3,073	-16,135	-5,951	-	-
Net revenue	537,559	447,061	197,925	116,204	-16,135	-5,951	719,350	557,314
EBITA	30,398	42,236	-1,351	11,370			29,048	53,606
EBITA margin, %	5.7%	9.5%	-0.7%	10.1%			4.0%	9.6%
Operating result	14,307	29,281	-18,120	-3,656			-3,813	25,625
Operating margin, %	2.7%	6.6%	-9.2%	-3.2%			-0.5%	4.6%

Distribution of Income

Group Amounts, TSEK	Loyalty		Giftcards		Totalt	
	2023	2022	2023	2022	2023	2022
Products	467,854	400,133	74,250	3,165	542,105	403,298
Services	61,761	44,050	115,484	109,966	177,245	154,016
Sum net revenue	529,615	444,182	189,735	113,131	719,350	557,314

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 4.6 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
Total purchase price	120,903

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
Net identifiable assets/liabilities	54,669	27,299	81,968
Goodwill			38,935
Estimated purchase price			120,903

Note 4, cont.**IPO PrämienServices GmbH**

On 1 November 2023 Awardit acquired all shares in IPO PrämienServices GmbH ("IPO"). The acquisition was made to further strengthen Awardit's presence in the DACH-region. If the acquisition had been completed 1 January 2022, IPO would have contributed to the group's net revenue for the full year with approximately MSEK 202 and EBITA with approximately MSEK 5 (approximately MSEK 10 adjusted for various shareholder related costs). The acquisition was settled with approximately MSEK 75 in cash. The total purchase price for IPO amounted to approximately MSEK 92. Preliminary acquisition analysis has not yet been completed as the group has not received final determined information from the acquired company.

Note 5 Other operating income

Group	2023-07-01	2022-07-01	2023-01-01	2022-01-01	2022-01-01
Amounts, TSEK	2023-09-30	2022-09-30	2023-09-30	2022-09-30	2022-12-31
Translation differences	1,166	442	3,473	1,330	1,821
Recovered bad debts	64	-	64	-	-
Rental income	350	167	986	450	620
Government grant	240	656	804	1,230	751
Invoiced administration, service, and handling fees	473	123	1,610	1,091	2,553
Marketing contribution	75	-746	948	1,043	4,680
Breakage (expired values) ¹	-	1,457	-	4,448	9,913
Other	-40	406	1,893	785	1,531
Total other operating income	2,327	2,505	9,777	10,377	21,870

¹ Breakage for Supergift is reported as part of net sales from January 2023.

Note 6 Equity

As of 30 September 2023, the Group's equity amounted to MSEK 574.2 (531.1), which corresponds to SEK 66.3 (63.7) 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:

	No. of shares	Share capital, SEK
Non-cash issue, Connex	325,330	39,232,521
Closing balance 2023-09-30	325,330	39,232,521

Note 7 Borrowing from credit institutions

	2023-09-30	2022-09-30	2022-12-31
Swedbank	-	49,734	-
Nordea	89,900	-	89,297
Total borrowings	89,900	49,734	89,297

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 30 September 2023, Awardit fulfils the agreed covenants.

The Group has MSEK 160 in unutilised credit in the RCF with Nordea.

Note 8 Shares in subsidiaries

Parent company Amounts, TSEK	2023-09-30	2022-09-30	2022-12-31
Opening acquisition value	561,851	561,800	561,800
Investment	125,492	51	51
Closing acquisition value	687,343	561,851	561,851

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	
					2023-09-30	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	125,492	-
- Connex Loyalty GmbH	FN 223134 p	Wels, Austria	100%	1	-	-
- Connex Deutschland GmbH	HRB 79879	Frankfurt/Main, Germany	100%	1	-	-
- Connex CEE s.r.o.	35 938 137	Bratislava, Slovakia	100%	1	-	-
Closing balance					687,343	561,851

Note 9 Significant events after the end of the reporting period

- On 26 October it was announced that Awardit AB (publ) and the owner of the leading German loyalty company, IPO PrämienServices GmbH ("IPO"), had signed a share transfer agreement through which Awardit has acquired 100 percent of IPO. The purchase price amounted to MEUR 7.8, on a debt- and cash-free basis, and will be paid in cash as of the point of accession, on 31 October. A contingent consideration corresponding to the gross profit attributable to a possible new part of the business may be added during a two-year period, but for a maximum of MEUR 2.

Key figures - quarterly

	2023			2022				2021
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Net revenue, MSEK	249.5	247.9	221.9	305.0	196.0	193.9	167.4	229.5
Comparable net revenue, MSEK	209.2	200.7	192.9	267.4	154.7	133.2	87.1	126.0
Gross profit, MSEK	77.7	82.4	70.9	89.7	55.1	63.7	46.6	79.3
Gross margin, %	31.1%	33.2%	32.0%	29.4%	28.1%	32.9%	27.8%	34.5%
EBITA, MSEK	7.9	14.0	7.1	57.6	20.1	27.8	5.7	57.2
EBITA margin, %	3.2%	5.6%	3.2%	18.9%	10.3%	14.3%	3.4%	24.9%
Result for the period, MSEK	1.0	-7.8	-12.6	26.7	3.2	7.7	-12.4	23.6
Cash flow from operating activities, MSEK	15.6	19.8	-18.5	62.0	33.8	2.1	-15.4	56.0
Quick ratio, %	115%	92%	104%	108%	128%	140%	144%	126%
Equity, MSEK	574.2	586.5	594.0	566.0	530.7	519.8	499.9	505.6
Equity/asset ratio, %	46.5%	44.6%	42.9%	44.7%	50.9%	49.3%	49.5%	40.0%
Number of employees at the end of the period	256	251	250	143	143	135	135	142
Aktiedata								
EBITA per share before and after dilution, SEK	0.92	1.62	0.83	6.91	2.42	3.34	0.68	7.35
Earnings per share before and after dilution, SEK	0.11	-0.90	-1.47	3.20	0.39	0.92	-1.49	3.02
Cash flow from operating activities per share, SEK	1.8	2.3	-2.2	7.4	4.0	0.2	-1.9	7.2
Equity per share, SEK	66.3	67.7	69.6	67.9	63.7	62.4	60.0	70.2
Average number of shares during the period, thousands	8,661	8,661	8,534	8,336	8,336	8,336	8,336	7,788
Number of shares end of period, thousands	8,661	8,661	8,661	8,336	8,336	8,336	8,336	8,336

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	2023-07-01	2022-07-01	2023-01-01	2022-01-01	2022-01-01
Amounts, TSEK	2023-09-30	2022-09-30	2023-09-30	2022-09-30	2022-12-31
Operating result	-2,553	10,654	-3,813	25,625	70,910
Depreciation and amortization of intangible assets	10,500	9,476	32,860	27,981	40,264
EBITA	7,947	20,130	29,047	53,606	111,174

Adjusted EBITA

Group	2023-07-01	2022-07-01	2023-01-01	2022-01-01	2022-01-01
Amounts, TSEK	2023-09-30	2022-09-30	2023-09-30	2022-09-30	2022-12-31
EBITA	7,947	20,130	29,047	53,606	111,174
Acquisition costs	-	-	4,622	-	-
Adjusted EBITA	7,947	20,130	33,669	53,606	111,174

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.






	2023-09-30	2022-09-30	2022-12-31
Long-term interest-bearing debt	98,518	165,429	95,974
Short-term interest-bearing debt	136,579	75,628	130,178
Sum interest-bearing debt	235,098	241,056	226,152
Cash and cash equivalents	-253,676	-214,644	-257,092
Net debt (+)/-receivable (-)	-18,578	26,412	-30,940

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)
-  256 employees as of 2023-09-30

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.

 Loyalty	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.
 Giftcards	Revenue within Giftcards consists of set-up charges, monthly fees, charging fees, commissions, breakage (private labels) and expert services.

Ownership

Shareholders	Shareholding	Share
Visionalis AB	2,088,272	24.1%
Niklas Lundqvist	1,022,441	11.8%
Filip Engelbert	471,953	5.4%
Jonas Nordlander	401,952	4.6%
Consensus Asset Management AB	346,700	4.0%
Johan Hagman	300,837	3.5%
Samir Taha (Sultanen Invest AB)	295,000	3.4%
Magellan Privatstiftung	292,797	3.4%
S Thorberg Inspiration Investment Ltd	146,331	1.7%
Fredrik Landgren	100,388	1.2%
Total ten largest owners	5,466,671	63.1%
Other shareholders	3,194,177	36.9%
Total	8,660,848	100.0%

The above reflects the ownership structure as of 30 September 2023

Other information

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

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 President & CEO