

POINTS TO PROFIT

Q3 2021

TODAY'S PRESENTER



Niklas Lundqvist

CEO

- Founder and member of the Board of Directors since 1999
- Bachelor of Laws and LLM, Uppsala University and Maastricht University Economics Gothenburg School of Business, Uppsala University

AWARDIT IN BRIEF

BROAD OFFERING TO CATER ALL NEEDS

 Strategy & Concept

 Design & UX


 SaaS-platform


 Partnerships


 Loyalty marketplace


 Customer support


ATTRACTIVE FUNDAMENTALS FUELING GROWTH AGENDA


 Largest company and platform for loyalty-, incentive- and gift card programs in the Nordics. RTM proforma revenue approx. SEK 550-600m. Including Prämie Direkt 1bn is reasonable for 2022!

 SaaS-toolbox that covers all parts of the loyalty-and reward program value chain

 +200 programs reaching more than 15 million consumers

 Strong organic growth and rising profitability

 Two business areas; Loyalty & Gift cards

 Ambition to be become one of the absolute leaders in Europe

 Nine completed acquisitions since IPO in Dec 2017. 10th nearing closure.



Q3'21 Summary



Growth rate of 110% with revenue accelerating from SEK 62m to SEK 130m. 24% organic.



EBITA increase of 96% from SEK 7,7m to SEK 15,1m. 74% organic.



Improving Gross margin



Rapid integration of TIC initiated after the summer. TIC opex 2X Awardit!



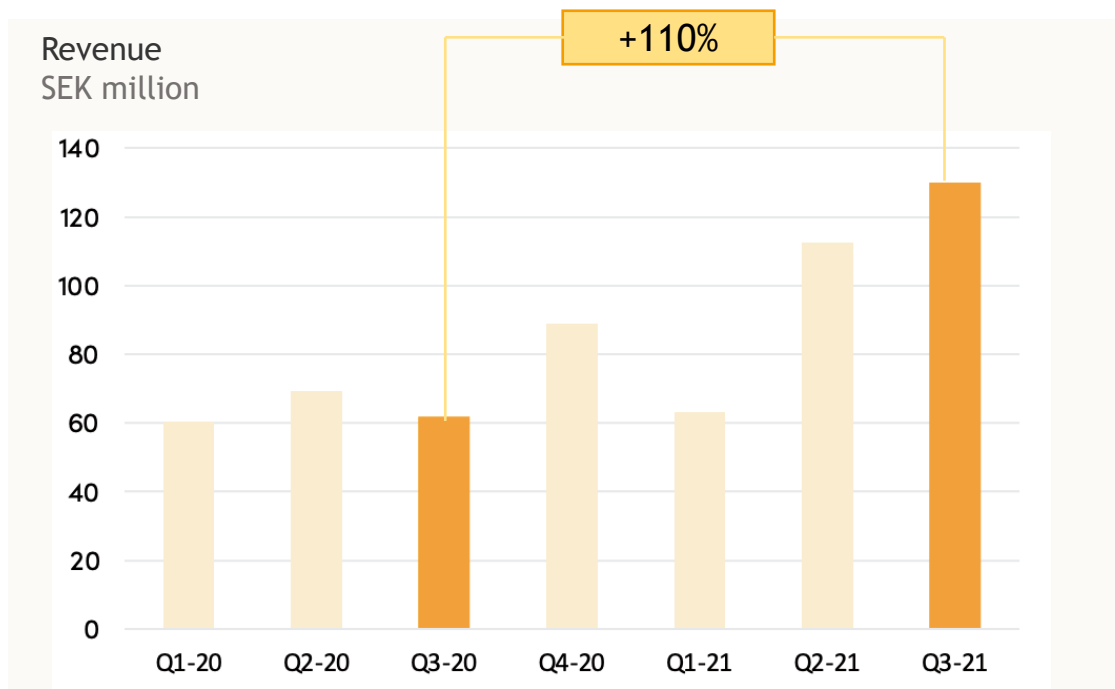
Ongoing acquisition of Prämie Direkt GmbH, adding approx. SEK 200m RTM



Zupergift develops well. Breakage of SEK 0,4m in Q3 and estimate of approx. SEK 2,6m in Q4.

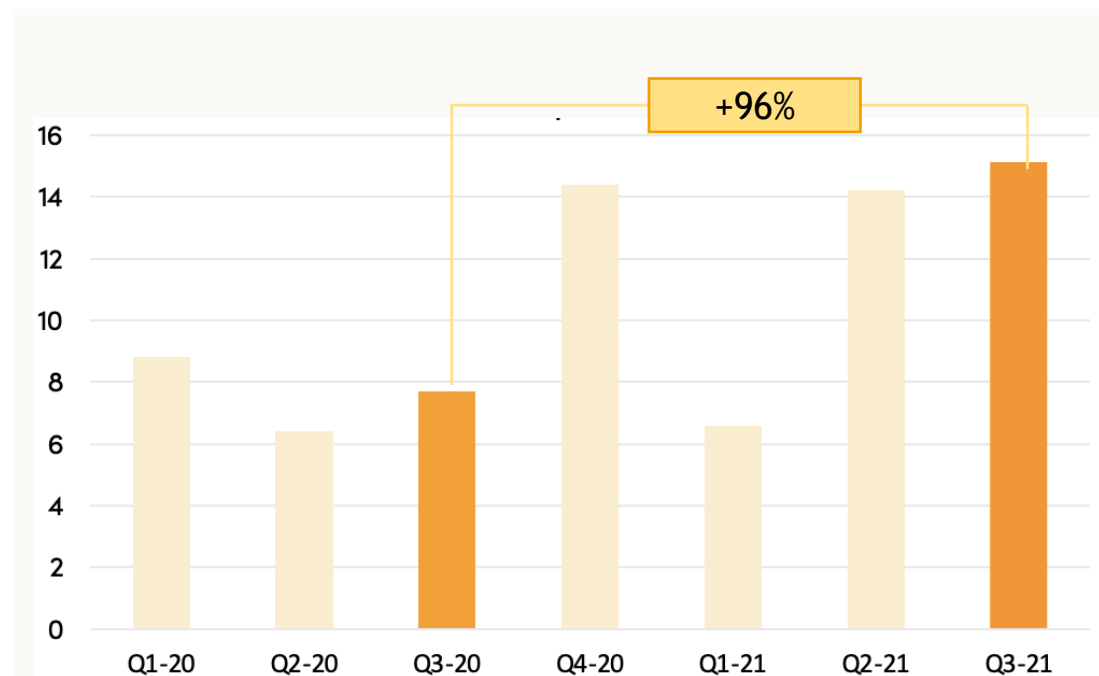
REVENUE GROWTH IS REACCELERATING TO NEW LEVELS

QUARTERLY ACCELERATING REVENUES



- Organic growth of approx. 24%.
- MBXP still affected by covid during Q3.
- TIC performing according to budget but Q3 is their slowest quarter and campaigns in Q2 affected Q3 performance.

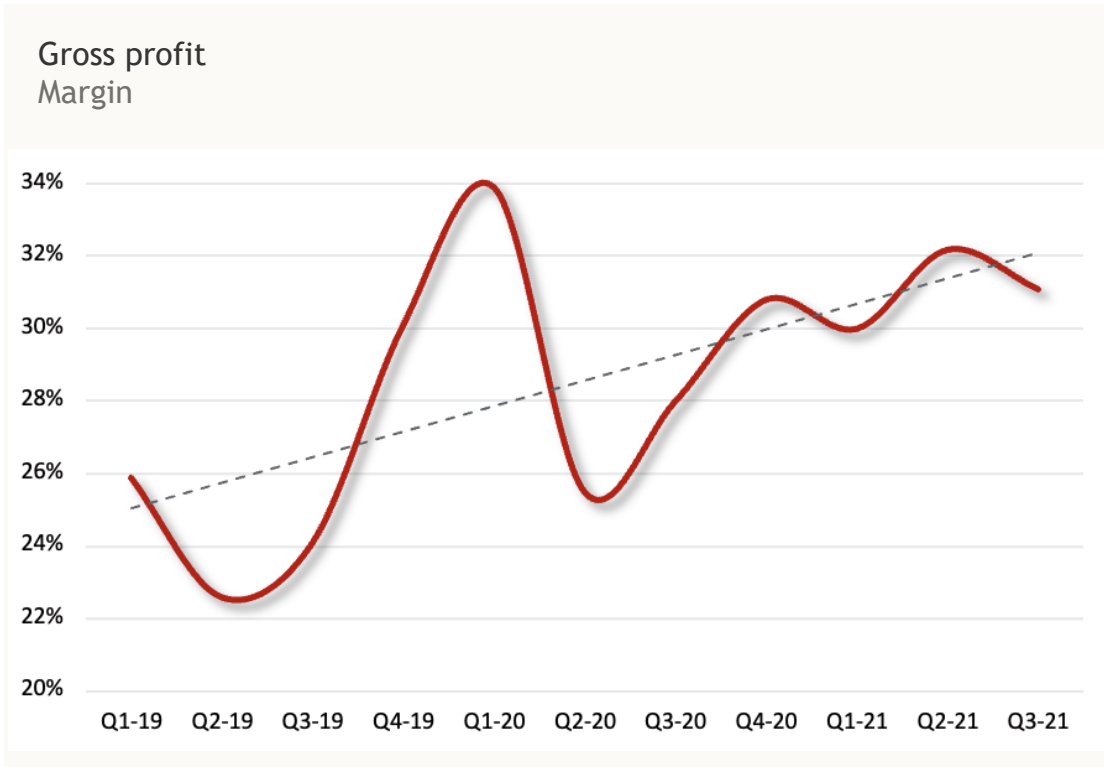
EBITA DEVELOPMENT



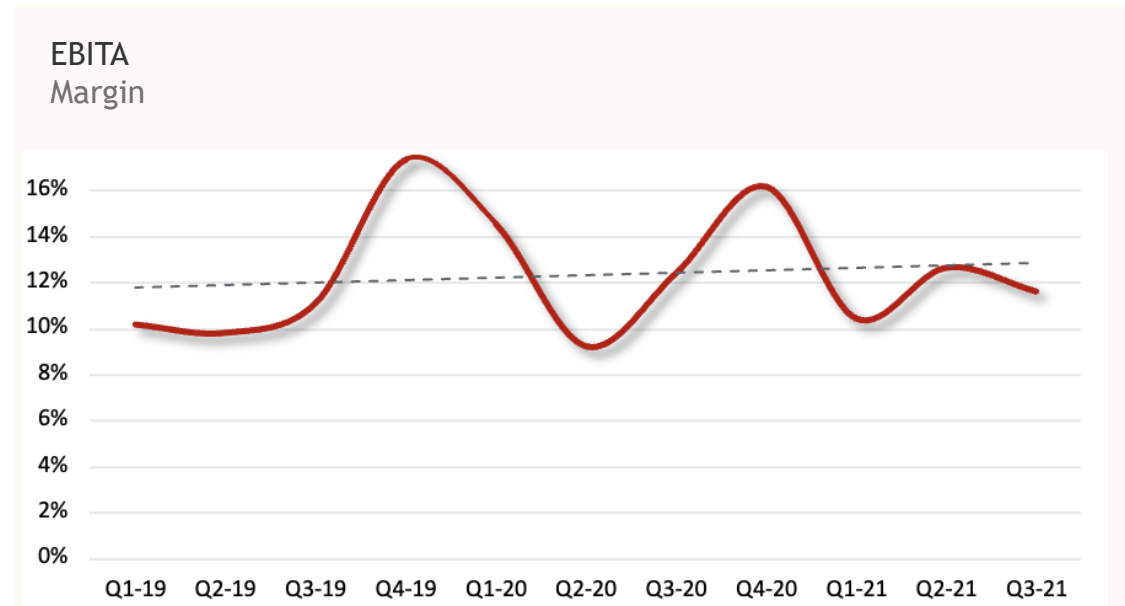
- Organic EBITA-growth of approx. 74%
- By mid October MBXP was back to pre-covid levels = pick-up expected
- TIC expected to contribute 4-6m in Q4

GROSS MARGIN ON THE RISE WITH PROFITABILITY TO TAKE OFF

GROSS MARGIN DEVELOPMENT



STEADILY INCREASING EBITA MARGIN SOON TO ENJOY BREAKAGE



- 1 Positive trend over time, both Gross Margin and EBITA
- 2 B2B sales with higher gross margin representing a growing share of total sales.
- 3 Zupergift breakage stabilizing and moving along with surging sales volumes. Total FV-value sales approx 100m to date. Breakage expected at 2,6m in Q4.

NASDAQ OMX
FIRSTNORTH

 crossroads
loyalty solutions

 GOYADA

Inspiration
COMPANY

Awardit IPO

Acquisition of
Crossroads Loyalty Solutions AB

 MOTIVATION SERVICE

Acquisition of
Motivation Service AB

Retain24

Acquisition of
Retain 24 Sverige AB

Acquisition of assets from
Goyada AB

Acquisition of The Inspiration
Company TIC AB

Dec-2017

Jan-2018

April-2018

Nov-2018

Okt-2019

Nov-2019

Dec-2019

March-20

April-21

June-21

Acquisition of Sponsorhuset AB

Acquisition of remaining shares
in Rewardit AB

Acquisition of
Market2member AB

Acquisition of MBXP ApS

SPONSORHUSET

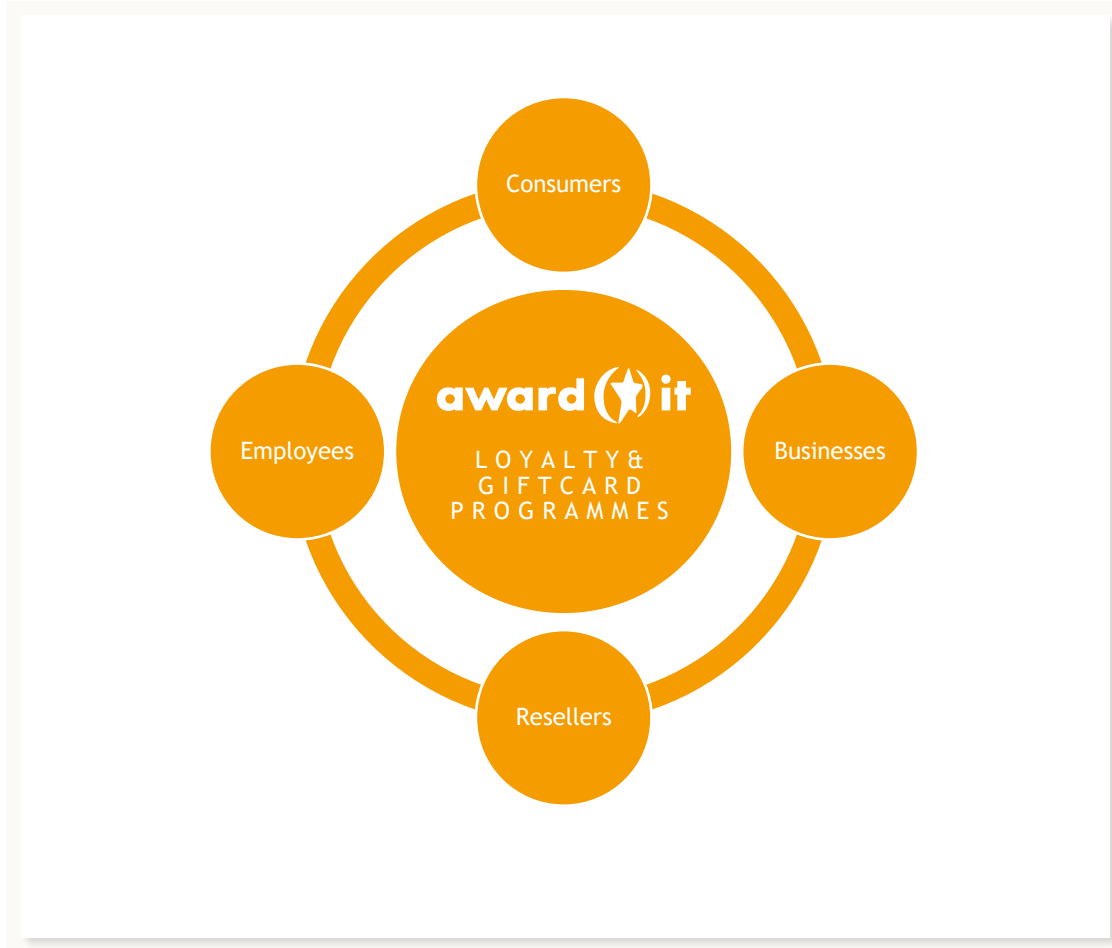

 rewardit

Market
2Member







 mbxp

CUSTOMER ACQUISITION STRATEGY

TARGET AUDIENCES



DRIVING FORCES FOR OUR CUSTOMERS

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

BUSINESS MODEL

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



Loyalty

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



Gift Cards

- ✓ Set-up fees
- ✓ Monthly fees
- ✓ Loading fees
- ✓ Commissions
- ✓ Breakage
- ✓ Expert service



Partnerships

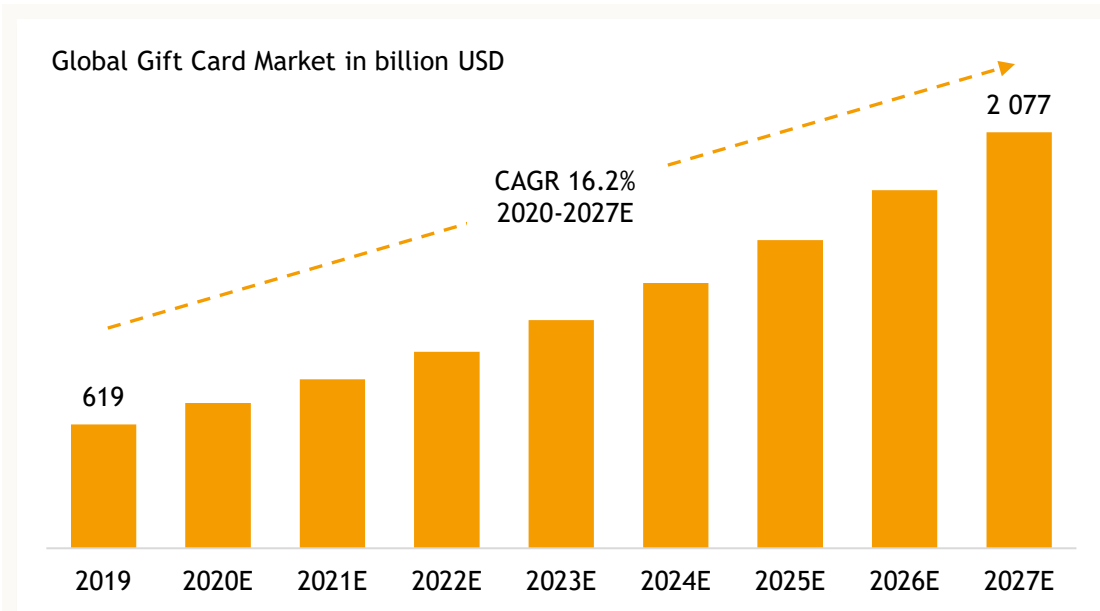
- ✓ Commissions
- ✓ Sale of points
- ✓ Campaign fees

Extensive customer portfolio

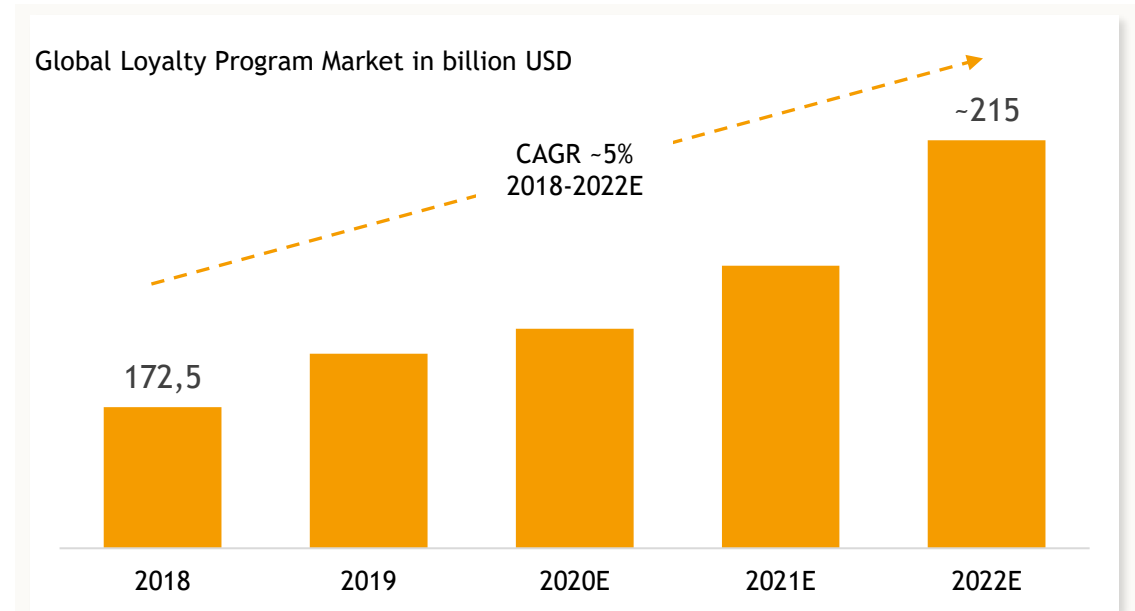


EXPOSED TO MASSIVE GLOBAL MARKETS

STABLE DOUBLE DIGIT GROWTH



DIGITAL LOYALTY PROGRAM GROWTH UNDERPINNED BY DIGITAL TRANSITION



Walmart 



The expanding adoption of smartphones is expected to increase the gift card market by offering flexible payment methods for customers



Modern technology has created ways for smartphone users to integrate everything in one convenient package



amazon.com



Environmentally friendly driven shift from plastic to digital gift cards contributes to a more flexible product



Outsourcing the reward program comes with strong cost benefits related to expensive technology platform



The growing footprint of the adoption of loyalty program strategy by buyers indicate the willingness of both the supplier and buyers to partner on a global scale



Growth in online buying culture and high adoption of smartphones has raised the need for a digital loyalty program strategy

ONGOING ACQUISITION OF PRÄMIE DIREKT

ACQUISITION OF PRÄMIE DIREKT GMBH

- ✓ Prämie Direkt is one of the leading loyalty companies in Germany since more than 50 years. The core business consists of providing different types of loyalty and incentive programs on a white label basis and fullfilment within these.
- ✓ Revenue FY2020 of EUR 18,7m with an EBITA of approx. EUR 1,2m. Around EUR 2,0m expected for 2021.
- ✓ Debt free
- ✓ 35 FTEs
- ✓ Price EUR 17,5m. 14m cash + 3,5m in Awardit shares

PRÄMIEDIREKT
INSPIRIEREN | VERBINDEN | BELOHNEN.

WELL POSITIONED FOR CONTINUED SUCCESS



Integration of TIC ongoing



Strong organic growth . 113% organic in Oct. Q4 normally 50% higher than Q3.



Continued fruitful work on business oriented synergies (cross selling) within the group



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



Steady flow of new customers - especially within the Giftcard segment



Additional value creating acquisitions



Become a European leader on a fragmented market

MANAGEMENT TEAM



Niklas Lundqvist, CEO

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



Ulrik Zielfelt, Sales & Marketing Manager

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



Marlene Nordström, Acting CFO

- Employed since 2008
- MSc in Economics, Gothenburg School of Business
- 0 shares



Johan Hagman, Loyalty B2B Business Area Manager

- Employed since 2001
- Master of Statistics and Bachelor of Investigative Sociology, Stockholm University
- 339 612 shares



Anders Svanberg, Loyalty B2C Business Area Manager

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



Mattias Lundqvist, Giftcards Business Area Manager

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



Christian Lindholm, CIO

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



Jonas Sjögren, CPO

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

BOARD OF DIRECTORS

**Niklas Lundqvist, Member Board of Directors**

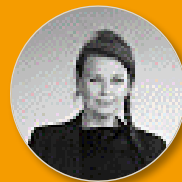
- CEO, founder and member of the Board of Directors since 1999
- Bachelor of Laws and LLM, Uppsala University and Maastricht University Economics Gothenburg School of Business, Uppsala University
- 1 111 550 shares

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

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

**Olle Isberg, Member Board of Directors**

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

**Charlotte Eisner, Member Board of Directors**

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

**Claudio Simatovic, Member Board of Directors**

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

**Peter Borsos, Member Board of Directors**

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

LARGEST SHAREHOLDERS

SEPTEMBER 30, 2021

Shareholder	Shares	% Ownership	% Votes
Visionalis AB	2 090 000	27,6%	27,6%
Niklas Lundqvist	1 111 550	14,7%	14,7%
Consensus Asset Management AB	348 959	4,6%	4,6%
Johan Hagman	339 612	4,5%	4,5%
Samir Taha (gm Sultanen Invest AB)	325 000	4,3%	4,3%
S Thorberg Inspiration Investment Ltd	196 131	2,6%	2,6%
Filip Engelbert	172 653	2,3%	2,3%
Jonas Nordlander	172 652	2,3%	2,3%
Claudio Simatovic (gm Paradidel AB)	132 211	1,7%	1,7%
Henrik Olander (gm House of cash AB)	125 910	1,7%	1,7%
Other shareholders	2 563 066	33,8%	33,8%
Total	7 577 744	100.0%	100.0%

INCOME STATEMENT

SEK thousand	Q3'21	Q3'20	2020	2019
Revenue	126,211	61,574	278,613	304,119
Activated work for own account	1,870	-	194	622
Other operating income	1,961	412	1,717	2,217
Total operating income	130,042	61,987	280,524	306,959
Operating expenses				
Merchandise	-86,972	-44,340	-196,350	-224,841
Other external costs	-11,368	-2,120	-11,771	-12,113
Personnel costs	-16,657	-7,780	-34,603	-30,730
D&A	-8,609	-1,927	-7,519	-6,297
Other operating costs	86	-43	-399	-67
Total operating expenses	-123,520	-56,211	-250,643	-274,048
Operating result	6,521	5,776	29,881	32,911
Financial income	42	6	27	121
Financial costs	-3,520	-501	-2,190	-2016
Results from units in the group and associated companies	-	-20	-	-
Net result from financial items	-3,478	-515	-2,163	-1,896
Profit before tax	3,043	5,261	27,718	31,016
Income tax	-2,333	-1,127	-6,155	-7,431
Deffered tax	972	214	333	875
Net profit	1,682	4,348	21,896	24,460

SEGMENT REPORTING

Group, revenue by geography	Q3'21	Q3'20	2020	2019
Sweden	86,651	58,295	260,515	279,510
Norway	3,284	1,618	10,596	13,010
Denmark	35,602	1,576	6,873	10,422
Finland	674	85	629	1,176
Total	126,211	61,574	278,613	304,119

Group, revenue by segment	Q3'21	Q3'20	2020	2019
B2B	81,833	22,175	98,513	94,395
B2C	44,379	39,402	180,100	209,724
Total	126,211	61,574	278,613	304,119

Operating profit after depreciation	Q3'21	Q3'20
B2B	4,968	7,517
B2C	1,553	-1,741
Total	6,521	5,776

BALANCE SHEET

SEK thousand	Q3'21	Q3'20	2020	2019
Assets				
Long-term assets				
Goodwill	272,098	131,930	137,678	131,900
Customer relationships	91,293	32,415	31,413	35,423
Platform	68,932	8,622	8,358	4,289
Other intangible assets	5	25	20	40
Usufruct assets	4,607	2,011	1,627	2,984
Shares in associated companies	6,524	25	-	25
Equipment, tools and installations	503	127	101	175
Deffered tax asset	2,107	526	-	526
Total long-term assets	446,068	175,681	179,197	175,362
Short-term assets				
Inventories	38,666	7,587	16,450	19,422
Current tax assets	2,203	-	818	-
Accounts receivable	64,704	51,432	72,356	73,348
Tax claims	9,182	1,499	1,063	1,401
Other short-term receivables	25,187	36	75	1,678
Prepaid expenses and accrued income	8,280	4,414	6,725	5,532
Cash and cash equivalents	94,645	34,474	28,308	35,652
Total Short-term assets	242,867	99,443	125,796	137,033
Total Assets	688,935	275,123	304,992	312,395

SEK thousand	Q3'21	Q3'20	2020	2019
SHAREHOLDERS EQUITY AND LIABILITIES				
Equity	282,245	154,127	151,504	141,617
Long-term liabilities	237,312	52,046	40,234	49,942
Short-term liabilities	169,378	68,950	113,254	120,836
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES	688,935	275,123	304,992	312,395

CASH FLOW STATEMENT

SEK thousand	Q3'21	Q3'20	2020	2019
Cashflow from operations				
Profit before tax for continuing operations	6,521	5,776	29,889	32,911
Adjustments for non-cash items				
Repayment of depreciation	8,610	1,927	7,519	6,297
Other items not affecting cashflow	-1,606	-2	-305	-353
interest received	42	6	27	121
Interest Paid	-2,440	-309	-1,428	-1,188
Paid income tax	-7,829	-1,145	-6,978	-8,854
Cash flow from operations before change in working capital	3,298	6,253	28,724	28,934
Change in working capital	23,078	11,039	-11,237	3,425
Cash flow from operations	26,376	17,292	17,486	25,510
Cash flow from investing activities	-25,068	-198	-8,387	-21,771
Cash flow from financing activities	8,558	-5,749	-16,444	3,886
Cash flow for the period	9,867	11,345	-7,344	7,625
Cash and cash equivalents, opening balance	84,779	23,129	35,652	28,028
Cash and cash equivalents, ending balance	94,646	34,474	28,308	35,652

CONTACT DETAILS

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CEO

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