

Q2

INTERIM REPORT

April - June 2022

SpectrumOne AB (publ) 556526-6748



SPECTRUMONE

Second quarter

- Net sales amounted to MSEK 21.8 (14.1)
- EBITDA* amounted to MSEK -0.4 (-1.5)
- EBIT amounted to MSEK -16.9 (-21.9)
- EBT amounted to MSEK -20.0 (-23.8)
- Earnings per share before dilutions amounted to -0,05 (-0.08)

Significant events during the reporting period

- Ampilio signs partnership agreement with Atlas Copco
- Google Digitalakademin has chosen to renew its collaboration with Ampilio, subsidiary of SpectrumOne
- Johan Holmberg appointed interim CEO of SpectrumOne AB
- Observit AB, a subsidiary of SpectrumOne, acquires the UK based companies Sitoc Ltd and Icanprove.it Ltd in order to become the leading fleet surveillance software company in Europe
- Siv Selva was elected as a new member of the Board

**including share of earnings from our associated company EniroGroup AB in depreciations and amortizations*

About SpectrumOne AB

SpectrumOne is a leading technology company delivering an advanced Data Management, Analytics & Communications platform suite. Offered in a SaaS online service shipping with rich market data from various professional providers, SpectrumOne provides a unique solution to many leading actors across industry segments in various countries. Enabling clients with fast and easy access to data insight and visualization coupled with powerful search, segmentation, and mapping features. SpectrumOne allows data to be quickly enabled and operationalized, driving activities from customer communication to data science supporting business analysis, strategy, and growth. All of which can be enabled the same day with immediate results. SpectrumOne's headquarter is based in Stockholm, Sweden, responsible for Nordic sales and strategy, with additional sales and business development located in Norway, Finland, Belgium and Spain. SpectrumOne is listed on Nasdaq First North Growth Market in Stockholm.

www.spectrumone.com

CEO statement

Summer holidays has almost come to an end and most of our employees are back and working at full steam ahead to make this autumn a truly great one.

Hosni and Eniro

As a responsible and proactive main shareholder of our asset in Eniro we have now taken the first step of refining and simplifying the share structure of Eniro. As noticed when analyzing Eniro the past year we have been able ascertain that the pricing of and trading in Eniro's various share series is made difficult by the complicated share structure - a serious disadvantage of the Company's shareholders. Now, the share structure does not allow access to the capital market for capital acquisition, it also prevents Eniro from participating in share-based structured transactions. Eniro cannot capitalize on the two most compelling reasons for being a listed company and is seriously hampered in its continued expansion by the current share structure. With a single share structure, we make sure Eniro gains the right conditions to be valued fairly to peers.

As noted in the press release distributed from Eniro we have noted that Eniro has developed positively over the past year. Based on this our assessment is that it would be highly beneficial for Eniro and all Eniro's shareholders to remove the lock-in effects that the current share structure entails and therefore we have proposed that the board call an extra general meeting for the presentation proposal for decision.

Having Hosni leading our most expensive assets gives us the greatest confidence that Eniro will be ready for the structural changes it needs to go through in order to make it a successful company again.

While Hosni is focusing on Eniro I have set sail to reach growth in Prism, our SaaS platform and overall profitability. Our data focused subsidiary of Cloud Explorers, Qbim and MyInfoMonitor has continued to grow during the end of the quarter. However, the June result for our Marketing subsidiary Ampilio and Trigger reduced tempo around growth compared what we have seen in previous months. Having June burdening our quarterly figures is of course a setback but I am positive we will reach our overall long term objectives.

We have already since the June result taken actions to be profitable, some already executed, while some is still in planning phase.

We have seen a change in demand from our customers and we are streamlining our organization and offer so that we reach profitability.

Due to the economic situation in our areas of operation and what is happening in the world we are prioritizing profit over growth. We can see a change toward the right direction and our focus for the autumn is continuously increased profitability. We have entered a new phase where the first step is to be profitable in every subsidiary and that all businesses have a positive cash flow. We have set the goal to reach this no later than the end of this year. I am positive that we will succeed in reaching our goals.

During the past months our team has worked hard to make sure that we now can provide a Prism that suits every need of our client in our portfolio. Our journey towards one SpectrumOne continues, and we have started to truly utilize our common strengths in our subsidiaries. However, we have not yet seen the full potential in the company, leaving exciting events to be announced.

We have a strong development team, and our different software, routines and way of working are now developed into one company offer. Our implementation team in IT are trained in our tools to make the implementation even faster. We are learning from our sales and Marketing team and developing our offers furthermore. We are emerging and using our tools to be even more competitive and meanwhile making sure we have started to cross sell and utilize our combined offer.

Additionally, we are signing up more partners and continue to invest in partner sales.

We have for instance also partnered with ERP (Enterprise resource planning) and operating system providers that will help us market and sell our one-of-a-kind solutions. I am proud to say that we have a strong offer with our own and third-party solutions that are world class, unique and still extremely competitive.

Dividing our solutions in different parts and offers gives us an advantage towards the competition and makes it easier for the clients to choose SpectrumOne:

Data management

We help our customers to develop strategies and tools for their data collection, transformation, and storage. We build connections to all systems

Analyze

We help our customers understanding their own data, to predict what to come and to make accurate forecast in order to take data driven and efficient business decisions

Visualize

We are turning data into smart visualizations usable by business users. It's a fast way to get started and ready to be shared across organizations. With the right data visualized our customers will be able to make the right decision

Segmentation

Schedule data extracts of chosen segments to target selected audience in the preferred channel without any delay.

Data Broadcasting

We help our customers to effectively reach out with insights and information to the right recipient through visualized data. Thanks to the features in our software, we make this possible.

Real Time data

Put your business goals into action across the whole organization with the ultra - visual solution with real time information.

We are growing – together with clients and partners

I am proud to say that we, now more than ever, see an organic growth in Prism and our SaaS offer. During the last couple of months, we have continued to sign new clients followed by a steady growth in recurring revenue. Our existing customers are also continuing to increase their current business with us, a great proof of our customer value delivered and us being eligible to take more of the accessible market in our clients' budgets.

I am very motivated to see where we are going in the near future.

The story of Trafikportalen and Observit

Being able to cultivate the untapped potential we once saw in Trafikportalen have taken us to the stage where we now have acquired Observit, merged the two assets and distributed them to our shareholders. In the process for the company to be listed and publicly traded we can look back at the success we made in less than a year. Seeing the different assets the company of SpectrumOne holds I don't find it unreasonable or even unlikely for SpectrumOne to spin off additional assets and make the same journey as in Trafikportalen. Having said that I am committed to make sure we do all that we can to extract and distribute every asset in the company not being part of our core.

Continually annual profitable growth

It's never easy to predict where the market is going. However I am fairly convinced our decisions and actions taken are leading us to come out stronger and to face the market in a position where we can be the leading software provider within data analysis and data management. The past quarter we made sure we are fully equipped to further strengthen our financials. Several costs has been taken to speed up and tighten the organisation fit for the profitable company we want to be.

I am looking forward to an exciting autumn!

STOCKHOLM, AUGUST 2022

JOHAN HOLMBERG

CEO

OPERATIONS

CUSTOMERS AND NEW BUSINESSES

The synergy effects between the companies through cross-selling and additional sales are beginning to yield results in increased revenues and new businesses. Overall, our Finnish subsidiary Oy Cemron AB is collaborating with Qbim AB as our business intelligence unit, while Ampilio AB is leading our martech unit together with the Trigger Company and Bizwell Sweden AB. Observit AB was distributed among our shareholders by end of June and Q2 2022 is the last quarter it will be fully consolidated in the company group figures.

REVENUE AND EARNINGS

The consolidated income statement for the first quarter of 2022 comprises the parent company SpectrumOne AB as well as the subsidiaries; VMSPLAY Sweden AB, SpectrumOne AS, BizWell Sweden AB, Qbim AB, Cloud Explorers AS, Ådata Infosystems AB, the Trigger Company AB, OY Cemron AB, Ampilio AB, Growth ads Europe AB and Observit AB (revenues only as it was distributed on June 30, 2022).

Second quarter

Net sales for the second quarter of the year amounted to SEK 21.8 (14.1) million, an increase of SEK 7.7 million. The higher net sales are primarily caused by the acquisitions made during second half of 2021 as well as organic growth in the existing operations. The gross profit amounted to SEK 12.2 (9.8) million for the consolidated operations, with a gross margin at 55 (70) %.

Operating expenses excluding direct costs and depreciation amounted to SEK 24.2 (22.6) million. The personnel costs have increased from SEK 6.6 million to SEK 8.3 compared to Q2 2021 due to the acquisitions of new subsidiaries. Depreciation and amortizations amounts to SEK 16.4 (20.4) million including share of earnings from associated companies. This latter refers to our ownership in Eniro Group AB (publ) and amounts to SEK -11.6 million, of which SEK -13.7 million is depreciation of goodwill and SEK 2.1 million is our share of the result for Eniro Group AB (publ) for Q2 2022.

Operating profit (EBIT) for the period amounted to SEK

-16.9 (-21.9) million. The operating margin is negative. Net financial items amounted to SEK -3.1 (-1.9) million, which is mainly related to interest expenses for the bridge loan taken for the acquisition of the shares in Observit AB and currency exchange losses. Profit before tax for the period amounted to SEK (-20.0) - 23.8 million. Earnings per share before dilution amounted to SEK -0.05 (-0.08).

First half year

Net sales for the first half year amounted to SEK 45.8 (21.6) million, an increase of SEK 24.2 million. The gross profit was SEK 23.7 (17.1) million for the consolidated operations, with a gross margin at 51 (70) %. Operating expenses excluding direct costs and depreciation amounted to SEK 52. 2 (45.3) million. Depreciation amounts to SEK 15.3 (16.3) million including share of earnings from associated companies. The depreciations have decreased compared to last year mainly because of distribution of Observit AB shares. Operating profit (EBIT) for the period amounted to SEK -43.8 (-44.6) million. Net financial items amounted to SEK -4.5 (-6.6) million. Profit before tax for the period amounted to SEK -48.3 (-51.2) million. Earnings per share before dilution amounted to SEK -0,13 (-0.18).

CASH FLOW AND FINANCIAL POSITION

Second quarter

Cash flow from operating activities before changes in working capital amounted to SEK -4.1 (-3.4) million for the second quarter. Changes in working capital have affected cash flow by SEK -6.9 (-4.7) million. Cash flow from operating activities after changes in working capital amounted to SEK -10.9 (-8.1) million. Investment activities had a cash flow effect of SEK -4.2 (-21.8) million during the period. Cash flow from financing activities was SEK -13.2 (4.1) million.

First half year

Cash flow from operating activities before changes in working capital amounted to SEK -7.3 (-10.8) million for the first half year. Changes in working capital had a negative impact on cash flow of SEK -5.0 (-14.0) million. Cash flow from operating activities after changes in working capital amounted to SEK -12.3 (-24.9) million. Investment activities affected cash flow negative during the period with SEK -5.2 (-91.7) million mainly due to our acquisitions of Eniro Holding AB shares. Financing activities amounted to SEK 10.0 (61.5).

EQUITY AND SHARE

The number of registered shares at the end of the quarter amounted to 374,220,904. The company's equity ratio amounts to 83.5 (80.7) %. The quota value for the SpectrumOne AB:s shares is SEK 0.1 per share.

Investments

No material investments in tangible assets was made in the first quarter.

Personnel

The number of employees at the end of the quarter amounted to 35 (46) persons, of which 2 persons receive compensation through invoicing from their own companies.

Parent company

The operations of the parent company include group management, finance and IR / PR. The parent company's turnover for the second quarter, which in its entirety is intra-group, amounted to SEK 0.4 (0.3) million. Profit before tax for the period amounted to SEK – 2.8 (-3.4) million.

Transactions with related parties

Fredric Forsman, chairman of the board, has during the quarter invoiced the Company for legal services amounting to SEK 360,000.

RISKS

Regarding risks, please refer to the Annual Report 2021.

ACCOUNTING POLICIES

From fiscal year 2014, the annual and consolidated financial statements are established by applying the Swedish Annual Accounts Act and BFNAR 2012:1 (K3).

AUDIT

This report has not been reviewed by an auditor.

ANNUAL REPORT

SpectrumOne AB's annual report has been available on the website - www.spectrumone.com, from June 16, 2022.

UPCOMING REPORTS AND EVENTS

Interim Report Q3 2022, October 27, 2022

Stockholm, August 2022

Fredric Forsman, chairman of the board
Hosni Teque-Omeirat, member
Cecilia Hjertzell, member
Siv Selva, member

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INCOME STATEMENT - GROUP

SEK, thousands	Q2 22	Q2 21	YTD 22	YTD 21
Net revenue	21 788	14 071	45 803	21 580
Work performed for its own use and capitalised	20		182	2 006
Other income	193	4	373	74
Total revenue	22 001	14 075	46 358	23 660
Cost of goods	-2 326		-6 576	
Cost of services	-7 510	-4 296	-16 098	-6 564
Other external costs	-4 356	-4 712	-8 258	-9 833
Personnel costs	-8 251	-6 560	-17 691	-11 491
Depreciation and amortization	-4 807	-9 003	-15 307	-16 333
Share of earnings from associated companies	-11 641	-11 360	-26 231	-24 020
<i>Total operating expenses</i>	<i>-38 891</i>	<i>-35 931</i>	<i>-90 161</i>	<i>-68 241</i>
Operating profit	-16 890	-21 856	-43 803	-44 581
Interest income and similar items	-	-	-	735
Interest expenses and similar items	-3 148	-1 901	-4 545	-7 354
<i>Net financial</i>	<i>-3 148</i>	<i>-1 901</i>	<i>-4 545</i>	<i>-6 619</i>
	-			
Earnings before tax	-20 038	-23 757	-48 348	-51 200
	-			
Change deferred taxes	720	825	1 544	1 597
Tax on profit	-59	-	-79	-
Earnings	-19 377	-22 932	-46 883	-49 603
	-			
Earnings attributable to parent company	-19 377	-22 932	-46 883	-49 603
Earnings attributable to minority interest	-	-	-	-
Earnings	-19 377	-22 932	-46 883	-49 603
	-			
Number of shares before dilution	374 220 904	271 088 000	374 220 904	227 763 071
Number of shares after dilution	374 220 904	328 673 001	374 220 904	328 673 001
Number of shares on average before dilution	373 887 571	271 088 000	368 332 015	271 088 000
Earnings per share, before dilution	-0,05	-0,08	-0,13	-0,18
Number of shares on average after dilution	373 887 571	328 673 001	368 332 015	328 673 001
Earnings per share, after dilution	-0,05	-0,07	-0,13	-0,15

BALANCE SHEET – GROUP

SEK, thousands	Jun 30, 2022	Jun 30, 2021	Dec 31, 2021
ASSETS			
Subscribed but unpaid share capital	-	12 896	-
Fixed assets			
Intangible assets			
Goodwill	42 866	56 752	107 164
Intangible assets	46 505	61 236	55 595
Capital expenditure for research and development	5 476	20 887	-
Total intangible assets	94 847	138 875	162 759
Tangible assets			
Equipment, tools and installations	165	425	217
Inventory	32	-	63
Total tangible assets	197	425	280
Financial assets			
Shares in associated companies	75 418	158 265	101 649
Other financial assets	324	484	444
Total financial assets	75 742	158 749	102 093
Total fixed assets	170 786	298 049	265 132
Current assets			
Receivables			
Account receivables	9 900	6 414	11 502
Other receivables	326	875	2 933
Tax claims	2 746	1 395	1 799
Prepayments and accrued income	1 003	2 339	1 656
Total receivables	13 975	11 023	17 890
Cash and bank balance	6 475	5 118	13 975
Total current assets	20 450	16 141	31 865
TOTAL ASSETS	191 236	327 086	296 997

BALANCE SHEET - GROUP

SEK, thousands	Jun 30, 2022	Jun 30, 2021	Dec 31, 2021
Equity			
Share capital	37 422	32 867	36 422
Not registered share capital	-	27 396	-
Other capital contribution	376 415	342 564	477 470
Other equity	-289 759	-138 728	-294 700
Total equity	124 078	264 099	219 192
Provisions			
Deferred taxes	10 484	14 468	11 537
Total provisions	10 484	14 468	11 537
Liabilities			
Long-term liabilities			
Other long-term liabilities	200	332	239
Total long-term liabilities	200	332	239
Short-term liabilities			
Account payables	5 102	4 818	4 716
Tax liabilities		326	1 108
Convertible loans	-	9 786	9 900
Other current liabilities	46 876	28 309	43 236
Accrued expenses & deferred income	4 496	4 949	7 069
Total short-term liabilities	56 474	48 188	66 029
Total liabilities	56 674	48 520	66 268
TOTAL EQUITY AND LIABILITIES	191 236	327 086	296 997

SHAREHOLDER'S EQUITY – GROUP

SpectrumOne – Report for the second quarter of 2022

Group	Share capital	Not registered share cap.	Other contributed capital	Retained earnings	Total	Minority interest	Total shareholder capital
Opening balance Apr 1, 2022	36 422	10 000	422 951	-270 382	198 991	-	198 991
New share issue	1 000	-10 000	9 000		-	-	-
Distribution of shares in subsidiary			-55 536		-55 536	-	-55 536
Earnings	-	-	-	-19 377	-19 377	-	-19 377
Closing balance June 30, 2022	37 422	-	376 415	-289 759	124 078	-	124 078

Group		Share capital	Not registered share cap.	Other contributed capital	Currency translation reserve	Retained earnings	Total	Total shareholder capital
Opening balance 1, 2021	Apr	27 108	-	244 180	-6 839	-112 182	152 267	152 267
New issue		5 759	-	103 431	-	-	109 190	109 190
Costs new issue		-	-	-5 047	-	-	-5 047	-5 047
Convertible bonds, equity part		-	-	-	-	-	-	-
Not registered capital		-	27 396	-	-	-	27 396	27 396
Sale of subsidiary		-	-	-	-	-	-	-
Earnings in sold daughters		-	-	-	-	-	-	-
Translation difference		-	-	-	6 839	-3 614	3 225	3 225
Earnings		-	-	-	-	-22 932	-22 932	-22 932
Equity reduction		-	-	-	-	-	-	-
Closing balance 2021	Jun 30,	32 867	27 396	342 564	-	-138 727	264 100	264 100

CASH FLOW STATEMENT – GROUP

SEK, thousands	Q2 22	Q2 21	YTD 22	YTD 21
Cash flow from operating activities before working capital changes	-4 067	-3 394	-7 287	-10 847
Changes in working capital	-6 903	-4 713	-5 006	-14 039
Cash flow from operating activities after working capital changes	-10 970	-8 107	-12 293	-24 886
Cash flow from investing activities	-4 188	-21 790	-5 207	-91 671
Cash flow from financing activities	-13 062	4 100	10 000	61 520
Cash flow for the period	-28 220	-25 797	-7 500	-55 036
Cash and cash equivalents at beginning	34 695	30 915	13 975	60 154
Cash and cash equivalents at end	6 475	5 118	6 475	5 118

INCOME STATEMENT – PARENT COMPANY

SEK, thousands	Q2 22	Q2 21	YTD 22	YTD 21
Net revenue	380	265	758	431
Other income	65		66	40
Total revenue	445	265	824	471
	-			
Cost of services				
Other external costs	-901	-1 203	-2 124	-3 031
Personnel costs	-1 358	-1 073	-2 707	-1 962
<i>Total operating expenses</i>	<i>-2 259</i>	<i>-2 276</i>	<i>-4 831</i>	<i>-4 993</i>
	-			
Operating profit	-1 814	-2 011	-4 007	-4 522
	-			
Share of earnings from associated companies	-	-	-	-
Interest income and similar items	-			1
Interest expenses and similar items	-937	-1 415	-2 301	-7 325
Unrealized loss	-	-	-	-
<i>Net financial</i>	<i>-937</i>	<i>-1 415</i>	<i>-2 301</i>	<i>-7 324</i>
	-			
Earnings before tax	-2 751	-3 426	-6 308	-11 846
	-			
Group contribution	-	-	-	-
	-			
Tax on profit	-	-	-	-
	-			
Earnings	-2 751	-3 426	-6 308	-11 846

BALANCE SHEET – PARENT COMPANY

SEK, thousands	June 30, 2022	Jun 30, 2021	Dec 31, 2021
ASSETS			
Subscribed but unpaid share capital	-	12 896	-
<i>Fixed assets</i>			
Financial assets			
Shares in subsidiaries	124 721	142 125	189 063
Shares in associated companies	186 797	187 435	186 797
Total financial assets	311 518	329 560	375 860
Total fixed assets	311 518	329 560	375 860
<i>Current assets</i>			
Receivables			
Account receivables		0	
Receivables from group companies	4 279	28 319	
Other receivables	144	296	318
Prepayments and accrued income	7	165	18
Total receivables	4 430	28 780	336
Cash and bank balance	2 647	1 021	2 878
Total current assets	7 077	29 801	3 214
TOTAL ASSETS	318 595	372 257	379 074

BALANCE SHEET – PARENT COMPANY

SEK, thousands	June 30, 2022	Jun 30, 2021	Dec 31, 2021
EQUITY and LIABILITIES			
<i>Equity</i>			
Restricted equity			
Share capital	37 422	32 867	36 422
Total restricted equity	37 422	32 867	36 422
Unrestricted equity			
Not registered share capital	-	27 396	-
Share premium reserve	427 735	411 761	483 077
Accumulated loss	-192 824	-134 931	-130 916
Earnings	-6 308	-11 847	-61 908
Total unrestricted equity	228 603	292 379	290 253
Total equity	266 025	325 246	326 675
<i>Liabilities</i>			
Long-term liabilities			
Convertible loans	-	-	-
Total long-term liabilities	-	-	-
Short-term liabilities			
Account payables	962	1 592	282
Tax liabilities	5 942	57	70
Current liabilities to group companies	23 663	11 638	4 393
Convertible loans	87	9 783	9 899
Other current liabilities	21 807	22 145	37 034
Accrued expenses and deferred income	109	1 796	721
Total short-term liabilities	52 570	47 011	52 399
Total liabilities	52 570	47 011	52 399
TOTAL EQUITY AND LIABILITIES	318 595	372 257	379 074