

Q3

INTERIM REPORT

July - September 2021

SpectrumOne AB (publ) 556526-6748



SPECTRUMONE

Third quarter 2021

- Net sales amounted to MSEK 16.2 (4.3)
- EBITDA* amounted to MSEK 1,7 (-1.6)
- EBIT amounted to MSEK -17.3 (-10.1)
- EBT amounted to MSEK -18.7 (-10.1)
- Earnings per share before dilutions amounted to -0.06 (-0.05)

- SpectrumOne acquires the mobile surveillance company Observit to be merged with SpectrumOne's business Trafikportalen with the intention to list and distribute the new company to the shareholders
- SpectrumOne has closed acquisition of Observit AB

Significant events after the reporting period

- Preliminary figures show a positive EBITDA-result amounting to SEK 700,000 and a positive cash flow for the month of September

**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

BEST QUARTER EVER

We hereby present the best quarter ever in the history of SpectrumOne, and it's truly an exciting journey we are on. All the evidence indicates that we will continue to go from strength to strength. Despite a usually weak quarter, we show that our numbers keep growing - we are doing great! We saw a strong demand in this quarter, especially within our Martech vertical. The demand is driven by the transition we foresaw and that is now turning into a reality and makes business for us. A good summary of the quarter would be; strong organic growth and an increasing and strong result. Thereto a solid pipe of clients in larger segments, clients that we could not have reached earlier are now reaching out to us.

By making sure we are keeping a high level of activities every day of the week we now have created a sales team where clients are approaching us rather than us reaching out to clients. SpectrumOne is exceeding the expectations of the financial analysts following us with the figures we are presenting for this quarter. We are for the first ever time cash flow positive on group level for a whole quarter - a transformative move into a more stable financial future and an important milestone.

In addition, we deliver a gross profit of approximately 75%, showing our business model is lucrative and assuring our growth to be highly profitable.

The depreciations related to the Eniro shares of course affects our overall statements, but those figures don't affect our cashflow and are stable and predictable.

GROWING PRISM

Someone once said, "*Necessity is the mother of all invention.*" I would add "*but only simplicity can turn that innovation into a success*". And simplicity is in the very code of Prism. The trends in processing and data automation are very clear. Massive data storage and processing are readily available in the cloud. With increasing amounts of data, the ability to create smart and automated data collection services that can easily and quickly adapt to new and changing data sources are required. Cloud computing used to store, analyze, and visualize data has become common and with it, scalable solutions, more and more data can be analysed and used in decision making. Prism is key for the many stakeholders that storage this amount of data to be able to

access, gain insights and visualize it for a data driven decision making.

By recruiting a Nordic Sales Manager for Prism in August, we enhanced our position in the market from only having partner sales channels to also having direct sales channel to truly be able to capitalize on these trends and need in the market. This role is to take on the largest clients of ours while courting our partners to make sure we grow together. We also get increased continuity in expanding the platform with even more data streams. Larger corporation with international presence now has a dedicated Sales manager to guide, introduce and support them in the universe of Prism.

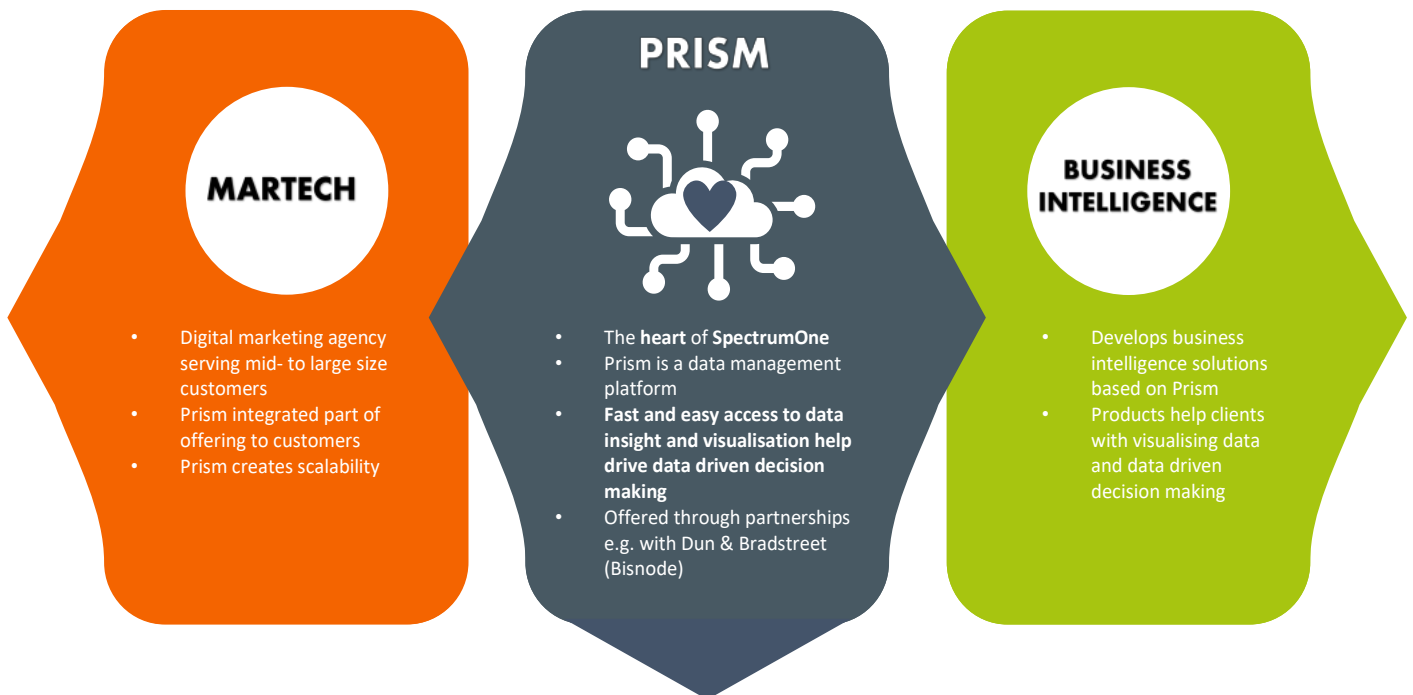
DEVELOPING BUSINESS WITH PRISM

Our business model is divided into three different verticals to fully approach the market. Our Martech department is the marketing agency, with focus on digital, and where we serve mid- to large sized clients in a digital and profitable business model. Within our business intelligence team, we are making sure we have an edge technology in order to help our clients transform their organizations into data driven organisms.

Our heart is Prism. Leading the way within data visualization we are proving we have the best platform for analytics and managing of data for segmentation, washing, marketing and analytics.

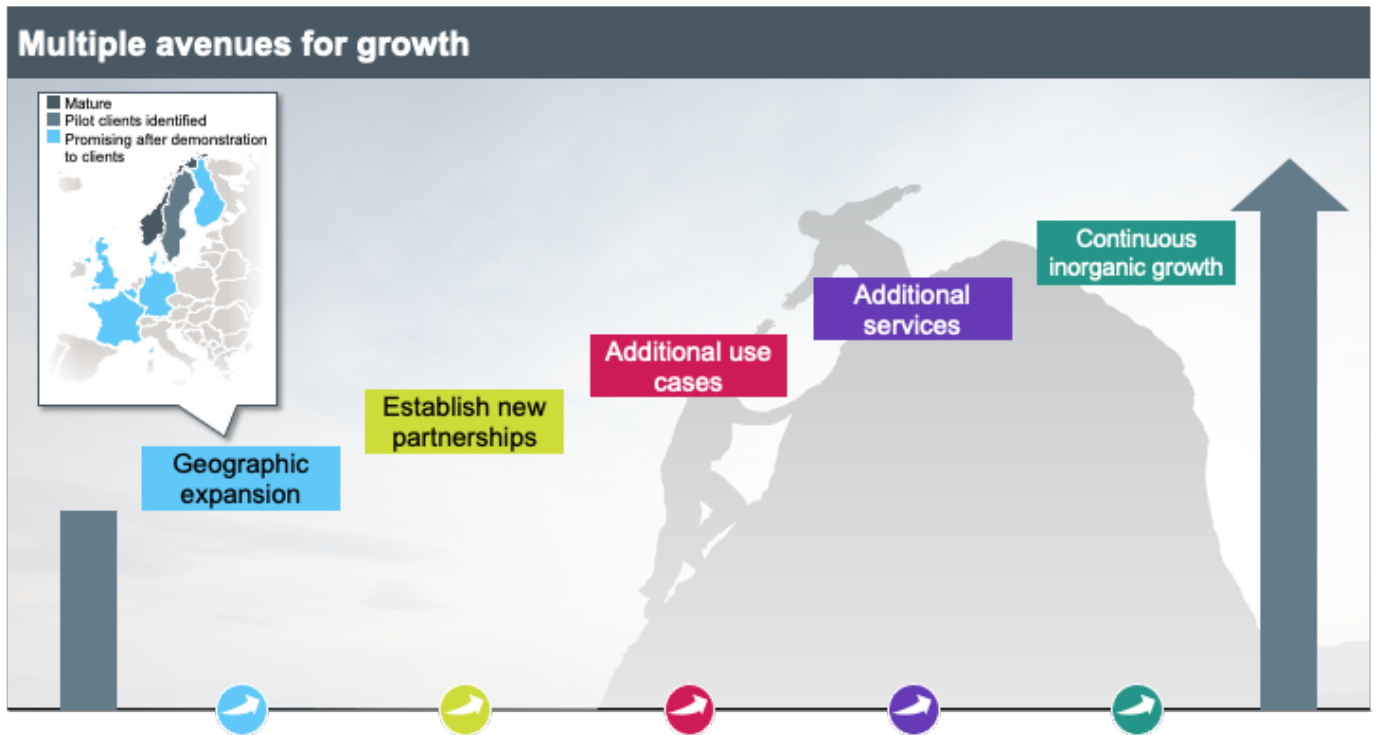
With the newly developed Prism Light we can attract and onboard even the smallest clients in the Nordic. This is a great fit for the approximately 500.000 small companies in Sweden and the millions more in the Nordics and Europe.

Summarized, we have created a company capitalizing on the three worst kept secrets for a profitable company - a highly profitable business model, excessive growth and low churn.



WHAT TO EXPECT

We are experiencing a hypergrowth in energy, activities, pace, and growth for our verticals. To give you an idea of the strategy and a timeline we present the activities we have executed on and aiming for in the coming years.



Geographic expansion

- Reopen office in Spain to open a market in its infancy
- Expand in Europe through Dun & Bradstreet's partnership
- Prism is ready for multi-language and already includes several languages
- partner with us and innovate their business with Prism as an enabler of innovation and creation of new products and services

Establish new partnerships

- Establish distribution partnerships with key industry partners that can;
 - o deliver Prism to their existing and new clients

Additional use cases

- Prism has shown its adaptability to new use cases, e.g., smart solutions for properties and thereby touching on the proptech market

Additional services

- Expand offering organically or inorganically to better serve customer using the Prism platform

Continuous organic and inorganic growth

- Extensive list of acquisition targets and proven ability to acquire
- Acquisitions should accelerate the distribution of Prism

CONVINCED ABOUT AMAZON

Founded in 1994, Amazon has grown into the biggest e-commerce marketplace and cloud computing platform worldwide. Amazon as a sales channel differs greatly from Sweden's largest sites Google, Facebook, and Instagram etc. By being both a search engine and a marketplace, Amazon combines the best of both worlds and most visitors both start and end their buying journey on Amazon. Amazon is growing every year and had sales of as much as 386 billion dollars in 2020.

We believe there is great potential within Amazon and hence invested much time and many resources into packaging our solution for our clients for this purpose. This has become a tremendous success for small and larger clients, proving our solution is well fit for a large part of the e-commerce.

Wayne Smith is our latest recruitment within our investment in Amazon. Wayne has trained thousands of people around the world in sales on Amazon, how to open an e-commerce and grow on Amazon by always using the right data in the right time for the right purpose. In 2018, he decided to develop a complete digital solution for how to succeed with sales on Amazon. He has been working in sales and marketing at Amazon for the past 8 years and is a well-known lecturer in the subject and has lectured in London, Las Vegas, and New York.

TRAFIKPORTALEN

September 15, we announced we closed the acquisition of Observit to merge it with Trafikportalen and with the intention of distribute it to our shareholders in the most advantageous way for the company and our shareholders. We started working with the merger, legal issues, and financial plan right after the acquisition. The ambition is for the new company to be made public to gain more shareholders, namely you, and the legal advisors and the auditors are doing their job to get this done.

When this will happen has not yet been announced which is the result of us not yet coming all the way, however the process is ongoing. This is of course an exciting transaction, we are handling, and some important details still to be resolved before finalizing it, and we want to reassure that every shareholder in SpectrumOne still have the opportunity to become an owner of Observit/Trafikportalen by owning shares in SpectrumOne. Nevertheless, I want to reassure all of you we are doing our best to make this shift of value to our shareholder as fast as possible and in the most efficient way.

Let me also once again repeat what we have said earlier - this year is our year! So let us show how 2021 defines the growth of our company.

STOCKHOLM, OCTOBER 2021
HOSNI TEQUE-OMEIRAT
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. In addition, Observit AB was acquired during the third quarter adding new revenues and customers.

REVENUE AND EARNINGS

The consolidated income statement for the third quarter of 2021 comprises the parent company SpectrumOne AB as well as the subsidiaries; VMSPay Sweden AB, SpectrumOne AS, BizWell Sweden AB, Qbim AB, Cloud Explorers AS, Ådata Infosystems AB, the Trigger Company AB, OY Cemron AB, Ampilio AB, Observit AB (the latter for the period of 15th of september to the 30th of September only).

Third quarter

Net sales for the third quarter of the year amounted to SEK 16.2 (4.3) million, an increase of SEK 11.9 million. The higher net sales are primarily caused by organic growth in the subsidiaries acquired during year 2020 and during the first half of 2021. The gross profit amounted to SEK 12.1 (2.5) million for the consolidated operations, with a gross margin at 75 (59) %.

Operating expenses excluding direct costs and depreciation amounted to SEK 24.1 (6.1) million. The personnel costs are on the same level as they in the previous quarter but have increased from SEK 3.0 million to SEK 6.9 compared to Q2 2020 due to the acquisitions of new subsidiaries. Depreciation and amortizations amounts to SEK 19.1 (7.9) million including share of earnings from

associated companies. This latter refers to our ownership in Eniro Group AB (publ) and amounts to SEK 9.6 million, of which SEK -13.7 million is depreciation of goodwill and SEK 4.1 million is our share of the result for Eniro Group AB (publ) for Q3 2021.

Operating profit (EBIT) for the period amounted to SEK -17.3 (-9.6) million. The operating margin is negative. Net financial items amounted to SEK -1.2 (-0.5) million. Profit before tax for the period amounted to SEK -18,6 (-10.1) million. Earnings per share before dilution amounted to SEK -0.05 (-0.05).

First nine months

Net sales for the first nine months amounted to SEK 37.8 (8.2) million, an increase of SEK 29.6 million. The gross profit was SEK 27.1 (5.8) million for the consolidated operations, with a gross margin at 71,8 % (71.2%). Operating expenses excluding direct costs and depreciation amounted to SEK 31.7 (18.4) million. Depreciation amounts to SEK 59.5 (15.4) million including share of earnings from associated companies. The depreciations have increased compared to last year mainly because of investment in Eniro Holding AB shares. Operating profit (EBIT) for the period amounted to SEK -62.0 (-23.3) million. Net financial items amounted to SEK -7.9 (19.1) million. The difference is primarily due to the profit made from revaluation the previously associated company Cloud Explorer Solutions AS to a subsidiary. Profit before tax for the period amounted to SEK -69.9 (-4.1) million. Earnings per share before dilution amounted to SEK -0.19 (-0.02).

CASH FLOW AND FINANCIAL POSITION

Third quarter

Cash flow from operating activities before changes in working capital amounted to SEK 0.5 (-2.1) million for the third quarter. Changes in working capital have affected cash flow by SEK 5.7 (2.1) million. Cash flow from operating

activities after changes in working capital amounted to SEK 6.4 (-0,1) million. Investment activities had a cash flow effect of SEK -16.5 (-13.8) million during the period which regards to the acquisition of Observit AB. Cash flow from financing activities was SEK 13.9 (14.9).

First nine months

Cash flow from operating activities before changes in working capital amounted to SEK -10.4 (-9.8) million for the first nine months. Changes in working capital had a negative impact on cash flow of SEK - 8.1 (36.2) million. Cash flow from operating activities after changes in working capital amounted to SEK -18.5 (26.5) million. Investment activities affected cash flow negative during the period with SEK -108.1 (-102.0) million mainly due to our acquisitions of Eniro Holding AB shares. Financing activities amounted to SEK 75.4 (82.1).

EQUITY AND SHARE

The number of registered shares at the end of the quarter amounted to 364 220 904. The company's equity ratio amounts to 79,2 (21.5) %. The Group's equity increased by SEK 24.4 million during the third quarter. 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 third quarter.

Personnel

The number of employees at the end of the quarter amounted to 46 (19) 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 third quarter, which in its entirety is intra-group, amounted to

SEK 0.3 (0.3) million. Profit before tax for the period amounted to SEK - 0,2 (-2.3) 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 2020.

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 March 10, 2021.

UPCOMING REPORTS AND EVENTS

Interim Report Q4 2022, February 24, 2022

Stockholm, October 2021

Fredric Forsman, chairman of the board
Hosni Teque-Omeirat, member and CEO
Cecilia Hjertzell, member
Anders Hugosson, member

For further information contact:

Fredric Forsman, Chairman, +46 73 978 78 44, fredric@spectrumone.com
Hosni Teque-Omeirat, CEO, +46 70 225 18 77, hosni@spectrumoneone.com

Certified Adviser:

Aktieinvest AB (556072-2596) Box 7415
103 91 Stockholm Phone: +46 8 506 517 00
www.aktieinvest.se

INCOME STATEMENT - GROUP

SEK, thousands	Q3 21	Q3 20	YTD 21	YTD 20
Net revenue	16 177	4 325	37 757	8 162
Work performed for its own use and capitalised	-	1 665	2 006	4 590
Other income	43	250	117	252
Total revenue	16 220	6 240	39 880	13 004
Cost of goods	-770	-	-770	-
Cost of services	-3 293	-1 764	-9 857	-2 351
Other external costs	-3 439	-3 116	-13 272	-12 069
Personnel costs	-6 974	-3 014	-18 466	-6 372
Depreciation and amortization	-9 550	-7 949	-25 883	-14 862
Other expenses	-	-	-	-
Loss on sale of subsidiaries	-	-	-	-
Share of earnings from associated companies	-9 575	8	-33 595	-599
<i>Total operating expenses</i>	<i>-33 601</i>	<i>-15 835</i>	<i>-101 843</i>	<i>-36 253</i>
Operating profit	-17 381	-9 595	-61 963	-23 249
Interest income and similar items	44	-	779	254
Interest expenses and similar items	-1 329	-490	-8 683	-2 486
Profit from participation in associated companies	-	-	-	21 368
<i>Net financial</i>	<i>-1 285</i>	<i>-490</i>	<i>-7 904</i>	<i>19 136</i>
Earnings before tax	-18 666	-10 085	-69 867	-4 113
Change deferred taxes	825	825	2 422	1 375
Tax on profit	-	-	-	-
Earnings	-17 841	-9 260	-67 445	-2 738
Earnings attributable to parent company	-17 841	-9 260	-67 445	-2 738
Earnings attributable to minority interest	-	-	-	-
Earnings	-17 841	-9 260	-67 445	-2 738
Number of shares before dilution	364 220 904	181 044 961	364 220 904	164 111 621
Number of shares after dilution	471 993 146	188 924 885	471 993 146	188 924 885
Number of shares on average before dilution	276 590 862	181 044 961	276 590 862	181 044 961
Earnings per share, before dilution	-0,06	-0,05	-0,24	-0,02
Number of shares on average after dilution	395 154 941	188 924 885	395 154 941	188 924 885
Earnings per share, after dilution	-0,05	-0,05	-0,17	-0,01

BALANCE SHEET – GROUP

SEK, thousands	Sep 30, 2021	Sep 30, 2020	Dec 31, 2020
ASSETS			
Subscribed but unpaid share capital	-	-	-
Fixed assets			
Intangible assets			
Goodwill	103 627	56 054	50 469
Intangible assets	57 857	68 734	64 985
Capital expenditure for research and development	19 234	22 293	22 668
Total intangible assets	180 718	147 081	138 122
Tangible assets			
Equipment, tools and installations	520	422	124
Inventory	88	-	-
Total tangible assets	608	422	124
Financial assets			
Shares in associated companies	148 690	-	-
Other financial assets	414	1 252	60
Total financial assets	149 104	1 252	60
Total fixed assets	330 430	148 755	138 306
Current assets			
Receivables			
Account receivables	12 341	1 734	4 999
Other receivables	2 158	4 931	2 365
Tax claims	2 154	-	153
Prepayments and accrued income	3 025	4 415	9 494
Total receivables	19 678	11 080	17 011
Cash and bank balance	8 938	6 637	60 154
Total current assets	28 616	17 717	77 165
TOTAL ASSETS	359 046	166 472	215 471

BALANCE SHEET - GROUP

SEK, thousands	Sep 30, 2021	Sep 30, 2020	Dec 31, 2020
Equity			
Share capital	36 422	18 892	22 776
Not registered share capital	-	-	741
Other capital contribution	7 903	141 837	179 468
Other equity	244 172	-119 926	-86 663
Total equity	288 497	40 803	116 322
Provisions			
Deferred taxes	13 679	15 631	14 990
Total provisions	13 679	15 631	14 990
Liabilities			
Long-term liabilities			
Convertible loans	0	10 000	0
Other long-term liabilities	286	95	47
Total long-term liabilities	286	10 095	47
Short-term liabilities			
Bank overdraft			
Account payables	9 809	1 114	12 048
Tax liabilities	1 402		548
Convertible loans	10 043	17 540	9 509
Other current liabilities	29 127	72 943	47 667
Accrued expenses & deferred income	6 203	8 346	14 340
Total short-term liabilities	56 584	99 943	84 112
Total liabilities	56 870	110 038	84 159
TOTAL EQUITY AND LIABILITIES	359 046	166 472	215 471

SpectrumOne – Report for the third quarter of 2021

SHAREHOLDER'S EQUITY – GROUP

Group	Share capital	Not registered share cap.	Other contributed capital	Currency translation reserve	Retained earnings	Total	Minority interest	Total shareholder capital
Opening balance Jul 1, 2021	32 867	27 396	342 564	-	-138 727	264 100	-	264 100
New issue	3 555	-	70 569	-	-	74 124	-	74 124
Costs new issue	-	-	-4 490	-	-	-4 490	-	-4 490
Convertible bonds, equity part	-	-	-	-	-	-	-	-
Not registered capital	-	-27 396	-	-	-	-27 396	-	-27 396
Sale of subsidiary	-	-	-	-	-	-	-	-
Earnings in sold daughters	-	-	-	-	-	-	-	-
Translation difference	-	-	-	-	-	-	-	-
Earnings	-	-	-	-	-17 841	-17 841	-	-17 841
Equity reduction	-	-	-	-	-	-	-	-
Closing balance Sep 30, 2021	36 422	-	408 643	-	-156 568	288 497	-	288 497

Group	Share capital	Not registered share cap.	Other contributed capital	Currency translation reserve	Retained earnings	Total	Minority interest	Total shareholder capital
Opening balance Jul 1, 2020	18 105	-	124 781	3 694	-111 873	34 707	-	34 707
New issue	787	-	15 713	-	-	16 500	-	16 500
Costs new issue	-	-	-	-	-	-	-	-
Convertible bonds, equity part	-	-	-	-	-	-	-	-
Not registered capital	-	-	-	-	-	-	-	-
Sale of subsidiary	-	-	-	-	-	-	-	-
Earnings in sold daughters	-	-	-	-	-	-	-	-
Translation difference	-	-	1 343	-2 487	-	-1 144	-	-1 144
Earnings	-	-	-	-	-9 260	-9 260	-	-9 260
Equity reduction	-	-	-	-	-	-	-	-
Closing balance Sep 30, 2020	18 892	-	141 837	1 207	-121 133	40 803	-	40 803

CASH FLOW STATEMENT – GROUP

SEK, thousands	Q3 21	Q3 20	YTD 21	YTD 20
Cash flow from operating activities before working capital changes	459	-2 144	-10 388	-9 771
Changes in working capital	5 966	2 073	-8 073	36 240
Cash flow from operating activities after working capital changes	6 425	-71	-18 461	26 469
Cash flow from investing activities	-16 464	-13 809	-108 135	-102 047
Cash flow from financing activities	13 859	14 937	75 380	82 081
Cash flow for the period	3 820	1 057	-51 216	6 503
Cash and cash equivalents at beginning	5 118	5 580	60 154	134
Cash and cash equivalents at end	8 938	6 637	8 938	6 637

INCOME STATEMENT – PARENT COMPANY

SEK, thousands	Q3 21	Q3 20	YTD 21	YTD 20
Net revenue	309	300	740	700
Work performed for its own use and capitalised	-	-	-	-
Other income	-	11	40	11
Total revenue	309	311	780	711
Cost of services	-	-	-	-
Other external costs	1 532	-1 161	-1 499	-7 239
Personnel costs	-747	-714	-2 709	-2 243
Other expenses	-	-	-	-
Loss on sale of subsidiaries	-	-	-	-
Depreciation and amortization	-	-	-	-
<i>Total operating expenses</i>	<i>785</i>	<i>-1 875</i>	<i>-4 208</i>	<i>-9 482</i>
Operating profit	1 094	-1 564	-3 428	-8 771
Share of earnings from associated companies	-	-	-	-
Interest income and similar items	38	-	39	239
Interest expenses and similar items	-1 311	-738	-8 636	-2 686
Unrealized loss	-	-	-	-
<i>Net financial</i>	<i>-1 273</i>	<i>-738</i>	<i>-8 597</i>	<i>-2 447</i>
Earnings before tax	-179	-2 302	-12 025	-11 218
Group contribution	-	-	-	-
Tax on profit	-	-	-	-
Earnings	-179	-2 302	-12 025	-11 218

BALANCE SHEET – PARENT COMPANY

SEK, thousands	Sep 30, 2021	Sep 30, 2020	Dec 31, 2020
ASSETS			
Subscribed but unpaid share capital	-	-	
Fixed assets			
Financial assets			
Shares in subsidiaries	203 443	124 350	121 125
Shares in associated companies	186 797	-	
Total financial assets	390 240	124 350	121 125
Total fixed assets	390 240	124 350	121 125
Current assets			
Receivables			
Account receivables	-	250	125
Receivables from group companies	30 528	15 932	17 291
Other receivables	271	3 753	2 280
Prepayments and accrued income	125	1 385	8 693
Total receivables	30 924	21 320	28 389
Cash and bank balance	147	101	55 670
Total current assets	31 071	21 421	84 059
TOTAL ASSETS	421 311	145 771	205 184

BALANCE SHEET – PARENT COMPANY

SEK, thousands	Sep 30, 2021	Sep 30, 2020	Dec 31, 2020
EQUITY and LIABILITIES			
<i>Equity</i>			
Restricted equity			
Share capital	36 422	18 892	22 776
Total restricted equity	36 422	18 892	22 776
Unrestricted equity			
Not registered share capital	-	-	741
Share premium reserve	489 616	146 102	228 270
Accumulated loss	-134 931	-107 022	-96 728
Earnings	-17 072	-11 218	-23 894
Total unrestricted equity	337 613	27 862	108 389
Total equity	374 035	46 754	131 165
<i>Liabilities</i>			
Long-term liabilities			
Convertible loans	-	10 000	-
Total long-term liabilities	-	10 000	0
Short-term liabilities			
Account payables	1 124	669	8 371
Tax liabilities	68	-	54
Current liabilities to group companies	12 038	1 450	5 575
Convertible loans	10 043	17 540	9 509
Other current liabilities	23 775	68 344	42 183
Accrued expenses and deferred income	228	1 014	8 327
Total short-term liabilities	47 276	89 017	74 019
Total liabilities	47 276	99 017	74 019
TOTAL EQUITY AND LIABILITIES	421 311	145 771	205 184