AYIMA GROUP AB (PUBL) INTERIM REPORT

JANUARY - MARCH 2023

Highlights

Year: Jan - Mar 2023

- Revenue amounted to 32.6 MSEK (36.6), a decrease of 11% from 2022
- Gross Profit amounted to 14.8 MSEK (21.6), a decrease of 31% from 2022
- Operating costs amounted to 18.8 MSEK (19.2), a decrease of 2% from last year
- An EBITDA result of -4.0 MSEK (2.5)
- Net Profit after tax for the period was -7.2 MSEK (-0.6)

A MESSAGE FROM THE CEO

Dear Shareholders and Investors

Following my optimism of the end of 2022 and going into the new year, the first quarter of 2023 turned out to be a very tough one for the company. In late January it started to become apparent that several long term clients that were routinely expected to renew their contracts were delaying. As weeks passed, the delays turned into worse news as we were gradually notified that they would not be renewing at all. The reasons given were all related to the general economic outlook, inflation and the banking crisis causing marketing spending to be withheld or withdrawn.

Additionally, we were in late stage negotiations with two particularly large new clients and were expecting them to sign in mid to late January, but these were also delayed for similar reasons. This meant that the staff resources that we could otherwise have reduced in order to achieve a commensurate cut in operating costs were waiting on standby, prepared for onboarding the expected new clients. Unfortunately this delay stretched much longer than we anticipated and the result was around 7 MSEK in lost revenue for the quarter and a significant profit reduction.

We have now signed the new clients, as per press releases in the past few days, however the damage to Q1 and potentially Q2 results was unavoidable. The good news is that since the new business has now been signed, Q2 and Q3 are expected to show a notable improvement.

The problems we have experienced with client contract negotiations in the beginning of this year have been considerably worse than other global crises that we have endured of late, Covid notwithstanding. On the plus side, due to the efficiency of the techniques that we employ, our services tend to be in high demand during economic downturns when budgets are being trimmed and we do expect our situation to improve in the rest of the year.

Of course there is another potential shock heading our way in the form of the much talked about AI revolution. The first big web-based products to be affected by AI are Search Engines, with Microsoft rolling out its ChatGPT-assisted new iteration of Bing, and Google showing signs of panic and also signalling its intentions to follow suit. How this will affect the whole internet ecosystem is anyone's guess at this stage, but we do know that things will change both in the way that Search Engines function to produce results and in the way they direct traffic to 3rd party websites.

We will of course be watching extremely closely as these new developments play out and adjust our service offering to adapt to a rapidly changing landscape. AI presents many opportunities in our industry - for automation and for new products and services - and we will aim to be at the forefront.

Yours Sincerely

Mike Jacobson
CEO

"The good news is that since the new business has now been signed, Q2 and Q3 are expected to show a notable improvement.

OPERATIONS

REVENUE and EBITDA BY QUARTER AND YTD MSEK	Jan - Mar 2023	Jan - Mar 2022	Jan - Dec 2022
REVENUE	32.6	36.6	149.9
GROSS PROFIT	14.8	21.6	81.4
Operating Expenses	-18.8	-19.2	-78.8
EBITDA	-4.0	2.5	2.6

Revenue in the first quarter of the year has been heavily impacted by delays to new contracts being signed, as well as expected contractual renewals that did not materialise. The result is a reduction in revenue for the quarter of 4 MSEK when compared to the previous year. The contracts that were affected by the delays and non-renewals were mainly related to SEO services which are generally higher in margin, the proportion of total revenue that relates to Paid Media services is therefore greater than usual. Paid Media naturally has lower gross margins, and this change in the mix of services can help to explain why the fall in gross profit of 6.8 MSEK compared to the same period last year is greater than the fall in total revenue. This has therefore resulted in lower gross profit for the quarter.

Operating expenses have reduced in line with expectations following the cost saving measures implemented in Q4 . However, as staffing levels were maintained in anticipation of contract renewals and new contracts onboarding, this saving was not sufficient to protect the EBITDA margin in Q1. Ayima's management team were optimistic about the contract renewals and had positive conversations with clients around the continuation of services into 2023, however budget cuts that were implemented late in the day on the clients' side meant that these renewals did not eventuate. Unfortunately this timing meant that Ayima's team was unable to make any cost savings in time to impact the financial results for Q1.

FINANCIAL POSITION AND LIQUIDITY

Liquid assets at the end of the period amounted to 15.5 MSEK (20.9). Cash and cash equivalents amounted to 2.6 MSEK (7.7) and accounts receivable 12.9 MSEK (13.2).

Ayima has an Invoice Discounting facility that allows the company advance access to working capital which is otherwise tied up in the accounts receivable. The amount of working capital in use through this facility is shown in the financial statements under current liabilities; this facility is continuously paid and reused as invoices are issued to clients and paid to Ayima.

Total equity amounted to 59.6 MSEK, including issued share capital of 7.4 MSEK. Equity ratio was 59 (64) percent.

CASH FLOW

Cash flow from operating activities before changes in working capital amounted to -4.7 MSEK. The change in working capital was -0.6 MSEK. Investments in tangible and intangible fixed assets amounted to -0.6 MSEK during the year. Cash flow from financing activities amounted to -0.7 MSEK due to debt repayments including lease payments of -5.7 MSEK and a new loan of 5 MSEK received in the period. Net cash decreased by -6.6 MSEK in the period.

SHARE-BASED INCENTIVE PROGRAM

Ayima has an Enterprise Management Incentives (EMI) scheme. Any warrants or shares are held for the employees by the Ayima Employee Benefit Trust 2011 (EBT). 357 825 shares were owned by the EBT at 2023-03-31.

Of the 300 000 warrants issued as part of the staff incentive program in 2018, 272 547 were granted in 2018 and 23 085 were forfeit in the same year. A further 83 384 were forfeit during 2019 and during 2020 a further 30 421

share options were forfeit. In the year 2021 a further 8 918 options were forfeit. In 2022 a further 16 897 warrants were forfeited (total 162 705). The remaining warrants vested fully in May 2022. An additional 82 180 warrants were granted to newly qualifying staff in May 2019. 9 387 of these were forfeit at the end of 2019 and during 2020 an additional 13 387 of these share options were forfeit. In 2021, 30 474 additional share options were forfeit. During 2022 a further 2 000 share options were forfeit (55 248 total). The remaining warrants will vest over the periods to May 2023. In June 2021 49 865 new share options were issued to newly qualifying staff. During 2022 a total of 31 910 of these were forfeit. The remaining options vest over the coming years to May 2025. In July 2021 further new share options were issued to qualifying staff in Canada; these shares had accelerated vesting up to May 2022.

A provision for these shares has been made in Equity and the accrued cost of these share based payments from 2018-05-01 to 2023-03-31 has been recognised in the financial statements.

SIGNIFICANT EVENTS DURING AND AFTER THE PERIOD

On 2023-02-23 Ayima announced 13 new contracts with an annualised value of approximately 7.6 MSEK. These new contracts included new projects or increased scope for some existing clients as well as entirely new clients.

On 2023-03-17 Ayima made an announcement that the company had revised the forecast for the first two quarters of 2023 in response to delays in signing contracts. The company secured additional funding of 5 MSEK to support the business through this period. The loan is repayable over 3 years with an annual interest rate of 10% + STIBOR.

On 2023-05-02 Ayima announced the signing of an additional 11.9 MSEK worth of contracts including additional projects and new clients.

A further announcement was made on 2023-05-03 to confirm additional new business wins with an annual value of 16.6 MSEK bringing the total new contracts announced so far in Q2 to 28.5 MSEK.

Ayima's AGM will take place on 2023-05-11 in Stockholm, further information on the AGM is available on the company website www.ayimagroup.com

MARKET TRENDS

As AI-generated content's popularity skyrocketed over the past several months, OpenAI's ChatGPT led the way with some seriously impressive numbers. The platform's free research preview received an estimated 13 million unique visitors per day since launching in November. It's not just small bloggers and content creators trying to harness this technology. Some of the biggest players in the SERPs, including Men's Journal, CNET, Bankrate, and Buzzfeed, jumped on the bandwagon. However, it hasn't gone well.

Men's Journal faced backlash after publishing its first AI-generated article. It apparently had at least 18 inaccuracies — not great for Experience, Expertise, Authoritativeness, and Trustworthiness (E-E-A-T). CNET and Bankrate faced similar negative press after publishing factually inaccurate explainer articles, and they have since paused their AI-generated content.

On the heels of OpenAI's ChatGPT, Google hastily announced its own AI chatbot, Bard. Parent company Alphabet's stock immediately plummeted following an advertisement for the chatbot that showed an incorrect answer when asked about the James Webb Space Telescope.

One of the key limitations of AI content generators is their tendency to confidently output incorrect information. These tools rely on limited data and are trained only on specific sources, so they may produce biased, outdated, or simply incorrect information. Additionally, AI struggles to understand and convey elements like context, irony, and sarcasm, which are inherent to human communication.

Google is scrambling to release a new search engine as the artificial intelligence arms race continues to heat up, according to a recent report from the New York Times.

The tech giant is in the process of creating an AI-powered search engine, as well as updating technology within its existing platform, after hearing that Samsung could make Microsoft Bing the default program on its devices, per the Times.

The potential loss of Samsung, a $3 billion contract, led to widespread internal "panic" as the company scrambled to keep up with the explosion of ChatGPT and AI, per an internal email obtained by the Times.

According to documents obtained by the Times, Google is updating its existing search engine as part of a project called Magi. An estimated 160 employees are currently working in "sprint rooms" to finish updated features in areas like increased personalisation.

The company has been in a frenzy since December when it first issued a "code red" in response to the rise of ChatGPT, the popular AI-powered chatbot created by OpenAI. Threats to Google's long-held search engine dominance deepened when Microsoft teamed up with OpenAI to relaunch Bing in February.

Source:
https://www.businessinsider.com/google-ai-powered-search-engine-compete-bing-report-2023-4?r=US&IR=T

RISKS AND UNCERTAINTIES

RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's material risks and uncertainties include market and business risk, political risk, operational risks and financial risks, climate change, and currency variance risks. Business and market risks may relate to greater customer exposure for specific sectors and companies as well as sensitivity to market conditions. Political risks relate to uncertainty in relation to Brexit and the war in Ukraine. Operational risks include dependence on individuals, skills supply and intellectual property and meeting client's high standards. Financial risks mainly relate to foreign exchange and credit risks.

Brexit

Ayima Group currently has established local operations in various territories including the US, Canada and Sweden. In the main, each Ayima entity engages with clients on a local level only and does not export goods or services. Ayima's clients in Europe are mainly based outside of the EU, therefore there is limited impact on operations from Brexit related matters. While Ayima UK is not immune to the effects of Brexit on the UK economy, so far Brexit has had little to no effect on Ayima directly.

Ayima is prepared should there be any need to change organisational structure in the future in order to adapt to changes to the regulatory environment.

Credit risk

Credit risk is limited since Ayima only accepts creditworthy counterparties. Expected Credit Losses are nil for the period

Client risks

Client concentration: relying too much on one particular client, Ayima carefully monitors and reviews client % of revenues regularly to assess the status of each client and takes action if necessary. Ayima are considered to have a good spread of risks across companies and sectors.

Client losses: contracts are usually for a minimum of 12 months, renewals are automatic, and if necessary agreed well in advance of contract end dates, there are minimum notice periods in every contract. For any short term contracts or project based work, clients are required to pay 50% of the fees upfront.

FX Variances

The fluctuation in the exchange rate has a material impact on Total Comprehensive Income when converting consolidated equity from GBP to SEK at each reporting date, the impact for Q1 2023 is 1.1 MSEK (0.7 MSEK in Q1 2022). This adjustment is not related to operational performance and is merely due to accounting procedures for reporting in a single currency. Day to day operations in individual subsidiaries are not significantly impacted as revenue and costs are mainly in the same currency in each market. When trade takes place between the subsidiaries this can give rise to currency fluctuations as each subsidiary operates in the local currency in their respective territories.

*source: oanda.com average monthly rate Jan 2022 - Mar 2023

Staff

Ayima has around 175 FTEs or FTE equivalents globally. Through employee engagement initiatives and regular staff appraisals, staff retention remains stable. Most staff continue to work remotely.

Since gaining the ISO 27001 certification in 2016, Ayima has more robust documentation protocols around processes and tasks which helps mitigate against the risk of losing knowledge if key staff leave.

Along with staff training initiatives, Ayima has rolled out the employee share scheme. All of these initiatives will promote staff retention, thereby mitigating operational risks.

Legislation

Operational risks are handled in a structured manner through well-established processes in line with ISO 27001. Ayima Limited passed the reaccreditation audit for its ISO 27001 certification in 2022 assuring clients and other external stakeholders of the highest standards of information control and security. Ayima continues to ensure its compliance with UK GDPR regulations and Data Protection Act of 2018.

World events

Although Ayima saw a reasonably limited impact from Covid 19 on its operations, the longer term additional effects on the global economy of increased uncertainty and pressure on supply chains has seen inflation and the cost of living increase at a faster rate than expected. The ongoing war in Ukraine and lockdowns in China throughout 2022 pushed prices up and increased pressure on supply chains and further increased inflation across the world. Political and economic instability in the UK also has an impact on Ayima's operations. Ayima's management team carefully monitors these events and continuously assesses the potential impact on Ayima, taking action where necessary.

RISKS AND UNCERTAINTIES - Continued

Climate change

Ayima operates within the digital marketing industry, as such the services that it provides to its clients relate to online services only and are not necessarily impacted by climate change. Nevertheless, Ayima recognises that climate change is a risk that requires attention and consideration, not least in terms of what actions, if any, the company can take to mitigate its own impact on the environment, as well as the impact of its stakeholders both internally and externally. Ayima's management team has built climate consideration into its approach to doing business with customers and suppliers, as well as engaging staff in environmentally friendly practices such as working from home and limiting business travel.

RELATED PARTY TRANSACTIONS

There are no related party transactions to report.

ACCOUNTING PRINCIPLES

Ayima Group AB (publ) prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting. This interim report has not been reviewed by the company's auditors.

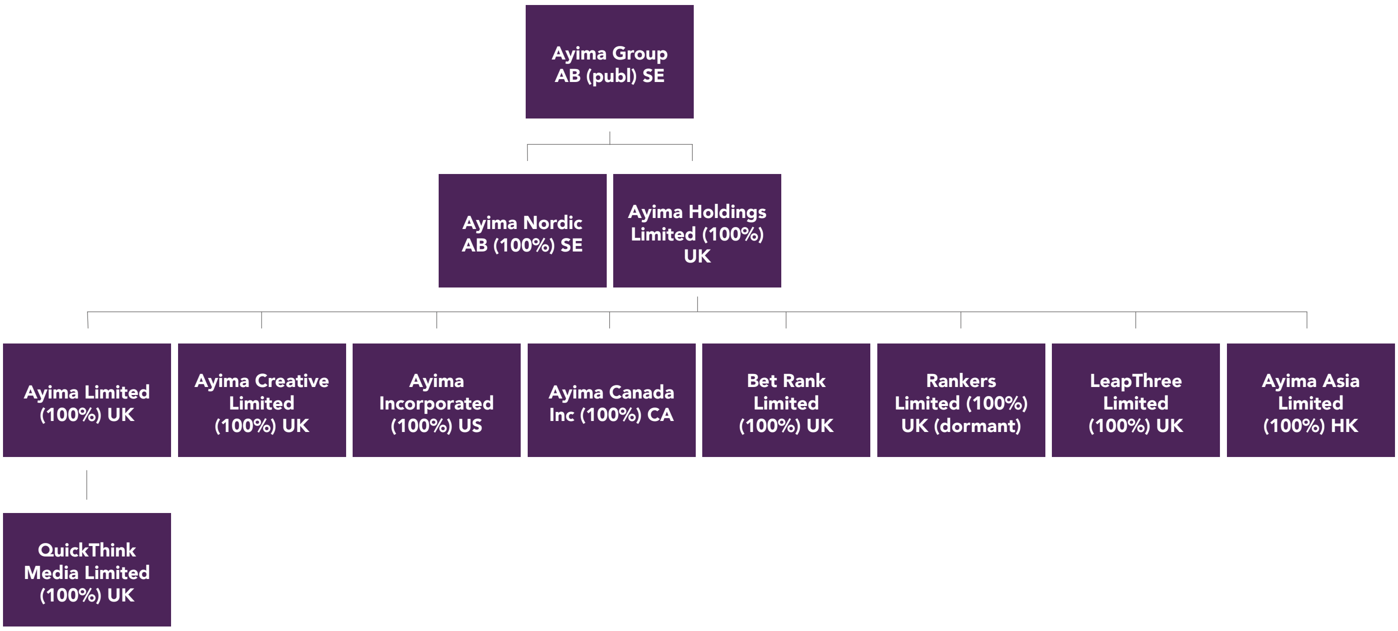
The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiary undertakings). Where necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies in line with the Group. All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

ABOUT AYIMA

The group was formed by acquiring the subsidiaries' Ayima Holdings Ltd's and Ayima Nordic AB's shares on 2017-01-31. The acquisition is reported as a reverse acquisition, which means that Ayima Holdings Ltd is regarded as the accounting acquirer and Ayima Group AB (publ) that it acquired. Payment was made through newly issued shares in the Parent Company, corresponding to a shareholding of 3 500 000 SEK. Ayima Holdings registered a new, wholly owned subsidiary, Bet Rank Ltd at Companies House on 2018-06-25.

Ayima completed the acquisition of LeapThree Limited on 2018-09-17, this acquisition was completed through the issue of 26 800 A shares and 784 662 B Shares along with payment to the sellers of cash consideration of GBP 400K (SEK 4.9M approx). Two dormant subsidiaries owned by LeapThree were voluntarily dissolved during Q4 2021 and have been removed from the org chart. During Q2 2019 Ayima Holdings Limited registered a new subsidiary company in Hong Kong, Ayima Asia.

THE REVISED GROUP CHART IS AS FOLLOWS:



FINANCIAL OBJECTIVES

Ayima's management team is focused on delivering results for the company and its shareholders. The cost savings achieved in Q4 are reflected in the reduction in operating expenses in the first quarter.

The trend in longer onboarding periods for new clients has continued into 2023 and may reflect a longer lasting impact of the Covid 19 pandemic. Ayima has certainly noticed this change in its new business pipeline and has revised its expectations as a result.

The challenge is to maintain adequate staffing levels at a sustainable level, and still be able to take on new clients when they complete their lengthy onboarding processes and are ready to start working with Ayima. The board and the management team are continually reviewing internal processes, expectations and strategies to proactively address these challenges and deliver positive financial results.

NUMBER OF SHARES, SHARE CAPITAL AND EARNINGS PER SHARE

At the end of the period, the company had 7 393 672 shares (A 226 800 B 7 166 872). The share capital was 7 393 672 SEK. Earnings per share for the quarter amounted to -0.82 SEK (0.02). Price per share at closing at the end of the period (2023-03-31) was 2.8 SEK. The number of outstanding options granted to staff was 182 276. Earnings per share after dilution amounted to -0.82 SEK (0.02).

Shareholding at 2023-03-31	No A Shares	No B Shares	Control %	Capital %
Timothy Webb	66,667	875,561	16.3%	12.7%
Michael Nott	66,667	804,914	15.6%	11.8%
Nanocap Group S AB		795,400	8.4%	10.8%
Michael Jacobson	66,666	792,997	15.5%	11.6%
Avanza Pension, Forsakringsaktiebolaget		399,911	4.2%	5.4%
Michael Feiner	15,000	390,731	5.7%	5.5%
Ayima Employee Trust		357,825	3.8%	4.8%
Jesper Bjerregaard		207,323	2.2%	2.8%
Jens Soderlund		144,732	1.5%	2.0%
Guillermo Aznarez Perez		88,174	0.9%	1.2%
Others	11,800	2,309,304	25.7%	31.4%
Total	**226,800**	**7,166,872**	**100%**	**100%**

FURTHER REPORTS & IMPORTANT DATES

2023-05-11	**AGM**
2023-08-03	**Q2 2023 Interim Report**
2023-11-02	**Q3 2023 Interim Report**
2024-02-23	**Q4 2023 Year End Report**

CONSOLIDATED FINANCIAL STATEMENTS

SUMMARY CONSOLIDATED INCOME STATEMENT	JAN - MAR 2023	JAN - MAR 2022	JAN - DEC 2022
MSEK			
Operating revenue			
Revenue	32.6	36.6	149.9
Other income	0.0	0.0	0.0
TOTAL REVENUE	**32.6**	**36.6**	**149.9**
Direct expenses			
Direct expenses	-17.8	-14.9	-68.5
GROSS PROFIT	**14.8**	**21.6**	**81.4**
Operating expenses			
Personnel costs	-15.5	-16.4	-66.6
Other operating expenses	-3.4	-2.7	-12.2
OPERATING EXPENSES	**-18.8**	**-19.2**	**-78.8**
EBITDA	**-4.0**	**2.5**	**2.6**
Depreciation & Amortisation and write downs of tangible and intangible fixed assets	-2.1	-2.2	-8.7
Exceptional Items	0.0	-0.1	-1.1
OPERATING PROFIT	**-6.1**	**0.2**	**-7.3**
FX gains/losses	-0.3	-0.2	1.3
Interest paid/received	-0.4	-0.5	-1.8
Gain on debt extinguished (PPP Loan forgiveness)	0.0	0.0	0.0
Financing Costs	-0.4	-0.1	-0.5
R&D Tax Credit	0.0	0.0	0.3
Deferred tax	0.0	0.0	2.2
PROFIT AFTER TAX	**-7.2**	**-0.6**	**-5.7**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	JAN - MAR 2023	JAN - MAR 2022	JAN - DEC 2022
PROFIT AFTER TAX	**-7.2**	**-0.6**	**-5.7**
Items that could be reclassified to earnings			
Exchange rate differences*	1.1	0.7	2.0
TOTAL COMPREHENSIVE INCOME	**-6.1**	**0.2**	**-3.7**
Result for the period attributable to the parent company's shareholders:	-6.1	0.2	-3.7
EARNINGS PER SHARE - BEFORE DILUTION (SEK)	-0.82	0.02	-0.50
EARNINGS PER SHARE - AFTER DILUTION (SEK)	-0.82	0.02	-0.50

*The fluctuation in the GBP to SEK exchange rate has a material impact on Total Comprehensive Income when converting Balance Sheet equity from GBP to SEK at each reporting period end.

SUMMARY CONSOLIDATED BALANCE SHEET AT 31 MARCH 2023

MSEK	31 MAR 2023	31 MAR 2022	31 DEC 2022
ASSETS			
Fixed assets			
Intangible assets			
Goodwill	43.5	41.8	42.9
Other Intangible fixed assets	19.5	25.0	20.1
Total intangible fixed assets	63.0	66.8	63.0
Tangible fixed assets			
Property, plant and equipment	0.8	0.8	0.8
Total tangible fixed assets	0.8	0.8	0.8
Financial assets			
Shares in associated companies	0.0	0.0	0.0
Right of Use Assets	6.5	8.2	7.1
Deferred Tax	9.0	6.7	8.9
Total financial assets	15.5	14.9	16.1
Total fixed assets	**79.3**	**82.5**	**79.9**
Current assets			
Accounts receivable	12.9	13.2	15.3
Other receivables	4.6	4.5	4.5
Prepayments and accrued income	2.3	1.7	1.4
Total other current assets	**19.8**	**19.5**	**21.2**
Cash and bank balances	2.6	7.7	9.1
Total current assets	**22.4**	**27.2**	**30.3**
TOTAL ASSETS	**101.8**	**109.7**	**110.1**
EQUITY AND LIABILITIES			
Equity			
Share capital	-7.4	-7.4	-7.4
Other contributed equity	-51.6	-57.5	-57.1
Other equity incl. profit for the year	-0.5	-4.9	-1.1
Total equity	**-59.6**	**-69.9**	**-65.6**
Long-term liabilities			
Other Provisions	-1.2	-1.4	-1.2
Lease Liabilities	-3.5	-5.7	-5.3
Other liabilities	-7.4	-10.1	-7.6
Total long-term liabilities	**-12.1**	**-17.1**	**-14.2**
Current liabilities			
Accounts payable	-10.5	-8.3	-12.7
Invoice Discounting Loan	-6.0	-2.9	-5.6
Current tax liabilities	0.0	0.0	0.0
Current Lease Liabilities	-4.3	-3.6	-3.1
Other current liabilities	-4.1	-4.5	-4.2
Accrued expenses and prepaid income	-5.2	-3.4	-4.7
Total current liabilities	**-30.1**	**-22.7**	**-30.4**
TOTAL EQUITY AND LIABILITIES	**-101.8**	**-109.7**	**-110.1**

CONSOLIDATED CASH FLOW STATEMENT (SUMMARY)

	JAN - MAR 2023	JAN - MAR 2022	JAN - DEC 2022
The ongoing business			
Operating profit	-6.1	0.2	-7.3
Adjusted revenue			
Adjustments for items not included in cash flow			
Depreciation and write-downs	2.1	2.2	10.2
Exchange losses	0.0	0.0	0.0
Other non-cash items	-0.1	0.3	1.0
	-4.1	**2.7**	**3.8**
Financial items	-0.6	-0.4	-1.5
Paid income tax	0.0	0.0	0.7
Cash flow from operating activities before changes in working capital	**-4.7**	**2.3**	**3.0**
Changes in working capital			
Change in receivables	1.6	5.3	3.8
Change in current liabilities	-2.3	-5.5	-0.7
Cash flow from current operations	**-5.3**	**2.1**	**6.1**
Investing activities			
Acquisition of intangible fixed assets	-0.5	-0.3	-0.8
Acquisition of tangible fixed assets	0.0	-0.1	-0.4
Acquisition of financial fixed assets	0.0	0.0	0.0
Sales of financial fixed assets	0.0	0.0	0.0
Cash flow from investing activities	**-0.6**	**-0.5**	**-1.3**
Financing activities			
Rights issue	0.0	0.0	0.0
Issuing Costs	0.0	0.0	0.0
Borrowings	5.0	0.6	4.2
Repayments including Lease payments	-5.7	-0.7	-6.3
Cash flow from financing activities	**-0.7**	**-0.1**	**-2.1**
Cash flow for the period	**-6.6**	**1.6**	**2.8**
Cash and cash equivalents at the beginning of the period	*9.1*	*6.1*	*6.1*
Exchange rate differences at the end of the period	*0.1*	*0.0*	*0.2*
LIQUID FUNDS AT THE END OF THE PERIOD	**2.6**	**7.7**	**9.1**

SUMMARY STATEMENT OF CHANGES IN EQUITY

	31 MAR 2023	31 MAR 2022	31 DEC 2022
MSEK			
Opening Balance	**65.6**	**69.6**	**69.6**
Issue of shares	0.0	0.1	-0.3
Reverse acquisition	0.0	0.0	0.0
Other	0.0	0.0	0.0
Total Comprehensive Income	-6.1	0.2	-3.7
Closing Balance	**59.6**	**69.9**	**65.6**

PARENT COMPANY FINANCIAL STATEMENTS

PARENT COMPANY INCOME STATEMENT

	JAN - MAR 2023	JAN - MAR 2022	JAN - DEC 2022
MSEK			
Operating income			
Revenue	0.0	0.0	0.0
Other operating income	1.1	1.3	4.7
TOTAL INCOME	**1.1**	**1.3**	**4.7**
Operating expenses			
Personnel Costs	-0.6	-0.6	-2.2
Other operating expenses	-0.2	-0.4	-1.2
TOTAL OPERATING EXPENSES	**-0.8**	**-1.0**	**-3.4**
EBITDA*	**0.3**	**0.3**	**1.3**
Financial items	-0.3	-0.2	-0.7
Result from participation in group companies	0.0	0.0	0.0
PROFIT BEFORE TAX	**0.1**	**0.1**	**0.6**
Current tax	0.0	0.0	0.0
PROFIT AFTER TAX	**0.1**	**0.1**	**0.6**

OTHER COMPREHENSIVE INCOME

Items that could be reclassified to earnings			
Exchange rate differences	0.0	0.0	0.0
TOTAL COMPREHENSIVE INCOME	0.1	0.1	0.6
Total profit for the period attributable to the parent company's shareholders: Parent Company shareholders	0.1	0.1	0.6
EARNINGS PER SHARE - BEFORE DILUTION (SEK)	0.0	0.0	0.1
EARNINGS PER SHARE - AFTER DILUTION (SEK)	0.0	0.0	0.1

PARENT COMPANY BALANCE SHEET (SUMMARY) AT 31 MARCH 2023

	31 MAR 2023	31 MAR 2022	31 DEC 2022
MSEK			
ASSETS			
Fixed assets			
Financial assets			
Shares in subsidiaries	7.5	7.9	7.5
Total financial assets	7.5	7.9	7.5
Total fixed assets	**7.5**	**7.9**	**7.5**
Current assets			
Receivables	75.3	72.9	71.0
Total other current assets	75.3	72.9	71.0
Cash and bank balances	0.8	0.2	0.4
Total current assets	**76.0**	**73.1**	**71.4**
TOTAL ASSETS	**83.5**	**81.0**	**79.0**
EQUITY AND LIABILITIES			
Equity			
Share capital A shares	-0.2	-0.2	-0.2
Share capital B shares	-7.2	-7.2	-7.2
Share premium	-46.6	-47.0	-46.6
Share issue costs	0.0	0.0	0.0
Other equity incl. profit for the year	-19.0	-18.4	-18.9
Total equity	**-73.0**	**-72.8**	**-72.9**
Long-term liabilities			
Other liabilities	-5.4	-7.4	-5.4
Total long-term liabilities	**-5.4**	**-7.4**	**-5.4**
Current liabilities			
Other liabilities	-5.1	-0.8	-0.6
Total current liabilities	**-5.1**	**-0.8**	**-0.6**
TOTAL EQUITY AND LIABILITIES	**-83.5**	**-81.0**	**-79.0**

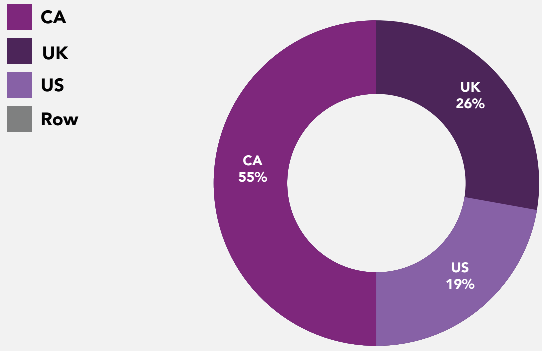
PARENT COMPANY CASH FLOW ANALYSIS (SUMMARY)	JAN - MAR 2023	JAN - MAR 2022	JAN - DEC 2022
The ongoing business			
Operating profit	0.3	0.3	1.3
Adjusted revenue			
Financial items	-0.3	-0.2	-0.7
Cash flow from operating activities before changes in working capital	**0.1**	**0.1**	**0.6**
Changes in working capital			
Change in receivables	-4.2	0.0	1.8
Change in current liabilities	0.2	0.2	0.0
Cash flow from current operations	**-4.0**	**0.3**	**2.5**
Investing activities			
Acquisition of financial fixed assets	0.0	0.0	0.0
Sales of financial fixed assets	0.0	0.0	0.0
Cash flow from investing activities	**0.0**	**0.0**	**0.0**
Financing activities			
Rights issue	0.0	0.0	0.0
Issuing Costs	0.0	0.0	0.0
Borrowings	4.3	-0.7	-2.7
Cash flow from financing activities	**4.3**	**-0.7**	**-2.7**
Cash flow for the period	**0.3**	**-0.4**	**-0.2**
Cash and cash equivalents at the beginning of the year	0.4	0.6	0.6
LIQUID FUNDS AT THE END OF THE PERIOD	**0.8**	**0.2**	**0.4**

REVENUE BY MARKET AND SERVICE

The North American offices generated 24.2 MSEK (25.2) of total revenue to date for 2023. As all Paid Media services were moved under the North American office in 2021, the proportion of revenue attributed to this market has increased dramatically. With the inclusion of all Paid Media spends as well as media fees, this geographical area accounts for approximately 74% of total revenue.

In the UK, total income for the year to date amounted to 8.4 MSEK (11.2). This is expected to increase significantly in the coming periods as work on recently signed contracts gets underway.

REVENUE BY OPERATION 2023



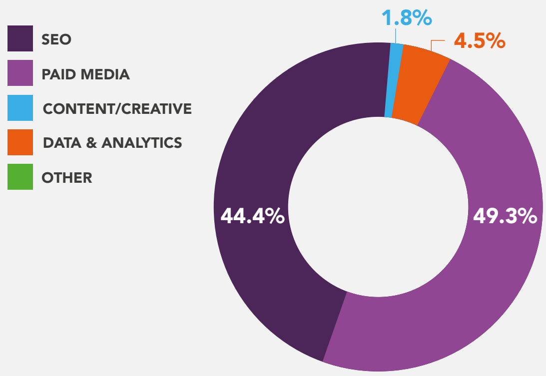
INCOME BY MARKET, MSEK	Jan - Mar 2023	Jan - Mar 2022	Jan - Dec 2022
REVENUE			
GB	8.4	11.2	37.7
NORTH AMERICA	24.2	25.2	111.7
ROW	0.0	0.1	0.5
TOTAL OPERATING REVENUE	**32.6**	**36.6**	**149.9**

A total of 14.5 MSEK (20.4) of operating revenue for the year to date was generated by SEO. The reduction in revenue compared to the previous year is mainly due to delays in signing new contracts in the first quarter of the year. Now that those contracts have been signed this is expected to increase in Q2 and Q3.

Revenue from Paid Media services in the first quarter accounted for 16.1 MSEK (11.8). Revenue from this service is expected to remain stable throughout the rest of the year.

Content/Creative accounted for 0.6 MSEK (2.9) of revenue to date in 2023. This service has seen a significant decline in demand over the last 12 months however recently signed contracts will provide a boost to this service in Q2 and is expected to remain stable thereafter. Data & Analytics accounted for 1.5 MSEK (1.5) of operating revenue for the year to date. Revenue from this service is relatively stable, but may reduce in the coming months as current projects are completed.

REVENUE BY SERVICE 2023



REVENUE BY SERVICE, MSEK	Jan - Mar 2023	Jan - Mar 2022	Jan - Dec 2022
INCOME			
SEO	14.5	20.4	81.5
PAID MEDIA	16.1	11.8	55.2
CONTENT/CREATIVE	0.6	2.9	7.3
DATA & ANALYTICS	1.5	1.5	6.0
OTHER SERVICES	0.0	0.0	0.0
TOTAL OPERATING REVENUE	**32.6**	**36.6**	**149.9**

GLOSSARY

INVOICE DISCOUNTING

Invoice discounting is the practice of using a company's unpaid accounts receivable as collateral for a loan, which is issued by a finance company. The amount of debt issued by the finance company is less than the total amount of outstanding receivables (typically 80% of all invoices less than 90 days old).

EBITDA

EBITDA is stated as operating profit before exceptional items, Interest, Tax, Depreciation and Amortisation.

EARNINGS PER SHARE - BEFORE DILUTION

Earnings per share, earnings divided by total number of outstanding shares.

EARNINGS PER SHARE - AFTER DILUTION

Earnings per share, profit divided by existing shares plus any outstanding options program. As of 2023-03-31 there are 182 276 outstanding option programs.

DISCLOSURE AND CONDITIONS

ASSURANCE OF THE BOARD OF DIRECTORS

The Board ensures that the interim report gives a true and fair view of the Parent Company and the Group's operations, position and results, and describes the significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

CONTACT

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CEO Mike Jacobson
+44 (0) 20 7148 5974
press@ayima.com

OTHER

This information is the information that Ayima Group AB is required to disclose under the EU Market Abuse Regulation. The information was provided by the above contact person for publication on May 4 2023 (2023-05-04).

BOARD

Michael Jacobson
Member & CEO

Michael Nott
Member & Chairman

Bjorn Mannerqvist
Member

Timothy Webb
Member

This interim report has not been audited by the company's auditors

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