

Q4

INTERIM REPORT

October - December 2023

SpectrumOne AB (publ) 556526-6748



SPECTRUMONE

Fourth quarter

- Net sales amounted to SEK 3.7 (14.2*) million
- EBITDA amounted to SEK -1.5 (-4.0) million
- EBIT amounted to SEK -14.4** (-27.7) million
- EBT amounted to SEK -16.0 (-27.5) million

- Cloud Explorers Solutions AS, a Norwegian subsidiary of SpectrumOne AB, announces the signing of a formal Partnership Agreement with Tietoevry

Significant events after the reporting period

- SpectrumOne AB appoints Stephen Karl Ranson as the new Chief Executive Officer

Full year

- Net sales amounted to SEK 23.3 (74.0*) million
- EBITDA amounted to SEK -15.5 (-7.3) million
- EBIT amounted to SEK -95.0** (-78.7) million
- EBT amounted to SEK -99.6 (-83.6) million
- Earnings per share before dilutions amounted to SEK -0,26 (-0.22)

** including revenues from the now divested companies, Ådata Infosystems, Ampilio AB and the Trigger Company AB*

***including share of earnings from our associated company Eniro Group AB.*

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

Dear Shareholders,

It is with great pleasure that I present this CEO statement as part of our quarterly report. Although my tenure in this role has been brief, the opportunity to lead and engage with our vibrant shareholder community has been immensely rewarding.

The recent shareholder meeting, which I had the privilege of presenting, not only allowed me to meet many of you in person but also to witness the broad online engagement it garnered. This interaction is a testament to the importance of open and dynamic communication as we chart our path forward.

Looking ahead, I am committed to maintaining a consistent, transparent, and informative dialogue with both our shareholders and the broader market. It is also my belief that involving our partners in these communications is crucial. Hearing directly from those who work with our organisation and use our products and services enriches our perspective and ensures a holistic view of our operations.

Since joining the SpectrumONE group of companies in 2019, my focus has primarily been on Cloud Explorers and PRISM. However, recent weeks have been dedicated to familiarising myself to get more insight into our business strategy and operations of the other companies in the SpectrumOne group. This immersion is critical for steering our strategy effectively as we move into 2024.

I am excited to report significant progress within Cloud Explorers, highlighted by intensive partnership activities and a major sales push with our main partners, D&B and Tietoevry,

throughout 2023 and into the early part of 2024. Our concerted efforts have yielded promising results, including an expansion of our client base in Norway and the strengthening of our relationships through enhanced product offerings and services.

With D&B, we have had a strong and successful focus on increasing our footprint by securing growth both via upsell with existing clients, one of whom has increased their SaaS licence by 160 users. Coupled with new SaaS license growth with large group/consortium based clients such as Banks and Finance institutions. This really underscores the staying power of PRISM once secured with a client along with the growth potential within the various accounts.

In parallel to these activities we have been working with the Product and Services division of D&B in Sweden during 2023 and into 2024. Exploring PRISM as a platform for the delivery of current and newly developed analytical solutions to the market across Scandinavia. This collaboration demonstrates the value and the relevance of PRISM within our partners clients, ongoing and future business.

Our journey with Tietoevry has been marked by more rapid advancement than our initial partnerships. From initial proofs of concept (POCs) demonstrating the capabilities of PRISM, to comprehensive compliance processes and deployment of PRISM as a managed service.

We have together with Tietoevry identified several packaged solutions based on PRISM which we now introduce into relatively large clearly defined markets with existing clients. These solutions have been piloted with trial clients of various sizes in order to validate the value created

and have received very strong and positive feedbacks.

Tietoevry now sets full focus on sales activity with these offerings. I will report back progress as soon as I have an update.

Furthermore, I take this opportunity to mention that discussions are underway with a potential third partner following successful POCs, completed at the end of December 2023, facilitating further strategic expansions. I look forward to sharing detailed updates on these developments at our upcoming shareholder update meeting in the near future, which will also be broadcasted for wider accessibility online.

As we stand on the cusp of realising the fruits of our labor, I am filled with anticipation for the period ahead. The dedication and hard work of our team members across the group have been instrumental in reaching this point, and I extend my heartfelt gratitude to each one of them.

I eagerly await our next meeting, where we will delve deeper into our achievements to date and outline our future direction.

Thank you for your ongoing support and trust in SpectrumONE AB.

Sincerely,

Stephen Karl Ranson
CEO

SpectrumONE AB

OPERATIONS

REVENUE AND EARNINGS

The consolidated income statement for the third quarter of 2023 comprises the parent company SpectrumOne AB as well as the subsidiaries BizWell Sweden AB, Qbim AB, Cloud Explorers AS and OY Cemron AB.

Fourth quarter

Net sales for the fourth quarter of the year amounted to SEK 3.7 (14.2) million, a decrease of SEK 10.5 million. The lower net sales are caused by the sale of former subsidiaries Ampilio AB, the Trigger Company AB and Ådata Infosystems AB. The gross profit amounted to SEK 2.9 (5.5) million for the consolidated operations, with a gross margin at 80.0 % (38.9) %.

Operating expenses excluding direct costs and depreciation amounted to SEK 11.7 (16.9) million. The personnel costs in the fourth quarter amounts to 3.5 (6.7) million SEK. Depreciation and amortizations amounts to SEK 15.6 (21.1) million including the depreciation part of share of earnings from associated companies. The share of earnings from associated companies refers to our ownership in Eniro Group AB (publ) and amounts to SEK 8.3 million In deprecation of goodwill.

Operating profit (EBIT) for the period amounted to SEK -14.4 (-27.8) million. The operating margin is negative. Net financial items amounted to SEK -1.5 (0.3) million. Profit before tax for the period amounted to SEK -16.0 (-27.5) million. Earnings per share before dilution amounted to SEK -0.04 (-0.02).

Twelve months

The consolidated income statement for the entire year of 2023 comprises, apart from the companies mentioned earlier, also Ampilio and the Trigger Company for the period of January 1st - March 31th. Net sales after twelve months amounted to SEK 23.3 (74.0) million, a decrease of increase of SEK 50,7 million. The gross profit was SEK 15.8 (36.4) million for the consolidated operations, with a gross margin at 67.5% (49.0%). Operating expenses excluding direct costs and depreciation amounted to SEK 33.4 (37.9) million. Depreciation amounts to SEK 61.7 (85.3) million Including the depreciation part of share of earnings from associated companies. The depreciations have

decreased compared to last year malecause of the divestment of subsidiaries. Operating profit (EBIT) for the period amounted to SEK -95.0 (-78.7) million. Net financial items amounted to SEK -4.6 (-5.0) million. Profit before tax for the period amounted to SEK -99.6 (-83.6) million. Earnings per share before dilution amounted to SEK -0,26 (-0.22).

CASH FLOW AND FINANCIAL POSITION

Fourth quarter

Cash flow from operating activities before changes in working capital amounted to SEK -2.4 (-8.0) million for the fourth quarter. Changes in working capital have affected cash flow by SEK -21.7 (6.8) million. Cash flow from operating activities after changes in working capital amounted to SEK - 24.1 (-1.2) million. Investment activities had a cash flow effect of SEK -1.0 (-3.1) million during the period. Cash flow from financing activities was SEK 24.9 (1.8).

Twelve months

Cash flow from operating activities before changes in working capital amounted to SEK -13.1 (-17.1) million for the full year. Changes in working capital had an impact on cash flow with SEK -22.5 (2.7) million. Cash flow from operating activities after changes in working capital amounted to SEK -35.6 (-14.4) million. Investment activities affected cash flow during the period with SEK 7.2 (-10.7) million. Financing activities amounted to SEK 26.4 (14.6) million.

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 57.3 (74.7) %. The quota value for the SpectrumOne AB:s shares is SEK 0.1 per share.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

- SpectrumOne AB appoints Stephen Karl Ranson as the new Chief Executive Officer

INVESTMENTS

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

PERSONNEL

The number of employees at the end of the quarter amounted to 18 (35) persons.

PARENT COMPANY

The operations of the parent company include group management, finance and IR / PR. The parent company's turnover for the fourth quarter, which in its entirety is intra-group, amounted to SEK 0.1 (0.2) million and other income to SEK 0.2 (0.0) million. Profit before tax for the period amounted to SEK -11.0 (-13.5) million.

CONTINUED FINANCING OF OPERATIONS

The parent company has a strong balance sheet with an equity of just under SEK 200 million consisting of, among other things, liquid assets in shares and thus has sufficient working capital to be able to continue operations at the rate the board wishes and according to the established business plan.

During the month of February this year, the Company refinanced a loan of SEK 25 million and gained access to an additional SEK 7 million in operating credit. Through this refinancing, the Company has significantly reduced interest costs and also gained access to additional working capital. The aforementioned financing was made possible by the fact that the representative for the Company's main owner Vildmarksstugor i Norrland AB, Örjan Berglund, went as surety as his own liability for the loan. As compensation for this guarantee commitment, the Company has issued an option valid until June 30, 2026 for 60 million shares in Observit AB at a strike price of SEK 0.19 per share. According to Black-Scholes, the value of this option amounts to SEK 600,000, which is far below the savings in interest costs.

TRANSACTIONS WITH RELATED PARTIES

Fredric Forsman, chairman of the board, has during the quarter invoiced the Company for legal services amounting to SEK 0.39 million.

Örjan Berglund, member of the board, has issued a guarantee commitment of SEK 32 million for the Company's loan as follows from the above and has as compensation received an option valid until June 30, 2026 for 60 million shares in Observit AB at a strike price of SEK 0.19 per share

RISKS

Regarding risks, please refer to the Annual Report 2022.

ACCOUNTING POLICIES

From fiscal year 2014, the annual and consolidated financial statements are established by applying the Swedish Annual Accounts Act and the Swedish Accounting Standards Board BFNAR 2012:1 Annual report and consolidated (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 28, 2023

DIVIDEND

The board of directors has decided to propose to the annual general meeting that no dividend shall be paid for financial year 2023.

NOMINATION COMMITTEE

The Nomination Committee for SpectrumOne consists of Örjan Berglund (chairman), Magnus Orregård, appointed by Vildmarksstugor i Norrland AB, Lars Flodén, appointed by Hellms AB and Fredric Forsman, chairman of the board.

UPCOMING REPORTS AND EVENTS

Interim Report Q1 2024 April 26, 2024

Annual report will be published at least three weeks in advance of the Annual meeting

Annual General Meeting May 28, 2024

Interim Report Q2 2024, July 22, 2024

Interim Report Q3 2024, November 11, 2024

Stockholm, February 2024

Fredric Forsman, chairman of the board
Hosni Teque-Omeirat, member
Cecilia Hjertzell, member
Örjan Berglund, member

For further information contact:

Fredric Forsman, Chairman, +46 73 978 78 44,
fredric@spectrumone.com

Stephen Karl Ranson, CEO, +47 992 88 221,
stephen@spectrumoneone.com

Certified Adviser:

Aktieinvest AB (556072-2596)
Box 7415
103 91 Stockholm
Phone: +46 8 506 517 03
www.aktieinvest.se

INCOME STATEMENT - GROUP

SEK, thousands	Q4 23	Q4 22	YTD 23	YTD 22
Net revenue	3 664	14 196	23 337	74 049
Work performed for its own use and capitalised	979	858	2 468	3 846
Profit from sale of subsidiaries	-	3 592	-	3 592
Other income	682	309	1 420	684
Total revenue	5 325	18 955	27 225	82 171
Cost of goods	89	-23	-	-6 611
Cost of services	-820	-8 653	-7 586	-31 087
Other external costs	-2 546	-7 643	-10 517	-21 693
Personnel costs	-3 553	-6 656	-17 606	-30 045
Depreciation and amortization	-7 344	-7 416	-28 915	-30 432
Other expenses	-	-	-27	-
Loss on sale of subsidiaries	52	-	-6 980	-
Share of earnings from associated companies	-5 648	-16 360	-50 599	-40 957
<i>Total operating expenses</i>	<i>-19 770</i>	<i>-46 751</i>	<i>-122 230</i>	<i>-160 825</i>
Operating profit	-14 445	-27 796	-95 005	-78 654
Interest income and similar items	452	-604	841	17
Interest expenses and similar items	-1 964	911	-5 439	-5 379
Profit from participation in associated companies	-	-	-	376
<i>Net financial</i>	<i>-1 512</i>	<i>307</i>	<i>-4 598</i>	<i>-4 986</i>
Earnings before tax	-15 957	-27 489	-99 603	-83 640
Change deferred taxes	847	-301	3 089	2 016
Tax on profit	-131	-718	-457	-872
Earnings	-15 241	-28 508	-96 971	-82 496
Earnings attributable to parent company	-15 241	-28 508	-96 971	-82 496
Earnings attributable to minority interest	-	-	-	-
Earnings	-15 241	-28 508	-96 971	-82 496
Number of shares before dilution	374 220 904	374 220 904	374 220 904	374 220 904
Number of shares after dilution	374 220 904	374 220 904	374 220 904	374 220 904
Number of shares on average before dilution	374 220 904	374 220 904	374 220 904	374 220 904
Earnings per share, before dilution	-0,04	-0,25	-0,26	-0,22
Number of shares on average after dilution	374 220 904	374 220 904	374 220 904	374 220 904
Earnings per share, after dilution	-0,04	-0,25	-0,26	-0,22



BALANCE SHEET – GROUP

SEK, thousands	Dec 31, 2023	Dec 31, 2022
ASSETS		
Subscribed but unpaid share capital		
Fixed assets		
Intangible assets		
Goodwill	14 746	31 720
Intangible assets	23 745	38 956
Capital expenditure for research and development	5 099	6 552
Total intangible assets	43 590	77 228
Tangible assets		
Equipment, tools and installations	191	185
Inventory	0	48
Total tangible assets	191	233
Financial assets		
Shares in associated companies	0	60 692
Other financial assets	13 049	13 373
Total financial assets	13 049	74 065
Total fixed assets	56 830	151 526
Current assets		
Receivables		
Account receivables	1 574	7 779
Other receivables	794	6 417
Tax claims	52	843
Prepayments and accrued income	457	1 132
Total receivables	2 877	16 171
Cash and bank balance	1 571	3 548
Total current assets	4 448	19 719
TOTAL ASSETS	61 278	171 245

BALANCE SHEET - GROUP

SEK, thousands	Dec 31, 2023	Dec 31, 2022
Equity		
Share capital	37 422	37 422
Not registered share capital		
Other capital contribution	4 018	4 018
Other equity	-41 137	56 760
Total equity	303	98 200
Provisions		
Deferred taxes	4 891	8 273
Total provisions	4 891	8 273
Liabilities		
Long-term liabilities		
Other long-term liabilities	26 828	0
Total long-term liabilities	26 828	0
Short-term liabilities		
Account payables	2 387	10 424
Tax liabilities	208	0
Convertible loans	0	
Other current liabilities	24 192	50 572
Accrued expenses & deferred income	2 469	3 776
Total short-term liabilities	29 256	64 772
Total liabilities	56 084	64 772
TOTAL EQUITY AND LIABILITIES	61 278	171 245

SHAREHOLDER'S EQUITY – GROUP

Group	Share capital	Other contributed capital	Retained earnings including this years result	Total	Total shareholder capital
Opening balance Oct 1, 2023	37 422	477 470	-498 640	16 252	16 252
New share issue				-	-
Costs new issue				-	-
Other contributions			-658	-658	-658
Not registered capital				-	-
Translation difference			-50	-50	-50
Earnings			-15 241	-15 241	-15 241
Closing balance Dec 31, 2023	37 422	477 470	-514 589	303	303

Group	Share capital	Other contributed capital	Retained earnings	Total	Total shareholder capital
Opening balance Oct 1, 2022	37 422	376 415	-289 723	124 114	124 114
New share issue	-		-	-	-
Distribution of shares in subsidiary			-	-	-
Other contributions				-	-
Translation difference			2 595	2 595	2 595
Earnings		-	-28 507	-28 507	-28 507
Closing balance Dec 31, 2022	37 422	376 415	-315 635	98 202	98 201

SHAREHOLDER'S EQUITY – GROUP

Group	Share capital	Other contributed capital	Retained earnings	Total	Total shareholder capital
Opening balance Jan 1, 2023	37 422	477 470	-416 691	98 201	98 201
New share issue				-	-
Distribution of shares in subsidiary				-	-
Other contributions			-658	-658	-658
Translation difference			-269	-269	-269
Earnings		-	-96 970	-96 970	-96 970
Closing balance Dec 31, 2023	37 422	477 470	-514 588	304	303

Group	Share capital	Other contributed capital	Retained earnings including this years result	Total	Total shareholder capital
Opening balance Jan 1, 2022	36 422	477 470	-294 700	219 192	219 192
New issue	1 000		9 000	10 000	10 000
Costs new issue				-	-
Distribution of shares in subsidiary			-53 045	-53 045	-53 045
Other contributions			4 673	4 673	4 673
Translation difference			-123	-123	-123
Earnings			-82 496	-82 496	-82 496
Closing balance Dec 31, 2022	37 422	477 470	-416 691	98 201	98 201

CASH FLOW STATEMENT – GROUP

SEK, thousands	Q4 23	Q4 22	YTD 23	YTD 22
Cash flow from operating activities before working capital changes	-2 400	-8 023	-13 095	-17 092
Changes in working capital	-21 668	6 823	-22 517	2 737
Cash flow from operating activities after working capital changes	-24 068	-1 200	-35 612	-14 355
Cash flow from investing activities	-1 016	-3 096	7 255	-10 683
Cash flow from financing activities	24 890	-1 776	26 380	14 611
Cash flow for the period	-194	-6 072	-1 977	-10 427
Cash and cash equivalents at beginning	1 765	9 620	3 548	13 975
Cash and cash equivalents at end	1 571	3 548	1 571	3 548

INCOME STATEMENT – PARENT COMPANY

SEK, thousands	Q4 23	Q4 22	YTD 23	YTD 22
Net revenue	95	245	395	1 339
Other income	195	16	896	174
Total revenue	290	261	1 291	1 513
	-		-	
Cost of services	-	-	-	-
Other external costs	-1 294	-3 454	-5 288	-6 517
Personnel costs	-300	-543	-1 349	-3 687
Other expenses	-	-6 330	-	-404
Loss on sale of subsidiaries	-	-	-13 473	-
<i>Total operating expenses</i>	<i>-1 594</i>	<i>-10 327</i>	<i>-20 110</i>	<i>-10 608</i>
	-		-	
Operating profit	-1 304	-10 066	-18 819	-9 095
	-		-	
Share of earnings from associated companies	-	-1 743	-	-1 743
Interest income and similar items	1	-	22	-
Interest expenses and similar items	-9 672	-1 710	-13 156	-15 494
Profit from participation in associated companies	-	-	10 093	-
<i>Net financial</i>	<i>-9 671</i>	<i>-3 453</i>	<i>-3 041</i>	<i>-17 237</i>
	-		-	
Earnings before tax	-10 975	-13 519	-21 860	-26 332
	-		-	
Group contribution	-	-	-	-
	-		-	
Tax on profit	-	-	-	-
	-		-	
Earnings	-10 975	-13 519	-21 860	-26 332

BALANCE SHEET – PARENT COMPANY

SEK, thousands	Dec 31, 2023	Dec 31, 2022
ASSETS		
<i>Fixed assets</i>		
Financial assets		
Shares in subsidiaries	77 269	114 242
Shares in associated companies	153 415	186 797
Other financial assets	12 674	12 674
Total financial assets	243 358	313 713
Total fixed assets	243 358	313 713
<i>Current assets</i>		
Receivables		
Account receivables	0	
Tax Claims	52	-
Receivables from group companies	1 188	1 615
Other receivables	402	3 207
Prepayments and accrued income	87	46
Total receivables	1 729	4 868
Cash and bank balance	759	314
Total current assets	2 488	5 182
TOTAL ASSETS	245 846	318 895

BALANCE SHEET – PARENT COMPANY

SEK, thousands	Dec 31, 2023	Dec 31, 2022
EQUITY and LIABILITIES		
<i>Equity</i>		
Restricted equity		
Share capital	37 422	37 422
Total restricted equity	37 422	37 422
Unrestricted equity		
Not registered share capital	-	-
Share premium reserve	440 409	440 409
Accumulated loss	-272 609	-192 824
Earnings	-21 860	-26 332
Total unrestricted equity	145 940	221 253
Total equity	183 362	258 675
<i>Liabilities</i>		
Long-term liabilities		
Long-term liabilities to credit institutions	25 000	-
Total long-term liabilities	25 000	-
Short-term liabilities		
Account payables	1 087	3 289
Tax liabilities	0	-
Current liabilities to group companies	13 953	20 321
Convertible loans	0	-
Other current liabilities	21 633	36 310
Accrued expenses and deferred income	811	300
Total short-term liabilities	37 484	60 220
Total liabilities	62 484	60 220
TOTAL EQUITY AND LIABILITIES	245 846	318 895