

Year-end report 2021, Interim Report 4, 2021: Investment in AI within e-commerce



Speqta AB (plc) year-end report and interim report for the period January 1–December 31, 2021 is published and available on:

<https://speqta.com/en/investors/financial-reports>

During the fourth quarter of 2021, Eone Oy (“Rahalaitos”) was divested. This means that the income statements for 2021 and 2020 in the report have been restated in accordance with current accounting rules and exclude divested businesses, which are reported separately below. Financial information and comments about the businesses in this report focus on continuing operations, unless otherwise stated.

Fourth quarter summary

- During the fourth quarter, revenues amounted to KSEK 15 513 (23 579).
- EBITDA amounted to KSEK -1 100 tkr (352), which is a margin of -7% (1). Adjusted EBITDA amounted to KSEK -3 257 (-869), which is a margin of -21% (-4).
- Revenues for 2021, amounted to KSEK 69 100 (93 785) and EBITDA to KSEK -4 606 tkr (-3 138). Adjusted EBITDA amounted to KSEK -6 763 tkr (-1 394).
- Cash and cash equivalents at the end of the year amounted to KSEK 302 899.
- During the fourth quarter, Speqta sold Rahalaitos for a maximum purchase price of approximately MEUR 48.4 (MEUR 45.5 on cash free basis). The purchase price was paid in cash and is divided between approximately MEUR 40.4 (MEUR 37.5 on cash free basis), paid on December 1, at the time of entry, and an earnout of a maximum of MEUR 8.0. The capital gain amounted to approximately MSEK 50.5. At the time of the transfer, Speqta also repaid all outstanding bank loans.
- The Board decided to withdraw the company's financial targets as a result of the sale of Rahalaitos. Speqta has also initiated a strategic review as a result of the sale.
- Adtech Bidbrain. During the second half of 2021, Bidbrain has collaborated with direct customers and digital agencies, and identified several product improvements, for which support is being

developed. During the first half of 2022, we will start marketing in some selected markets to enable higher customer acquisition than ever before.

- C&C Affiliate. Speqta's comparison sites strengthened their Google ranking during the quarter. Expressen's - Låneguiden has climbed in Google rankings, and reached the top, among keywords such as "Låna pengar", and ahead of loan intermediaries and banks with already strong brands. When the Omicron variant gained momentum and restrictions were introduced, however, comparison sites temporarily deteriorated, but are well positioned, for 2022.
- C&C Vinklubben. Vinklubben had another strong quarter and grew organically 5%, compared to last year. Dedicated and focused sales work, in combination with a continued attractive market, the increased capacity, and improved segmentation, continue to have a positive effect.
- Sofia Björk has been recruited and appointed Head of People. Sofia most recently came from Advisa, where she held the position as CHRO (Chief Human Resource Officer).
- Furkan Ayata has been recruited as Chief Technical Officer for Bidbrain. Furkan has a solid background as CTO and as Tech Lead, from online and fintech companies, such as Brocc and E-sia System.
- Earnout development. The earnout of 8 MEUR consists of two components: Revenue and EBITDA. Each part has an interval with a lower and an upper limit, where Speqta can receive a maximum of MEUR 4,0 if each upper limit is reached. On 1 October 2021, the temporary regulation of the loan market in Finland was released, which entailed a ban on direct marketing and an interest rate cap of 10%. Rahalaitos immediately saw a large increase in the volume of applications, and therefore the journey towards the earnout for Speqta has got off to a good start.

Significant events after the period

- Speqta's founders have chosen to step down from their operational roles, and have moved on to a consulting role. The company has recruited cutting-edge expertise, to replace their previous roles.
- Bidbrain's AI team has been strengthened with two new Data Scientists starting in January and April.

CEO Comment

We have taken the first step, in our Strategic Review, and have decided to invest in our powerful SaaS service for e-retailers - Bidbrain. AI within e-commerce, has great potential and in this market, we aim at a significant position. With a strong liquidity of approx. MSEK 300, and a potential additional purchase price from the sale of Rahalaitos, of approximately MSEK 80, we have a solid foundation to build a stronger and even more focused Speqta.

About six months ago, we launched Bidbrain, as a SaaS service, and have since collected customer feedback, has made adjustments and learned a lot. Now Bidbrain is ready to enter the next phase as an AI service, which we will invest in, in order to build a long-term shareholder value. With our solid know-how in performance-based marketing, e-commerce and a strong financial position, we have the resources to position ourselves as a global leader in AI-based marketing.

The AI team is strengthened with leading competence

As a first step in the investment going forward, we have recently made a number of key recruitments. We have hired two experienced Data Scientists for our AI team and also appointed Furkan Ayata as Chief Technical Officer for Bidbrain. Furkan starts in March, and has a solid background as CTO and Tech Lead, from online and fintech companies such as Brocc and E-sia System. We continue to strengthen our team, and in the near future we will, for example, have even more developers.

In connection with key recruitments and the Strategic Review, Speqta's founders have chosen to leave their broad operational roles in the company and then move on to a more consultative role. It feels safe that they remain with us as senior advisors and can share their experience.

We are now continuing the review of the other operations, without any set time frame. Such a thorough strategic review, as we do with Speqta, must take the necessary time to create optimal conditions for building a long-term shareholder value. As part of the continued review, the Board will examine the possibility of transferring a certain proportion of the capital to the shareholders.

Fourth quarter, 2021

Sales reached MSEK 15.5 (23.6) and EBITDA was MSEK -1.1 (0.4). All figures are adjusted for the sale of Rahalaitos. The lower revenues and earnings are due to the change we are implementing in the AdTech area, where we are investing in Bidbrain.

C&C: Affilijet and Vinklubben continue the strong development

Affiliate business continues to climb in rankings on Google, but continued to be affected by the pandemic, during the fourth quarter due to new or extended restrictions. We are in a good position in

terms of rankings for 2022 and look forward to the restrictions are now being released. Vinklubben continued the strong development, after the successful change in strategy, in the autumn of 2020, when among many things, capacity was increased and segmentation improved. For the full year, Vinklubben grew organically by 21% and with retained margins.

Outlook

Speqta's strong financial position, with funds of approx. MSEK 300 and no interest-bearing liabilities, gives us a solid foundation to invest in and to reach a leading position within AI-based marketing. Bidbrain is a promising and competitive AI service, with fantastic opportunities to generate profitable growth. Our vision for Bidbrain is to become an indispensable tool and the first choice for e-retailers. The strategic review of the rest of the business continues, and at the same time opens up even more exciting opportunities. We are also in a good position to receive a significant part of the additional earnout, for the sale of Rahalaitos, as the restrictions on the pandemic now continue to ease. All in all, this makes me see a bright future for Speqta.

Fredrik Lindros, CEO Speqta AB (Plc)

Calendar

Interim report Q1: 2022 May 5, 2022
Annual General Meeting: May 25, 2022
Interim report Q2: 2022 August 24, 2022
Interim report Q3: 2022 November 10, 2022

This information is such information that Speqta AB (plc) is obliged to publish in accordance with the EU Market Abuse Regulation. The information was submitted, through the agency of the contact person below, for publication on February 23, 2022 at 07:20 CET.

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About Speqta

Speqta offers the best performance-based lead generating platforms using data and AI and to grow organically as well as through acquisitions in new and existing markets. Speqta has two business areas Speqta AdTech and Speqta Content & Comparison. The company is listed on Nasdaq First North Premier Growth Market in Stockholm under the ticker "speqt". The company's Certified adviser is Västra Hamnen Corporate Finance AB, telephone number: +46 40 20 02 50, e-mail: ca@vhcorp.se