

The background features a network diagram with white nodes and lines on a blue background. The nodes are arranged in a complex, interconnected pattern, resembling a molecular structure or a data network. The lines connecting the nodes are thin and white, creating a subtle, futuristic aesthetic.

Ayima Group AB (publ) Year-end Report

January - December 2017

AYIMA

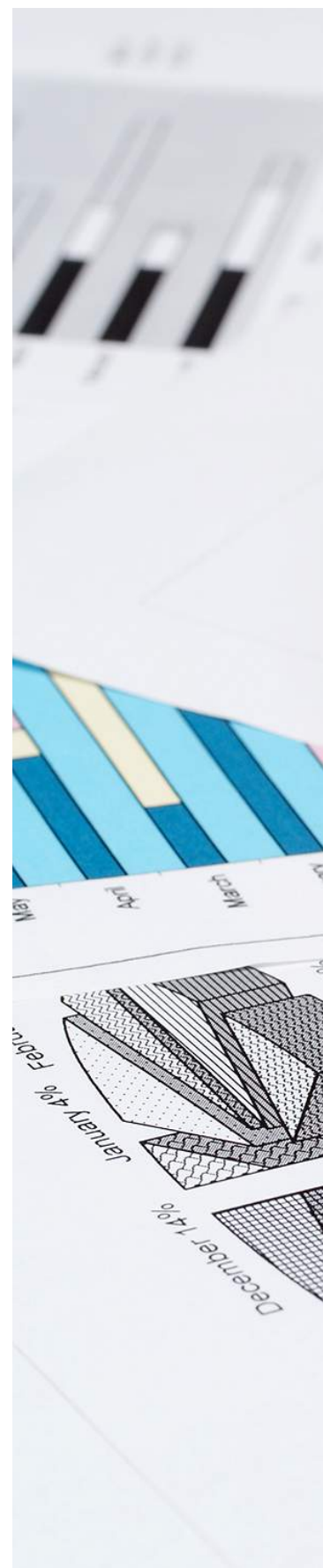
CONSOLIDATED FINANCIAL OVERVIEW

Consolidated Financial Overview FY January - December 2017

- Total revenue amounted to 129.6 MSEK (121.2) an increase of 7% from the same period in 2016. In GBP, the increase was 12% however exchange rate fluctuations resulted in a variance when converted to SEK
- Profit after tax amounted to -10.7 MSEK (7.0)
- Gross Profit amounted to 68.8 MSEK, a decrease of 10% from the same period in 2016
- Operating expenses excluding depreciation amounted to 83.9 MSEK, an increase of 20% from the same period in 2016.
- Balance Sheet assets amounted to 73.0 MSEK (41.1)
- Cash flow from operating activities amounted to -14.6 MSEK. Net cash decreased by 0.6 MSEK in the period to 0.9 MSEK
- Earnings per share was -2.0 SEK (1.3) in the period

Consolidated Financial Overview Q4 October - December 2017

- Total revenue amounted to 34.7 MSEK (28.4) an increase of 22% from the same period in 2016. In GBP the increase was 31%.
- Profit after tax amounted to 2.5 MSEK (-0.6)
- Gross Profit amounted to 21.2 MSEK (16.6), an increase of 28% from the same period in 2016
- Operating expenses excluding depreciation amounted to 24.1 MSEK (18.4), an increase of 31%.
- Earnings per share was 0.5 SEK (0.0) in the period



A Message from the CEO

Dear Shareholders and Investors

The 4th quarter of 2017 capped a challenging year for Ayima with continued growth and positive movements in many areas of the business, despite the expected negative result for the full year of trading.

The company entered the year facing the inevitability of an extended period of losses and has been successful in rebuilding revenues through new client acquisitions throughout the year. The focus on sales and business development has indeed borne fruit. Gross Revenue exceeded the previous year by 7% (12% in GBP), with the 4th quarter alone 22% up on the same period in 2016 (31% in GBP). Total Revenue for the full year period was 129.6 MSEK, against 121.2 MSEK in 2016.

In the previous interim report, we stated that we had significantly reduced operating losses throughout the year and had achieved profitable trading in September. We also expected to trade profitably in Q4. We did achieve a positive result again in December and Net Profit after Tax in Q4 was indeed positive (2.5 MSEK against -0.6 MSEK in 2016), although slightly less so than expected. Delays in commencement of new client engagements have continued to be an issue in Q4. The sales cycle within the digital marketing sector seems to have permanently lengthened, particularly within the blue-chip companies that form the bulk of Ayima's client base. Profit for the full year was -10.7 MSEK against 7.0 MSEK in 2016. – a result that was well within expectations.

On the positive side, sales growth has continued to be strong throughout Q4 with several significant new client wins and project expansions as reported periodically to the market. Additionally, we have announced new developments in our product offering, with Artificial Intelligence, Machine learning and Data Science leading the way, but also Conversion Rate Optimisation (CRO), although it is too early to estimate the potential effects on revenue for the company from these additions. We have also announced our intention to accelerate growth with strategic acquisitions, and discussions are progressing well in that area.

Of course, the biggest change in the company during 2017 was the listing on Aktietorget. The IPO was fully subscribed and although the share price has experienced some volatility throughout the year, the experience has overall been a positive one for the business. It is my intention as CEO to engage more constructively with the investment community in Sweden in 2018, to increase knowledge and awareness of the company. We also intend to grow the business in the Nordic region and increase our profile through participation in industry events throughout the year.

Whilst we are not focused on maximising margins in the short to medium term, we do expect that accelerated revenue growth through sales and through acquisitions, against a stable cost base in 2018, will deliver the results that our shareholders deserve.

Sincerely

Mike Jacobson

CEO



FINANCIAL INFORMATION

FINANCIAL INFORMATION

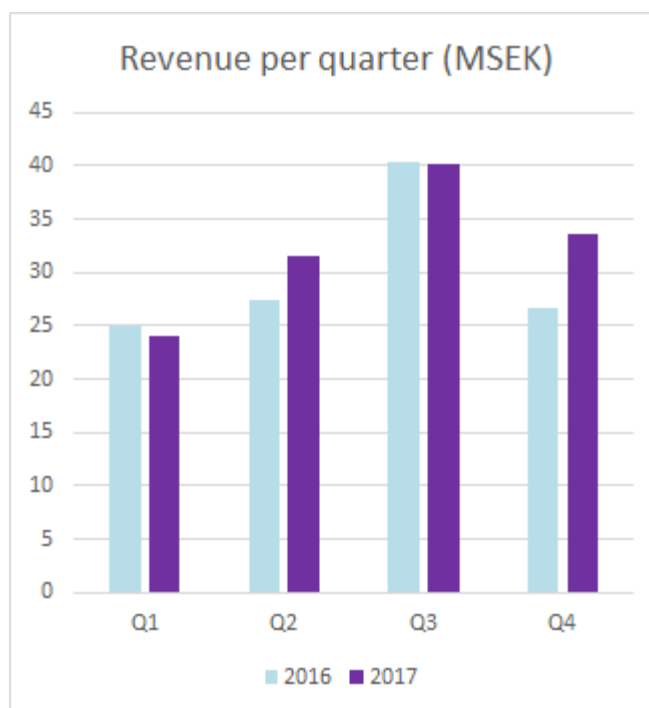
MSEK

	Oct - Dec 2017	Jan - Dec 2017
REVENUE	34.7	129.6
PROFIT AFTER TAX	2.5	-10.7

In the final quarter of 2017 we begin to see the real impact of the recovery and growth strategy of the company. The growth in revenue in Q4 against the previous year, in particular shows the extent to which the company has focused successfully on sales and business development.

Additional costs in 2017 have arisen from increased staff and associated insurance and benefits as well as recruitment fees. The rent cost across the UK, US and Canadian offices increased in 2017, this was either a contractual increase or necessitated through the expansion of the business.

There have been some additional legal fees related to new client contracts and financing. We have hired new staff to help grow the business by offering new services to existing clients, we also continue to invest in developing our bespoke solutions.



FINANCIAL POSITION AND LIQUIDITY

Liquid assets at the end of the period amounted to 17.8 MSEK (14.1). Cash and cash equivalents amounted to MSEK 0.9 (1.5) and accounts receivable 16.9 MSEK (12.6).

Total equity amounted to 46.4 MSEK, including issued share capital 5.2 MSEK. Return on equity was negative and equity ratio was 57 (66) percent.

CASH FLOW

Cash flow from operating activities before changes in working capital amounted to -14.6 MSEK. The change in working capital was 3.6 MSEK. Investments in tangible and intangible fixed assets amounted to -4.9 MSEK during the year. Cash flow from financing activities amounted to 15.4 MSEK. Net cash decreased by 0.6 MSEK. Ayima continues to focus on improving cash flow in 2018.

SHARE-BASED INCENTIVE PROGRAM

Ayima has an Enterprise Management Incentives (EMI) scheme which has awarded shares to key UK-based employees. These shares are held for the employees by the Ayima Employee Benefit Trust 2011 (EBT). A total of 323,502 shares were owned by the EBT at 31 December 2017. We are currently in the process of establishing an employee share option scheme for all employees worldwide.

SIGNIFICANT EVENTS DURING AND AFTER THE PERIOD

Ayima has expanded its Data Science offering with the addition of its first in-house Data Scientist creating and focusing artificial intelligence (AI) and machine learning (ML) efforts on Ayima's global operations to uncover new insights and, ultimately, optimise the company's digital marketing procedures.

Ayima are developing a bespoke AI platform, the tool, which will be rolled out at the end of Q1, the platform enables machine learning analysis and optimisation throughout all global operations for staff to use at any point in the campaign journey.

Ayima's shareholder register now contains more than the minimum required by Aktietorget for liquidity purposes. As such, Ayima has terminated its arrangement with the liquidity provider, Sedermera. The contract termination went into effect from 1 December 2017 (2017-12-01).

Ayima announced on 2017-12-18 that we are now the official Search Engine Optimization (SEO) and Digital partner of the Canadian Marketing Association (www.the-CMA.org). As well as providing SEO and other digital marketing services directly to the CMA, the two parties have signed a marketing co-operation agreement that will see Ayima working with the CMA on a variety of co-branded events and other marketing initiatives throughout the coming year.

On 2018-02-05 Ayima Group AB signed an agreement with a small group of investors for a loan instrument to provide 8.5Msek in additional working capital funding. The lenders are Göran Månsson (3Msek), Gerhard Dal (3Msek) and Ayima Employee Benefit Trust 2011 (2.5Msek).

The reason for the loan is that the board recognised a need for additional working capital due to the recent robust growth in customer acquisition and associated staff recruitment. It was decided that a loan was the best method of achieving this funding due to the relatively short-term nature of the requirement and the lower cost compared with a share issue.

Further information regarding the terms of the loans are available in the investors section of Ayima's website: www.ayima.com/investors

Ayima have expanded their existing e-commerce offering with the addition of its Conversion Rate Optimisation (CRO) service. Focusing on website testing, user research and behaviour, analytics review and conversion funnel implementation, we can amplify the results achieved for leading global clients.

MARKET TRENDS

There is continuing high demand for better Market Intelligence reporting based on real data. Following the focus of data science efforts on research, prototyping and implementing new machine learning solutions throughout 2017, Data Science has already driven results for clients which has allowed Ayima to offer our clients the insights and results they strive for.

When facing a reality increasingly controlled by algorithms, we as digital marketers have to respond and make use of similar techniques to avoid the risk of falling behind. Previously used analysis techniques based on intuition and experience will always be relevant, but responding to AI with similar concepts will grow more vital. Ayima has responded to this trend by investing in developing a bespoke AI platform that enables Ayima's specialists to make more informed decisions based on powerful insights from data science with the click of a button.

As users shift their browsing habit to mobile devices, businesses are finding it harder to maintain the same conversion rates. When considering the different objectives users have when they are browsing on mobile vs desktop, this makes perfect sense. Working with a global B2B brand, we were able improve conversion rates for leads captured by a staggering 133%. This was achieved through testing the language used onsite to specifically trigger mobile users. With competition for desktop and mobile site traffic becoming more fierce, CRO enables businesses to increase their revenue per visitor, acquire more customers and, ultimately, see more value from their visitors. For Ayima, we expect CRO to grow rapidly as more and more companies see the benefits and ROI they're receiving through testing. Therefore, we will continue to focus on our optimisation process, which has shown to be very effective in improving revenue for our clients.



RISKS AND UNCERTAINTIES

RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to various risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarised below. The main types of risks are political risk, currency variance risk and liquidity risk.

The Group's risk management is coordinated at its head office, in close cooperation with the board of directors, and focuses on actively securing the Group's short to medium-term cash flows by minimising the exposure to volatile financial markets.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed are described below.

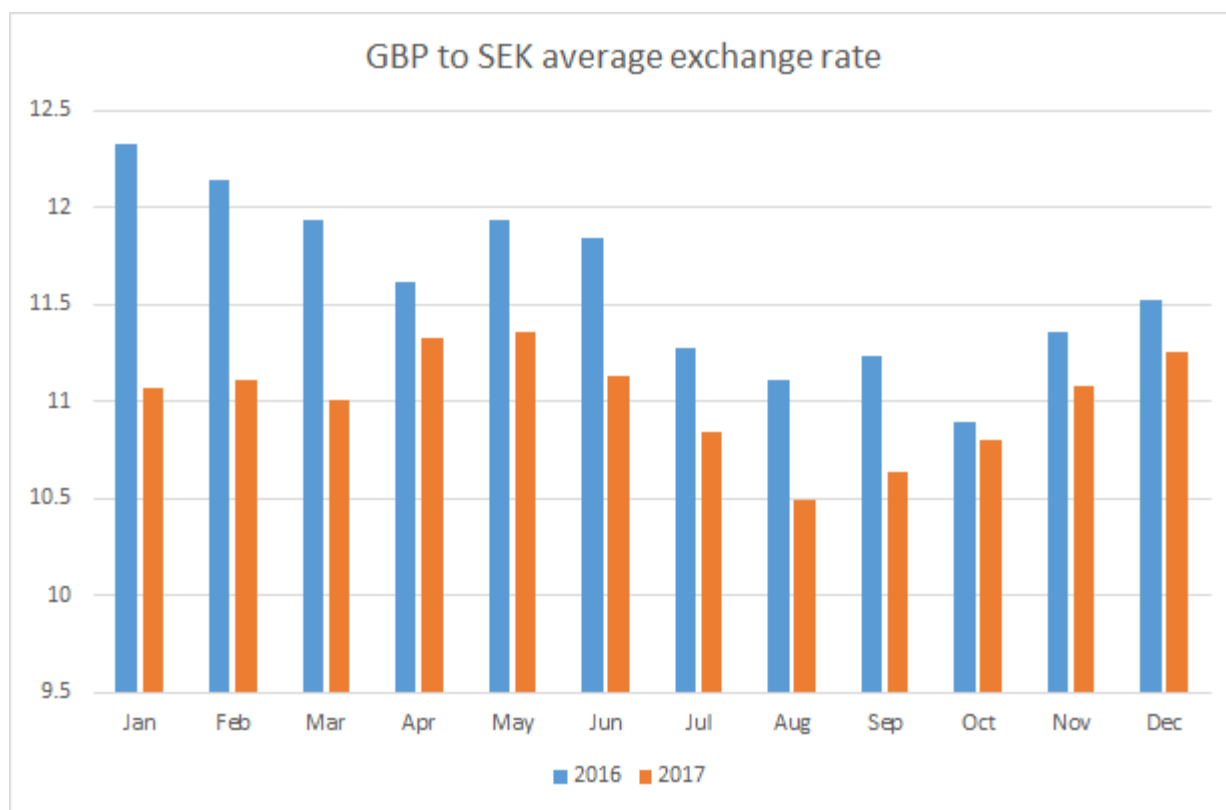
POLITICAL DECISIONS

In common with most companies operating in Britain, the company is exposed to a considerable degree of uncertainty in connection with Brexit and it can only respond to developments as and when they occur. It will do this promptly and effectively.

Currency rates continue to be affected, as seen in the chart below, this has a negative impact when converting from Ayima’s main operating currency (GBP) to SEK.

EXCHANGE RATE VARIANCES

Currency risks refer to the risks that exchange rate fluctuations affect the consolidated income statement, balance sheet and cash flow. Currency risks exist both in terms of transactions and currency translation. Ayima is exposed to currency risks in 5 countries with 5 different currencies, most in British pounds (GBP) and US dollars (USD). Of the Group's sales in the fourth quarter of 2017, about 70 percent in GBP and 27 percent in USD. Of the Group's costs, approximately 62 percent was GBP and 27 percent was USD. Exposure attributable to exchange rate fluctuations on customer and supplier invoices is limited because billing to customers and suppliers is mainly in local currency for all companies in the Group.



*source: oanda.com average monthly rate Jan 2016 - Dec 2017

CLIENTS

Customers of Ayima can contribute risk factors of various kinds. If a client represents a high proportion of revenue for the group, there is a risk that the business will be impacted if that client

cancels their agreement. Ayima distributes revenue from many different clients of varying sizes, on long term contracts, with a review and risk assessment if a client represents more than 10% of the total fee income for the group. Ayima teams have regular meetings with clients for both agreeing and setting out tasks and roadmaps for future work to be undertaken and reporting on work completed. We communicate with most clients on a daily basis providing updates and answering questions. With good communication Ayima is constantly aware of the status of all clients and ensures that the good relationships are maintained and any issues addressed and resolved with minimum delays.

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.

STAFF

At the end of the quarter, the Group had approximately 135 employees. This includes both full-time permanent and part-time employees and consultants on longer contracts. To build a strong culture around the company, Ayima has developed strong management systems and evaluation systems for the Company employees and the company has very low staff turnover for the industry, which means that Ayima loses very little expertise and knowledge through employee losses.

CONTRACT DISPUTES

Ayima is careful when establishing customer agreements. The agreements are based on email conversations, meetings and telephone calls and scope of work is agreed in writing according to customer needs. Standard legal templates for client contracts have been developed with external legal advice in the appropriate jurisdictions. Throughout Ayima's over 10-year history, the Company has never been had action taken against it for failure to deliver on a contract.

LIABILITY RISKS

Ayima is certified ISO 27001, which confirms that there are policies and procedures that apply to all aspects of the work being carried out, we are also PCI-compliant and guarantee the highest level of security for all data on our systems.

Ayima has robust insurance policies in place for all of its subsidiaries covering Professional Indemnity, and Errors and Omissions.

RELATED PARTY TRANSACTIONS

Apart from remuneration to the Board and senior executives, Ayima continues to provide several services to Gaming Realms PLC, which are shareholders of Ayima and previously owned by QTM. Transactions with Gaming Realms are treated at arm's length.

In 2018 Ayima agreed a loan with the Ayima Employee Benefit Trust 2011, the trust is a shareholder in the company, the trustees are Michael Nott and Timothy Webb. The loan agreed is to the value of 2.5 MSEK for a term of 12 months with the following conditions:

- Interest of 12% per annum payable quarterly

- Loan is convertible to equity after 30 days in full or in part for not less than 1.0 MSEK

Any conversion into shares will be at 15% discount of weighted average price from previous 10 trading days

90 days' notice is required if the lender will decide to call in loan at the end of the term.

ACCOUNTING PRINCIPLES

Ayima 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 and the Parent Company in accordance with the Annual Accounts Act and the Financial Reporting Board RFR 2 Accounting for Legal Entities.

The principal accounting policies adopted in the preparation of the consolidated financial statements are set out below.

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed below.

These financial statements have been prepared on a going concern basis despite the large loss in the year. The board have reached this conclusion by accounting for projected revenues and expected profits for the coming financial year and considering the cash flow with a detailed evaluation of receipts and payments expected over the next 12 months. We are fully committed to the success of the company and expect a return to profitability and positive cashflow in the coming months.

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.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

REVENUE RECOGNITION:

Revenue is recognised according to the accounting policies set out below and is recognised depending upon the type of income. Where contracts include different elements of revenue, these elements are recognised in line with these policies, with fair values being attributed to each component part.

Judgement is used in the recognition of project income.

CAPITALISATION OF INTERNALLY DEVELOPED SOFTWARE:

Distinguishing the research and development phases of new customised projects and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired.

RECOGNITION OF DEFERRED TAX ASSETS:

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

CHANGES IN ACCOUNTING POLICIES, NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

At the date of preparation of this report, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective and have not been adopted early by the Company. Management is further evaluating the impact of IFRS standards and interpretations from IFRIC with effect from 2019 to determine whether they may have a significant impact on the Group's financial reporting. The impact of IFRS standards with effect from 2018 have been evaluated and any resulting changes to accounting policies are outlined below.

Management anticipates that all of the pronouncements will be adopted in the Company's accounting policies for the first period after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Company's financial statements.

IFRS 9 - FINANCIAL INSTRUMENTS:

The new standard for financial instruments (IFRS 9) replaces IAS 39 'Financial Instruments: Recognition and Measurement'. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for the impairment of financial assets.

IFRS 9 also contains a new requirement on the application of hedge accounting. The new requirements look to align hedge accounting more closely with entities' risk management activities by increasing the eligibility of both hedged items and hedging instruments and introducing a more principles-based approach to assessing hedge effectiveness.

Management have considered the implications and IFRS 9 and concluded that the impact on the Group is relatively low and no changes are required to accounting policies to comply with the requirement of the new standard. This has been based on the following assessments.

- The Group only holds basic financial instruments.
- They do not engage in currency hedging, hedge accounting or derivatives.
- The business model is classified as "Hold to collect contractual cash flows".

IFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS:

The standard sets out at what point and how revenue is recognised and also requires enhanced disclosures. Revenue contracts should be recognised in accordance with a single principles based five-step plan. The standard is effective for accounting periods beginning on or after 1 January 2018. The impact of this has been assessed in the revenue recognition policy.

IFRS 16 LEASES:

IFRS 16 will replace IAS 17 'Leases' and three related Interpretations. It completes the IASB's long-running project to overhaul lease accounting. Leases will be recorded in the statement of financial position in the form of a right-of-use asset and a lease liability.

IFRS 16 is effective for annual reporting periods beginning on or after 1 January 2019. Management is yet to fully assess the impact of the Standard and therefore is unable to provide quantified information. However, in order to determine the impact, the Group is in the process of:

- performing a full review of all agreements to assess whether any additional contracts will become lease contracts under IFRS 16's new definition
- assessing the current disclosures for operating leases as these are likely to form the basis of the amounts to be capitalised as right-of-use assets.
- assessing the additional disclosures that will be required.

IAS 12 DEFERRED TAX

Further to the amendments made to IAS 12 in 2015, the Group has adopted the updated standard. As a result the Group has recognised a deferred tax asset in the financial reports for 2017 which arose from losses incurred during 2017.

This asset will be used in future years to offset against taxes on anticipated profits. The deferred tax asset can only be used within the financial statements of the entity in which the loss was incurred so these will not be available for group relief.

IAS 7 DISCLOSURE INITIATIVE

The amendments to IAS 7 'Statements of Cash Flows', effective 1 January 2017, require the Group to provide disclosures about the changes in liabilities from financing activities.

REVENUE RECOGNITION

Revenue represents the fair value of services provided during the period and is stated net of value added tax.

The recognition of revenue depends on the type of services provided:

SEO Consulting:

SEO consulting revenue is recognised on a monthly basis in line with the contractual agreement, contracts are usually for a minimum period of 12 months.

Media Link Development:

Media link development is charged either at a fixed rate per link acquired on behalf of the client or on a monthly basis in line with the contractual agreement with an average number of links acquired over the contract period (12 months).

Paid Media Spend:

Paid media spend is charged to the client and recognised on a monthly basis as the service is delivered.

Paid Media Consulting:

Paid media consulting is calculated in one of the following ways

1. A basic contracted retainer in line with the contractual agreement charged on a monthly basis
2. A percentage of the monthly media spend
3. A combination of the above, for example if the client's media spend reaches an agreed threshold within a month.

Creative and Content:

Creative and content work is undertaken in two forms, either on an ongoing retainer basis which is billed according to the monthly billing schedule, or a specific project which is quoted in advance and agreed with the client, with a project specific contract or Statement of Work which defines the work to be carried out, the schedule for the work to be completed and the schedule or project milestones for billing. Revenue is recognised each month as the work is completed and agreed with the client.

Any ad hoc creative work carried out for existing clients is recognised as revenue during the monthly billing cycle, work completed is billed on an hourly basis according to the agreed rate card.

The above policies have been evaluated against the updated standard using the recommended single principles 5 step plan, the board is satisfied that the policies are all compliant with IFRS 15 and will therefore not be impacted by adoption of the new standard on 1 January 2018.

GOODWILL

Goodwill has been recognised as an adjustment on consolidation for amounts paid above the calculated value of investments in group companies.

This goodwill is not amortised in line with IFRS 3 Business Combinations and is instead reviewed on an annual basis for impairment.

CUSTOMER CONTRACTS

Customer lists acquired in a business combination that qualify for separate recognition are recognised as intangible assets at their fair values.

They are then accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. Residual value and useful lives are reviewed at each reporting date. In addition they are subject to impairment testing. A useful life of 7 years has been attributed based on current average contract length for the Group.

COMPUTER SOFTWARE

Given the nature of the business any long term software investments which are cash generative have been capitalised.

These are being amortised over a useful life of 4 years at which point new software is considered to have rendered them redundant.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are initially recognised at cost.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property - 10% on cost

Fixtures and fittings - 25% on cost

Computer equipment - 25% on cost

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation are reviewed at each financial period end and adjusted prospectively, if appropriate.

FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognised in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. The company's financial instruments comprise trade and other receivables and trade and other payables.

LOANS AND RECEIVABLES:

Loans and receivables are initially stated at their fair value plus transaction costs, then subsequently at amortised cost using the effective interest method, if applicable, less impairment losses. Provisions against trade receivables are made when there is objective evidence that the company will not be able to collect all amounts due to it in accordance with the original terms of those receivables. The amount of the write down is determined as the difference between the asset's carrying amount and the present value of the estimated future cash flows.

TRADE PAYABLES:

Financial liabilities are obligations to pay cash or other financial assets and are recognised when the company becomes a party to the contractual provisions of the instrument. All financial liabilities are recorded at amortised cost using the effective interest method, with interest related charges recognised as an expense in finance cost in the statement of comprehensive income.

A financial liability is derecognised only when the obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

TAXATION

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

RESEARCH AND DEVELOPMENT

Development costs incurred are capitalised when all of the following conditions are satisfied:

- completion of the intangible asset is technically feasible so that it will be available for use or sale;
- the company intends to complete the intangible asset and use or sell it;
- the company has the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefits. Among other things, this requires that there is a market for the output from the intangible asset or for the intangible asset itself, or, if it is to be used internally, the asset will be used in generating such benefits;
- there are adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the expenditure attributable to the intangible asset during its development can be measured reliably.

Development costs not meeting the criteria for capitalisation are expensed as incurred.

Expenditure on research is written off in the year in which it is incurred.

FOREIGN CURRENCY TRANSLATION

Functional and presentational currency:

The consolidated financial statements are presented in SEK.

Foreign currency transactions and balances:

Foreign currency transactions are translated into the functional currency of each Group entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when the fair value was determined.

Foreign operations:

In the Group's financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than SEK are translated into SEK upon consolidation. The functional currencies of entities within the Group have remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into SEK at the closing rate at the reporting date. Goodwill and fair value adjustments arising on acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into SEK at the closing rate. Income and expenses have been translated into SEK at the average rate over the reporting period with any exchange differences being recognised in profit or loss. Exchange differences relating to the statement of financial position are charged or credited to other comprehensive income and recognised as a sub-category of retained earnings in equity. On disposal of a foreign operation, the related cumulative translation differences recognised in equity are reclassified to profit or loss and are recognised as part of the gain or loss on disposal.

EMPLOYEE BENEFIT COSTS

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the income statement in the period to which they relate.

LEASED ASSETS

There are no finance leases held by the Group.

OPERATING LEASES

All leases are treated as operating leases. Where the Group is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

IMPAIRMENT

The carrying amounts of the company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

The recoverable amount of assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

UNLISTED INVESTMENTS

Unlisted investments are recognised and subsequently treated under IAS 39 Financial Instruments: Recognition and Measurement.

In some cases a market value is not attainable and when such cases occur the investments are recognised at costs and annually reviewed for impairment. Unlisted investments represents a 15% shareholding in Tootsa MacGinty Limited, an e-commerce company registered in Scotland.

This company has a niche trade and therefore it has not been possible to obtain a market value. It will continue to be carried at cost and annually reviewed for impairment until a market value becomes available.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprises solely cash on hand. There are no other short-term, highly liquid investments within the Group.

EQUITY, RESERVES AND DIVIDEND PAYMENTS

Share capital represents the nominal (par) value of shares that have been issued.

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Other components of equity include the capital redemption reserve which comprises non-distributable amounts from a redemption or purchase of the Group's own shares.

Retained earnings include all current and prior period retained profits.

PRIOR YEAR ADJUSTMENT

There was a misinterpretation with the initial recognition of the acquisition of the trade and assets from Quickthink Media during 2016. It had been recognised as goodwill when in fact 85.1% of it related to customer contracts which should have been recognised as other intangible assets.

The goodwill relates to the acquisition of staff from Quickthink Media Limited during 2016 as per IFRS 3 Business Combinations. The ultimate parent company of Quickthink Media Limited received 1,040 shares in Ayima Limited which now represents a 6.6% shareholding in Ayima Group AB.

By the 31 December 2017 there were only 40% of the staff acquired from Quickthink Media Limited remaining and therefore the goodwill has been impaired by 60% and will continue to be monitored. The outcome of this adjustment, 0.5 MSEK of additional costs, is shown in the Q4 result.

FINANCIAL LIABILITIES - BORROWINGS

The majority of borrowings shown in the financial statements represent an invoice discounting agreement with the bank totalling 4.0 MSEK. Given the nature of invoice discounting the balance will always be considered due within 12 months.

There was a further loan in the year obtained from Funding Circle which represents 1.8 MSEK of the borrowings. This is repayable across 4 years with 0.6 MSEK due within one year and 1.2 MSEK repayable within 5 years. The loan was taken during January 2017.

LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Non-cancellable operating leases

Group, MSEK	2017	2016
Within one year	5.4	6.4
Between one and five years	7.9	13.8
	<hr/>	<hr/>
	13.2	20.2

The operating leases shown within the Group relate entirely to rent.

FINANCIAL INSTRUMENTS

The financial instrument accounting policy provides a description of each category of financial asset and financial liability and the related accounting policies. The carrying amounts for each category are as follows:

Group, MSEK	2017	2016
<i>Financial assets at fair value through profit or loss</i>	2.8	2.9
<i>Financial assets that are debt instruments measured at amortised cost</i>		
Trade debtors	16.9	12.6
Other debtors	5.3	5.3
Prepayments	1.4	1.4
Cash and cash equivalents	0.9	1.5
Total Financial assets that are debt instruments measured at amortised cost	<hr/>	<hr/>
	24.5	20.9
	<hr/>	<hr/>
<i>Fin. assets that are equity instruments measured at cost less impairment</i>	-	-
<i>Financial liabilities measured at amortised cost</i>		
Trade creditors	11.4	5.9
Other loans	5.8	3.3
Other creditors	3.0	2.2
Accruals and deferred income	2.8	1.2
Total financial liabilities measured at amortised cost	<hr/>	<hr/>
	23.0	12.6
	<hr/>	<hr/>

DEFERRED TAX

A deferred tax asset of 6.2 MSEK was recognised during the year based on losses carried forward which are expected to be utilised against future profits. This asset has been split to show 2.7 MSEK as current given expected profits in 2018 and 1.6 MSEK as non-current to be utilised against profits occurring after 2018. The remaining 1.9 MSEK is recognised as tax income and will be submitted as a refund claim to the uK tax authority HMRC.

Group, MSEK	2017	2016
<i>Balance at 1 January</i>	0.9	0.9
Losses recognised as deferred tax asset	-4.3	0.0
<i>Movement in accelerated capital allowances</i>	-0.6	0.0
Balance 31 December	-4.0	0.9

A deferred tax liability of 0.3 MSEK is recognised in the financial statements separately from the deferred tax asset.

DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The directors had overdrawn loan accounts at the start of the year totalling 1.1 MSEK. The full amount was repaid by 30 September 2017 and as at 31 December 2017 there was no outstanding balance.

FAIR VALUE MEASUREMENT

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

The Financial assets valued at fair value through profit or loss are measured at cost as it has not been possible to obtain a market value. It will continue to be carried at cost and annually reviewed for impairment until a market value becomes available.

LEGISLATION

The General Data Protection Regulation (GDPR) is the European Union's (EU) new data protection law that comes into effect on 25 May 2018. Implemented throughout the EU, it will govern all businesses operating within the union and embed a more consistent approach to data protection. Companies that trade with EU based businesses will also be impacted and will need to know what's changing and how to comply. Penalties for noncompliance can now be up to €20 million or 4% of annual global turnover – whichever is greater.

GDPR supersedes all existing data protection acts, and that it increases businesses' obligations around data protection and their accountability for failure. It also applies across the full spectrum of

data engagement – from the collection of personal data through to its use and disposal. Every organisation needs to embed policies and procedures to ensure that it monitors its GDPR controls and documents its compliance. The new rules apply to organisations of any size that process personal data. Although we already have robust information security policies through our ISO 27001 certification and PCI compliance we are currently undertaking a full review and assessment to ensure that all of the requirements of the GDPR legislation which comes into force in May 2018 are met well in advance of the deadline.

ABOUT AYIMA

The group was formed by acquiring the subsidiary 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. In preparing the consolidated financial statements for the full year we have excluded the result for January 2017 for Ayima Group AB and Ayima Nordic AB. The full year comparatives presented are from Ayima Holdings. We made a prior period adjustment and amended the accounting of Goodwill in relation to the acquisition in 2016 of QTM. Regarding the reverse acquisition we have made corrections to the amounts recorded in the Statement of Changes in Equity for the year, the Purchase Price Allocations are preliminary and can be subject to change.

FINANCIAL OBJECTIVES

Ayima's goal for 2018 is continued growth and expansion, through new client contracts and strategic acquisitions. Improvement to cashflows and carefully monitoring and controlling costs to maximise operating margins. With growth strategy and cost control in place, we expect Ayima to return to profitability in 2018 and return a good earnings per share to our investors.

The Group's capital management objectives are:

To ensure the Group's ability to continue as a going concern

To provide an adequate return to shareholders by pricing services in a way that reflects the level of risk involved in providing those services.

The Group monitors capital on the basis of the carrying amount of equity, less cash and cash equivalents as presented in the statement of financial position.

The Group's goal in capital management is to maintain a capital to overall financing ratio of 1:5 to 1:2. Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustment to it in the light of changes in economic conditions and the characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The amounts managed as capital by the Group for the reporting periods are summarised as follows:

Group, MSEK	2017	2016
Total Equity	46.4	24.3
Cash and cash equivalents	0.9	1.5
Total Capital	47.3	25.8
Total Equity	46.4	24.3
Borrowings	26.6	16.8
Overall Financing	73.0	41.1
Capital to overall financing ratio	0.64	0.59

The ratio reduction in 2017 is primarily as a result of financing the growth of the business and the development of bespoke technology.

APPROPRIATION OF PROFITS

The Board proposes that no dividend should be paid for the financial year 2017.

NUMBER OF SHARES, SHARE CAPITAL AND EARNINGS PER SHARE

At the end of the period, the company had 5 235 000 shares (A. 200 000 B 5 035 000). The share capital was 5 235 000 SEK. Earnings per share for the year amounted to -2.1 SEK (1.3). Earnings per share for the quarter amounted to SEK 0.5 (-0.1). Price per share at closing at the end of the period (2017-12-29) was 21.80 SEK.

FURTHER REPORTS

The Annual General Meeting will be held in Stockholm on 26 April 2018.

2017 Annual report will be published on 15 March (2018-03-15)

Interim report Q1 2018 - 2018-05-24

Interim report Q2 2018 - 2018-08-23

Interim report Q3 2018 - 2018-11-22



CONSOLIDATED FINANCIAL STATEMENTS

SUMMARY CONSOLIDATED INCOME STATEMENT*

OCT - DEC 2017	OCT - DEC 2016	JAN - DEC 2017	FULL YEAR 2016
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*The Parent company and Ayima Nordic AB are included in the Group from the date of the reverse acquisition 2017-01-31. Ayima Holdings Ltd is included for the full year 2017, and the comparatives presented are those of Ayima Holdings Ltd

MSEK

Operating income

Sales	34.7	28.4	129.6	121.2
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TOTAL INCOME	34.7	28.4	129.6	121.2
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Direct expenses

Direct expenses	-13.5	-11.8	-60.8	-44.5
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GROSS PROFIT	21.2	16.6	68.8	76.7
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Operating expenses

Personnel costs	-15.3	-13.2	-59.8	-49.9
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Depreciation	-1.2	-0.3	-2.1	-1.2
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Other operating expenses	-8.8	-5.3	-24.2	-20.0
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TOTAL OPERATING EXPENSES	-25.3	-18.8	-86.1	-71.2
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OPERATING PROFIT	-4.1	-2.2	-17.2	5.5
-------------------------	-------------	-------------	--------------	------------

Profit from financial items

TOTAL FINANCIAL ITEMS	-0.2	-0.0	-0.2	-0.0
------------------------------	-------------	-------------	-------------	-------------

PROFIT AFTER FINANCIAL ITEMS	-4.3	-2.2	-17.5	5.5
-------------------------------------	-------------	-------------	--------------	------------

Current tax	6.8	1.5	6.8	1.5
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Minority share of profit for the period	0.0	0.1	0.0	-0.1
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PROFIT	2.5	-0.6	-10.7	6.9
---------------	------------	-------------	--------------	------------

OTHER COMPREHENSIVE INCOME

Items that could be reclassified to earnings

Exchange rate differences	2.3	0.8	-0.6	-0.1
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TOTAL COMPREHENSIVE INCOME	4.7	0.2	-11.4	6.8
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Total profit for the period attributable to the parent company's shareholders:

Parent Company shareholders	4.7	0.2	-11.4	6.8
-----------------------------	-----	-----	-------	-----

EARNINGS PER SHARE - BEFORE DILUTION (SEK)	0.5	0.0	-2.1	1.3
---	------------	------------	-------------	------------

EARNINGS PER SHARE - AFTER DILUTION (SEK)	0.5	0.0	-2.1	1.3
--	------------	------------	-------------	------------

SUMMARY CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2017*

31
DEC
2017

31
DEC
2016

*Comparative figures presented are those of Ayima Holdings Ltd
MSEK

ASSETS

Fixed assets

Intangible assets

Goodwill	22.6	1.5
Other Intangible fixed assets	13.7	10.8
Total intangible fixed assets	36.3	12.3

Tangible fixed assets

Property, plant and equipment	3.1	3.8
Total tangible fixed assets	3.1	3.8

Financial assets

Shares in associated companies	2.8	2.9
Deferred Tax	3.5	0.0
Total financial assets	6.3	2.9

Total fixed assets

45.7 **19.1**

Current assets

Accounts receivable	16.9	12.6
Other receivables	8.0	6.5
Prepayments and accrued income	1.4	1.4
Total other current assets	26.4	20.5

Cash and bank balances

0.9 1.5

Total current assets

27.3 **22.0**

TOTAL ASSETS

73.0 **41.1**

EQUITY AND LIABILITIES

Equity

Share capital	-5.2	0.0
Other contributed equity	-34.9	-6.3
Other equity incl. profit for the year	-6.3	-18.5
Total equity	-46.4	-24.8

Minority interest

0.0 0.5

Long-term liabilities

Other liabilities	-1.5	-1.0
Total long-term liabilities	-1.5	-1.0

Current liabilities

Accounts payable	-11.4	-5.9
Invoice Factoring Loan	-4.6	-3.3
Current tax liabilities	-0.0	0.0
Other current liabilities	-6.3	-5.4
Accrued expenses and prepaid income	-2.8	-1.2
Total current liabilities	-25.1	-15.8

TOTAL EQUITY AND LIABILITIES

73.0 **41.1**

CONSOLIDATED CASH FLOW STATEMENT (SUMMARY)*

JAN -
DEC
2017

FULL
YEAR
2016

**Comparative figures presented are those of Ayima Holdings Ltd*

The ongoing business

Operating profit	-17.2	5.5
Adjusted revenue		
<i>Adjustments for items not included in cash flow</i>		
Depreciation and write-downs	2.1	1.2
Exchange losses	-0.4	0.0
Minority interests	0.0	0.0
Other non-cash items	1.2	-0.1
	-14.4	6.6
Financial items	-0.2	0.0
Paid income tax	0.0	1.4
	-14.6	7.9
Cash flow from operating activities before changes in working capital		
<i>Changes in working capital</i>		
Change in receivables	-3.9	-4.2
Change in current liabilities	7.5	5.7
	-10.8	9.4
Cash flow from current operations		
<i>Investing activities</i>		
Acquisition of intangible fixed assets	-4.2	-4.5
Acquisition of tangible fixed assets	-0.7	-3.2
Acquisition of financial fixed assets	0.0	-2.9
Sales of financial fixed assets	0.0	0.0
	-6.7	-10.6
Cash flow from investing activities		
<i>Financing activities</i>		
Rights issue	14.3	0.0
Issuing Costs	-1.5	0.0
Borrowings	2.6	1.9
Transaction with minority shareholders	0.0	0.0
	15.4	1.9
Cash flow from financing activities		
	-0.6	0.6
Cash flow for the period		
<i>Cash and cash equivalents at the beginning of the period</i>	1.5	0.9
LIQUID FUNDS AT THE END OF THE PERIOD	0.9	1.5

SUMMARY STATEMENT OF CHANGES IN EQUITY	UNRESTRI SHARE CTED CAPITAL RESERVES	EQUITY	
MSEK			
Balance at 01 Jan 2017	0.0	24.8	0.0
Registration, Ayima Group AB	0.1	0.0	0.1
Issue in kind	3.5	0.0	3.5
Rights issue	1.7	12.6	14.2
Issuing costs	0.0	-1.5	-1.5
Reverse acquisition	0.0	16.7	16.7
Exchange rate difference on consolidation	0.0	-0.6	-0.6
Profit/loss for the year	0.0	-10.7	-10.7
Balance at 31 Dec 2017	5.2	41.2	46.4



PARENT COMPANY FINANCIAL STATEMENTS

JAN -
DEC
2017

PARENT COMPANY INCOME STATEMENT

MSEK

Operating income

Revenue	0.0
Other operating income	0.0

TOTAL INCOME	0.0
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Operating expenses

Other operating expenses	-0.9
--------------------------	------

TOTAL OPERATING EXPENSES	-0.9
---------------------------------	-------------

OPERATING PROFIT	-0.9
-------------------------	-------------

<i>Profit from financial items</i>	0.0
------------------------------------	-----

TOTAL FINANCIAL INVESTMENTS	0.0
------------------------------------	------------

PROFIT AFTER FINANCIAL ITEMS	-0.8
-------------------------------------	-------------

Current tax	0.0
-------------	-----

PROFIT	-0.8
---------------	-------------

OTHER COMPREHENSIVE INCOME

Items that could be reclassified to earnings

Exchange rate differences	0.0
---------------------------	-----

TOTAL COMPREHENSIVE INCOME	-0.8
-----------------------------------	-------------

Total profit for the period attributable to the parent company's shareholders:

Parent Company shareholders	-0.8
-----------------------------	------

<i>EARNINGS PER SHARE - BEFORE DILUTION (SEK)</i>	-0.0
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<i>EARNINGS PER SHARE - AFTER DILUTION (SEK)</i>	-0.0
--	------

PARENT COMPANY BALANCE SHEET (SUMMARY) AT 31 DECEMBER 2017

31
DEC
2017

MSEK

ASSETS

Fixed assets

Financial assets

Shares in subsidiaries	3.5
------------------------	-----

Total financial assets	3.5
-------------------------------	------------

Total assets	3.5
---------------------	------------

Current assets

Receivables	12.1
-------------	------

Total other current assets	12.1
-----------------------------------	-------------

<i>Cash and bank balances</i>	0.1
-------------------------------	-----

Total current assets	12.1
-----------------------------	-------------

TOTAL ASSETS	15.7
---------------------	-------------

EQUITY AND LIABILITIES

Equity

Share capital A shares	-0.2
------------------------	------

Share capital B shares	-5.0
------------------------	------

Share premium	-11.0
---------------	-------

Share issue costs	0.0
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Other equity incl. profit for the year	0.9
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Total equity	-15.4
---------------------	--------------

Current liabilities

Other liabilities	-0.3
-------------------	------

Total current liabilities	-0.3
----------------------------------	-------------

TOTAL EQUITY AND LIABILITIES	-15.7
-------------------------------------	--------------

PARENT COMPANY CASH FLOW ANALYSIS (SUMMARY)

JAN -
DEC
2017

The ongoing business	
Operating profit	-0.9
Adjusted revenue	
Financial items	0.0
	-0.9
Paid income tax	0.0
Cash flow from operating activities before changes in working capital	-0.9
Changes in working capital	
Change in receivables	-12.1
Change in current liabilities	0.2
Cash flow from current operations	-12.7
<i>Investing activities</i>	
Acquisition of financial fixed assets	0.0
Sales of financial fixed assets	0.0
Cash flow from investing activities	0.0
<i>Financing activities</i>	
Rights issue	14.3
Issuing Costs	-1.5
Cash flow from financing activities	-12.8
Cash flow for the period	0.1
<i>Cash and cash equivalents at the beginning of the year</i>	0.0
LIQUID FUNDS AT THE END OF THE PERIOD	0.1

SUMMARY STATEMENT OF CHANGES IN EQUITY	SHARE CAPITAL	UNRESTRI CTED RESERVES	EQUITY
MSEK			
Balance at 01 Jan 2017	0.0	0.0	0.0
Registration, Ayima Group AB	0.1	0.0	0.1
Issue in kind	3.5	0.0	3.5
Rights issue	1.7	12.6	14.2
Issuing costs	0.0	-1.5	-1.5
Profit	0.0	-0.8	-0.8
Balance at 31 Dec 2017	5.2	10.2	15.4

INCOME BY MARKET AND SERVICE

The UK market continues to be a strong one for Ayima with quarterly growth year on year at 31%. In the US, Ayima has continued its recovery from a major customer loss in the fourth quarter of 2016 through the signing of new clients, indeed the small drop in revenue year on year is testament to the success of the recovery strategy implemented at the end of 2016.

INCOME BY MARKET, MSEK	OCT - DEC 2017	OCT - DEC 2016	JAN - DEC 2017	FULL YEAR 2016
INCOME				
GB	22.1	15.2	87.7	76.4
US & CA	12.3	13.2	41.3	43.4
SE	0.1	0.4	0.6	1.4
TOTAL INCOME	34.5	28.4	129.6	121.2

SEO continues to be the strongest sector for Ayima with 52% of income from this service in the final quarter of 2017. We continue to invest in this service, developing tools and solutions in-house to support our technical knowledge and experience in SEO.

As expected we are starting to see a shift in proportion of income to paid media. The proportion of income from paid media in this quarter is 39%, for the same period last year the proportion of revenue from paid media was 24%, this shows that this sector of the business has grown as expected, allowing for more even distribution of income streams across our services.

INCOME BY SERVICE, MSEK	OCT - DEC 2017	OCT- DEC 2016	JAN - DEC 2017	FULL YEAR 2016
INCOME				
SEO	18.0	19.0	60.3	80.2
PAID MEDIA	13.4	6.9	60.3	30.9
CONTENT/CREATIVE	3.0	1.7	7.3	6.8
OTHER	0.1	0.8	1.7	3.2
TOTAL INCOME	34.5	28.4	129.6	121.2



GLOSSARY

CRAWL

When you talk about searchability on a site, you usually use the term "crawlability" or "crawl" through the site.

CONTENT

One of the most important building blocks in one page's SEO strategy is to have the right content content.

CMS - Content Management System is a web-based publishing system that allows an administrator, editor or information manager to easily manage the content of a website

"IN-HOUSE"

Ayima offers its large customers an "in-house" team where Ayima's SEO specialists sit in place with the customer, and Ayima's software and IT search tools are developed by the company's "in-house" team, among others.

CONVERSION

A conversion is a specific action that the customer wants the visitor to do. It can be anything from buying a product, answering a question or downloading a file.

PPC

"Pay per Click" is a method of web advertising based on purchasing keywords for its site at any of the companies that have search engine networks and publish ads related to keywords on different websites.

SaaS

Stands for "Software as a Service" and is a cloud service that allows customers to access software over the Internet. Google, Twitter and Facebook are all examples of SaaS services, where users can access the service from any Internet connected device.

SEO

Stands for "Search Engine Optimization" how to optimise a site to appear on search engines.

SEM

Stands for "Search Engine Marketing".

WEBSITE

Is a collection of web pages with the same user

SOCIAL MEDIA

Includes channels such as Facebook, Instagram, Pinterest, Youtube and Twitter.

SEARCH ENGINE

A search engine helps users find information on the internet. The search engine's program, also known as bot or "spider", crawls all individual pages on the web and indexes them in their own database. The search engine then uses an algorithm, which is a formula with many different factors, to rank the pages in their index according to the relevance of the search. Examples of major search engines are Google, Bing and Yahoo.

ON-SITE

Optimizing a website pages and key elements to improve SEO. This is done by writing optimized page titles and headlines, improving content, and making it as easy as possible for both visitors and the search engine's bot to navigate around the site.

OFF-SITE

Content or linking from sites other than your own. Optimized this, for example through link procurement, can improve the position of organic search results.

PAGE-RANK

One of the many different systems Google uses to rank pages in search results.

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 today there are no outstanding option programs.

ARTIFICIAL INTELLIGENCE (AI)

AI or artificial intelligence is the simulation of human intelligence processes by machines, especially computer systems

MACHINE LEARNING (ML)

Machine learning is a field of computer science that gives computers the ability to learn without being explicitly programmed.

CONVERSION RATE OPTIMISATION (CRO)

In internet marketing, conversion optimization, or conversion rate optimization is a system for increasing the percentage of visitors to a website that convert into customers, or more generally, take any desired action on a webpage.

DATA SCIENCE

Data Science is an interdisciplinary field of scientific methods, processes, and systems to extract knowledge or insights from data in various forms, either structured or unstructured, similar to data mining.

DATA MINING

The practice of examining large pre-existing databases in order to generate new information.

GENERAL DATA PROTECTION REGULATION (GDPR)

The General Data Protection Regulation (GDPR) is the European Union's (EU) new data protection law that comes into effect on 25 May 2018.



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.

BOARD

Michael Jacobson
Member & CEO

Michael Nott
Member & Chairman

Bjorn Mannerqvist
Member

Mark Segal
Member

Timothy Webb
Member

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

CONTACT

For further information, contact the Company at:

Chairman Mike Nott or CEO Mike Jacobson

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[press\(at\)ayima.com](mailto:press(at)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 February 22 2018 (2018-02-22).



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