

Ayima Group AB (publ) Interim Report

January - March 2021

Highlights

YTD: Jan - Mar 2021

- **Total Revenue amounted to 36.8 MSEK** (33.9), an increase of 9% from the corresponding period in 2020
- Gross Profit amounted to 20.5 MSEK (23.6), a decrease of 13% from the corresponding period in 2020
- Operating costs amounted to 15.5 MSEK (23.2), a reduction of 33% from the corresponding period last year
- **A positive EBITDA result of 5.1 MSEK** (0.4), a 1,175% increase from the corresponding period in 2020
- **EBITDA margin increased to 14%** (1%)
- **Net Profit after tax for the period was 5.3 MSEK** (-3.0), a significant improvement from the corresponding period in 2020



Key Events in the Quarter:

- Client contracts signed during Q1 amounted to a total value of 10.6 MSEK over 12 months
- The US subsidiary Ayima Incorporated received confirmation on 2021-02-09 that their application for forgiveness for the PPP loan received in June 2020 was approved. The amount of the forgiveness received (3.5 MSEK) is reflected in Q1 2021 as a "Gain on debt extinguished" in the Income Statement below the EBITDA line
- New client contracts signed to date in Q2 amounted to 13.6 MSEK
- The fluctuation in the GBP to SEK exchange rate has a material impact on Total Comprehensive Income when converting Balance Sheet equity from GBP to SEK at each reporting period end. The impact for Q1 2021 is a gain of 4.9 MSEK. This adjustment is not related to operational performance and is merely due to accounting procedures for reporting in a single currency



A MESSAGE FROM THE CEO

Dear Shareholders and Investors

After the all-around nightmare that was 2020, the year of 2021 has got off to a positive start. The US digital marketing sector seems to be back to its usual roaring self and demand for Search marketing services is as high as ever. The UK and Europe are certainly more sluggish (after the double-whammy of Brexit and Covid-19), but we have seen signs of positivity, even in the travel sector that has suffered a more or less complete shutdown during the pandemic.

For Ayima, this has meant strong new business activity in Q1 and even more so so far in Q2 - over 23MSEK worth of new clients already this year has been a brilliant performance and hopefully that trend will continue. As usual, the clients we have been winning are often world leaders in their respective industries and Ayima's client portfolio is more and more an object of pride for the team.

In terms of overall business performance, the company has rebounded completely from the setbacks experienced in 2020. Revenue is back, growth is back and after several rounds of cost cutting during the previous year, profitability is also back. EBITDA margin in Q1 was a very healthy 14%, and we believe this can be improved upon as we continue to grow on the back of the reopening world economy. One risk we do see as we grow, is the difficulty of recruiting highly skilled staff to support the demand while the pandemic forces us into remote working arrangements, making interviewing and onboarding new talent somewhat more difficult than usual. This is something the local teams have been focussed on solving and so far we are succeeding at recruitment and training.

In terms of operations, we continue to operate all staff remotely. This has been a more or less seamless process for Ayima and was something we prepared for in past years as part of our ISO 27001 certification. As the major office locations reopen for business, we will gradually return to regular office-based working, albeit with a smaller (and cheaper) footprint than previously.

So in summary, a very positive quarter. A full return to profitable trading and in particular a return to growth. The current outlook also looks positive, and our expectations for the rest of the year are for continued growth at a healthy margin as we continue to deliver best-in-class digital services to our clients.

Yours Sincerely

Mike Jacobson
CEO



For Ayima, this has meant strong new business activity in Q1 and even more so so far in Q2



OPERATIONS

REVENUE BY QUARTER AND YTD MSEK

	Jan - Mar 2021	Jan - Mar 2020	Jan - Dec 2020
REVENUE	36.8	33.9	139.9
GROSS PROFIT	20.5	23.6	90.4
Gross Margin	56%	70%	65%

Total revenue for the quarter increased by 9% compared with the same period in 2020. An increase in low-margin services in the period led to the reduction in gross margin when compared with the same period last year, rather than any worsening of performance. This is likely to continue in Q2 2021 as some existing clients continue to increase their budgets for these services. Management continues to focus on growing higher margin services such as SEO and Content in the future and most recent client wins announced have been for SEO services.

Operating costs for the quarter 15.5 MSEK (23.2) were 33% lower than the same period last year. This is due to cost cutting exercises carried out during 2020 and office expenses saved due to remote working arrangements forced by the pandemic.

Extraordinary costs in Q1 included provisions for staff costs associated with the staff options scheme. This is an exceptional item and not part of normal operations.

FINANCIAL POSITION AND LIQUIDITY

Liquid assets at the end of the period amounted to 25.9 MSEK (25.7). Cash and cash equivalents amounted to 5.0 MSEK (2.4) and accounts receivable 20.9 MSEK (23.3). Ayima have an Invoice Discounting facility that allows the company advance access to working capital which is otherwise tied up in the accounts receivable, the amount of working capital in use through this facility is shown in the financial statements under current liabilities, this facility is continuously paid and reused as invoices are issued to clients and paid to Ayima.

Total equity amounted to 64.5 MSEK, including issued share capital of 7.4 MSEK. Equity ratio was 56 (42) percent. 2.9 MSEK of the liabilities relate to a provision has been included for the potential total earn-out payments due to the sellers of LeapThree Limited in accordance with the Share Purchase Agreement. The remaining liability will be wound down throughout the earn out period up to September 2021.

CASH FLOW

Cash flow from operating activities before changes in working capital amounted to 8.1 MSEK. The change in working capital was -7.0 MSEK. Investments in tangible and intangible fixed assets amounted to -0.3 MSEK during the period. Cash flow from financing activities amounted to -3.8 MSEK due to debt repayments. Net cash decreased by -3.0 MSEK in the period.

Ayima continues to work closely with its banking partners to ensure adequate cashflow is available in the medium to long term.



SHARE-BASED INCENTIVE PROGRAM

Ayima has an Enterprise Management Incentives (EMI) scheme. Any warrants or shares are held for the employees by the Ayima Employee Benefit Trust 2011 (EBT). 333 687 shares were owned by the EBT at 2021-03-31.

Of the 300 000 warrants issued as part of the staff incentive program in 2018, 272 547 were granted in 2018 and 23 085 were forfeit in the same year. A further 83 384 were forfeit during 2019 and during 2020 a further 30 421 share options were forfeit (total 136 890). The remaining warrants vest over the next period to May 2022. An additional 82 180 warrants were granted to newly qualifying staff in May 2019. 9 387 of these were forfeit at the end of 2019 and during 2020 an additional 13 387 of these share options were forfeit. To date in 2021, 19 375 additional share options were forfeit (42 149 total). The remaining warrants will vest over the periods to May 2023.

A provision for these shares has been made in Equity and the accrued cost of these share based payments from 2018-05-01 to 2021-03-31 has been recognised in the financial statements.

SIGNIFICANT EVENTS DURING AND AFTER THE PERIOD

New client contracts signed in Q1 with a total annual value of 10.6 MSEK.

Ayima Incorporated received confirmation of its forgiveness application for the 3.9 MSEK PPP loan on 2021-02-09. The

full amount of the forgiveness has been reflected as a gain on debt extinguished in the Consolidated Income Statement in Q1 2021.

So far in Q2, contracts to the value of 13.6 MEK have been signed.

All of Ayima's staff continue to work remotely in line with government guidelines.

MARKET TRENDS

In late February, Google hosted a Search Central Live chat to answer numerous questions related to SEO and the wider digital marketing community. Most notably, the company's search liaison, Danny Sullivan, provided some clarity on the anticipated impact of the (delayed) June 2021 Page Experience Update. He essentially said that it won't reveal itself overnight and will instead "be relative," meaning that "Google still seeks to rank pages with the best information overall."

Google's John Mueller was asked if "more text is better in the eyes of Google." As he pointed out, "Blindly adding text to a page doesn't make it better," it's not as simple as bumping up the word count, because the additional copy must make sense in the context of the page and the related search queries. Plus, it must be useful to the readers, otherwise, you're wasting resources on padding something that likely won't see results.

As of 1 April, Google will no longer serve Showcase Shopping ads and they're removing the associated ad groups. This comes after nearly 5 years after they were launched, and the search giant explained that previous ad layouts, like the merchant carousel, will become part of the Product Shopping ad groups.



RISKS AND UNCERTAINTIES

RISK MANAGEMENT OBJECTIVES AND POLICIES

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

Credit risk

Credit risk is limited since Ayima only accepts creditworthy counterparties. Ayima's approach to the increased liquidity risks with regard to its clients has been to work closely with them to ensure that payments are not unduly delayed, and to agree extended credit terms in exceptional circumstances. Cash collection remains within expectations with no bad debts written off in the period.

Client risks

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

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

FX Variances

Currency variance risks related to fluctuations in the exchange rate can have an impact on Ayima when reporting in SEK. Day to day operations are not significantly impacted as revenue and costs are mainly in the same currency in each market. The chart below shows the fluctuation in exchange rates from GBP to SEK from January 2020 to March 2021, demonstrating the instability in exchange rates since the Covid-19 pandemic. The fluctuation in the exchange rate has a material impact on Total Comprehensive Income when converting consolidated equity from GBP to SEK at each reporting date, the impact for Q1 2021 is a gain of 4.9 MSEK (1.7 Gain in Q1 2020) . This is not related to operations.



*source: oanda.com average monthly rate Jan 2020 - Mar 2021

BREXIT


Ayima Group currently has established local operations in various territories including the US, Canada and Sweden. In the main, each Ayima entity engages with clients on a local level only and does not export goods or services. Ayima's UK company has four relatively small clients who are based in the EU, representing just 5% of total revenue. As such, the trade agreement has had little to no effect on Ayima's operations. There may also be some taxation treaty changes as new trade deals are signed between the UK and the US, Canada and the EU, however we also expect that this will have little to no effect on Ayima.

Ayima is constantly keeping abreast of all updates regarding the UK's trade agreements and will be prepared should there be any need to change organisational structure in the future in order to adapt to the changing regulatory environment.

COVID-19

Ayima's operations and ability to deliver work for clients has not been impacted by the lockdowns and restrictions that were imposed by various local governments since the beginning of the COVID-19 pandemic last year. A comprehensive remote working policy resulted in no interruption in service delivery at a time of much general uncertainty. The main impact of Covid-19 on Ayima has been that a limited number of its clients, in particular those in travel, retail and hospitality, have been severely impacted by the restrictions, and that this has led to cuts in their marketing budgets and reduction in the amount of work available. As government restrictions ease, these sectors are expected to witness strong growth in the coming periods.

In contrast to this, many industries have adapted to the new trading environment, whereby more and more customers are buying online. Attracting customers to a company's website has therefore taken on a significance heretofore unrealised, and many companies have begun investing in digital marketing to a higher degree than ever before, particularly in the later part of 2020. This trend has continued in the first quarter with new contracts signed in the period amounting to 10.6 MSEK in annual



value, and a further 13.6 MSEK in contracts signed so far in Q2. Forecasts for the digital marketing industry predict future growth of up to 22.5% from 2020 to 2027.

An article published by the World Economic Forum in October 2020 reported that "The technology sector was always going to be more resilient in the face of the changes wrought by the pandemic. During 2020, the S&P North America Technology Stock Exchange grew by more than 33%; the S&P 500, in comparison, grew by less than 3%. And as the time progresses, at least in the short-term, technology firms will continue to widen this gap."

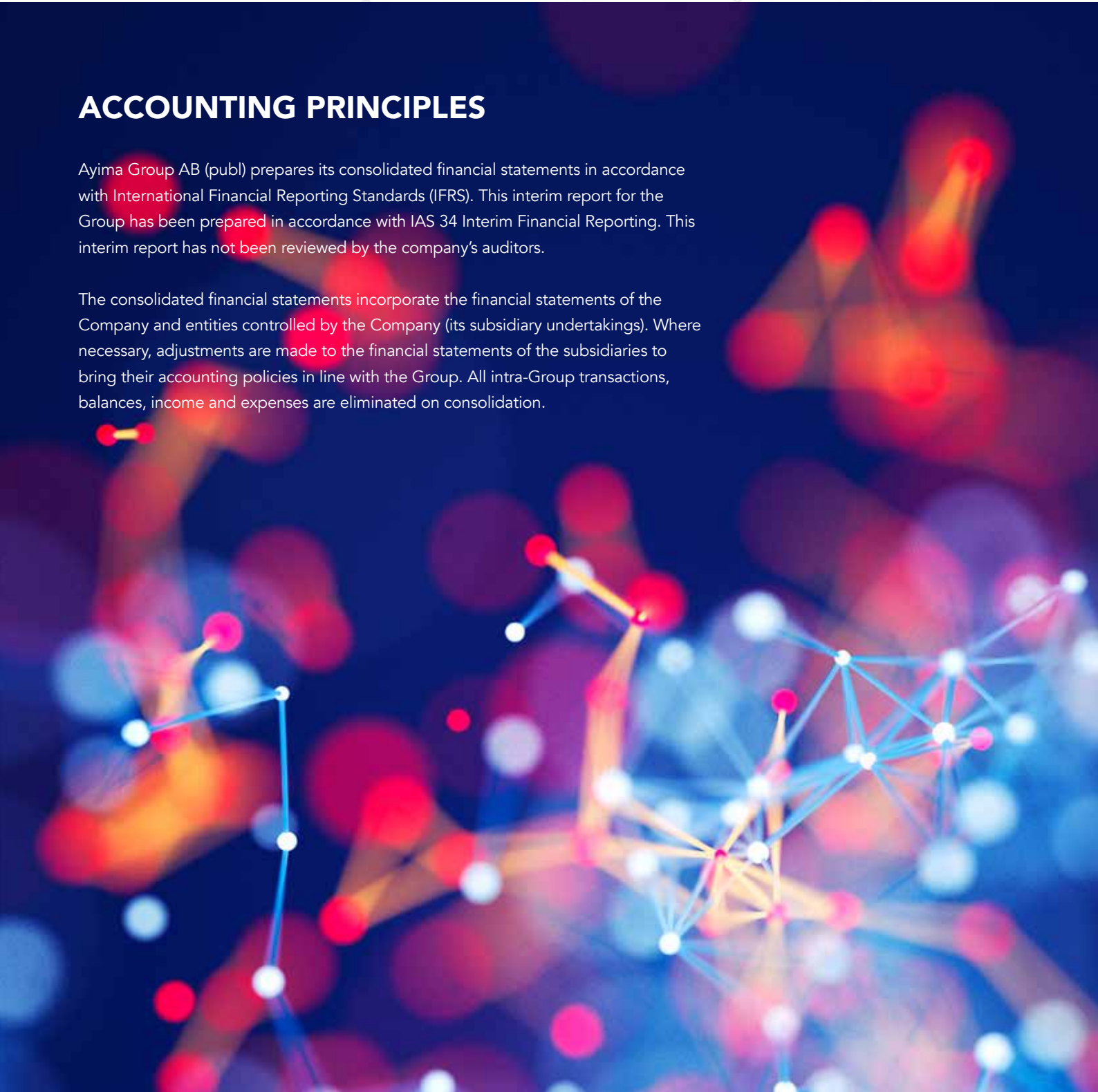
RELATED PARTY TRANSACTIONS

There are no related party transactions to report.

ACCOUNTING PRINCIPLES

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

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

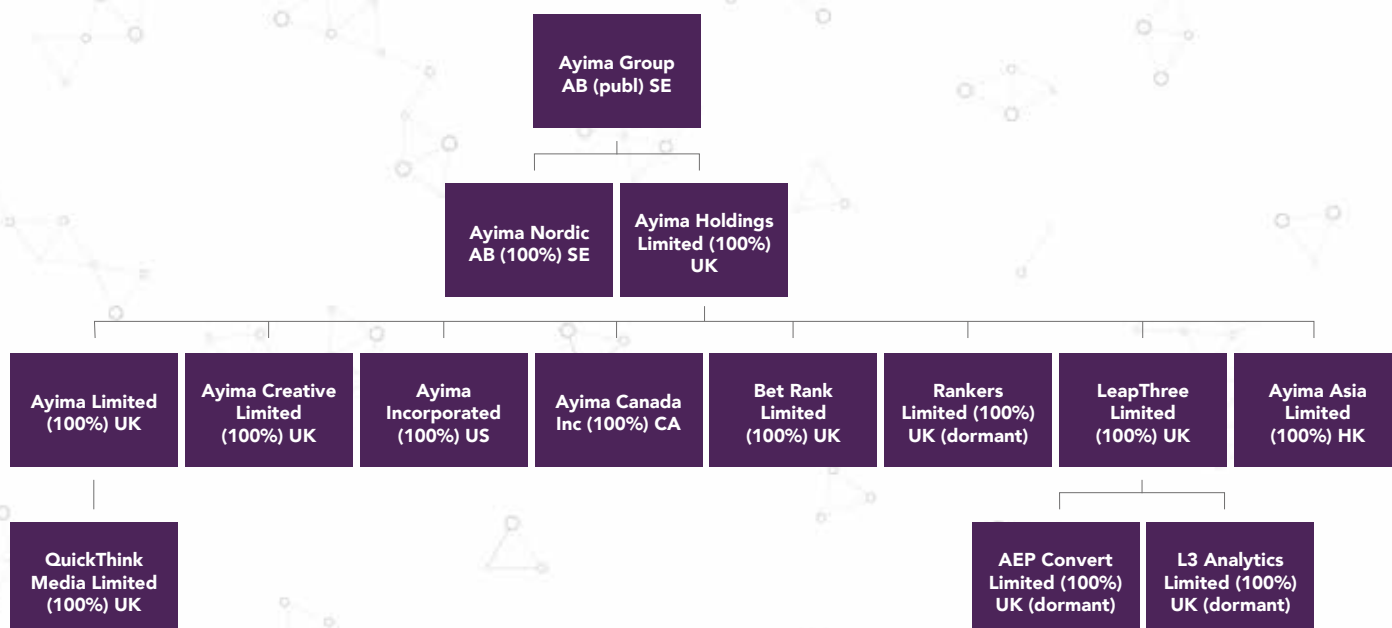




ABOUT AYIMA

The group was formed by acquiring the 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. Ayima Holdings registered a new, wholly owned subsidiary,

Bet Rank Ltd at Companies House on 2018-06-25. Ayima completed the acquisition of LeapThree Limited on 2018-09-17, this acquisition was completed through the issue of 26 800 A shares and 784 662 B Shares along with payment to the sellers of cash consideration of GBP 400K (SEK 4.9M approx). LeapThree Limited owns two dormant subsidiaries included in the chart below. During Q2 2019 Ayima Holdings Limited registered a new subsidiary company in Hong Kong, Ayima Asia.



FINANCIAL OBJECTIVES

Ayima's focus going forward is to achieve strong growth in revenue and to demonstrate the company's ability to maintain the efficiencies achieved in 2020, building the company's profitability by maintaining the stable cost base and maximising financial performance.

NUMBER OF SHARES, SHARE CAPITAL AND EARNINGS PER SHARE

At the end of the period, the company had 7 393 672 shares (A 226 800 B 7 166 872). The share capital was 7 393 672 SEK. Earnings per share for the quarter amounted to 1.38 SEK (-0.19). Price per share at closing at the end of the period (2021-03-31) was 13.45 SEK. The number of outstanding options granted to staff was 164 833. Earnings per share after dilution amounted to 1.38 SEK (-0.19).

Shareholding at 2021-03-31	No A Shares	No B Shares	Control %	Capital %
Timothy Webb	66,667	870,837	16.3%	12.7%
Michael Jacobson	66,666	852,032	16.0%	12.2%
Michael Nott	66,667	839,185	16.0%	12.3%
New Equity Ventures		764,000	8.1%	10.3%
Michael Feiner	15,000	390,731	5.7%	5.5%
Gaming Realms PLC		347,487	3.7%	4.7%
Ayima Employee Trust		333,687	3.5%	4.5%
Avanza Pension, Forsakringsaktiebolaget		303,937	3.2%	4.1%
Peter O'Neill	11,800	135,684	2.7%	2.0%
Johan Fagerstorm		68,333	0.7%	0.9%
Other		2,273,959	24.1%	30.8%
Total	226,800	7,166,872	100%	100%

FURTHER REPORTS

Annual General Meeting

- 2021-06-10

Q2 2021 Interim Report

- 2021-08-19

Q3 2021 Interim Report

- 2021-11-25



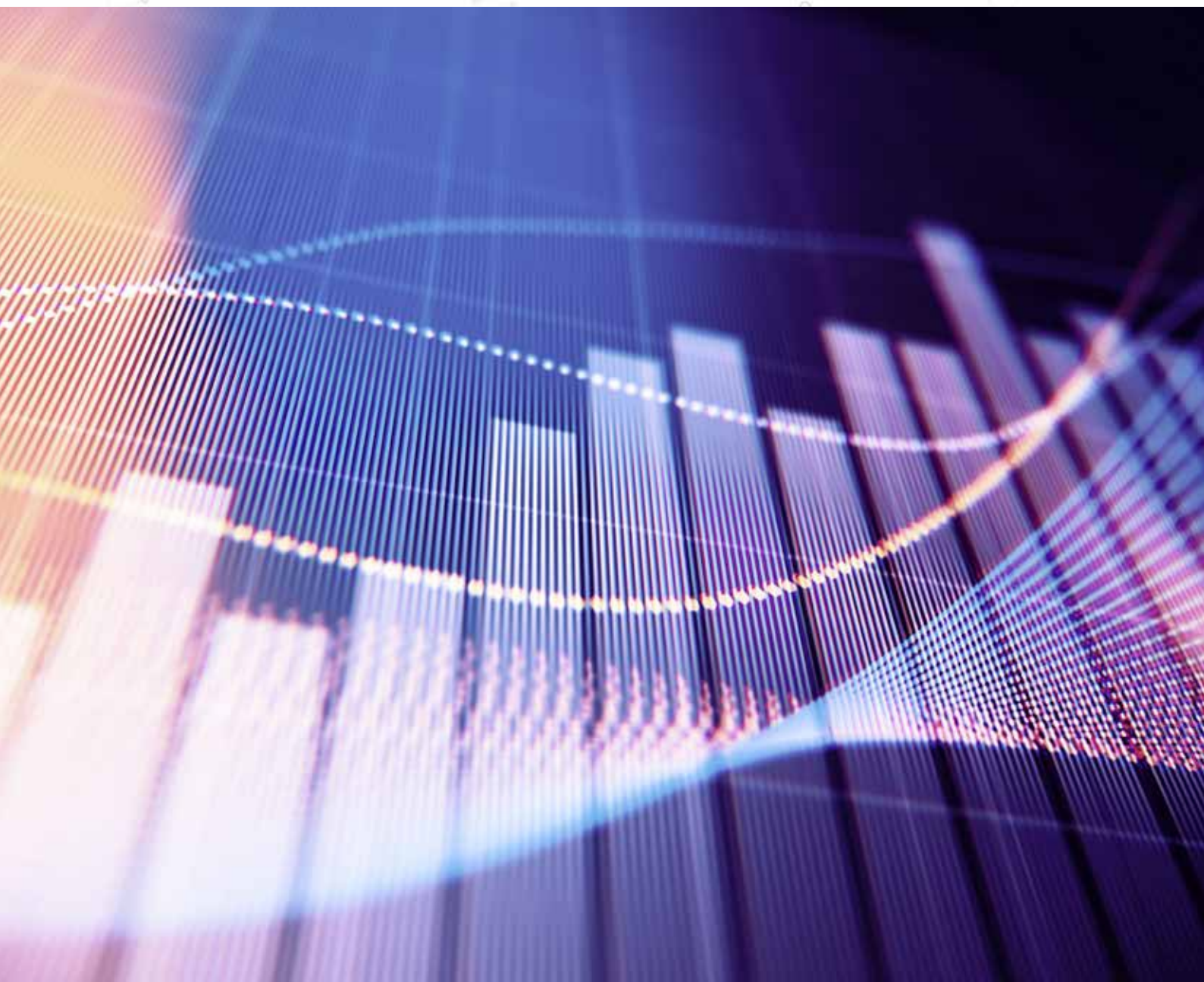
CONSOLIDATED FINANCIAL STATEMENTS

SUMMARY CONSOLIDATED INCOME STATEMENT	JAN - MAR 2021	JAN - MAR 2020	JAN - DEC 2020
MSEK			
<i>Operating revenue</i>			
Revenue	36.8	33.9	127.0
Other income	0.0	0.0	12.9
TOTAL REVENUE	36.8	33.9	139.9
<i>Direct expenses</i>			
Direct expenses	-16.3	-10.2	-49.5
GROSS PROFIT	20.5	23.6	90.4
<i>Operating expenses</i>			
Personnel costs	-13.7	-18.9	-60.0
Other operating expenses	-1.8	-4.3	-13.7
OPERATING EXPENSES	-15.5	-23.2	-73.7
EBITDA	5.1	0.4	16.7
Depreciation & Amortisation and write downs of tangible and intangible fixed assets	-2.1	-2.3	-12.0
Exceptional Items	0.1	-0.2	0.1
OPERATING PROFIT	3.1	-2.1	4.7
FX gains/losses	-0.8	0.0	1.3
Interest paid/received	-0.3	-0.7	-3.1
Gain on debt extinguished (PPP Loan forgiveness)	3.5	0.0	0.0
Financing Costs	0.0	-0.2	-0.4
R&D Tax Credit	-0.1	0.0	0.5
Deferred tax	0.0	0.0	1.0
PROFIT AFTER TAX	5.3	-3.0	4.0

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	JAN - MAR 2021	JAN - MAR 2020	JAN - DEC 2020
PROFIT AFTER TAX	5.3	-3.0	4.0
<i>Items that could be reclassified to earnings</i>			
Exchange rate differences*	4.9	1.7	-5.6
TOTAL COMPREHENSIVE INCOME	10.2	-1.3	-1.5
<i>Result for the period attributable to the parent company's shareholders:</i>	10.2	-1.3	-1.5
EARNINGS PER SHARE - BEFORE DILUTION (SEK)	1.38	-0.19	-0.20
EARNINGS PER SHARE - AFTER DILUTION (SEK)	1.38	-0.19	-0.20

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



SUMMARY CONSOLIDATED BALANCE SHEET AT 31 MARCH 2021

	31 MAR 2021	31 MAR 2020	31 DEC 2020
MSEK			
ASSETS			
<i>Fixed assets</i>			
<i>Intangible assets</i>			
Goodwill	41.0	42.2	38.2
Other Intangible fixed assets	29.1	35.4	28.1
Total intangible fixed assets	70.1	77.6	66.3
<i>Tangible fixed assets</i>			
Property, plant and equipment	0.6	2.1	0.5
Total tangible fixed assets	0.6	2.1	0.5
<i>Financial assets</i>			
Shares in associated companies	0.0	0.0	0.0
Right of Use Assets	7.8	6.1	7.9
Deferred Tax	6.5	5.9	6.1
Total financial assets	14.4	12.0	14.0
Total fixed assets	85.0	91.7	80.9
<i>Current assets</i>			
Accounts receivable	20.9	23.3	17.6
Other receivables	3.6	6.5	4.0
Prepayments and accrued income	1.6	2.1	2.0
Total other current assets	26.1	31.9	23.6
<i>Cash and bank balances</i>	5.0	2.4	7.6
Total current assets	31.1	34.4	31.2
TOTAL ASSETS	116.2	126.1	112.1
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital	-7.4	-7.1	-7.4
Other contributed equity	-48.0	-42.1	-44.1
Other equity incl. profit for the year	-9.1	-3.3	-2.9
Total equity	-64.5	-52.5	-54.3
<i>Long-term liabilities</i>			
Other Provisions	-1.6	-2.0	-1.4
Lease Liabilities	-6.3	-2.9	-6.3
Other liabilities	-6.5	-16.9	-9.6
Total long-term liabilities	-14.3	-21.8	-17.4
<i>Current liabilities</i>			
Accounts payable	-12.0	-26.9	-11.5
Invoice Discounting Loan	-5.9	-5.7	-2.9
Current tax liabilities	0.0	0.0	0.0
Current Lease Liabilities	-2.3	-3.5	-2.3
Other current liabilities	-9.8	-11.0	-16.3
Accrued expenses and prepaid income	-7.4	-4.7	-7.4
Total current liabilities	-37.4	-51.8	-40.4
TOTAL EQUITY AND LIABILITIES	-116.2	-126.1	-112.1

CONSOLIDATED CASH FLOW STATEMENT (SUMMARY)

	JAN - MAR 2021	JAN - MAR 2020	JAN - DEC 2020
The ongoing business			
Operating profit	3.1	-2.1	4.7
Adjusted revenue			
<i>Adjustments for items not included in cash flow</i>			
Depreciation and write-downs	2.1	2.3	12.0
Exchange losses	0.0	0.0	0.0
Other non-cash items	3.3	1.9	-11.2
	8.5	2.1	5.5
Financial items	-0.3	-0.7	-0.7
Paid income tax	-0.1	0.1	2.4
Cash flow from operating activities before changes in working capital	8.1	1.5	7.2
<i>Changes in working capital</i>			
Change in receivables	-0.7	0.9	4.6
Change in current liabilities	-6.3	-2.3	-1.2
Cash flow from current operations	1.0	0.1	10.6
<i>Investing activities</i>			
Acquisition of intangible fixed assets	-0.3	-1.0	-2.2
Acquisition of tangible fixed assets	0.0	0.0	2.3
Acquisition of financial fixed assets	0.0	0.0	0.0
Sales of financial fixed assets	0.0	0.0	0.0
Cash flow from investing activities	-0.3	-1.0	0.2
<i>Financing activities</i>			
Rights issue	0.0	0.0	0.0
Issuing Costs	0.0	0.0	-0.1
Borrowings	0.0	0.0	6.7
Repayments including Lease payments	-3.8	-2.2	-14.8
Cash flow from financing activities	-3.8	-2.2	-8.1
Cash flow for the period	-3.0	-3.1	2.7
<i>Cash and cash equivalents at the beginning of the period</i>	7.6	5.5	5.5
<i>Exchange rate differences at the end of the period</i>	0.4	0.0	-0.6
LIQUID FUNDS AT THE END OF THE PERIOD	5.0	2.4	7.6

SUMMARY STATEMENT OF CHANGES IN EQUITY

	31 MAR 2021	31 DEC 2020
MSEK		
Opening Balance	54.3	53.6
Issue of shares	-0.1	2.3
Reverse acquisition	0.0	0.0
Other	0.0	0.0
Total Comprehensive Income	10.2	-1.5
Closing Balance	64.5	54.3



PARENT COMPANY FINANCIAL STATEMENTS

PARENT COMPANY INCOME STATEMENT

	JAN - MAR 2021	JAN - MAR 2020	JAN - DEC 2020
MSEK			
<i>Operating income</i>			
Revenue	0.0	0.0	0.0
Other operating income	0.4	0.0	2.1
TOTAL INCOME	0.4	0.0	2.1
<i>Operating expenses</i>			
Other operating expenses	-0.2	-0.3	-0.7
TOTAL OPERATING EXPENSES	-0.2	-0.3	-0.7
EBITDA*	0.2	-0.3	1.4
Financial items	-0.1	-0.5	0.0
Result from participation in group companies	0.0	0.0	9.6
PROFIT BEFORE TAX	0.1	-0.8	11.0
Current tax	0.0	0.0	0.0
PROFIT AFTER TAX	0.1	-0.8	11.0

OTHER COMPREHENSIVE INCOME

<i>Items that could be reclassified to earnings</i>			
Exchange rate differences	0.0	0.0	0.0
TOTAL COMPREHENSIVE INCOME	0.1	-0.8	11.0
<i>Total profit for the period attributable to the parent company's shareholders:</i>			
Parent Company shareholders	0.1	-0.8	11.0
EARNINGS PER SHARE - BEFORE DILUTION (SEK)	0.0	-0.1	1.5
EARNINGS PER SHARE - AFTER DILUTION (SEK)	0.0	-0.1	1.5

PARENT COMPANY BALANCE SHEET (SUMMARY) AT 31 MARCH 2021

	31 MAR 2021	31 MAR 2020	31 DEC 2020
MSEK			
ASSETS			
<i>Fixed assets</i>			
<i>Financial assets</i>			
Shares in subsidiaries	7.3	7.4	7.4
Total financial assets	7.3	7.4	7.4
Total fixed assets	7.3	7.4	7.4
<i>Current assets</i>			
Receivables	65.0	69.8	67.5
Total other current assets	65.0	69.8	67.5
<i>Cash and bank balances</i>	0.3	0.6	0.6
Total current assets	65.3	70.4	68.0
TOTAL ASSETS	72.6	77.8	75.4
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital A shares	-0.2	-0.2	-0.2
Share capital B shares	-7.2	-6.8	-7.2
Share premium	-46.4	-44.8	-46.5
Share issue costs	0.0	0.0	0.0
Other equity incl. profit for the year	-13.7	-1.8	-13.6
Total equity	-67.5	-53.6	-67.5
<i>Long-term liabilities</i>			
Other liabilities	-4.5	-15.5	-4.5
Total long-term liabilities	-4.5	-15.5	-4.5
<i>Current liabilities</i>			
Other liabilities	-0.6	-8.6	-3.4
Total current liabilities	-0.6	-8.6	-3.4
TOTAL EQUITY AND LIABILITIES	-72.6	-77.8	-75.4



PARENT COMPANY CASH FLOW ANALYSIS (SUMMARY)

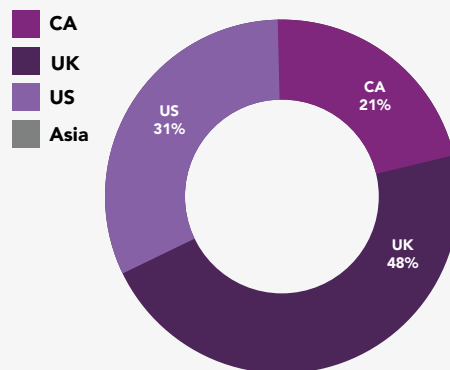
	JAN - MAR 2021	JAN - MAR 2020	JAN - DEC 2020
The ongoing business			
Operating profit	0.2	-0.3	1.4
Adjusted revenue			
Financial items	-0.1	0.0	-0.1
Cash flow from operating activities before changes in working capital	0.1	-0.3	1.3
Changes in working capital			
Change in receivables	2.3	0.6	2.7
Change in current liabilities	-0.5	0.2	-0.3
Cash flow from current operations	2.0	0.4	3.7
<i>Investing activities</i>			
Acquisition of financial fixed assets	0.0	0.0	0.0
Sales of financial fixed assets	0.0	0.0	0.0
Cash flow from investing activities	0.0	0.0	0.0
<i>Financing activities</i>			
Rights issue	0.0	0.0	0.0
Issuing Costs	0.0	0.0	-0.1
Borrowings	-2.3	0.0	-3.3
Cash flow from financing activities	-2.3	0.0	-3.3
Cash flow for the period	-0.3	0.4	0.4
<i>Cash and cash equivalents at the beginning of the year</i>	0.6	0.2	0.2
LIQUID FUNDS AT THE END OF THE PERIOD	0.3	0.6	0.6

REVENUE BY MARKET AND SERVICE

The US and Canada generated 19.2 MSEK (16.8) of total revenue in the first quarter of 2021, an increase of 14% over the same period last year. With the continued success of the US vaccination programme, economic recovery in this region will be faster.

In the UK, total income for the first quarter amounted to 17.6 MSEK (16.8), an increase of 5% year on year. As the UK economy continues to recover and society begins to open again we expect to see increases in this region in the coming periods.

REVENUE BY OPERATION YTD

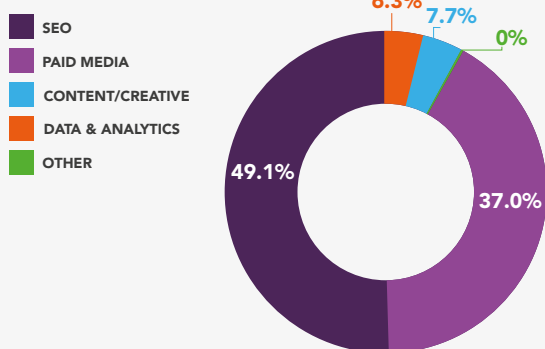


REVENUE BY MARKET, MSEK

REVENUE

	Jan - Mar 2021	Jan - Mar 2020	Jan - Dec 2020
GB	17.6	16.8	55.0
US & CA	19.2	16.8	71.8
ASIA	0.0	0.2	0.2
SE	0.0	0.0	0.0
TOTAL OPERATING REVENUE	36.8	33.9	127.0

REVENUE BY SERVICE YTD



A total of 18.1 MSEK (21.5) of operating revenue for the period was generated by SEO and despite a reduction in revenue year on year, demand for this service remains high as clients proceed with digital transformation projects.

Paid Media services accounted for 13.6 MSK (7.8). Ayima has seen increased demand for these services in recent months and continues to work with clients to help them attract more customers online.

Content/Creative accounted for 2.8 MSEK (1.5) and has seen increased demand when compared with the same period last year. Data & Analytics accounted for 2.3 MSEK (2.9) and remains relatively stable in terms of its respective proportion of income in 2021.

REVENUE BY SERVICE, MSEK

REVENUE

	Jan - Mar 2021	Jan - Mar 2020	Jan - Dec 2020
SEO	18.1	21.5	69.8
PAID MEDIA	13.6	7.8	39.1
CONTENT/CREATIVE	2.8	1.5	9.5
DATA & ANALYTICS	2.3	2.9	8.4
OTHER	0.0	0.1	0.2
TOTAL OPERATING REVENUE	36.8	33.9	127.0

GLOSSARY

INVOICE DISCOUNTING

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

ISO27001

An ISMS is a systematic approach to managing sensitive company information so that it remains secure. It includes people, processes and IT systems and by applying a risk management process. It helps Ayima keep information assets secure.

ISMS

An information security management system (ISMS) is a set of policies and procedures for systematically managing an organisation's sensitive data. The goal of an ISMS is to minimise risk and ensure business continuity by pro-actively limiting the impact of a security breach.

EBITDA

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

SERP

(Search Engine Result Page) are the pages displayed by search engines in response to a query by a searcher. The main component of the SERP is the listing of results that are returned by the search engine in response to a keyword query, although the pages may also contain other results such as advertisements.

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 2021-03-31 there are 164 833 outstanding option programs.



DISCLOSURE AND CONDITIONS

ASSURANCE OF THE BOARD OF DIRECTORS

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

CONTACT

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OTHER

This information is the information that Ayima Group AB is required to disclose under the EU Market Abuse Regulation. The information was provided by the above contact person for publication on May 20 2021 (2021-05-20).

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





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