

Year-end report

January - December 2025

October - December 2025

(compared to the same period last year, Upsales group)

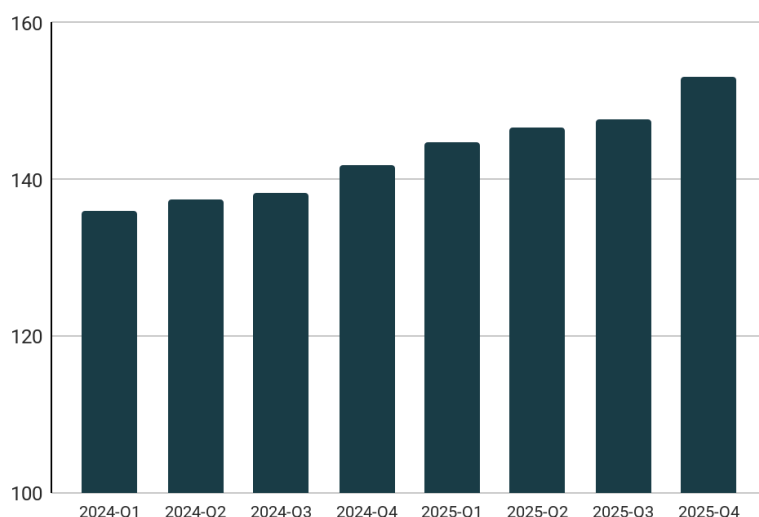
- Annual recurring revenue (ARR) at the end of the quarter was MSEK 153.0 an increase of 7.8% during the last 12 months
- ARR increased by MSEK 5.3 during the quarter
- Net sales increased by 10.8% to MSEK 40.4 (36.4)
- EBITDA increased to MSEK 10.4 (5.5)
- EBITDA margin increased to 25.7% (15.1%)
- Operating profit (EBIT) increased to MSEK 7.4 (3.3)
- Net income increased to MSEK 5.8 (2.6)
- Cash flow from operating activities increased to MSEK 21.9 (20.8)

January - December 2025

(compared to the same period last year, Upsales group)

- Net sales increased by 5.0% to MSEK 152.0 (144.8)
- EBITDA increased to MSEK 38.6 (31.8)
- EBITDA margin increased to 25.4% (22.0%)
- Operating profit (EBIT) increased to MSEK 28.2 (22.9)
- Net income increased to MSEK 22.5 (18.5)
- Cash flow from operating activities increased to MSEK 35.2 (30.7)

Annual recurring revenue (ARR) MSEK



153.0 MSEK

Annual recurring revenue (ARR)

7.8%

ARR growth TTM

25.4%

EBITDA margin TTM

Introducing Upsales AI

Empowering companies with AI to unlock revenue growth



upsales

CEO LETTER

In Q4, Annual Recurring Revenue (ARR) grew to MSEK 153.0, an increase of 7.8% over the last twelve months. Quarterly net ARR addition was MSEK 5.3 — a clear acceleration from previous quarters and the strongest quarterly contribution in three years. Net sales increased by 10.8% to MSEK 40.4 (36.4), returning to double-digit revenue growth. EBITDA increased to MSEK 10.4 (5.5), with the margin expanding to 25.7% (15.1%). Operating profit (EBIT) was MSEK 7.4 (3.3), net income MSEK 5.8 (2.6), and cash flow from operating activities was MSEK 21.9 (20.8).



The improvement in profitability is driven by revenue growth now outpacing our cost base, combined with efficiency gains from a more streamlined organization. We expect this trend to continue.

Outlook

Looking into 2026, the dynamics of the business are moving in the right direction. Churn rates have continued to decline and we expect them to stay at lower levels. Both new sales and expansion within existing accounts are progressing well. As we combine lower churn with stronger commercial activity, the conditions for continued acceleration in revenue growth are clearly in place. We expect revenue growth rates to increase further throughout 2026.

AI is an accelerator

AI accelerates digitalization. When we meet customers, we still see vast amounts of manual work, even in large organizations. The AI wave is driving more demand for software, not less. For Upsales specifically, AI is the single biggest opportunity in our history. It makes us faster at building, better at delivering value, and more competitive against larger players. We are not adding AI to old software — we are building an AI-native platform from the ground up, using many years and thousands of client's experiences in what really provides value to our clients' businesses.

The European tailwind

European companies and public institutions are actively moving away from US software providers. This is not a theoretical discussion — procurement policies are shifting, and the demand for sovereign cloud and European alternatives is growing across the continent. The US CLOUD Act gives US authorities legal access to data stored by US companies regardless of server location, and the stability of current EU-US data frameworks depends on political decisions that could change. European decision-makers are taking notice.

For Upsales — Swedish-owned, Swedish-hosted, fully GDPR-compliant, with zero exposure to the CLOUD Act — this is a competitive advantage that barely existed two years ago. We are competing on trust and data sovereignty in addition to product.

Professional services and customer success

As we expand our AI capabilities and add more use cases to the platform, we are seeing growing demand from customers who want our help getting maximum value from Upsales. We have responded by investing in our Professional Services team, with a focus on senior expertise and hands-on delivery. This is already showing up in the numbers — services revenue contributed meaningfully in Q4, and

more importantly, we see a direct correlation between customers who engage with our services team and lower churn.

The services we provide are tightly integrated with our product and focused on solving specific business challenges for our clients. This is not generic IT consulting. When customers get the right support, they adopt faster, use more of the platform, and see stronger returns. For us, that translates into deeper relationships and higher retention.

AI and the evolving organization

In December, we announced a reorganization of our product team, where approximately 14 positions were phased out. This was a hard decision, but not one driven by cost reduction or lower ambition. It was about adapting to how software is actually built today and secure that Upsales development stays on the edge of the industry.

AI tools have changed the development process fundamentally. Tasks that used to require several specialists can now be handled by smaller, more versatile teams. The traditional split between developer, designer, product owner, and project manager is increasingly giving way to broader profiles where one person with AI assistance can move faster than a larger team could before. We can maintain — and increase — our pace of product development with a leaner, more focused organization.

We continue to invest aggressively in product development, sales, and marketing. The people building Upsales today are highly skilled and deeply committed. These changes position us to execute faster in the years ahead.

Dividend and capital allocation

The board will propose a dividend of SEK 0.75 per share for the annual general meeting, compared to SEK 1.50 last year. When I talk to shareholders, the consensus is clear: prioritize growth over dividends. We agree. We are in a position where we can run a profitable business with accelerating growth, invest in strategic initiatives, carry zero debt, and still return capital to shareholders. Few companies in our space can say that.

We are publishing an updated investment case for Upsales on Upsales' website. I encourage current and prospective shareholders to review it for a more detailed view of our strategy and the opportunity ahead.

Daniel Wikberg
Founder & CEO

FINANCIAL INFORMATION

The Upsales group

All comparative figures refer to the Upsales group. The parent company's operations are focused on group-wide management whilst the operations are conducted in the wholly owned subsidiary Upsales Nordic AB.

October - December 2025

Net sales

The Upsales group's net sales during the period amounted to MSEK 40.4 (36.4), which corresponds to a 10.8% increase compared to the same period last year.

Profit

- EBITDA during the period amounted to MSEK 10.4 (5.5)
- EBIT during the period amounted to MSEK 7.4 (3.3)
- Profit before tax amounted to MSEK 7.4 (3.4) and net income amounted to MSEK 5.8 (2.6)

Cash flow and investments

Cash flow from operating activities during the period amounted to MSEK 21.9 (20.8). Investments in tangible assets during the period amounted to MSEK 0.2 (0.1). Investments in intangible assets amounted to MSEK 4.9 (3.2). Investments in intangible assets consist of capitalised development costs.

Depreciation of tangible and intangible assets during the period amounted to MSEK 3.0 (2.2).

January - December 2025

Net sales

The Upsales group's net sales during the period amounted to MSEK 152.0 (144.8), which corresponds to a 5.0% increase compared to the same period last year.

Profit

- EBITDA during the period amounted to MSEK 38.6 (31.8)
- EBIT during the period amounted to MSEK 28.2 (22.9)
- Profit before tax amounted to MSEK 28.6 (23.4) and net income amounted to MSEK 22.5 (18.5)

Cash flow and investments

Cash flow from operating activities during the period amounted to MSEK 35.2 (30.7). Investments in tangible assets during the period amounted to MSEK 2.6 (0.8). Investments in intangible assets amounted to MSEK 17.1 (8.6). Investments in intangible assets consist of capitalised development costs.

Depreciation of tangible and intangible assets during the period amounted to MSEK 10.4 (8.9).

Liquidity and financial position

As of 31 th of December 2025, net cash amounted to MSEK 37.0 (47.4). Total equity at the end of the period amounted to MSEK 18.3 (21.9).

FINANCIAL INFORMATION

Employees

The number of employees in the Upsales group at the end of the period was 67 (70).

Proposed appropriation of profit

The Board of Directors proposes a dividend of 0.75 SEK per share.

Annual report

The Upsales group annual report for 2025 will be available at the company's website and office on April 1 2026.

Annual general meeting

The annual general meeting will be held the 23rd of April 2026 at the company's office at Kungsgatan 49, Stockholm.

Warrant-based incentive programs

The annual general meeting on 8 May 2025 decided on a warrant-based incentive program. According to the program, a maximum of 150,000 warrants can be issued and transferred to participants in the program, implying a dilution of approximately 0.9 percent.

The company already had two warrant-based incentive programmes. The annual general meeting on 25 April 2024 decided on a warrant-based incentive program. According to the program, a maximum of 150,000 warrants can be issued and transferred to participants in the program, implying a dilution of approximately 0.9 percent. The annual general meeting on 4 May 2023 decided on a warrant-based incentive program "2023/2026", where a maximum of 200,000 warrants can be issued and transferred to participants in the program, implying a dilution of approximately 1.2 percent.

The share

Upsales group's shares are listed on Nasdaq First North Growth Market since 24 April 2019. Companies listed on Nasdaq First North are required to have a Certified Adviser, which is, among other things, responsible for supervision and compliance. Upsales group's Certified Adviser is DNB Carnegie Investment Bank AB. The share is traded under the trading symbol UPSALE and has the ISIN code: SE0011985514.

Accounting standard

The Upsales group and the parent company apply The Swedish Accounting Standards Board's BFNAR 2012:1 (K3), Årsredovisning och koncernredovisning.

Significant events during the quarter

In December, Upsales carried out a reorganization of the product team as a result of the changed working methods brought about by AI. Approximately 14 positions have been phased out, and the company is instead investing in new competencies adapted to AI-driven ways of

Disclosure of report

This report was submitted for publication on 18 February 2026 at 08:30.

The report was published on the Upsales website at the same time.

Financial calendar

Annual Report 2025:
1 April 2026

Interim Report Q1 2026:
22 April 2026

Interim Report Q2 2026:
22 July 2026

Interim Report Q3 2026:
21 October 2026

Interim Report Q4 2026:
17 February 2027

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working. The process has been negotiated with the union. At the same time, the company continues to invest in product, sales, and marketing. By focusing on the right competencies and structure, Upsales has created the conditions for faster development and higher quality in product deliveries.

Significant events after the quarter

No significant events occurred after the reporting period.

Auditor

Upsales group's auditor is Helene Andersson, certified auditor at BDO Mälardalen AB. This report has not been subject to review.

GROUP FINANCIAL STATEMENT

Income Statement

Amount in KSEK	Jan-Dec 2025	Jan-Dec 2024	Oct-Dec 2025	Oct-Dec 2024
<i>Operating income</i>				
Net sales	152,031	144,769	40,378	36,446
Capitalised development costs	17,057	7,128	8,855	2,305
Other operating income	303	159	5	17
Total operating income	169,390	152,056	49,238	38,768
<i>Operating expenses</i>				
Other external expenses	-60,679	-56,096	-20,374	-15,281
Personnel costs	-69,847	-63,375	-18,404	-17,423
Depreciation and impairment of tangible and intangible assets	-10,380	-8,880	-2,980	-2,234
Other operating expenses	-262	-792	-81	-563
Total operating expenses	-141,167	-129,143	-41,839	-35,501
Operating profit (EBIT)	28,223	22,913	7,399	3,267
<i>Financial items</i>				
Financial income	486	554	129	170
Financial expenses	-105	-20	-105	0
Total financial items	381	534	25	170
Profit before tax	28,604	23,447	7,424	3,437
Income Tax	-6,149	-4,966	-1,661	-801
Net income	22,455	18,481	5,762	2,636
Earnings per share, SEK	1.33	1.10	0.34	0.16
Earnings per share after dilution, SEK	1.33	1.10	0.34	0.16
Average number of shares	16,838,375	16,838,375	16,838,375	16,838,375
Number of shares at the end of the period	16,838,375	16,838,375	16,838,375	16,838,375

GROUP FINANCIAL STATEMENT

Balance Sheet

Amount in KSEK	31 December 2025	31 December 2024
ASSETS		
<i>Non-current assets</i>		
Capitalised development costs	32,244	22,801
Tangible assets	9,068	5,286
Other long-term receivables	0	358
Total non current assets	41,312	28,446
<i>Current assets</i>		
Accounts receivables	21,888	19,792
Current tax claim	1,749	1,839
Other current receivables	8	239
Prepaid expenses and accrued income	8,041	6,415
Cash and cash equivalents	36,965	47,434
Total current assets	68,652	75,719
TOTAL ASSETS	109,963	104,165
EQUITY AND LIABILITIES		
Equity	18,333	21,914
<i>Long-term liabilities</i>		
Long-term lease liabilities	2,780	0
Total long term liabilities	2,780	0
<i>Current liabilities</i>		
Accounts payable	5,394	8,070
Other current liabilities	7,035	5,516
Accrued expenses and prepaid income	76,421	68,664
Total current liabilities	88,851	82,251
Total liabilities	91,631	82,251
TOTAL EQUITY AND LIABILITIES	109,963	104,165

GROUP FINANCIAL STATEMENT

Changes in Equity

Amount in KSEK	Jan-Dec 2025	Jan-Dec 2024
Opening balance	21,914	30,271
Dividend	-25,258	-25,258
Change of warrants	-737	-1,581
Foreign currency translation differences	-41	1
Net income	22,455	18,481
Closing balance	18,333	21,914

GROUP FINANCIAL STATEMENT

Cash Flow

Amount in KSEK	Jan-Dec 2025	Jan-Dec 2024	Oct-Dec 2025	Oct-Dec 2024
<i>Operating activities</i>				
Operating profit	28,223	22,913	7,399	3,267
Adjustments for non-cash items	10,158	8,770	3,054	2,211
Interest received	486	554	129	170
Interest paid	-105	-20	-105	0
Income tax paid	-5,631	-13,675	507	-1,789
Cash flow from operating activities before changes in working capital	33,131	18,542	10,985	3,859
<i>Changes in working capital</i>				
Changes in current receivables	-3,979	9,116	-7,618	-4,217
Changes in current liabilities	6,053	3,072	18,527	21,191
Total change in working capital	2,075	12,188	10,908	16,974
Cash flow from operating activities	35,205	30,730	21,893	20,833
<i>Investing activities</i>				
Investments in intangible assets	-17,057	-8,612	-4,873	-3,163
Investments in tangible assets	-2,564	-817	-179	-103
Acquisition of financial assets	0	-5	0	0
Disposal of financial assets	358	371	5	0
Cash flow from investing activities	-19,263	-9,063	-5,047	-3,266
<i>Financing activities</i>				
Change of warrants	-737	-1,581	-32	0
Amortization of leasing debt	-343	0	-343	0
Dividend paid to the parent company's shareholders	-25,258	-25,258	0	0
Cash flow from financing activities	-26,338	-26,839	-376	0
CASH FLOW FOR THE PERIOD	-10,396	-5,172	16,470	17,567
Cash and cash equivalents at the beginning of the period	47,434	52,606	20,512	29,868
Exchange rate differences in cash and cash equivalents	-73	0	-18	0
Cash and cash equivalents at the end of the period	36,965	47,434	36,965	47,434

GROUP FINANCIAL STATEMENT

KPI summary

Amount in KSEK	Jan-Dec 2025	Jan-Dec 2024	Oct-Dec 2025	Oct-Dec 2024
Net sales	152,031	144,769	40,378	36,446
Net sales growth (%)	5.0%	-0.3%	10.8%	0.5%
Subscription revenue (%) of total net sales	95.0%	95.2%	93.0%	95.7%
Annual recurring revenue (ARR) end of period	153,009	141,882	153,009	141,882
ARR change during the period	11,127	1,468	5,291	3,526
ARR growth during the period (%)	7.8%	1.0%	3.6%	2.5%
EBITDA	38,603	31,793	10,379	5,501
EBITDA margin (%)	25.4%	22.0%	25.7%	15.1%
EBIT	28,223	22,913	7,399	3,267
EBIT margin (%)	18.6%	15.9%	18.3%	9.0%
Net income	22,455	18,481	5,762	2,636
Operating cash flow	35,205	30,730	21,893	20,833
Net Cash	36,965	47,434	36,965	47,434

PARENT COMPANY FINANCIAL STATEMENT

Income Statement

Amount in KSEK	Jan-Dec 2025	Jan-Dec 2024	Oct-Dec 2025	Oct-Dec 2024
<i>Operating income</i>				
Net sales	2,880	2,765	720	720
Total operating income	2,880	2,765	720	720
<i>Operating expenses</i>				
Other external expenses	-2,594	-1,583	-913	-395
Personnel costs	-2,876	-3,674	-640	-1,001
Total operating expenses	-5,470	-5,257	-1,553	-1,397
Operating profit (EBIT)	-2,590	-2,492	-833	-677
<i>Financial items</i>				
Profit from participations in group companies	13,000	16,900	13,000	16,900
Financial income	7	13	11	3
Total financial items	13,007	16,913	13,011	16,903
Profit after financial items	10,417	14,421	12,177	16,226
Received group contributions	2,584	2,481	2,584	2,481
Profit before tax	13,001	16,902	14,761	18,707
Income Tax	0	0	-363	-372
Net income	13,001	16,902	14,398	18,335

PARENT COMPANY FINANCIAL STATEMENT

Balance Sheet

Amount in KSEK	31 December 2025	31 December 2024
ASSETS		
<i>Financial assets</i>		
Shares in group companies	29,232	29,232
Other long-term receivables	0	358
Total non current assets	29,232	29,590
<i>Current assets</i>		
Current tax claim	36	17
Other current receivables	8	104
Prepaid expenses and accrued income	88	137
Cash and cash equivalents	1,171	480
Total current assets	1,303	738
TOTAL ASSETS	30,535	30,329
EQUITY AND LIABILITIES		
Equity	15,183	28,176
<i>Current liabilities</i>		
Accounts payable	230	251
Liabilities to group companies	14,561	1,345
Other current liabilities	160	296
Accrued expenses and prepaid income	402	261
Total current liabilities	15,352	2,153
TOTAL EQUITY AND LIABILITIES	30,535	30,329

PARENT COMPANY FINANCIAL STATEMENT

Change of Equity

Amount in KSEK	Jan-Dec 2025	Jan-Dec 2024
Opening balance	28,176	38,112
Dividend	-25,258	-25,258
Change of warrants	-737	-1,581
Net income	13,001	16,902
Closing balance	15,183	28,176

PARENT COMPANY FINANCIAL STATEMENT

Cash Flow

Amount in KSEK	Jan-Dec 2025	Jan-Dec 2024	Oct-Dec 2025	Oct-Dec 2024
<i>Operating activities</i>				
Operating profit	-2,590	-2,492	-833	-677
<i>Adjustments for non-cash items</i>				
Interest received	7	13	11	3
Income tax paid	-19	10	-5	6
Cash flow from operating activities before changes in working capital	-2,601	-2,469	-827	-668
<i>Changes in working capital</i>				
Changes in current receivables	145	7,183	69	102
Changes in current liabilities	26,200	18,127	-1,589	-1,817
Total change in working capital	26,345	25,310	-1,520	-1,714
Cash flow from operating activities	23,744	22,841	-2,347	-2,382
<i>Investing activities</i>				
Acquisition of financial assets	0	-5	0	0
Disposal of financial assets	358	371	5	0
Cash flow from investing activities	358	366	5	0
<i>Financing activities</i>				
Change of warrants	-737	-1,581	-32	0
Received group contributions	2,584	2,481	2,584	2,481
Dividend	-25,258	-25,258	0	0
Cash flow from financing activities	-23,411	-24,357	2,552	2,481
CASH FLOW FOR THE PERIOD	691	-1,150	209	99
Cash and cash equivalents at the beginning of the period	480	1,630	962	381
Exchange rate differences in cash and cash equivalents	0	0	0	0
Cash and cash equivalents at the end of the period	1,171	480	1,171	480

Definitions

Annual recurring revenue (ARR)

Annual recurring revenue is the sum of the annual value of all customer contracts at the end of the period. New contracts are included from the start date on the contract. Cancelled agreements are included until the end date of the contract.

Subscription revenue (%) of total net sales

Recurring revenue (revenue from subscriptions) as a percentage of net sales.

EBIT

Earnings before interest and tax.

EBIT margin

EBIT as a percentage of net sales.

EBITDA

Earnings before interest, taxes, depreciation and amortisation.

EBITDA margin

EBITDA as a percentage of net sales.

Net cash

Cash and bank balances minus interest bearing liabilities.

Operating cash flow

Cash flow from operating activities.

Earnings per share

Net income divided by average number of shares in the period.

Earnings per share after dilution

Net income divided by average number of shares in the period after potential dilution.

