

Interim report

Upsales Technology AB (publ)

July - September 2026

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

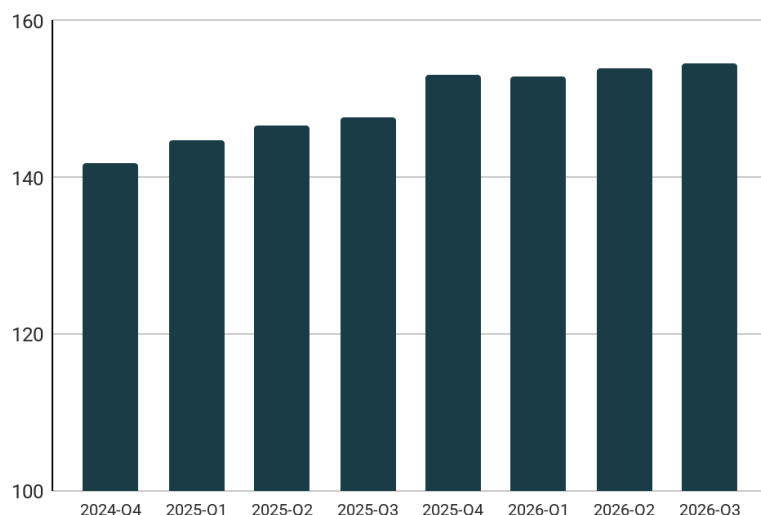
- Net sales increased by 10.9% to MSEK 42.3 (38.2)
- EBITDA increased to MSEK 19.5 (13.4)
- EBITDA margin increased to 46.1% (35.1%)
- Annual recurring revenue (ARR) at the end of the quarter was MSEK 154.6, an increase of 4.7% during the last 12 months. ARR increased by MSEK 0.6 during the quarter
- Operating profit (EBIT) increased to MSEK 16.4 (10.9)
- Net income increased to MSEK 13.1 (8.8)
- Cash flow from operating activities increased to MSEK 4.9 (2.1)

January - September 2026

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

- Net sales increased by 11.5% to MSEK 124.5 (111.7)
- EBITDA increased to MSEK 37.5 (28.2)
- EBITDA margin increased to 30.2% (25.3%)
- Operating profit (EBIT) increased to MSEK 27.9 (20.8)
- Net income increased to MSEK 21.4 (16.7)
- Cash flow from operating activities increased to MSEK 23.7 (13.3)

Annual recurring revenue (ARR) MSEK



The chart displays the value of annual recurring subscription revenues at the end of each quarter.

154.6 MSEK

Annual recurring revenue (ARR)

4.7%

ARR growth TTM

29.1%

EBITDA margin TTM

CEO LETTER

Solid earnings and building a foundation for future growth

This is my first CEO letter from Upsales and I want to share some of my impressions from my first quarter being in charge, as well as commenting on the financial results and priorities going forward.

I have spent the first months collecting feedback from customers and prospects, getting to know the product better and assessing the team and the company culture. I have also had the opportunity to touch base with most of our larger investors and all of our major partners. The third quarter is slow due to vacations both internally and at our customers and therefore it has been relatively easy finding the time to interact with the relevant parties.



My general impression is that Upsales has built a team with a lot of autonomy and the organization is well functional for all operational matters. I also want to take the opportunity to thank my predecessor Daniel for his availability and his continued engagement on the board of the company.

The financial results for Q3 2026 are very strong, with an organic revenue growth of 11% year over year and net sales of 42.3 (38.2) MSEK. ARR-growth was 5% year over year. Strong cost control and the Lex ASEA distribution of the subsidiary AIRA in Q2 has created a solid earnings foundation, and we did execute on this with an EBITDA of 19.5 MSEK and a margin of 46%, the highest margin ever in a quarter. EBIT is also high at 16.4 MSEK, a margin of 39%. Going forward my view is that EBITDAC is the most relevant profitability metric for us, so expect us to switch to that as primary earnings metric for 2027. Earnings in the quarter include a non-recurring income from one of our partnerships that improved revenue and cash flow with 1.6 MSEK. We do feel that the business climate is slowly improving but the market is still hesitant, so it is the strong cost discipline in a scalable saas-business model that created the financial improvements.

Margins in Q3 are higher than what should be expected for other quarters, since the vacation period brings down personnel cost compared to other periods. Still, it is very satisfying that the strong discipline on the cost side along with a return to growth is showing up as strong margins and cash flow.

Our long term ambition is to increase ARR-growth, but at the same time Q3 is the slowest business quarter of the year so this is not the quarter where we expected a lot of growth. My view on the limited ARR-growth over the last few years is that it is caused by several factors - a slow business environment in our key segments leading to many "no decisions" and cost saving initiatives, some lack of execution and focus in sales and marketing, and a strong competition. At Upsales we have relied on organic growth and on direct sales as our only sales channel, which is good for margins but of course limits growth.

Over the last year there have been a lot of theories circulating about what AI will do for businesses like ours. My personal view is that AI has not slowed our growth - rather the opposite - our AI powered functionality is a reason for why we win new business and our internal usage of AI is one of the keys to our cost control.

The company is obviously in a very strong position financially, debt free with a high level of recurring and predictable revenue and solid cost discipline. What I really want to do with the team is to build a strong foundation for future growth. We intend to do that in three dimensions.

First, we already have a very competitive offering for our main market - medium and large sized business based in the nordics - and we are doubling down on this. Our Q4 product release is targeted at our core users where we have had one singular focus - make sales work more efficient. The user interface gives the user four times faster load times, and makes the software easier to use, with the functionality right on your fingertips without deep menu systems, pre-loaded with data for customer analysis augmented with AI. Over time an obsession with customer success is what gives us a stable foundation.

Second, In re-engineering our platform we have created the ability for customers to create their own experience and functionality. We use this capacity ourselves to pre-configure five vertical solutions based on where we have our largest customer bases. The five core verticals are Tech/Saas, Industrial Manufacturing, Financial Services, Business Services and Wholesale / Logistics. Having our sales efforts focused around verticals means we can create demo environments and configure the software to both make it easier for us to communicate to the market, and for the customer to understand and thereby shortening the time for onboarding and shortening time to value. These vertical solutions will be released in Q4 and rolled out during 2027.

Third, sales metrics show a strong LTV/CAC-ratio, indicating an opportunity to increase growth by investing in organic sales. As always these metrics do not prove the linear scalability of future investments and my prior experience is that you need to be patient - investments in a mature sales organization can often take 12 to 18 months to recoup. The first prerequisite is to not lower hiring standards and making sure lead generation capacity also grows. We are taking on some additional headcount but in a very focused way, by adding some capacity in direct sales and in marketing, with the ambition to grow ARR in 2027 the old fashioned way - with quality execution in sales and marketing.

In addition to this we are exploring several other growth vectors, including geographic expansion, partner driven sales and selective M&A. This is in a very early stage, and we cannot do everything at once so we will make sure to get the basics right first. Building long term quality growth is not a quick fix, but fortunately with the quality of our earnings time is on our side.

In terms of guiding for the future, we intend to publish new long term financial goals when we release the year-end report for FY 2026. We are very proud to deliver what clearly is the best software tool for the sales professional, and to deliver in a financially disciplined way. I invite everybody that takes sales seriously to try out Upsales!

//Johan

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. Following the distribution of Aira to shareholders on 22 May 2026, the group's results for January - September 2026 include Aira up to and including 21 May 2026. The results for July - September 2026 do not include Aira. Prior period comparatives include Aira for the full periods presented.

July - September 2026

(compared to the same period last year)

Net sales

The Upsales group's net sales during the period amounted to MSEK 42.3 (38.2), which corresponds to a 10.9% increase compared to the same period last year.

Profit

- EBITDA during the period increased to MSEK 19.5 (13.4)
- EBIT during the period increased to MSEK 16.4 (10.9)
- Profit before tax increased to MSEK 16.5 (10.9) and net income increased to MSEK 13.1 (8.8)

Cash flow and investments

Cash flow from operating activities during the period increased to MSEK 4.9 (2.1). Investments in tangible assets during the period amounted to MSEK 0.0 (1.1). Investments in intangible assets amounted to MSEK 1.0 (4.6). Investments in intangible assets consist of capitalised development costs.

Depreciation of tangible and intangible assets during the period amounted to MSEK 3.1 (2.5).

January - September 2026

(compared to the same period last year)

Net sales

The Upsales group's net sales during the period amounted to MSEK 124.5 (111.7), which corresponds to an 11.5% increase compared to the same period last year.

Profit

- EBITDA during the period increased to MSEK 37.5 (28.2)
- EBIT during the period increased to MSEK 27.9 (20.8)
- Profit before tax increased to MSEK 28.2 (21.2) and net income increased to MSEK 21.4 (16.7)

Cash flow and investments

Cash flow from operating activities during the period increased to MSEK 23.7 (13.3). Investments in tangible assets during the period amounted to MSEK 0.0 (2.4). Investments in intangible assets amounted to MSEK 7.0 (12.2). Investments in intangible assets consist of capitalised development costs.

Depreciation of tangible and intangible assets during the period amounted to MSEK 9.7 (7.4).

Liquidity and financial position

As of 30 September 2026, net cash amounted to MSEK 36.4 (20.5). Total equity at the end of the period amounted to MSEK 17.0 (12.6).

Employees

The number of employees in the Upsales group at the end of the period was 48 (69).

Other information

Warrant-based incentive programs

The company has four outstanding warrant-based incentive programs under which warrants can be issued and transferred to participants:

- The extraordinary general meeting on 22 September 2026 decided on a warrant-based incentive program for the Chief Executive Officer where a maximum of 348,132 warrants can be issued and transferred to the participant, implying a dilution of approximately 2.1 percent. As of the date of this report, the warrants have not yet been transferred to the Chief Executive Officer.
- The annual general meeting on 15 May 2026 decided on a warrant-based incentive program where a maximum of 250,000 warrants can be issued and transferred to participants, implying a dilution of approximately 1.5 percent.
- The annual general meeting on 8 May 2025 decided on a warrant-based incentive program where a maximum of 150,000 warrants can be issued and transferred to participants, implying a dilution of approximately 0.9 percent.
- The annual general meeting on 25 April 2024 decided on a warrant-based incentive program where a maximum of 150,000 warrants can be issued and transferred to participants, implying a dilution of approximately 0.9 percent.

None of the outstanding warrants had a dilutive effect on earnings per share for the period, as the subscription prices exceed the average share price during the period.

The share

Upsales group's shares have been 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.

Disclosure of report

This report was submitted for publication on 20 October 2026 at 08:30.

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

Financial calendar

Year-end report 2026:
17 February 2027

Interim report Q1 2027:
21 April 2027

Annual report 2026:
28 April 2027

Annual general meeting 2026:
13 May 2027

Interim report Q2 2027:
21 July 2027

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Significant events during the quarter

On 31 July 2026, Johan Kallblad took office as Chief Executive Officer of Upsales, succeeding founder Daniel Wikberg, who continues as a member of the Board of Directors.

The extraordinary general meeting that had been convened for 7 August 2026 was cancelled, and an extraordinary general meeting was instead held on 22 September 2026. The meeting resolved to authorise the Board of Directors to resolve on the repurchase and transfer of own shares. The meeting also resolved on a warrant program for the Chief Executive Officer, corresponding in all material respects to the program resolved by the annual general meeting on 15 May 2026, comprising a maximum of 348,132 warrants of series 2026/2029:2. Each warrant entitles the holder to subscribe for one new share at a subscription price corresponding to 200 percent of the volume-weighted average price of the share during the period 10 to 24 September 2026. The issue of the warrants was registered with the Swedish Companies Registration Office on 23 September 2026.

Significant events after the quarter

On 7 October 2026, the Board of Directors resolved to extend the deadlines in the warrant program for the Chief Executive Officer, as the Chief Executive Officer is subject to a closed period until the publication of this report. The warrants are to be transferred at market value no later than 26 October 2026.

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	Jul-Sep 2026	Jul-Sep 2025	Jan-Sep 2026	Jan-Sep 2025	Jan-Dec 2025
Operating income					
Net sales	42,308	38,161	124,516	111,652	152,031
Capitalised development costs	963	2,547	7,023	8,202	17,057
Other operating income	67	59	181	297	303
Total operating income	43,339	40,766	131,720	120,152	169,390
Operating expenses					
Other external expenses	-10,845	-12,818	-45,579	-40,304	-60,679
Personnel costs	-12,911	-14,520	-48,412	-51,443	-69,847
Depreciation, amortisation and impairment of tangible and intangible assets	-3,102	-2,518	-9,659	-7,399	-10,380
Other operating expenses	-93	-21	-180	-181	-262
Total operating expenses	-26,951	-29,877	-103,830	-99,328	-141,167
Operating profit (EBIT)	16,388	10,889	27,890	20,824	28,223
Financial items					
Financial income	142	37	430	356	486
Financial expenses	-48	0	-153	0	-105
Total financial items	93	37	277	356	381
Profit before tax	16,481	10,926	28,166	21,181	28,604
Income tax	-3,424	-2,155	-6,753	-4,488	-6,149
Net income	13,057	8,772	21,413	16,692	22,455
Earnings per share, SEK	0.78	0.52	1.27	0.99	1.33
Earnings per share after dilution, SEK	0.78	0.52	1.27	0.99	1.33
Average number of shares	16,838,375	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	16,838,375

Rounding differences may affect the summations.

GROUP FINANCIAL STATEMENT

Balance Sheet

Amount in KSEK	30 September 2026	30 September 2025	31 December 2025
ASSETS			
Non-current assets			
Capitalised development costs	24,826	29,381	32,244
Tangible assets	5,182	6,186	9,068
Deferred tax assets	716	363	0
Other long-term receivables	0	5	0
Total non-current assets	30,723	35,935	41,312
Current assets			
Accounts receivable	14,873	14,830	21,888
Current tax claim	0	3,555	1,749
Other current receivables	259	71	8
Prepaid expenses and accrued income	6,415	7,475	8,041
Cash and cash equivalents	36,371	20,512	36,965
Total current assets	57,918	46,443	68,652
TOTAL ASSETS	88,642	82,378	109,963
EQUITY AND LIABILITIES			
Equity			
Equity	16,967	12,602	18,333
Total equity	16,967	12,602	18,333
Long-term liabilities			
Long-term lease liabilities	1,332	0	2,780
Total long-term liabilities	1,332	0	2,780
Current liabilities			
Accounts payable	3,292	4,055	5,394
Income tax liabilities	1,263	0	0
Other current liabilities	4,444	3,715	7,035
Accrued expenses and prepaid income	61,345	62,005	76,421
Total current liabilities	70,343	69,775	88,851
Total liabilities	71,675	69,775	91,631
TOTAL EQUITY AND LIABILITIES	88,642	82,378	109,963

Rounding differences may affect the summations.

GROUP FINANCIAL STATEMENT

Changes in Equity

Amount in KSEK	Jan-Sep 2026	Jan-Sep 2025	Jan-Dec 2025
Opening balance	18,333	21,914	21,914
Dividend	-23,144	-25,258	-25,258
Issued shares	-	-	-
Change of warrants	365	-705	-737
Foreign currency translation differences	-	-42	-41
Net income	21,413	16,692	22,455
Closing balance	16,967	12,602	18,333

Rounding differences may affect the summations.

GROUP FINANCIAL STATEMENT

Cash Flow

Amount in KSEK	Jul-Sep 2026	Jul-Sep 2025	Jan-Sep 2026	Jan-Sep 2025	Jan-Dec 2025
Operating activities					
Operating profit	16,388	10,889	27,890	20,824	28,223
Adjustments for non-cash items	3,156	2,540	9,672	7,104	10,158
Interest received	61	37	350	356	486
Interest paid	-48	0	-153	0	-105
Income tax paid	-2,151	-2,230	-4,458	-6,139	-5,631
Cash flow from operating activities before changes in working capital	17,406	11,236	33,300	22,146	33,131
Changes in working capital					
Changes in current receivables	-2,813	2,248	7,481	3,640	-3,979
Changes in current liabilities	-9,655	-11,337	-17,101	-12,473	6,053
Total change in working capital	-12,468	-9,089	-9,619	-8,834	2,075
Cash flow from operating activities	4,938	2,147	23,681	13,312	35,205
Investing activities					
Investments in intangible assets	-963	-4,628	-7,023	-12,184	-17,057
Investments in tangible assets	0	-1,086	-47	-2,385	-2,564
Acquisition of shares in group companies	0	0	-13	0	0
Disposal of financial assets	0	0	0	354	358
Cash flow from investing activities	-963	-5,714	-7,083	-14,216	-19,263
Financing activities					
Change of warrants	0	32	365	-705	-737
Amortisation of leasing debt	-138	0	-408	0	-343
Dividend paid to the parent company's shareholders	0	0	-17,229	-25,258	-25,258
Cash flow from financing activities	-138	32	-17,272	-25,962	-26,338
CASH FLOW FOR THE PERIOD	3,837	-3,535	-674	-26,866	-10,396
Cash and cash equivalents at the beginning of the period	32,496	24,069	36,965	47,434	47,434
Exchange rate differences in cash and cash equivalents	39	-22	80	-56	-73
Cash and cash equivalents at the end of the period	36,371	20,512	36,371	20,512	36,965

Rounding differences may affect the summations.

GROUP FINANCIAL STATEMENT

KPI summary

Amount in KSEK	Jul-Sep 2026	Jul-Sep 2025	Jan-Dec 2025
Net sales	42,308	38,161	152,031
Net sales growth (%)	10.9%	7.0%	5.0%
Subscription revenue (%) of total net sales	92.4%	95.9%	95.0%
Annual recurring revenue (ARR) end of period	154,593	147,718	153,009
ARR change during the period	578	1,047	11,127
ARR growth during the period (%)	0.4%	0.7%	7.8%
EBITDA	19,489	13,407	38,603
EBITDA margin (%)	46.1%	35.1%	25.4%
EBIT	16,388	10,889	28,223
EBIT margin (%)	38.7%	28.5%	18.6%
Net income	13,057	8,772	22,455
Operating cash flow	4,938	2,147	35,205
Net cash	36,371	20,512	36,965

Rounding differences may affect the summations.

PARENT COMPANY FINANCIAL STATEMENT

Income Statement

Amount in KSEK	Jul-Sep 2026	Jul-Sep 2025	Jan-Sep 2026	Jan-Sep 2025	Jan-Dec 2025
Operating income					
Net sales	1,510	720	4,150	2,160	2,880
Other operating income	0	0	0	0	0
Total operating income	1,510	720	4,150	2,160	2,880
Operating expenses					
Other external expenses	-1,002	-601	-3,639	-1,680	-2,594
Personnel costs	-1,364	-512	-3,659	-2,237	-2,876
Other operating expenses	0	0	0	0	0
Total operating expenses	-2,365	-1,113	-7,298	-3,917	-5,470
Operating profit (EBIT)	-855	-393	-3,148	-1,757	-2,590
Financial items					
Profit from participations in group companies	0	0	0	0	13,000
Financial income	0	0	1	1	7
Financial expenses	-165	0	-328	-4	0
Total financial items	-165	0	-328	-3	13,007
Profit after financial items	-1,020	-392	-3,476	-1,760	10,417
Received group contributions	0	0	0	0	2,584
Profit before tax	-1,020	-392	-3,476	-1,760	13,001
Income tax	210	81	716	363	0
Net income	-810	-311	-2,760	-1,397	13,001

Rounding differences may affect the summations.

PARENT COMPANY FINANCIAL STATEMENT

Balance Sheet

Amount in KSEK	30 September 2026	30 September 2025	31 December 2025
ASSETS			
Non-current assets			
Shares in group companies	129,232	29,232	29,232
Deferred tax assets	716	363	0
Other long-term receivables	0	5	0
Total non-current assets	129,948	29,600	29,232
Current assets			
Current tax claim	36	31	36
Other current receivables	84	0	8
Prepaid expenses and accrued income	176	165	88
Cash and cash equivalents	480	962	1,171
Total current assets	776	1,158	1,303
TOTAL ASSETS	130,724	30,758	30,535
EQUITY AND LIABILITIES			
Equity			
Equity	86,275	816	15,183
Total equity	86,275	816	15,183
Long-term liabilities			
Long-term liabilities to group companies	13,928	0	0
Total long-term liabilities	13,928	0	0
Current liabilities			
Accounts payable	198	313	230
Liabilities to group companies	29,061	29,145	14,561
Other current liabilities	933	190	160
Accrued expenses and prepaid income	328	294	402
Total current liabilities	30,521	29,941	15,352
Total liabilities	44,449	29,941	15,352
TOTAL EQUITY AND LIABILITIES	130,724	30,758	30,535

Rounding differences may affect the summations.

PARENT COMPANY FINANCIAL STATEMENT

Changes in Equity

Amount in KSEK	Jan-Sep 2026	Jan-Sep 2025	Jan-Dec 2025
Opening balance	15,183	28,176	28,176
Dividend	-26,513	-25,258	-25,258
Issued shares	-	-	-
Revaluation of shares in Upsales Nordic AB	100,000	-	-
Bonus issue	100,000	-	-
Reduction of share capital	-100,000	-	-
Change of warrants	365	-705	-737
Net income	-2,760	-1,397	13,001
Closing balance	86,275	816	15,183

Rounding differences may affect the summations.

PARENT COMPANY FINANCIAL STATEMENT

Cash Flow

Amount in KSEK	Jul-Sep 2026	Jul-Sep 2025	Jan-Sep 2026	Jan-Sep 2025	Jan-Dec 2025
Operating activities					
Operating profit	-855	-393	-3,148	-1,757	-2,590
Interest received	0	0	1	1	7
Interest paid	0	0	0	-4	0
Income tax paid	-7	-5	-1	-14	-19
Cash flow from operating activities before changes in working capital	-862	-397	-3,148	-1,774	-2,601
Changes in working capital					
Changes in current receivables	206	182	-164	76	145
Changes in current liabilities	-308	-56	15,168	27,789	26,200
Total change in working capital	-102	126	15,004	27,865	26,345
Cash flow from operating activities	-964	-271	11,856	26,091	23,744
Investing activities					
Acquisition of shares in group companies	0	0	-26,513	0	0
Disposal of financial assets	0	0	0	353	358
Cash flow from investing activities	0	0	-26,513	353	358
Financing activities					
Change of warrants	0	32	365	-705	-737
Received group contributions	0	0	0	0	2,584
Loan from group company	600	0	13,600	0	0
Dividend	0	0	0	-25,258	-25,258
Cash flow from financing activities	600	32	13,965	-25,962	-23,411
CASH FLOW FOR THE PERIOD	-364	-239	-691	482	691
Cash and cash equivalents at the beginning of the period	844	1,201	1,171	480	480
Exchange rate differences in cash and cash equivalents	0	0	0	0	0
Cash and cash equivalents at the end of the period	480	962	480	962	1,171

Rounding differences may affect the summations.

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.
ARR change during the period	ARR at the end of the period minus ARR at the end of the previous period.
ARR growth during the period (%)	ARR change during the period as a percentage of ARR at the end of the previous period.
ARR growth TTM	ARR at the end of the period compared with ARR at the end of the same period the previous year, as a percentage.
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.
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.
EBITDA margin TTM	EBITDA for the last twelve months as a percentage of net sales for the last twelve months.
Net cash	Cash and bank balances minus interest-bearing liabilities, excluding lease liabilities.
Net sales growth (%)	Net sales compared with the same period the previous year, as a percentage.
Operating cash flow	Cash flow from operating activities.
Subscription revenue (%) of total net sales	Recurring revenue (revenue from subscriptions) as a percentage of net sales.

