



Year-End Report
October - December
2022

SignUp Software AB (publ)
556570-9721



The period in summary

October – December 2022

- Annual recurring revenue (ARR) grew by SEK 8.9m, 3.7%, from the end of Q3 2022.
- At the end of Q4, ARR amounted to SEK 250.1m (192.4).
- Net sales for the period amounted to SEK 67.7m (52.6) which correspond to a growth of 28.7% compared to Q4 2021.
- EBITA amounted to SEK 3.4m (6.1), a margin of 5.0% (11.6) of net sales.
- Net Profit SEK -1.1m (2.1).
- Earnings per share SEK -0.05.
- Earnings per share after dilution SEK -0.05.

January – December 2022

- Annual recurring revenue (ARR) grew by SEK 57.7m, 30.0%, from the end of Q4 2021.
- Net sales for the period amounted to SEK 244.9m (186.5) which correspond to a growth of 31.3% compared to the same period last year.
- EBITA amounted to SEK 21.5m (32.7), a margin of 8.8% (17.5) of net sales.
- Net Profit SEK 8.7m (18.1).
- Earnings per share SEK 0.36.
- Earnings per share after dilution SEK 0.36.
- Proposed dividend of SEK 0.25 (0.0) per share.



Key Figures	2022 Oct-Dec	2022 Jul-Sep	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
ARR, end of period (SEKm)	250.1	241.2	192.4	250.1	192.4
Net sales (SEKm)	67.7	60.6	52.6	244.9	186.5
<i>Subscription revenue</i>	57.5	52.3	43.1	206.5	155.1
<i>Consulting revenue</i>	10.2	8.4	9.5	38.4	31.4
EBITDA (SEKm)	4.1	11.0	6.5	24.2	34.0
EBITDA (%)	6.0	18.1	12.3	9.9	18.2
EBITA (SEKm)	3.4	10.3	6.1	21.5	32.7
EBITA (%)	5.0	17.0	11.6	8.8	17.5
Net cash+/-debt- end of period (SEKm)	277.6*	261.3	251.6	277.6*	251.6

* Of which SEK 90m is placed in short-term fixed interest rate accounts



CEO's comments



SignUp started its journey as a listed company during Q4'21 and when we now summarize Q4'22 SignUp has grown ARR beyond SEK 250m and 30% over the last 12 months. To secure future growth we have invested in both product development and our newly formed subsidiaries. The growth in revenue during the quarter was partly a result of the large investments that we have made in the subsidiaries in North America and Benelux. During Q4 we also formed a new subsidiary in the UK which will strengthen our position in the UK and contribute to further growth.

The investments made have adversely impacted the EBITA, which was SEK 3.4m (6.1) during the quarter. However, looking back on the year we have delivered on being a "Rule of 40" company, while making necessary investments in marketing and new personnel to support continued organic growth in the years to come. We are also still actively looking for potential acquisition targets and during the year we have had advanced discussion with two potential objects, but neither fulfilled our high requirements so we will continue looking for targets that will create value for the group and our shareholders.

Finally, I am happy that we participated in two major Microsoft events during the quarter, Convergence in Orlando and Directions in Hamburg, both held for the first time in three years, giving great opportunities to meet customers and partners.

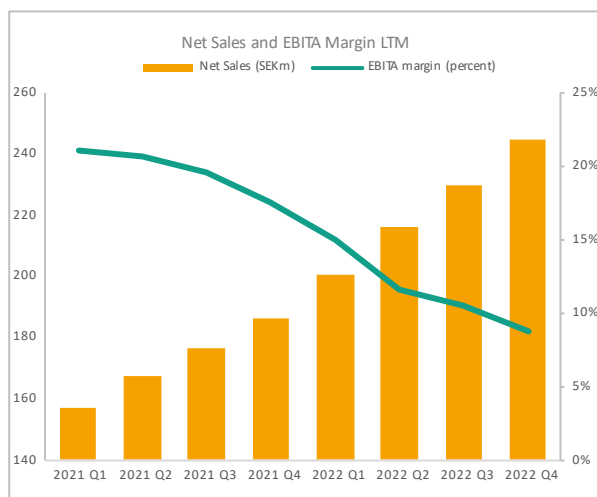
Olof Hedin, CEO

Group Development

Turnover and result

Net sales for the quarter amounted to SEK 67.7m (52.6), a 28.7 percent growth compared to the same period last year. The increased net sales derive from both new and existing customers (upsell) in all markets.

Compared to previous quarter, net sales increased with SEK 7.1m, of which SEK 5.2m derived from increased subscription revenue. The North American market was the second largest contributor to the growth.



The EBITA during the quarter was SEK 3.4m (6.1) a decrease compared the previous quarter with SEK 6.9m. The personnel cost for the quarter has increased compared to the previous quarter, which had low personnel cost due to the vacation period, but are in line with the cost level for the second quarter. During the quarter SignUp participated in two of the major Microsoft Dynamics 365 events globally, which increased the other external cost with SEK 2.7m. Otherwise, the changes in other external cost compared to the two previous quarters consists of seasonality variations.

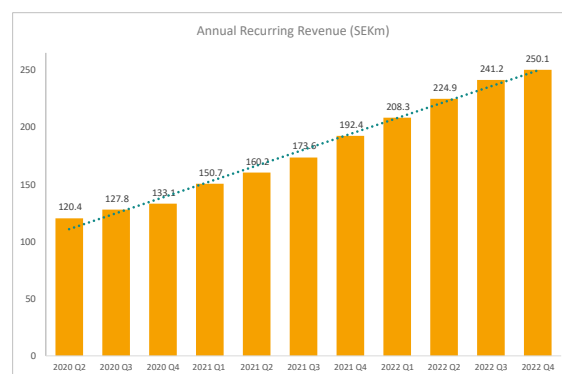
During the year, investments have been made to secure further growth which increased both the personnel cost and other external cost. The focus primarily has been to strengthened SignUp's

operations in the North American market. In turn, this has effected the EBITA margin negatively, which was 8.8 % for the full year. Focus for 2023 is to improve the EBITA margin and achieve leverage on the investment made to date.

The net change of number of employees during the fourth quarter was zero and for the year the net increase was 20.

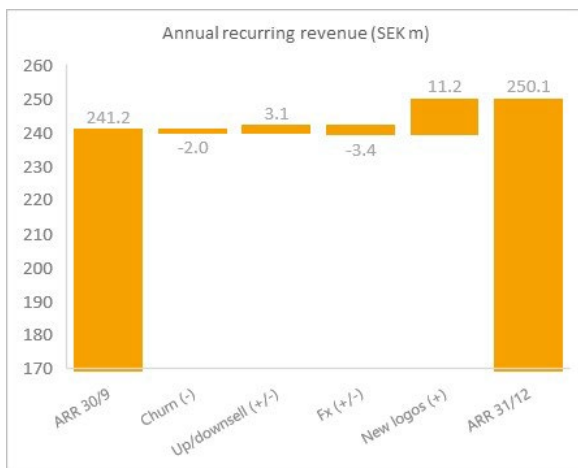
ARR at end of quarter

Annual Recurring Revenue (ARR) at the end of the fourth quarter 2022 amounted to SEK 250.1m. The growth in ARR in the last twelve months was SEK 57.7m, a growth of 30.0 percent.



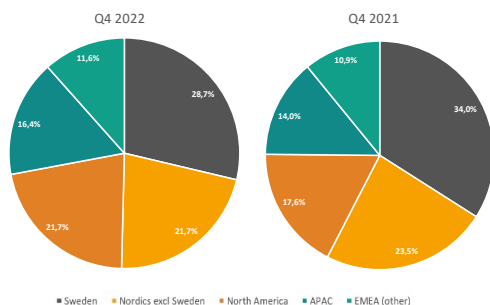
Build-up of new ARR

The total growth in ARR for Q4 2022 was SEK 8.9m primarily resulting from an inflow of new customers (SEK 11.2m). During the quarter the churn, customers cancelling their subscriptions, was 0.8%. This was primarily due to customers changing ERP system from Microsoft Dynamics 365.



Subscription Revenue by region

The subscription revenue has increased in all regions during the quarter, especially in North America and APAC. The markets outside Sweden are taking a larger share of total sales due to strong growth in these regions.



Financial Position, Cash Flow and Liquidity

At the end of the quarter SignUp had a cash position of SEK 277.6m, including SEK 90m placed in short-term fixed interest rate accounts. SignUp has no interest-bearing debt, excluding debt related to leasing obligations.

No overdraft facilities exist, and the solidity was 57 percent. Cash flow from the operations before changes in working capital and after changes in working capital was SEK 1.8m and SEK 15.6m respectively.

Employees

The average number of full-time equivalents during the fourth quarter was 110. At the end of the period the number of employees within the group was 114 which is the same as at the end of the previous quarter.

Significant events during and after the end of the period

No significant events have occurred during and after the end of the period.



Group income statement in summary

SEKt	2022 Oct-Dec	2022 Jul-Sep	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Total Revenue					
Subscription revenue	57 461	52 262	43 092	206 456	155 088
Consulting revenue	10 249	8 356	9 511	38 426	31 417
Net sales	67 710	60 618	52 603	244 881	186 505
Other operating income	508	640	1 295	2 368	2 474
	68 218	61 258	53 898	247 249	188 970
Operating expenses					
Sales costs	-17 107	-14 000	-12 703	-57 654	-47 456
Other external costs	-13 022	-9 314	-8 004	-43 731	-22 603
Personnel cost	-33 344	-26 613	-25 903	-119 863	-83 188
Depreciation/amortisation	-3 054	-3 072	-3 105	-12 461	-11 671
Other operating expenses	-656	-367	-808	-1 787	-1 719
	-67 183	-53 366	-50 523	-235 495	-166 637
Operating profit	1 035	7 893	3 375	11 755	22 342
Profit/loss from financial items	-684	2 411	139	3 627	838
Profit after financial items	351	10 303	3 514	15 382	23 180
Pre-tax profit	351	10 303	3 514	15 382	23 180
Tax on profit	-421	-2 982	-289	-6 770	-5 066
Deferred tax	-1 071	371	-1 147	41	-34
Net profit	-1 141	7 692	2 078	8 653	18 080
Attributable to owners of the parent	-1 067	7 538	1 954	8 160	17 638
Attribute to non-controlling interests	-74	154	124	493	442
Earnings per share prior dilution (SEK)*	-0.05	0.33	0.35	0.36	1.53
Earnings per share after dilution (SEK)*	-0,05	0.33	0.35	0.36	1.53

*The average number of outstanding shares has increased from 2 000 to 22 515 625 during Jun-Dec 2021 and from 22 515 625 to 22 715 625 during 2022 making the earnings per share decrease as number of shares increase.



Group balance sheet in summary

SEKt	2022 31-Dec	2021 31-Dec
ASSETS		
Fixed assets		
<i>Intangible fixed assets</i>		
Franchise, patents, licenses, trademarks, and other similar rights	730	1 920
Software assets ExFlow	14 605	22 219
Goodwill	6 820	7 783
	22 156	31 922
<i>Tangible fixed assets</i>		
Equipment, tools, and installations	7 068	7 952
	7 068	7 952
<i>Financial fixed assets</i>		
Participations in associated companies and jointly controlled companies	4 000	4 000
Other long-term receivables	2 333	1 923
	6 333	5 923
Total fixed assets	35 556	45 797
Current assets		
<i>Current receivables</i>		
Accounts receivables	37 704	34 844
Current tax receivables	0	0
Other receivables	1 869	3 692
Prepaid expenses and accrued income	14 435	6 101
	54 008	44 637
Short-term Investments		
Other short-term investments	90 000	0
Cash on hand and in bank	187 576	251 623
Total current assets	331 584	296 260
TOTAL ASSETS	367 140	342 057



Group balance sheet in summary, cont.

SEKt	2022 31-Dec	2021 31-Dec
EQUITY AND LIABILITIES		
Equity		
<i>Equity attributable to owners of the parent</i>		
Share capital	568	563
Other capital contributions	195 944	187 016
Reserves	1 759	1 759
Other equity incl. this year's profit	12 173	19 943
	210 444	209 281
<i>Equity attributable to non-controlling interests</i>		
Equity attributable to non-controlling interests	260	0
Total equity	210 704	209 281
<i>Provisions</i>		
Provisions for deferred tax	7 384	7 425
	7 384	7 425
<i>Long-term liabilities</i>		
Other liabilities	154	215
	154	215
<i>Current liabilities</i>		
Accounts payable	6 330	14 318
Current tax liabilities	2 460	959
Other liabilities	6 178	5 314
Accrued expenses and deferred income	133 930	104 545
	148 898	125 136
TOTAL EQUITY AND LIABILITIES	367 140	342 057



Changes in Equity

SEKt	Share capital	Other contributed equity	Reserves	Retained earnings incl. profit for the period	Minority	Total
Consolidated						
Opening balance 2021-01-01	200	0	2 059	11 525	386	14 170
New share issue	63	187 016				187 079
Dividends				-10 000		-10 000
Conditional increase of share capital	300		-300			0
Changes in group structure				386	-386	0
Translation difference				-48	0	-48
Profit/loss for the year				18 080		18 080
Closing balance 2021-12-31	563	187 016	1 759	19 943	0	209 281
Opening balance 2022-01-01	563	187 016	1 759	19 943	0	209 281
New share issue	5	8 928				8 933
Changes in group structure				-14 833	-184	-15 017
Translation difference				-1 163	17	-1 146
Profit/loss for the year				8 208	444	8 653
Closing Balance 2022-12-31	568	195 944	1 759	12 156	277	210 704



Group cash flow analysis

SEKt	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
<i>Current activities</i>				
Profit after financial items	351	3 514	15 382	23 180
Adjustments for items not included in the cash flow	3 048	3 105	12 454	11 671
Tax paid	-1 596	-1 182	-6 389	-7 070
Cash flow from operating activities before change in working capital	1 803	5 437	21 447	27 781
<i>Cash flow from change in working capital</i>				
Change in accounts receivable	-4 719	-8 633	-2 859	-11 029
Change in current receivables	-6 721	-2 620	-6 545	-5 171
Change in accounts payable	-356	8 794	-7 988	10 108
Change in current liabilities	25 561	19 897	31 312	24 834
Cash flow from operating activities	15 568	22 875	35 367	46 523
Cash flow from investment activities	-90 261	-6 571	-107 292	-11 640
Cash flow from financing activities	-25	187 079	8 872	177 024
Cash flow	-74 718	203 383	-63 053	211 907
Liquid assets, opening balance	261 255	48 240	251 623	39 716
Translation differences	1 040	0	-993	0
Liquid assets, closing balance	187 576	251 623	187 576	251 623



Parent company income statement

SEKt	2022 Oct-Dec	2022 Jul-Sep	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Net sales	51 879	45 972	43 005	190 464	156 799
Other operating income	453	542	1 171	1 986	2 118
	52 332	46 514	44 175	192 450	158 916
<i>Operating expenses</i>					
Sales costs	-14 592	-11 664	-10 425	-48 518	-40 125
Other external costs	-11 696	-7 474	-5 974	-36 465	-19 645
Personnel cost	-21 761	-16 922	-19 619	-79 654	-66 786
Depreciation/amortisation	-2 742	-2 778	-2 645	-11 292	-10 584
Other operating expenses	-456	-209	-692	-1 056	-1 336
	-51 247	-39 048	-39 356	-176 986	-138 476
Operating profit	1 085	7 465	4 819	15 464	20 439
<i>Profit/loss from financial items</i>	-675	2 651	276	4 267	1 013
Profit after financial items	410	10 117	5 095	19 731	21 452
Appropriations	-7 000	0	-7 365	-7 000	-7 365
Pre-tax profit	-6 590	10 117	-2 270	12 731	14 087
Tax on profit	-291	-2 006	-1 130	-4 394	-4 552
Deferred tax	371	371	1 483	1 483	1 483
Net profit	-6 510	8 481	-1 917	9 820	11 018



Parent company balance sheet

SEKt	2022 31-Dec	2021 31-Dec
ASSETS		
Fixed assets		
<i>Intangible fixed assets</i>		
Franchise, patents, licenses, trademarks and other similar rights	730	1 920
Software assets ExFlow	14 605	22 219
	15 335	24 139
<i>Tangible fixed assets</i>		
Equipment, tools and installations	6 195	7 528
	6 195	7 528
<i>Financial fixed assets</i>		
Participations in group companies	24 969	9 968
Receivables from group companies	20 757	5 860
Participations in associated companies and jointly controlled companies	4 000	4 000
Other long-term receivables	1 127	1 116
	50 854	20 944
Total fixed assets	72 384	52 611
Current assets		
<i>Current receivables</i>		
Accounts receivables	20 555	23 421
Receivables from group companies	2 378	1 335
Current tax receivables	130	0
Other receivables	1 443	3 608
Deferred expenses and accrued income	11 026	5 032
	35 532	33 396
Short-term investments		
Other short-term investments	90 000	0
Cash on hand and in bank	153 453	233 540
Total current assets	278 984	266 936
TOTAL ASSETS	351 368	319 547



Parent company balance sheet cont.

SEKt	2022 31-Dec	2021 31-Dec
EQUITY AND LIABILITIES		
Equity		
<i>Restricted reserves</i>		
Share capital	568	563
Statutory reserve	2 040	2 040
	2 608	2 603
<i>Non-restricted equity</i>		
Shares premium fund	195 944	187 016
Retained earnings or losses	21 098	11 278
	217 042	198 294
Total Equity	219 650	200 897
Untaxed reserves	21 445	14 445
<i>Provisions</i>		
Provisions for deferred tax	2 967	4 450
	2 967	4 450
<i>Current liabilities</i>		
Accounts payable	5 883	13 327
Liabilities to group companies	169	39
Current tax liabilities	0	942
Other liabilities	2 993	2 867
Accrued expenses and deferred income	98 262	82 580
	107 306	99 755
TOTAL EQUITY AND LIABILITIES	351 368	319 547



Notes

Accounting and valuation principles

The interim report is prepared in accordance with the Swedish Annual Accounts Act and BFNAR 2012:1 Annual Reporting and consolidated reports (K3). The accounting principles remain unchanged as compared to the previous year.

Number of shares

The number of shares December 31, 2022, was 22 715 625 (22 515 625). Average number of shares during Q4 2022 was 22 715 625 (20 936 820) and average number of shares full year 2022 was 22 594 529 (11 524 673).

Earnings per share

The calculation of earnings per share has been made by dividing the net result attributable to owners of the parent divided with the number of outstanding shares at the end of the period.

Earnings per share after dilution

The calculation of earnings per share has been made by dividing the net result attributable to owners of the parent divided with the sum of the number of outstanding shares at the end of the period and potentially newly issued shares as a result from outstanding warranty programs as described in the latest annual report.

Risks and uncertainty factors

The risk and uncertainty factors for the group and the parent company, including business and financial risks, are described in the annual report for the last financial year. There have not been any changes in the risk and uncertainty factors for the group and the parent company since the publication of the last annual report.

Definitions

Annual Recurring Revenue (ARR)

Total value of contracted annual recurring fees at a given time

EBITDA

Earnings Before Interest, Tax, Depreciation and Amortization

EBITDA % or EBITDA margin

EBITDA expressed as a percentage of Net Sales

EBITA

Earnings Before Interest, Tax and Amortization

EBITA % or EBITA margin

EBITDA expressed as a percentage of Net Sales



About

SignUp

SignUp is a profitable growing software company offering an end-to-end solution, ExFlow, for electronic accounts payable (AP) and invoice process automation, built into Microsoft Dynamics ERP. The company has established itself as a global player with several large companies as clients and several partnerships with resellers of Microsoft's ERP. SignUp was founded in 1999 and is a global company with approximately 115 employees, headquarter in Stockholm and with additional subsidiaries in Denmark, Australia, the Netherlands, USA, Singapore, and UK

Legal structure

SignUp Software AB (publ) with corporate identity number 556570-9721 is the parent company within the group.

The Parent Company is incorporated in Sweden. Since the 24 November 2021, the company is listed on Nasdaq First North Growth Market.



Other information

Financial Calendar

Annual Report 2022

March 16, 2023

Annual General Meeting 2023

April 19, 2023

Interim Report Q1 2023

April 27, 2023

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The CEO's assurance

The CEO hereby confirm that the interim report gives a true and fair view of the development of the company's activity, position and result and describes materiality and risk and factors of uncertainty that the company

Solna 16 February 2023

Olof Hedin

CEO

Auditing

The interim report has not been reviewed by auditor.

After publication, the report is available on the company's website:

<https://ir.signupsoftware.com/reports-and-presentations/>



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