

# Year-end report

January - December 2024

## October - December 2024

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

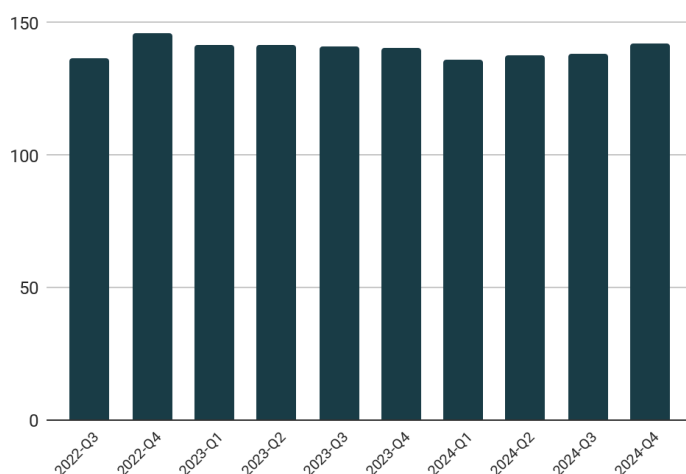
- Net sales increased by 0.5% to MSEK 36.4 (36.3)
- Annual recurring revenue (ARR) at the end of the quarter was MSEK 141.9, an increase of 1% during the last 12 months
- ARR increased by MSEK 3.5 during the quarter
- EBITDA amounted to MSEK 5.5 (9.2)
- EBITDA margin was 15.1% (25.3%)
- Operating profit (EBIT) amounted to MSEK 3.3 (7.1)
- Net income amounted to MSEK 2.6 (5.8)
- Cash flow from operating activities amounted to MSEK 20.8 (9.8)

## January - December 2024

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

- Net sales decreased by 0.3% to MSEK 144.8 (145.2)
- EBITDA amounted to MSEK 31.9 (42.6)
- EBITDA margin was 22.0% (29.4%)
- Operating profit (EBIT) amounted to MSEK 23.0 (34.4)
- Net income amounted to MSEK 18.5 (27.6)
- Cash flow from operating activities amounted to MSEK 30.7 (32.4)

## Annual recurring revenue (ARR)



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

# 95.2 %

Recurring revenue (TTM)

# 22.0 %

EBITDA-margin (TTM)

# 47.4 MSEK

Net cash at the end of the quarter

# Introducing Upsales AI

Empowering companies with AI to unlock revenue growth



upsales

## CEO LETTER

ARR growth continued to accelerate in Q4, driven by lower churn and an all-time high in new customer acquisition. We continue to see the results of our strategic focus on positioning and our investments in the product.



***"We are essentially building strategic AI tools for CEOs and other senior executives who are looking to use AI to grow faster."***

In Q4, ARR amounted to MSEK 141.9, an increase of MSEK 3.5 during the quarter. Net sales increased by 0.5% to MSEK 36.4 (36.3) compared to the same period last year. EBITDA amounted to MSEK 5.5 (9.2), with a margin of 15.1% (25.3%). Operating profit (EBIT) was MSEK 3.3 (7.1), and cash flow from operating activities was MSEK 20.8 (9.8). Profit margins are slightly lower, which is explained by a period of slower revenue growth while we continue to invest in the product. We expect margins to improve as revenue growth resumes and accelerates during the year. For the annual general meeting, the board proposes an ordinary dividend of 1.50 SEK per share.

The release of Upsales AI is expected to accelerate growth further in 2025, with significant interest from existing and new customers. In this report, I have included a dedicated section about our pivot to an AI company and our exciting investments in this area. Growth is expected to continue to accelerate throughout the year, and we expect ARR growth to take off significantly in 2025. At the end of 2024, we launched our new, simplified pricing structure, which includes our new AI features. This new product, called *Upsales Accelerate*, replaces all previous price plans, and we expect significant upsell ARR due to current customers' demand for our AI services and features. The new pricing plan is a highly competitive, "all-inclusive" package with positive early feedback from existing and new customers.

### **Upsales AI and our vision for the future**

Upsales has a long track record of building automated tools that help companies drive revenue growth in a cost-effective way. The AI project at Upsales is the most significant investment ever in the product. To make sure our customers get top-notch AI tools, this project has involved a big part of the company, as well as external partners, including some of the best experts available. Our motto when building the product has been "AI is not a feature". If you want to be a competitive SaaS company in 2025 and beyond, it will not be enough to "add some AI" features here and there. You have to challenge old ways of working and drive innovation completely. Our goal has been to build the best European data model for driving B2B revenue growth, a true game changer for our clients, and help them create disruptive growth. With our long

history of offering company data as a part of our software, we are well-positioned to supercharge our offering with AI. We have added a lot of data to Upsales that customers can use to understand existing customers, find new markets and opportunities, and identify risks. The most important goal has been to go beyond AI's most obvious use cases, like automating simple tasks like writing emails, summarising meeting notes, etc. Our focus has been on the use cases that have the potential to drive significant revenue growth for our customers. We are essentially building *strategic AI tools* for CEOs and other senior executives who are looking to use AI to grow faster. This led us to build a very sophisticated financial data model that can be used to *forecast demand from customers and their segments automatically*. We do this by collecting and analysing enormous amounts of data every day. Upsales AI analyses financial data for 80 million European companies, 1 million news articles (every day), and macroeconomic indicators, to name a few examples. Giving our customers insights that used to only be available for large companies with a dedicated budget for market research. Customers can use this to analyse the revenue potential and risks within existing customer segments and make recommendations for new segments. At its core, our model maps relationships and dependencies between companies, which allows our clients to "follow the money" and understand what events and developments will affect which companies in a very detailed way. I am very excited to see how customers will use Upsales AI to support their growth ambitions, and I look forward to exploring the many use cases we see throughout 2025 and beyond.

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 2024

### Net sales

The Upsales group's net sales during the period amounted to MSEK 36.4 (36.3), which corresponds to a 0.52% increase compared to the same period last year.

### Profit

- EBITDA during the period amounted to MSEK 5.5 (9.2)
- EBIT during the period amounted to MSEK 3.3 (7.1)
- Profit before tax amounted to MSEK 3.4 (7.4) and net income amounted to MSEK 2.6 (5.8)

### Cash flow and investments

Cash flow from operating activities during the period amounted to MSEK 20.8 (9.8). Investments in tangible assets during the period amounted to MSEK 0.1 (0.1). Investments in intangible assets amounted to MSEK 3.2 (1.9). Investments in intangible assets consist of capitalised development costs.

Depreciation of tangible and intangible assets during the period amounted to MSEK 2.2 (2.1).

## January - December 2024

### Net sales

The Upsales group's net sales during the period amounted to MSEK 144.8 (145.2), which corresponds to a 0.3% decrease compared to the same period last year.

### Profit

- EBITDA during the period amounted to MSEK 31.9 (42.6)
- EBIT during the period amounted to MSEK 23.0 (34.4)
- Profit before tax amounted to MSEK 23.4 (35.0) and net income amounted to MSEK 18.5 (27.6)

### Cash flow and investments

Cash flow from operating activities during the period amounted to MSEK 30.7 (32.4). Investments in tangible assets during the period amounted to MSEK 0.8 (2.9). Investments in intangible assets amounted to MSEK 8.6 (7.6). Investments in intangible assets consist of capitalised development costs.

Depreciation of tangible and intangible assets during the period amounted to MSEK 8.9 (8.3).



## FINANCIAL INFORMATION

### Liquidity and financial position

As of 31 December 2024, net cash amounted to MSEK 47.4 (52.6). Total equity at the end of the period amounted to MSEK 21.9 (30.3).

### Employees

The number of employees in the Upsales group at the end of the period was 73 (70).

### Proposed appropriation of profit

The Board of Directors proposes a dividend of 1.50 SEK per share.

### Annual report

The Upsales group annual report for 2024 will be available at the company's website and office on April 1 2025.

### Annual general meeting

The annual general meeting will be held the 24th of April 2025 at the company's office at Kungsgatan 49, Stockholm.

### Warrant-based incentive programs

The annual general meeting on 4 May 2023 decided on a warrant-based incentive program. According to the program, 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 company already had two warrant-based incentive programmes. The annual general meeting on 4 May 2022 decided on a warrant-based incentive program "2022/2025" where a maximum of 300,000 warrants can be issued and transferred to participants in the program, implying a dilution of approximately 1.8 percent. The annual general meeting on 5 May 2021 decided on a warrant-based incentive program "2021/2024", where the total maximum dilution due to the incentive program amounts to 2.0 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 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 19 February 2025 at 08:30.

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

### Financial calendar

Annual Report 2024:  
1 April 2025

Interim report Q1 2025:  
23 April 2025

Annual General Meeting 2024:  
24 April 2025

Interim report Q2 2025:  
23 July 2025

Interim report Q3 2025:  
22 October 2025

Interim Report Q4 2025:  
18 February 2026

### For more information contact:

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Chief Financial Officer

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## Significant events during the quarter

No significant events occurred during the reporting period.

## 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 2024	Jan-Dec 2023	Oct-Dec 2024	Oct-Dec 2023
<i>Operating income</i>				
Net sales	144,769	145,207	36,446	36,258
Capitalised development costs	7,128	6,932	2,305	1,697
Other operating income	233	510	17	10
<b>Total operating income</b>	<b>152,130</b>	<b>152,649</b>	<b>38,768</b>	<b>37,964</b>
<i>Operating expenses</i>				
Other external expenses	-56,096	-52,521	-15,281	-13,099
Personnel costs	-63,375	-57,373	-17,423	-15,679
Depreciation and impairment of tangible and intangible assets	-8,880	-8,258	-2,234	-2,077
Other operating expenses	-792	-136	-563	-25
<b>Total operating expenses</b>	<b>-129,143</b>	<b>-118,288</b>	<b>-35,501</b>	<b>-30,879</b>
<b>Operating profit (EBIT)</b>	<b>22,987</b>	<b>34,361</b>	<b>3,267</b>	<b>7,086</b>
<i>Financial items</i>				
Financial income	480	633	170	291
Financial expenses	-20	-43	0	-1
<b>Total financial items</b>	<b>460</b>	<b>590</b>	<b>170</b>	<b>290</b>
<b>Profit before tax</b>	<b>23,447</b>	<b>34,950</b>	<b>3,437</b>	<b>7,376</b>
Income tax	-4,966	-7,399	-801	-1,612
<b>Net income</b>	<b>18,481</b>	<b>27,551</b>	<b>2,636</b>	<b>5,764</b>
Earnings per share, SEK	1.10	1.64	0.16	0.34
Earnings per share after dilution, SEK	1.10	1.64	0.16	0.34
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 2024	31 December 2023
<b>ASSETS</b>		
<i>Non-current assets</i>		
Capitalised development costs	22,801	20,687
Tangible assets	5,286	6,741
Other long-term receivables	358	725
<b>Total non-current assets</b>	<b>28,446</b>	<b>28,153</b>
<i>Current assets</i>		
Accounts receivable	19,462	26,362
Current tax claim	1,443	0
Other current receivables	238	100
Prepaid expenses and accrued income	6,322	8,676
Cash and cash equivalents	47,436	52,606
<b>Total current assets</b>	<b>74,900</b>	<b>87,744</b>
<b>TOTAL ASSETS</b>	<b>103,346</b>	<b>115,897</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	21,914	30,271
<i>Non-current liabilities</i>		
Interest-bearing liabilities	0	0
<b>Non-current liabilities</b>	<b>0</b>	<b>0</b>
<i>Current liabilities</i>		
Accounts payable	8,069	3,512
Income tax liabilities	0	6,550
Other current liabilities	5,150	5,389
Accrued expenses and prepaid income	68,214	70,175
<b>Total current liabilities</b>	<b>81,432</b>	<b>85,626</b>
<b>Total liabilities</b>	<b>81,432</b>	<b>85,626</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>103,346</b>	<b>115,897</b>

## GROUP FINANCIAL STATEMENT

# Changes in Equity

Amount in KSEK	Jan-Dec 2024	Jan-Dec 2023
Opening balance	30,271	36,671
Dividend	-25,258	-33,677
Issued shares	0	0
Change of warrants	-1,581	-276
Foreign currency translation differences	1	1
Net income	18,481	27,551
<b>Closing balance</b>	<b>21,914</b>	<b>30,271</b>

## GROUP FINANCIAL STATEMENT

## Cash Flow

Amount in KSEK	Jan-Dec 2024	Jan-Dec 2023	Oct-Dec 2024	Oct-Dec 2023
<i>Operating activities</i>				
Operating profit	22,987	34,361	3,267	7,086
Adjustments for non-cash items	8,770	8,258	2,211	2,137
Interest received	480	633	170	291
Interest paid	-20	-43	0	-1
Income tax paid	-13,675	-7,785	-1,789	-2,854
<b>Cash flow from operating activities before changes in working capital</b>	<b>18,542</b>	<b>35,423</b>	<b>3,859</b>	<b>6,659</b>
<i>Changes in working capital</i>				
Changes in current receivables	9,116	-1,286	-4,217	-12,219
Changes in current liabilities	3,072	-1,782	21,191	15,376
<b>Total change in working capital</b>	<b>12,189</b>	<b>-3,067</b>	<b>16,974</b>	<b>3,157</b>
<b>Cash flow from operating activities</b>	<b>30,730</b>	<b>32,356</b>	<b>20,833</b>	<b>9,817</b>
<i>Investing activities</i>				
Investments in intangible assets	-8,612	-7,642	-3,163	-1,871
Investments in tangible assets	-817	-2,940	-103	-138
Acquisition of financial assets	-5	-4	0	0
Disposal of financial assets	371	351	0	0
<b>Cash flow from investing activities</b>	<b>-9,063</b>	<b>-10,236</b>	<b>-3,266</b>	<b>-2,009</b>
<i>Financing activities</i>				
Change of warrants	-1,581	-276	0	0
Dividend paid to the parent company's shareholders	-25,258	-33,677	0	0
<b>Cash flow from financing activities</b>	<b>-26,838</b>	<b>-33,953</b>	<b>0</b>	<b>0</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>-5,171</b>	<b>-11,833</b>	<b>17,567</b>	<b>7,808</b>
Cash and cash equivalents at the beginning of the period	52,606	64,438	29,868	44,797
Exchange rate differences in cash and cash equivalents	0	1	0	1
<b>Cash and cash equivalents at the end of the period</b>	<b>47,436</b>	<b>52,606</b>	<b>47,436</b>	<b>52,606</b>

## GROUP FINANCIAL STATEMENT

## KPI summary

Amount in KSEK	Jan-Dec 2024	Jan-Dec 2023	Oct-Dec 2024	Oct-Dec 2023
Net sales	144,769	145,207	36,446	36,258
Net sales growth (%)	-0.3%	12.1%	0.5%	3.1%
Subscription revenue (%) of total net sales	95.2%	94.3%	95.7%	94.8%
Annual recurring revenue (ARR)	141,882	140,414	141,882	140,414
ARR change during the period	1,468	-5,435	3,526	-750
ARR growth during the period (%)	1.0%	-3.7%	2.5%	-0.5%
EBITDA	31,867	42,619	5,501	9,162
EBITDA margin (%)	22.0%	29.4%	15.1%	25.3%
EBIT	22,987	34,361	3,267	7,086
EBIT margin (%)	15.9%	23.7%	9.0%	19.5%
Net income	18,481	27,551	2,636	5,764
Operating cash flow	30,730	32,356	20,833	9,817
Net cash	47,436	52,606	47,436	52,606

## PARENT COMPANY FINANCIAL STATEMENT

# Income Statement

Amount in KSEK	Jan-Dec 2024	Jan-Dec 2023	Oct-Dec 2024	Oct-Dec 2023
<i>Operating income</i>				
Net sales	2,765	1,500	720	375
<b>Total operating income</b>	<b>2,765</b>	<b>1,500</b>	<b>720</b>	<b>375</b>
<i>Operating expenses</i>				
Other external expenses	-1,583	-1,688	-395	-22
Personnel costs	-3,674	-2,208	-1,001	-909
<b>Total operating expenses</b>	<b>-5,257</b>	<b>-3,897</b>	<b>-1,397</b>	<b>-932</b>
<b>Operating profit (EBIT)</b>	<b>-2,492</b>	<b>-2,397</b>	<b>-677</b>	<b>-557</b>
<i>Financial items</i>				
Profit from participations in group companies	16,900	30,000	16,900	30,000
Financial income	13	31	3	13
<b>Total financial items</b>	<b>16,913</b>	<b>30,031</b>	<b>16,903</b>	<b>30,013</b>
<b>Profit after financial items</b>	<b>14,421</b>	<b>27,634</b>	<b>16,226</b>	<b>29,456</b>
Received group contributions	2,481	2,368	2,481	2,368
<b>Profit before tax</b>	<b>16,902</b>	<b>30,002</b>	<b>18,707</b>	<b>31,824</b>
Income tax	0	0	-372	-376
<b>Net income</b>	<b>16,902</b>	<b>30,002</b>	<b>18,335</b>	<b>31,448</b>

## PARENT COMPANY FINANCIAL STATEMENT

# Balance Sheet

Amount in KSEK	31 December 2024	31 December 2023
<b>ASSETS</b>		
<i>Financial assets</i>		
Shares in group companies	29,232	29,232
Other long-term receivables	358	725
<b>Total financial assets</b>	<b>29,590</b>	<b>29,957</b>
<i>Current assets</i>		
Accounts receivable	0	6
Receivables from group companies	0	7,474
Current tax claim	17	17
Other current receivables	104	98
Prepaid expenses and accrued income	137	146
Cash and cash equivalents	480	1,630
<b>Total current assets</b>	<b>738</b>	<b>9,371</b>
<b>TOTAL ASSETS</b>	<b>30,329</b>	<b>39,328</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	28,176	38,112
<i>Current liabilities</i>		
Accounts payable	251	175
Liabilities to group companies	1,345	0
Other current liabilities	296	134
Accrued expenses and prepaid income	261	907
<b>Total current liabilities</b>	<b>2,153</b>	<b>1,216</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>30,329</b>	<b>39,328</b>

## PARENT COMPANY FINANCIAL STATEMENT

# Change of Equity

Amount in KSEK	Jan-Dec 2024	Jan-Dec 2023
Opening balance	38,112	42,063
Dividend	-25,258	-33,677
Change of warrants	-1,581	-276
Net income	16,902	30,002
Closing balance	<b>28,176</b>	<b>38,112</b>



## PARENT COMPANY FINANCIAL STATEMENT

## Cash Flow

Amount in KSEK	Jan-Dec 2024	Jan-Dec 2023	Oct-Dec 2024	Oct-Dec 2023
<i>Operating activities</i>				
Operating profit	-2,492	-2,397	-677	-557
Interest received	13	31	3	13
Interest paid	0	0	0	0
Income tax paid	10	-2	6	3
<b>Cash flow from operating activities before changes in working capital</b>	<b>-2,469</b>	<b>-2,368</b>	<b>-668</b>	<b>-541</b>
<i>Changes in working capital</i>				
Changes in current receivables	7,183	11,334	102	255
Changes in current liabilities	18,127	25,084	-1,817	10
<b>Total changes in working capital</b>	<b>25,310</b>	<b>36,418</b>	<b>-1,714</b>	<b>265</b>
<b>Cash flow from operating activities</b>	<b>22,841</b>	<b>34,051</b>	<b>-2,382</b>	<b>-276</b>
<i>Investing activities</i>				
Acquisition of financial assets	-5	-4	0	0
Disposal of financial assets	371	333	0	0
<b>Cash flow from investing activities</b>	<b>366</b>	<b>328</b>	<b>0</b>	<b>0</b>
<i>Financing activities</i>				
Change in warrants	-1,581	-276	0	0
Group contributions received	2,481	0	2,481	0
Dividend	-25,258	-33,677	0	0
<b>Cash flow from financing activities</b>	<b>-24,357</b>	<b>-33,953</b>	<b>2,481</b>	<b>0</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>-1,150</b>	<b>426</b>	<b>99</b>	<b>-276</b>
Cash and cash equivalents at the beginning of the period	1,630	1,204	381	1,906
Exchange rate differences in cash and cash equivalents	0	0	0	0
<b>Cash and cash equivalents at the end of the period</b>	<b>480</b>	<b>1,630</b>	<b>480</b>	<b>1,630</b>

# 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.

