

PAGERO

Interim Report Q1 2022

for the period 1 January – 31 March 2022



The first quarter of 2022

Strong growth in the first quarter

- Net sales amounted to SEK 136.7 million (89.4), which is an increase of 53% (49% adjusted for currency effects). Organic growth amounted to 24% (4%).
- Recurring revenue amounted to SEK 120.5 million (81.7), which is an increase of 47% (43% adjusted for currency). The increase is mainly a result of a strong growth of transactions in the Pagero Network. Organic growth of recurring revenue amounted to 29% (10%).
- Annual Recurring Revenue (ARR) amounted to SEK 496.8 million (341.7), which is an increase of 45% (10%). Organic growth in the ARR amounted to 18%. ARR from the acquisition of Gosocket amounted to SEK 93.8 million.
- Operating loss after depreciation/amortisation (EBITA) amounted to SEK 12.8 million (7.9). The change is in line with the set strategy and is driven by international expansion.
- Cash flow from operating activities is positive and amounted to SEK 7.5 million (22.8).
- Earnings per share before dilution amounted to a loss of SEK 0.28.
- Pagero announced that the company has advanced preparations regarding a potential bid for Tungsten Corporation plc.
- Pagero acquired the previously outsourced R&D operations in Sri Lanka.
- The Government of Malta chose Pagero for the provision of e-invoicing services.
- Pagero's platform became ISO 27001 and ISO 27701 certified as a step in the active commitment to deliver data protection and security at the highest level.



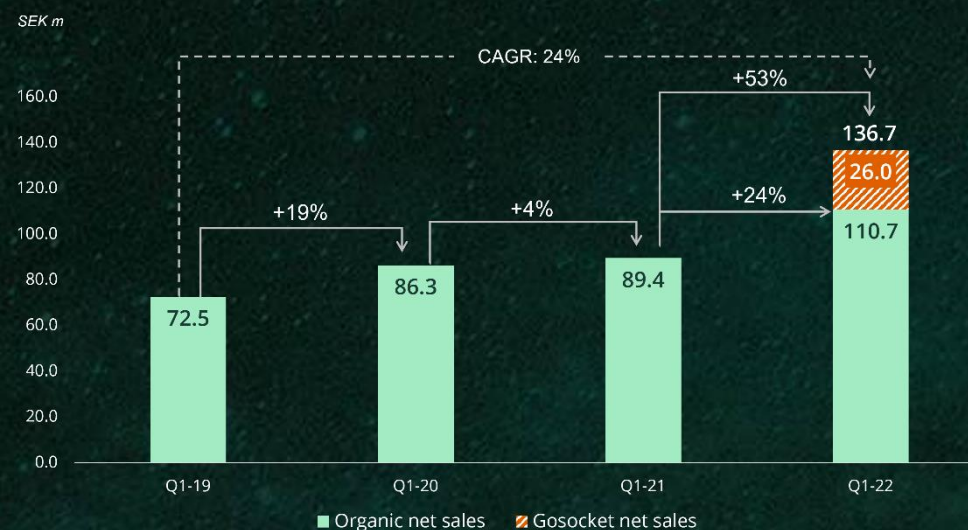
Significant events after the end of the period

- Existing bank loan of SEK 90 million was amortized in full.
- Announced offer to acquire Tungsten Corporation plc.
- New credit facility of SEK 1,500 million secured, whereof SEK 750 million drawn down, of which some will be used for funding the potential Tungsten acquisition.
- Pagero launches support for P27, the new Nordic payments platform.
- Marianne K. Knudsen proposed as new Board member in Pagero Group.

Selected financial data for the Group

	Note	Jan-Mar 2022	Jan-Mar 2021	Full year 2021
Annual recurring revenue (ARR), SEK million	7	496.8	341.7	475.2
Growth in ARR, %		45%	10%	41%
Organic ARR, SEK million		403.0	341.7	475.2
Organic growth in ARR, %		18%	10%	17%
	Note	Jan-Mar 2022	Jan-Mar 2021	Full year 2021
Net sales, SEK million	6	136.7	89.4	441.8
Net sales growth, %		53%	4%	27%
Organic net sales growth, %		24%	4%	13%
Organic growth in recurring revenue, %		19%	10%	30%
Gross margin, %		87%	88%	87%
EBITA margin, %		-9.4%	-8.8%	-9.0%
Cash flow from operating activities, SEK million		7.5	22.8	21.0
Average number of FTE		659	400	496
R&D costs as % of net sales		23%	23%	23%

Strong growth in net sales



Continued strong growth in Annualized Recurring Revenue (ARR)



BUYING AND SELLING SHOULD BE EASY

Pagero offers a *Smart Business Network* that connects buyers and sellers around the world for the automated and secure communication of business documents (orders, invoices, payment files) in accordance with local regulations.

Our open network, combined with a large range of apps, helps our customers streamline their purchase and sales processes and take advantage of accurate and reliable data - independent of business systems.



30+
OFFICES



CUSTOMERS IN
140+
COUNTRIES



A NETWORK OF
12M+
BUSINESSES

PAGERO

Read more





Comments by the CEO

The strong performance from Q4 2021 continued to accelerate in Q1 2022.

New revenues give us the necessary resources to continue our journey towards establishing the Pagero Network as the leading B2B network for automated and secure communication of business documents. Our investments in both direct sales and our partner network complement each other well and give the end customer a better service. They are also beginning to show a positive impact on our growth.

In Q1 2022, net sales increased by 53% and transaction revenue increased by 78%, proof that our offer gives our customers real value in terms of automation of their business processes. Annual Recurring Revenue (ARR) grew by 45% and now amounts to SEK 496.8 million.

In the previous quarter, we mentioned that our strong financial position made it possible to increase the pace of the work to evaluate possible acquisition candidates. During the quarter, we completed a consolidation acquisition by incorporating our previously outsourced R&D operations into Pagero. This creates space to be able to expand our resources while maintaining current cost mass.

Our followers have seen that we made an indicative bid for one of our colleagues in the industry (Tungsten Corporation), an acquisition that had not yet been realized during Q1. When we make acquisitions, at least one of three essential criteria is met: the acquisition must strengthen Pagero's positioning within a strategic country or region, the acquisition must extend Pagero

Network's reach – meaning the number of companies we reach, or the acquisition must add supplemental services or applications to the platform in line with our vision of development.

Pagero's established operations (Nordics, DACH and Latin America) represent 89% of net sales and are currently operating with good profitability (EBITA 28%). However, it is important to point out that our investments in other markets (11% of the current revenue stream) are what will make Pagero a global leader in the long-term. Our average customer lifetime value is currently 15 times higher than our customer acquisition cost (CLV/CAC), driven by low customer losses (2.8%) and a high gross profit margin (87%).



We are building a “LinkedIn” for communication of business documents!



One of our new cloud-based services, Pagero E-banking, has been very well received and in March payments worth SEK 10 billion were made using the service – a new milestone in account-to-account payments for Pagero. The service is currently available for Nordic customers, but development for a global launch has begun.

Both our growing customer base (+47%) and us are at the beginning of a digitalization journey and our continued focus on the development of the Pagero Network will benefit all parties. Being able to deliver a high-quality service globally has been one of Pagero's design criteria since its inception and was proven during the quarter when Pagero's platform was ISO 27001 and ISO 27701 certified.

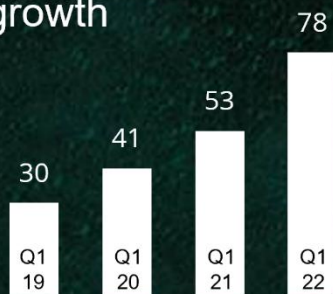
Our network of retailers continues to grow and contributed 37% of total new sales of recurring revenues during the quarter.

We are now in the final phase of a major development effort that will take the network experience to the next level for our users. In addition to a more intuitive, fact-based and interactive user experience, this will enable rapid network growth and, with it, increased scalability in the business model. For example, users will be able to search for and connect to business partners, both within Pagero's customer base and behind around a hundred other networks and platforms, for secure and automated communication of all important business documents. The user will also have the opportunity of inviting their customers and suppliers and receive notices when new business partners can be connected digitally. We are building a “LinkedIn” for global communication of business documents, and we will soon be at a point where the network will grow on its own.

The journey has just begun.

Bengt Nilsson
CEO

47% customer base growth



Thousands

29% growth in transactions



Millions



88%

Recurring revenues

(Q1-21: 91%)



87%

Gross margin

(Q1-21: 88%)



2.8%

Customer churn

(Q1-21: 2.8%)



~14.9x

CLV/CAC

(Q1-21: 14.7x)

Group performance

January-March 2022

Sales

Net sales amounted to SEK 136.7 million (89.4), which is an increase of 53% (49% adjusted for currency effects). The acquisition of Gosocket positively impacted sales by SEK 26.0 million. Organic growth amounted to 24% (4%).

Recurring revenue amounted to SEK 120.5 million (81.7), which is an increase of 47% (43% adjusted for currency effects). Strong growth of transactions in the Pagero Network and recurring revenue from the acquisition of Gosocket of SEK 23.1 million are the main contributors to the increase. Organic growth amounted to 29% (10%).

Profit/loss

The operating loss before depreciation/amortisation (EBITDA) amounted

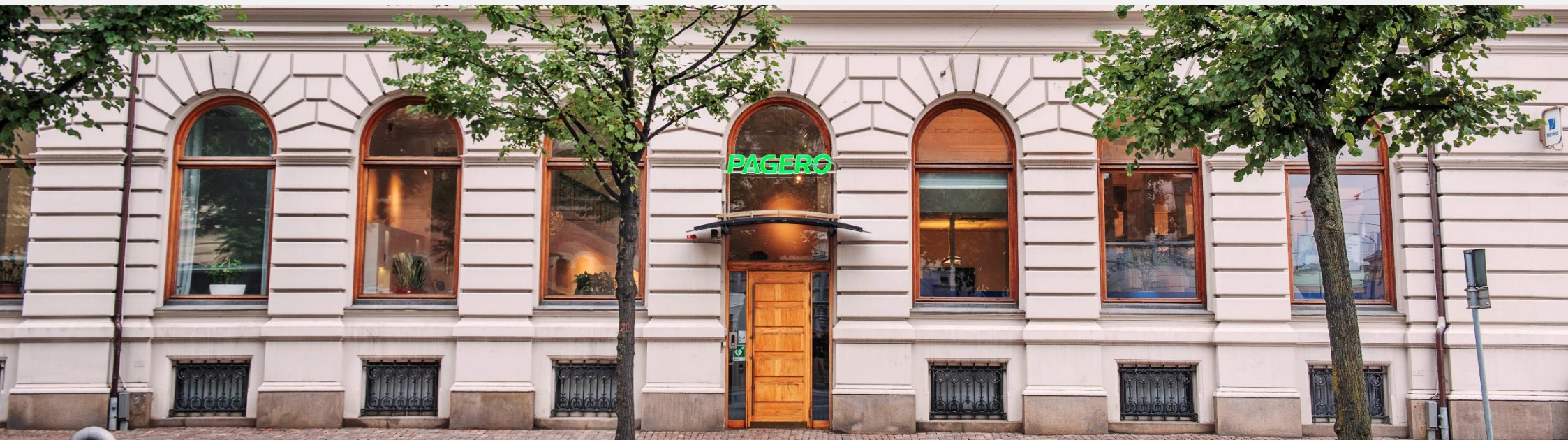
to SEK 5.0 million (2.3). The change is mainly due to continued investments in both product development and a higher number of employees for the international expansion according to the set plan.

The operating loss before depreciation of tangible assets (EBITA) amounted to SEK 12.8 million (7.9).

The negative net financial items of SEK 5.5 million (2.2) in the quarter are mainly attributable to the revaluation of liabilities in foreign currency.

The positive tax recognized in the profit/loss for the period is attributable to a decrease in deferred tax as an effect of depreciation on acquisitions made.

There was a loss for the period amounting to SEK 43.7 million (29.9).



Financial comments

January-March 2022

Cash flow

Cash flow from operating activities is positive and amounted to SEK 7.5 million (22.8), which is attributable to the positive change in working capital.

Cash flow from investment activities amounted to an outflow of SEK 48.9 million (49.5). The majority, SEK 21.4 million, is an investment in the development of the Pagero Network and the cash flow effect from the payment of the first part of the acquisition purchase price of the R&D organisation in Sri Lanka of SEK 14.4 million.

Cash flow from financing activities amounted to an outflow of SEK 16.9 million (23.3), which consists primarily of loan repayments.

Total cash flow for the period was negative and amounted to SEK 58.2 million (3.4).

Liquidity

Liquidity amounted to SEK 366.3 million (207.5). Available liquidity including unutilised overdraft facilities amounted to SEK 418.8 million (260.0).

Liabilities

Interest-bearing liabilities amounted to SEK 90.0 million (147.5). SEK 11.7 million was repaid during the quarter.

Parent Company

The Parent Company's operations consist of performing Group-wide services. Net sales for the Parent Company amounted to SEK 1.0 million (0.5) and there was a loss before tax of SEK 1.7 million (0.3). From January 2022, the President and CEO's expenses are booked in the Parent Company.

Staff

As of 31 March 2022, there were 689 employees (413). The average number of employees amounted to 659 (400).

Significant risks and uncertainties

Significant risks, such as currency, credit risk and liquidity risk, are equivalent to those in the assessment in the annual report as of 31 December 2021.

We do not currently see that the war in Ukraine will directly affect Pagero's operations.

Related party transactions

Related party transactions are carried out with companies owned by the CEO for purchases of HR services at an annual expense of around SEK 600,000. The agreement with the related company was entered on commercial terms and commercial grounds.

The share

As of 31 March 2022, there were 154,222,263 shares. The share price on 31 March 2022 closed at SEK 14.8 per share. Earnings per share before dilution amounted to a loss of SEK 0.28. Earnings per share after dilution amounted to a loss of SEK 0.28.

Financial targets and dividend policy

- **Growth:** Increase ARR to at least SEK 1,500 million at the end of the 2025 financial year.
- **Profitability:** Achieve an EBITA margin of around 20% at the end of the 2025 financial year with retained focus on growth.
- **Dividend policy:** Pagero intends to reinvest its cash flow in growth initiatives and will therefore not apply any annual dividend.

Consolidated income statement

(SEK 000s)	Note	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
<u>Operating income</u>				
Net sales	6	136,663	89,423	441,786
Capitalised work on own behalf		21,375	19,133	83,722
Customer acquisition costs		2,449	1,928	18,210
Other operating income		2,458	851	1,665
		162,945	111,335	545,382
<u>Operating costs</u>				
Direct sales costs		-17,910	-10,601	-56,474
Other external expenses		-35,817	-24,351	-130,221
Personnel costs		-114,216	-78,692	-373,309
Operating profit/loss before depreciation/amortization (EBITDA)		-4,998	-2,309	-14,621
Depreciation of tangible assets		-7,787	-5,542	-24,999
Operating profit/loss after depreciation/amortization (EBITA)		-12,784	-7,851	-39,620
Amortization of intangible assets		-25,043	-19,780	-91,413
Operating profit/loss (EBIT)		-37,828	-27,632	-131,032
<u>Profit/loss from financial items</u>				
Financial income		198	57	24
Financial expenses		-5,741	-2,265	-28,774
Financial items		-5,543	-2,208	-28,750
Profit/loss after financial items		-43,370	-29,840	-159,782
Income tax		-317	-46	1,358
Net profit/loss for the period		-43,687	-29,885	-158,424
Attributable to:				
Shareholders of the Parent Company		-43,687	-29,885	-158,424

Consolidated statement of comprehensive income
(SEK 000s)

	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
Net profit/loss for the period	-43,687	-29,885	-158,424
Items that may subsequently be reclassified to profit or loss			
Foreign exchange differences	4,682	2,965	24,095
Other comprehensive income for the period	4,682	2,965	24,095
Comprehensive income for the period	-39,005	-26,921	-134,329
Attributable to:			
Shareholders of the Parent Company	-39,005	-26,921	-134,329

Consolidated balance sheet

Assets (SEK 000s)	Note	31 Mar 2022	31 Mar 2021	31 Dec 2021
Fixed assets				
Capitalised development expenditures		230,653	189,107	223,480
Technology		39,765	5,128	40,705
Customer relationships		124,000	50,498	124,179
Trademarks		22,152	18,464	22,828
Goodwill		344,937	182,156	313,040
Customer acquisition costs		9,878	9,762	11,741
Intangible assets		771,385	455,115	735,973
Rights of use		48,939	22,303	54,348
Equipment, computers and installations		25,717	16,314	23,889
Financial assets		7,998	2,936	7,514
Deferred tax assets		19,842	19,947	19,912
Total fixed assets		873,881	516,614	841,637
Current assets				
Inventories		0	54	0
Accounts receivable		115,053	70,717	125,138
Current tax assets		4,727	2,174	3,986
Other receivables		2,053	3,186	3,383
Prepaid expenses and accrued income		23,106	15,307	16,309
Total current receivables		144,939	91,437	148,816
Cash and cash equivalents		366,313	207,468	424,563
Total current assets		511,252	298,905	573,379
Total assets		1,385,133	815,519	1,415,016

Consolidated balance sheet

Liabilities and equity (SEK 000s)	Note	31 Mar 2022	31 Mar 2021	31 Dec 2021
Equity				
Share capital		1,542	1,334	1,542
Other contributed capital		1,320,672	848,234	1,320,851
Reserves		29,770	3,957	25,087
Retained earnings including profit/loss for the year		-595,832	-423,606	-552,144
Equity		756,152	429,920	795,336
<u>Non-current liabilities</u>				
Liabilities to credit institutions		0	147,517	54,172
Leasing liability		28,914	8,007	33,570
Non-current liabilities		164,689	0	145,857
Deferred tax		52,140	16,772	50,391
Total non-current liabilities		245,742	172,296	283,990
<u>Current liabilities</u>				
Liabilities to credit institutions		90,022	0	47,798
Leasing liability		20,469	14,822	21,122
Accounts payable		43,970	31,018	42,653
Other liabilities		38,813	22,694	37,338
Accrued expenses and deferred income		189,964	144,770	186,780
Total current liabilities		383,239	213,303	335,690
Total equity and liabilities		1,385,133	815,519	1,415,016

Consolidated statement of changes in equity

(SEK 000s)

	Share capital	Other contributed capital	Reserves	Retained earnings including profit or loss for the year	Total equity
Opening balance on 1 January 2021	1,302	848,702	993	-393,721	457,276
Profit/loss for the year	0	0	0	-158,424	-158,424
Other comprehensive income for the year	0	0	24,095	0	24,095
Total comprehensive income	0	0	24,095	-158,424	-134,329
New share issue	32	-32	0	0	0
New share issue	208	499,792			
Warrants scheme	0	4,748	0	0	4,748
Transaction costs, new share issue	0	-32,359	0	0	-32,359
Total transactions with shareholders, recognized directly in equity	240	472,149	0	0	472,389
Closing balance on 31 December 2021	1,542	1,320,851	25,088	-552,145	795,336
Opening balance on 1 January 2022	1,542	1,320,851	25,088	-552,145	795,336
Profit/loss for the year	0	0	0	-43,687	-43,687
Other comprehensive income for the year	0	0	4,682	0	4,682
Total comprehensive income	0	0	4,682	-43,687	-39,005
Transaction costs, new share issue	0	-179	0	0	-179
Total transactions with shareholders, recognised directly in equity	0	-179	0	0	-179
Closing balance on 31 March 2022	1,542	1,320,672	29,770	-595,832	756,152

Consolidated cash flow statement

(SEK 000s)	Note	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
Operating profit/loss		-37,828	-27,632	-131,032
Non-cash items		32,830	25,323	116,411
Interest received		198	57	24
Interest paid		-2,537	-2,063	-8,337
Income tax paid		-3,034	-1,753	-4,906
Cash flow from operating activities before changes in working capital		-10,371	-6,068	-27,840
Increase (-)/decrease (+) in inventories		0	7	61
Increase (-)/decrease (+) in accounts receivable		10,084	24,061	-21,180
Increase(-)/decrease(+) in operating receivables		-6,207	2,978	3,115
Increase (+)/decrease (-) in accounts payable		1,317	5,537	10,196
Increase(+)/decrease(-) in operating liabilities		12,720	-3,719	56,608
Cash flow from changes in working capital		17,914	28,864	48,801
Cash flow from operating activities		7,544	22,796	20,961
<u>Investing activities</u>				
Investments in intangible assets		-27,946	-25,574	-112,147
Investments in tangible assets		-6,320	-3,557	-32,520
Acquisition of subsidiaries, less acquired cash and cash equivalents		-14,413	-20,415	-58,711
Change in financial assets		-244	57	-3,590
Cash flow from investing activities		-48,922	-49,489	-206,967
<u>Financing activities</u>				
Loans raised		0	0	1,133
Repayment of loans		-16,693	-4,285	-101,834
Change in overdraft facilities		0	0	0
New share issues for the period		-179	27,596	500,421
Cash flow from financing activities		-16,872	23,311	399,720
<u>Cash flow for the period</u>		-58,250	-3,381	213,714
Cash and cash equivalents at the beginning of the period		424,563	210,849	210,849
Cash and cash equivalents at the end of the period		366,313	207,468	424,563

Group key performance indicators

Key performance indicators (IFRS)	Note	Jan-Mar 2022	Jan-Mar 2021	Full year 2021
Net sales, SEK million	6	136.7	89.4	441.8
Operating profit/loss, SEK million		-37.8	-27.6	-131.0
Profit/loss for the period, SEK million		-43.7	-29.9	-158.4
Earnings per share before dilution (SEK)		-0.28	-2.27	-1.15
Earnings per share after dilution (SEK)		-0.28	-	-1.14
Equity/assets ratio, %		54.6%	52.7%	56.2%
Selected financial data for the Group				
SEK million	Note	Jan-Mar 2022	Jan-Mar 2021	Full year 2021
Number of customers, thousands		78.2	53.3	79.7
Growth in number of customers, %		47%	30%	61%
Number of e-transactions, million		15.0	11.6	53.5
Growth in number of e-transactions, %		29%	13%	26%
Net sales growth, %		53%	4%	27%
Organic net sales growth, %		24%	4%	13%
Recurring revenue, SEK million		120.5	81.7	392.4
Growth in recurring revenue, %		47%	10%	30%
Customer turnover (Churn)		2.8%	2.8%	2.8%
Customer lifetime value/customer acquisition cost (CLV/CAC), times		14.9	14.7	14.5
Gross profit		118.8	78.8	385.3
Gross margin, %		87%	88%	87%
EBITDA		-5.0	-2.3	-14.6
EBITDA margin, %		-3.7%	-2.6%	-3.3%
EBITA		-12.8	-7.9	-39.6
EBITA margin, %		-9.4%	-8.8%	-9.0%
Net working capital		-127.8	-107.1	-118.0
Net working capital as a share of net sales, %		-23%	-30%	-27%
Net debt		276.3	60.0	322.6

Parent Company income statement

(SEK 000s)

Operating income

Net sales

Operating costs

Other external expenses

Personnel costs

Operating profit/loss (EBIT)

Profit/loss from financial items

Financial income

Financial expenses

Profit/loss after financial items

Profit/loss before tax

Net profit/loss for the period

Attributable to:

Shareholders of the Parent Company

Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
1,016	528	1,991
1,016	528	1,991
-1,183	-842	-3,497
-1,550	0	0
-1,717	-314	-1,506
0	0	2
-14	0	-551
-1,731	-314	-2,056
-1,731	-314	-2,056
-1,731	-314	-2,056
-1,731	-314	-2,056

Parent Company balance sheet

Assets (SEK 000s)	31 Mar 2022	31 Mar 2021	31 Dec 2021
Ongoing new share issue	0	0	0
<u>Fixed assets</u>			
Financial assets	1,596,327	1,108,827	1,589,500
Total fixed assets	1,596,327	1,108,827	1,589,500
<u>Current receivables</u>			
Other receivables	131	871	2,061
Prepaid expenses and accrued income	568	195	131
Total current receivables	156,257	1,066	2,192
<u>Cash and cash equivalents</u>			
	223,900	168,839	302,149
Total current assets	380,156	169,905	304,341
Total assets	1,976,483	1,278,732	1,893,841

Equity and liabilities (SEK 000s)	31 Mar 2022	31 Mar 2021	31 Dec 2021
Equity			
Share capital	1,542	1,334	1,542
Share premium reserve	1,745,420	1,277,731	1,449,453
Profit or loss brought forward	55	-2,637	298,257
Comprehensive income for the period	-1,731	-314	-2,056
Equity	1,745,287	1,276,114	1,747,197
<u>Non-current liabilities</u>			
Non-current liabilities	152,189	0	145,857
Total non-current liabilities	152,189	0	145,857
<u>Current liabilities</u>			
Accounts payable	509	614	629
Liabilities to Group companies	0	1,969	0
Other liabilities	97	0	0
Accrued expenses and deferred income	623	36	158
Total current liabilities	1,229	2,618	787
Total equity and liabilities	1,898,704	1,278,732	1,893,841

Notes

NOTE 1 General information

The consolidated financial statements cover the parent company, Pagero Group AB ("the Parent Company"), with corp. reg. no. 559189-9173, and its subsidiaries ("the Group"). The Parent Company is a limited liability company registered in Sweden with its registered office in Gothenburg at the address Västra Hamngatan 1, SE-404 17 Gothenburg, Sweden.

All amounts are presented in SEK thousands (SEK 000s) unless otherwise stated. Information in parentheses refers to the same period in the previous year unless otherwise stated.

NOTE 2 Accounting principles

This consolidated interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable provisions in the Swedish Annual Accounts Act. The interim report for the Parent Company was prepared in accordance with RFR 2 and the Swedish Annual Accounts Act's Chapter 9, Interim reports. For the Group, accounting principles and calculation principles were applied in an equivalent manner as for the 2021 annual report, which was prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

The IASB issued amended accounting standards and interpretations that were approved by the EU, effective on 1 January 2021. None of these have had any material impact on the Pagero Group's financial statements.

The information on every page constitutes an integral part of the financial statement.

For a more complete presentation of accounting principles, refer to the notes in the 2021 annual report.

NOTE 3 Business combinations

Lanka SA

On 1 February 2022, Pagero AB acquired 75% of the share capital in Pagero Lanka, hereafter called Lanka, for SEK 28,826 thousand. As a result of the acquisition, the Group is strengthening its product development organization. The acquisition is fully consolidated according to the contract structure.

The goodwill of a total of SEK 28,826 thousand arising from the acquisition relates to the increase in knowledge and competence the company will receive. No part of the recognized goodwill is expected to be deductible in the taxation of income.

The table below summarizes the purchase consideration paid for Lanka and the fair value of acquired assets and assumed liabilities that are recognized on the acquisition date. The acquisition calculation below is preliminary.

Purchase consideration as of 1 February 2022

Cash and cash equivalents	14,413
Conditional purchase consideration	14,413
Total purchase consideration paid	28,826

Carrying amount of identifiable acquired assets and assumed liabilities

Tangible assets	188
Other receivables	1095
Other liabilities	-1283
Total identifiable net assets	0

Goodwill	28,826
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In the period, SEK 62.6 thousand is recognized in acquisition-related costs in connection with the acquisition.

Total cash flow excluding acquisition-related costs attributable to the business combination amounted to SEK 14.4 million.

The fair value of other receivables is SEK 1,095 thousand.

Lanka contributed reduced costs for development that affect operating profit by SEK 780 thousand for the period.

If Lanka were consolidated as of 1 January 2022, the consolidated income statement for the period would show an operating loss of SEK 37,438 thousand.

NOTE 4 Warrants

The Annual General Meeting on 22 April 2021 resolved to issue 500,000 warrants to the Board, management and employees of the Group with the aim of creating long-term commitment, which can be expected to increase interest in the business and the development of the company. The warrants were acquired at market value, which was calculated according to the Black & Scholes valuation model. The redemption period is May 2024 to July 2024. The first scheme has a redemption period of December 2022 to February 2023. The warrant will be split 1:10 at redemption due to the share split of 1:10 that was carried out on 21 September 2021.

Each warrant entitles the holder to subscribe for one share at a predetermined exercise price three years after its issue. The warrants are acquired by those entitled to subscription against cash payment.

Warrants scheme overview	Warrants Number	Exercise price SEK	Warrants after split 1:10 Number	Exercise price after split 1:10 SEK
Warrants scheme 2020/2023	417,000	130	4,170,000	13.00
Warrants scheme 2021/2024	500,000	250	5,000,000	25.00
Total/weighted exercise price	917,000	197	9,170,000	19.70

NOTE 5 Earnings per share

SEK	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
Earnings per share before dilution (SEK)	-0.28	-2.27	-1.15
Earnings per share after dilution (SEK)	-0.28	-	-1.14
Measurements of earnings used in calculating earnings per share before and after dilution (SEK millions)			
Net profit/loss for the period	-43.7	-29.9	-73.6
The profit/loss above is attributable to the Parent Company's shareholders in its entirety			
Weighted average number of shares before and after dilution			
<i>Before dilution</i>			
Weighted average number of shares when calculating earnings per share before dilution	154,222,263	13,338,893	154,222,263
<i>Warrants</i>			
Adjustments for calculation of earnings per share after dilution for warrants	633,167	-	1,280,342
<i>After dilution</i>			
Weighted average number of shares and potential shares used as the denominator in calculating earnings per share after dilution	154,855,430	-	155,502,605

No dilution effect has been able to be calculated for Q1 2021 as there has not been a valuation of the share in earlier periods.

NOTE 6 Segments

Pagero only works within the Digital messaging services segment. Revenue is distributed by revenue type below:

Analysis of revenues by revenue type	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
Licence sales	55.9	45.3	194.7
Transaction sales	64.7	36.4	197.8
Service sales	16.2	7.7	49.4
Net sales	136.7	89.4	441.8

NOTE 7 Annual Recurring Revenue (ARR)

	31 Mar 2022	31 Mar 2021	31 Dec 2021
Net new and extended customer contracts	303.2	234.8	284.3
Running transactions, rolling 12	181.6	100.2	178.6
Order book, new customer contracts	12.0	6.7	12.4
Total ARR	496.8	341.7	475.2
Total ARR development %	45%	10%	41%

Definitions

Key performance indicators	Definition
Annual Recurring Revenue (ARR)	Contracted recurring revenue and R12 transaction income (SAAS). Historic figures are adjusted for comparability.
Net revenue growth	Net sales of current year/net sales of the previous period.
Recurring revenue	Revenue of an annually recurring nature that relates to income from licence and transaction sales.
EBITDA margin	Operating profit/loss before depreciation/net sales.

EBITA	Operating profit/loss after depreciation of tangible assets.
EBITA margin	EBITA as a percentage of net sales.
Operating margin	Operating profit/loss before financial items/net sales.
Profit after financial items as a percentage of net sales	Profit/loss for the period after financial items/net sales.
Equity/assets ratio	Adjusted equity/total assets.
Number of e-transactions, thousands	e-transactions in the Pagero Network platform.
Organic growth	Growth calculated without acquisitions.
FTE	Full-time equivalents.
Customer turnover	Customers who have terminated their contracts.
Annual Recurring Revenue (ARR)	Contracted recurring revenue and R12 transaction income (SaaS). Historic figures are adjusted for comparability.
Net revenue growth	Net sales of current year/net sales of the previous period.
Recurring revenue	Revenue of an annually recurring nature that relates to income from licence and transaction sales.
EBITDA margin	Operating profit/loss before depreciation/net sales.
EBITA	Operating profit/loss after depreciation of tangible assets.
EBITA margin	EBITA as a percentage of net sales.
Operating margin	Operating profit/loss before financial items/net sales.
Profit after financial items as a percentage of net sales	Profit/loss for the period after financial items/net sales.
Equity/assets ratio	Adjusted equity/total assets.
Number of e-transactions, thousands	e-transactions in the Pagero Network platform.
CLV/CAC	Customer lifetime value/customer acquisition cost. CLV is calculated as a new annual contract over a rolling period of 12 months multiplied by the gross margin and divided by customer turnover. CAC is calculated as sales and marketing expenses during the previous rolling 12 months.
Net working capital	Current assets, excluding cash and cash equivalents, less non-interest-bearing current liabilities.
Net debt	Current and non-current interest-bearing liabilities to credit institutions less financial assets.
Established operations	Pagero companies that are well established in a geographic market where they serve and invoice customers in the geography in which they are registered and in other geographic markets and generate positive results.

Board certification

The Board of Directors and CEO provide their assurance that this interim report provides an accurate overview of the operations, position and performance of the Group and the Parent Company, and that it also describes the material risks and uncertainties faced by the Parent Company and the companies within the Group.

GOTHENBURG, 12 May 2022

Birger Steen
Chairman of the Board

Mats Ryding
Board Member

Karin Sandsjö
Board Member

Jonas Edlund
Board Member

Fredrik Vom Hofe
Board Member

Christian Melby
Board Member

Bengt Nilsson
CEO

Additional information

Calendar

Annual General Meeting 2022 – 12 May 2022 5:00 PM CET

Interim Report Q2 2022 – 23 August 2022

Interim Report Q3 2022 – 10 November 2022

Financial statements

Financial statements can be downloaded from www.pagero.com

This interim report has been reviewed by the company's auditors.

Contact persons

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Certified adviser

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