

Ending 2021 above Safeture targets

Interim Report

October 1 – December 31, 2021

- Annual recurring revenue (ARR) growth of 35% to 32,2 MSEK.
- Recurring revenue in Q4 amount to 7,5 MSEK compared to 5,4 MSEK last year (+38%).
- Gross Margin in Q4 improves to 70%.
- Increased levels of customer up-sell resulted in a net revenue retention (NRR) of 102,4%
- Safeture won a public procurement regarding travel risk management for the European Central Bank (ECB).

Summary of Interim Report

The Group

Twelve months (2021-01-01 to 2021-12-31)

- Net revenue amounted to 26 796 (21 541) TSEK, an increase of +24,4% compared to the same period last year.
- Loss after financials amounted to -23 320 (-25 472) TSEK.
- Loss per share before dilution amounted to -0,84 (-1,05) SEK.
- Loss per share after dilution amounted to -0,79 (-0,96) SEK.

Fourth quarter (2021-10-01 to 2021-12-31)

- Net revenue amounted to 7 452 (6 378) TSEK, an increase of +16,8% compared to the same period last year. Q4 2020 includes one-off revenues of 1 MSEK affecting the year-on-year growth rate.
- Loss after financials amounted to -5 158 (-8 628) TSEK.
- Loss per share before dilution amounted to -0,17 (-0,34) SEK.
- Loss per share after dilution amounted to -0,16 (-0,31) SEK.
- The solidity amounted to 56,0 (30,6) %.

Growing SaaS Traction**Fourth quarter (2021-10-01 to 2021-12-31)**

- Annual recurring revenue (ARR) at the end of Q4 2021 reached 32 186 (23 848) TSEK, a year-on-year increase of +35%.
- Recurring revenue increased 38% to 7 480 (5 422) TSEK, which represents 100% (85%) of the quarterly revenue.
- Churn for the quarter was 3,0%.
- Net revenue retention was 102,4%.

Significant events during the fourth quarter, 2021.

- Safeture won, together with its partner Falck Global Assistance, a public procurement for a four-year framework agreement regarding travel risk management for the European Central Bank (ECB) in Frankfurt, Germany. The agreement also opens the opportunity to join other institutions, such as the Central Banks of the Eurosystem and other members of the Eurosystem Procurement Coordination Office (EPCO).
- Safeture launched a collaboration with the global risk and security company G|24 in Australia. The partnership means that Safeture has been commissioned to develop an integrated platform for risk mitigation and incident management, Global Alert by Safeture, for G|24.

Message from the CEO Magnus Hultman

2021 has come to an end, and the fourth quarter came in well. This second Covid year has brought many uncertainties for our customers and us, but we managed to grow our recurring revenue 38 % from Q4 last year. Annual recurring revenue end of 2021 amounted to 32 MSEK compared to 24 MSEK the previous year. As I see it, there were three main reasons for our growth:

Firstly, the new partnership strategy delivers. The continued increase in prospect interest with continued strong growth in direct request and the RFIs and RFPs together with our global partner network. We clearly fill a void being an independent technology provider of world-class products, delivered as a SaaS offering.

The second reason was the deals we managed to win were two of them deserve to be highlighted. Together with Falck Global Assistance, we won the European Central Bank (ECB) in a very competitive bid. Our joint offer includes safeguarding their staff as well as a framework agreement for potentially adding all other central banks in the euro area to the agreement. The deal also confirms our strong offer, meeting the high requirements concerning data security and privacy policy in the finance sector. We also managed to meet all the demands of the EU government procurement process, which makes a strong case for other public opportunities. Another customer that I want to highlight is the University of New South Wales in Australia. This is our very first customer “down under” with our new partner, the global risk and security company, G24.

Thirdly, I would like to emphasize our ability to grow our customer base, both in numbers of enterprise users and in value. We believe there is great potential in our existing customer base. Therefore, we are tracking it

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closely and displaying Safeture Net Revenue Retention (NRR), which came in at 102,4%. We had a slightly higher churn due to a larger renewal of an agreement, but upgrade sales to other customers offset it.

In summary, the last quarter of 2021 was well aligned with our strategy, our financial targets, and the great general outlook for the technology in the security industry, where our SaaS focus helps us with predictability and growing together with our customers.

Our targets vs. what we delivered

- *Average annual growth in revenue shall be at least 30%.*
Recurring revenue in Q4 increased by 38% compared to Q4 last year.
- *Gross margin shall continue to grow over time and reach above 80%*
The gross margin in the quarter was 70%, which represents a solid improvement compared to gross margins in Q4 last year of 62%.
- *Safeture will be profitable when achieving an ARR of 65 MSEK.*
Safeture is not yet profitable, but the financial metric trends are positive. Gross margin is increasing faster than both our investments in acquiring new customers and our overhead cost. In combination with a steady increase in gross margin %, the path for future profitability is within reach.

Moving into post-pandemic times

During Q4, we initiated a couple of strategic projects. We have started a process to aim for ISO certification of our operations. Safeture is also preparing to allow other vendors to display third-party content on our platform, becoming risk intelligence agnostic. The launch in Q1 of our new billing platform is essential for the next step in our SaaS journey. As well as more automation, 3rd party product offering, focus on user experience, and improved customer success. We will continue to report on the progress of these initiatives during 2022.

Magnus Hultman, CEO of Safeture
Lund, February 2022

This disclosure contains information that Safeture AB is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information was submitted for publication, through the agency of the contact person, on 16-02-2022 08:00 CET.

About Safeture AB

Safeture (founded in 2009) is a Software as a Service (SaaS) company based in Sweden.

The company offers a complete cloud-based platform designed to manage employee safety and risk/crisis management. Through world-leading technology and innovative solutions, Safeture helps more than 3 600 companies and organizations to protect what matters most – their employees. Safeture gives corporations the ability to effectively automate safety and security while seamlessly integrating the software to become a natural part of their internal processes.

The Safeture share is listed on NASDAQ First North Growth Market Stockholm (ticker: SFTR). Erik Penser Bank AB is the Certified Adviser. Ph: +46 8-463 83 00 E-mail: certifiedadviser@penser.se