

Interim Report Safeture AB Q2 2023:

Record in total contract value while edging closer to profitability

- Annual recurring revenue (ARR) growth of +30% to 48,6 MSEK.
- Q2 Recurring revenue amounts to 11,0 MSEK compared to 8,7 MSEK last year (+27%).
- EBIT improvement year-on-year of 2,7 MSEK, reaching -1,6 MSEK .
- Bottom-line result at -14% of net sales compared to -48% one year ago.
- Quarterly churn at 1,9%
- Yearly NRR at 116%

Classics

First six months (2023-01-01 to 2023-06-30)

- Net revenue amounted to 21 744 (17 013) TSEK (+28%).
- Loss after financials amounted to -4 089 (-8 957) TSEK.
- Loss per share before dilution amounted to -0,10 (-0,30) SEK.
- Loss per share after dilution amounted to -0,10 (-0,28) SEK.

Second quarter (2023-04-01 to 2023-06-30)

- Net revenue amounted to 11 076 (8 861) TSEK (+25%).
- Loss after financials amounted to -1 592 (-4 292) TSEK.
- Loss per share before dilution amounted to -0,04 (-0,14) SEK.
- Loss per share after dilution amounted to -0,04 (-0,14) SEK.

SaaS Traction

Second quarter (2023-04-01 to 2023-06-30)

- Annual recurring revenue (ARR) at the end of Q2 2023 reached 48 623 (37 289) TSEK, a year-on-year increase of +30%.

- Recurring revenue increased +27% to 11 011 (8 662) TSEK, which represents 99% (98%) of the quarterly revenue.
- Churn for the quarter was 1,9%.
- Net revenue retention (NRR) was 115,9%.

Message from the CEO

“Record in total contract value while edging closer to profitability”

The second quarter was strong. The annual recurring revenue (ARR) increased 30 % in the quarter compared to last year, bringing the total just short of 50 MSEK ARR. During Q2, we achieved a significant boost in sales and improved our gross margins, all while maintaining a strict expense control. As a result, we see substantial improvements in our bottom line. A quarterly loss of -4.3 MSEK (-48%) one year ago, has been reduced to a loss of -1.6 MSEK (-14%) this year.

Noteworthy is the total contract value (TCV) of 11 MSEK, which is a record for a single quarter and signifies the enduring impact of our long-term contracts. The Net Revenue Retention (NRR) amounted to 116 %, showcasing the potential within our partner network.

Revenue through partnerships

For the second quarter, our strategic focus was on fortifying our existing partnerships. Both our Gold and Silver partners played a crucial role, contributing 100% to our increase in ARR, and we were delighted to witness the involvement of some relatively new partners as well. In terms of expanding business with our existing partners, we also continued to roll out an additional central bank from the ECB framework agreement.

Churn for the quarter was 1,9% and exclusively related to our old legacy customers who require extensive customization. Sometimes churn can be a positive factor, enabling us to streamline our operations and focus on more promising opportunities.

Constant improvements in dialogue with customers and providers

Internally, our efforts over the past quarter concentrated on separating technology and risk intelligence. The strategic initiative to become content agnostic was launched over a year ago, and we have made significant progress by partnering with new risk intelligence providers.

But to become truly risk intelligence independent is a long journey, where we need to build in close co-operation with our partners and end-clients. During the quarter, we have continued

to improve the dynamics and the versatility of the platform, which eventually will result in new attractive and requested features.

Sharing is caring

Safeture is well positioned in the people risk management eco system. Our purpose is to keep employees safe and our legacy within travel risk management was critical when developing our platform and will continue to be, as we continue to lead and drive the development within this field.

In June, as part of our thought leadership within travel and people risks management, Safeture founder and CIO Andreas Rodman, published the book “Everything you should know about travel risk management”. In the foreword of his book, Andreas aptly quotes, "It's a dangerous business, Frodo, going out your door. You step onto the road, and if you don't keep your feet, there's no knowing where you'll be swept off to". I believe that this sentiment resonates with our journey as a company, as we understand the inherent risks and uncertainties involved. Yet, we embrace these challenges and are thoroughly enjoying the process of building and growing Safeture. We remain positive about our outlook while edging closer to profitability.

Magnus Hultman, CEO at Safeture.

Lund - July 20th, 2023

For the full report: <https://investor.safeture.com/arsredovisningar-och-rapporter/>

For additional information, visit safeture.com or contact:

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This information is such information as Safeture AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on July 20th 2023 at 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 platform designed to handle safety and risks for employees, wherever they are. Through world-leading technology and innovative solutions, Safeture helps risk management- and assistance providers secure their clients, global companies, and organizations to protect what matters most – their people. The Safeture share is listed on NASDAQ First North Growth Market Stockholm (ticker: SFTR). Redeye is the Certified Adviser.