



Interim Report April - June 2022

SignUp Software AB (publ)
556570-9721



The period in summary

April – June 2022

- Annual recurring revenue (ARR) grew by
 - SEK 16.6m, 8.0 %, from the end of Q1 2022 and by
 - SEK 64.7m, 40.4 %, in the last 12 months.
- At the end of Q2, ARR amounted to SEK 224.9m (160.2).
- Net sales for the period amounted to SEK 60.7m (45.2) which correspond to a growth of 34.3 % compared to Q2 2021.
- EBITA margin 4.9 % (17.6).
- Net Profit SEK 1.7m (4.7).
- Earnings per share SEK 0.067 per share.
- Earnings per share SEK 0.066 per share after dilution.

January – June 2022

- Annual recurring revenue (ARR) grew by SEK 32.5m, 16.9 %, from the end of Q4 2021, compared to SEK 27.0m, 20.3 % for the same period last year.
- Net sales for the period amounted to SEK 116.6m (87.1) which correspond to a growth of 33.9 % compared to H1 2021.
- EBITA margin 6.7 % (17.7).
- Net Profit SEK 2.1m (8.9).
- Earnings per share SEK 0.082 per share.
- Earnings per share SEK 0.081 per share after dilution.



Key Ratios	2022 Apr-Jun	2022 Jan-Mar	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	LTM Jul-Jun	2021 Jan-Dec
ARR, end of period (SEKm)	224.9	208.3	160.2	224.9	160.2	224.9	192.4
Net sales (SEKm)	60.7	55.9	45.2	116.6	87.1	216.0	186.5
EBITDA (SEKm)	3.7	5.4	8.2	9.1	16.0	27.1	34.0
EBITDA (%)	6.0	9.7	18.1	7.8	18.4	12.6	18.2
EBITA (SEKm)	3.0	4.8	7.9	7.8	15.4	24.9	32.7
EBITA (%)	4.9	8.5	17.6	6.7	17.7	11.5	17.5
Net cash+/-debt- end of period (SEKm)	269.5	255.9	46.4	269.5	46.4	269.5	251.6



CEO's comments



During the second quarter of 2022, we continued our growth journey with an ARR growth of SEK 16.6m, 8.0 percent, during the quarter, and with SEK 64.7m, 40.4 percent, over the last 12 months.

In the somewhat challenging macro-economic climate, it is reassuring that SignUp has been able to continue to grow. We have, as communicated in the previous report, continued our geographical expansion by establishing a new subsidiary in Singapore, from where we can continue to drive revenue growth and support clients and partners in a fast-growing market.

We have also continued to invest in our delivery and sales capabilities by welcoming seven new employees to SignUp during the second quarter of the year.

The EBITA margin for the quarter was 4.9 percent, which is below our medium-term target and a decline compared to the previous quarter (8.5 percent) and the same period previous year (17.6 percent). The lower EBITA level is primarily a result of the increased number of employees and the continued investment in our presence on the North American market, being the market with the largest potential. In total our investment in the North American market has lowered the EBITA with SEK 8m during the first two quarters of the year.

With the investments made in new employees and market expansion we are now prepared to continue our profitable growth journey.

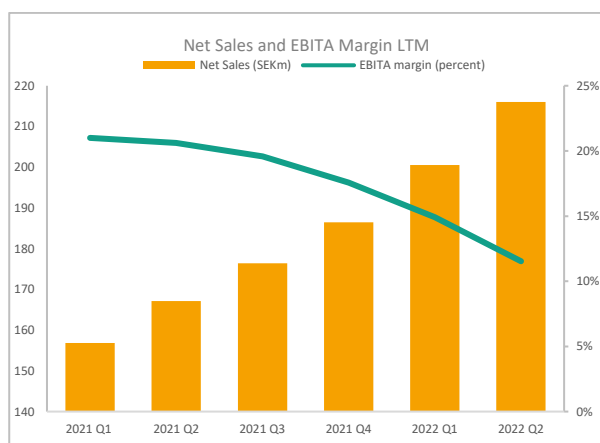
Olof Hedin, CEO

Group Development

Turnover and result

Net sales for the quarter amounted to SEK 60.7m (45.2), a 34.3 percent growth compared to the same period last year. The increased Net Sales is a result of high business development activities in all geographies, a strong demand for the product and a growing market.

The EBITA during the quarter was SEK 3.0m (7.9) which is lower than in Q1 2022 (4.8). The decreased EBITA, compared to previous quarter is a result of costs related to the establishment of the subsidiary in Singapore and higher personnel cost. The Personnel cost has increased with SEK 5.1m during the quarter, with the recruitment of 7 new employees in total for Denmark, USA, Australia, Singapore and Sweden.



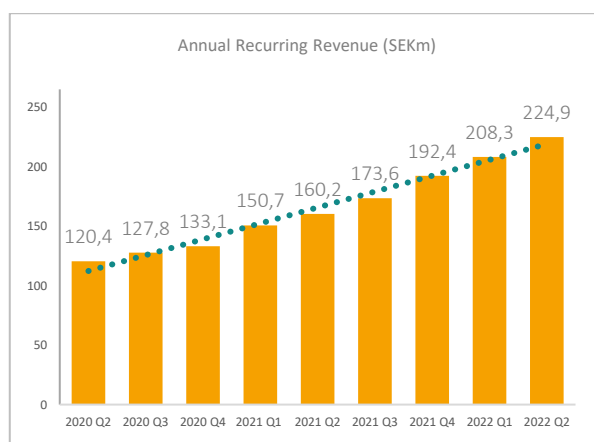
In total, 17 new employees have joined SignUp during 2022 and 5 potential employees started the talent program in January. This has been necessary investments to ensure future growth. The number of new employees will not grow as much during the third and fourth quarter and focus will be on growing into higher margin.

The most significant investment in growth during 2022 has been on strengthening SignUp's presence on the North American market. The total net cost for this during the first two quarters of 2022 amounted to SEK 8m. The development of this investment is closely

managed moving forward to ensure expected returns.

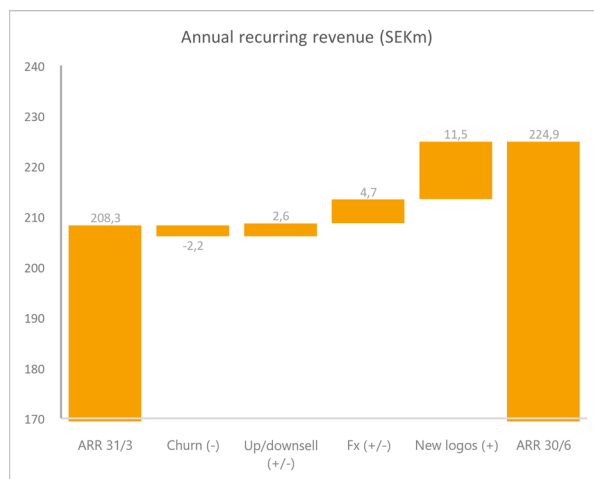
ARR at end of quarter

Annual Recurring Revenue (ARR) at the end of the second quarter of 2022 amounted to SEK 224.9m. The growth in ARR in the last twelve months was SEK 64.7m, a growth of 40.4 percent.



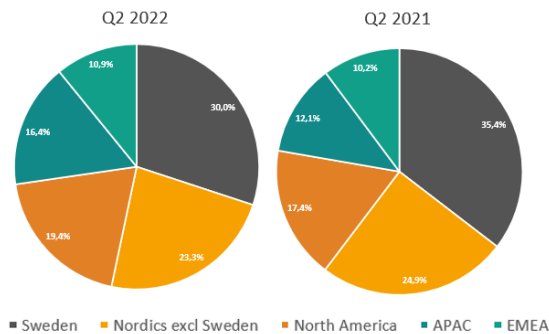
Build-up of new ARR

The total growth in ARR for Q2 2022 was SEK 16.6m primarily resulting from an inflow of new customers (SEK 11.5m) and continued low gross churn (1.1 percent), with few customers cancelling their subscriptions.



ARR by region

The ARR growth 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 a strong focus in these areas, but also as a result of the weakened Swedish krona.



the number of employees within the group was 110, which is a growth of 7 employees during the quarter.

Significant events during and after the end of the period

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

Financial Position, Cash Flow and Liquidity

At the end of the quarter SignUp had a cash position of SEK 269.5m and no interest-bearing debt, excluding debt related to leasing obligations.

No overdraft facilities exist, and the solidity is 60 percent. Cash flow from the operations before changes in working capital and after changes in working capital was SEK 4.0m and SEK 15.2m respectively.

Employees

The average number of Full-time equivalents during the second quarter was 106.5. At the end of the period



Group income statement in summary

SEKt	2022 Apr-Jun	2022 Jan-Mar	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	LTM Jul-Jun	2021 Jan-Dec
Net sales	60 704	55 849	45 194	116 553	87 059	215 999	186 505
Other operating income	147	1 074	203	1 221	847	2 849	2 475
	60 851	56 923	45 397	117 774	87 906	218 848	188 980
Operating expenses							
Sales costs	-13 591	-12 957	-11 143	-26 548	-21 812	-52 192	-47 456
Other external costs	-10 881	-10 575	-6 021	-21 456	-10 586	-33 473	-22 603
Personnel cost	-32 487	-27 418	-19 585	-59 905	-38 874	-104 219	-83 188
Depreciation/amortisation	-3 165	-3 169	-2 851	-6 334	-5 685	-12 320	-11 671
Other operating expenses	-220	-544	-463	-764	-661	-1822	-1 719
	-60 344	-54 663	-40 063	-115 007	-77 618	-204 026	-166 637
Operating profit	506	2 260	5 334	2 766	10 288	14 821	22 343
Profit/loss from financial items	1 946	21	-464	1 967	546	2 258	837
Profit after financial items	2 451	2 281	4 870	4 732	10 834	17 078	23 180
Pre-tax profit	2 451	2 281	4 870	4 732	10 834	17 078	23 180
Tax on profit	-1 891	-1 477	-1 246	-3 368	-2 721	-5 713	-5 066
Deferred tax	1 112	-371	1 113	741	742	-35	-34
Net profit	1 673	433	4 737	2 106	8 855	11 331	18 080
Attributable to owners of the parent	1 500	331	4 559	1 841	8 677	10 802	17 638
Attribute to non-controlling interests	173	92	178	265	178	529	442
Earnings per share prior dilution (SEK)	0.067	0.015	0.943*	0.082	3.567*	0.503	1.530*
Earnings per share after dilution (SEK)	0.066	0.015	0.943*	0.081	3.567*	0.500	1.530*

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



Group balance sheet in summary

SEKt	2022 30-Jun	2021 30-Jun	2021 31-Dec
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Franchise, patents, licenses, trademarks and other similar rights	1 221	2 726	1 920
Software assets ExFlow	18 412	26 026	22 219
Goodwill	7 302	5 845	7 783
	26 935	34 597	31 922
<i>Tangible fixed assets</i>			
Equipment, tools and installations	7 851	2 454	7 952
	7 851	2 454	7 952
<i>Financial fixed assets</i>			
Participations in associated companies and jointly controlled companies	4 000	4 000	4 000
Other long-term receivables	2 563	1 190	1 923
	6 563	5 190	5 923
Total fixed assets	41 349	42 241	45 797
Current assets			
<i>Current receivables</i>			
Accounts receivables	26 409	15 640	34 844
Current tax receivables	0	0	0
Other receivables	1 321	2 626	3 692
Prepaid expenses and accrued income	8 912	5 652	6 101
	36 642	23 918	44 637
<i>Cash on hand and in bank</i>	269 471	46 364	251 623
Total current assets	306 113	70 282	296 260
TOTAL ASSETS	347 463	112 523	342 057



Group balance sheet in summary, cont.

SEKt	2022 30-Jun	2021 30-Jun	2021 31-Dec
EQUITY AND LIABILITIES			
Equity			
<i>Equity attributable to owners of the parent</i>			
Share capital	563	200	563
Other capital contributions	186 601	0	187 016
Reserves	1 759	1 960	1 759
Other equity incl. this year's profit	19 760	10 761	19 943
	208 683	12 921	209 281
<i>Equity attributable to non-controlling interests</i>			
Equity attributable to non-controlling interests	0	0	0
Total equity	208 683	12 921	209 281
<i>Provisions</i>			
Provisions for deferred tax	8 167	6 650	7 425
	8 167	6 650	7 425
<i>Long-term liabilities</i>			
Other liabilities	191	248	215
	191	248	215
<i>Current liabilities</i>			
Accounts payable	12 373	6 106	14 318
Current tax liabilities	22	1 622	959
Other liabilities	5 792	3 283	5 314
Accrued expenses and deferred income	112 235	81 693	104 545
	130 422	92 704	125 136
TOTAL EQUITY AND LIABILITIES	347 463	112 523	342 057



Group cash flow analysis

SEKt	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
Current activities					
Profit after financial items	2 451	4 870	4 732	10 834	23 180
Adjustments for items not included in the cash flow	3 165	2 851	6 334	5 685	11 671
Tax paid	- 1 596	- 1 596	-3 192	- 3 795	- 7 070
Cash flow from operating activities before change in working capital	4 020	6 125	7 874	12 724	27 781
Cash flow from change in working capital					
Change in accounts receivable	2 091	4 983	8 436	8 175	- 11 029
Change in current receivables	881	- 1 613	- 381	- 3 657	- 5 171
Change in accounts payable	3 616	- 67	- 1 945	1 895	10 108
Change in current liabilities	4 596	643	7 032	- 1 010	21 865
Cash flow from operating activities	15 204	10 071	21 016	18 127	43 554
Investment activities					
Investments in tangible fixed assets	-387	- 230	- 1 276	- 390	- 6 874
Investments in financial fixed assets	-374	- 1 089	- 640	- 1 089	- 1 852
Cash flow from investment activities	-762	- 1 319	-762	- 1 479	- 8 726
Financing activities					
New share issue	0	0	- 415	0	187 079
Change in debt	-18	0	- 24	0	0
Dividends paid	0	0	0	- 10 000	- 10 000
Cash flow from financing activities	-18	0	-439	- 10 000	177 079
Cash flow	14 424	8 752	18 660	6 648	211 907
Liquid assets, opening balance	255 859	37 612	507 482	77 328	39 716
Translation differences	-812		- 812		
Liquid assets, closing balance	269 471	46 364	525 330	83 976	251 623



Parent company income statement

SEKt	2022 Apr-Jun	2022 Jan-Mar	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	LTM Jul-Jun	2021 Jan-Dec
Net sales	47 074	45 540	38 980	92 614	74 757	174 657	156 800
Other operating income	15	975	165	990	667	2 440	2 117
	47 089	46 515	39 145	93 604	75 425	177 095	158 916
<i>Operating expenses</i>							
Sales costs	-11 431	-10 831	- 10 558	- 22 262	- 19 874	-42 513	-40 125
Other external costs	-8 648	-8 646	- 4 824	- 17 294	- 8 809	-28 130	-19 645
Personnel cost	-21 320	-19 651	- 16 626	- 40 971	- 32 717	-75 040	-66 786
Depreciation/amortisation	-2 881	-2 891	- 2 643	- 5 772	- 5 266	-11 090	-10 584
Other operating expenses	34	-425	- 351	- 391	- 477	-1 250	-1 336
	-44 246	-42 444	- 35 002	- 86 690	- 67 143	-158 024	-138 477
Operating profit	2 843	4 071	4 143	6 914	8 282	19 071	20 439
<i>Profit/loss from financial items</i>	2 032	259	- 460	2 291	597	2 707	1 013
Profit after financial items	4 875	4 330	3 683	9 205	8 879	21 778	21 452
				-		-	
Appropriations	0	0	0	-	0	- 7 365	-7 365
Pre-tax profit	4 875	4 330	3 683	9 205	8 879	14 413	14 087
Tax on profit	- 1 075	-1 022	- 775	- 2 097	- 2 223	-4 426	-4 552
Deferred tax	1 112	-371	1 113	741	742	1 482	1 483
Net profit	4 912	2 937	4 021	7 849	7 398	11 469	11 018



Parent company balance sheet

SEKt	2022 30-Jun	2021 30-Jun	2021 31-Dec
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Franchise, patents, licenses, trademarks and other similar rights	1 221	2 726	1 920
Software assets ExFlow	18 412	26 026	22 219
	19 633	28 752	24 139
<i>Tangible fixed assets</i>			
Equipment, tools and installations	7 285	2 154	7 528
	7 285	2 154	7 528
<i>Financial fixed assets</i>			
Participations in group companies	9 969	7 468	9 968
Receivables from group companies	17 404	0	5 860
Participations in associated companies and jointly controlled companies	4 000	4 000	4 000
Other long-term receivables	1 127	1 116	1 116
	32 500	12 584	20 944
Total fixed assets	59 418	43 490	52 611
Current assets			
<i>Current receivables</i>			
Accounts receivables	16 865	11 117	23 421
Receivables from group companies	2 104	1 568	1 335
Current tax receivables	1 299	0	0
Other receivables	606	1 976	3 608
Deferred expenses and accrued income	7 691	4 872	5 032
	28 565	19 533	33 396
Cash on hand and in bank	232 334	34 503	233 540
Total current assets	260 899	54 036	266 936
TOTAL ASSETS	320 317	97 526	319 546



Parent company balance sheet cont.

SEKt	2022 30-Jun	2021 30-Jun	2021 31-Dec
EQUITY AND LIABILITIES			
Equity			
<i>Restricted reserves</i>			
Share capital	563	200	563
Statutory reserve	2 040	2 340	2 040
	2 603	2 540	2 603
<i>Non-restricted equity</i>			
Shares premium fund	186 601	0	187 016
Retained earnings or losses	19 127	7 658	11 278
	205 728	7 658	198 294
Total Equity	208 331	10 198	200 897
Untaxed reserves	14 445	7 080	14 445
<i>Provisions</i>			
Provisions for deferred tax	3 708	5 191	4 450
	3 708	5 191	4 450
<i>Current liabilities</i>			
Accounts payable	7 296	5 738	13 327
Liabilities to group companies	194	578	39
Current tax liabilities	0	686	942
Other liabilities	3 842	2 363	2 867
Accrued expenses and deferred income	82 501	65 692	82 579
	93 833	75 057	99 754
TOTAL EQUITY AND LIABILITIES	320 317	97 526	319 546



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 June 30 2022 was 22 515 625 (2 000). Average number of shares during Q2 2022 was 22 515 625 (2 000) and average number of shares full year 2021 was 11 524 673 (2 000).

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 fast-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 110 full-time employees, headquarter in Stockholm and with additional subsidiaries in Denmark, Australia, the Netherlands, USA, and Singapore.

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

Interim report third quarter 2022

October 21, 2022

Contact Information

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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 15 July 2022

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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