



# Interim Report

January 1<sup>st</sup> – March 31<sup>th</sup>, 2021



## Strong ARR growth (+42%) and technical development make us ready when the world restarts

- Many great new clients in Q1 lead to an increase in Annual Recurring Revenue (ARR) to 27,1 MSEK, +42% growth year-on-year.
- Core platform development intensified during Q1 where the delivery of "Enhanced privacy filtering" became the most appreciated new feature.
- Churn in Q1 remained low at 1%.

## Summary of Interim Report

### The Group

#### First quarter (2021-01-01 to 2021-03-31)

- Net turnover amounted to 6 123 (4 811) TSEK, an increase of +27% compared to the same period last year.
- Loss after financials and minority share amounted to -7 169 (-5 609) TSEK.
- Loss per share\* before dilution amounted to -0,26 (-0,24) SEK.
- Loss per share\* after dilution amounted to -0,24 (-0,22) SEK.
- The solidity\*\* amounted to 77,4 (23,3) %.

### Growing SaaS Traction

#### First quarter (2021-01-01 to 2021-03-31)

- Annual recurring revenue (ARR) at the end of Q1 2021 was 27 061 (19 080) TSEK, a year-on-year increase of +42%.
- Recurring revenue amounted to 5 946 (4 770) TSEK, which represents 97% (99%) of the quarterly revenue.
- Churn for the quarter was 1%.

Amounts within brackets regard the corresponding period last year.

\*Result per share: The result is divided by the average number of shares (after dilution includes average number of share options).

\*\*Solidity: Equity divided by total assets.

## Significant events during the first quarter, 2021.

- On January 25th, Safeture carried out a directed share issue of 38,6 MSEK. 4,6 million shares were issued at a price of 8,40 SEK/share. The subscribers were the US-based institutional investor Topline Capital Partners LP, Dragfast AB and Ninalpha AB.
- Safeture entered into an agreement with the U.S./EU corporation Insured Nomads, the first insurtech company focused on remote workers, digital nomads, expats, and travelers. Initially, the agreement runs for three years and gives Safeture 500+ KUSD plus additional revenue with membership growth.
- Safeture partners with Dallas based corporate travel data leader Traxo. Safeture customers now can leverage Traxo travel data intelligence to quickly locate more traveling employees.



## Message from the CEO Magnus Hultman:

“Continued technical development and new customers make us strong when the world restarts”

2021 got to a good start, and we see more and more signs that the markets are picking up speed after 2020, the year that will always be remembered due to Covid-19.

Highlights for the quarter are the continued strong growth in ARR, new great clients, continued low churn but also our product development.

The annual recurring revenue (ARR) grew to 27,1 MSEK during the first quarter of 2021, which is a rise of 42%. The increase was primarily due to new Safeture customers, where the biggest order of the quarter came from Insured Nomads in the US. Safeture continues its strong track record in the insurance space, and we are the clear leader in this industry. Insured Nomads is extra interesting since they are specifically targeting the "new normal" of working, where the workspace will be less fixed and more flexible post-covid. Tending the needs of the "digital nomads" with their specific characteristics will grow going forward. Another trend here is also that insurance and assistance offerings need to be more flexible to cater to emerging needs.

Safeture is very proud to be a leading tech company. At the core of all things we do is our own platform. This platform is highly adaptable to customer needs and requirements. At Safeture, we track all development based on a) core development b) customization c) maintenance and second-line support. After the roll-out of Siemens in Q4, we see the core development ratio steadily going back to normal. We aim to deliver ever more out-of-box products and fewer customizations, which is a sign of our dynamic platform's strength.

Safeture takes pride in safeguarding the privacy of our customers and end-users. Now we also introduce "Enhanced privacy filtering", extra levels of privacy filters, both on subregional- and city levels, to balance the need for accurate positioning while also maintaining end-user privacy. This is especially important in larger countries like the US and China. We also developed Online tutorials, which increases the usability of the platform and decreases the number of support tickets, along with an updated API documentation for third-party integrations. For the coming quarter, we are initializing several major projects that will expand our platform offering, which will be launched throughout the year.

We see very clear signs that the US was first out of the recession, but Europe is catching up, and we also signed multiple new accounts in Germany and Scandinavia. We are extra proud to get renewed confidence from the Finnish state and the Prime Minister's office together with our partner Falck Global Assistance.

As we have highlighted previously, we are very optimistic for 2021, even though the pandemic is far from over. Spirits at Safeture and the industry, in general, remain high and bullish.

Magnus Hultman, CEO of Safeture  
Lund, April 2021

## About Safeture AB

Safeture offers a complete cloud-based SaaS platform designed to manage risk, safety, and crises involving employees wherever they are.

The Safeture platform gives larger corporations the ability to effectively automate safety and security processes. Today's employees work more and more outside the office, and companies demand a flexible software solution that seamlessly integrates with their internal systems.

Modern companies' operations are closely tied to the employees, and mobile technology enables them to work everywhere, at home, at airports, at café's or at suppliers. With globalization driving increased mobility, companies need new tools to safeguard both their employees and their operations. Safeture creates a virtual security sphere around each employee wherever they are.

The Safeture platform has a vast number of functions and components that can be used off-the-shelf, such as mobile apps, travel tracking, flight updates, global real-time alerts, e-learning, bulk messaging, country and medical information, all in the same tool. It is an open platform, which allows clients to adopt specific internal processes and integrate them with external suppliers, such as assistance providers or other software, including internal employment databases or intranets.

Through world-leading technology and innovative solutions, Safeture helps companies and organizations to protect what matters most – their employees.

## History

The Company was founded in 2009, triggered by the experience of the global SARS epidemic, the Indian Ocean tsunami and the Mumbai terror attacks, where people could have been warned earlier and received more information.

## Overall Goals

- To establish Safeture as a world leading SaaS platform for employee safety.
- To establish Safeture as a first choice for demanding enterprise customers to handle their duty of care.

## Vision & Mission

Our vision is to save lives and to prevent harm by making risk, safety and security information available to users at the right time, no matter where they are. We will achieve this by providing the best platform and content that enables implementation of risk, safety and security processes and distribution of reliable information to individuals and organizations.

## Sales & Strategy

Safeture's global sales strategy is to target large companies through direct sales and work through partners to reach other B2B customers. Suitable local and global partners are within security, insurance, response services and travel. The business model is SaaS, Software as a Service.

## Research & Development

Research and development are prioritized areas within Safeture, and we operate in a market area that is still immature. The company invests continuously in research and development to maintain its technological lead. Thanks to a close cooperation with our customers, we develop and adapt our products continuously. The cutting-edge knowledge that we gather from the cooperation with our customers is used in our technical development to invent new solutions and keep our advantage in relation to our competitors.

## Risks & Uncertainties

Safeture is exposed to general business related and financially related risks. These risks are described more in detail in the Annual Report for 2019, available on the company's web page. Apart from the uncertainties regarding the Corona effect no other risks have been identified for 2021.

## Organization & Personnel

The average number of employees in the parent company for the first quarter 2021 amounted to 44 (32). The increase refers mainly to hiring within the area of sales and marketing as part of building a SaaS oriented organization. The corresponding figure for the Group amounted to 46 (35).



## Development in figures during the first quarter, 2021.

### Turnover

During 2020, Safeture made a transformation to a full-scale SaaS business. The recurring revenue coming from platform subscriptions represents 97% of the revenue in Q1 2021. Net turnover for the Group and the Parent company during Q1 2021 amounted to 6 123 TSEK, which is an increase of 27,3% compared to the same quarter last year. The effect of increased order intake during 2020 is now having a noticeable effect on the revenue growth. The company will continue to fulfil the strategy of refocusing sales efforts to selling the scalable core platform instead of selling one-off development projects.

Partner sales share amounted to 42% in Q1 2021, which is in line with partner sales share for Q1 last year. Share of direct customer sale is starting to show clear signs of growth and increased to 26% compared to 19% in Q1 last year. White label sales share as part of total sales is decreasing and is now reaching 32%.

### Result

The loss in Q1, 2021 for the Group amounted to -7 169 (-5 609) TSEK. The loss for the Parent company amounted to -7 179 (-5 540) TSEK. Large investments in building up the sales and marketing organization during 2020 is the main reason for the increased loss.

Higher sales together with improvements in gross margin % have a positive effect on the result for Q1 2021 compared to last year, somewhat offsetting the higher sales and marketing investments. An increased installed user base together with a high portion of fixed cost of sales for running the platform will have continued positive impact on the gross margins going forward. Due to COVID-19, travelling has been non-existing during the quarter which is also positively affecting the bottom-line.

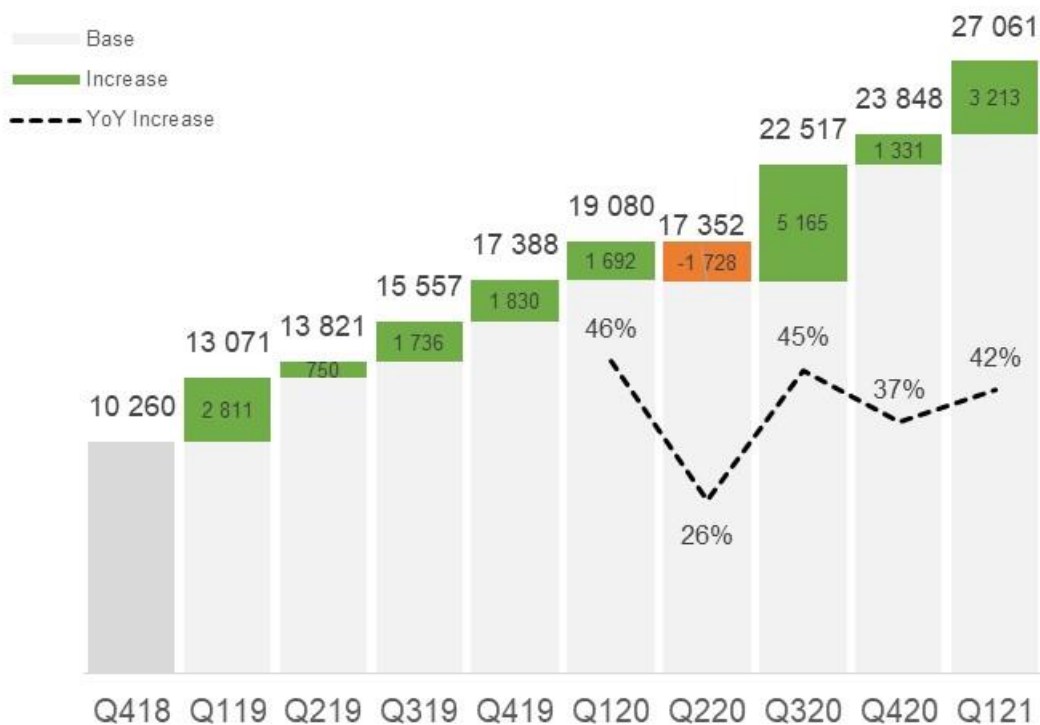
### SaaS Metrics Development by Quarter

TSEK	Q419	Q120	Q220	Q320	Q420	Q121
Recurring Revenues *	4 347	4 770	4 338	4 802	5 422	5 946
Recurring Revenues/ Total Revenues	64%	99%	91%	86%	85%	97%
Annual Recurring Revenues (ARR)**	17 388	19 080	17 352	22 517	23 848	27 061
Churn	0%	1%	8%	0%	0%	1%

\* Recurring revenue represents the portion of revenue that is expected to continue in the future.

\*\* ARR represents the contracted recurring revenue for the coming 12 months.

### Annual Recurring Revenue (ARR) Trend Quarterly Development (TSEK)



Recurring revenue amounted to 5 946 (4 770) TSEK, which represents 97% (99%) of the quarterly revenue.

Annual recurring revenue (ARR) at the end of Q1 2021 increased to 27 061 (19 080) TSEK, which represents a year-on-year increase of +42%.

## Liquidity

Cash in bank for the Group, as of March 31, 2021 amounted to 32 262 (5 117) TSEK, while cash in bank for the Parent company as of March 31, 2021 amounted to 32 152 (4 967) TSEK. Q1 cash-flow for the Group and the Parent company amounted to 30 974 (-1 266) TSEK and 30 920 (-1 200) TSEK respectively. The shared emission in January is positively affecting the cash flow for the quarter with 38 640 TSEK. Last year's cashflow included a short-term loan of 5 000 TSEK from Adma Förvaltnings AB. Several clients are invoiced yearly in advance, at the time for the yearly subscription renewal, which implies significant cash flow fluctuations between the quarters.

## Investments

Q1 investments in intangible and tangible assets amounted to 1 631 (915) TSEK for the Group and the Parent company. The investment consists of capitalized platform development cost.

## Solidity

The solidity of the Group as of March 31, 2021 increased to 77,4 (23,3) %, while the solidity for the Parent company increased to 77,7 (23,5) %. The increase relates to the share emission that was carried out in January, where 4,6 million shares was issued at a total value of 38,6 MSEK.

## The Share

There is only one class of shares in Safeture AB. The shares of the Company are listed on Nasdaq First North Growth Market in Stockholm under the abbreviation, "SFTR". As of March 31, 2021, the Company has issued 30 113 110 (23 193 737) shares. The average number of shares for Q1 2021 amounted to 27 813 110 (23 193 737) shares.

## Share Options

On May 29th, 2018, a general meeting was held and decided on a directed issue of 800 000 share options of series 2018/2021 to employees and key personnel of the Safeture Group. 794 000 share options were subscribed. The share options were issued at the price of 0,07 SEK per option. The subscription price for exercising the share options amounts to 9,86 SEK per option. The share options may be exercised during the period December 13th, 2021 – December 17, 2021. One (1) share option gives the right to subscribe for one (1) new share.

On July 17th, 2019, a general meeting was held and decided on a directed issue of 1 142 500 share options of series 2019/2022 to employees and key personnel of the Safeture Group. 1 070 880 share options were subscribed. The share options were issued at the price of 0,628 SEK per option. The subscription price for exercising the share options amounts to 7,97 SEK per option. The share options may be exercised during the period July 18th, 2022 – July 29, 2022. One (1) share option gives the right to subscribe for one (1) new share.

On June 4th, 2020, a general meeting was held and decided on a directed issue of 200 000 share options of series 2020/2023 to employees and key personnel of the Safeture Group. 175 000 share options were subscribed. The share options were issued at the price of 1,56 SEK per option. The subscription price for exercising the share options amounts to 16,55 SEK per option. The share options may be exercised during the period June 5<sup>th</sup>, 2023 – June 15<sup>th</sup>, 2023. One (1) share option gives the right to subscribe for one (1) new share.

## Largest Shareholders

The schedule below shows the ten largest shareholders, and the number of shares they own in Safeture AB, as of March 31, 2021.

Shareholders	Amount of shares	%
Adma Förvaltnings AB	12 012 049	39,89%
Topline Capital	6 000 000	19,92%
Ninalpha AB	2 000 000	6,64%
Semmy Rülff (Chairman of the Board)	1 228 380	4,08%
Dragfast AB	1 000 000	3,32%
Emirates Advanced	960 374	3,19%
Amir Poursamad	529 150	1,76%
Futur Pension	505 600	1,68%
Flemming Breinholt (Nominated new Chairman of the Board)	500 000	1,66%
Andreas Rodman (Former CEO)	471 500	1,57%
Others	4 906 057	16,29%
TOTAL	30 113 110	100%

## Related party transactions

During the first quarter 2021 the following related party transactions have been processed.

- Semmy Rülff, chairman of the board of Safeture AB, has received 120 TSEK as remuneration for management services.
- Curando Nordic AB, where chairman of the board Semmy Rülff is a member of the board, has been invoiced 14 TSEK for office rental.
- Moroxite AB, where chairman of the board Semmy Rülff is a member of the board, has been invoiced 14 TSEK for office rental.

## Other information

### General accounting principles

The Interim Report has been established in accordance with Årsredovisningslagen (1995:1554) and BFNAR 2012:1, Årsredovisning och koncernredovisning (K3). General accounting principles applied is coherent with the accounting principles used when establishing the 2019 Annual Report.

### Audit

The Interim Report has not been audited by the Company's auditors.

### Financial calendar

The company establish and publish a financial report every quarter. Upcoming reports and the annual shareholder meeting are planned as per below:

- Annual Report 2021-04-29
- Annual Shareholder Meeting 2021-05-20
- Q2 report 2021 2021-07-20
- Q3 report 2021 2021-10-20

Previous reports are available on the company web page:

<https://investor.safeture.com/investors/finansiella-rapporter/arsredovisningar/>

### Certified Adviser

Erik Penser Bank AB is the Certified Adviser of Safeture.

Submission of Interim Report  
Lund April 2021  
Safeture AB (publ)  
The Board

*Semmy Rölf – Chairman of the Board*  
*Sofia Kinberg – Board Member*  
*Adam Schatz – Board Member*  
*Christian Lindgren – Board Member*  
*Pontus Kristiansson – Board Member*  
*Magnus Hultman – Managing Director*

For further information please contact CEO Magnus Hultman, +46 (0) 70 – 600 46 88, [magnus.hultman@safeture.com](mailto:magnus.hultman@safeture.com)

## The Group

The Group comprises the Parent company, including subsidiaries. On March 31<sup>th</sup>, 2021, the Parent company owned 100% of the shares in GWS Production (Singapore) Pte Ltd, 99,99% of the shares in GWS do Brasil Soluções e Sistemas Tecnológicos em Segurança Ltda and 35% of the shares in Carefindy AB (minority interest).

## Summary of Income Statement

TSEK	Q1 2021	Q1 2020	2020-01-01 2020-12-31
Revenue			
Net turnover*	6 123	4 811	21 541
Own work capitalised	1 631	915	4 696
Other income	13	3	71
Total revenue	7 767	5 728	26 308
Operating costs	-13 945	-10 557	-48 300
Depreciation	-963	-743	-3 236
Operative result	-7 141	-5 573	-25 229
Financials			
Finance net	-22	-31	-222
Result after financials	-7 163	-5 604	-25 451
Tax	-7	-6	-22
Result after tax	-7 169	-5 609	-25 472
Loss for the period	-7 169	-5 609	-25 472

## Summary of Financial Position

TSEK	2021-03-31	2020-12-30
<b>Assets</b>		
Fixed assets		
Intangible assets	10 833	10 094
Tangible assets	1 299	1 371
Financial assets	1 232	1 232
<b>Total fixed assets</b>	<b>13 364</b>	<b>12 697</b>
<b>Current assets</b>		
Short term receivables	6 321	14 587
Cash and bank	32 262	1 288
<b>Total current assets</b>	<b>38 583</b>	<b>15 875</b>
<b>Total assets</b>	<b>51 947</b>	<b>28 572</b>
<b>Equity and liabilities</b>		
<b>Restricted equity</b>		
Share capital	2 409	2 041
Fund for development cost	9 952	8 737
<b>Non restricted equity</b>		
Share premium*	162 549	124 277
Retained earnings	-127 514	-100 828
Result for the period	-7 169	-25 472
Minority interest	0	0
<b>Total equity</b>	<b>40 227</b>	<b>8 755</b>
Total short-term liabilities	11 077	18 960
Total long-term liabilities	643	857
<b>Total equity and liabilities</b>	<b>51 947</b>	<b>28 572</b>

\* Rights emission in January 2021 of 4,6 million shares at 8,40 SEK each.

## Data per Share

	2021-01-01 2021-03-31	2020-01-01 2020-03-01	2020-01-01 2020-12-31
Number of shares before dilution (at period end)	30 113 110	23 193 737	25 513 110
Number of shares after dilution* (at period end)	32 152 990	25 728 617	27 552 990
Average number of shares before dilution	27 813 110	23 193 737	24 353 424
Average number of shares after dilution*	29 852 990	25 728 617	26 640 804
Number of shares at period end	30 113 110	23 193 737	25 513 110
Loss per share before dilution (calculated on average number of shares)	-0,26	-0,24	-1,05
Loss per share after dilution* (calculated on average number of shares)	-0,24	-0,22	-0,96

## Statement of Cash Flow – Summary

TSEK	2021-01-01 2021-03-31	2020-01-01 2020-03-31	2020-01-01 2020-12-31
Operating activities			
Operative result	-7 141	-5 573	-25 126
Adjustment for depreciation & other items	963	743	3 235
Interest received /paid	-22	-32	-213
Cash flow from changes in Working capital	379	-275	1 191
Cash flow from operating activities	-5 821	-5 137	-20 913
Cash flow from investing activities	-1 631	-915	-6 171
Cash flow from financing activities	38 426	4 786	22 145
Cash flow the period	30 974	-1 266	-4 939
Cash at the beginning of the period	1 288	6 383	6 167
Cash at the end of the period	32 262	5 117	1 228



## Summary of Changes in Equity

### First Quarter 2021

TSEK	Share capital	Fund for dev. costs	Share premium	Ret. earnings incl. loss for the period	Total equity
2021-01-01	2 041	8 737	124 277	-126 301	8 755
Issue new shares	368		38 272		38 640
Reposting	-	1 215	-	-1214	1
Loss for the period	-	-	-	-7 169	-7 169
2021-03-31	2 409	9 952	162 549	-134 684	40 227

### Twelve months 2020

TSEK	Share capital	Fund for dev. costs	Share premium	Ret. earnings incl. loss for the period	Total equity
2020-01-01	1 855	6 918	101 587	-98 962	11 399
Issue new shares	186		22 690		22 876
Reposting	-	1 819	-	-1867	-48
Loss for the period	-	-	-	-25 472	-25 472
2020-12-31	2 041	8 737	124 277	-126 301	8 755

## The Parent Company

### Summary of Income Statement

TSEK	Q1 2021	Q1 2020	2020-01-01 2020-12-31
Revenue			
Net turnover	6 124	4 811	21 542
Own work capitalised	1 631	915	4 696
Other income	13	3	71
Total revenue	7 768	5 729	26 309
Operating costs	-13 963	-10 494	-48 201
Depreciation	-963	-743	-3 235
Operative result	-7 158	-5 508	-25 127
Financials			
Finance Net	-20	-32	-248
Result after financials	-7 179	-5 540	-25 374
Tax	0	0	0
Result after tax	-7 179	-5 540	-25 374
Loss for the period	-7 179	-5 540	-25 374

## Summary of Financial Position

TSEK	2021-03-31	2020-12-31
<b>Assets</b>		
Fixed assets		
Intangible assets	10 833	10 094
Tangible assets	1 295	1 367
Financial assets	1 320	1 320
<b>Total fixed assets</b>	<b>13 448</b>	<b>12 781</b>
<b>Current assets</b>		
Short term receivables	6 329	14 566
Cash and bank	32 152	1 228
<b>Total current assets</b>	<b>38 481</b>	<b>15 794</b>
<b>Total assets</b>	<b>51 930</b>	<b>28 576</b>
<b>Equity and liabilities</b>		
<b>Restricted equity</b>		
Share capital	2 409	2 041
Fund for development cost	9 952	8 737
<b>Non restricted equity</b>		
Share premium*	162 549	124 277
Retained earnings	-127 407	-100 818
Result for the period	-7 179	-25 374
Minority interest	0	0
<b>Total equity</b>	<b>40 324</b>	<b>8 863</b>
Total short-term liabilities	10 963	18 856
Total long-term liabilities	643	857
<b>Total equity and liabilities</b>	<b>51 930</b>	<b>28 576</b>

\* Rights emission in January 2021 of 4,6 million shares at 8,40 SEK each.

## Data per Share

	2021-01-01	2020-01-01	2020-01-01
	2021-03-31	2020-03-01	2020-12-31
Number of shares before dilution (at period end)	30 113 110	23 193 737	25 513 110
Number of shares after dilution* (at period end)	32 152 990	25 728 617	27 552 990
Average number of shares before dilution	27 813 110	23 193 737	24 353 424
Average number of shares after dilution*	29 852 990	25 728 617	26 640 804
Number of shares at period end	30 113 110	23 193 737	25 513 110
Loss per share before dilution (calculated on average number of shares)	-0,26	-0,24	-1,04
Loss per share after dilution* (calculated on average number of shares)	-0,24	-0,22	-0,95

## Summary of Cash Flow

TSEK	2021-01-01	2020-01-01	2020-01-01
	2021-03-31	2020-03-31	2020-12-31
Operating activities			
Operative result	-7 158	-5 508	-25 126
Adjustment for depreciation & other items	963	743	3 235
Interest received /paid	-20	-32	-213
Cash flow from changes in working capital	340	-274	1 191
Cash flow from operating activities	-5 875	-5 071	-20 913
Cash flow from investing activities	-1 631	-915	-6 171
Cash flow from financing activities	38 426	4 786	22 145
Cash flow of the period	30 920	-1 200	-4 939
Cash at the beginning of the period	1 232	6 167	6 167
Cash at the end of the period	32 152	4 967	1 228

## Summary of Changes in Equity

### First Quarter 2021

TSEK	Share capital	Fund for development costs	Share premium	Ret. earnings incl. loss for the period	Total equity
2020-01-01	2 041	8 737	124 277	-126 194	8 863
Issue new shares	368		38 272		38 640
Reposting	-	1 215	-	-1215	0
Loss for the period	-	-	-	-7 179	-7 179
2020-12-31	2 409	9 952	162 549	-134 588	40 323

### Twelve months 2020

TSEK	Share capital	Fund for development costs	Share premium	Ret. earnings incl. loss for the period	Total equity
2020-01-01	1 855	6 918	101 588	-99 001	11 360
Issue new shares	186		22 690		22 876
Reposting	-	1819	-	-1819	0
Loss for the period	-	-	-	-25 374	-25 374
2020-12-31	2 041	8 737	124 277	-126 194	8 863



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