



Interim Report - Q1 2022

Solid quarter - Safeture delivers in line with targets

- Annual recurring revenue (ARR) growth of 28% to 34,6 MSEK.
- Recurring revenue amount to 8,1 MSEK compared to 5,9 MSEK last year (+36%).
- Gross Margin in Q1 improves to 72% compared to 66% last year.
- Operative result improves with 2,5 MSEK compared to last year.

Summary of Interim Report

The Group

First quarter (2022-01-01 to 2022-03-31)

- Net revenue amounted to 8 152 (6 123) TSEK, an increase of +33,1% compared to the same period last year.
- Loss after financials amounted to -4 665 (-7 169) TSEK.
- Loss per share before dilution amounted to -0,15 (-0,26) SEK.
- Loss per share after dilution amounted to -0,15 (-0,24) SEK.
- The solidity amounted to 51,3 (77,4) %.

Growing SaaS Traction

First quarter (2022-01-01 to 2022-03-31)

- Annual recurring revenue (ARR) at the end of Q1 2022 reached 34 576 (27 061) TSEK, a year-on-year increase of +28%.
- Recurring revenue increased 36% to 8 070 (5 946) TSEK, which represents 99% (97%) of the quarterly revenue.
- Churn for the quarter was 0,5%.
- Net revenue retention was 100,7%.

Significant events during the first quarter, 2022.

- Safeture has entered into a financing agreement for the provision of loans of up to SEK 10 million with Safeture's largest shareholder Agarthia AB holding approximately 38 per cent of the shares in Safeture. With the agreement in place the Board of Safeture ensures sufficient time to secure the best long-term financing for the company.



Message from the CEO Magnus Hultman

“Solid quarter - Safeture delivers in line with targets”

The first quarter of 2022 was characterized by a high level of activities brought on by new opportunities as well as new tragic situations in an ever-changing world. Our extensive global partner network has been occupied and focused on helping our mutual customers with securing operations and employees in Ukraine.

Financial results in line with targets

The quarter gave us proof that our partner strategy is working well, and our partners contributed with 87 % of the increase in ARR. Among our new customers, we can count several universities and institutions in the UK and the FMCG giant Beiersdorf in Germany, the last one together with our new partner InCyTect. With new partners and good traction for our customer success team we increased ARR from our existing customers while at the same time maintaining our low churn at 0,5 %. Sales increased 33% year-on-year and our gross margin continue to improve quarter by quarter, reaching 72% in Q1. At the same time our operating expenses somewhat decrease compared last year. All in all, these improvements lead to an improvement of 2,5 MSEK on the bottom-line.

Additions to our offering

The beginning of the year is the time where we set the product development roadmap for the rest of year. It will be a very intense year since we are set to expand our SaaS offering further. An important part of being a global software provider is to a) be able to scale b) providing an open platform that adjust to customer needs c) integrations and co-operations d) improving lifetime value (LTV). With this in mind, we set the scope for our roadmap, based on data and customer insights.

We will roll out several product launches that will be groundbreaking in our market. The most important addition to our platform is to become “risk intelligence agnostic”. It means that the risk intelligence in the Safeture platform is interchangeable to customer requests. The obvious benefit is that the customers can add different risk intelligence sources to the platform and thereby have a unified view that will benefit the overall risk management. As part of this we will also launch a “marketplace” in the Safeture platform where the user can access additional partner services by their fingertips. These additions emphasize the strength of our dynamic platform and enable us to facilitate our customers’ day to day work and strengthen Safeture relationship with both partners and end-customers at the same time.

On a final note, we see an increased demand in the market and a higher degree of business activity which we aim to convert to business opportunities. Uncertainties related to Covid-19 are decreasing by the day and the Ukraine crisis is emphasizing the importance of having the right technology in place when the unexpected happens. With our extensive network and dynamic platform, we take pride in being able to assist in safeguarding employees even in the most challenging, rapidly changing, and unexpected circumstances.

Magnus Hultman, CEO of Safeture

Lund, April 2022



About Safeture AB

Safeture is a Swedish Software as a Service (SaaS) company that offers an advanced cloud-based open platform within the area ERCM (Employee Risk & Crisis Management). We offer medical-, risk- and security assistance providers the ability to effectively automate medical, safety and security processes by collecting risk information, employee location and facilitate communication - all in the same platform.

The Safeture platform covers the process from incident detection to the employee responses and everything in between.

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 lives could have been saved if people had been warned earlier and received more information. The company was listed in 2014.

Overall Goal

To be the best-in-class technology platform for medical-, risk- and security assistance providers.

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.

Financial Targets Mid-term

- Average sales growth of at least 30% (year-on-year).
- Continuously improved margins from current level to above 80%
- Continuous growth of ARR with the aim to be profitable at an ARR of 65 MSEK.

Sales & Strategy

Safeture's global sales strategy is to target assistance providers and offer them a best-in-class open platform for employee safety. The business model is SaaS, Software as a Service, where close to 100% of our revenue is recurring revenues. More than 80% of our revenue originates from customers in Europe, 15% from customers in the US and 5% from Southeast Asia.

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 partners, we develop and adapt our products continuously. The cutting-edge knowledge that we gather from the cooperation with our partners 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 2021, available on the company's web page.

Organization & Personnel

The average number of employees in the parent company during Q1 2022 amounted to 42 (44). The corresponding figure for the Group amounted to 43 (46).

Financial Review – Q1 2022

Revenue

Safeture has made a transformation to a full-scale SaaS business. For the past quarters recurring revenue coming from platform subscriptions has represented a vast majority of the revenue streams and Q1 is not an exception with 99% recurring revenue. Net revenue for the Group and the Parent company during Q1 amounted to 8 152 TSEK (6 123 TSEK), which is an increase of 33% compared to the same quarter last year.

Result

The loss in Q1 2022 for the Group amounted to -4 665 (-7 169) TSEK. The loss for the Parent company amounted to -4 645 (-7 179) TSEK. Increased sales together with year-on-year gross margin improvements from 66% to 72% have a positive effect on the bottom line for Q1 2022 compared to last year. An increased installed user base together with a high portion of fixed cost for running the platform is setting the basis for continuing this positive trend going forward. Gross margins in absolute terms are higher than investments in sales and marketing for the fourth consecutive quarter, which implies higher ROI on the customer acquisition cost (CAC).

SaaS Metrics Development by Quarter

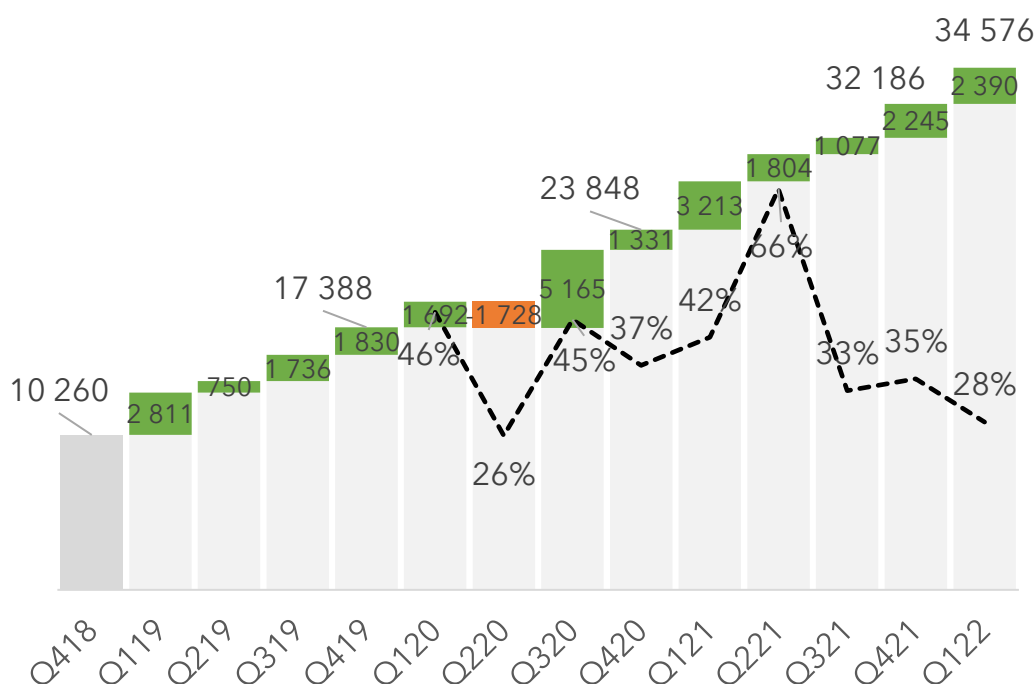
TSEK	Q320	Q420	Q121	Q221	Q321	Q421	Q122
Recurring Revenues	4 802	5 422	5 946	6 521	6 616	7 480	8 070
Recurring Revenues/ Total Revenues	86%	85%	97%	99%	100%	100%	99%
Annual Recurring Revenues (ARR)	22 517	23 848	27 061	28 865	29 942	32 186	34 576
Churn	0,3%	0,0%	0,8%	0,3%	1,7%	3,0%	0,5%
Net Revenue Retention (NRR)				100,4%	99,2%	102,4%	100,7%

Recurring revenue amounted to 8 070 (5 946) TSEK, which represents 99% (97%) of the quarterly revenue and 36% increase year-on-year.

Annual recurring revenue (ARR) at the end of Q1 2022 increased to 34 576 (27 061) TSEK, which represents a year-on-year increase of 28%.

Revenue churn for Q1 was low at 0,5%. Upsell on existing clients offset the cancellations and downgrades which concluded the NRR at 100,7%.

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



Liquidity

Cash in bank for the Group, as of March 31, 2022 amounted to 10 625 (32 262) TSEK, while cash in bank for the Parent company as of the same date amounted to 10 540 (32 152) TSEK. Q1 cash-flow for the Group and the Parent company amounted to -7 440 (+30 974) TSEK and -7 444 (+30 920) TSEK respectively. Several clients are invoiced yearly in advance, at the time for the yearly subscription renewal, which implies cash flow fluctuations between the quarters. Q1 2021 cash flow included funds from a direct issue of 38 640 TSEK. In Q1 Safeture entered into a financing agreement for the provision of loans of up to SEK 10 million with Safeture's largest shareholder Agartha AB holding.

Investments

Q1 investments in intangible and tangible assets amounted to 2 033 (1 631) TSEK. The investment consists of capitalized platform development cost.

Solidity

The solidity of the Group as of March 31, 2022 compared to last year increased to 51,3 (77,4) %, while the solidity for the Parent company increased to 51,5 (77,7) %.

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, 2022, the Company has issued 30 113 110 (30 113 110) shares. The average number of shares for Q1 2022 amounted to 30 113 110 (27 813 110) shares.

Share Options

On July 17th, 2019, a general meeting was held and decided on a directed issue of 742 500 share options of series 2019/2022A to employees and key personnel at Safeture AB. 670 880 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 7,91 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 July 17th, 2019, a general meeting was held and decided on a directed issue of 400 000 share options of series 2019/2022B to board members of Safeture AB. 400 000 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 7,91 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 at Safeture AB. 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 5th, 2023 - June 15th, 2023. One (1) share option gives the right to subscribe for one (1) new share.

On May 20th, 2021, a general meeting was held and decided on a directed issue of 300 000 share options of series 2021/2024 to board members of Safeture AB. 300 000 share options were subscribed. The share options were issued at the price of 1,36 SEK per option. The subscription price for exercising the share options amounts to 15,72 SEK per option. The share options may be exercised during the period June 4th, 2024 - June 14th, 2024. One (1) share option gives the right to subscribe for one (1) new share.

On May 20th, 2021, a general meeting was held and decided on a directed issue of 50 000 share options of series 2021/2024 to key personnel at Safeture AB. 50 000 share options were subscribed. The share options were issued at the price of 1,36 SEK per option. The subscription price for exercising the share options amounts to 15,72 SEK per option. The share options may be exercised during the period June 4th, 2024 - June 14th, 2024. 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, 2022.

Shareholders	Amount of shares	%
Agartha AB	11 512 049	38,23%
Topline Capital	5 892 674	19,57%
Ninalpha AB	3 154 238	10,47%
Semmy Rölf	1 228 380	4,08%
Dragfast AB	1 000 000	3,32%
Emirates Advanced	960 374	3,19%
Johan Oredsson	740 050	2,46%
Flemming Breinholt (Chairman of the Board)	500 000	1,66%
Andreas Rodman (Former CEO)	471 500	1,57%
Joseph Aroyan	408 400	1,36%
Others	4 245 445	14,10%
TOTAL	30 113 110	100%

Related party transactions

During the first quarter 2022 the following related party transactions have been processed.

- Flemming Breinholt, chairman of the board of Safeture AB, has received 100 TSEK as remuneration for management services.
- Agilit Holding AB, where Semmy Rölf (board member at Safeture) is a member of the board, has been invoiced 12 TSEK for office rental.
- Moroxite AB, where Semmy Rölf (board member at Safeture) is a member of the board, has been invoiced 12 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 2021 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 General Meeting 2022-05-19
- Q2 report 2022 2022-07-20
- Q3 report 2022 2022-10-20
- Q4 report 2022 2023-02-15

Previous reports are available on the company web page:
<https://investor.safeture.com/arsredovisningar-och-rapporter/>

Certified Adviser

Erik Penser Bank AB is the Certified Adviser of Safeture.

Submission of Interim Report
Lund April 2022
Safeture AB (publ) - The Board

Flemming Breinholt - Chairman of the Board

Semmy Rölf - Board Member

Sofia Kinberg - Board Member

Christian Lindgren - Board Member

Pontus Kristiansson - Board Member

Elisabeth Brevenson - Board Member

For further information please contact CEO Magnus Hultman, +46 (0) 70 - 600 46 88,
magnus.hultman@safeture.com

The Group

The Group comprises the Parent company, including subsidiaries. On March 31th, 2022, the Parent company owned 100% of the shares in GWS Production (Singapore) Pte Ltd and 99,99% of the shares in GWS do Brasil Soluções e Sistemas Tecnológicos em Segurança Ltda.

Summary of Income Statement

TSEK	Q1 2022	Q1 2021	2021-01-01 2021-12-31
Revenue	8 152	6 123	26 796
Own work capitalised	2 033	1 631	6 360
Other income	184	13	447
Total revenue	10 368	7 767	33 603
Operating costs	-13 849	-13 945	-52 655
Depreciation	-1 161	-963	-4 160
Operative result	-4 640	-7 141	-23 212
Financials			
Finance net	-22	-22	-80
Result after financials	-4 663	-7 163	-23 292
Tax	-3	-7	-27
Result after tax	-4 665	-7 169	-23 320

Summary of Financial Position

TSEK	2022-03-31	2021-12-31
Assets		
Fixed assets		
Intangible assets	13 528	12 583
Tangible assets	1 007	1 082
Financial assets	1 354	1 354
Total fixed assets	15 889	15 019
Current assets		
Short term receivables	12 277	10 740
Cash and bank	10 625	18 065
Total current assets	22 902	28 805
Total assets	38 791	43 824
Equity and liabilities		
Restricted equity		
Share capital	2 409	2 409
Fund for development cost	12 917	11 948
Non restricted equity		
Share premium*	163 025	163 025
Retained earnings	-153 768	-129 512
Result for the period	-4 665	-23 318
Minority interest	0	0
Total equity	19 918	24 552
Total short-term liabilities	18 873	19 272
Total long-term liabilities	0	0
Total equity and liabilities	38 791	43 824

* Direct issue in January 2021 of 4,6 million shares at 8,40 SEK each.

Data per Share

	2022-01-01 2022-03-31	2021-01-01 2021-03-31	2021-01-01 2021-12-31
Number of shares before dilution (at period end)	30 113 110	30 113 110	30 113 110
Number of shares after dilution* (at period end)	31 708 990	32 152 990	31 708 990
Average number of shares before dilution	30 113 110	27 813 110	27 813 110
Average number of shares after dilution*	31 708 990	29 852 990	29 630 990
Number of shares at period end	30 113 110	30 113 110	30 113 110
Loss per share before dilution (calculated on average number of shares)	-0,15	-0,26	-0,84
Loss per share after dilution* (calculated on average number of shares)	-0,15	-0,24	-0,79

Statement of Cash Flow - Summary

TSEK	2022-01-01 2022-03-31	2021-01-01 2021-03-31	2021-01-01 2021-12-31
Operating activities			
Operative result	-4 640	-7 141	-23 213
Adjustment for depreciation & other items	1 161	963	4 160
Interest received /paid	-25	-22	-107
Cash flow from changes in Working capital	-1 689	379	4 160
Cash flow from operating activities	-5 193	-5 821	-15 000
Cash flow from investing activities	-2 033	-1 631	-6 360
Cash flow from financing activities	-214	38 426	38 137
Cash flow the period	-7 440	30 974	16 777
Cash at the beginning of the period	18 065	1 288	1 288
Cash at the end of the period	10 625	32 262	18 065

Summary of Changes in Equity

First quarter 2022

TSEK	Share capital	Fund for dev. costs	Share premium	Ret. earnings incl. loss for the period	Total equity
2022-01-01	2 409	11 948	163 025	-152 828	24 552
Issue new shares					0
Reposting	-	969	-	-937	32
Loss for the period	-	-	-	-4 665	-4 665
2022-03-31	2 409	12 917	163 025	-158 430	19 918

Full year 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		38 748		39 116
Reposting	-	3 211	-	-3209	2
Loss for the period	-	-	-	-23 318	-23 318
2021-12-31	2 409	11 948	163 025	-152 828	24 552

The Parent Company

Summary of Income Statement

TSEK	Q1 2022	Q1 2021	2021-01-01 2021-12-31
Revenue	8 152	6 124	26 796
Own work capitalised	2 033	1 631	6 360
Other income	184	13	447
Total revenue	10 369	7 768	33 603
Operating costs	-13 831	-13 963	-52 701
Depreciation	-1 161	-963	-4 159
Operative result	-4 624	-7 158	-23 257
Financials			
Finance Net	-22	-20	-108
Result after financials	-4 647	-7 179	-23 365
Tax	0	0	0
Result after tax	-4 647	-7 179	-23 365

Summary of Financial Position

TSEK	2022-03-31	2021-12-31
Assets		
Fixed assets		
Intangible assets	13 528	12 583
Tangible assets	1 007	1 079
Financial assets	1 442	1 442
Total fixed assets	15 977	15 104
Current assets		
Short term receivables	12 262	10 720
Cash and bank	10 540	17 984
Total current assets	22 802	28 704
Total assets	38 778 	43 806
Equity and liabilities		
Restricted equity		
Share capital	2 409	2 409
Fund for development cost	12 917	11 948
Non restricted equity		
Share premium*	163 025	163 025
Retained earnings	-153 738	-129 404
Result for the period	-4 645	-23 365
Minority interest	0	0
Total equity	19 968	24 613
Total short-term liabilities	18 810	19 192
Total long-term liabilities	0	0
Total equity and liabilities	38 778	43 806

* Direct issue in January 2021 of 4,6 million shares at 8,40 SEK each.

Data per Share

	2022-01-01 2022-03-31	2021-01-01 2021-03-31	2021-01-01 2021-12-31
Number of shares before dilution (at period end)	30 113 110	30 113 110	30 113 110
Number of shares after dilution* (at period end)	31 708 990	32 152 990	31 708 990
Average number of shares before dilution	30 113 110	27 813 110	27 813 110
Average number of shares after dilution*	31 708 990	29 852 990	29 630 990
Number of shares at period end	30 113 110	30 113 110	30 113 110
Loss per share before dilution (calculated on average number of shares)	-0,15	-0,26	-0,84
Loss per share after dilution* (calculated on average number of shares)	-0,15	-0,24	-0,79

Summary of Cash Flow

TSEK	2022-01-01 2022-03-31	2021-01-01 2021-03-31	2021-01-01 2021-12-31
Operating activities			
Operative result	-4 624	-7 158	-23 257
Adjustment for depreciation & other items	1 161	963	4 125
Interest received /paid	-22	-20	-74
Cash flow from changes in working capital	-1 712	340	4 185
Cash flow from operating activities	-5 197	-5 875	-15 021
Cash flow from investing activities	-2 033	-1 631	-6 360
Cash flow from financing activities	-214	38 426	38 137
Cash flow of the period	-7 444	30 920	16 756
Cash at the beginning of the period	17 984	1 232	1 228
Cash at the end of the period	10 540	32 152	17 984

Summary of Changes in Equity

First quarter 2022

TSEK	Share capital	Fund for development costs	Share premium	Ret. earnings incl. loss for the period	Total equity
2022-01-01	2 409	11 948	163 025	-152 770	24 613
Issue new shares	0		0		0
Reposting	-	969	-	-967	2
Loss for the period	-	-	-	-4 647	-4 647
2022-03-31	2 409	12 917	163 025	-158 384	19 968

Full year 2021

TSEK	Share capital	Fund for development costs	Share premium	Ret. earnings incl. loss for the period	Total equity
2021-01-01	2 041	8 737	124 277	-126 194	8 861
Issue new shares	368		38 748		39 116
Reposting	-	3211		-3211	0
Loss for the period	-	-	-	-23 365	-23 365
2020-12-31	2 409	11 948	163 025	-152 770	24 613

Definitions Key Metrics

Recurring Revenue

The portion of revenue that is expected to continue in the future.

Annual Recurring Revenue (ARR)

The recurring revenue expected for the coming 12 month, including contracted orders affecting coming quarters.

Recurring Revenue %

The recurring revenue share of total net sales.

Churn %

Percentage of recurring revenue related to cancellation / downgrading within the quarter in relation to total recurring revenue for the same period.

Gross Margin

Revenue generated less the cost to run the platform.

Gross Margin %

Gross Margin in relation to total revenue.

Customer Acquisition Cost (CAC)

Cost to acquire new customers & grow existing customers. For Safeture this represents total investment within sales & marketing.

Gross Margin / CAC Ratio (%)

The gross margin in relation to the CAC investment.

Net Revenue Retention (NRR)

The percentage of recurring revenue retained from existing customers over a given time incl. upgrades, downgrades, and cancellations.



Safeture AB (publ.)

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