

An aerial photograph of a city, likely Stockholm, Sweden, taken during sunset. The sky is filled with soft, colorful clouds in shades of purple, pink, and orange. The city's buildings are illuminated by the low sun, and a large body of water in the foreground reflects the sky. Several boats are visible on the water, and a prominent church spire stands out in the cityscape.

EARNINGS CALL

UPSALES TECHNOLOGY AB (publ)

Q2 2020

UPSALES

What we do

We help companies find new customers and win more deals by delivering
Sales and Marketing software as a service

We do this for more than 600 clients in 9 countries

UPSALES



Business model

- Subscription based SaaS model with ~90% recurring revenue
- Dynamic and scalable platform reduces the need for consulting work and streamlines sales and customer success



Growth strategy



**Invest in the product to
increase contract values**



**Scale sales and marketing
organization to win more contracts**



**Expand into new
markets**

UPSALES

Building the best Sales & Marketing software in the world

- Investing in our product leads to increased average contract values
- Off-the-shelf add-ons are more attractive to customers than bespoke solutions *and* facilitates organic ARR growth within the existing customer base
- The platform is capable of deploying highly customized solutions to larger clients with 100+ users with very little consulting work

Growing by scaling our sales team

- An effective model with short ramp-up time
- CAC payback year 1 reduces the need for external capital
- We have an aggressive hiring plan for H2 2020

Growing by expanding to new markets

- Our product continue to prove itself competitive internationally with **6 new** international clients in Q2
- ***During Q1 and Q2 we have not been focusing on international deals due COVID-19 lockdowns throughout Europe***

Financial highlights

Revenue Q2

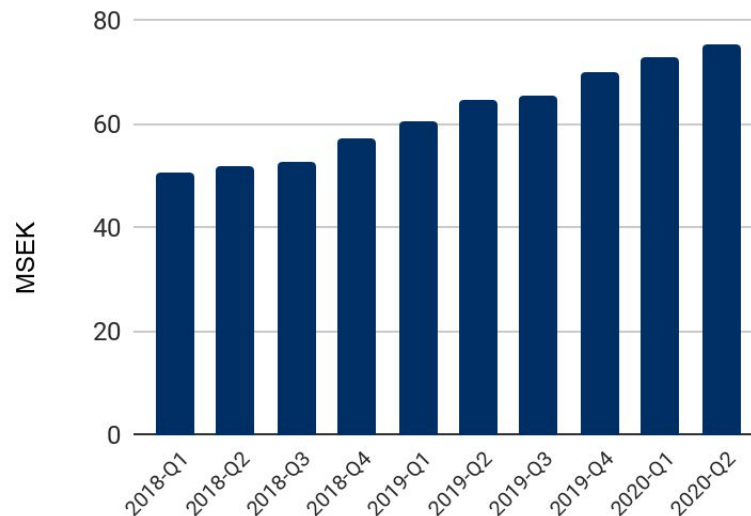
ARR
75,5 MSEK
64,7 MSEK

ARR CHANGES Q2
+ 2,7 MSEK
+ 4,1 MSEK

ARR GROWTH
16,7 %
25,2 %

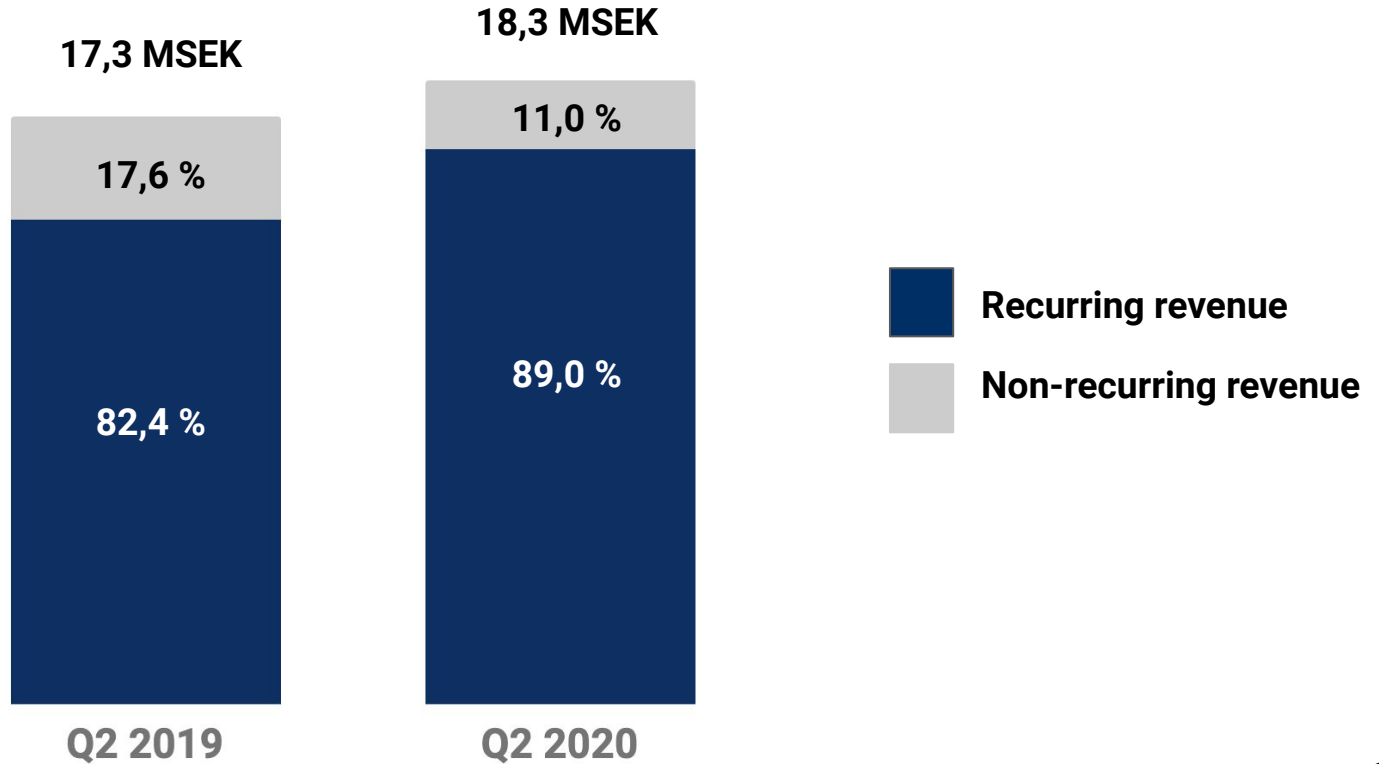
NET SALES
18,3 MSEK
17,3 MSEK

ANNUAL RECURRING REVENUE LAST 10 QUARTERS



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Recurring revenue share continues to increase



Profitability Q2

EBITDA

5,1 MSEK

27,7 % margin

Net Income

2,1 MSEK

0,7 MSEK

EBIT

2,8 MSEK

15,4 % margin

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Cash flow Q2

OPERATING CASH FLOW

2,4 MSEK

-0,3 MSEK

CASH FLOW

1,5 MSEK

1,9 MSEK

NET CASH/ NET DEBT

28,6 MSEK

14,5 MSEK