

# Earnings call Q4 2019

UPSALES

# TODAY'S SPEAKERS



**Daniel Wikberg**  
CEO



**Elin Lundström**  
CFO

# Upsales at a glance

## What we do

- Help companies reach new customers and win more deals
- Sales and Marketing technology delivered as software as a service (SaaS)

## More about Upsales

FOUNDED  
**2003**

HEAD OFFICE  
**Stockholm, Sweden**

CUSTOMERS  
**500+ in 9 countries**



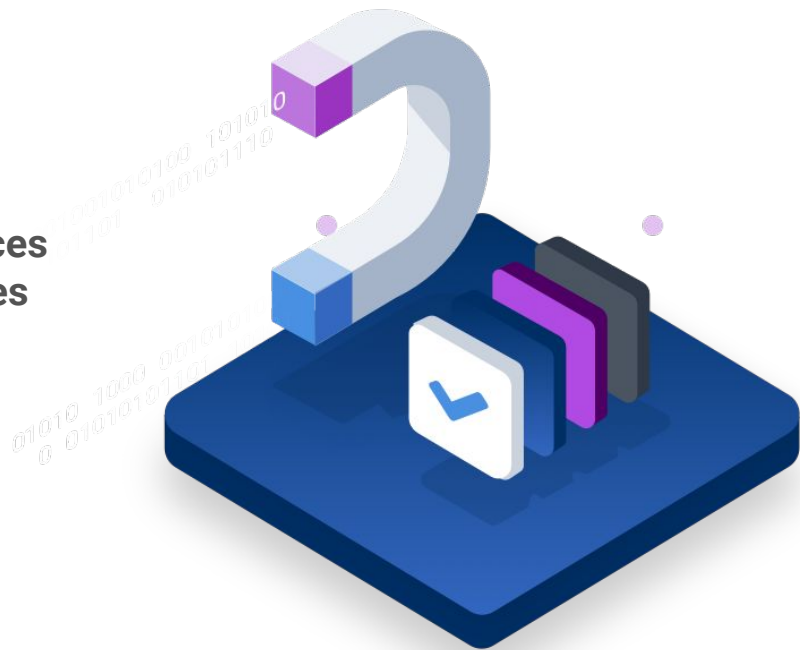
**Our vision**

# **Enabling greatness in B2B sales**

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# Business model

- Subscription based SaaS model
- Highly dynamic and scalable platform reduces the need for consulting work and streamlines sales and customer success
- 88% recurring revenue



# Growth strategy



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



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



**Expand into new  
markets**

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# Growing by investing in our product

- Scaling with a proven land-and-expand model
- Upgrade to more advanced editions or purchase specific add-ons

LAUNCH	GROWTH	GAZELLE	LEADER
<p>For small teams with big ambitions. This version is great for companies with 1-10 sales reps looking for a easy-to-use CRM with Basic Marketing capabilities.</p>	<p>For growing sales organizations with 10-25 sales reps looking for a capable CRM platform with integrated marketing automation to generate leads and drive growth.</p>	<p>For fast-growing, profitable companies with 25-50 sales reps looking to build a revenue engine to secure further growth. Integrated Revenue Analytics and advanced Sales &amp; Marketing work flows.</p>	<p>Larger sales and marketing organisations with 100+ sales reps looking to dominate their industry</p>
<p>Includes:</p> <ul style="list-style-type: none"><li>5 users</li><li>5.000 contacts</li></ul>	<p>Includes:</p> <ul style="list-style-type: none"><li>20 users</li><li>10.000 contacts</li></ul>	<p>Includes:</p> <ul style="list-style-type: none"><li>30 users</li><li>20.000 contacts</li></ul>	<p>Includes:</p> <ul style="list-style-type: none"><li>50 users</li><li>30.000 contacts</li></ul>
<p><b>CRM</b></p> <ul style="list-style-type: none"><li>Accounts &amp; Contacts</li><li>Calls &amp; Meetings</li><li>Opportunity management</li><li>Calendar sync (Exchange/Google)</li><li>Access to Bisnode data</li><li>App for iOS &amp; Android</li><li>GDPR</li></ul> <p><b>Marketing</b></p> <ul style="list-style-type: none"><li>E-mail campaigns</li><li>Campaign management</li><li>Website tracking</li></ul> <p><b>Reporting</b></p> <ul style="list-style-type: none"><li>Salesboard overview</li><li>Ready-made reports</li><li>Dashboards</li></ul>	<p><b>Everything in LAUNCH</b></p> <p><b>CRM</b></p> <ul style="list-style-type: none"><li>Triggers</li><li>Bisnode group overview</li><li>Role-based permissions</li><li>Multiple currencies</li></ul> <p><b>Marketing</b></p> <ul style="list-style-type: none"><li>Forms &amp; Landing pages</li><li>Advanced drip programs</li><li>IP-based advertisement</li><li>Retargeting</li><li>GDPR for marketing</li></ul> <p><b>Reporting</b></p> <ul style="list-style-type: none"><li>Ready-made marketing reports</li><li>Integrated sales &amp; marketing reporting</li></ul>	<p><b>Everything in GROWTH</b></p> <p><b>CRM</b></p> <ul style="list-style-type: none"><li>Upsales TV</li><li>Advanced security solutions</li><li>Workflow Automation</li><li>Script</li><li>Custom objects / modules</li></ul> <p><b>Marketing</b></p> <ul style="list-style-type: none"><li>Advanced event management</li><li>Bisnode validation in forms</li><li>Filtering of e-mail in forms</li></ul> <p><b>Reporting</b></p> <ul style="list-style-type: none"><li>Comprehensive Business Intelligence - Upsales Insights included</li><li>Account-based marketing dashboard</li><li>Group account reporting</li></ul>	<p><b>Everything in GAZELLE</b></p> <ul style="list-style-type: none"><li>3 brands</li><li>Multiple scripts for different websites</li><li>Company profile per brand</li><li>Lead Management per brand</li><li>Dedicated support contact</li></ul>
<p>EUR 400 /MONTH</p> <p><i>Credit card monthly contract</i></p> <p><a href="#">Start your trial here</a></p>	<p>Call us</p> <p><i>(From 17900 EUR / annually)</i></p> <p><a href="#">Book a introduction call</a></p>	<p>Call us</p> <p><i>(From 45500 EUR / annually)</i></p> <p><a href="#">Book a introduction call</a></p>	<p>Call us</p> <p><a href="#">Book a introduction call</a></p>

# Growing by scaling our sales team

- Several new members joined our sales team 2019
- Aggressive hiring plan for 2020
- An effective model with short ramp-up time
- CAC payback year 1 reduces the need for external capital



# Growing by expanding to new markets

- Five international deals in Q4
- Our scalable product facilitates our international expansion

# Financial goals

Grow ARR by more than 30 % per year over time

More than 80% recurring revenue

# Financial highlights



**Elin Lundström**  
CFO

# Annual recurring revenue Q4

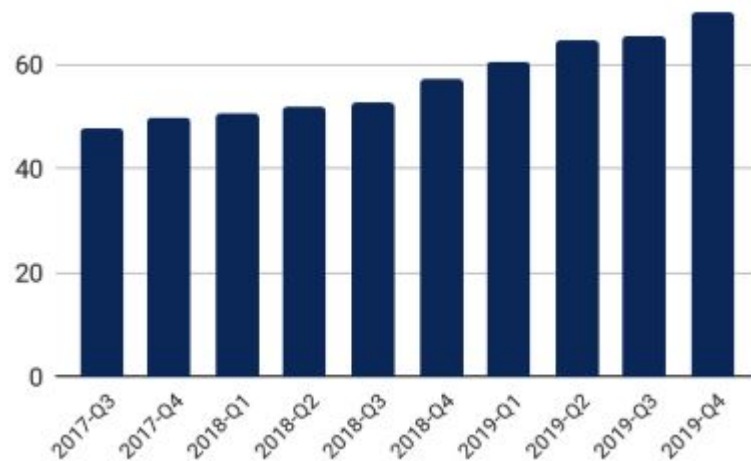
**ARR**  
**69,8 MSEK**  
57,0 MSEK

**ARR CHANGES Q4**  
**+ 4,4 MSEK**  
+ 4,2 MSEK

**ARR GROWTH**  
**22,4 %**  
6,7 % quarter over quarter

**NET SALES**  
**17,5 MSEK**  
+16,0 %

ANNUAL RECURRING REVENUE LAST 10 QUARTERS



# Profitability Q4

**EBITDA**

**2,5 MSEK**

14,2 % margin

**EBIT**

**0,2 MSEK**

1,4 % margin

**Net Income**

**0,4 MSEK**

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# Cash flow Q4

## OPERATING CASH FLOW

**5,4 MSEK**

4,4 MSEK

## CASH FLOW

**3,9 MSEK**

3,0 MSEK

## NET CASH/ NET DEBT

**16,5 MSEK**

-16,1 MSEK

# Annual recurring revenue jan-dec 2019

**ARR**  
**69,8 MSEK**  
57,0 MSEK

**ARR CHANGES jan-dec**  
**+ 12,8 MSEK**  
+ 7,2 MSEK

**ARR GROWTH**  
**22,4 %**  
14,5 %

**NET SALES**  
**67,7 MSEK**  
57,0 MSEK

# Profitability jan-dec 2019

**EBITDA**

**12,5 MSEK**

18,5 % margin

**EBIT**

**3,6 MSEK**

5,3 % margin

**Net Income**

**2,6 MSEK**

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# Cash flow jan-dec 2019

## OPERATING CASH FLOW

**12,0 MSEK**

6,9 MSEK

## CASH FLOW

**7,7 MSEK**

1,9 MSEK

## NET CASH/ NET DEBT

**16,5 MSEK**

-16,1 MSEK

# Q & A