



# Financial Report

## Q3 2022

**MapsPeople A/S**  
Stigsborgvej 60  
9400 Nørresundby  
Business Registration No. 84 05 95 28

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**56.8m**

**Total ARR** (DKK) compared to DKK 35.2m at the end of Q3 2021



**61%**

**Growth in Total ARR** YoY compared to 41% in Q3 2021



**89%**

**Growth in MapsIndoors ARR** YoY compared to 64% in Q3 2021



**119%**

**MapsIndoors NRR** YoY from existing customer base compared to 121% in Q3 2021

## Guidance

Guidance for 2022 is unchanged from the company announcement no. 1 2022 with **Total ARR between DKK 75-85M**

See page 22 for definitions of ARR and NRR.



# Management Report

## Business Summary

MapsPeople is a subscription based company, and as such, the most important driver and performance indicator is growth in Annual Recurring Revenue (ARR). At the end of Q3 2022, Total ARR amounted to DKK 56.8M, which represents an increase of DKK 5.3M in the last quarter.

### Commercial developments

In the quarter, MapsPeople successfully increased and developed the collaboration with both current and new strategic partners. In the quarter, 95% of the growth was related to new partner ARR within the strategic sales verticals; corporate offices, sports & entertainment, and conventions.

The Singapore office was established in Q2 and with a strong team in place in Q3, the expanded global commercial footprint will support further growth in EMEA, US and APAC.

By investments in Sales and Marketing capacity there has been a significant improvement in the pipeline, especially on the US market.

### Product development

Funded by proceeds from the IPO, the MapsIndoors platform is continuously developed to ensure a solution that meets the increased expectations. This development is progressing according to plan.

### Cash position

As a result of changing market conditions, precautionary steps have been taken, and funding has been secured to support the 2023 plan. The current cash position and already agreed credit facilities, will enable MapsPeople to continue its current growth strategy. Funding requirements are reviewed monthly by applying sensitivity analysis to different scenarios.

Q4 is expected to be the strongest sales quarter in the history of Mapspeople, and combined with large projects under development this will drive significant lower cash burn in 2023.

### General matters

At the closing of the quarter, MapsPeople announced that a new CEO, Morten Brøgger will be joining the company on November 1, 2022. Mortens Brøgger has an impressive background within execution and management of international SaaS companies, which bodes well for future growth.

## SaaS Highlights

### Total ARR

MapsIndoors (MI) delivered DKK 5.2M of the total growth in ARR equivalent to 98% of the growth compared to 67% in Q3 2021 and 71% at the end of 2021. MapsIndoors is the core business of MapsPeople and the main future revenue stream. The remaining business relates to Google Maps (GM) and other subscriptions.

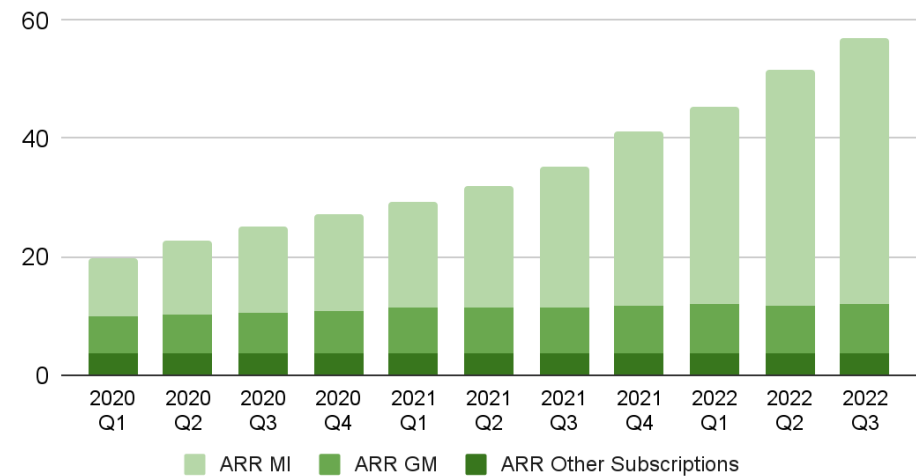
### MapsIndoors ARR

95% of the new ARR was delivered by partners in defined strategic verticals (Corporate Offices, Sports & Entertainments, and Conventions) in the quarter.

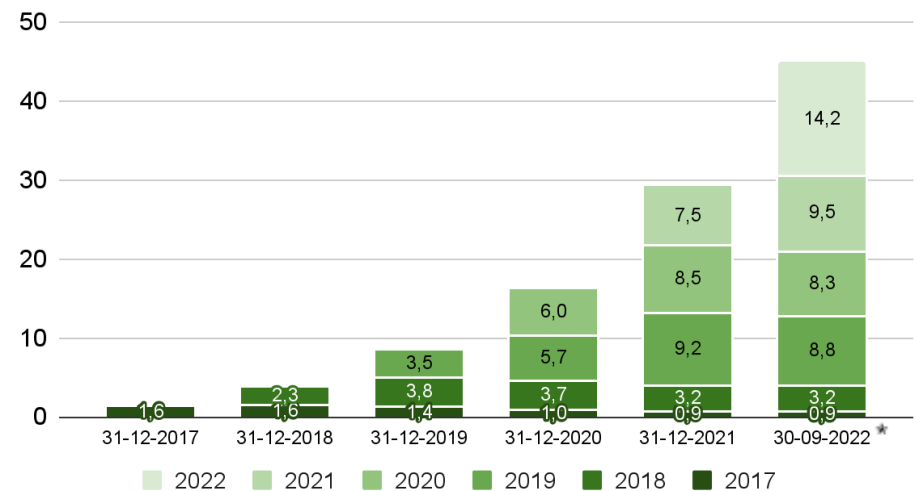
MapsIndoors churn and contraction is 7% YTD and has been recognized primarily within the vertical of Conventions and Others. NRR is 119%.

YTD Q3 2022 presents a positive ARR development and customers acquired in 2021 have already improved 27%.

### Total ARR (mDKK)



### MapsIndoors Cohort ARR (mDKK)



\*2022 illustrates 9 months development, not 12 months

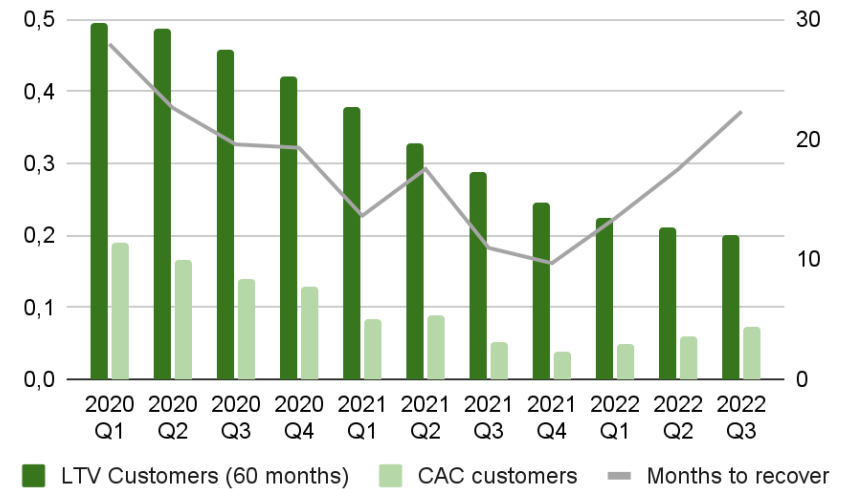
### Lifetime Value (LTV) & Customer acquisition Costs (CAC)

Increased investments in sales & marketing is part of the overall business strategy. As a result of investments made in 2022, the pipeline has been strengthened and supports future sales opportunities. Months to recover Customer Acquisition Costs (CAC) is 18 and has increased in the quarter. The development is expected and illustrates normal fluctuations between quarters. The decreasing Life Time Value (LTV) is a clear reflection of the partner strategy, as one partner brings many new end-customers to the platform.

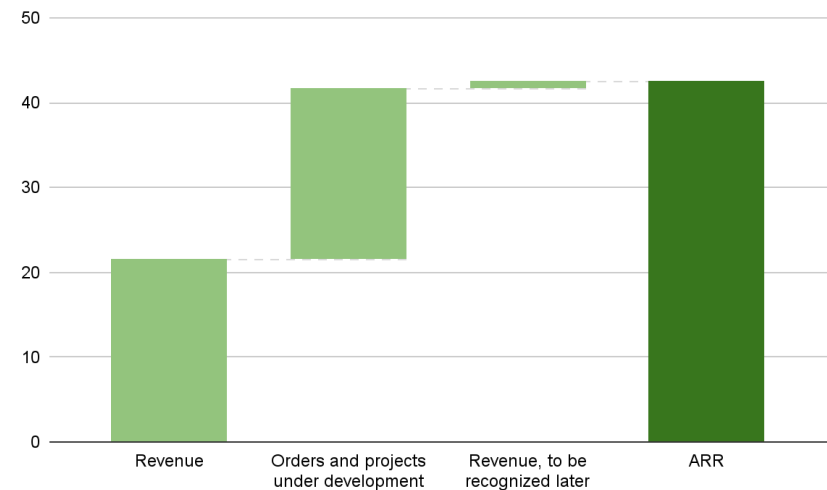
### Revenue YTD compared to ARR

According to IFRS, the recognition of revenue is equally divided between the months in the subscription period. The difference between ARR and revenue is related to projects under development and future revenue to be recognized. Google Maps and Other Subscriptions show no difference between ARR and revenue at the end of Q3 2022, so the difference is related to ARR of MapsIndoors. Orders and projects under development accumulate to 40% of the ARR which is unchanged from Q2 2022. Decreasing the time from signature to recognition of revenue is a continued focus.

### LTV & CAC (mDKK) and months to recover CAC



### From total revenue to combined ARR (mDKK)



## Financial Review

### General

MapsPeople was listed on Nasdaq First North Premier Growth Market in Q2 2021 which had a significant impact on costs in 2021. The purpose of the IPO was to provide funding for growth.

### Recognised revenue

Total recognised revenue for Q3 YTD 2022 was DKK 21.6M compared to DKK 18.7M in the same period last year. Recognized revenue for Q3 YTD 2022 from the primary business line, MapsIndoors, increased by 57% compared to the same period in 2021, but was lower than expected, due to delayed execution of orders and projects under development.

Google Maps gross revenue was DKK 2.7M higher in the quarter compared to the same period last year, representing a growth of 18%, but due to the changed margin from 20% to 12% from Google Maps, the net revenue is lower in 2022 compared to last year.

### Other external expenses

Other external expenses in the quarter decreased slightly by 4% compared to the same period last year. Other external expenses for Q3 YTD 2022 increased 24% from DKK 12.6M in 2021 to DKK 15.6M in

2022, reflecting a financial period in which MapsPeople has continued the company's sales and growth strategy in order to underpin its market leading position including costs related to the expansion in the DACH and APAC regions.

### Knowledge Resources, Research, and Development

MapsPeople continues to invest in developing the MapsIndoors Platform and supporting features to secure and strengthen its current market advantage.

### Staff costs

Staff costs increased by 41%, from DKK 30.9M in Q3 YTD 2021 to DKK 43.6M in Q3 YTD 2022. The increase is related to new hirings globally, especially within Sales & Marketing.

### EBITDA

EBITDA Q3 YTD 2022 amounted to DKK -39.9M compared to DKK -24,7M in Q3 YTD 2021, which is better than expected due to timely adjustments to the cost structure.

The growth strategy prescribes an increase in sales and marketing spend, market expansion, and investing in product development in



order to support MapsPeople's ambitious growth plan to become the global market leader within indoor mapping and navigation. It is expected that these investments will generate negative EBITDA in the short term, but will strengthen the company's financial position long term.

### **EBIT**

For Q3 YTD 2022, EBIT was DKK -44.8M compared to DKK -30.7M for Q3 YTD 2021. The EBIT is better than expected, but does not change the expectations for the year.

### **Statement of financial position**

MapsPeople's total assets at the end of Q3 2022 were DKK 73.2M compared to DKK 130.1M at the end of Q3 2021. The decrease primarily relates to a decline in cash from DKK 68.7M at the end of Q3 2021 to DKK 14.2M at the end of Q3 2022. The cash position at the end of Q3 2022 is better than expected. As described in the prospectus, Vaekstfonden has committed a loan of DKK 10M to be provided in Q4 2022.

### **Cash flow from operating activities**

Net cash flow from operating activities resulted in a cash outflow of DKK 33.4M in YTD 2022 compared to an outflow of DKK 26.1M YTD

2021. The negative cash flow from operating activities is mainly related to the negative EBIT.

### **Cash flow from investing activities**

Cash from investing activities was DKK 5.9M in Q3 YTD 2022 compared to DKK 3.0M in Q3 YTD 2021. The increase is mainly due to higher capitalization of development expenditures compared to the same period last year.

### **Cash flow from financing activities**

Net cash flow from financing activities was DKK -4.2M in Q3 YTD 2022 compared to DKK 82.7M in Q3 YTD 2021 as a result of the IPO in 2021.

### **Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. MapsPeople primarily has transactions in EUR, DKK, USD and the material income and costs are balanced in the same currency, resulting in limited currency exposure.

### **Uncertainty in recognition and measurement**

Management has assessed that no assertions in the financial statements have been affected by material uncertainty in recognition

and measurement. As a precautionary principle deferred tax assets have not been recognized in the financial statements.

### **The war in Ukraine**

MapsPeople has no customers, suppliers, or close relations in either The Russian Federation or Ukraine. The war in Ukraine has therefore no direct influence on MapsPeoples daily business.

### **Disclaimer**

The future statements in this report reflect the current expectations related to future events and financial results. By nature, these statements are associated with risk and uncertainties. Therefore, the Company's results may differ from the expectations expressed in this report.

### **Events After Q3 2022**

No subsequent events have affected financial results in the reporting period.



mapspeople 

# Governance

## Company Information

### The Company

MapsPeople A/S  
Stigsborgvej 60  
DK-9400 Nørresundby

### Business Registration

No.: 84 05 95 28

### Registered office

Nørresundby

### Date of incorporation:

20.04.1978

### Financial period:

01.01.2022 - 30.09.2022

### Board of Directors

Lars Henning Brammer, Chairman  
Jacob Bratting Pedersen  
Christian Samsø Dohn  
Rasmus Mencke  
Michael Gram

### Executive Board

Morten Brøgger, CEO

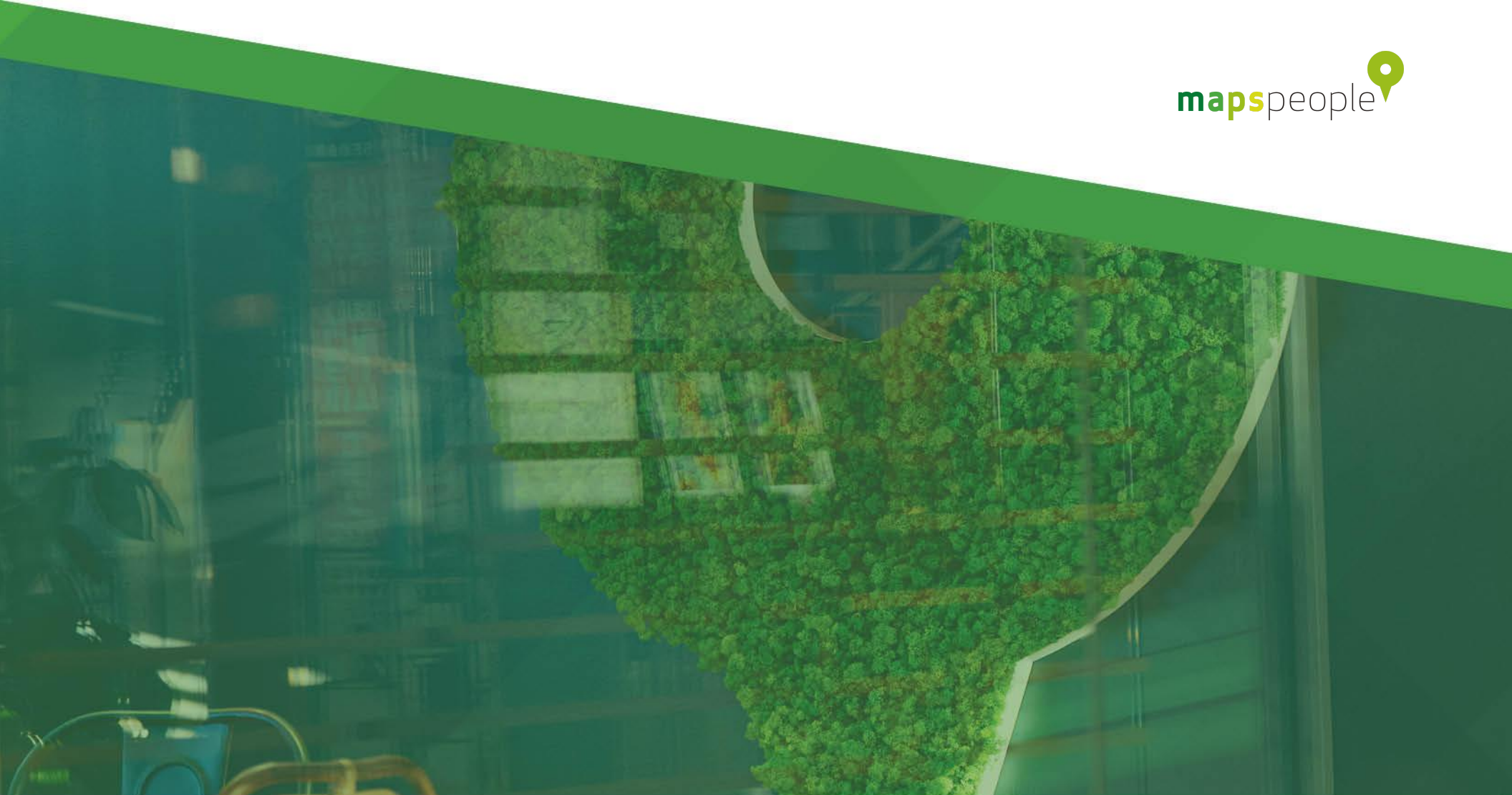
### Auditors

Deloitte  
Statsautoriseret Revisionspartnerselskab  
City Tower, Værkmestergade 2  
8000 Aarhus C

Lead Client Service Partner:  
Mads Fauerskov

### Financial calendar

Annual Report 2022  
24.03.2023



# Consolidated Financial Statements

## Consolidated statement of profit or loss and other comprehensive income

tDKK	Note	Q3 2022	Q3 2021	YTD Q3 2022	YTD Q3 2021
Net revenue	1	7.082	6.290	21.580	18.745
Other operating income		0	1.101	0	1.101
Cost of sales		(561)	(449)	(2.226)	(1.016)
Other external expenses		(4.724)	(4.924)	(15.629)	(12.625)
Staff costs		(18.525)	(12.197)	(43.598)	(30.860)
Depreciation, amortisation and impairment losses		(1.728)	(1.527)	(4.803)	(4.607)
<b>Operating profit/(loss)</b>		<b>(18.456)</b>	<b>(11.706)</b>	<b>(44.676)</b>	<b>(29.262)</b>
Financial income		525	53	923	53
Financial expenses		(339)	(538)	(1.046)	(1.441)
<b>Profit/(loss) before tax</b>		<b>(18.270)</b>	<b>(12.191)</b>	<b>(44.799)</b>	<b>(30.650)</b>
Tax for the year		874	1.632	2.537	5.260
<b>Profit/(loss) for the year</b>		<b>(17.396)</b>	<b>(10.559)</b>	<b>(42.262)</b>	<b>(25.390)</b>
<b>Total comprehensive income for the year</b>		<b>(17.396)</b>	<b>(10.559)</b>	<b>(42.262)</b>	<b>(25.390)</b>
Earnings per share, basic (DKK)				(0,77)	(0,34)
Earnings per share, diluted (DKK)				(0,72)	(0,32)

## Balance sheet

<b>tDKK</b>	<b>YTD Q3 2022</b>	<b>YTD Q3 2021</b>
Intangible assets	20.874	19.994
Property, plant and equipment	2.044	1.383
Contract costs	6.149	3.370
Leases	5.925	4.282
Deposits	1.506	799
Deferred tax assets	0	8.410
<b>Total non-current assets</b>	<b>36.498</b>	<b>38.238</b>
Trade receivables	13.290	18.545
Contract costs	2.320	1.441
Income tax receivables	5.293	2.313
Receivables from management and owner	0	8
Receivable from affiliated companies	0	0
Other receivables	284	162
Prepayments	1.318	647
Cash	14.232	68.714
<b>Total current assets</b>	<b>36.737</b>	<b>91.830</b>
<b>Total assets</b>	<b>73.235</b>	<b>130.068</b>

## Statement of financial position

<b>tDKK</b>	<b>Note</b>	<b>YTD Q3 2022</b>	<b>YTD Q3 2021</b>
Share capital		1.110	840
Retained earnings		5.895	58.804
<b>Total Equity</b>	<b>2</b>	<b>7.005</b>	<b>59.643</b>
Interest-bearing liabilities		9.669	12.986
Lease liabilities		3.527	2.735
Other payables		3.112	3.260
<b>Total non-current liabilities</b>		<b>16.308</b>	<b>18.981</b>
Interest-bearing liabilities		3.362	3.461
Contract liabilities		28.629	27.513
Lease liabilities		2.462	1.688
Trade payables		10.499	11.026
Payables to affiliated companies		137	150
Other payables		4.833	7.606
<b>Total current liabilities</b>		<b>49.922</b>	<b>51.444</b>
<b>Total liabilities</b>		<b>66.230</b>	<b>70.425</b>
<b>Total equity and liabilities</b>		<b>73.235</b>	<b>130.068</b>



## Cash flow statement

tDKK	Q3 2022	Q3 2021	Q3 2022 YTD	Q3 2021 YTD
Operating profit/(loss)	(18.457)	(11.706)	(44.676)	(29.262)
Depreciation and amortisation	1.728	1.527	4.803	4.607
Share-based payments expense	963		2.106	-
Change in working capital	6.241	(3.168)	2.235	(33)
Financial income received	525	53	923	53
Financial expenses paid	(339)	(537)	(1.046)	(1.441)
Income taxes refunded/(paid)	-	-	2.208	-
<b>Cash flow from operating activities</b>	<b>(9.339)</b>	<b>(13.831)</b>	<b>(33.447)</b>	<b>(26.076)</b>
Investments in intangible assets	(2.706)	(440)	(4.093)	(1.139)
Investments in property plant and equipment	(556)	23	(1.064)	(1.699)
Deposits	(695)	(37)	(695)	(141)
<b>Cash flows from investing activities</b>	<b>(3.957)</b>	<b>(454)</b>	<b>(5.852)</b>	<b>(2.979)</b>
Repayment of loans	(1.156)	(1.250)	(2.787)	-
Payment of principal portion of lease liabilities	(596)	3.605	(1.448)	-
Expenses raising capital	12	-	12	(1.073)
Capital increase	-		-	83.778
<b>Cash flow from financing activities</b>	<b>(1.740)</b>	<b>2.355</b>	<b>(4.223)</b>	<b>82.705</b>
<b>Change in cash and cash equivalents</b>				
Cash at the beginning of the period	29.268	80.646	57.754	15.064
Net cash flow	(15.036)	(11.932)	(43.522)	53.650
<b>Cash at the end of the period</b>	<b>14.232</b>	<b>68.714</b>	<b>14.232</b>	<b>68.714</b>



# Notes

## 1. Revenue

tDKK	2022 Q3	2021 Q3	2022 Q3 YTD	2021 YTD
MapsIndoors	4.120	3.059	12.800	8.160
Google Maps, gross	17.274	14.586	50.212	43.139
Netting due to agent principle	(15.160)	(11.114)	(44.068)	(35.069)
Google Maps, net	2.114	2.032	6.144	8.069
Other Subscriptions	848	1.199	2.636	2.515
<b>Total</b>	<b>7.082</b>	<b>6.290</b>	<b>21.580</b>	<b>18.745</b>

## 2. Equity

tDKK	Share capital	Retained earnings	Total
<b>2021</b>			
<b>Balance at 1 January</b>	840	409	1.249
<b>Total Comprehensive income</b>			
Profit/loss for the year	0	(25.390)	(25.390)
<b>Total Comprehensive income</b>	<b>0</b>	<b>(25.390)</b>	<b>(25.390)</b>
<b>Transaction with owners</b>			
Capital increase	257	84.743	85.000
Conversion of Loans	0	0	0
Transaction cost	0	(5.577)	(5.577)
Capital increase - exercise of warrants	0	4.361	4.361
Other adjustments	0	0	0
Share-based payments	0	0	0
<b>Total transaction with owners</b>	<b>257</b>	<b>83.527</b>	<b>83.784</b>
<b>Balance at 30 September</b>	<b>1.097</b>	<b>58.546</b>	<b>59.643</b>

## 2. Equity (continued)

tDKK	Share capital	Retained earnings	Total
<b>2022</b>			
<b>Balance at 1 January</b>	1.098	43.852	44.950
<b>Total Comprehensive income</b>			
Profit/loss for the year	0	(42.262)	(42.262)
<b>Total Comprehensive income for the year</b>	<b>0</b>	<b>(42.262)</b>	<b>(42.262)</b>
<b>Transaction with owners</b>			
Shares issued	12	2.527	2.539
Share-based payments	0	1.778	1.778
<b>Total transaction with owners</b>	<b>12</b>	<b>4.305</b>	<b>4.317</b>
<b>Balance at 30 September</b>	<b>1.110</b>	<b>5.895</b>	<b>7.005</b>

The Group holds 3.000 treasury shares at a nominal value of DKK 60



# Other information

## Glossary

ARR	Annual Recurring Revenue	Subscription value at a given date
CAC	Customer Acquisition Cost	Cost to acquire new customers; sales & marketing cost, direct & indirect costs
Churn		Canceled subscriptions from existing customers in a period
Contraction		Decrease of value in an active subscription, but the customer is still active
FTE	Full-time employees	Conversion of work hours into a full-time equivalent
LTV	Life Time Value	The predicted value a customer will generate in an estimated life time
NRR	Net Revenue Retention	The development of customers year over year
SaaS	Software as a Service	Software license sale based on a subscription model
YoY	Year over Year	Last 12 month from the given status day
YTD	Year to date	