



# Financial Report

## Q2 2022

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

# Contents

## Management Report

2	Highlights
2	Guidance
4	Business Summary
4	Events After Q2 2022
5	SaaS Highlights
7	Financial Review

## GOVERNANCE

10	Company Information
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## Financials

11	Consolidated Financial Statements
16	Notes

## OTHER INFORMATION

21	Glossary
----	----------

## Highlights (DKK)



**51.5m**

ARR compared to 32m at the end of Q2 2021



**61%**

Increase in total ARR YoY compared to 41% in Q2 2021



**93%**

Increase in MapsIndoors ARR YoY compared to 64% in Q2 2021



**113%**

NRR of MapsIndoors in the existing customer base compared to 121% in Q2 2021

## Guidance

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



# Management Report

## Business Summary

With the end of the first half of 2022, MapsPeople has been listed on the Nasdaq First North Premier Growth Market for more than a year, and this half-year report reflects the execution of the strategy of investments in increasing growth after the IPO.

In Q2 the ARR developed from DKK 45.4M to DKK 51.5M, a growth of DKK 6.1M all delivered from MapsIndoors.

The total growth in ARR in the last 12 months has been 61%, and MapsIndoors alone has delivered a growth of 93% in the same period. The growth is in line with the expectations as Q3 & Q4 historically has proven to deliver the highest growth rates.

There is a continued strategic sales focus on expansion of the partner sales channel with partners that have significant growth potential, and in Q2, several new significant partnerships were signed, as well as expansion of existing partnerships, which together deliver the majority of ARR growth within MapsIndoors. The partner channel constitutes an efficient and stable distribution to the end customers, which, however, entails an extension of the revenue recognition up to 12 months.

MapsPeople has a strategic focus on the Corporate Offices industry with MapsIndoors as a key element in the implementation of Smart Offices services, and this particular industry accounts for the majority of the growth in the quarter.

MapsPeople has gained more customers and partners in the Asia-Pacific (APAC) region in recent years. In Q2, the presence in the region was strengthened with the establishment of a new subsidiary and an office in Singapore, which now forms a hub for the whole of APAC.

MapsPeople strengthened its presence in the US with the hiring of a VP of Sales and General Manager in Q1, and the organization was further expanded in Q2 with more experienced profiles within partner-based sales, solution engineering and project management.

In total an expansion of the organization from 89 to 104 FTEs during the period.

When closing Q2 2022, both EBITDA & cash is better than planned as a result of continued review of business plans and adjusting these to the changes in market conditions.

## Events After Q2 2022

No events affecting the period have occurred after the end of Q2 2022.

## SaaS Highlights

### Combined ARR

77% of the combined ARR is from MapsIndoors performance compared to 64% in Q2 2021 and 71% at the end of 2021. MapsIndoors is the core business of MapsPeople and the main future revenue stream.

### MapsIndoors ARR

88% of the growth of DKK 6.1M in MapsIndoors ARR was delivered by strategic defined verticals (Corporate Offices, Sport & Entertainments, and Conventions).

96% of the new MapsIndoors ARR was delivered from partners.

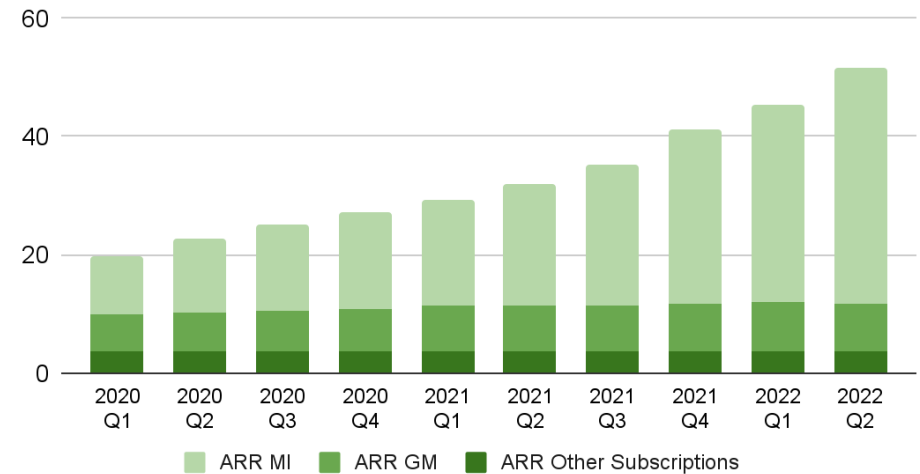
MapsIndoors churn and contraction is 5% YTD and has been recognized primarily within the vertical of Corporate Offices and Others.

### Cohorts

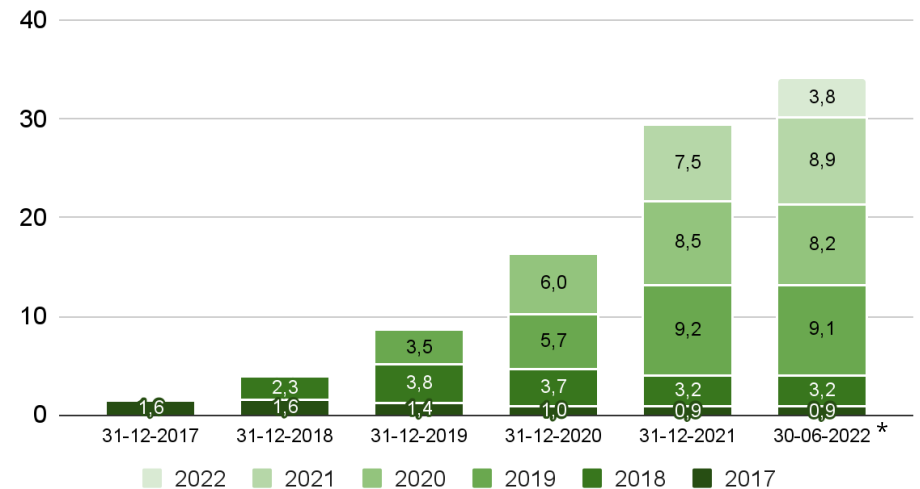
YTD Q2 2022 presents a positive ARR development and new customers from 2021 have already improved 19%.

The NRR is 113% and has been impacted by churn of one non-strategic partner.

### Combined ARR (mDKK)



### MapsIndoors Cohorts (mDKK)



\*2022 illustrates 6 months development, not 12 months

### LTV & CAC spread (12 months rolling)

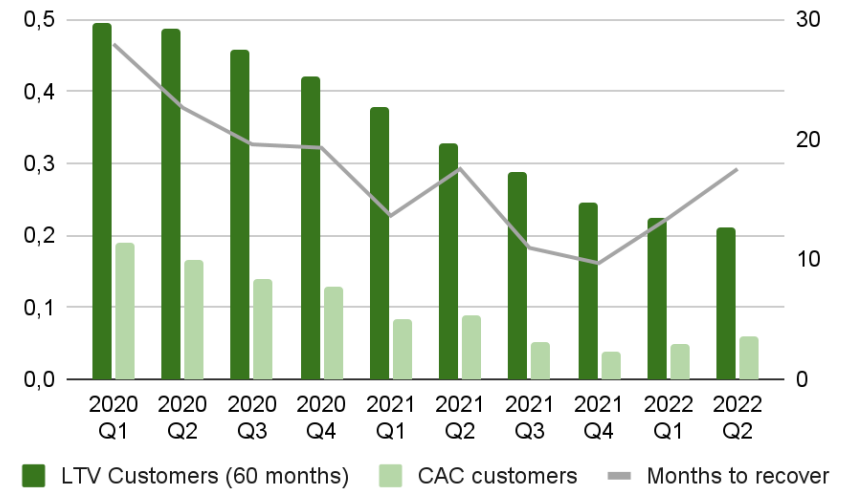
An increased investment in sales & marketing is according to the overall business strategy. With the investments in 2022 the pipeline is strengthened to support the future sales. Months to recover is 18 and has increased in the quarter. The development continues to be as expected and visualizes the fluctuation between the quarters. The decreasing LTV is a clear reflection of the partner strategy, as one partner brings many new end-customers to the platform.

### YTD 2022 - Total revenue to combined ARR

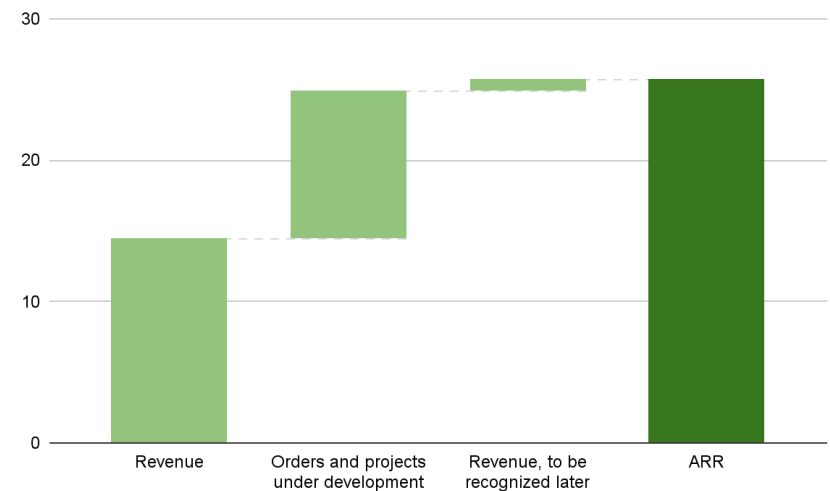
According to IFRS the recognition of revenue is equally divided on the months of the subscription period. The difference between ARR and revenue is related to projects under development and future revenue to be recognized. Google Maps and Other Subscriptions show no difference between ARR and revenue when finalizing the Q2 2022, so the difference in the illustration is related to ARR of MapsIndoors.

Orders and projects under development accumulate to 40% of the ARR and this is unchanged from Q1 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 has been listed for 12 months and comparison of costs in Q2 and YTD 2022 with the same period in 2021 is comparison to a period with a different scope. The IPO was funding for kick starting the growth and for this reason increasing costs.

### Recognised revenue

Total recognised revenue for Q2 YTD 2022 was DKK 14,5M compared to DKK 12,5M for the period last year. Recognized revenue for Q2 YTD 2022 from the primary business line, MapsIndoors, increased by 70% compared to the same period in 2021, but lower than expected, due to the volume of orders and projects under development.

Google Maps gross revenue is DKK 3,0M higher in the quarter compared to the same period last year, a growth of 22%, but due to the changed margin the net revenue contribution is lower in 2022 compared to last year, which is according to plan.

### Other external expenses

Other external expenses increased by 42% for Q2 YTD 2022 compared to Q2 YTD 2021, from DKK 7,7M in 2021 to DKK 10,9M in 2022, reflecting a financial period in which MapsPeople has continued

the company's sales and growth strategy in order to facilitate its market leading position. The increase is mainly due to a continued increase in sales activity as well as costs related to MapsPeople's expansions 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 34%, from DKK 18,7M for Q2 YTD 2021 to DKK 25M for Q2 YTD 2022. In 2022, MapsPeople continues to invest in new hirings globally for especially Sales & Marketing.

### EBITDA

EBITDA Q2 YTD 2022 amounted to negative DKK 23,1M compared to negative DKK 14,5M in Q2 YTD 2021. Result is better than expected.

The growth strategy prescribes an increase in sales and marketing spend, market expansion, and investing in 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 long term strengthen the company's financial position.

### **EBIT**

For Q2 YTD 2022 EBIT was negative DKK 26,5M compared to negative DKK 18,5M for Q2 YTD 2021. The EBIT is better than expected, but does not change the expectation of the year.

### **Statement of financial position**

MapsPeople's total assets at the end of Q2 2022 were DKK 86,2M compared to DKK 138,2M at the end of Q2 2021. The difference is primarily from a decrease in cash from DKK 80,6M in Q2 2021 to DKK 29,3M in Q2 2022. The cash position at the end of Q2 2022 is better than expected. As described in the prospectus, Vaekstfonden has committed a loan of DKK 10,0 that will be obtained in Q3 and Q4 2022.

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

Net cash flow provided by operating activities resulted in an outflow of DKK 24,1M in Q2 YTD 2022 compared to an outflow of DKK 12,2M in Q2 YTD 2021. The negative cash flow from operating activities is mainly related to the negative EBIT.

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

Cash used by investing activities was DKK 1,9M in Q2 YTD 2022 compared to DKK 1,1M in Q2 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 resulted in an outflow of DKK 2,5M in Q2 YTD 2022 compared to an inflow of DKK 78,9M in Q2 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, which is why the risk is considered low.

### **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 asset has not been recognized in the financial statements.

### **The war in Ukraine**

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



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 - 30.06.2022

### Board of Directors

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

### Executive Board

Michael Gram, CEO

### Auditors

Deloitte  
Statsautoriseret Revisionspartnerselskab  
City Tower, Værkmestergade 2  
8000 Aarhus C

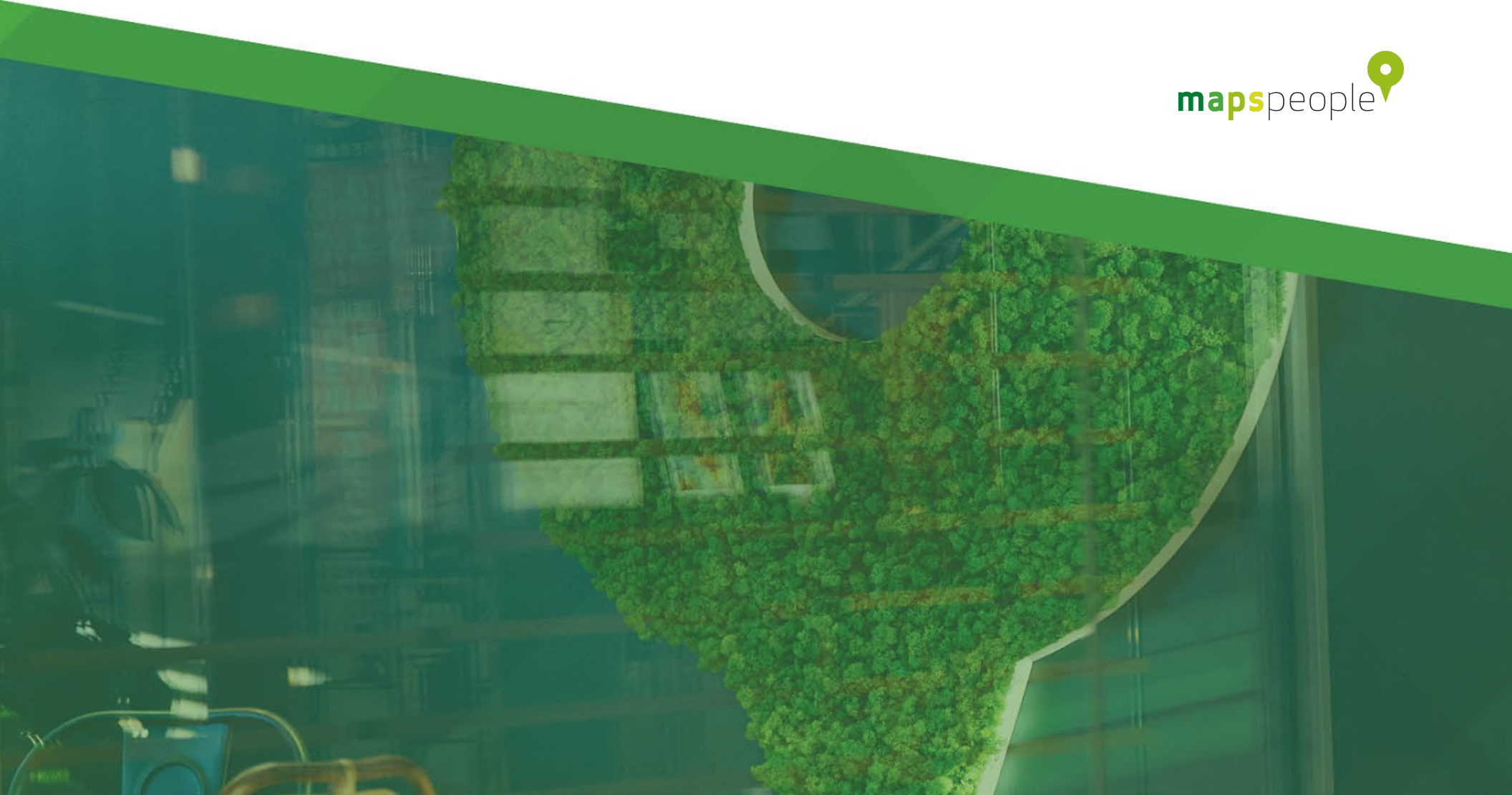
Lead Client Service Partner:  
Mads Fauerskov

### Financial calendar

Quarterly Report (H1)  
30.08.2022

Quarterly Report (Q3)  
22.11.2022

Annual Report 2022  
28.03.2023



# Consolidated Financial Statements

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

tDKK	Note	Q2 2022	Q2 2021	YTD Q2 2022	YTD Q2 2021
Net revenue	1	7.692	5.918	14.499	12.454
Cost of sales		(850)	(313)	(1.665)	(567)
Other external expenses		(5.408)	(2.933)	(10.906)	(7.700)
Staff costs		(14.343)	(8.985)	(25.073)	(18.662)
Depreciation, amortisation and impairment losses		(1.535)	(1.544)	(3.075)	(3.080)
<b>Operating profit/(loss)</b>		<b>(14.444)</b>	<b>(7.857)</b>	<b>(26.220)</b>	<b>(17.556)</b>
Financial income		303	(34)	398	1
Financial expenses		(329)	(561)	(707)	(903)
<b>Profit/(loss) before tax</b>		<b>(14.470)</b>	<b>(8.452)</b>	<b>(26.529)</b>	<b>(18.458)</b>
Tax for the year		747	2.939	1.662	3.628
<b>Profit/(loss) for the year</b>		<b>(13.723)</b>	<b>(5.513)</b>	<b>(24.867)</b>	<b>(14.830)</b>
<b>Total comprehensive income for the year</b>		<b>(13.723)</b>	<b>(5.513)</b>	<b>(24.867)</b>	<b>(14.830)</b>
Earnings per share, basic (DKK)				(0,45)	(0,34)
Earnings per share, diluted (DKK)				(0,43)	(0,32)

## Statement of financial position

<b>tDKK</b>	<b>YTD Q2 2022</b>	<b>YTD Q2 2021</b>
Intangible assets	19.179	20.593
Property, plant and equipment	1.680	1.458
Contract costs	5.248	3.950
Leases	3.238	4.716
Deposits	811	762
Deferred tax assets	0	6.778
<b>Total non-current assets</b>	<b>30.156</b>	<b>38.257</b>
Trade receivables	18.531	14.345
Contract costs	1.985	1.314
Income tax receivables	4.419	2.313
Receivables from management and owner	0	8
Other receivables	263	72
Prepayments	1.582	1.222
Cash	29.266	80.646
<b>Total current assets</b>	<b>56.046</b>	<b>99.920</b>
<b>Total assets</b>	<b>86.202</b>	<b>138.177</b>



## Statement of financial position

tDKK	Note	YTD Q2 2022	YTD Q2 2021
Share capital		1.098	840
Retained earnings		19.805	65.756
<b>Total Equity</b>	<b>2</b>	<b>20.903</b>	<b>66.596</b>
Interest-bearing liabilities		10.665	13.771
Lease liabilities		1.854	3.234
Other payables		4.901	3.514
<b>Total non-current liabilities</b>		<b>17.420</b>	<b>20.519</b>
Interest-bearing liabilities		3.578	3.461
Contract liabilities		35.568	28.171
Lease liabilities		1.473	1.655
Trade payables		2.649	9.425
Payables to affiliated companies		137	150
Other payables		4.474	8.200
<b>Total current liabilities</b>		<b>47.879</b>	<b>51.062</b>
<b>Total liabilities</b>		<b>65.299</b>	<b>71.581</b>
<b>Total equity and liabilities</b>		<b>86.202</b>	<b>138.177</b>

## Cash flow statement

tDKK	Q2 2022	Q2 2021	Q2 2022 YTD	Q2 2021 YTD
Operating profit/(loss)	(14.445)	(7.409)	(26.220)	(17.107)
Depreciation and amortisation	1.535	1.545	3.075	3.081
Share-based payments expense	528	(101)	1.143	-
Change in working capital	(910)	(2.251)	(4.007)	2.685
Financial income received	303	(34)	398	1
Financial expenses paid	(329)	(561)	(707)	(903)
Income taxes refunded/(paid)	-	-	2.208	-
<b>Cash flow from operating activities</b>	<b>(13.318)</b>	<b>(8.811)</b>	<b>(24.110)</b>	<b>(12.243)</b>
Investments in intangible assets	(621)	(405)	(1.387)	(699)
Investments in property plant and equipment	(312)	(99)	(508)	(279)
Deposits	-	(104)	-	(104)
Cash flows from investing activities	(933)	(608)	(1.895)	(1.082)
<b>Repayment of loans</b>	<b>(310)</b>	<b>(670)</b>	<b>(1.631)</b>	<b>(1.265)</b>
Payment of principal portion of lease liabilities	(426)	335	(852)	-
Expenses raising capital	-	(5.200)	-	(5.479)
Capital increase	-	85.652	-	85.652
<b>Cash flow from financing activities</b>	<b>(736)</b>	<b>80.117</b>	<b>(2.483)</b>	<b>78.908</b>
<b>Change in cash and cash equivalents</b>				
Cash at the beginning of the period	44.253	9.949	57.754	15.064
Net cash flow	(14.987)	70.697	(28.488)	65.582
<b>Cash at the end of the period</b>	<b>29.266</b>	<b>80.646</b>	<b>29.266</b>	<b>80.646</b>



# Notes

## 1. Revenue

<b>tDKK</b>	<b>2022 Q2</b>	<b>2021 Q2</b>	<b>2022 Q2 YTD</b>	<b>2021 YTD</b>
MapsIndoors	4.653	2.566	8.681	5.101
Google Maps, gross	16.851	13.856	32.938	28.517
Netting due to agent principle	(14.760)	(11.114)	(28.908)	(22.480)
Google Maps, net	2.091	2.742	4.030	6.037
Other Subscriptions	948	610	1.788	1.316
<b>Total</b>	<b>7.692</b>	<b>5.918</b>	<b>14.499</b>	<b>12.454</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	(14.830)	(14.830)
<b>Total Comprehensive income</b>	<b>0</b>	<b>(14.830)</b>	<b>(14.830)</b>
<b>Transaction with owners</b>			
Capital increase	0	85.000	85.000
Conversion of Loans	0	0	0
Transaction cost	0	(5.475)	(5.475)
Capital increase - exercise of warrants	0	652	652
Other adjustments	0	0	0
Share-based payments	0	0	0
<b>Total transaction with owners</b>	<b>0</b>	<b>80.177</b>	<b>80.177</b>
<b>Balance at 31 December</b>	<b>840</b>	<b>65.756</b>	<b>66.596</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	(24.867)	(24.867)
<b>Total Comprehensive income for the year</b>	<b>0</b>	<b>(24.867)</b>	<b>(24.867)</b>
<b>Transaction with owners</b>			
Share-based payments	0	820	820
<b>Total transaction with owners</b>	<b>0</b>	<b>820</b>	<b>820</b>
<b>Balance at 31 December</b>	<b>1.098</b>	<b>19.805</b>	<b>20.903</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	