

Interim report

January - September
2022

Fortnox

Interim report

January-September 2022

(Figures in parentheses refer to outcomes in the year-earlier period.)

Third quarter of 2022

- Net sales amounted to SEK 331.8 million (236.5), up SEK 95.3 million or 40.3 percent. Acquisitions accounted for SEK 13.5 million or 5.7 percentage points of the increase.
- Operating profit totaled SEK 145.3 million (101.9), up SEK 43.4 million. Adjusted for acquisitions, operating profit amounted to SEK 155.6 million.
- Operating margin was 43.8 (43.1) percent. Adjusted for acquisitions, the operating margin was 48.9 percent.
- Profit after tax was SEK 111.7 million (79.4).
- Earnings per share before and after dilution amounted to SEK 0.18 (0.13) and SEK 0.18 (0.13).

January - September 2022

- Net sales amounted to SEK 918.8 million (665.1), up SEK 253.7 million or 38.1 percent. Acquisitions accounted for SEK 58.7 million or 8.8 percentage points of the increase.
- Operating profit totaled SEK 338.2 million (231.8), up SEK 106.4 million. Adjusted for acquisitions, operating profit amounted to SEK 372.2 million.
- Operating margin was 36.8 (34.8) percent. Adjusted for acquisitions, the operating margin was 43.3 percent.
- Profit after tax was SEK 252.8 million (179.6).
- Earnings per share before and after dilution amounted to SEK 0.41 (0.30) and SEK 0.41 (0.30).

Significant events in the third quarter

- On July 1, Fortnox acquired all of the remaining shares in AgoyIT AB, approximately 68 percent, from the company's other owners. The consideration paid was SEK 34.1 million. The products Accounts Closing & Tax and Reconciliation & Reporting are ready to be launched to a broader audience and, together with Agoy's owners and management, the Group agrees that the work to be carried out in the next phase will be conducted most efficiently with Fortnox as a clear owner. The products Accounts Closing & Tax and Reconciliation & Reporting streamline the customer's work on everything from period reconciliation, accounts closing and annual accounts to the preparation of tax returns. The products are therefore a natural complement to Fortnox's offering.

Fortnox AB (publ) is a business platform that connects people, businesses and organisations. We help businesses start, grow and develop. With smart technical products, solutions and services, and the ability to connect them with hundreds of external parties, we are a hub for businesses in Sweden. Our vision is to create a prosperous society shaped by thriving businesses. Established in 2001, Fortnox is headquartered in Växjö with offices in Malmö, Linköping and Stockholm. Fortnox AB is listed on Nasdaq Stockholm. For further information see www.fortnox.se

Increased Organic Growth and Valuable New Product Features

Net sales increased 40 percent in the third quarter compared with the same quarter last year, totalling SEK 332 million. At the same time, operating profit amounted to SEK 145 million, which reflects the normal seasonal pattern for a third quarter when the summer vacation period results in lower personnel costs. The operating margin was 44 percent. Sales growth together with operating margin, amounted to 84 percent. This result is one of the highest in the company's history – supported by favourable organic growth of 35 (20) percent.

During the quarter, the number of customers rose with 10,000 to 466,000. Compared with the third quarter of last year, the net rate of increase was unchanged. At the same time, customers' use of our products increased, boosting our average revenue per customer and month by SEK 11 to SEK 223.

A Complete Payroll System – For Everyone

Several of our product areas are undergoing rapid development. One area that has grown significantly is People, where we provide value for both companies and employees. An impressive nine new features have been added to Fortnox Payroll during the autumn. Combined with the program updates carried out in recent years, these new features have made Fortnox Payroll a complete payroll system that can be adapted to suit various businesses.

We have also connected Fortnox Payroll Mini – a program for companies with a small number of employees – with the products Fortnox Travel and Fortnox Receipts & Expenses. This automates the

payroll process in the same way as we have previously done in Fortnox Payroll. Employees can register their travel or receipts in the app with the click of a few buttons and they are automatically included in the next payroll run – a smooth and simple process for companies currently struggling with handling expenses.

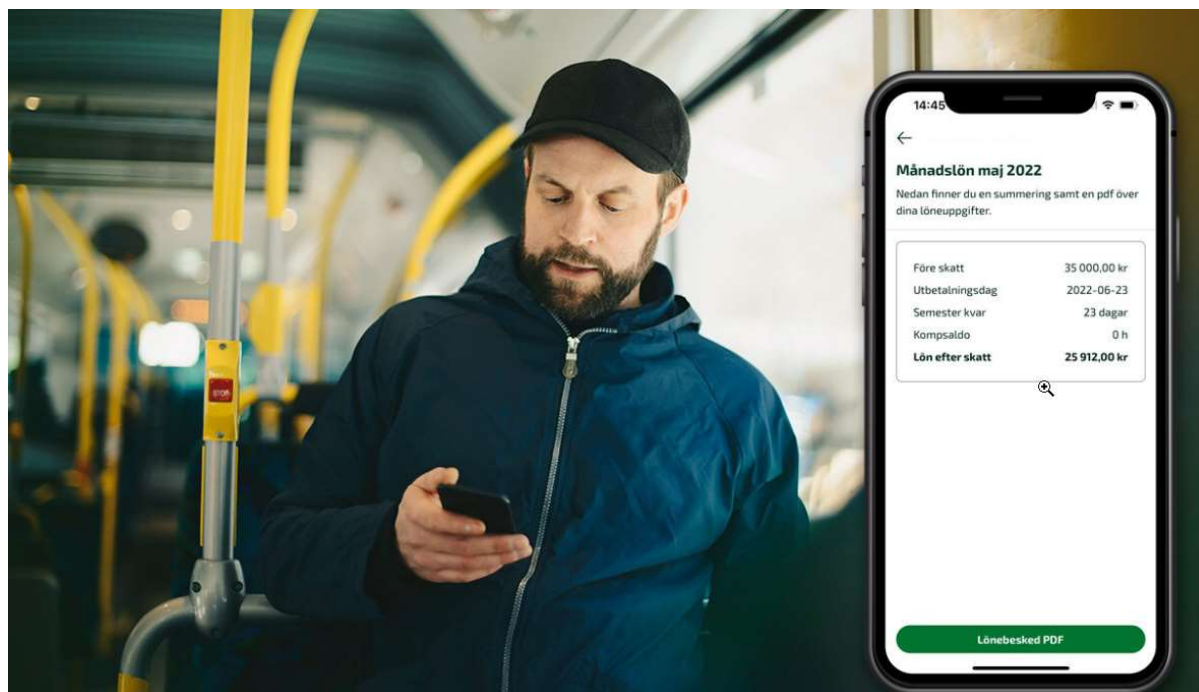
Several major consulting and accounting firms, such as BDO, are already using Fortnox Payroll for their customers, and many of the updates we made during the quarter were specifically requested by our accounting firm partners. Larger companies also use Fortnox Payroll, including the fast-growing logistics company Boxflow who are happy with how our product has automated their payroll processing.

The final piece of the puzzle when it comes to complete receipt handling is the Fortnox Card, which was pre-launched in September and will be released early next year. The card offers several advantages. Not only does the user avoid having to use their own money to make purchases for their place of work, the card also gives the company full control of its expenses since it can be connected to the Fortnox app and Fortnox Payroll. The card simplifies every step of the accounting process from start to finish!

I am proud of these new product features and of our performance over the past quarter. I would therefore like to thank our fantastic employees who strive every day to make our customers more successful.

Best regards,

CEO, Tommy Eklund.



Financial information

SEK million unless otherwise indicated

Key performance indicators (KPIs) (Group)	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021
Net sales	331.8	236.5	918.8	665.1
EBIT	145.3	101.9	338.2	231.8
EBIT-margin, (%)	43.8	43.1	36.8	34.8
Earnings per share, after dilution (SEK)	0.18	0.13	0.41	0.30
Cash flow from operating activities	116.8	103.1	324.1	240.4
Working capital at the end of the period	346.5	324.1	346.5	324.1
Key performance indicators (KPIs) (The Group's operating segments)	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021
Företagande				
Revenues	51.6	34.9	139.8	96.4
Operational segment result	40.2	26.7	103.5	69.6
Byrå				
Revenues	88.7	68.2	245.3	198.8
Operational segment result	63.6	46.9	164.1	123.6
Entreprenören¹⁾				
Revenues	130.6	93.6	362.1	264.3
Operational segment result	85.8	58.6	228.2	152.4
Pengar				
Revenues	41.0	23.3	108.7	68.8
Operational segment result	0.2	1.9	-20.7	0.4
Marknadsplatsen²⁾				
Revenues	31.3	24.9	89.7	58.8
Operational segment result	11.6	6.4	23.9	10.5
Revenue distribution (Group)	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021
Subscription-based	246.0	177.9	671.2	500.9
Transaction-based	66.9	49.3	195.4	138.3
Lending-based	18.8	9.2	51.8	25.7
Others	7.4	3.8	15.1	12.8
Revenue from agreements with customers	339.1	240.2	933.5	677.7

1) From January 1, 2022, Entreprenörens former product area Integrera was changed to Marknadsplatsen, for more information regarding the financial effects this has entailed, see page 10.

2) From January 1, 2022, the name of the Offerta business area was changed to Marknadsplatsen and expanded with Entreprenören's former product area of Integrera, for more information regarding the financial effects this has entailed, see page 10.

Group Development

Group – Net sales and results in the third quarter

Net sales amounted to SEK 331.8 million (236.5), up SEK 95.3 million or 40.3 percent. Acquisitions accounted for SEK 13.5 million or 5.7 percentage points of this increase. Revenue increased as a result of higher revenue per existing customer, new customers and products, and the further development of existing products. Accordingly, organic growth in the third quarter increased 34.6 percent (20.4), compared with the year-earlier period.

During the quarter, efforts to develop new and further develop existing products continued, bringing own work capitalized to SEK 19.8 million (11.5).

Operating expenses amounted to SEK 193.8 million (138.2). Expenses rose SEK 55.5 million or 40.2 percent, primarily attributable to increased personnel costs and other external costs as a result of organic growth and acquisitions. The increase in other external costs was driven by increased marketing campaigns and selling costs as well as higher costs for premises and infrastructure.

Operating profit totaled SEK 145.3 million (101.9), up SEK 43.4 million or 42.6 percent. Adjusted for acquisitions, operating profit totaled SEK 155.6 million.

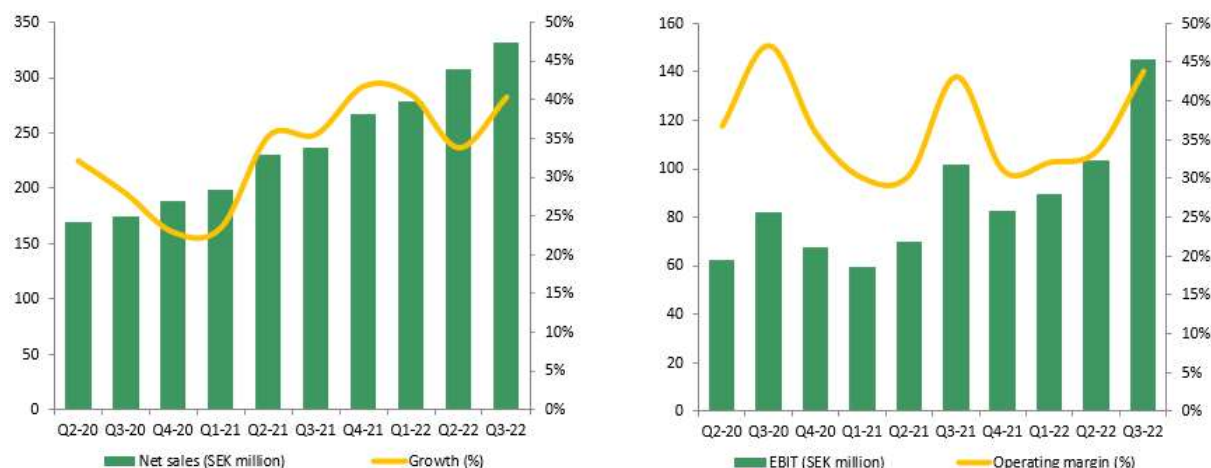
The operating margin was 43.8 percent (43.1). Adjusted for acquisitions, the operating margin was 48.9 percent. The operating margin increased year on year, mainly due to strong organic growth. The third quarter is different from the other quarters insofar as operating margin is generally higher in the third quarter since the largest cost base, namely personnel costs, is lower as more vacation days are taken.

Profit before tax amounted to SEK 143.4 million (100.4), up SEK 43.0 million or 42.9 percent. Interest expenses attributable to the revolving credit facility signed in December 2021, impacted negatively.

At the end of the period, the number of subscription customers was 466,000 (410,000), up 14 percent.

Annual Recurring Revenue (ARR³⁾) amounted to SEK 914 million (650).

Average Revenue Per Customer (ARPC³⁾) amounted to SEK 223 (184).



3) For a definition of the alternative performance measures ARR and ARPC, refer to page 32.

Group – Investments in the third quarter

The Group's investments in tangible and intangible assets, excluding acquisitions, amounted to SEK 28.7 million (24.5).

Capitalized development costs accounted for SEK 28.0 million (20.6). Capitalized development costs included internally generated development costs of SEK 19.8 million (11.5). The increase was primarily attributable to a higher number of employees in product development and a reduced use of consultants. Development costs pertained to the development of existing and upcoming products.

During the third quarter, the remaining shares in Agoy, approximately 68 percent, were acquired for a consideration of SEK 34.1 million. For more information about the acquisition and the acquisition analysis prepared, refer to Note 5.

Depreciation/amortization and impairment of tangible and intangible assets amounted to SEK 34.2 million (21.7), of which impairment totaled SEK 0.9 million (0). Impairment was mainly attributable to insurance-related services.

Group – Cash flow and financial position in the third quarter

The Group's cash flow from operating activities was SEK 116.8 million (103.1), negatively impacted by financing activities and positively impacted by earnings.

The Group's cash flow from investing activities amounted to SEK -62.7 million (-24.5). Negatively impacted by the acquisition of Agoy.

The Group's cash flow from financing activities amounted to SEK -9.3 million (-4.1). The negative cash flow from financing activities in the third quarter was attributable to repayments of loans and lease liabilities.

At the end of the period, current assets excluding cash and cash equivalents totaled SEK 478.4 million (209.4), driven by growth in financing activities. During the quarter, receivables related to accounts receivable, factoring, invoice financing and business loans rose SEK 44.3 million (-8.0).

At the end of the period, the Group's cash and cash equivalents amounted to SEK 374.7 million (468.3). The decrease compared with the preceding year was attributable to acquired subsidiaries and a settlement of interest-bearing liabilities amounting to SEK 113.9 million that arose in conjunction with the acquisition of Capcito. This was partly offset by drawing SEK 200 million of the revolving credit facility amounting to SEK 500 million.

Non-current liabilities comprise a lease liability⁴⁾ of SEK 136.6 million (153.5), credit of SEK 200 million (0) withdrawn from the revolving credit facility, a recognized liability of SEK 89.5 million (0) for the estimated contingent consideration for the remaining share of Capcito, and deferred tax liabilities of SEK 35.6 million (22.5) attributable to completed acquisitions.

Current liabilities amounted to SEK 506.5 million (353.7). The year-on-year increase was primarily attributable to deferred income, which included the value of warrants received in conjunction with entering into a partnership agreement with Mynt AB amounting to SEK 27.7 million. Revenue from the warrants is recognized only when there is a very high probability that the terms associated with the warrants will be met. Excluding the value of the warrants, deferred income increased in line with net sales of subscription-based services.

The Group's working capital amounted to SEK 346.5 million (324.1). The year-on-year increase was primarily attributable to the acquisition of Capcito, resulting in an increase in short-term receivables within financing, which was partly offset by a decrease in cash and cash equivalents and an increase in current liabilities.

The equity/assets ratio was 55.1 percent (63.1).

Group – Net sales and results January - September

Net sales amounted to SEK 918.8 million (665.1), up SEK 253.7 million or 38.1 percent. Acquisitions accounted for SEK 58.7 million or 8.8 percentage points of this increase. As in the third quarter, net sales for the January to September period were impacted positively as a result of new customers and products as well as higher revenue per existing customer. Accordingly, organic growth in the period increased year on year and amounted to 29.3 percent (20.3).

Operating expenses totaled SEK 595.4 million (445.9), up SEK 149.5 million or 33.5 percent, primarily due to higher personnel costs and other external costs as a result of organic growth and acquisitions.

Operating profit amounted to SEK 338.2 million (231.8), up SEK 106.4 million or 31.5 percent. Adjusted for acquisitions, operating profit totaled SEK 372.2 million, the adjustment is mainly attributable to Capcito, which had a negative impact on SEK 31.0 million.

The operating margin was 36.8 percent (34.8). Adjusted for acquisitions, the operating margin was 43.3 percent. The operating margin increased year on year, primarily due to net sales growth.

Profit before tax amounted to SEK 327.5 million (228.0), up SEK 99.5 million or 43.6 percent. Interest expenses mainly attributable to the revolving credit facility and the impairment of participations in Agoy, had a negative impact. In conjunction with Fortnox's offer to the other shareholders of Agoy in the second quarter, the value of existing participations was impaired to the same level as the consideration offered. This resulted in the existing participations being impaired by SEK 3.6 million.

Group – Investments January - September

The Group's investments in tangible and intangible assets, excluding acquisitions, amounted to SEK 97.6 million (68.4).

Capitalized development costs accounted for SEK 88.7 million (60.3). Capitalized development costs included internally generated development costs of SEK 61.2 million (30.8). The increase was primarily attributable to a higher number of employees in product development and a reduced use of consultants. As in prior periods, development costs increased and pertained to the development of existing and upcoming products.

Depreciation/amortization and impairment of tangible and intangible assets amounted to SEK 93.1 million (61.1). Impairment was mainly attributable to insurance-related services and amounted to SEK 4.5 million (0).

Group - Cash flow and financial position January - September

The Group's cash flow from operating activities was SEK 324.1 million (240.4). Profit and the increase in operating liabilities attributable to deferred income had a positive impact in the period, while financing activities contributed negatively through increased receivables, primarily attributable to factoring and business loans.

The Group's cash flow from investing activities amounted to SEK -136.1 million (-136.8), attributable to the completion of major business acquisitions and investments in associated companies during the second quarter of 2021. This was partly offset by additional investments in internally generated assets.

The Group's cash flow from financing activities amounted to SEK -186.6 million (-47.9). The negative cash flow from financing activities is mainly attributable to a settlement of current interest-bearing liabilities of SEK 113.9 million, which arose in conjunction with business acquisitions in 2021.

4) The lease liability pertains primarily to leases of office properties.

Group – Development by segment

Företagande SEK million	<i>Jul-Sep</i> 2022	<i>Jul-Sep</i> 2021	<i>Jan-Sep</i> 2022	<i>Jan-Sep</i> 2021
Revenues	51.6	34.9	139.8	96.4
Operational segment result	40.2	26.7	103.5	69.6

Third quarter

Revenue amounted to SEK 51.6 million, up SEK 16.7 million or 48.0 percent. The year-on-year increase was primarily attributable to subscription-based revenue, driven by new customers and product launches.

The operational segment result was SEK 40.2 million, up SEK 13.6 million or 50.8 percent as a result of increased revenue and a lower share of personnel costs.

During the quarter, an extensive radio campaign was carried out and continuous measures were implemented on fortnox.se and in the software to improve sales.

January – September

Revenue for the period amounted to SEK 139.8 million, up SEK 43.4 million or 45.0 percent. As in the third quarter, the increase was primarily attributable to subscription-based revenue as well as new customers.

The operational segment result was SEK 103.5 million, up SEK 34.0 million or 48.8 percent.

Byrån SEK million	<i>Jul-Sep</i> 2022	<i>Jul-Sep</i> 2021	<i>Jan-Sep</i> 2022	<i>Jan-Sep</i> 2021
Revenues	88.7	68.2	245.3	198.8
Operational segment result	63.6	46.9	164.1	123.6

Third quarter

Revenue amounted to SEK 88.7 million, up SEK 20.5 million or 30.1 percent. During 2022, a redistribution of revenue has taken place from Byrån to Entreprenören. Adjusted for this redistribution of revenue, the increase was SEK 23.6 million or 34.6 percent. The increase was primarily attributable to subscription-based and transaction-based revenue related to supplier invoice interpretation and salary specifications.

The operational segment result amounted to SEK 63.6 million, an increase of SEK 16.8 million or 35.7 percent, driven by a lower proportion of personnel costs. Adjusted for the redistribution of revenue from Byrån to Entreprenören, the increase in operational segment result amounted to SEK 19.5, or 41.6 percent.

During the quarter, continued work was carried out regarding the recently launched service, automated business insights in Digitalbyrå. These insights help agencies provide their customers with quality-assured advice and support in business decisions. As in the first and second quarters, a great deal of work was also devoted to further developing the integration with Accounts Closing & Tax.

January – September

Revenue for the period amounted to SEK 245.3 million, up SEK 46.6 million or 23.4 percent. Adjusted for the redistribution of revenue from Byrån to Entreprenören, the increase was SEK 55.6 million or 28.0 percent.

The operational segment result was SEK 164.1 million, up SEK 40.6 million or 32.8 percent. Adjusted for the redistribution of revenue from Byrån to Entreprenören, the increase in operational segment result was SEK 48.4 million or 39.2 percent.

Entreprenören SEK million	<i>Jul-Sep</i> 2022	<i>Jul-Sep</i> 2021	<i>Jan-Sep</i> 2022	<i>Jan-Sep</i> 2021
Revenues	130.6	93.6	362.1	264.3
Operational segment result	85.8	58.6	228.2	152.4

Third quarter

Revenue amounted to SEK 130.6 million, up SEK 37.0 million or 39.5 percent. During 2022, as previously mentioned, redistribution of revenue has taken place from Byrån to Entreprenören. Adjusted for this redistribution of revenue, the increase was SEK 33.9 million or 36.2 percent. The increase was primarily attributable to subscription-based and transaction-based revenue related to supplier invoice interpretation and salary specifications. The figures for 2021 have been adjusted so that Entreprenören's former product area Integrera is included in the Marknadsplatsen business area as of 1 January 2022. For more information on the financial effects regarding Integrera, refer to the section "Impact of transfer of Integrera" below.

The operational segment result was SEK 85.8 million, up SEK 27.3 million or 46.6 percent. Adjusted for the redistribution of revenue from Byrån to Entreprenören, the increase in operational segment result was SEK 24.5 million or 41.9 percent, driven by revenue growth. The recently acquired business Agoy, which since the acquisition is part in the Entreprenören business area, had a negative impact of SEK 3.2 million.

As in previous periods, a great deal of work was devoted to further developing the core products during the quarter.

January - September

Revenue for the period amounted to SEK 362.1 million, up SEK 97.8 million or 37.0 percent. Adjusted for the redistribution of revenue, the increase was SEK 88.7 million or 33.6 percent.

The operational segment result was SEK 228.2 million, up SEK 75.8 million or 49.7 percent. Adjusted for the redistribution of revenue from Byrån to Entreprenören, the increase in operational segment result was SEK 67.9 million or 44.6 percent.

Pengar SEK million	<i>Jul-Sep</i> 2022	<i>Jul-Sep</i> 2021	<i>Jan-Sep</i> 2022	<i>Jan-Sep</i> 2021
Revenues	41.0	23.3	108.7	68.8
Operational segment result	0.2	1.9	-20.7	0.4

Third quarter

Revenue amounted to SEK 41.0 million, up SEK 17.7 million or 75.8 percent. The increase was primarily attributable to lending-based revenue, which arose in conjunction with the acquisition of Capcito. The growth in Capcito's lending-based revenue amounted to 55 percent for the quarter and was largely attributable to synergies between Capcito and Fortnox Finans.

The operational segment result was SEK 0.2 million (1.9), down SEK 1.7 million. This decrease was attributable to continued investments in Capcito and Monto.

During the quarter, the market displayed interest in Monto's new products for API integration with cloud-based ERP systems.

January - September

Revenue for the period amounted to SEK 108.7 million, up SEK 39.9 million or 58.1 percent. As in the third quarter, the increase was primarily attributable to lending-based revenue, which arose in conjunction with the acquisition of Capcito. The growth in Capcito's lending-based revenue amounted to 49 percent for the period.

The operational segment result was SEK -20.7 million (0.4), down SEK 21.1 million due to the Group's investments in Capcito and Monto.

Marknadsplatsen <i>SEK million</i>	<i>Jul-Sep</i> 2022	<i>Jul-Sep</i> 2021	<i>Jan-Sep</i> 2022	<i>Jan-Sep</i> 2021
Revenues	31.3	24.9	89.7	58.8
Operational segment result	11.6	6.4	23.9	10.5

Third quarter

Revenue amounted to SEK 31.3 million, up SEK 6.4 million or 25.7 percent. The figures for 2021 have been adjusted so that Entreprenören's former product area Integrera is included in the Marknadsplatsen business area as of 1 January 2022. For more information on the financial effects regarding Integrera, refer to the section "Impact of transfer of Integrera" below.

The operational segment result was SEK 11.6 million, up SEK 5.2 million or 81.2 percent. The operational segment result was positively impacted by increased revenue and the fact that approximately SEK 3 million in personnel and premises costs for 2021 were recognized as intra-Group costs in 2022.

During the quarter, a great deal of work continued to be devoted to the development of Marknadsplatsen's new product, Flex, which will be launched later in the year.

January - September

Revenue for the period amounted to SEK 89.7 million, up SEK 31.0 million or 52.7 percent. The revenue growth was higher in the period than in quarter, since the acquisition of Offerta was completed in March 2021, which meant that a portion of the operations are not included in the entire comparative period.

The operational segment result was SEK 23.9 million, up SEK 13.4 million or 128 percent. This strong performance in terms of the operational segment result was mainly attributable to the fact that approximately SEK 7 million in personnel and premises costs for 2021 were recognized as intra-Group costs in 2022.

Impact of transfer of Integrera

Integrera <i>SEK million</i>	<i>Jul-Sep</i> 2022	<i>Jul-Sep</i> 2021	<i>Jan-Sep</i> 2022	<i>Jan-Sep</i> 2021
Revenues	9.4	4.0	24.5	11.4
Operational segment result	7.5	1.9	17.8	4.2

On January 1, 2022, the name of the Offerta business area was changed to Marknadsplatsen and expanded with Entreprenören's former product area of Integrera.

The financial effects, which entailed a positive impact on Marknadsplatsen and a corresponding negative impact on Entreprenören, are presented in the table above.

Other information

Parent Company

Parent Company's revenue is mainly derived from subscription services for financial administration.

Parent Company – Net sales and results in the third quarter

Net sales amounted to SEK 272.5 million (192.0), up 41.9 percent (24.8). As in the Group, net sales increase due to existing and new customers and products.

Operating expenses totaled SEK 143.3 million (110.4), up SEK 32.9 million or 29.8 percent, primarily due to higher personnel costs and other external costs as a result of net sales growth.

Operating profit totaled SEK 140.0 million (92.5), up SEK 47.5 million or 51.4 percent, corresponding to a strong operating margin of 51.4 percent (48.2). The development is explained by an improved cost structure, mainly due to the scalability of personnel costs.

Profit after tax was SEK 112.4 million (73.9), up SEK 38.6 million or 52.2 percent.

Parent Company – Investments in the third quarter

The Parent Company's investments in tangible and intangible assets, excluding acquisitions, amounted to SEK 15.0 million (21.0).

Capitalized development costs accounted for SEK 14.4 million (17.4). The lower outcome is explained by a reduced use of consultants. Capitalized development costs included internally generated development costs of SEK 10.6 million (10.6).

Depreciation/amortization and impairment of tangible and intangible assets amounted to SEK 13.7 million (10.7). Of this amount, impairment losses for the third quarter totaled SEK 0.9 million (0), which pertained to insurance-related services.

Parent Company – Financial position in the third quarter

Financial non-current assets increased SEK 34.1 million, net, during the quarter and were attributable to the acquisition of Agoy. Participations in associated companies declined SEK 15.9 million due to Fortnox's acquisition of the remaining shares in the company and contributed to participations in subsidiaries increasing SEK 50.1 million.

At the end of the period, cash and cash equivalents amounted to SEK 199.6 million (346.1), with the year-on-year reduction primarily attributable to the shareholders' contribution to Fortnox Finans AB for financing the Capcito subsidiary, which was partly offset by drawing from the revolving credit facility. During the period, intra-Group loans were granted to Capcito amounting to SEK 250 million, which had a negative impact on the Parent Company's cash and cash equivalents. The intra-Group loans granted were mainly used for financing activities, but also to settle current interest-bearing liabilities.

At the end of the period, working capital amounted to SEK 385.9 million (285.0), a year-on-year increase primarily attributable to an increase in deferred income and short-term receivables with Group companies. The increase was partly offset by a reduction in cash and cash equivalents as a result of completed business acquisitions.

Parent Company – Net sales and results January - September

Net sales amounted to SEK 749.2 million (550.9), up 36.0 percent (24.0). As in the third quarter, net sales growth in the January to September period was impacted positively compared with the year-earlier period as a result of new customers and higher revenue per subscription customer.

Operating expenses totaled SEK 444.6 million (367.9), up SEK 76.7 million or 20.8 percent. As a result of improvements to the Parent Company's cost structure, the proportion of costs in relation to net sales has declined and contributed to higher profitability during the period.

Operating profit amounted to SEK 344.0 million (212.7), up SEK 131.3 million or 61.7 percent. The operating margin was 45.9 percent (38.6) for the period. As in the third quarter, the cost structure has continuously been improved during the year and contributed to the development of operating margin for the period.

Profit after tax amounted to SEK 268.7 million (169.5), up SEK 99.2 million or 58.5 percent. The increase was primarily due to the operating profit during the period, which was partly offset by an impairment of SEK 7.2 million on participations in associated companies.

Parent Company – Investments January - September

The Parent Company's investments in tangible and intangible assets, excluding acquisitions, amounted to SEK 60.2 million (51.1).

Capitalized development costs accounted for SEK 53.3 million (45.3). Capitalized development costs included internally generated development costs of SEK 39.0 million (27.4). The increase was primarily attributable to a higher number of employees in product development and a reduced use of consultants. As in prior periods, development costs increased and relates to the further development of existing products, as well as the development of new.

Investments in financial assets amounted to SEK 31.4 million (384.1) during the period, the decrease is mainly attributable to the completion of major business acquisitions in 2021.

Depreciation/amortization and impairment of tangible and intangible assets amounted to SEK 40.7 million (31.3). Impairment for the period totaled SEK 4.1 million (0) and pertained to insurance-related services.

Employees

At the end of the period, the number of employees was 657 (540). The Company also engages external consultants for specific projects.

Significant risks and uncertainties

The Group's and the Parent Company's business operations are exposed to certain types of risk that could affect its results or financial position to a greater or lesser extent. These can be divided into industry and business-specific risks and financial risks. Management's overall view of the risks that could affect the business operations are described in the most recently published Annual Report. A more detailed description of the risk scenario for the Group and the Parent Company can be found on page 90 of Fortnox's 2021 Annual Report.

The war in Europe should also be added to this risk scenario. At present, the Group cannot see any major long-term repercussions for Fortnox's financial position or performance since the Group has no operations, customers or employees in the countries concerned (Belarus, Russia and Ukraine). At the same time, the Group cannot rule out the possibility that a deteriorating macro outlook – in the wake of the ongoing energy crisis, rising inflation, higher interest rates and continued global supply chain problems – could have a major impact on the conditions of the Group's customers. The company's management is following developments and continuously assessing the situation.

Related party transactions

During the third quarter, Fortnox CEO Tommy Eklund exercised all purchase options and bought shares in Fortnox according to the option program that the company's main owner First Kraft AB issued in December 2019. A total of 1,000,000 options were issued at an exercise price of SEK 20 SEK per share. For more information about the option program, see note 5 in the annual report for 2021.

The warrants under Warrant Program 2018/2022 were exercised during the quarter. The program was established in conjunction with the acquisition of Capcito and comprised 2,009 warrants that could be exercised for SEK 1,524 per warrant. Fortnox Finans AB purchased 1,435 warrants for a value of SEK 2.2 million. The remaining warrants were exercised, and shares totaling SEK 0.9 million were subscribed for. The value of the warrants purchased by Fortnox Finans AB and the remaining warrants exercised for shares by Group employees amounted to SEK 1.3 million.

Significant intragroup transactions have taken place in addition to what was stated in the annual report for 2021. The intragroup loans have increased from Fortnox AB to Capcito Finance AB by SEK 250 million. The loan is used to avoid external financing regarding financing activities.

Fortnox's related parties and the scope of transactions with related parties are described in more detail in Note 29 of the 2021 Annual Report.

Other than the above, no material changes took place during the quarter in related parties or in the scope of transactions with suppliers who are considered as related parties, neither for the Group nor the Parent Company, compared with the information published in the 2021 Annual Report.

Significant events after the end of the interim period

After the end of the period, an extraordinary general meeting was held on October 21, which resolved in accordance with the Board of Directors' proposal regarding the introduction of a long-term incentive program "ESSP 2022" for all Group employees. The purpose of ESSP 2022 is to create shareholder value and more closely align the interests of the participants and Fortnox's other shareholders. ESSP 2022 is also expected to improve Fortnox's possibilities to retain and recruit qualified employees to the Fortnox Group and to encourage greater interest and involvement in Fortnox's operations and development among employees. ESSP 2022 comprises a maximum of 318,562 shares in Fortnox, corresponding to 0.05 percent of the total number of shares in Fortnox.

Shares and share capital

At the end of the period, consolidated equity amounted to SEK 1,186.6 million (907.2).

The share capital amounted to SEK 1,2 million (1,2), distributed between 609,744,700 (609,744,700) shares (quota value SEK 0,02).

	Sep 30 2022	Sep 30 2021	Dec 31 2021
No. of shares outstanding at the end of the period	609,744,700	609,744,700	609,744,700
Share price at the end of the period (SEK)	43.30	53.00	58.50

The ten largest shareholders on September 30, 2022 are shown in the table below:

Shareholders	No. of shares	%
FIRST KRAFT AB	124,780,710	20.46%
STATE STREET BANK AND TRUST CO, W9	41,528,316	6.81%
SWEDBANK ROBUR TOTAL	40,995,457	6.73%
JP MORGAN CHASE BANK N.A	18,233,125	2.99%
BNY MELLON NA (FORMER MELLON), W9	17,939,943	2.94%
MORGAN STANLEY & CO INTL PLC, W8IMY	15,600,551	2.56%
THE NORTHERN TRUST COMPANY	14,082,345	2.31%
GOLDMAN SACHS INTERNATIONAL, W8IMY	13,881,384	2.28%
AMF PENSIONS FÖRSÄKRING AB	13,500,000	2.21%
BENGTTSSON, PEDER KLAS-ÅKE	12,555,000	2.06%
Others	296,647,869	48.65%
Total	609,744,700	100.00%

Fortnox AB has been traded on Nasdaq Stockholm's main market since April 13, 2022 and the number of shareholders according to Euroclear amounted to 44,482 as of September 30, 2022.

Condensed consolidated statement of profit or loss and other comprehensive income

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021
Net sales	331.8	236.5	918.8	665.1
Other operating income	7.3	3.7	14.8	12.6
Total operating income	339.1	240.2	933.5	677.7
Own work capitalized	19.8	11.5	61.2	30.8
Services purchased	-24.2	-16.8	-64.8	-62.1
Other external costs	-49.4	-34.0	-154.0	-111.4
Cost of personnel	-105.8	-77.2	-344.7	-242.1
Depreciation, amortization and impairment of tangible and intangible assets	-34.2	-21.7	-93.1	-61.1
Total operating expenses	-193.8	-138.2	-595.4	-445.9
Operating profit	145.3	101.9	338.2	231.8
Financial income/expenses	-1.9	-0.8	-5.6	-2.5
Profit/loss from participations in associated companies	-	-0.8	-5.2	-1.3
Profit before tax	143.4	100.4	327.5	228.0
Tax	-31.8	-21.0	-74.8	-48.4
Profit for the period	111.7	79.4	252.8	179.6
Other comprehensive income				
Other comprehensive income	-	-	-	-
Comprehensive income for the period	111.7	79.4	252.8	179.6
Earnings per share				
– before dilution, SEK	0.18	0.13	0.41	0.30
– after dilution, SEK	0.18	0.13	0.41	0.30
Average no. of shares outstanding				
– before dilution, 000s	609,745	609,745	609,745	607,331
– after dilution, 000s	609,818	609,771	609,790	608,004

Condensed consolidated statement of financial position

SEK million	Sep 30 2022	Sep 30 2021	Dec 31 2021
Assets			
Intangible assets			
Goodwill ⁵⁾	605.4	270.4	605.6
Platform	317.3	161.1	223.3
Other intangible assets	148.9	100.0	156.8
Tangible assets			
Machinery and equipment	37.2	34.4	36.3
Right-of-use assets	163.6	174.8	169.1
Financial assets			
Shares in associated companies	-	17.3	16.6
Financial investments	27.7	-	-
Long-term receivables	0.3	0.3	0.3
Deferred tax assets	1.5	0.9	1.4
Total non-current assets	1,301.8	759.1	1,209.4
Accounts receivable	62.9	47.0	74.3
Receivables factoring	44.6	1.7	55.1
Purchased receivables	204.9	134.7	168.7
Corporate loan receivables	122.5	-	53.6
Prepaid expenses	22.9	10.2	16.6
Accrued income	17.1	13.4	15.1
Other receivables	3.4	2.5	5.0
Cash and cash equivalents	374.7	468.3	373.3
Total current assets	853.1	677.8	761.8
Total assets	2,154.9	1,436.9	1,971.2
Equity			
Share capital	1.2	1.2	1.2
Other contributed capital	420.5	406.6	419.6
Retained earnings incl. profit for the period	764.8	499.4	560.9
Total shareholders' equity attributable to Parent Company shareholders	1,186.6	907.2	981.7
Liabilities			
Non-current liabilities			
Non-current interest bearing liabilities	200.0	-	200.0
Non-current lease liabilities	136.6	153.5	147.1
Deferred tax liabilities	35.6	22.5	36.4
Other non-current liabilities	89.5	-	90.7
Total non-current liabilities	461.8	176.0	474.2
Current liabilities			
Current interest bearing liabilities	-	-	113.9
Current lease liabilities	33.9	27.8	29.1
Accounts payable	24.1	16.5	24.0
Tax liabilities	69.2	70.0	69.8
Other liabilities	45.7	32.7	41.8
Accrued expenses	73.3	47.2	63.4
Deferred income	260.4	159.5	173.3
Total current liabilities	506.5	353.7	515.2
Total liabilities	968.3	529.7	989.4
Total equity and liabilities	2,154.9	1,436.9	1,971.2

5) For more detailed information on goodwill, see note 6.

Condensed consolidated statement of changes in equity

SEK million	Share capital	Other contributed capital	Retained earnings incl. profit for the period	Total equity
Opening equity, January 1, 2021	1.2	102.6	365.4	469.3
Comprehensive income for the period			179.6	179.6
<i>Transactions with the Group's owners</i>				
Dividends paid			-45.6	-45.6
New share issue	0.0	304.0		304.0
Total transactions with the Group's owners	0.0	304.0	-45.6	258.4
Closing equity, September 30, 2021	1.2	406.6	499.4	907.2
Opening equity, October 1, 2021	1.2	406.6	499.4	907.2
Comprehensive income for the period			61.5	61.5
<i>Transactions with the Group's owners</i>				
Dividends paid				
New share issue	0.0	13.0		13.0
Total transactions with the Group's owners	0.0	13.0	-	13.0
Closing equity, December 31, 2021	1.2	419.6	560.9	981.7
Opening equity, January 1, 2022	1.2	419.6	560.9	981.7
Comprehensive income for the period			252.8	252.8
<i>Transactions with the Group's owners</i>				
Dividends paid			-48.8	-48.8
New share issue	0.0	0.9		0.9
Total transactions with the Group's owners	-	0.9	-48.8	-47.9
Closing equity, September 30, 2022	1.2	420.5	764.8	1,186.6

Condensed consolidated statement of cash flows

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep ⁶⁾ 2022	Jan-Sep 2021
Operating activities				
Profit before tax	143.4	100.4	327.5	228.0
Non-cash adjustments	34.2	21.7	98.3	61.1
Income tax paid	-17.1	-11.2	-82.0	-51.7
	160.6	110.9	343.9	237.4
Increase (-)/decrease (+) in accounts receivable	0.5	2.2	11.3	5.4
Increase (-)/decrease (+) in receivables factoring	2.2	0.4	10.5	18.9
Increase (-)/decrease (+) in purchased receivables	-15.6	5.4	-36.2	-28.5
Increase (-)/decrease (+) in corporate loan receivables	-31.4	-	-68.9	-
Increase (-)/decrease (+) in other operating receivables	-0.0	-1.4	-5.7	-7.7
Increase (+)/decrease (-) in other operating liabilities	0.5	-14.4	69.3	14.9
Cash flow from operating activities	116.8	103.1	324.1	240.4
Investing activities				
Acquisitions of tangible assets	-0.7	-3.8	-9.0	-8.2
Acquisitions of intangible assets	-28.0	-20.6	-88.7	-60.3
Business acquisitions, net cash	-34.0	-	-38.5	-49.5
Acquisition of financial assets	-	-	-	-18.8
Cash flow from investing activities	-62.7	-24.5	-136.1	-136.8
Financing activities				
New share issue	0.9	1.7	0.9	14.0
Repayment of loan	-2.4	-	-116.3	-
Repayment of lease liability	-7.7	-5.8	-22.5	-16.3
Dividends paid to Parent Company owners	-	-	-48.8	-45.6
Cash flow from financing activities	-9.3	-4.1	-186.6	-47.9
Cash flow for the period	44.8	74.6	1.4	55.7
Cash and cash equivalents at the beginning of the period	329.9	393.7	373.3	412.6
Cash and cash equivalents at the end of the period	374.7	468.3	374.7	468.3

6) During the second quarter of 2022, Fortnox received warrants in connection with the agreement entered into with Mynt AB. The valuation of the warrants contributed to an increase in operating liabilities by SEK 27.7 million, while investments in financial assets decreased by a corresponding amount. A corrective restatement has been made, as the valuation did not involve any cash flow impact. The correction means that the cash flow from the operating activities has decreased by SEK 27.7 million, while the cash flow from investing activities has increased by a corresponding amount.

Condensed Parent Company income statement

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021
Net sales	272.5	192.0	749.2	550.9
Own work capitalized	10.6	10.6	39.0	27.4
Other operating income	0.3	0.4	0.4	2.3
	283.3	202.9	788.6	580.6
Services purchased	-15.0	-10.9	-40.1	-41.9
Other external costs	-41.3	-29.0	-121.9	-100.3
Cost of personnel	-73.4	-59.9	-241.8	-194.4
Depreciation, amortization and impairment of tangible and intangible assets	-13.7	-10.7	-40.7	-31.3
Total operating expenses	-143.3	-110.4	-444.6	-367.9
Operating profit	140.0	92.5	344.0	212.7
Financial items	1.8	0.5	-4.4	1.2
Profit after financial items	141.9	93.0	339.6	213.9
Appropriations	-	-	-	-
Profit before tax	141.9	93.0	339.6	213.9
Tax	-29.4	-19.1	-70.9	-44.4
Profit for the period⁷⁾	112.4	73.9	268.7	169.5

7) Parent Company's comprehensive income corresponds to the result for the period.

Condensed Parent Company balance sheet

SEK million	Sep 30 2022	Sep 30 2021	Dec 31 2021
Assets			
Intangible assets			
Platform	153.3	121.0	133.5
Tangible assets			
Machinery and equipment	32.3	30.9	32.6
Financial assets			
Shares in subsidiaries	818.5	428.6	768.5
Shares in associated companies	-	18.5	18.6
Long-term receivables	0.3	0.3	0.3
Deferred tax assets	0.6	0.2	0.5
Total non-current assets	1,005.0	599.5	954.1
Accounts receivable	50.7	34.9	61.1
Interest-bearing receivables from Group companies	440.7	115.0	164.7
Other receivables from Group companies	56.0	44.7	30.2
Other receivables	1.0	0.9	0.9
Prepaid expenses	18.1	7.8	11.2
Accrued income	17.0	13.4	14.9
Cash and cash equivalents	199.6	346.1	270.1
Total current assets	783.1	562.8	553.3
Total assets	1,788.1	1,162.3	1,507.4
Equity			
<i>Restricted equity</i>			
Share capital	1.2	1.2	1.2
Development fund	153.3	120.4	132.7
<i>Unrestricted equity</i>			
Share premium reserve	419.6	406.6	419.7
Retained earnings	348.1	186.7	174.4
Profit for the period	268.7	169.5	242.9
Total equity	1,190.9	884.4	971.0
Non-current liabilities			
Non-current interest bearing liabilities	200.0	-	200.0
Total non-current liabilities	200.0	-	200.0
Current liabilities			
Accounts payable	15.7	8.2	16.8
Liabilities to Group companies	4.3	3.5	21.0
Current tax liabilities	63.9	49.2	60.0
Other liabilities	31.0	23.7	27.1
Accrued expenses	51.0	35.0	39.7
Deferred income	231.4	158.3	171.8
Total current liabilities	397.2	277.8	336.5
Total equity and liabilities	1,788.1	1,162.3	1,507.4

NOTER

Note - 1 Significant accounting policies

The interim report has been prepared in accordance with the EU-adopted IFRS standards issued by the International Accounting Standards Board (IASB) and the EU-adopted IFRIC interpretations. In addition, the Swedish Financial Reporting Board's recommendation, RFR 1 Supplementary Accounting Rules for Groups, has been applied. This report for the Group was prepared in accordance with IAS 34 Interim Reporting and the applicable provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company was prepared in accordance with the Swedish Annual Accounts Act, Chapter 9 Interim Reports, and RFR 2, Accounting for Legal Entities. Disclosures in accordance with IAS 34.16A are included in the financial statements and their related notes, as well as other parts of the interim report.

The accounting policies applied are consistent with those applied in the preparation of the 2021 Annual Report, except for amended standards effective from January 1, 2022, and the following additional accounting policies for financial investments. The amendments effective as of January 1, 2022 have not had any material effect on the Group's financial statements. Refer to the section "New and amended IFRSs not yet applied" in the 2021 Annual Report for more information.

During the period, the Group received conditional warrants. Financial investments and current investments comprise securities recognized at fair value with value changes in the income statement.

Note - 2 Key judgements and estimates

To prepare the interim report in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. The actual outcome may differ from these key judgments and estimates.

The accounting estimates and assumptions are regularly reviewed. The effect of a change in an accounting estimate is recognized in the period of the change, if the change affects that period only, or the period of the change and future periods if the change affects both. The critical judgments and sources of estimation uncertainty have not changed when adopting the new accounting policies and are therefore the same as those in the most recent annual report.

Note 3 - Operating segments and revenue streams

The Group's operations are organized into operating segments based on those parts of the operations that the company's chief operating decision-maker follows up, known as the 'management approach'. In the Group, the highest executive decision-maker is Group Management.

Each operating segment has a manager who is responsible for the day-to-day operations and regularly reports the outcome of the operating segment's performance to the Executive Management Team. The Group's internal reporting is organized so that the Executive Management Team can monitor revenue and operational segment result. The Group's segments have been identified on the basis of this internal reporting.

The division into operating segments is based on the varying responsibilities for the services and target groups that each segment has. The following operating segments exist:

- **Företagande** – Responsible for sales and marketing of Entreprenören's and Pengar's offering to companies that are not accounting firms or their clients. Företagande is responsible for the relationship with its customers. Industry-specific solutions for defined customer groups are developed within Företagande.
- **Byrån** – Responsible for sales and marketing of Entreprenören's and Pengar's offering to accounting firms and their clients. Byrån is responsible for the relationship with accounting firms and their clients. Industry-specific solutions for accounting firms are developed within Byrån.
- **Entreprenören⁸⁾** – Responsible for product development, user support and sales to existing customers for services in financial administration.
- **Pengar** – Responsible for product development, user support and sales to existing customers for payment and financial services.
- **Marknadsplatsen⁹⁾** – Responsible for product development, user support and sales of brokerage services and products. The business area develops products and solutions that simplify the meeting between service companies and customers. Marknadsplatsen is responsible for two product areas in the Company's, Offerta och Integrera.

In addition to the operating segments described above, Fortnox has group-wide functions in the areas of HR, Communication, Finance, IT and operations, Legal and compliance as well as the infrastructure product area and thus supports the operating segments in their business plans and contributes to enabling them.

Företagande (The Group's operating segment), SEK Million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021
Revenues (from external customers)	51.6	34.9	139.8	96.4
Revenues (from other segments)	-	-	-	-
Operational segment result	40.2	26.7	103.5	69.6
<i>Revenue distributed by service</i>				
Subscription-based	45.9	30.7	123.1	86.0
Transaction-based	4.9	3.6	14.7	9.0
Lending-based	0.7	0.5	2.0	1.4
Others	0.0	-	0.0	0.0
Revenue	51.6	34.9	139.8	96.4

Byrån (The Group's operating segment), SEK Million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021
Revenues (from external customers)	88.7	68.2	245.3	198.7
Revenues (from other segments)	-	0.0	-	0.1
Operational segment result	63.6	46.9	164.1	123.6
<i>Revenue distributed by service</i>				
Subscription-based	74.5	57.1	203.2	167.2
Transaction-based	12.3	9.2	36.4	26.4
Lending-based	1.7	1.8	5.0	5.0
Others	0.1	0.1	0.7	0.2
Revenue	88.7	68.2	245.3	198.8

Entreprenören (The Group's operating segment), SEK Million	Jul-Sep 2022⁸⁾	Jul-Sep 2021⁸⁾	Jan-Sep 2022⁸⁾	Jan-Sep 2021⁸⁾
Revenues (from external customers)	128.8	91.2	356.6	259.1
Revenues (from other segments)	1.8	2.4	5.5	5.2
Operational segment result	85.8	58.6	228.2	152.4
<i>Revenue distributed by service</i>				
Subscription-based	92.6	65.3	250.2	189.1
Transaction-based	37.9	26.6	111.8	73.4
Lending-based	-	-	-	-
Others	0.1	1.7	0.2	1.8
Revenue	130.6	93.6	362.1	264.3

Pengar (The Group's operating segment), SEK Million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021
Revenues (from external customers)	38.8	21.5	102.2	63.1
Revenues (from other segments)	2.2	1.8	6.5	5.7
Operational segment result	0.2	1.9	-20.7	0.4
<i>Revenue distributed by service</i>				
Subscription-based	1.8	-	5.4	-
Transaction-based	15.8	13.2	44.4	38.9
Lending-based	16.3	6.9	44.8	19.2
Others	7.1	3.2	14.1	10.6
Revenue	41.0	23.3	108.7	68.8

Marknadsplatsten (The Group's operating segment), SEK Million	Jul-Sep 2022⁹⁾	Jul-Sep 2021⁹⁾	Jan-Sep 2022⁹⁾	Jan-Sep 2021⁹⁾
Revenues (from external customers)	31.3	24.9	89.7	58.8
Revenues (from other segments)	-	-	-	-
Operational segment result	11.6	6.4	23.9	10.5
<i>Revenue distributed by service</i>				
Subscription-based	31.2	24.8	89.3	58.6
Transaction-based	-	-	-	-
Lending-based	-	-	-	-
Others	0.1	0.1	0.4	0.2
Revenue	31.3	24.9	89.7	58.8

Intra-Group (The Group's operating segment), SEK Million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021
Revenues (from external customers)	0.0	-0.5	-0.2	1.6
Revenues (from other segments)	-	-	-	-
Operational segment result	-50.0	-37.3	-156.4	-123.6
Reversal of expensed capitalized expenditures for development work	8.2	9.0	27.4	29.3
Own work capitalized	19.8	11.5	61.2	30.8
Depreciation and amortization	-34.2	-21.7	-93.1	-61.1
Operating profit	-56.2	-38.5	-160.9	-124.6
Financial items	-1.9	-1.5	-10.6	-3.7
Profit before tax	-58.1	-40.0	-171.5	-128.4
<i>Revenue distributed by service</i>				
Subscription-based	-	-	-	-
Transaction-based	-	0.8	-	1.5
Lending-based	-	-	-	-
Others	0.0	-1.3	-0.2	0.1
Revenue	0.0	-0.5	-0.2	1.6

Eliminations (The Group's operating segment), SEK Million	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021
Revenues (from external customers)	-	-	-	-
Revenues (from other segments)	-4.0	-4.2	-11.9	-11.0
Operational segment result	-	-	-	-
Reversal of expensed capitalized expenditures for development work	-	-	-	-
Own work capitalized	-	-	-	-
Depreciation and amortization	-	-	-	-
Operating profit	-	-	-	-
Financial items	-	-	-	-
Profit before tax	-	-	-	-
<i>Revenue distributed by service</i>				
Subscription-based	-	-	-	-
Transaction-based	-4.0	-4.2	-11.9	-11.0
Lending-based	-	-	-	-
Others	-	-	-	-
Revenue	-4.0	-4.2	-11.9	-11.0

Group Total (The Group's operating segment), SEK Million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021
Revenues (from external customers)	339.1	240.2	933.5	677.7
Revenues (from other segments)	-	-	-	-
Operational segment result	151.6	103.1	342.6	232.8
Reversal of expensed capitalized expenditures for development work	8.2	9.0	27.4	29.3
Own work capitalized	19.8	11.5	61.2	30.8
Depreciation and amortization	-34.2	-21.7	-93.1	-61.1
Operating profit	145.3	101.9	338.2	231.8
Financial items	-1.9	-1.5	-10.6	-3.7
Profit before tax	143.4	100.4	327.5	231.8
<i>Revenue distributed by service</i>				
Subscription-based	246.0	177.9	671.2	500.9
Transaction-based	66.9	49.3	195.4	138.3
Lending-based	18.8	9.2	51.8	25.7
Others	7.4	3.8	15.1	12.8
Revenue from agreements with customers	339.1	240.2	933.5	677.7

8) From January 1, 2022, Entreprenörens former product area Integrera was changed to Marknadsplatsen, for more information regarding the financial effects this has entailed, see page 10.

9) From January 1, 2022, the name of the Offerta business area was changed to Marknadsplatsen and expanded with Entreprenören's former product area of Integrera, for more information regarding the financial effects this has entailed, see page 10.

Note 4 – Financial instruments**Group**

Sep 30, 2022	Recognized value			Total carrying amount
	Financial assets valued at amortised cost	Financial assets valued at fair value with changes in value over profit	Financial liabilities valued at amortised cost	
SEK million				
Financial assets				
Financial placements		27.7		27.7
Account receivable	62.9			62.9
Receivables factoring	44.6			44.6
Purchased receivables	204.9			204.9
Corporate loan receivables	122.5			122.5
Accrued income	17.1			17.1
Other receivables	3.4			3.4
Cash and cash equivalents	374.7			374.7
	857.9			857.9
Financial liabilities				
Interest bearing liabilities (current and non-current)			200.0	200.0
Other non-current liabilities			89.5	89.4
Accounts payable			24.1	24.1
Other current liabilities			45.7	45.7
			359.3	359.3

Sep 30, 2021	Recognized value			Total carrying amount
	Financial assets valued at amortised cost	Financial assets valued at fair value with changes in value over profit	Financial liabilities valued at amortised cost	
SEK million				
Financial assets				
Account receivable	47.0			47.0
Receivables factoring	1.7			1.7
Purchased receivables	134.7			134.7
Accrued income	13.4			13.4
Other receivables	2.5			2.5
Cash and cash equivalents	468.3			468.3
	667.6			667.6
Financial liabilities				
Accounts payable			16.5	16.5
Other current liabilities			32.7	32.7
			49.1	49.1

In the Group's opinion, the change in market rates or credit spreads since the interest-bearing loans were raised, has not had a material impact on the Group's financial liabilities. In addition, the financial assets consist in all material respects of cash and cash equivalents and of receivables with short maturities that are recognized after impairment, and accordingly this is considered a reasonable approximation of fair value.

Note 5 – Acquisitions

Acquisition of Agoylt AB

On July 1, 2022, the Group acquired the remaining 68.1 percent of the shares in the unlisted company Agoylt AB (“Agoy”). Adjusted for net cash, the consideration for the remaining holding amounted to SEK 34.1 million and was paid in cash.

Fortnox originally invested in Agoy in April 2021, after which the company was an associated company in the Group until 1 July 2022. Since the initial investment in Agoy in April 2021, the companies have worked closely together on the products Accounts Closing & Tax and Reconciliation & Reporting, which were developed in cooperation with accounting consultants, for accounting consultants. Accounts Closing & Tax simplifies the process of closing the period and annual accounts since reconciliation, reporting, accounts closing, tax and annual accounts are gathered in a single platform.

Fully integrated with Fortnox’s system, the product series is an important complement to our offering. The products are required by all businesses and are primarily intended for economists and accounting consultants.

The fair value of equity shares before the holding in Agoy changed from a significant to a controlling influence, amounted to SEK 15.9 million. The loss because of a revaluation to fair value of Fortnox holding of equity shares in Agoy amounted to SEK 3.6 million. The acquisition has not entailed any significant acquisition related costs.

In the third quarter of 2022, the subsidiary contributed SEK 0.7 million to the Group’s net sales and SEK -1.6 million to the Group’s profit after tax. If the acquisition of Agoy had occurred on January 1, 2022, management estimates that the subsidiary would have contributed SEK 2.3 million to net sales and SEK -8.9 million to profit after tax for full-year 2022.

Effects of the acquisition of Agoylt AB

The preliminary effects of the acquisition on the Group’s intangible assets and deferred tax liability are presented below. The acquisition analysis may be adjusted over a 12-month period.

The acquired company’s net assets at the acquisition date are based on the information available at the acquisition date:

Mkr	
Intangible assets	
Platform	59.9
Tangible assets	0.2
Accounts receivable and other receivables	0.4
Cash and cash equivalents	1.1
Non-current liabilities	-2.4
Accounts payable and other liabilities	-3.1
Deferred tax liabilities	-6.0
Net identifiable assets and liabilities	50.1
Consolidated goodwill	0.0
Consideration transferred	34.1
Cash in acquired company	-1.1
Consideration transferred during 2021	18.8
Consideration transferred during first half of 2022	4.5
Total impact on cash flow	56.2

Effects of the acquisition of Capcito Finance AB

The preliminary acquisition analysis attributable to the acquisition of Capcito Finance AB in December 2021 has been adjusted based on the circumstances prevailing on the acquisition date. Minor adjustments have been made with respect to goodwill, deferred tax liability and the liability for the remaining owners’ put option.

Previous acquisitions

Other than the acquisition of Agoy described above, no business acquisitions have taken place in 2022. For information about business acquisitions completed in 2021, refer to Note 18 in the 2021 Annual Report. The acquired business’s combined contributions to the Group are presented below. Consolidated accounts in conjunction with business acquisitions are not considered. The information below pertains exclusively to the statutory reporting attributable to the business acquisitions.

Business acquisitions completed in 2021 had an impact of SEK 41.8 million on net sales for the third quarter of 2022 and SEK 0.2 million on operating profit. For the January–September 2022 period, completed business acquisitions had an impact of SEK 119.2 million on net sales and SEK -14.7 million on operating profit.

Note 6 - Goodwill**SEK million****Accumulated cost**

Opening balance, January 1, 2021	-
Business acquisitions	231,1
Closing balance, March 31, 2021	231,1
Business acquisitions	39,3
Closing balance, June 30, 2021	270,4
Business acquisitions	-
Closing balance, September 30, 2021	270,4
Business acquisitions	335,2
Closing balance, December 31, 2021	605,6
Business acquisitions	-
Closing balance, March 31, 2022	605,6
Business acquisitions	-
Closing balance, June 30, 2022	605,6
Business acquisitions	-0,2
Closing balance, September 30, 2022	605,4

Carrying amounts

As of September 30, 2021	270,4
As of December 31, 2021	605,6
As of March 31, 2022	605,6
As of June 30, 2022	605,6
As of September 30, 2022	605,4

Audit

This interim report has been subject to a limited review by the company's auditors.

Signatures

The undersigned assures that the interim report provides an accurate picture of the operations, financial position and earnings of the parent company and the group, and describes any significant risks and uncertainties faced by the parent company and the companies that comprise the group.

Växjö, October 25, 2022

Tommy Eklund

CEO

According to authorization
from the board

Auditors review report

Fortnox AB (publ)

Corp. id. 556469-6291

Introduction

We have reviewed the condensed interim financial information (interim report) of Fortnox AB (publ) as of 30 September 2022 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, October 25, 2022

KPMG AB

Dan Beitner

Authorized Public Accountant

Auditor in charge

Performance measures for the Group

The company presents financial measures in the interim report that are not prescribed by IFRS.

The company believes that these non-IFRS measures provide valuable supplementary information for investors and the company's management, as they enable an assessment of the company's financial performance and financial position. Since financial measures are calculated differently by different companies, they are not always comparable with the measures used by other companies. These financial measures should not, therefore, be considered a substitute for IFRS measures.

<i>SEK million unless otherwise indicated</i>	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021
<u>IFRS financial measures</u>				
Net sales	331.8	236.5	918.8	665.1
Profit for the period	111.7	79.4	252.8	179.6
Earnings per share before dilution (SEK)	0.18	0.13	0.41	0.30
Earnings per share after dilution (SEK)	0.18	0.13	0.41	0.30
<u>Alternative performance measures</u>				
ARR	914	650	914	650
ARPC (SEK)	223	184	223	184
EBIT	145.3	101.9	338.2	231.8
EBIT margin, %	43.8	43.1	36.8	34.8
Profit margin, %	33.6	33.6	27.5	27.0
Equity per share after dilution (SEK)	1.9	1.5	1.9	1.5
Equity at the end of the period	1,186.6	907.2	1,186.6	907.2
Total assets at the end of the period	2,154.9	1 436.9	2,154.5	1,436.9
Working capital at the end of the period	346.5	324.1	346.5	324.1
Cash flow from operating activities	116.8	103.1	324.1	240.4
Equity/assets ratio, %	55.1	63.1	55.1	63.1
<u>Non-financial measures</u>				
No. of subscription customers at the end of the period (No.)	466,000	410,000	466,000	410,000
No. of employees at the end of the period (No.)	657	540	657	540
Average no. of shares outstanding before dilution (000s)	609,745	609,745	609,745	607,331
Average no. of shares outstanding after dilution (000s)	609,818	609,771	609,790	608,004
No. of shares outstanding at the end of the period before dilution (000s)	609,745	609,745	609,745	609,745
No. of shares outstanding at the end of the period after dilution (000s)	609,745	609,745	609,745	609,745

Performance measures for the Group per quarter

<i>SEK million unless otherwise indicated</i>	2022 Q 3	2022 Q 2	2022 Q 1	2021 Q 4	2021 Q 3	2021 Q 2	2021 Q 1	2020 Q 4
<u>IFRS financial measures</u>								
Net sales	331.8	307.8	279.1	266.9	236.5	230.1	198.5	188.4
Profit for the period	111.7	74.4	66.6	61.5	79.4	54.3	45.9	52.4
Earnings per share after dilution (SEK)	0.18	0.12	0.11	0.10	0.13	0.09	0.08	0.09
<u>Alternative performance measures</u>								
Growth compared with prev. quarter, %	7.8	10.3	4.6	12.9	2.8	16.0	5.4	7.9
ARR	914	887	737	693	650	608	590	553
ARPC (SEK)	223	212	204	194	184	178	171	169
EBIT	145.3	103.3	89.6	82.9	101.9	70.2	59.7	67.6
EBIT margin, %	43.8	33.5	32.1	31.1	43.1	30.5	30.1	35.9
Profit margin, %	33.6	24.2	23.9	23.0	33.6	23.6	23.1	27.8
Equity per share after dilution (SEK)	1.9	1.8	1.6	1.6	1.5	1.4	1.3	0.8
Equity at the end of the period	1,186.6	1,074.0	999.6	981.7	907.2	826.1	759.6	469.3
Total assets at the end of the period	2,154.9	2,026.4	1,906.8	1,971.2	1,414.4	1,368.0	1,295.5	931.4
Working capital at the end of the period	346.5	277.8	247.2	246.5	324.1	251.3	264.1	298.1
Cash flow from operating activities	116.8	144.4	90.7	76.0	103.1	50.5	86.8	93.0
Equity/assets ratio, %	55.1	53.0	52.4	49.8	63.1	60.4	58.6	50.4
<u>Non-financial measures</u>								
No. of customers at the end of the period (000s)	466	456	441	425	410	400	385	367
No. of employees at the end of the period (No.)	657	628	617	596	540	516	488	401

Definitions and reason for use of alternative performance measures

Terms and definitions	Reason for use	Derivation <i>(calculated values pertain to the latest quarter, where applicable, otherwise the balance-sheet date)</i>
No. of subscription customers at the end of the period		
The number of companies, sole traders or other legal entities that, directly or through an accounting firm, subscribe to one or more of Fortnox's products/services at the end of the period.	Används för utvärdering av utvecklingen avseende antalet abonnemangskunder.	
ARPC		
Average Revenue Per Customer and month. Net sales (excluding non-recurring revenue) divided by the number of customers at the end of the month. To avoid seasonal variations, Fortnox has elected to report ARPC over a rolling 12-month period. The value of ARPC on a 12-month rolling basis is calculated using the average ARPC over the past 12 months.	ARPC is a measure used to assess the trend for customer purchases of additional services.	
ARR		
Annual Recurring Revenue comprises the opening value of the next year's revenue from subscription services in financial administration.	ARR is a measure used to assess the company's recurring revenue.	
EBIT/Operating margin		
Operating profit divided by net sales.	Used to assess the company's profitability.	(A) Operating profit, MSEK (B) Net sales, MSEK (C) EBIT/Operating margin, % $(A) / (B) = (C)$ $145.3 / 331.8 = 43.8\%$ (2022) $101.9 / 236.5 = 43.1\%$ (2021)
Equity per share after dilution		
Equity divided by the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares during the period.	Used to assess the company's financial position.	(A) Equity, SEK 000s (B) Average number of shares outstanding after dilution, (000s) (C) Equity per share after dilution, SEK $(A) / (B) = (C)$ $1,186,550 / 609,817 = 1.9$ kr (2022) $907,222 / 609,771 = 1.5$ kr (2021)
Net sales adjusted for acquisitions		
Net sales adjusted for the effect of acquisitions completed on net sales. The adjustment means that acquisitions that impacted the current period's net sales and had not been acquired in the corresponding period of the preceding year are excluded.	Used to assess the company's organic growth, and to improve comparability with previous periods.	(A) Net sales, MSEK (B) Net sales attributable to acquired companies during the year, MSEK (C) Net sales adjusted for acquisitions, MSEK $(A) - (B) = (C)$ $331.8 - 13.5 = 318.4$ MSEK (2022) $236.5 - 26.3 = 210.2$ MSEK (2021)

Terms and definitions	Reason for use	Derivation (calculated values pertain to the latest quarter, where applicable, otherwise the balance-sheet date)
Segment operating profit		
A segment's operating profit, where the period's capitalized costs for internally generated intangible assets (generated by both own personnel and consultants) are expensed and amortized, and depreciation together with impairment losses are reversed.	This is a measure of profitability, and used to assess and monitor the operational profitability of a segment	(A) Operating profit, MSEK (B) Reversal of capitalized costs expensed, MSEK (C) Own work capitalised, MSEK (D) Amortization and impairment, MSEK (E) Segment operating profit, MSEK $(A) + (B) + (C) - (D) = (E)$
Organic growth		
Net sales adjusted for acquisitions during the period divided by net sales for the year-earlier period.	Used to assess the company's profitability without the effect of acquisitions completed during the year, and to improve comparability with previous periods.	(A) Net sales adjusted for acquisitions during the most recent period, MSEK (B) Year-on-year net sales, MSEK (C) Organic growth, % $(A) / (B) - 1 = (C)$ $(318.4 / 236.5) - 1 = 36.4\% (2022)$ $(210.2 / 174.6) - 1 = 20.4\% (2021)$
Earnings per share after dilution <i>Defined according to IFRS</i>		
Profit for the period after tax attributable to Parent Company shareholders divided by the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares during the period	Used to assess the earnings per share effect for the period attributable to Parent Company shareholders after dilution.	(A) Profit for the period, SEK (000s) (B) Average number of shares outstanding after dilution, (000s) (C) Earnings per share after dilution, SEK $(A) / (B) = (C)$ $111,660 / 609,817 = 0.18 \text{ kr } (2022)$ $79,397 / 609,771 = 0.13 \text{ kr } (2021)$
Earnings per share before dilution <i>Defined according to IFRS</i>		
Profit for the period after tax attributable to Parent Company shareholders divided by the weighted average number of ordinary shares outstanding during the period.	Used to assess the earnings per share effect for the period attributable to Parent Company shareholders before dilution.	(A) Profit for the period, SEK (000s) (B) Average number of shares outstanding before dilution, (000s) (C) Earnings per share before dilution, SEK $(A) / (B) = (C)$ $111,660 / 609,745 = 0.18 \text{ kr } (2022)$ $79,397 / 609,745 = 0.13 \text{ kr } (2021)$
Working capital		
Current assets less current liabilities.	A measure used to assess the capital tied-up in the company.	(A) Current assets, MSEK (B) Current liabilities, MSEK (C) Working capital, MSEK $(A) - (B) = (C)$ $853.1 - 506.5 = 346.5 \text{ Mkr } (2022)$ $677.8 - 353.7 = 324.1 \text{ Mkr } (2021)$
Operating profit (EBIT)		
Operating income less operating expenses.	Used to assess the company's operational profitability.	

Terms and definitions	Reason for use	Derivation <i>(calculated values pertain to the latest quarter, where applicable, otherwise the balance-sheet date)</i>
Operating profit adjusted for acquisitions		
Operating profit adjusted for the effect of acquisitions completed during the year. The adjustment means that acquisitions that impacted the current period's operating profit and had not been acquired in the corresponding period of the preceding year are excluded.	Used to assess the company's profitability without the effect of acquisitions completed during the year, and to improve comparability with previous periods.	(A) Operating profit, MSEK (B) Operating profit attributable to acquired companies during the year, MSEK (C) Operating profit adjusted for acquisitions, MSEK $(A) - (B) = (C)$ $145.3 - (-10.3) = 155.6 \text{ Mkr (2022)}$ $101.9 - (3.1) = 98.9 \text{ Mkr (2021)}$
Operating margin adjusted for acquisitions		
Operating profit adjusted for acquisitions divided by net sales adjusted for acquisitions.	Used to assess the company's profitability without the effect of acquisitions completed during the year, and to improve comparability with previous periods.	(A) Operating profit adjusted for acquisitions, MSEK (B) Net sales adjusted for acquisitions, MSEK (C) Operating margin adjusted for acquisitions, % $(A) / (B) = (C)$ $155.6 / 318.4 = 48.9\% \text{ (2022)}$ $98.9 / 210.2 = 47.0\% \text{ (2021)}$
Equity/assets ratio		
Total equity divided by total assets	A measure used to assess the company's long and short-term solvency and capital structure.	(A) Equity, MSEK (B) Total assets, MSEK (C) Equity/assets ratio, % $(A) / (B) = (C)$ $1,186.6 / 2,154.9 = 55.1\% \text{ (2022)}$ $907.2 / 1,436.9 = 63.1\% \text{ (2021)}$
Growth compared with the preceding quarter		
Percentage increase in net sales compared with the preceding quarter.	A measure used to assess the company's growth.	(A) Preceding quarter's net sales, MSEK (B) Preceding quarter's net sales, MSEK (C) Growth compared with the preceding quarter, % $(A) / (B) - 1 = (C)$ $(331.8 / 307.8) - 1 = 7.8\% \text{ (2022)}$ $(236.5 / 230.1) - 1 = 2.8\% \text{ (2021)}$
Profit margin		
Profit for the period divided by net sales.	A measure of profitability used to assess the company's profit-generating capacity.	(A) Profit for the period, MSEK (B) Net sales, MSEK (C) Profit margin, % $(A) / (B) = (C)$ $111.7 / 331.8 = 33.6\% \text{ (2022)}$ $79.4 / 236.5 = 33.6\% \text{ (2021)}$
Reversal of capitalized development costs expensed		
Reversal of the period's capitalized expenses for development expensed and carried out by consultants.	Used to calculate segment operating profit.	

Financial calendar

▪ Year-end-report, January-December 2022	February 16, 2023
▪ Annual Report 2022	March 7, 2023
▪ Annual General Meeting	March 30, 2023
▪ Interim report January-March 2023	April 28, 2023
▪ Interim report January-June 2023	July 14, 2023
▪ Interim report January-September 2023	October 27, 2023

Financial reports, press releases and other information have been published on Fortnox's website www.fortnox.se.

Publication

This information is such that Fortnox AB (publ) is required to publish under the EU Market Abuse Regulation (MAR). The information was submitted for publication, through the agency of the contact person below, on October 26, 2022 at 8:30 a.m. CEST.

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