

Safeture (SFTR)

Sweden | Software | MCAP SEK 171m

25 January 2026

Buy

Target price:	SEK 9.1
Current price:	SEK 4.4
Upside:	107.9%

Turning Safety Into Scalable Profits

Safeture (“Safeture” or “the Company”) is a Swedish SaaS microcap offering a digital safety platform for employee risk management. Safeture correlates risk- and location data to filter out and notify companies of relevant risks to employees. Safeture has nearly 100% recurring revenue, 57 SEKm in ARR, 108% yearly NRR, and a churn rate of 2%. With growth expected to rebound, a scalable business model and a valuation at only 2.5x EV/ARR, the analysts see a compelling upside of 107.9%.

Key Takeaways:

- Rebound to growth driven by normalized lead times:** Safeture experienced a stagnant 2025 driven by longer lead times due to a weaker European market, with companies more cautious about spending on non-operations-critical services. Many large industrial customers, such as Siemens, have been forced to cut costs and it is estimated that this has negatively impacted upselling for services such as Safeture’s. The underlying industry for People Risk Management is forecasted to grow at a 15% CAGR through 2035, providing a structural tailwind as European market uncertainty eases. Safeture is well positioned to capitalize on this normalization, where increased sales efforts and a stabilizing macro environment are expected to drive a return to top-line growth. Ultimately, this will lead to Safeture returning to growth and reaching the midterm financial target of 65 SEKm in ARR, which is estimated to happen in late 2026. The business has shown solid historical growth, with a sales CAGR of 20% during 2020-2025 and 30% CAGR since inception.
- Operational leverage enabled by high margins and flat OPEX:** Safeture’s gross margins stand strong at 80% and with OPEX expected to remain mostly flat, the bottom line will scale fast when the growth momentum is regained. Between 2020-2024, Safeture delivered an incremental EBIT-margin of 71%, confirming the scalability of the business model. The favorable NWC profile, that is estimated at negative 20% going forward, will ensure continued strong FCF, with an 19.1% FCF-yield on 2028 estimates. Safeture is therefore estimated to reach an EBIT margin of 15.1% in 2028 from (0.3%) in 2024, driven by scaling a fixed cost base from regained top-line growth.
- Buyout optionality:** In 2024, the employee risk management-sector experienced a high level of M&A activity, with total deal value amounting to 2.1 USDbn. With Safeture’s strong partner network, established market position, and high degree of revenue predictability from contracts spanning 3-5 years, Safeture could be attractive to a bidder. Furthermore, the argument is supported by the CEO’s previous roles, where he was involved in selling similar companies of comparable sizes. The Company is also on the verge of being profitable, and the current depressed multiple of 2.5x EV/ARR should make a buyout even more appealing to potential bidders. Hence, a buyout optionality should be considered.

Analysts

Linus Melin	Financial Analyst
Vilhelm Ruhr	Financial Analyst

Market Data, SEK

Exchange	Nasdaq First North Stockholm
Shares (m)	39.3
MCAP (m)	171.0
EV (m)	141.0

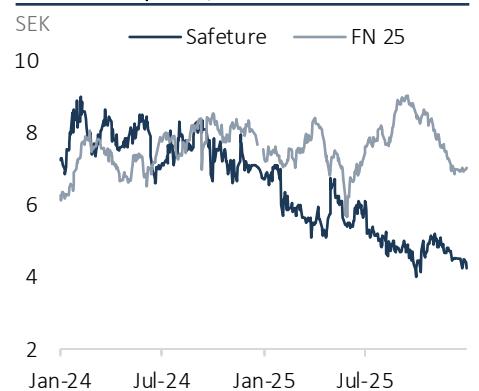
Metrics & Drivers	2024A	2025E	2026E
EV/EBIT	Neg.	470x	54.2x
EV/EBITDA	21.7x	20.7x	15.5x
EV/S	2.5x	2.4x	2.2x
EV/FCF	30.4x	13.1x	10.3x
ND/EBITDA	Neg.	Neg.	Neg.

Forecast, SEKm	2024A	2025E	2026E
Net Sales	35.8	58.5	64.4
Sales Growth y/y	15.3%	3.7%	10.0%
Gross Profit	44.7	54.3	59.0
Gross Margin	79.3%	80.0%	80.0%
EBITDA	6.5	6.8	9.1
EBITDA Margin	14.5%	15.5%	14.0%
EBIT	(0.2)	0.3	2.6
EBIT Margin	(0.3%)	0.5%	3.6%

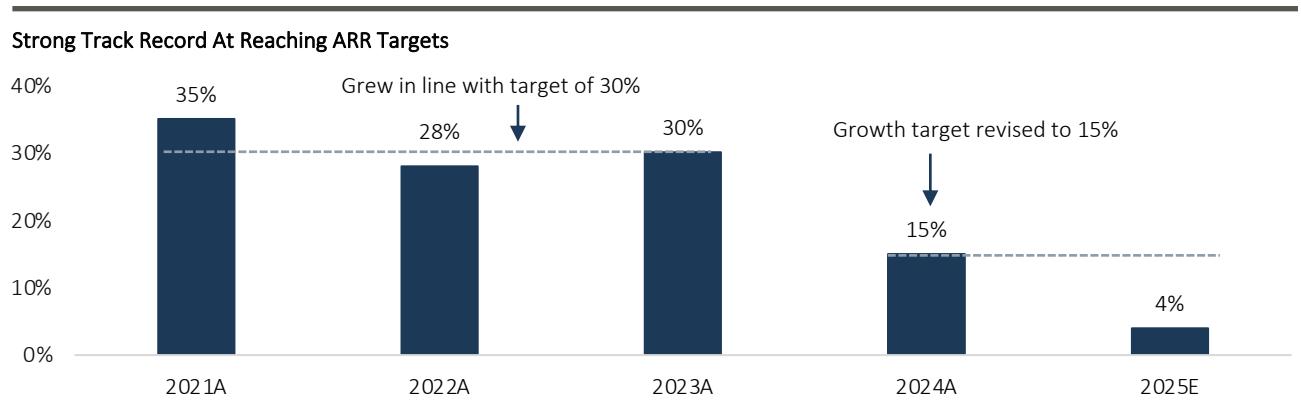
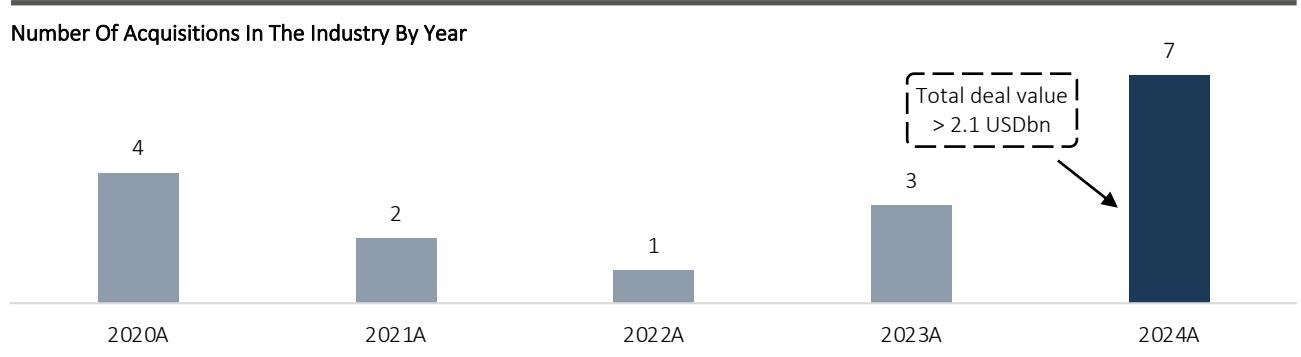
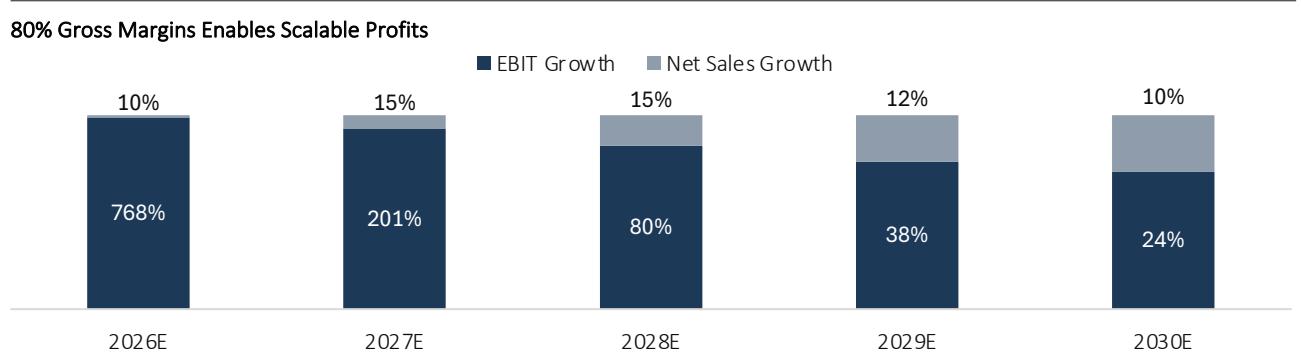
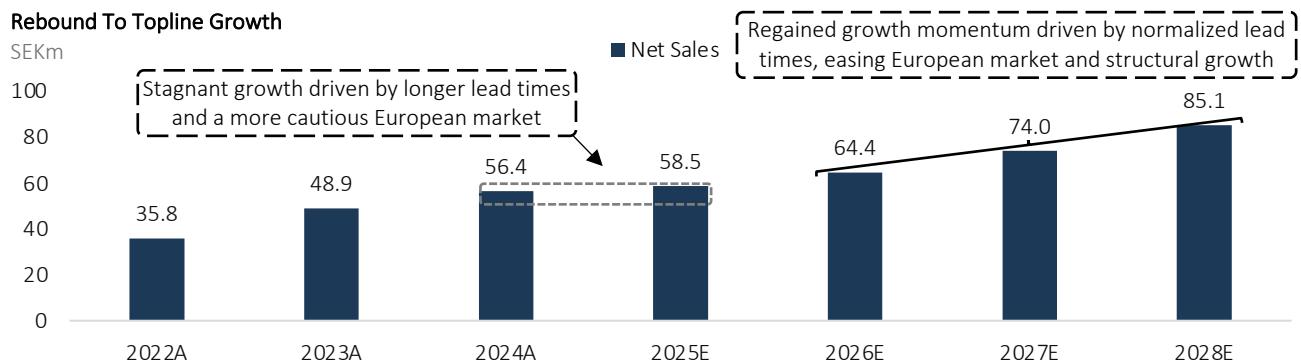
Major Shareholders

Agartha AB	38.9%
Topline Capital	19.1%
Ninalpha AB	10.5%

Price Development, SEK



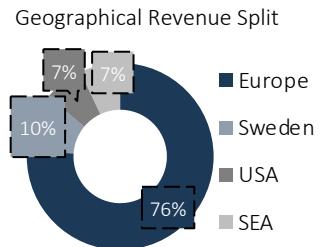
Investment Thesis in Charts



Investment Thesis

Short Term Weakness Offers A Great Buying Opportunity

Nearly flat growth in 2025 has compressed the valuation to 2.5x EV/ARR, reflecting investor concerns about short-term weakness from longer lead times and a more cautious European market, which generates 80% of sales. The analysts argue that the market overlooks the fact that Safeture's partners partly rely on Safeture, as it enhances the product offering to end clients by providing Safeture's platform. The Company's SaaS-business has a strong growth track record, delivering a 20% sales CAGR over the past 5 years, nearly 100% recurring revenues and a historically low churn rate of 2%. Growth is estimated to rebound toward the Company's target of 15%, which is believed to gradually materialize during 2026-2027. The growth will be supported by leveraging Safeture's strong partner network of +40 global security, medical, and assistance providers, to secure new clients and upselling add-ons. Safeture's historical NNR of 108% combined with the Company's strong partner network of +40 global security, medical, and assistance providers will enable the Company to secure new clients and upselling add-ons, which is estimated to lead to a revenue CAGR of 8.7% until 2035.



Bottom Line Growth Will Trigger a Re-rating

With gross margins of 80% and nearly fixed OPEX, the Company is estimated to reach an incremental EBIT-margin of 51% during 2025-2028. Looking at 2020-2024, Safeture's incremental EBIT-margin stood at 71%. The weaker incremental EBIT-margin during 2025-2028 is due to conservative assumptions regarding costs, with personnel costs and other OPEX estimated to increase. With an estimated net sales growth of 31.2% from 2024 to 2027, the EBIT-margin is expected to improve from (0.3%) to 9.6%. Currently, the stock is priced as if the weak 2025 represents the new normal, which is not believed to be the case.

Estimated to reach 15.1% EBIT-margin in 2028

Capital Light Business Model Eliminates Financing Risk

The Company is exceptionally capital-light, with historical average NWC as percentage of sales amounting to (23%), enabled by customers paying one year in advance. In addition, long-term contracts of 3-5 years provide good forward revenue visibility. The favorable capital structure and high gross margins will enable both significant scalability on the bottom line when growth returns and strong FCF-generation. It is estimated that the Company will achieve a FCF-margin of 31.7% as early as 2028.

Historical NWC of Sales (23%)

Partner Network Offers MOAT

Safeture is dependent on the partners' growth and has well-established relations with more than 40 of the world's leading security, medical and assistance providers, some of which are renowned companies such as Falck, Amadeus and JTB. Hence, the strong and long-standing partner network provides a clear moat, since it is built through long standing relations and trust, which can not simply be replicated by potential competitors.



M&A Optionality Should Be Priced In

In 2024, the employee risk management-sector experienced a high level of M&A activity. Currently, the market overlooks the M&A opportunity, with Safeture trading at only 2.5x EV/ARR. Moreover, the CEO, Magnus Hultman, has been involved in selling SaaS-businesses of comparable size. Additionally, the buyout case is reinforced by Safeture's scalable business model, long-standing partnerships and ownership structure. Currently, 38.9% of the capital is controlled by Greg Dingizian through Agartha AB. Dingizian's real estate portfolio has been pressured by rising interest rates, leading to believe he is open to a divestment, as Safeture is considered a non-core holding. Additionally, US-based hedge fund Topline Capital holds a 19.1% stake and would presumably be open to a buyout at the right price.

Total Sector Deal Value > 2.1 USDbn in 2024

Company Overview

Niched Safety Platform For Employee Risk Management

Safeture, founded in 2009, is a Software-as-a-Service (SaaS) company based in Lund, Sweden. The stock is traded on Nasdaq First North and currently has a market cap of roughly 171 SEKm. The Company offers a comprehensive platform designed to manage employee safety and risk, regardless of location. Hence, people at the headquarters can get an easy overview of all their employees, regardless of where in the world they are stationed. The platform is currently utilized by 4,000 companies, 500,000 employees and distributed through more than 40 global and leading assistance, security and medical providers. In conclusion, Safeture supports security, medical and assistance providers to help clients to protect personnel.

Business Model

Partner-Driven, Subscription-Based SaaS Platform For People Risk Management

Safeture operates a subscription-based SaaS business model providing a unified technology platform for people risk management and duty of care. The platform integrates real-time positioning, risk intelligence, communication, and incident response, enabling organizations to locate employees, assess exposure to risk, and coordinate assistance when incidents occur. The Company is positioned as the technology layer within a broader security and assistance ecosystem, primarily serving security assistance providers, medical assistance providers, and insurance companies. The partners use Safeture's platform as a core operational tool in global security operations centres and embed it into own service offerings for end clients.

Revenue Model and Partner Economics

Safeture generates revenue through recurring licence fees, structured as subscriptions spanning over 3-5 years, paid yearly. Pricing is primarily determined by the number of covered users, the geographic scope and associated risk exposure, and the breadth of platform modules and functionality deployed. This subscription-based structure provides high revenue visibility and supports long-term customer relationships. The partner-centric go-to-market model enables Safeture to scale globally without a proportional expansion of own sales or operational footprint. For partners, the platform represents a cost-efficient alternative to developing or assembling in-house technology stacks, allowing them to enhance service offerings while improving client acquisition and retention. In addition to subscription revenues, a limited share of income is derived from implementation, configuration, and integration services, which facilitate platform deployment and adoption but do not constitute a core driver of profitability. In 2024, other income amounted to roughly 2 SEKm.

Market Overview

Niched Safety Platform For Employee Risk Management

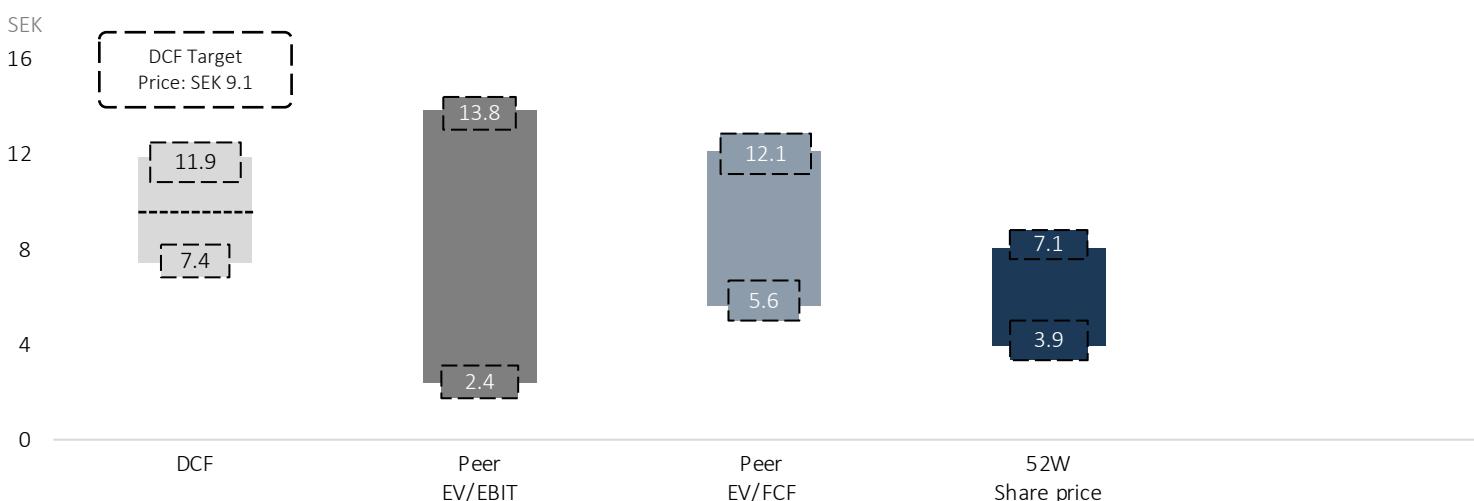
Safeture operates in the global market for people risk management and duty-of-care solutions, with market growth driven by increasing geopolitical instability, regulatory requirements, and employer responsibility for employee safety. These regulatory requirements include stricter enforcement of occupational health and safety legislation in both Europe and the United States, where employers face explicit legal obligations to assess, monitor, and mitigate risks related to business travel and international assignments. Demand is primarily fueled by multinational organizations and security service providers seeking scalable, technology-driven platforms to monitor risk, communicate with employees, and manage incidents across international operations. Within travel risk management, the addressable market for technology is estimated at approximately 600 EURm, with a SAM of around 300 EURm and a SOM of roughly 150 EURm. Safeture holds a strong position in Europe with an estimated market share of around 20% while Asia and North America is estimated at 5-10% in each region.

Valuation

Mid Point DCF Target Implies a Target Price of SEK 9.1

A target price of SEK 9.1 and a potential upside of 107.9% is derived from a DCF based on an estimated 8.7% Net Sales CAGR from 2025 to 2035, assuming steady gross margins of 80% and moderate OPEX expansion. The valuation range of SEK 7.4-11.9 is based on a terminal growth rate of 1-3% and a WACC of 11-15%. Thus, our midpoint target is based on a 2% terminal growth rate and a WACC of 13%. The DCF reflects a rebound in growth and a gradual return to the Company's financial target of 15% annual sales growth.

Valuation Summary



Source: Analyst estimates, the Company, Factset, Bloomberg

Equally Weighted Peer EV/EBIT & EV/FCF Valuation Offers Return Potential of 70.2%

With a selected peer group of four Swedish SaaS companies, Safeture is trading at a significant discount compared to an equally weighted median EV/EBIT and average EV/FCF multiple in the peer group. EV/FCF is used in addition to EV/EBIT, as the favorable capital structure, with NWC of (23%) as percentage of sales, is not reflected in the EV/EBIT multiple. Consequently, the Company's cash flow conversion is exceptional, with an FCF-yield of 19.1% on 2028 estimates.

Peer table	Market Cap	EV	Net Sales CAGR	EV/ARR	P/S		EBIT-margin		EV/EBIT	EV/FCF
Company	SEKm	SEKm	2024A-2027E	Q3 25A	2024A	2027E	2024A	2027E	2027E	2027E
Carasent	2 060	1 924	18.5%	5.7x	7.5x	4.5x	19.8%	16.8%	24.9x	20.5x
CheckIn	133	124	12.7%	N/A	1.7x	1.4x	N/A	N/A	N/A	N/A
Litium	282	279	18.7%	2.9x	3.9x	2.3x	0.9%	3.3%	69.8x	20.7x
Avtech	465	432	34.2%	10.8x	13.6x	5.6x	34.4%	57.4%	9.1x	9.2x
Average	735	690	21.0%	6.5x	6.7x	2.8x	18%	26%	34.6x	16.8x
Median	374	356	18.6%	5.7x	5.7x	2.3x	20%	17%	24.9x	20.5x
Safeture	171	141	7.4%	2.5x	3.1x	2.3x	(0.3%)	9.6%	18.1x	7.2x

Source: Analyst estimates, the Company, Factset, Bloomberg

Appendix: Income Statement

Income statement (SEKk)	2022A	2023A	2024A	2025E	2026E	2027E	2028E
Net sales	35,825	48,914	56,403	58,500	64,350	74,003	85,103
Capitalized work	8,115	7,272	7,520	7,500	7,500	7,875	8,269
Other income	647	1,092	2,168	0	0	0	0
Total revenue	44,587	57,277	66,091	66,000	71,850	81,878	93,372
Net sales growth	33.7%	36.5%	15.3%	3.7%	10.0%	15.0%	15.0%
Cost of Sales	(9,468)	(10,986)	(11,700)	(11,700)	(12,870)	(14,801)	(17,021)
Gross profit	35,119	46,291	44,703	54,300	58,980	67,077	76,351
Gross margin	78.8%	80.8%	79.3%	80.0%	80.0%	80.0%	80.0%
Personnel expenses	(32,486)	(31,423)	(31,519)	(31,500)	(33,075)	(34,729)	(36,465)
Other OPEX	(14,605)	(15,754)	(16,330)	(16,000)	(16,800)	(17,640)	(18,522)
EBITDA	(11,972)	(886)	6,542	6,800	9,105	14,708	21,364
EBITDA margin	(26.9%)	(1.5%)	9.9%	10.3%	12.7%	18.0%	22.9%
D&A	(4,921)	(5,822)	(6,709)	(6,500)	(6,500)	(6,875)	(7,269)
EBIT	(16,893)	(6,708)	(167)	300	2,605	7,833	14,095
EBIT margin	(37.9%)	(11.7%)	(0.3%)	0.5%	3.6%	9.6%	15.1%
Net financial items	(162)	(256)	675	1,000	1,100	1,210	1,331
Result before tax	(17,055)	(6,452)	508	1,300	3,705	9,043	15,426
Tax	0	0	0	268	763	1,863	3,178
Result after tax	(17,055)	(6,452)	508	1,032	2,942	7,180	12,248
Profit margin	(38.3%)	(11.3%)	0.8%	1.6%	4.1%	8.8%	13.1%

Source: Analyst estimates, the Company

Appendix: DCF Valuation

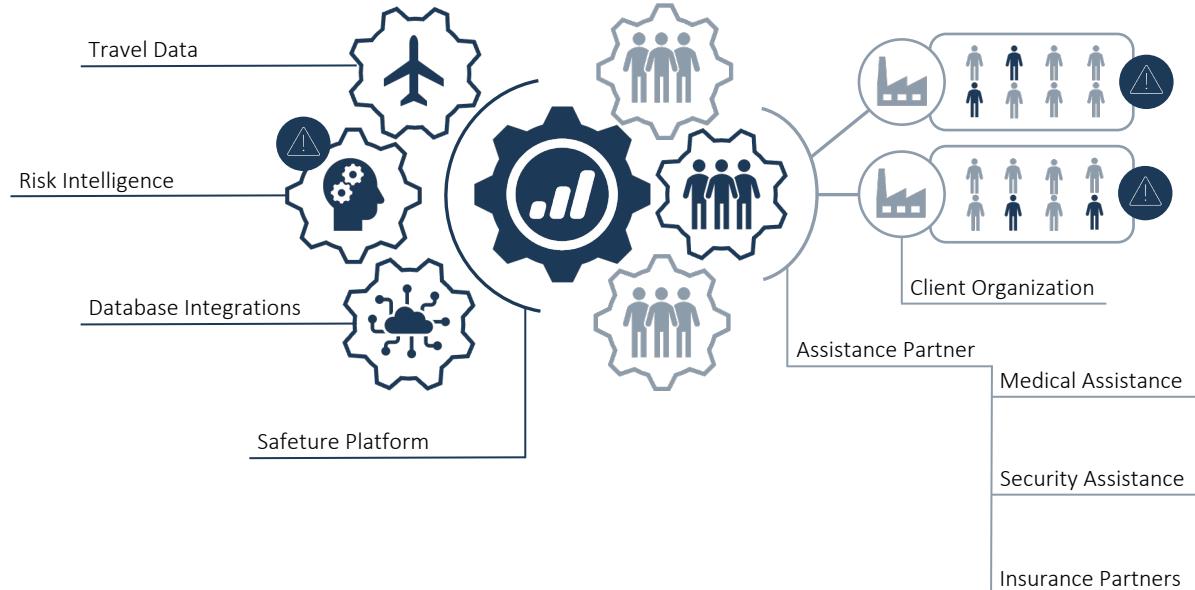
Free Cash Flow (SEKk)	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
NOPAT	32	1,842	5,970	10,917	15,194	18,926	21,814	23,566	23,922	24,263	24,588
D&A	6,500	6,500	6,875	7,269	7,682	8,116	8,572	9,051	9,553	10,081	10,635
Capex	7,500	7,500	7,875	8,269	8,682	9,116	9,572	10,051	10,553	11,081	11,635
NWC	(11,700)	(12,870)	(14,801)	(17,021)	(19,063)	(20,969)	(22,647)	(24,006)	(24,966)	(25,965)	(27,003)
FCFF	10,732	13,712	19,771	26,938	33,257	38,895	43,461	46,572	47,888	49,228	50,591
FCFF Margin	18.3%	21.3%	26.7%	31.7%	34.9%	37.1%	38.4%	38.8%	38.4%	37.9%	37.5%
FCFF Yield	7.6%	9.7%	14.0%	19.1%	23.6%	27.6%	30.8%	33.0%	34.0%	34.9%	35.9%

DCF Breakdown (SEKk)		Terminal growth rate				
Present Value of Forecasted Cash Flows	188 503		1.0%	1.5%	2.0%	2.5%
Present Value of Terminal Value	138 197	11%	10.6	10.9	11.2	11.5
EV	326 700	12%	9.6	9.8	10.0	10.3
Net Debt	(29 500)	13%	8.7	8.9	9.1	9.3
NOSH (1 000)	39 300	14%	8.0	8.2	8.3	8.4
Implied Share Price	9.06	15%	7.4	7.5	7.6	7.7
Potential Upside	107.9%					

Net Sales CAGR of 8.7% 2025-2035E
EBIT-margin Reaches 23.2% in 2032E

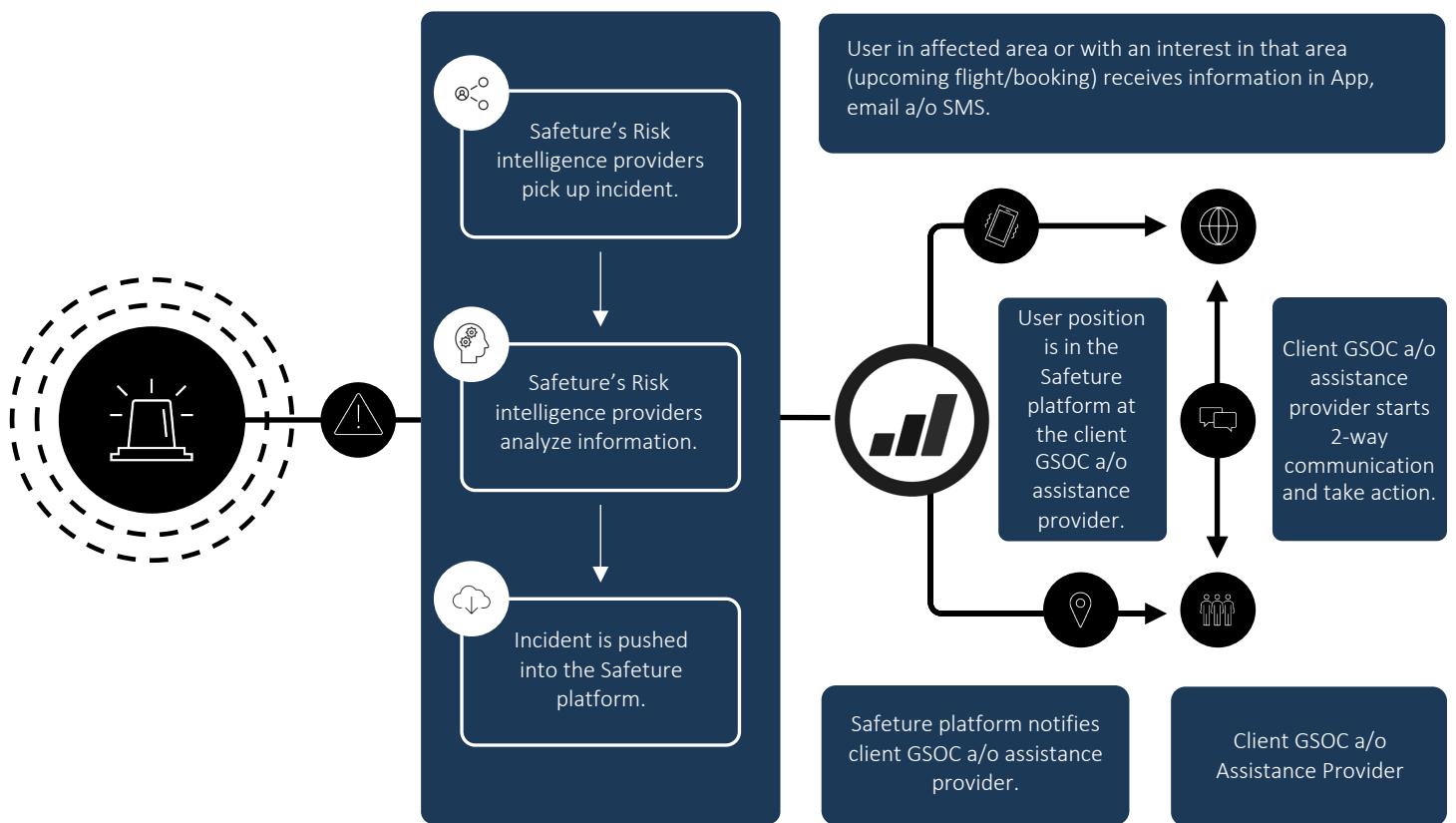
Source: Analyst estimates

Appendix – Collaboration With Partners



Source: The Company

Appendix – Safeture's Role in The System



Source: The Company

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Disclaimer

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Other

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