

# Konsolidator realized exponential growth in Q1, 2020 compared to Q1, 2019

## Financial report for the period January 1 to March 31, 2020

Company announcement no 7-2020. April 27, 2020

### HIGHLIGHTS

In the outlook for 2020 two main goals were announced: An ARR increase higher than 2019 (71%) and an exponential growth in number of customers on a quarter-on-quarter basis:

- ARR: Konsolidator reached an ARR of DKK 5.3m at the end of Q1, 2020 compared to 2.9m at the end of Q1, 2019 – an increase of 83 %
- Customers: Konsolidator signed 15 contracts in Q1, 2020 compared to 7 in Q1, 2019 – an increase of 114%
- COVID-19: Konsolidator followed the recommendation from the Danish Prime Minister and closed its offices in Denmark and Sweden on March 12. Konsolidator is monitoring the COVID-19 impact on a daily basis and can so far conclude that the number of sales meetings (all online) and the number of signed contracts are at the same level as before March 12

### MANAGEMENT REVIEW

#### Roll out of Konsolidator's platform and software

Konsolidator is beginning to see the effects of the digital marketing strategy during the first three months of 2020. The company experienced increased traffic on the Konsolidator website and a significant growth in number of sales meetings.

Konsolidator has experienced a faster than expected conversion from physical sales meetings to online meetings, which is important in our international expansion plans. Furthermore, the customer online onboardings have also increased faster than expected compared to the physical onboardings.

In Q1, 2020 Konsolidator signed more customers in Sweden than in Denmark, which is the first quarter where international growth is higher than the Danish growth.

As per March 31, 2019 Konsolidator has 95 customers and 9 out of the 15 new customers signed in Q1, 2020 are outside Denmark.

#### Economic growth

Konsolidator reached an Annual Recurring Revenue (ARR) of DKK 5.3m as per March 31, 2020 (2019: 2.9m) which is an increase in the last twelve months of 83 %. The ARR increased by DKK 0.7m in Q1, 2020 compared to an increase of DKK 0.3m in Q1, 2019 an increase of 133%.

Revenue for the period amounted to DKK 1.6m compared to DKK 1.1m in 2019 corresponding to an increase of 48 %. Earnings before interest, tax, depreciation and amortization (EBITDA) amounted to a negative of DKK 2.9m compared to 2019 which showed a negative EBITDA of DKK 0.3m.

#### Organizational growth

During the first three months of 2020 Konsolidator has not hired any new employees.

#### Outlook

Based on current general uncertainties surrounding the COVID-19 related changes in macro- and microeconomic matters, it is impossible to express outlook scenarios with a high degree of certainty. However, Konsolidator's current exponential growth can be impacted negatively if prospective customers' investment decisions are postponed or cancelled.

#### For further information

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# Consolidated Income Statement

for the first three months of 2020

DKK thousand	Q1 2020	Q1 2019
Revenue	1,628	1,099
Variable costs	(50)	(42)
<b>Gross profit/loss</b>	<b>1,578</b>	<b>1,057</b>
External expenses	(1,681)	(562)
Staff costs	(2,789)	(703)
<b>EBITDA before other operating expenses</b>	<b>(2,892)</b>	<b>(208)</b>
Other operating expenses	0	(43)
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>(2,892)</b>	<b>(251)</b>
Depreciation, amortization and impairment losses	(105)	(84)
<b>Earnings before interest and tax (EBIT)</b>	<b>(2,997)</b>	<b>(335)</b>
Financial income	0	0
Financial expenses	(37)	(26)
<b>Profit/loss before tax</b>	<b>(3,034)</b>	<b>(361)</b>
Corporation tax for the year	141	63
<b>Profit/loss for the year</b>	<b>(2,893)</b>	<b>(298)</b>
Equity ratio	79%	11%
Annual recurring revenue	5,314	2,941
Increase in annual recurring revenue in Q1	742	267
Number of employees	19	8
Earnings per share (in DKK)	(0.20)	(0.02)
Earnings per share, diluted (in DKK)	(0.20)	(0.02)

The Annual recurring revenue amounts to DKK 5,314 thousand as per March 31, 2020. The annual recurring revenue has increased during the first three months by DKK 742 thousand compared to the first three months of 2019 where the increase was DKK 267 thousand.

Revenue has increased compared to the same period for 2019 by approximately 50 %, which is due to an increase in subscription revenue by 62 % and an increase in onboarding fees of 48 %.

Costs are primarily staff costs and cannot be compared directly to 2019 since the increase in employees for the period has been 11 and thus the costs accordingly higher.

Other operating expenses for 2019 relate to the IPO, which is a one-off cost.

EBITDA represents a loss of DKK 2,892 thousand for the first three months and is hard to compare to 2019 due to the increase in employees. The largest increase in costs relate to marketing and sales.

# Consolidated Cash Flow Statement

for the first three months of 2020

DKK thousand	Q1 2020	Q1 2019
Profit/loss before financial items and tax (EBIT)	(2,998)	(335)
Depreciation, amortization and impairment losses reversed	105	84
Changes in working capital	(379)	510
<b>Cash flows from primary activities</b>	<b>(3,272)</b>	<b>259</b>
Financial income received	0	0
Financial costs paid	(6)	(26)
Income taxes paid/received	0	0
<b>Cash flow from operating activities</b>	<b>(3,278)</b>	<b>233</b>
Payments for intangible assets	(702)	(309)
Changes in other non-current assets	0	(50)
<b>Cash flow from investing activities</b>	<b>(702)</b>	<b>(359)</b>
Proceeds from capital increase	0	(57)
Changes in other non-current liabilities	305	0
<b>Cash flow from financing activities</b>	<b>305</b>	<b>(57)</b>
<b>Net cash flow for the period</b>	<b>(3,675)</b>	<b>(183)</b>
Cash and cash equivalents at the beginning of the year	6,572	0
Overdrafts at the beginning of the year	0	(2,122)
Net cash flow for the year	(3,675)	(183)
Exchange rate adjustments on cash and cash equivalents	(7)	0
<b>Cash and cash equivalents at the end of the year</b>	<b>2,890</b>	<b>(2,305)</b>

The company has realized negative cash flow from operating activities of DKK 3,278 thousand for the first three months of the year against a positive cash flow from operating activities for the same period for 2019. This is due to the increase in employees.

The company has invested in intangible assets of DKK 702 thousand during the first three months of 2020, which consists of capitalized labor costs related to the development activities.

Total negative cash flows for the period amounted to DKK 3,675 thousand. The cash and cash equivalent as per March 31, 2020 amounts to 2,890 thousand. Besides the cash amount the company has a drawing right of DKK 1.8m.

Konsolidator expects an increase in activity level and is talking to different institutions in order to strengthen the cash position. If this does not materialize Konsolidator has a commitment on a loan facility.

# Consolidated Balance Sheet

DKK thousand	31.03.20	31.03.19
<b>ASSETS</b>		
Intangible assets	5,445	3,339
Property, plant and equipment	8	11
Financial assets	1,314	100
<b>Total non-current assets</b>	<b>6,767</b>	<b>3,450</b>
Receivables	1,507	703
Cash and cash equivalents	2,894	0
Total current assets	4,401	703
<b>Total assets</b>	<b>11,168</b>	<b>4,153</b>

## Assets

The company's total assets amount to DKK 11,168 thousand. per. March 31, 2020 where the intangible assets amounts to DKK 5,445 thousand.

DKK thousand	31.03.20	31.03.19
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>8,845</b>	<b>467</b>
Provisions	0	84
Non-current liabilities	721	0
Current liabilities	1,602	3,602
<b>Total liabilities</b>	<b>2,323</b>	<b>3,602</b>
<b>Total equity and liabilities</b>	<b>11,168</b>	<b>4,153</b>

## Liabilities

The company's current liabilities amount to DKK 1,602 thousand per March 31, 2020, which primarily relates to employees.

# Consolidated Equity Statement

DKK thousand	Share capital	Share premium	Reserve for development costs	Retained earnings	Equity
Equity January 1, 2020	588	19,312	3,635	-11,824	11,711
Transfer to reserve for development costs	0	0	469	-469	0
Exchange rate adjustments				26	26
Profit/loss for the year	0	0	0	-2,893	-2,893
<b>Equity March 31, 2020</b>	<b>588</b>	<b>19,312</b>	<b>4,104</b>	<b>-15,160</b>	<b>8,844</b>

The company's equity totals DKK 8,844 thousand as per March 31, 2020. The changes come from the loss for the first three months and exchange rate adjustments from subsidiaries.

# Management statement

The Board of Directors and Management have today considered and approved the interim financial report of Konsolidator A/S for the first three months of 2020. The interim financial report has not been audited or reviewed by the company's independent auditors.

The interim financial report for the first three months of 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act for Accounting Class B with the option of certain principles for Accounting Class C and additional disclosure requirements for companies admitted to trading on Nasdaq First North Growth Market. The accounting policies adopted are consistent with those applied in the annual report for 2019.

In our opinion, the accounting policies applied, are appropriate to the effect that the interim financial report gives a true and fair view of the Group's assets, liabilities and financial position at March 31, 2020 and of the Group's activities and cash flows for the first three months of 2020. Furthermore, in our opinion, Management review gives a true and fair view of the development in the activities and the financial situation, the financial results for the period and of the financial position of the Group.

Risks and uncertainties have not changed in relation to the conditions mentioned in the annual report 2019 and the company description prepared in connection with Konsolidator's shares were admitted to trading on Nasdaq First North Growth Market, Copenhagen. The annual report 2019 and company description is available at <https://www.konsolidator.com/investor>.

Søborg April 27, 2020

## MANAGEMENT

Claus Finderup Grove  
CEO

Jack Skov  
CFO

Lars Højer Paaske  
CTO

## BOARD OF DIRECTORS

Søren Elmann Ingerslev  
Formand

Michael Moesgaard Andersen

Jesper Eigen Møller

# Company information

## Financial Calendar

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April 29, 2020:	Annual general meeting
July 28, 2020:	Half year reporting, January 1 – June 30, 2020
October 27, 2020:	Third quarter reporting, January – October 31, 2020
February 9, 2020:	Annual report 2020

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## About Konsolidator

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Konsolidator is a cloud-based and standardized SaaS consolidation and reporting tool that automates consolidation and monthly reporting and delivers accurate and timely management information based on corporate key ratios. Konsolidator wants to make financial consolidation and reporting easier for small- and medium-sized groups. The time the groups save, and the quality data obtained when using Konsolidator's cloud-based tool means that the groups can make better decisions and thus deliver higher strategic value.