

KONSOLIDATOR CONTINUES EXPONENTIAL GROWTH

Financial report for the period January 1 to September 30, 2020

Company announcement no 20-2020. October 27, 2020



HIGHLIGHTS

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

- ARR: Konsolidator reached an ARR of DKK 6.9m at the end of Q3, 2020 compared to 3.7m at the end of Q3,2019 – an increase of 86%.
- Customers: Konsolidator signed 48 contracts for the first nine months of 2020 compared to 21 customers signed in the first 9 months of 2019 - an increase of 129%.
- Customers: For Q3 Konsolidator signed 15 contracts compared to 6 for Q3 in 2019 - an increase of 150%.
- Konsolidator Kommunity® - a collaboration tool - was launched in August 2020 making it possible to share reports, apps and other relevant content with customers where it is possible for Konsolidator to get an even closer collaboration with customers.

MANAGEMENT REVIEW

The Konsolidator platform has reached a higher level in Q3 with the Konsolidator Kommunity®. Konsolidator Kommunity® is a collaboration tool within Konsolidator that enables Konsolidator to share value-added tools and apps to customers. Konsolidator Kommunity® is another example of how cloud technology can bring software closer to customers and make Konsolidator not only a software provider but also a trusted business partner for customers.

As per September 30, 2020 Konsolidator has 129 customers and signed 15 in Q3, 2020 of which 12 are outside Denmark equal to 80%.

Economic growth

Konsolidator reached an ARR of DKK 6.9m September 30, 2020 (September 30, 2019: 3.7m) which is an increase of 86%. The ARR has increased by DKK 2.3m in 2020 compared to an increase of DKK 1.0m in 2019.

Revenue for the period amounted to DKK 4.8m compared to DKK 3.4m in 2019 corresponding to an increase of 39%.

Earnings before interest, tax, depreciation and amortization (EBITDA) amounted to a negative of DKK 9.8m compared to 2019 which showed a negative EBITDA of DKK 6.5m.

Organizational growth

During the first nine months of 2020 Konsolidator hired 7 new employees. Konsolidator has 26 employees as of September 30, 2020.

For further information

CEO Claus Finderup Grove

mobile. +45 2095 2988

e-mail: cfg@konsolidator.com

Consolidated Income Statement

for the first nine months of 2020

DKK thousand	Q1-Q3 2020	Q1-Q3 2019
Revenue	4,781	3,444
Variable costs	(135)	(90)
Gross profit/loss	4,646	3,354
External expenses	(4,616)	(3,766)
Staff costs	(9,879)	(4,196)
EBITDA before other operating expenses	(9,849)	(4,608)
Other operating expenses	0	(1,915)
Earnings before interest, tax, depreciation and amortization (EBITDA)	(9,849)	(6,523)
Depreciation, amortization and impairment losses	(329)	(274)
Earnings before interest and tax (EBIT)	(10,178)	(6,797)
Financial income	0	0
Financial expenses	(35)	(83)
Profit/loss before tax	(10,213)	(6,880)
Corporation tax for the year	395	1,133
Profit/loss for the year	(9,818)	(5,747)
Equity ratio	88%	91%
Annual recurring revenue	6,871	3,662
Increase in annual recurring revenue in Q1-Q3	2,299	988
Number of employees	26	17
Earnings per share (in DKK)	(0.65)	(0.42)
Earnings per share, diluted (in DKK)	(0.64)	(0.42)

The ARR amounts to DKK 6,871 thousand as per September 30, 2020. The ARR has increased during the first nine months by DKK 2,299 thousand compared to the first nine months of 2019 where the increase was DKK 988 thousand.

Revenue has increased compared to the same period for 2019, which is due to an increase in subscription revenue and increase in onboarding fees.

Costs are primarily staff costs and have increased from 2019 to 2020 due to the increase in employees.

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

EBITDA represents a loss of DKK 9,849 thousand in 2020 compared to a loss of DKK 6,523 thousand in 2019. The increase in costs relates to new employees in development, marketing and sales.

Consolidated Cash Flow Statement

for the first nine months of 2020

DKK thousand	Q1-Q3 2020	Q1-Q3 2019
Profit/loss before financial items and tax (EBIT)	(10,178)	(6,797)
Depreciation, amortization and impairment losses reversed	329	274
Adjustment for other non-cash items	0	1,915
Changes in working capital	905	351
Cash flow from primary activities	(8,944)	(4,257)
Financial income received	0	0
Financial costs paid	(27)	(83)
Income taxes paid/received	(6)	175
Cash flow from operating activities	(8,977)	(4,165)
Payments for intangible assets	(2,405)	(1,162)
Payment for property, plant and equipment	(41)	0
Changes in other non-current assets	0	(52)
Cash flow from investing activities	(2,446)	(1,214)
Proceeds from capital increase	28,735	17,115
Changes in other non-current liabilities	869	0
Cash flow from financing activities	29,604	17,115
Net cash flow for the period	18,181	11,736
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 period	18,181	11,736
Exchange rate adjustments on cash and cash equivalents	(4)	0
Cash and cash equivalents at the end of the period	24,749	9,614

The company has realized a negative cash flow from operating activities of DKK 8,977 thousand in 2020 compared to a negative cash flow from operating activities of DKK 4,165 thousand for 2019. This is due to the increase in employees.

The company has invested in intangible assets of DKK 2,405 thousand during the first nine months of 2020, which primarily consists of capitalized labor costs related to the development activities.

The company received proceeds from capital increase of DKK 28,735 thousand during the period and realized a positive cashflow for the period of DKK 18,181 thousand.

The cash and cash equivalents as per September 30, 2020 amount to DKK 24,749 thousand. Besides the cash amount the company has a drawing right of DKK 1.8m.

Consolidated Balance Sheet

DKK thousand	30.09.20	30.09.19
ASSETS		
Intangible assets	6,928	4,004
Property, plant and equipment	46	10
Financial assets	1,313	956
Total non-current assets	8,287	4,970
Receivables	1,646	987
Cash and cash equivalents	24,781	9,642
Total current assets	26,427	10,629
Total assets	34,714	15,599

Assets

The company's total assets amounted to DKK 34,714 thousand per September 30, 2020 where the intangible assets amounted to DKK 6,928 thousand and cash and cash equivalents amounted to DKK 24,781 thousand.

DKK thousand	30.09.20	30.09.19
EQUITY AND LIABILITIES		
Equity	30,628	14,138
Non-current liabilities	1,284	0
Current liabilities	2,802	1,461
Total liabilities	4,086	1,461
Total equity and liabilities	34,714	15,599

Liabilities

The company's total liabilities amount to DKK 4,086 thousand per September 30, 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
Capital increase	30	29,595	0	0	29,625
Cost regarding capital increase	0	(890)	0	0	(890)
Transfer to reserve for development costs	0	0	1,379	(1,379)	0
Profit/loss for the year	0	0	0	(9,818)	(9,818)
Equity September 30, 2020	618	48,017	5,014	(23,021)	30,628

The company's equity totals DKK 30,628 thousand as per September 30, 2020 after a capital increase in April. The changes in retained earnings come primarily from the loss for the first nine months.

Management Statement

The Board of Directors and Management have today considered and approved the interim financial report of Konsolidator A/S for the first nine 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 nine 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 September 30, 2020 and of the Group's activities and cash flows for the first nine months of 2020. Furthermore, in our opinion, the 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 in the company description prepared in connection with Konsolidator's share listing on Nasdaq First North Growth Market, Copenhagen. The annual report 2019 and company description is available at <https://www.konsolidator.com/investors>.

Søborg October 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

FINANCIAL CALENDAR

Februar 9, 2021:	Annual report 2020
April 27, 2021:	First quarter reporting, January – March 31, 2021
April 29, 2021:	Annual General Meeting, April 29, 2021
July 28, 2021:	Half year reporting, January - June 30, 2021
October 27, 2021:	Third quarter reporting, January – October 31, 2021
February 9, 2022:	Annual report 2021

May not be published, distributed or delivered whole or partly, directly or indirectly, in or to the USA, Australia, Canada or Japan.

COMPANY INFORMATION

KONSOLIDATOR A/S

Tobaksvejen 2A
2860 Søborg
CVR-nr. 36 07 83 83
Tlf.: +45 72 30 40 80

Info@konsolidator.com
www.konsolidator.com

CERTIFIED ADVISER

Ernst & Young P/S
Dirch Passers Allé 36
2000 Frederiksberg

www.ey.com

ABOUT KONSOLIDATOR

Konsolidator A/S is a financial consolidation software company whose primary objective is to make Group CFOs around the world better through automated financial consolidation and reporting in the cloud. Created by CFOs and auditors and powered by innovative technology, Konsolidator removes the complexity of financial consolidation and enables the CFO to save time and gain actionable insights based on key performance data to become a vital part of strategic decision-making.