

Announcement no. 15 2021

## Agillic releases half-year 2021 results with continued ARR growth, positive EBITDA and all-time high for subscription revenue, gross profit and number of clients.

Copenhagen – 26 August 2021 - Agillic A/S (Nasdaq First North Growth Market Denmark: AGILC) releases its financial results for the first half-year 2021. EBITDA was positive with DKK 2.9 million, ARR subscriptions increased with 6.1% compared to 31 December 2020, and the number of clients was 91, which is an all-time high. Financial guidance for EBITDA was raised 15 July 2021 and remains.

### Emre Gürsoy, CEO of Agillic comments:

“For H1 2021, revenue amounted to DKK 25.9 million and total annual recurring revenue (ARR) to DKK 48.0 million. I am pleased to see that we are continuing our growth in Q2, and it is the third quarter in a row, in which revenue and ARR subscriptions grow. In H1 2021, ARR subscriptions increased by DKK 2.5 million compared to 31 December 2020 corresponding to a growth of 6.1%, due to the wins of new clients and uplifting existing ones. I am also pleased to see that the EBITDA of DKK 2.9 million is the highest since the IPO. This development is the reason why we have raised our EBITDA guidance for the year to DKK 0-3 million. With the capital raise in January 2021, we have a strong cash position to continue our strategic growth and internationalisation plans. Our three main financial goals towards 2023 remain; Double-digit percentage growth rate in ARR subscriptions, positive cash flow from operations, and a positive EBITDA.”

### Key figures and ratios

	2021	2020		2021	2020	
DKK million	H1	H1	Change	Q2	Q2	Change
<b>INCOME STATEMENT</b>						
Revenue subscriptions	23.2	22.9	1%	11.9	10.8	10%
Revenue transactions	2.2	3.0	-27%	1.2	0.8	50%
Other revenue	0.5	0.5	0%	0.2	0.1	100%
Total revenue	25.9	26.4	-2%	13.3	11.8	13%
Gross profit	23.3	22.9	2%	12.1	11.1	9%
Gross margin	90%	87%	-	91%	94%	-
Employee costs	-15.1	-16.6	9%	-7.4	-7.6	3%
Operational costs (excl. Employee costs)	-5.3	-6.2	15%	-2.5	-2.9	14%
<b>EBITDA</b>	<b>2.9</b>	<b>0.2</b>	<b>1,683%</b>	<b>2.2</b>	<b>0.6</b>	<b>267%</b>
Net profit for the period	-2.8	-3.2	10%	-0.5	-0.5	0%
<b>FINANCIAL POSITION</b>						
Cash	22.0	15.2	44%	22.0	15.2	44%
<b>ARR DEVELOPMENT</b>						
ARR subscriptions	43.2	43.6	-1%	43.2	43.6	-1%
ARR transactions	4.8	3.3	45%	4.8	3.3	45%
Total ARR <sup>1</sup>	48.0	46.9	2%	48.0	46.9	2%
Change in ARR (DKK)	1.1	-11.3		1.1	-11.3	
Change in ARR (%)	2%	-19%		2%	-19%	

1. ARR, i.e. the annualised value of subscription agreements and transactions at the end of the actual reporting period

## Highlights Q2 and H1 2021

- In Q2 2021, Agillic successfully continued to win new and uplift existing clients. Six new client contracts across several industries were signed in Q2, in Denmark and internationally, bringing the total number of new clients for H1 2021 up to 11. As of 30 June 2021, Agillic had 91 clients, which is an all-time high.
- Revenue from subscriptions continued to grow in Q2 and is at an all-time high of DKK 23.2 million for H1 2021 (1.5% increase compared to same period last year). However, total revenue declined from DKK 26.4 million in H1 2020 to 25.9 million in H1 2021 due to lower revenue from transactions because of the business impact of Covid-19.
- Due to an improved sales mix effect, gross profit for H1 2021 of DKK 23.3 million is also at an all-time high.
- EBITDA amounted to DKK 2.2 million in Q2 2021, an improvement of DKK 1.6 million compared to the same quarter last year. This means that EBITDA reaches DKK 2.9 million for H1 2021, which is an increase of DKK 2.7 million compared to H1 2020 (1,683%), which is also an all-time high since the IPO. The positive EBITDA development resulted from an increase in gross profit of DKK 0.4 million and reduced operational costs of DKK 2.4 million due to a lower number of employees and reduced development costs.
- As of 30 June 2021, cash at bank amounted to DKK 22.0 million.

## Comments on ARR development

- ARR subscriptions increased by DKK 0.8 million in Q2 2021 compared to Q1 2021 (+1.9%). The new clients and net uplifts increased the H1 2021 subscription part of ARR from DKK 40.7 per 31 December 2020 to 43.2 million per 30 June 2021 corresponding to DKK 2.5 million (+6.1%).
- The transaction part of ARR also increased in Q2 2021 to DKK 4.8 million. However, this is still lower than Q4 2020 due to seasonality.
- As of 30 June 2021, total ARR amounted to DKK 48.0 million. Total ARR increased by DKK 1.4 million in Q2 2021 compared to Q1 2021 (3%). For H1 2021 the increase was DKK 1.5 million (3.2%) compared to 31 December 2020 and was driven by the increase in new wins and uplifts of existing clients.

## Financial guidance 2021 & 2022

The Company raised its EBITDA guidance for 2021 on 15 July 2021 (Company Announcement 14 2021). Based on the Q2 and H1 2021 results, Agillic maintains the financial guidance of 15 July 2021.

DKK million	2021	2022
Revenue	49 - 53	57 - 63
EBITDA	0 - 3	-3 to +3
ARR subscriptions	45 - 49	
ARR transactions	5 - 7	
Total ARR*	50 - 56	65 - 70
Growth rate in total ARR		30-40%

\*) The growth rate in ARR subscriptions is expected to be higher than in ARR transactions.

### **Strategy towards 2023**

Since the Initial Public Offering (IPO) in March 2018, Agillic has pursued growth and internationalisation. Apart from the domestic market, markets of particular interest are the DACH region, North America, Norway, Sweden, the UK, and, as of 2021, Central and Eastern Europe. Together with Agillic's strategic partners across geographies, the Company continues to target digitally mature and data-driven B2C-businesses with a substantial customer base within the following sectors: retail, finance, travel & leisure, NGO & charities and subscription businesses.

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### **Disclaimer**

The forward-looking statements regarding Agillic's future financial situation involve factors of uncertainty and risk, which could cause actual developments to deviate from the expectations indicated. Statements regarding the future are subject to risks and uncertainties that may result in considerable deviations from the presented outlook. Furthermore, some of these expectations are based on assumptions regarding future events, which may prove incorrect. Please also refer to the overview of risk factors in the 'risk management' section of the annual report.

### **About Agillic A/S**

Agillic is a Danish software company enabling marketers to maximise the use of data and translate it into relevant and personalised communication establishing strong relations between people and brands. Our customer marketing platform uses AI to enhance the business value of customer communication. By combining data-driven customer insights with the ability to execute personalised communication, we provide our clients with a head start in the battle of winning markets and customers.

Besides the Company's headquarter in Copenhagen, Denmark, Agillic has sales offices in London, Stockholm, Berlin and Prague as well as development units in Kiev and Cluj-Napoca. For further information, please visit [www.agillic.com](http://www.agillic.com)

Agillic A/S (publ) (Nasdaq First North Growth Market Denmark: AGILC) is obligated to publish the above information in compliance with the EU Market Abuse Regulation. The information was published via agent by Agillic A/S on 26 August 2021.

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## Appendix: Financial development per quarter

	2018		2019				2020				2021	
DKK million	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>INCOME STATEMENT</b>												
Revenue subscriptions	6.6	8.7	9.3	10.5	10.6	10.8	12.0	10.8	10.5	10.5	11.3	11.9
Revenue transactions	2.0	2.6	3.1	3.4	2.2	2.4	2.2	0.8	1.0	1.4	1.0	1.2
Other revenue	0.5	0.8	0.4	0.3	0.2	0.5	0.5	0.1	0.2	0.4	0.3	0.2
Total revenue	9.1	12.2	12.8	14.3	13.0	13.7	14.7	11.8	11.7	12.4	12.6	13.3
Gross profit	7.1	9.8	9.7	11.1	10.1	10.8	11.9	11.1	10.6	10.7	11.2	12.1
Gross margin	78%	80%	76%	78%	78%	79%	81%	94%	91%	87%	89%	91%
EBITDA	-3.4	-6.3	-3.5	-4.8	-2.7	-4.3	-0.4	0.6	-0.4	0.5	0.7	2.2
Net profit	-5.8	-6.7	-5.9	-8.6	-4.0	-6.5	-2.7	-0.5	-3.4	-1.4	-2.3	-0.5
<b>BALANCE SHEET</b>												
Cash <sup>1</sup>	15.6	12.3	2.7	1.0	-1.0	-4.0	-6.1	15.2	14.8	16.3	23.8	22.0
Total assets	50.0	47.4	36.1	40.5	40.9	37.8	38.4	59.3	55.7	63.8	67.2	69.5
Equity	9.9	3.5	-2.1	-10.5	-14.3	-20.6	-18.7	-1.4	-4.6	-5.8	3.2	2.9
Borrowings	9.0	11.3	10.5	16.3	21.3	24.4	28.5	28.3	28.9	28.9	25.8	28.6
<b>CASH FLOW</b>												
Cash flow from operations	-6.3	-0.5	-5.9	-3.9	-4.1	-1.0	-4.4	-1.7	1.7	5.0	-1.6	1.2
Cash flow from investments	-1.8	-2.4	-3.1	-3.9	-3.4	-3.2	-3.3	-2.8	-3.2	-7.6	-2.8	-2.5
Cash flow from financing	-0.4	-0.4	-0.6	6.2	5.4	1.2	5.5	25.9	1.0	4.2	11.8	-0.5
Net cash flow	-8.5	-3.3	-9.6	-1.6	-2.1	-3.0	-2.2	21.4	-0.5	1.6	7.4	-1.8
<b>EMPLOYEES &amp; CLIENTS</b>												
Employees end of period	50	56	60	63	67	64	64	61	57	53	50	49
Clients end of period	65	73	73	79	77	81	84	83	79	82	86	91
<b>ARR &amp; SAAS METRICS</b>												
ARR subscriptions	33.4	39.6	40.7	44.5	43.0	45.5	47.0	43.6	40.1	40.7	42.4	43.2
ARR transactions	8.5	10.5	12.6	13.8	8.7	9.6	8.9	3.3	4.0	5.8	4.2	4.8
Total ARR <sup>2</sup>	41.9	50.1	53.3	58.2	51.7	55.1	55.8	46.9	44.1	46.5	46.6	48.0
Change in ARR (DKK)	3.1	8.2	3.2	5.0	-6.5	3.4	0.8	-8.9	-2.8	2.4	0.1	1.4
Average ARR <sup>3</sup>	0.6	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.5	0.5
Yearly CAC <sup>4</sup>		0.5				0.8				0.5		
Months to recover CAC <sup>5</sup>		11				18				12		

1. Cash is defined as available funds less bank overdraft withdrawals.

2. ARR, i.e., the annualised value of subscription agreements and transactions at the end of the actual reporting period.

3. Average ARR, i.e. the average ARR per client.

4. Customer Acquisition Costs (CAC), i.e., the sales and marketing cost (inclusive salaries, commissions, direct and share of costs of office) divided by the number of new clients. CAC is calculated end of year.

5. Months to recover CAC, i.e., the period in months it takes to generate sufficient gross profit from a client to cover the acquisition cost.