

Announcement no. 16 2020

Agillic A/S releases H1 2020 results and presents new guidance for 2020

Copenhagen – 20 August 2020 – Agillic A/S (Nasdaq First North Copenhagen: AGILC) releases the financial results for the first six months of 2020. Total revenue decreased by 2%, however, the subscription part of revenue increased by 16% compared to H1 2019. Subscription part of Annual Recurring Revenue (ARR) decreased by 2% compared to 30 June 2019. EBITDA increased by DKK 8.5 million compared to H1 2019 and amounted to DKK 0.2 million which is a milestone achievement for the company. The Company raised DKK 22.1 million in equity capital and DKK 12.0 million in COVID-19 loan.

Emre Gürsoy, CEO of Agillic comments:

“As the overshadowing impact of COVID-19 cuts through many industries and companies, our results have also been influenced by the new market realities. Therefore, during Q2 2020, we have prioritized supporting our clients with solutions to retain Agillic in their technology ecosystem. Although our top-line development for the period is disappointing, we are pleased that we have been able to retain clients significantly challenged by COVID-19 and that we have delivered a positive EBITDA for H1.”

DKK million	2020 H1	2019 H1	Change	2020 Q2	2019 Q2	Change
Income statement						
Revenue subscription	22.9	19.8	16%	10.8	10.5	3%
Revenue transaction	3.1	6.6	-54%	0.8	3.4	-76%
Other	0.5	0.7	-20%	0.1	0.3	-70%
Total revenue	26.4	27.0	-2%	11.8	14.3	-18%
Gross profit	22.9	20.8	10%	11.1	11.1	0%
Gross profit margin	87%	77%	-	94%	78%	-
Operational costs	22.8	29.1	-22%	10.5	15.9	-34%
EBITDA	0.2	-8.3	-	0.6	-4.8	-
Profit before tax	-3.2	-14.5	78%	-0.5	-8.6	94%
Financial position						
Cash	15.2	1.0	1,416%	15.2	1.0	1,416%
Cash incl. unutilised credit line	18.2	1.0	1,715%	18.2	1.0	1,715%
Cash (adjusted) ¹	22.5	7.5	199%	22.5	7.5	199%
Software as a Service (SaaS)						
Subscription part of Annual Recurring Revenue	43.6	44.5	-2%	43.6	44.5	-2%
Transaction part of Annual Recurring Revenue	3.3	13.8	-76%	3.3	13.8	-76%
Annual Recurring Revenue (ARR) ²	46.9	58.2	-19%	46.9	58.2	-19%
Net increase/decrease in ARR	-11.3	19.5	-	-11.3	19.5	-

¹ Cash inclusive trade receivables, trade payables and unutilised credit facilities

² Annual Recurring Revenue (ARR), i.e. the annualised value of subscription agreements and transactions at the end of the reporting period

Financial highlights for H1 2020

- Revenue in H1 2020 amounted to DKK 26.4 million, a decrease of 2% compared to H1 2019. Revenue in Q2 2020 amounted to DKK 11.8 million, a decrease of 18% compared to the same period in 2019.
 - In H1 2020 the subscription part of revenue amounted to DKK 22.9 million, an increase of 16% compared to H1 2019. The subscription part of revenue in Q2 amounted to DKK 10.8 million, an increase of 3% compared to the same period in 2019.
 - In H1 2020 the transaction part of revenue amounted to DKK 3.1 million, a decrease of 54% compared to H1 2019. The transaction part of revenue in Q2 amounted to DKK 0.8 million, a decrease of 76% compared to the same period in 2019.
- Gross profit in H1 2020 amounted to DKK 22.9 million compared to DKK 20.8 million in H1 2019, an increase of 10%. Gross profit in Q2 2020 amounted to DKK 11.1 million, which was the same level in Q2 2019.
- EBITDA amounted to DKK 0.2 million in H1 2020 compared to DKK -8.3 million in H1 2019. EBITDA in Q2 2020 amounted to DKK 0.6 million compared to DKK -4.8 million in the same period in 2019.
- In H1 2020, Agillic raised DKK 22.1 million in equity capital, hereof DKK 16.7 million in cash, by issuing 1,148,627 new shares. DKK 17.8 million was raised in Q2 2020, hereof DKK 12.4 million in cash by issuing 924,669 shares.
- Agillic raised DKK 12.0 million in a COVID-19 Business Angel Matching Loan in Q2 2020.
- Cash position as of 30 June 2020 amounted to DKK 15.2 million. Cash position, including undrawn lines of credit, trade receivables and trade payables amounted to DKK 22.5 million as of 30 June 2020.
- Due to the financial uncertainty caused by the global outbreak of COVID-19, Agillic suspended its financial guidance for 2020 as of 6 April 2020.

Operational highlights H1 2020

- Emre Gürsoy commenced as CEO on 1 March 2020.
- The annual general meeting was held on 24 March 2020 and the board was unanimously re-elected.
- Based on the Company's strategy and objectives, an organisational restructure was successfully implemented uniting all departments under a collective vision.
- Gyldendal, Bonnierförlagen and Det Kongelige Teater (the Royal Danish Theatre) as well as new clients within the NGO & Charity sector, such as Swedish Red Cross and Børns Vilkår, signed contracts with Agillic.
- Amid the COVID-19 challenge, initiatives to reduce operational costs continued. As part of this, management and employees entered an agreement to reduce salaries by 10%, effective as of 1 May 2020 for the remainder of the year. In addition, management's bonus program for 2020 was cancelled.

Key performance indicators

- Total Annual Recurring Revenue (ARR) as of 30 June 2020 amounted to DKK 46.9 million compared to DKK 58.2 million as of 30 June 2019, a decrease of 19%.
 - The subscription part of Annual Recurring Revenue (ARR) as of 30 June 2020 was DKK 43.6 million compared to DKK 44.5 million as of 30 June 2019, a decrease of 2%.
 - The transaction part of Annual Recurring Revenue (ARR) as of 30 June 2020 was DKK 3.3 million compared to DKK 13.8 million as of 30 June 2019, a decrease of 76%.
- Total Annual Recurring Revenue (ARR) decreased DKK 8.2 million in H1 2020 and decreased DKK 8.9 million in Q2 2020.
 - The subscription part of Annual Recurring Revenue (ARR) decreased DKK 1.9 million in H1 2020 and decreased DKK 3.4 million in Q2 2020.
 - The transaction part of Annual Recurring Revenue (ARR) decreased DKK 6.3 million in H1 2020 and DKK 5.6 million in Q2 2020.
- Total number of clients as of 30 June 2020 amounted to 83, compared to 79 as of 30 June 2019.

New guidance for 2020 as of 20 August

- Revenue: DKK 46-52 million.
- EBITDA: DKK -5 to 1 million.
- Annual Recurring Revenue (ARR): DKK 44-52 million.
 - License part of Annual Recurring Revenue (ARR): DKK 40-46 million.
 - Transaction part of Annual Recurring Revenue (ARR): DKK 4-6 million.

Please find Agillic's H1 report [here](#)

For further information, please contact:

Emre Gürsoy, CEO, Agillic A/S

+45 30 78 42 00

emre.gursoy@agillic.com

Christian Tange, CFO, Agillic A/S

+45 29 48 84 17

christian.tange@agillic.com

Certified Adviser

Tofte & Company

Sasja Dalgaard, sd@toftecompany.com

Christian IX's Gade 7, 1111 Copenhagen K

Denmark

About Agillic A/S

Agillic is a Nordic 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 headquarter in Copenhagen, Agillic has sales offices in London (UK) and Stockholm (Sweden), as well as a development unit in Kiev (Ukraine). For further information, please visit www.agillic.com

Agillic A/S (publ) (Nasdaq First North Copenhagen: 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 20 August 2020.

Agillic A/S - Gammel Mønt 2 - 1171 Copenhagen K - Denmark