

Announcement no. 7 2022

Agillic continues double-digit growth with 26% increase in total ARR for Q1 2022

Copenhagen – 5 May 2022 - Agillic A/S (Nasdaq First North Growth Market Denmark: AGILC) releases its financial results for Q1 2022 and maintains its financial guidance. The Q1 results show a 26% increase in Total ARR. ARR from subscriptions increased with DKK 2,8 million in Q1 2022 compared to DKK 1,7 million in Q1 2021, an improvement of 65%.

Emre Gürsoy, CEO of Agillic comments:

“In Q1 2022, we have achieved our highest total ARR performance with a result of DKK 58.8 million. The strong development in our internationalisation activities has shown a positive effect, with a total ARR YoY growth of 26%. Even though general market conditions are still not settled, we also see signs of positive market developments, including our platform’s utilisation by our clients with a 145% YoY transactional ARR increase. We continue to focus on ARR growth by building international partnerships and our investments in the sales organisation in 2021 along with the most recent employment of our new Chief Client Officer.

We have completed Q1 with a 11% YoY revenue growth and a negative EBITDA. Costs in Q1 2022 have been impacted by the general price increases worldwide, and Agillic has also experienced a fair share of these changes. While we continue investing on our strategic initiatives, we also work to adapt to these price increases through operational cost optimisations.

Therefore, as we move towards 2023, we remain focused on our Reboot 2.1 goals with double-digit percentage growth rate in ARR subscriptions, a positive cash flow from operations, and a positive EBITDA.”

Key figures and ratios

	2022	2021		2022	2021	
DKK million	YTD	YTD	Change	Q1	Q1	Change
INCOME STATEMENT						
Revenue subscriptions	11,1	11,3	-2%	11,1	11,3	-2%
Revenue transactions	2,6	1,0	160%	2,6	1,0	160%
Other revenue	0,3	0,3	0%	0,3	0,3	0%
Total revenue	14,0	12,6	11%	14,0	12,6	11%
Gross profit	11,0	11,2	-2%	11,0	11,2	-2%
Gross margin	79%	89%	-	79%	89%	-
Employee costs	-7,9	-7,0	14%	-8,0	-7,0	14%
Operational costs	-4,8	-3,5	37%	-4,8	-3,5	37%
EBITDA	-1,7	0,7	-343%	-1,7	0,7	-343%
Net profit	-4,7	-2,3	104%	-4,7	-2,3	104%
FINANCIAL POSITION						
Cash	7,5	23,8	-68%	7,5	23,8	-68%
ARR DEVELOPMENT						
ARR subscriptions	48,5	42,4	14%	48,5	42,5	14%
ARR transactions	10,3	4,2	145%	10,3	4,2	145%
Total ARR ¹	58,8	46,6	26%	58,8	46,6	26%
Change in ARR (DKK)	12,2	-9,2		12,2	-9,2	
Change in ARR (%)	26%	-16%		26%	-17%	

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

Financial guidance 2022

The Company's financial guidance was last confirmed at the release of the Annual Report 2021 on 25 February 2022. Based on the Q1 2022 report and the expectation for the rest of the year, Agillic maintains its financial guidance of 15 July 2021.

DKK million	2022
Revenue	57-63
EBITDA	-3 to +3
ARR subscriptions	56-60
ARR transactions	9-10
Total ARR	65-70

Strategy going forward

As formulated in the Reboot 2.1 strategy, Agillic pursues growth by winning and retaining clients, internationalising through a two-pronged go-to-market model, and cooperating with best-of-breed technology partners and global solution partners. Apart from Denmark, markets of particular interest are the DACH region, Norway, Sweden, and North America. Our target clients are digitally mature and data-driven B2C-businesses in industries such as retail, finance, travel & leisure, NGO and charities, and subscription businesses in, for example, entertainment & gaming, energy and utilities, media & publishing, and technology, software & cloud.

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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 offering brands a platform through which they can work with data-driven insights and content to create, automate and send personalised communication to millions. Agillic is headquartered in Copenhagen, Denmark, with sales and R&D teams in Berlin, Malmö, Oslo, Cluj-Napoca and Kyiv.

For further information, please visit 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 5 May 2022.

Appendix: Financial development per quarter

	2022	2021						2020									
DKK million	Q1		Q4		Q3		Q2		Q1		Q4		Q3		Q2		Q1
INCOME STATEMENT																	
Revenue subscriptions	11,1		10,8		11,0		11,9		11,3		10,5		10,5		10,8		12,0
Revenue transactions	2,6		2,7		1,8		1,2		1,0		1,4		1,0		0,8		2,2
Other revenue	0,3		0,3		0,3		0,2		0,3		0,5		0,2		0,1		0,5
Total revenue	14,0		13,8		13,1		13,3		12,6		12,4		11,7		11,7		14,7
Gross profit	11,0		10,7		11,1		12,1		11,2		10,7		10,6		11,1		11,9
Gross margin	79%		78%		85%		91%		89%		87%		91%		94%		81%
EBITDA	-1,7		-2,6		0,4		2,2		0,7		0,5		-0,4		0,6		-0,4
Net profit	-4,7		-4,6		-3,1		-0,5		-2,3		-1,4		-3,4		-0,5		-2,7
BALANCE SHEET																	
Cash ¹	7,5		20,6		18,6		22,0		23,8		16,3		14,8		15,2		-6,1
Total assets	55,4		61,6		65,7		69,5		67,2		63,8		55,7		59,3		38,4
Equity	-9,6		-4,5		1,0		2,9		3,2		-5,8		-4,6		-1,4		-18,7
Borrowings	26,4		27,2		28,2		28,6		29,0		28,9		28,9		28,3		28,5
CASH FLOW																	
Cash flow from operations	-8,3		6,1		0,0		1,2		-1,6		5,0		1,7		-1,7		-4,4
Cash flow from investments	-3,2		-2,0		-3,8		-2,5		-2,8		-7,6		-3,2		-2,8		-3,3
Cash flow from financing	-1,6		-2,0		0,4		-0,5		11,8		4,2		1,0		25,9		5,5
Net cash flow	-13,1		2,1		-3,4		-1,8		7,4		1,6		-0,5		21,4		-2,2
EMPLOYEES & CLIENTS																	
Employees end of period	47		44		47		49		50		53		57		61		64
Clients end of period	105		97		92		91		86		82		79		83		84
ARR & SAAS METRICS																	
ARR subscriptions	48,5		45,7		44,0		43,2		42,4		40,7		40,1		43,6		47,0
ARR transactions	10,3		10,0		7,3		4,8		4,2		5,8		4,1		3,3		8,9
Total ARR ²	58,8		55,7		51,3		48,0		46,6		46,5		44,2		46,9		55,8
Change in ARR (DKK)	3,1		4,4		3,3		1,4		0,1		2,3		-2,7		-8,9		0,8
Average ARR ³	0,6		0,6		0,6		0,5		0,5		0,6		0,6		0,6		0,7
Yearly CAC ⁴			0,3								0,5						
Months to recover CAC ⁵			8								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 Total 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.