

Announcement no. 16 2021

Agillic releases on track results for Q3 2021

Copenhagen – 22 October 2021 - Agillic A/S (Nasdaq First North Growth Market Denmark: AGILC) releases its financial results for Q3 2021. In full alignment with Agillic's Reboot 2.1 strategy, Q3 results show 16% increase in Total ARR and positive EBITDA.

Emre Gürsoy, CEO of Agillic comments:

"I am pleased to see that we are continuing our growth in Q3, and it is the fourth quarter in a row, in which ARR subscriptions grow, highlighting the strengths of our Reboot 2.1 strategy. Year on year total ARR increased by 16% and subscriptions increased by 10% compared to Q3 2020, due to the wins of new clients and uplifting existing ones. As of Q3 2021, our year-to-date revenue amounted to DKK 39.0 million, an increase of 12 % compared to Q3 2020, and total annual recurring revenue (ARR) to DKK 51.3 million. I am also pleased to see that the year-to-date EBITDA of DKK 3.2 million is the highest since the IPO. We maintain our financial guidance as we expect to increase investments and the cost base in Q4. With the capital raise in January 2021, we have a strong cash position to continue our strategic growth and internationalisation plans. Consequently, there are currently no plans regarding capital increases and funding. 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	YTD	YTD	Change	Q3	Q3	Change
INCOME STATEMENT						
Revenue subscriptions	34.2	33.3	3%	11.0	10.5	5%
Revenue transactions	4.4	4.1	7%	1.8	1.0	80%
Other revenue	0.4	0.8	-50%	0.3	0.2	50%
Total revenue	39.0	38.2	2%	13.1	11.7	12%
Gross profit	34.4	33.5	3%	11.1	10.5	5%
Gross margin	88%	88%	-	85%	90%	-
Employee costs	-21.9	-23.9	-8%	-7.3	-7.1	3%
Operational costs	-9.3	-9.9	-6%	-3.4	-3.9	-13%
EBITDA	3.2	-0.3	-	0.4	-0.4	-
Net profit for the period	-5.9	-6.6	-11%	-3.1	-3.4	-9%
FINANCIAL POSITION						
Cash	18.6	14.8	26%	18.6	14.8	26%
ARR DEVELOPMENT						
ARR subscriptions	44.0	40.1	10%	44.0	40.1	10%
ARR transactions	7.3	4.0	82%	7.3	4.0	82%
Total ARR ¹	51.3	44.1	16%	51.3	44.1	16%
Change in ARR (DKK)	7.2	-7.6		7.2	-7.6	
Change in ARR (%)	16%	-15%		16%	-15%	

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

Financial guidance 2021 & 2022

The Company raised its EBITDA guidance for 2021 on 15 July 2021 (Company Announcement 14 2021). Based on Q3 and the expectations for the rest of 2021, Agillic maintains its 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 Norway, Sweden, the DACH region, the UK, North America, 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 capturing technology/ software/ cloud, entertainment and gaming, energy & utilities, media & publishing.

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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 Malmö, Berlin, London and Prague as well as development units in Kiev and Cluj-Napoca. 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 22 October 2021.

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Appendix: Financial development per quarter

	2018				2019				2020				2021		
DKK million	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3			
INCOME STATEMENT															
Revenue subscriptions	8.7	9.3	10.5	10.6	10.8	12.0	10.8	10.5	10.5	11.3	11.9	11.0			
Revenue transactions	2.6	3.1	3.4	2.2	2.4	2.2	0.8	1.0	1.4	1.0	1.2	1.8			
Other revenue	0.8	0.4	0.3	0.2	0.5	0.5	0.1	0.2	0.4	0.3	0.2	0.3			
Total revenue	12.2	12.8	14.3	13.0	13.7	14.7	11.8	11.7	12.4	12.6	13.3	13.1			
Gross profit	9.8	9.7	11.1	10.1	10.8	11.9	11.1	10.6	10.7	11.2	12.1	11.1			
Gross margin	80%	76%	78%	78%	79%	81%	94%	91%	87%	89%	91%	85%			
EBITDA	-6.3	-3.5	-4.8	-2.7	-4.3	-0.4	0.6	-0.4	0.5	0.7	2.2	0.4			
Net profit	-6.7	-5.9	-8.6	-4.0	-6.5	-2.7	-0.5	-3.4	-1.4	-2.3	-0.5	-3.1			
BALANCE SHEET															
Cash ¹	12.3	2.7	1.0	-1.0	-4.0	-6.1	15.2	14.8	16.3	23.8	22.0	18.6			
Total assets	47.4	36.1	40.5	40.9	37.8	38.4	59.3	55.7	63.8	67.2	69.5	65.7			
Equity	3.5	-2.1	-10.5	-14.3	-20.6	-18.7	-1.4	-4.6	-5.8	3.2	2.9	1.0			
Borrowings	11.3	10.5	16.3	21.3	24.4	28.5	28.3	28.9	28.9	25.8	28.6	28.2			
CASH FLOW															
Cash flow from operations	-0.5	-5.9	-3.9	-4.1	-1.0	-4.4	-1.7	1.7	5.0	-1.6	1.2	0.0			
Cash flow from investments	-2.4	-3.1	-3.9	-3.4	-3.2	-3.3	-2.8	-3.2	-7.6	-2.8	-2.5	-3.8			
Cash flow from financing	-0.4	-0.6	6.2	5.4	1.2	5.5	25.9	1.0	4.2	11.8	-0.5	0.4			
Net cash flow	-3.3	-9.6	-1.6	-2.1	-3.0	-2.2	21.4	-0.5	1.6	7.4	-1.8	-3.4			
EMPLOYEES & CLIENTS															
Employees end of period	56	60	63	67	64	64	61	57	53	50	49	47			
Clients end of period	73	73	79	77	81	84	83	79	82	86	91	92			
ARR & SAAS METRICS															
ARR subscriptions	39.6	40.7	44.5	43.0	45.5	47.0	43.6	40.1	40.7	42.4	43.2	44.0			
ARR transactions	10.5	12.6	13.8	8.7	9.6	8.9	3.3	4.0	5.8	4.2	4.8	7.3			
Total ARR ²	50.1	53.3	58.2	51.7	55.1	55.8	46.9	44.1	46.5	46.6	48.0	51.3			
Change in ARR (DKK)	8.2	3.2	5.0	-6.5	3.4	0.8	-8.9	-2.8	2.4	0.1	1.4	3.3			
Average ARR ³	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.5	0.5	0.6			
Yearly CAC ⁴	0.5				0.8				0.5						
Months to recover CAC ⁵	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 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.