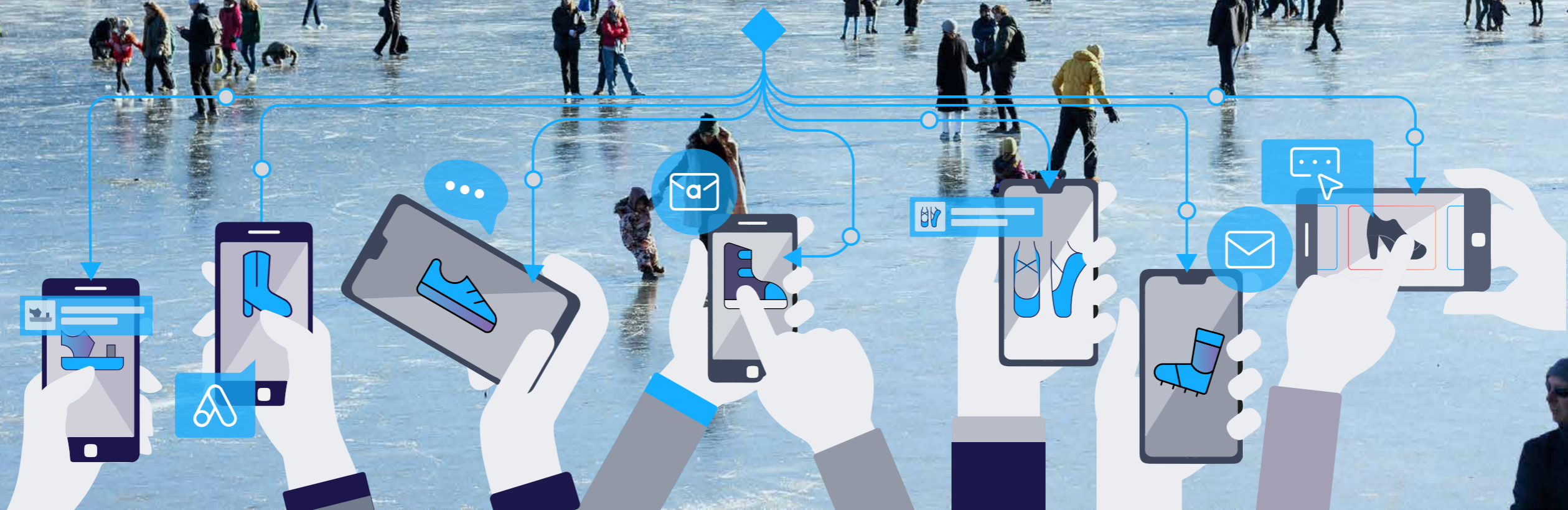


# Annual Report 2023

agillic

Personalised communication to millions







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## 2023 highlights



Revenue

**DKK 64.7M**

Guidance of 67-70M\*



EBITDA\*\*

**DKK 1.9M**

Guidance of 1-4M\*



Total ARR\*\*

**DKK 70.1M**

Guidance of 70-77\*



Change in Total ARR

**-9.4%**

Year-over-year

\* Guidance is latest confirmed on 12 October 2023 (company announcement no. 13)

\*\* For definition of EBITDA and ARR, please see definitions on page 40



Letter from the Chair

## Navigating challenges and focusing for growth: Agillic's journey in 2023

2023 was a tough year for many B2B SaaS companies, including Agillic. Businesses became more stringent in their spending due to market uncertainty, leading to a shift towards profitability. Agillic experienced the impact of this on its top-line growth, particularly in ARR from transactions. Nonetheless, Agillic managed to grow ARR from subscriptions through the acquisition of many new impressive customers.

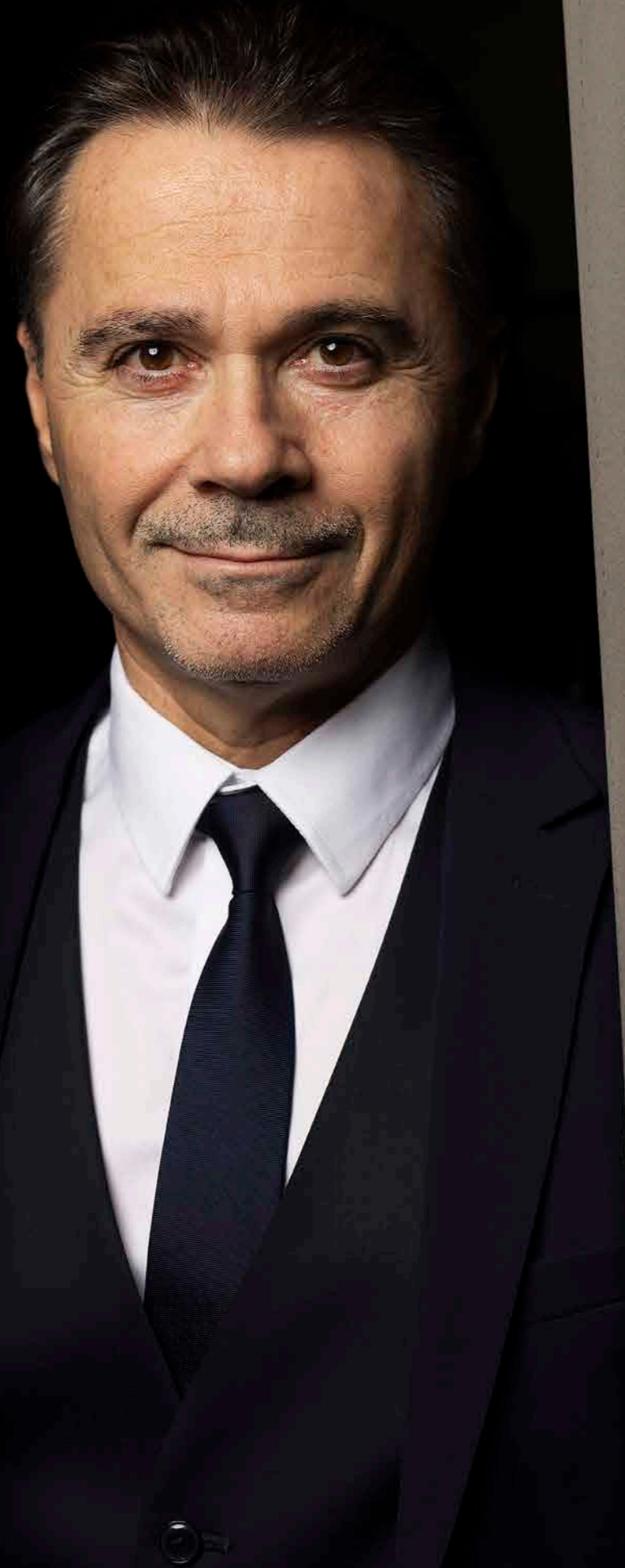
The theme of 2023 was clear – focus. We refined our go-to-market strategy to target specific geographies and verticals more effectively. Leveraging our strong presence in the Nordics, we are poised to expand into Germany with a defined focus on particular industries. Additionally, significant time and investment were dedicated to completing our management team with the addition of a new CTO.

Looking ahead, Agillic anticipates continued challenges in the market. However, with the strategic adjustments made and the strengthened management team, we are confident in our ability to drive growth.

Joar Welde  
Chair of the Board of Directors







## Letter from the CEO

# International market volatility limits ARR growth, but Agillic still delivers 71% increase in EBITDA

Given the current macroeconomic context, I am pleased that we have shown our ability to adapt to rapidly changing market conditions and increased our EBITDA to DKK 1.9 million. The total ARR decreased to DKK 70.1 million due to a decrease in ARR from transactions. Our clients, especially in certain segments, have been directly impacted by the turbulent conditions, geopolitical conflicts, inflation, and fluctuating interest rates, causing 46% YoY decline in our ARR from transactions. Even so, we have achieved our target of delivering increased EBITDA for the 4th consecutive year.

As we look forward to another year, and back on 2023, I am confident in our ongoing dedication to comprehending the needs of our clients, understanding their customers, and utilising our platform to enhance enduring, meaningful and lucrative connections. Our mission involves advancing our customer experience and personalisation technology, employing a pertinent, timely, and channel-agnostic methodology to eradicate communication clutter.

### 2023 highlights

#### International recognition and investor welcome

Viking Venture's investment in Agillic, becoming our new largest shareholder, was a proud recognition of our financial performance, technology, and market positioning, as well as our future international growth potential. Viking Venture are well-known SaaS experts in the Nordics with extensive experience in driving both organic and acquisitive international growth in tech companies, and we highly appreciate their strategic partnership on our

growth journey – both operationally and at board level. In March, Joar Welde, Partner at Viking Venture, was elected Chair of the Board of Directors alongside new board member Martin Eriksen, Investment Manager at Viking Venture.

#### Client triumphs

2023 was not short of such exciting opportunities, even amidst a challenging macroeconomic environment.

The accolades earned by our esteemed clients Imerco, Matas, and Bog & idé resonate profoundly. Their triumph in securing the 'Best Omnichannel Company' category at Dansk Erhverv's 'E-commerce Award 2023' not only underscores the real-world impact of Agillic's solutions but also exemplifies the profound difference in creating exceptional omnichannel customer experiences.

#### Recognition and expansion

As we strive to develop the world's top best-of-breed customer experience platform, dedicated to enduring relationships and delivering tangible business results, such success stories from our clients' achievements serve as a testament to Agillic's continued commitment and effectiveness in the industry.

Elevating our status in the industry, Agillic's recognition as a leader in Forrester's 'Cross-Channel Marketing Hubs' Q1 2023 report speaks volumes about our enduring influence and unwavering commitment to providing cutting-edge solutions. This acknowledgement reinforces our position at the forefront of the industry, validating our dedication

**“One of our most beneficial investments in 2023 has been the establishment of our ‘Centre of Excellence’ department with the task of advising and inspiring our clients and partners to maximise the business value they can generate from Agillic platform”**

“  
The impact of  
AI + Agillic is profound,  
revolutionising the way  
our clients interact with  
their customers”

As we continue to expand our footprint across priority industries and markets, our partnerships exemplify the tangible impact and value that our solutions bring to a diverse array of clients.

**Market conditions**

The longer sales cycles across the SaaS industry in 2023 slowed the commitment level of our new clients to technology investments. Slower inbound and pipeline degradation continues to be a major focus area quarter after quarter, caused by the macroeconomic circumstances.

In 2023, the business landscape witnessed a surge in merger and acquisition (M&A) activities, driving significant consolidations across various industries. We have experienced such business takeovers directly impacting our clients. In addition, some companies prioritised internal technology consolidation to streamline operations and improve efficiency. During this process, we have seen strategic changes effecting our client engagements.

**Agillic’s efficiency and effectiveness – and the impact on C-level conversations**

C-level management in the Nordics indicate that the economic unease, and a declining consumer buying sentiment is one of their main concerns. Similar signals are also present in the DACH market. Increased cost consciousness, interest on ROI and faster time to value are increasing demand factors towards technology companies during client conversations.

One of our most beneficial investments in 2023 has been the establishment of our ‘Centre of Excellence’ department with the task of advising and inspiring our clients and partners to maximise the business value they can generate from Agillic platform. The team embodies our core best-in-class solution advisory with best-in-class team members. The success of our initiative extended beyond our clients and to our prospects. In a year such as 2023, where prospect decision-making processes are

more laboured, we have seen the importance of providing clients with extra care and inspiration, and most importantly, showing them the way to improve efficiency and effectiveness in their business.

**Agillic’s growth strategy and international expansion**

Continuing to expand influence in the DACH region, we recently solidified a significant partnership with nexum AG – our largest partnership to date – and ventured into new territories through our partnership Merkle Northern Europe.

These strategic alliances mark a pivotal step in broadening our global footprint and catering to diverse markets, ensuring that our solutions reach new heights of impact and relevance.

Our commitment to building an international presence is exemplified by our partners, where we engage in collaborative efforts encompassing co-marketing, co-innovation, co-solutioning, co-selling, and co-growing. Pledging to be a “growth engine” for both our partners and clients, we actively pursue the establishment of a robust win-win-win model. In this model, our clients, partners, and Agillic all derive mutual benefits from our collective commercial engagements, with our clients’ business results standing as the cornerstone of our shared success.

**AI + Agillic**

Artificial Intelligence (AI) has been a topic of 2023, more than ever, and the impact of AI + Agillic is profound, revolutionising the way our clients interact with their customers. By leveraging AI technologies, Agillic clients can offer hyper-personalised and enhanced user engagement. Automation of routine tasks through AI improves efficiency, allowing our clients to focus on more complex customer needs.

Operating at the centre of the AI movement, fuelled with data and content, Agillic clients explored the transformative

power of AI that has yielded impactful success stories, showcasing the true potential of Agillic in amplifying business outcomes.

Through compelling use cases and tangible results, these stories not only demonstrate the practical applications of AI within our platform but also set the stage for more inspiring narratives in the coming year. This reaffirms our commitment to innovation and underscores our determination to deliver tangible value to our clients through the integration of advanced technologies.

**Sustainability**

Continuing our commitment to impactful initiatives, Agillic embarked on a significant journey with the release of our inaugural ESG report, marking a pivotal moment in our dedication to sustainability and responsible business practices. As demonstrated through our community engagement efforts, such as the successful ‘Agillic Annual Fundraiser’, our commitment to societal well-being extends beyond business operations.

The ESG report signifies a strategic alignment of our efforts with broader goals, aiming to contribute to positive societal impacts. By focusing on environmental, social, and governance considerations, we are not only setting a standard for responsible corporate conduct but also reinforcing our commitment to making a meaningful difference in the world around us.

This year’s report serves as a testament to our ongoing efforts to integrate ethical practices and sustainability into the fabric of Agillic’s operations, ensuring a positive legacy for future generations.

**The modern Agillic platform – fast time to value**

Driving innovation and setting the stage for a transformative year, Agillic has achieved a milestone with the completion of our largest technology platform update to date. Scheduled for launch in Q1-2024. This update is the



most revolutionising UI-design update of Agillic to date with high impact results, overall, a platform performance with 3x faster than previous versions and 50% faster onboarding of any new user. Such efficiency parameters drive the importance of our promise of value creation for all our clients.

By providing our clients with state-of-the-art solutions, we affirm our commitment to delivering cutting-edge capabilities that meet and exceed their evolving needs.

#### Welcoming Martin Lindboe as our new Chief Technology Officer

Another important milestone for our organisation's journey was the appointment of Martin Lindboe as Chief Technology Officer in October. Martin is a highly accomplished and capable leader, and will be pivotal in driving our technology strategy, innovation capabilities, and ongoing readiness of our platform.

#### Net result

Agillic has applied for tax credit in 2019-2022 based on the actual interpretation at the point in time based on consultancy with our advisors. However, due to a change in practice by the Danish Tax Authorities on how they assess and interpret the Tax Credit Scheme, a provision for the full amount of tax credits since 2019 has been made in 2023. This significant amount negatively impacts our net profit for 2023 by DKK 14.3 million in tax. The outcome of an appeal for 2019 is still pending. No decision from the Danish Tax Authorities has been made for the following years. This may impact cash and thereby the timing of our investments in growth in 2024.

#### Strategic outlook

As I reflect on Agillic's journey throughout the past year, it's evident that our strategic partnerships, technological advancements, community engagement, and market recognition have positioned us as a formidable force in the industry. In 2024, we will continue our strategy of investing in sustainable growth with an increased focus on international markets. We expect 2024 to continue to be affected by geopolitical uncertainties, but we also expect our future customers to truly recognise the pain points we address in their business through Agillic's Customer Experience Platform, delivering top and bottom-line growth. The business solutions we deliver are similar across borders. This supports our belief that we are poised for future international growth with a best-of-breed, ready-to-integrate technology product.

As we navigate the dynamic landscape ahead, our commitment to innovation, sustainability, and delivering unparalleled value to our clients remains unwavering.

Together, we look forward to seizing the myriad opportunities that the future holds, propelled by our collective dedication and the strong foundation we have built.

I would also like to express my sincere gratitude to our clients, partners and the entire Agillic team for their commitment for success.

Emre Gürsoy  
CEO

## Key figures and ratios

DKK million	2023	2022	2021	2020	2019
<b>Income statement</b>					
Revenue	64.7	67.0	52.8	50.5	53.8
Gross profit	52.2	49.6	45.1	44.2	41.7
Operational costs	50.4	48.5	44.4	43.9	57.1
EBITDA	1.9	1.1	0.7	0.3	(15.4)
Net financials	(2.7)	(2.8)	(2.1)	(2.3)	(1.6)
Net profit (loss) for the year	(27.5)	(10.6)	(10.5)	(8.0)	(25.1)
<b>Balance sheet</b>					
Total assets	47.1	52.8	61.6	63.8	37.8
Equity	(20.3)	(15.0)	(4.5)	(5.8)	(20.6)
Cash	9.8	7.4	20.6	16.3	1.2
<b>Cash flow</b>					
Cash flow from operations	(6.5)	3.1	6.1	3.1	(10.3)
Investments in tangible assets	-	-	-	0.9	0.4
<b>Key ratios</b>					
Gross margin	80%	74%	85%	88%	78%
Clients end of period	122	118	97	82	81
Average number of employees	48	48	47	55	59
<b>SaaS metrics*</b>					
ARR subscriptions	57.8	54.1	45.7	40.7	45.5
ARR transactions	12.3	22.6	10	5.8	9.6
Total ARR	70.1	76.7	55.7	46.5	55.1
Change in ARR (%)	(9%)	38%	20%	(16%)	10%
Average ARR	0.6	0.65	0.57	0.56	0.66
CAC	0.2	0.1	0.3	0.5	0.8
Months to recover CAC	6	3	8	12	18
<b>Share performance (listed 22 March 2018)</b>					
Outstanding shares end of period ('000)	11,062.0	10,260.9	10,187.8	9,435.5	8,286.9
Share price end of period (DKK)	19.0	23.7	25.8	19.6	30.5
Market cap (million)	210	243	263	185	253
ARR multiple (times)	3.0x	5.7x	4.7x	4.0x	4.6x

\* See key definitions on page 40

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**Our business**



# The Agillic Manifesto

We see a world where the idea of communicating to the masses is seen as alien.

Where unwanted or inaccurate communication is actually regarded as pollution. Wasteful and unsustainable.

Where less will be something everyone wants more of.

Where the data with which we are entrusted by customers will be treasured as if it were a set of fingerprints or a photograph.

So we can build realistic, familiar, first-hand knowledge of more and more people.

And create millions and millions of individual, personalised messages.

Messages that will seem like a welcome whisper in an ear, rather than a shout from afar.

Communication that motivates. Or creates a smile in the mind.

Sometimes momentous.

Sometimes frivolous or fun.

Always respectful. Always personal.

We can already see a world where there is the ingenuity to begin doing all of this.

The more we innovate, the more quickly this will become a reality.

And we will be empowered to eliminate communication pollution altogether.

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Personalised communication to millions



# Equity story

## Delivering impactful, meaningful, and profitable customer experiences

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, offering advantages such as:

- Higher conversion rates
- Enhanced customer satisfaction
- Operational efficiency
- Increased customer lifetime value

Designed for an ecosystem of strategic partnerships across CDP, CMS, CRM, Customer Service, eCommerce, and Business Intelligence, the platform continuously integrates best-of-breed technologies to accelerate the implementation process and deliver fast time to value. Agillic holds a leading position in the Nordics and is increasing its international presence. Agillic is scaling its business through strategic partnerships and direct sales from Denmark, Norway and Germany.

### Business model

Agillic is a subscription business. Clients pay a yearly license for access to the Agillic platform and pay an additional fee for transactions sent, such as email and SMS.

### The Agillic stock

Agillic was listed on Nasdaq First North Growth Market Denmark in March 2018. Agillic's market value amounted to DKK 210 million at the end of 2023, compared to DKK 243 million at the end of 2022. Ticker: AGILC

### Agillic partner strategy

Agillic is a 100% technology company with no professional services and has therefore established a mutual bond with partners across all priority markets.

We are a best of breed technology, enforcing our position with strong ecosystem tech partnerships to eliminate all frictions from our clients' business process and time to value.

### ESG Report 2023

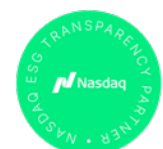
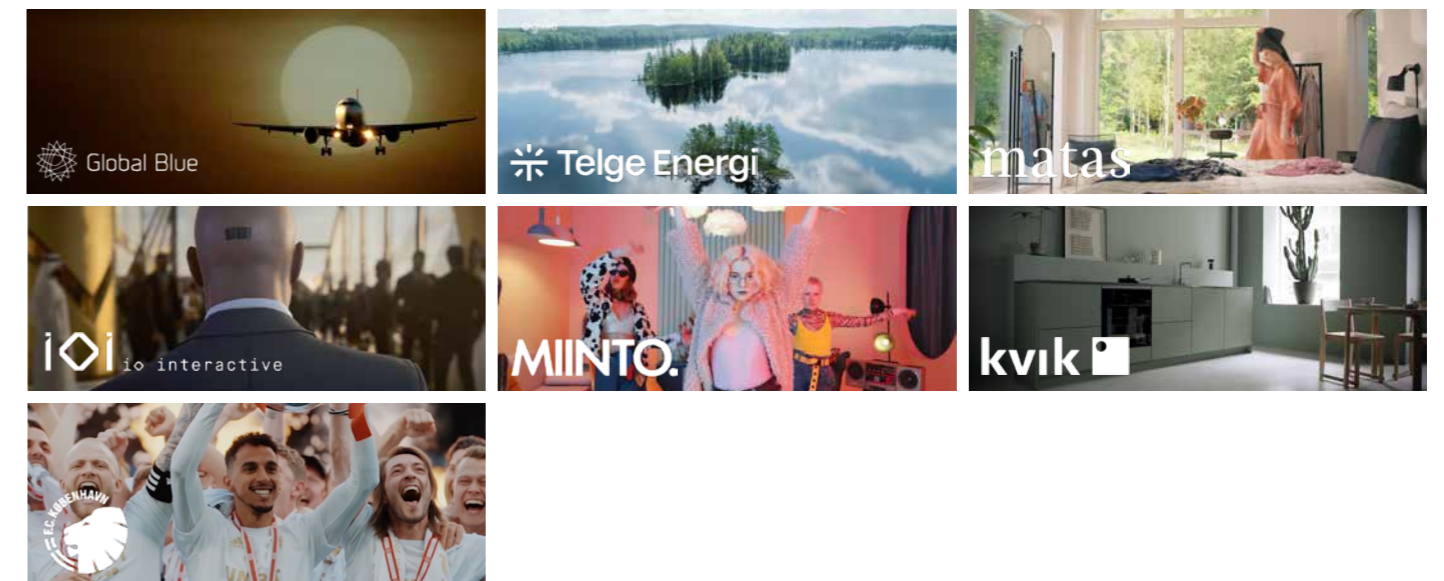
The ESG report serves as a testament to our ongoing efforts to integrate ethical practices and sustainability into the fabric of Agillic's operations, ensuring a positive legacy for future generations. The report is available at [agillic.com/esg](https://agillic.com/esg).

## 2023 financial performance



## Watch our client stories

[agillic.com/client-stories](https://agillic.com/client-stories)



In 2021, Agillic was certified as a 'Nasdaq ESG Transparency Partner', highlighting our engagement in market transparency and in raising environmental standards.



## Select 2023 news



"In particular, our mid-sized clients are showing a growing interest in digital, AI-driven solutions for personalised customer engagement and automated marketing campaigns. With our partner Agillic, we complement our technical and creative portfolio and create real alternatives for these businesses."

Sven Ehrmann, Account Director



"What makes our new partnership with Agillic special is the fact that we can empower businesses to reap the benefits of personalised marketing automation much faster. We know that many CMOs are hesitant due to time constraints and resource limitations. Hopefully, this makes their decision a bit easier."

Bobby Hollingsworth, President Northern Europe



"With an estimated 45,000 new cancer cases and more than 15,000 cancer deaths in Denmark per year, it is crucial to raise awareness of the matter. We must therefore ensure that our fundraising and communication efforts work effectively. Agillic will provide us with the necessary tools and functionalities to improve our existing channels and target our communications."

Ken H. Andersen, CMO/CCO, Head of Fundraising, Members & Commercial



"The ability to target specific customer segments and personalise our communication is of great importance to us. We're looking very much forward to collaborating with Agillic and feel confident that it will help us reach potential customers more effectively. We're convinced that this partnership will allow us to provide our existing customers with more relevant and tailored information about properties and services."

Morten Würgler, Senior Digital Marketing Manager



"Choosing Agillic as our new marketing automation tool was an easy decision. After evaluating several systems, Agillic stood out because it provides the personalisation and automation functionalities we need to communicate with our members and course customers. With Agillic, we can continue our work while also exploring new opportunities and developing our communication even further."

Helene Johnsen, Marketing Director



We chose Agillic to level up the experience that we give our customers, including a better way to connect with specific individuals based on purchase history, preferences and behaviour. Doing all of that while staying 100% GDPR compliant was a major factor in our decision to select Agillic."

David Bencun, Head of eCommerce



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# Financial review

# Financial review

**Agillic increased EBITDA to DKK 1.9 million and increased ARR from subscriptions to DKK 55.8 million, whilst Total ARR was DKK 70.1 million due to ARR from transactions declining, leading to a Revenue of DKK 64.7 million**

## Income statement

The revenue from subscriptions increased by 5% to DKK 52.4 million (2022: DKK 49.8 million) with a total revenue of DKK 64.7 million (2022: DKK 67.0 million). Although total revenue decreased by 3% due to the decrease in revenue from transactions the gross profit increased by 5% to DKK 52.2 million (2022: DKK 49.6 million).

Gross margin increased to 80% from 74% in 2022 due to higher revenue from subscriptions which are associated with higher margins than transactions but also due to increased margins on transactions.

Despite cost pressure related to the high(er) inflation rate, operational costs only increased from DKK 48.5 million to DKK 50.4 million in 2023. The number of employees ended in 2023 at 50 compared to 48 by the end of 2022.

## EBITDA

EBITDA increased to DKK 1.9 million, an increase of DKK 0.8 million compared to 2022.

The positive development in EBITDA is a result of long-term focus on sustainable growth and operational excellence.

## Profit/loss for the year

Due to the continued investment in developing the Agillic customer experience platform, total depreciation slightly increased to DKK 13.3 million compared to DKK 12.2 million in 2022. EBIT amounted to DKK -11.4 million compared to DKK -11.1 million in 2022.

Profit before tax was DKK -15.2 million vs. DKK -13.9 million in 2022.

Due to a submitted appeal related to tax credit in 2019 and ongoing request on submitted tax credit for 2020 and 2021, a reversal for the received tax credit from 2019 and 2020 (DKK 6.4 million) as well as a reversal for the applied tax credits from 2021 and 2022 (DKK 6.0 million) has been made. The reversal is made due to the latest change in how the Danish Tax Authorities assess and interpret the Tax Credit Scheme. The company has applied for tax credit each year based on the actual interpretation at the point in time in consultancy with our advisors. However, the change in assessment and interpretation from the Danish Tax Authorities increases the uncertainty of any outcome wherefore a full reversal for 2019-2022 has been made in 2023. In total the reversal is DKK 12.4 million in tax and DKK 1.9 million in interest.

## Assets

Investment in the development of the Agillic Customer Experience Platform continued in 2023. The development costs included capitalised salary costs and costs from external consultants. Development costs during 2023 amounted to DKK 11.7 million capitalised (2022: DKK 13.5 million).

## Cash position

As of 31 December 2023, cash at bank amounted to DKK 9.8 million compared to DKK 7.4 million as of 31 December 2022.

The increase in cash is mainly driven by the net capital increase of DKK 21.2 million (2022: DKK 0.0 million) less the decrease from investment in intangible assets of DKK 11.7 million (2022: DKK 13.5 million).

## Equity

As of 31 December 2023, total equity amounted to DKK -20.2 million (31 December 2022: DKK -15.0 million). The equity was positively impacted by the issue of new shares in the net amount of DKK 21.2 million but negatively impact by the provision for tax and interest of DKK 14.3 million.

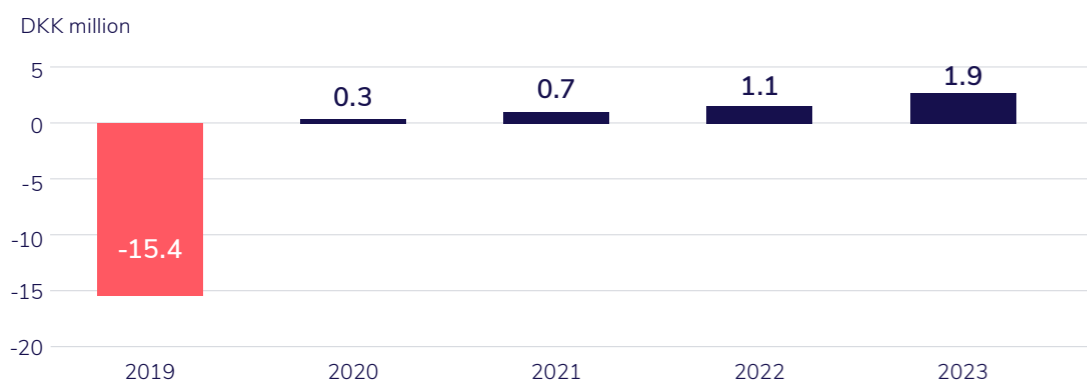
## Liabilities and deferred income

The total borrowings to The Danish Growth Fund amounted to DKK 23.8 million (31 December 2022: DKK 24.3 million). According to IFRS Accounting Standards, Agillic recognises revenue over the subscription period starting from when the client commences using the platform. Clients typically subscribe for one year and are invoiced the full amount when signing the agreement. The invoiced amount is recognised as deferred income when paid and then released proportionally over the subscription period. On 31 December 2023, deferred income amounted to DKK 19.1 million (31 December 2022: DKK 22.3 million).

## Cash flow

In 2023, cash flow from operations amounted to DKK -6.5 million (2022: DKK 3.1 million), and cash flow from investments amounted to DKK -11.7 million (2022: DKK -13.5 million). Cash flow from investments mainly consisted of investments in developing the Agillic platform. Viking Venture acquired 20.48% of the shares in Agillic as a combination of existing shares and issuing of new shares. Agillic issued 801,058 new shares of DKK 0.1 each at a market price per share of DKK 28.08 equivalent to aggregate gross proceeds of DKK 22,493,709. The new shares will represent a nominal value of DKK 80,105.80 and an increase of Agillic's share capital by 7.81%. The

## EBITDA 2019-2023





net proceeds of the transaction were DKK 21.2 million and the amount was added to the cash at bank.

Net change in cash amounted to DKK 2.4 million (2022: DKK -13.3 million), and as of 31 December 2023, cash at bank amounted to DKK 9.8 million (2022: DKK 7.4 million).

**SaaS metrics**

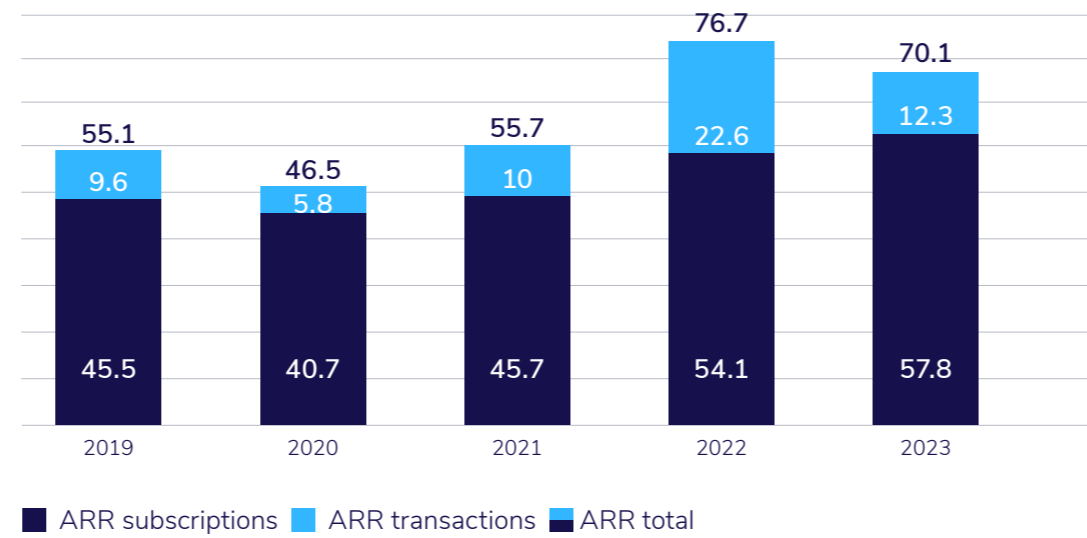
The general key performance figure for Software-as-a Service (SaaS) companies, annual recurring revenue (ARR), illustrates the annualised value of a client's subscription agreement and transactions processed by the client via the platform.

As of 2023 ARR from subscriptions was DKK 57.8 million compared to DKK 54.1 million as of 2022, an increase of DKK 3.7 million corresponding to an increase of 7% with a decline in ARR from transactions from DKK 22.6 million to DKK 12.3 million 31 December 2023. As of 2023, Total ARR was DKK 70.1 million, compared to DKK 76.7 million as of 2022, a decrease of DKK 6.6 million due the decrease in ARR from transactions. The increase in ARR from subscriptions is associated with the increase in number of clients, bringing the number of clients to an all-time high of 122 clients (2022: 118 clients).

**Factors impacting the ARR-development**

- Upselling to existing clients: Clients increase Unique Active Recipients (UAR) size, and/or deploy additional communication channels, and/or increase the number of transactions
- When clients churn and when less transactions take place temporarily, ARR decreases
- Sales of subscriptions to new clients increases the ARR
- As long as the value of upselling to existing clients and the sales to new clients exceeds the value of the churning clients, the ARR from subscriptions will increase

**ARR development 2019-2023  
Subscriptions & transactions (DKK million)**



## Financial outlook and guidance

**Agillic's proven sustainable growth strategy continues in 2024 with the aim of winning new clients, retaining and growing existing clients, and growing together with an international partner network. In 2024, Agillic will make a sustainable investment to further strengthening its internal sales organisation for growth.**

In 2023, companies have generally become more cautious and are taking longer to make decisions, leading to slower growth than previously expected.

Due to the change in assessment and interpretation of Tax Credit from the Danish Tax Authorities, the risk of a repayment of the tax credit received for 2019 and 2020 plus interest has increased. As of 31 December 2023, the total potential liability equals DKK 8.3 million. This may impact cash, and thereby the timing of investments in growth in 2024. Secondly, the general market conditions are leading to an increase in both business and technology consolidations. This may lead to a reduction in ARR which we have reserved for in the 2024 guidance. Lastly, we have in 2023 seen a significant reduction in ARR from transactions in certain segment mainly related to geopolitical factors.

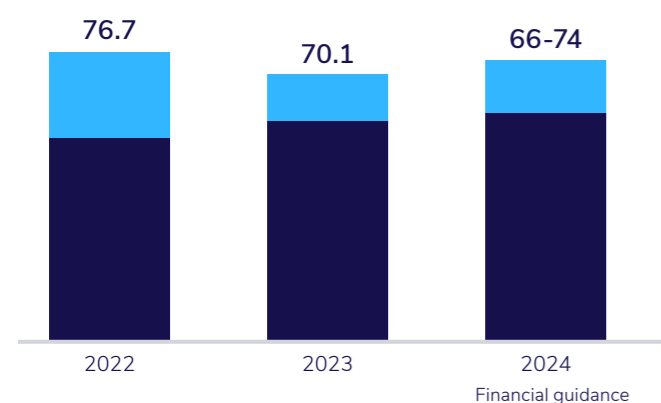
Based on the aforementioned factors we expect Total ARR for 2024 to be in line with 2023 primarily with a decline in ARR from subscription in Q1 2024 followed by growth in the following quarters.

Despite the challenging conditions, we expect a positive EBITDA as a result of our continued focus on operational excellence.

Agillic focuses on organisational development with the objective of becoming the most desirable Danish tech company to retain existing employees and attract future – and more international – talent. Agillic will invest in marketing and sales to win new clients and deliver growth in ARR towards second half 2024 primarily with a focus on our existing priority markets. Agillic will also continue to invest in developing the Agillic Customer Experience Platform to improve the clients' user experience and enhance ROI.

### ARR development 2022-2024

Actual and 2024 guidance  
Subscriptions and transactions (DKK million)



■ ARR subscriptions ■ ARR transactions ■ ARR total

### Financial guidance

The financial outlook is based on several assumptions, including that macroeconomic trends will not significantly change the business conditions for Agillic, nor the company's clients other than previously stated, during 2024.

### 2024

Agillic has on 22 February 2024 published its guidance for 2024.

- Revenue: DKK 62 to 66 million
- EBITDA: DKK 0 to 2 million
- ARR from subscriptions: DKK 56 to 60 million
- ARR from transactions: DKK 10 to 14 million
- Total ARR: DKK 66 to 74 million

## Financial calendar 2024



### Annual General Meeting

3 April 2024

### Q1 results 2024

7 May 2024

### Q2 results and half-year report 2024

27 August 2024

### Q3 results 2024

22 October 2024

### Q4 results and annual report 2024

25 February 2025



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**Governance**

# Risk management

**In the highly competitive and rapidly changing tech market where Agillic operates risks are plenty. Our risk management focus is on data security, investment in innovation and internationalisation to keep ahead of competition, as well as on attracting and keeping talent.**

Agillic is subject to a number of risks and uncertainties, with potential short-term and long-term implications for our business. The purpose of our risk management approach is to address these in an effective and timely manner. It is essential to ensure that Agillic stays competitive and compliant with data legislations and maintains a solid cash position to support the internationalisation and expected two-digit growth in ARR, as described in the Agillic Reboot 2.1 growth strategy.

## Risk management organisation

The Board of Directors is ultimately responsible for risk management. It has appointed the Audit Committee and Information Security Committee to act on its behalf in monitoring the effectiveness of Agillic's risk management. While recurring risks are evaluated on a running basis, monitoring is mainly performed in connection with board meetings. The responsibility of the Audit Committee and Information Security Committee is to adopt guidelines for critical areas of risk, monitor developments, and ensure that plans are in place to manage individual risks, including strategic, operational, financial, and compliance risks.

## Competition

The martech market is characterised by large international vendors investing heavily in winning market share and allocating significant resources in sales and marketing. Our competitors also include emerging fast-growing vendors with innovative solutions. To mitigate the risk of increased competition impacting the business negatively, Agillic has a constant focus on developing an innovative and unique customer experience platform and investing in customer success, sales and marketing.

## Product development

Agillic depends on innovation and must continually dedicate resources to development. Should Agillic not be able to maintain its capacity to innovate, the company and its offering are at risk of becoming obsolete in regard to clients' requests for functionality. Agillic is in the process of applying for a patent on the Agillic platform's method for computer-implemented large-scale data communication.

## Attracting and keeping new talent

As a growing company continuous recruitment of additional competencies is necessary. Skilled backend and frontend programmers are in high demand and it can be challenging to attract and retain these profiles. If Agillic cannot attract highly qualified employees, it may have consequences for Agillic's innovation capability and growth rate. The risk is mitigated by working actively with recruitment as well as developing and maintaining an attractive working environment for all employees.

## Internationalisation

International operations and the liquidity required to build the new international partner network structure are monitored by centralised financial controlling systems and guidelines.

## Liquidity risk

On 31 December 2023, cash amounted to DKK 9.8 million. In accordance with the Reboot 2.1 strategy, Agillic is investing in resources to grow the business. This is financed by operational excellence and new business. Based on the forecast for 2024 additional financing is not needed in the next period, although there is a risk for a required repayment related to tax credit of DKK 6.4 million plus interest as described under financial review and financial outlook and guidance.

## Currency risk

Currency risk is the risk that arises from changes in exchange rates, affecting Agillic's results. The general objective of Agillic's currency risk management is to limit and delay any adverse impact of exchange rate fluctuations on earnings and cash flows, thus increasing the predictability of the financial results. Agillic also aims to balance incoming and outgoing payments in local currency and monitors the development in exchange rates and adjusts price lists when required. The most significant currency exposure in Agillic is to NOK.

## Handling of personal data

To ensure compliance with GDPR and other relevant regulation Agillic applies a strict Information Security Management System (ISMS). Improvements to the ISMS are considered and reviewed regularly by Agillic's Information Security Committee and presented to Executive Leadership and the Board of Directors for approval. Operational procedures and guidelines are regularly reviewed from a risk perspective and aligned with the ISMS. Agillic's handling of personal data is audited in accordance with the ISAE 3000 standard on an annual basis.

## Cyber security

As for all SaaS companies, cyberattacks and viruses present serious potential threats to Agillic. To reduce any risk Agillic maintains a very secure IT infrastructure and strong anti-virus protection. Our security protocols and vulnerability tests are reviewed on a monthly basis. All employees are trained in our strict IT-policies both upon employment and on an annual basis.

## Data security

Agillic has established an industry-standard security programme, dedicated to providing a high level of documented data security and allowing clients to have confidence in our custodianship of their data. The security programme is aligned with the ISO 27001 standard to ensure that Agillic operates in compliance with relevant legal requirements and agreements and is audited by an external auditing company according to ISAE 3000.

Agillic does not allow for sub-processors outside of the EU/EEA to handle any client data, but we do use Amazon Web Services (AWS), an American owned company, with its data centre located in Ireland. To mitigate any potential legal concern in this regard all data is fully encrypted and the decryption key is kept secure outside AWS in accordance with the guidance on the use of cloud services from the Danish Data Protection Authority.

## Business continuity

If an incident occurs, Agillic has processes in place to handle the situation effectively. As part of the process, Agillic's client data is backed up every day to prevent data-loss scenarios. All back-ups are encrypted, both in transit and at rest, using strong industry encryption techniques. All backups are geographically distributed to maintain redundancy in the event of a natural disaster or a location-specific failure.



# Governance structure

**Good corporate governance is an important focus area at Agillic. We continuously develop our practices with the objective of supporting and securing processes and procedures.**

The ultimate authority over Agillic sits with the shareholders. At the annual general meetings, shareholders approve the annual report and any amendments proposed to Agillic's Articles of Association. Shareholders also elect board members and the independent auditor.

### The Board of Directors, the Executive Leadership and Management

The management of Agillic is distributed between the Board of Directors and the Executive Leadership and Management. The Board of Directors supervises the Executive Leadership's work and is responsible for Agillic's overall management and strategic direction, while the Executive Leadership is in charge of day-to-day management. The Executive Leadership and Management consists of the Chief Executive Officer, the Chief Financial Officer, the Chief Solution Officer, the Chief Experience Officer, the Chief Technology Officer, the VP, Customer Success & Support, the VP, People & Culture, and the VP, Service Operations. As per 31 December 2023 Agillic's Board of Directors consisted of five shareholder-elected members. Two of the five members are shareholders.

Board members are elected by the shareholders at the Annual General Meeting, serve for a one-year term and are eligible for re-election.

### The Chair of the Board

The shareholders elect the Chair of the Board at the annual general meeting. The Chair performs administrative tasks, such as planning board meetings to ensure a balance between overall strategy setting and the financial and managerial supervision of the company.

### Audit Committee

The Audit Committee consists of Martin Eriksen and Jesper Lohmann. It is responsible for assisting the Board in overseeing the financial reporting process, the effectiveness of the internal control and risk management systems, as well as security and quality issues in relation to client audits.

### Information Security Committee

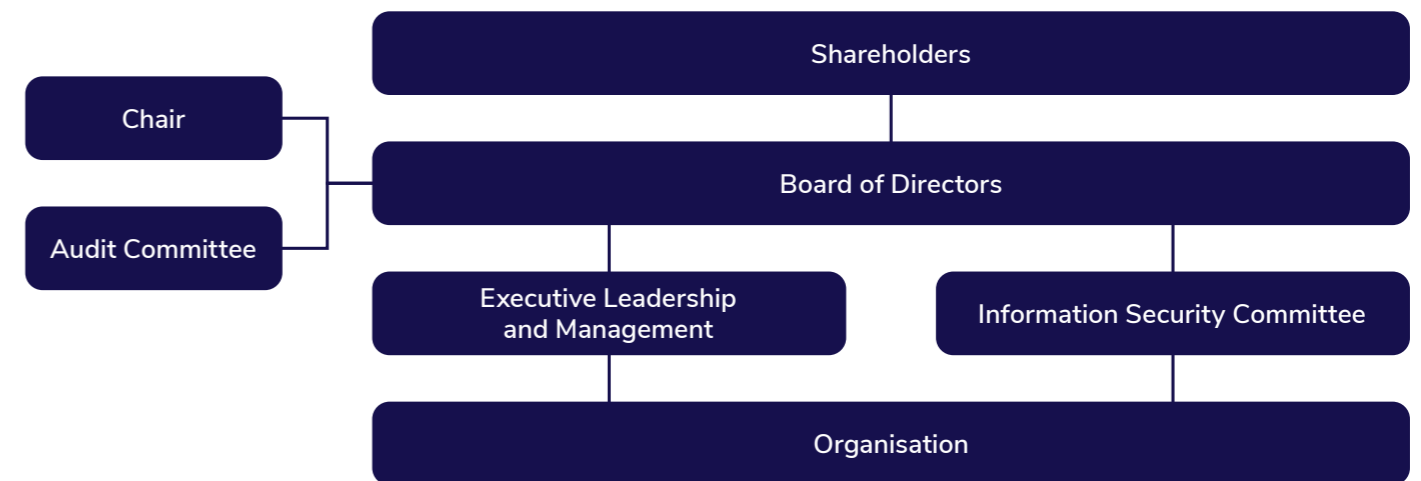
The Information Security Committee holds the overall responsibility for Agillic's Information Security Management System (ISMS). The Information Security Committee must ensure that Agillic's ISMS is compliant and inspection-ready for annual audits.

Agillic is not covered by the Danish Financial Statement of Act, section 107B.

### Corporate Governance

We aspire to follow the recommendations on corporate governance from the Danish Committee on Corporate Governance. As a starting point, we have published a compliance report leveraging the framework provided by The Association of Listed Growth Companies – see [agillic.com/investor/corporate-governance](https://agillic.com/investor/corporate-governance).

## Corporate governance structure



## Security and IT compliance

**As a software provider we handle our clients' and our clients' customers' data. This is why our services are developed based on a "security by design" principle. We have implemented a series of industry standards, best practices, and processes, and made security issues a top priority for all of our employees.**

At the core of our data security is an industry-standard security program, dedicated to providing a high level of documented data security. This allows our clients to have confidence in our custodianship of their data. The security programme is aligned with the ISO 27001 standard to ensure that Agillic operates in compliance with relevant legal requirements and agreements. Agillic's GDPR compliance and security level was last audited by Deloitte in January 2024 according to the ISAE 3000 type II standard. All key control areas from the ISO 27001 standard are audited, including:

- Risk Management
- Information Security Policies
- Organisation of Information Security
- Human Resource Security
- Asset Management
- Access Control
- Operations Security
- Communications Security
- Supplier Relationships
- Information Security Incident Management
- Information Security Aspects of Business
- Continuity Management
- Compliance

### A dynamic security approach

The security landscape is constantly changing as cybercriminals discover new ways to compromise data. Therefore, Agillic's security approach is dynamic and constant optimisation is a main objective. Agillic's security team works across the organisation and takes exhaustive steps to identify and mitigate risks, implement best practices, and constantly evaluate ways to enhance security.

We have taken precautions in terms of technology and processes to safeguard the Agillic platform and our clients' data. We monitor the technology and the security-related developments in the market and optimise our employees' skill sets on an ongoing basis.

### EU GDPR

Agillic is a data processor and is, as such, subject to the General Data Protection Regulation (GDPR). Agillic's Customer Experience Platform supports our clients' GDPR compliance, and we meet all data processor requirements and have implemented adequate processes to keep data safe.

GDPR guarantees consumers a series of basic fundamental rights concerning data privacy. When addressing consumers' fundamental rights, we aim to make it easy for our clients to comply with consumers' requests for data privacy.

## Shareholder information

**Agillic A/S' shares have been listed on Nasdaq First North Growth Market Copenhagen since 22 March 2018 with ID-code DK0060955854 and the ticker AGILC.**

### Share capital and warrants

At the end of 2023, the share capital in Agillic comprised 11,062,005 shares of DKK 0.1 each, corresponding to a nominal share capital of DKK 1,106,200.50.

Each share carries one vote. The shares must be named and noted in Agillic's share register in order to give holders access to voting. At the end of 2023, Agillic A/S has 678 (2022: 747) registered shareholders.

Agillic has issued warrants by the end of 2023 with the right to sign 699,345 (2022: 661,345) new shares of DKK 66,993.45 (2022: DKK 66,134.50) nominal value.

### Ownership

At the end of 2023, 64% (2022: 63.5%) of the share capital was ultimately owned by six (2021: five) shareholders, each of whom owned over 5% of the share capital or the votes.

At the end of 2023, members of Agillic's Board of Directors, and Executive Leadership and Management owned a total of 3.7% (2022: 32.1%) of the share capital.

### Share price and trading activities

At the end of 2023, the price of the Agillic share was DKK 19.00, compared to 23.70 at the end of 2022.

In 2023, a total of 3,059,316 (2022: 1,157,268) shares were traded, corresponding to 27.7% (2022: 11.3%) of the total number of shares.

Agillic's market value amounted to DKK 210 million at the end of 2023, compared to DKK 243 million at the end of 2022.

### Dividends

Agillic has not paid any dividend and, until further notice, it is Agillic's dividend policy to invest any profit in the further growth of the company.

### Communication with Agillic's shareholders

According to the Nasdaq First North Growth Market Nordic Rulebook on 21 March 2023, Agillic is only liable for issuing half-year and year-end reports. In addition, Agillic has decided to issue a "trading statement" following Q1 and Q3. The year-end report is issued in connection with the release of the annual report.

Investors are encouraged to sign up for Agillic Investor News. Sign up at: [www.agillic.com/investor](http://www.agillic.com/investor)

### For further information, investors, analysts and the media are encouraged to contact:

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Claus Boysen, CFO, Agillic A/S  
+45 28 49 18 46  
[claus.boysen@agillic.com](mailto:claus.boysen@agillic.com)

### Certified Adviser

John Norden, Norden CEF  
[jn@nordencef.dk](mailto:jn@nordencef.dk)



## Board of Directors



**Joar Welde**  
Chair of the Board

Joar Welde has been Chair of the Board since 29 March 2023. Joar is a Partner and Owner at Viking Venture. He is an experienced Private Equity investor with 15 years of experience in building leading European SaaS growth companies. He has served as Chair of the Board of listed SaaS companies such as Merzell and Ørn Software. Before joining Viking, Joar worked in M&A at EY and as a consultant at DNB. Joar has a BBA from the Norwegian Business School and a MBA from the University of Warwick, UK.

Shares: 0  
Warrants: 0



**Martin S. Eriksen**  
Board member

Martin is Senior Investment Manager at Viking Venture. He is working in Viking's Operational Excellence team supporting portfolio companies on their growth journey through strategy, business models, pricing and commercial scalability projects among other things. Prior to this Martin lead Viking's efforts towards the Danish market and was responsible for deal sourcing and execution, resulting in six platform investments. Prior to joining Viking Venture, Martin worked as an Associate at Grant Thornton's London office. During this time he worked in the firms Restructuring & Debt Advisory as well as Business Consulting teams primarily engaged in due diligence and business reviews. In addition to being ACA qualified with the Institute of Chartered Accountants in England and Wales, Martin holds a BSc in Business Administration and MSc in Finance and Strategic Management.

Shares: 0  
Warrants: 0



**Jesper Genter Lohmann**  
Board member

Jesper Lohman is an investor and has been a member of the board since September 2013. Jesper holds an MSc in Economics and Business Administration. In 2009, Jesper co-founded the Investment company, Dico, of which he is a director. Prior to co-founding Dico, Jesper held management positions at Carlsberg, JP/Politiken, Thorn EMI, Vacasol International and DIBS Payment Services. Jesper has been involved in more than 30 executed transactions with Dico portfolio companies. He currently also serves on the board of Freetrailer, HelloRetail, Junkbusters, Weply, Vita Media Group, Dental Media, Copyright Agent, and Axxess Nordic Independent.

Holdings in Agillic through Lohmann Holding ApS: 105,761 shares  
Warrants: 0



**Thorsten Köhler**  
Board member

Thorsten Köhler is a former strategic advisor for the office of the CEO, Marc Benioff, Salesforce. He is tech-savvy entrepreneur, digital transformation expert and recognised as an effective and energetic leader; passionate about culture, emerging technologies, and the relentless pursuit of innovation. He has over 30 years of market knowledge and extensive management and sales experience to inspire and enable CEOs to activate a more personalised customer experience and to build cutting edge, user-centric platforms, products, and services. Independent.

Shares: 0  
Warrants: 50,000



**Jan Juul**  
Board member

Jan Juul is Vice President, Head of the EMEA Solution Consulting organisation at ServiceNow. Jan brings more than 30 years of experience in the IT and software industry, including extensive experience in SaaS based hyper growth markets. Jan has served in a number of Sales, Presales and Professional Services leadership roles at European and International level, including a 4-year relocation to London for NetIQ. Jan have successfully helped establish a number of US based Software companies into both Nordic and European markets, including creation of market strategy and the development of people, processes and technology to become successful in a diverse cultural and multi-language market. Independent.

Shares: 25,000  
Warrants: 25,000

## Executive Leadership



**Emre Gürsoy**  
Chief Executive Officer

Emre Gürsoy is a strategic, hands-on and growth focused international leader with a strong track-record. Emre has been the CEO of Agillic since March 2020 and brings 30 years of experience, operating at the intersection of technology, data, and creativity to scale and grow high-performing technology driven companies across Europe, the US and Asia while delivering strong P&L results in various C-level roles. Emre holds several Board and Advisory Board memberships, and MBA and Mechanical Engineer degrees.

Holdings in Agillic: 21,257  
(partly owned by Emre Gürsoy Holding ApS)  
Warrants: 414,345



**Claus Boysen**  
Chief Financial Officer

Claus joined Agillic in March 2022 and brings vast experience across global strategy, financial planning and operations, M&A, post-merger integration, capital raising, and listings on First North Stockholm. Claus holds an Executive MBA in Business Administration and a Higher Diploma Degree in Accounting and has many years of experience in the technology industry. Previous assignments include the role as Group CFO at WorldTicket and Group CFO at Lauritz.com – the latter of which he led to an IPO.

Shares: 0  
Warrants: 90,000

## Management



**Bo Sannung**  
Chief Solution Officer

Holdings in Agillic: 111,293  
(owned via Sannung Aps).  
Warrants: 10,000



**Petra Aagaard**  
VP, People & Culture

Shares: 0  
Warrants: 5,000



**Rasmus Houliind**  
Chief Experience Officer

Holdings in Agillic: 150,340  
(partly owned via Omnichannel Institute ApS). Warrants: 10,000



**Allan Sørensen**  
VP, Service Operations

Shares: 0  
Warrants: 0



**Martin Lindboe**  
Chief Technology Officer

Shares: 0  
Warrants: 75,000



**Luis González**  
VP, Customer Success & Support

Shares: 0  
Warrants: 0



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# Financial statements

## Statement by the management

The Board of Directors and Executive Leadership have considered and approved the Annual Report of Agillic A/S for the financial year 1 January - 31 December 2023.

The financial statements have been prepared in accordance with the IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

In our opinion, the financial statements present a true and fair view of Agillic's assets, liabilities and financial position at 31 December 2023 and of the results of Agillic's operations and cash flows for the financial year 1 January - 31 December 2023.

Moreover, in our opinion, the Management's Report includes a fair view of developments with Agillic's operations and financial position and describes all significant risks and uncertainty factors that may affect Agillic.

The Annual Report is submitted for the approval of the Annual General Meeting.

Copenhagen, 22 February 2024

### Executive Leadership

Emre Gürsoy  
CEO

### Board of Directors

Joar Welde  
Chair of the Board

Martin Eriksen

Jan Juul

Jesper Genter Lohmann

Thorsten Köhler



# Independent auditor's report

## To the shareholders of Agillic A/S

### Opinion

We have audited the financial statements of Agillic A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including material accounting policy information. The financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations and cash flows for the financial year 01.01.2023 - 31.12.2023 in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant laws and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the information required by relevant laws and regulations. We did not identify any material misstatement of the management commentary.

### Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, 22.02.2024

### Deloitte

Statsautoriseret Revisionspartnerselskab  
Business Registration No 33 96 35 56

Bjørn Winkler Jakobsen  
State Authorised Public Accountant  
MNE no 32127

Henrik Wolff Mikkelsen  
State Authorised Public Accountant  
MNE no 33747

## Income statement

Note	(DKK '000)	2023	2022
3	Revenue	64,679	67,008
4	Direct costs	(12,458)	(17,371)
	<b>Gross profit</b>	<b>52,221</b>	<b>49,637</b>
	Other operating income	583	334
5	Other external costs	(14,098)	(16,313)
6,7	Staff costs	(36,800)	(32,544)
	<b>EBITDA</b>	<b>1,906</b>	<b>1,114</b>
8	Depreciation and amortisation of intangible and tangible assets	(13,263)	(12,232)
	<b>Operating profit (EBIT)</b>	<b>(11,357)</b>	<b>(11,118)</b>
9	Financial income	297	489
9	Financial expenses	(4,096)	(3,247)
	<b>Profit before tax</b>	<b>(15,156)</b>	<b>(13,876)</b>
10	Tax on profit for the year	(12,345)	3,240
	<b>Profit/(loss) for the year</b>	<b>(27,501)</b>	<b>(10,636)</b>
15	Earnings per share (EPS)	(2.52)	(1.04)
15	Earnings per share, diluted (DEPS)	(2.52)	(1.04)

## Statement of comprehensive income

(DKK '000)	2023	2022
<b>Profit/(loss) for the year</b>	<b>(27,501)</b>	<b>(10,636)</b>
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>(27,501)</b>	<b>(10,634)</b>



## Statement of financial position

Note	(DKK '000)	31 Dec 2023	31 Dec 2022
<b>ASSETS</b>			
Non-current assets			
	Patent	500	500
	Software developed	31,035	31,120
12	<b>Intangible assets</b>	<b>31,535</b>	<b>31,620</b>
Tangible assets			
	Fixtures and equipment	15	241
	Right of use assets	958	2,005
	Leasehold improvements	4	134
13	<b>Tangible assets</b>	<b>977</b>	<b>2,380</b>
	Deposits	586	586
	<b>Other non-current assets</b>	<b>586</b>	<b>586</b>
<b>Total non-current assets</b>			
		<b>33,098</b>	<b>34,586</b>
<b>Current assets</b>			
14	Trade receivables	3,489	4,425
	Other receivables	35	115
	Tax receivables	0	5,976
	Prepayments	741	304
	Cash	9,808	7,369
<b>Total current assets</b>		<b>14,073</b>	<b>18,189</b>
<b>TOTAL ASSETS</b>		<b>47,171</b>	<b>52,775</b>

Note	(DKK '000)	31 Dec 2023	31 Dec 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
15	Share capital	1,106	1,026
	Reserve development costs	25,945	25,879
	Retained earnings	(47,297)	(41,945)
<b>Total equity</b>		<b>(20,246)</b>	<b>(15,040)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
16	Borrowings, long-term	17,189	21,518
17	Leasing obligations, long-term	-	1,100
18	Other payables	2,885	2,885
<b>Non-current liabilities</b>		<b>20,074</b>	<b>25,503</b>
<b>Current liabilities</b>			
16	Borrowings, short-term	6,574	2,795
17	Leasing obligations, short-term	1,146	1,157
	Trade payables	4,848	8,145
	Tax payables	8,235	-
18	Other payables	7,402	7,924
19	Deferred income	19,138	22,291
<b>Current liabilities</b>		<b>47,343</b>	<b>42,312</b>
<b>Total liabilities</b>		<b>67,417</b>	<b>67,815</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>47,171</b>	<b>52,775</b>

## Cash flow statement

Note	(DKK '000)	2023	2022
	Profit/(loss) for the year	(27,501)	(10,636)
	Adjustments for non-cash items:		
	Tax on profit for the year	12,345	(3,240)
	Financial income and expenses	3,798	2,756
	Share-based payments	1,093	(32)
	IFRS 16	(1,111)	(1,155)
	Depreciation, amortisation and impairment	13,263	12,232
11	Changes in working capital	(6,392)	5,802
	<b>Total</b>	<b>(4,505)</b>	<b>5,775</b>
	Net financials, paid	(1,993)	(2,680)
	Income taxes, received	-	-
	<b>Cash flow from operating activities</b>	<b>(6,498)</b>	<b>3,050</b>
	Investment in subsidiaries and joint ventures	-	-
12	Purchase of intangible assets	(11,715)	(13,511)
13	Purchase of tangible assets	-	-
	<b>Cash flow from investing activities</b>	<b>(11,715)</b>	<b>(13,511)</b>
	Issuance of shares, net of costs	21,202	151
11	Borrowings/repayment (-) long-term	358	(2,036)
11	Borrowings/repayment (-) short-term	(908)	(908)
	<b>Cash flow from financing activities</b>	<b>20,652</b>	<b>(2,793)</b>
	<b>Change in cash and cash equivalents</b>	<b>2,439</b>	<b>(13,254)</b>
	Cash and cash equivalents at 1 January	7,369	20,623
	<b>Cash and cash equivalents at 31 December</b>	<b>9,808</b>	<b>7,369</b>

## Statement of changes in equity

(DKK '000)	Share capital	Reserve for development costs	Retained earnings	Total
Equity at 1 January 2022	1,019	28,368	(33,910)	(4,523)
Profit for the year	-	(2,489)	(8,147)	(10,636)
Other comprehensive income for the year	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(2,489)</b>	<b>(8,147)</b>	<b>(10,636)</b>
<b>Transactions with owners</b>				
Issue of share capital	7	-	144	151
Costs related to issuance of new shares	-	-	-	-
Share-based payments	-	-	(32)	(32)
<b>Equity at 31 December 2022</b>	<b>1,026</b>	<b>25,879</b>	<b>(41,945)</b>	<b>(15,040)</b>
Profit for the year	-	66	(27,567)	(27,501)
Other comprehensive income for the year	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>66</b>	<b>(27,567)</b>	<b>(27,501)</b>
<b>Transactions with owners</b>				
Issue of share capital	80	-	22,416	22,496
Costs related to issuance of new shares	-	-	(1,294)	(1,294)
Share-based payments	-	-	1,093	1,093
<b>Equity at 31 December 2023</b>	<b>1,106</b>	<b>25,945</b>	<b>(47,297)</b>	<b>(20,246)</b>

For further details of Share capital, refer to note 15 Share Capital and Earnings per share.

# Notes to the financial statements

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## Note 1 – Accounting policies

### GENERAL

#### Statement of compliance

The financial statements of Agillic A/S for 2023 have been prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional Danish requirements for the presentation of financial statements according to the Danish Financial Statement Act for enterprises in reporting class B and certain provisions applying to reporting class C. On 22 February 2024, the Board of Directors and the Executive Leadership considered and approved the annual report for 2023 of Agillic A/S. The annual report will be presented to the shareholders for approval at the Annual General Meeting to be held on 3 April 2024.

#### Basis of preparation

The financial statements are presented in Danish kroner (DKK), which is the functional currency of Agillic A/S. All amounts have been rounded to nearest DKK thousand, unless otherwise indicated. The financial statements have been prepared on a going concern basis and in accordance with the historical cost convention, except where IFRS explicitly requires use of other values. For the purpose of clarity, the financial statements and the notes to the financial statements are prepared using the concepts of materiality and relevance. This means that line items not considered material in terms of quantitative and qualitative measures or relevant to financial statement users are aggregated and presented together with other items in the financial statements. Similarly, information not considered material is not presented in the notes. The accounting policies, except as described below, have been applied consistently during the financial year and for the comparative figures.

#### Operating segments

At this point Agillic only operates in one segment and segments are not a part of the internal management reporting, hence operating segments are not presented in the financial statements.

#### Foreign currency translation

Transactions denominated in currencies other than the functional currency are considered transactions in foreign currency. On initial recognition, transactions denominated in foreign currencies are translated to the functional currency at the exchange rates at the transaction date. Foreign exchange adjustments arising between the exchange rates at the transaction date and

at the date of payment are recognised in the income statement under financial income or financial expenses. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates at the reporting date. The difference between the exchange rates at the reporting date and at the date of transaction or the exchange rate in the latest financial statements is recognised in the income statement under financial income or financial expenses.

#### Non-IFRS financial measures

Agillic uses certain financial measures that are not defined in IFRS to describe Agillic's financial performance. These financial measures may therefore be defined and calculated differently from similar measures in other companies, and thus not be comparable. The definitions of non-IFRS financial measures are included in Definitions of key figures and ratios on page 40.

### INCOME STATEMENT

#### Revenue recognition

Agillic recognises revenue from the following major sources:

- Subscriptions
- Transactions
- Professional services and other

Revenue is mainly derived from subscription fees charged for Agillic software licenses, transaction fees and professional service and training fees. For software contracts, which are comprised of several components, the total contract sum is allocated to the separate performance obligations for the purpose of revenue recognition.

Revenue recognition requires an agreement with the client, which creates enforceable rights and obligations between the parties, has commercial substance, and identifies payment terms. In addition, it must be probable that the consideration determined in the contract will be collected. Revenue is measured based on the consideration to which Agillic expects to be entitled in a contract with a client and exclude amounts collected on behalf of third parties. Agillic recognises revenue when it transfers control of the license or service to a client. All revenue is derived from contracts with clients.



**Subscription fees**

Subscription fees covers license, hosting and maintenance. Fixed term subscription agreements give the right to use the software for a determined period of time, which can be extended at the end of the initial term. Standard perpetual software licenses provide clients with the right to use the software whilst the contract remains in force. New subscription fees are comprised of income derived from new clients and additional subscription income originating from supplementary sales (uplifts) to existing clients. The main possible performance obligation related to subscription agreements has been identified as the right to use the software. The right to use software license is considered a separate performance obligation when it satisfies the following conditions: can be delivered separately from other services, can be installed by a third party, can be used without upgrades, and is functional without upgrades or technical support. Agillic has assessed that the client obtains control of the license when a contract is agreed, the license is delivered, and the client has the right to use it. Revenue relating to subscription fees are recognised over time. The transaction price allocated to these subscriptions is recognised as a contract liability (deferred income) at the time of the initial sales transaction and is released on a straight-line basis over the subscription agreement period.

**Transaction fees**

Transaction fees relate to outbound transactions, i.e. email, SMS, etc. Transactions are sold on price per units for the relevant transaction and revenue is calculated based on transactions sent and recognised when control of the goods has been transferred, being at the point the client purchases the goods by sending out transactions.

**Direct costs**

Direct costs comprise costs incurred to achieve the year's revenue including hosting and transaction costs.

**Other operating income**

Other operating income and other operating expenses comprise income and expenses of a secondary nature relative to the primary activities of Agillic.

**Other external costs**

Other external costs comprise sales and marketing costs, external consultancy costs, other employee related costs, IT and software costs, investor relations costs, rent costs, allowances for doubtful trade receivables and other administrative expenses.

**Staff costs**

Staff costs consist of salaries, sales commissions, bonuses, pensions and social costs, share-based payments, vacation pay, and other benefits. Salaries, bonuses, pensions and social costs, share-based payments, vacation pay, and other benefits are recognised in the year in which the associated services are rendered by the employees. Agillic has entered into retirement benefits schemes and similar agreements with employees. Contributions to defined contribution plans are recognised in the income statement in the period to which they relate and any contributions outstanding are recognised in the statement of financial position as other liabilities.

**Share-based payments**

The Board of Directors, the Executive Leadership and other employees have been granted warrants. The warrants are measured at fair value at the grant date and are recognised as an expense in staff costs over the vesting period. Expenses are set off against equity. The fair value of the warrants is measured using the Black-Scholes valuation method or other generally accepted valuation techniques. The calculation takes into account the terms and conditions under which the warrants are granted. Subsequent fair value adjustments are not recognised in the income statement. If subsequent modifications to a warrant program increase the value of the warrants granted, measured before and after the modification, the increase is recognised as an expense. If the modification occurs before the vesting period the increase in value is recognised as an expense over the period for services to be received. If the modification occurs after the vesting date, the increase in value is recognised as an expense immediately. Consideration received for warrants sold are recognised directly in equity.

**Financial income and financial expenses**

Financial income and expenses include interest income, interest expense, amortisation of borrowing issue costs and realised and unrealised exchange gains and losses.

**Tax**

Tax on the profit/loss for the year comprises the year's current tax and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to items recognised in other comprehensive income and directly in equity, respectively, is recognised in other comprehensive income or directly in equity.

Current tax payable and receivable is recognised in the balance sheet as the expected tax on the taxable

income for the year, adjusted for tax paid on account. The current tax charge for the year is calculated based on the tax rates and rules enacted at the balance sheet date.

Deferred tax is calculated using the liability method on all temporary differences between the accounting and taxable values of assets and liabilities. Deferred tax assets are assessed yearly and only recognised to the extent that it is more likely than not that they can be utilised. Deferred tax assets, including the tax value of tax losses carried forward, are recognised as other non-current assets and measured at the amount at which they are expected to be realised, either by setting off deferred tax liabilities or by setting off tax on future earnings within the same legal entity or a jointly taxed entity. Deferred tax is measured based on the tax legislation and statutory tax rates in the respective countries that will apply under the legislation in force on the balance sheet date when the deferred tax asset is expected to crystallise as current tax. Changes in deferred tax resulting from changes in tax rates are recognised in the income statement. Agillic recognises deferred tax assets relating to losses carried forward when Executive Leadership finds that these can be offset against taxable income in the foreseeable future.

An assessment is made taking into consideration the effect of restrictions in utilisation in local tax legislation. Future taxable income is assessed based on budgets as well as Executive Leadership's expectations regarding growth and operating margin in the coming years.

**STATEMENT OF FINANCIAL POSITION**

**Intangible assets**

Intangible assets with determinable useful lives are measured at cost less accumulated amortisation and impairment losses. Intangible assets include developed software and client contracts. Amortisation is provided on a straight-line basis over the expected useful lives of the finite-lived assets, which are as follows:

Software developed 5 years

Expected useful lives are reassessed regularly. Agillic regularly reviews the carrying amounts of its finite-lived intangible assets to determine whether there is an indication of an impairment loss.

**Patents**

Agillic is in the process of applying for a patent on the Agillic platform. Patents acquired are initially recognised at fair value at the acquisition date and

subsequently carried at cost less any accumulated impairment losses. The carrying values of patent assets are reviewed annually for impairment to assess if there is an indication of impairment.

**Software developed**

Software developed by Agillic is recognised as an asset if the cost of development is reliably measurable and an analysis shows that future economic benefits from using the software exceed the cost. Cost is defined as development costs incurred to make the software ready for use. Once a software application has been developed the cost is amortised over the expected useful life. The cost of development consists primarily of direct salaries and other directly attributable development costs. Amortisation and impairment charges are recognised in the income statement. For Agillic, the measurement of intangible assets, could be affected by significant changes in judgment and assumptions underlying their calculation. The estimated useful life reflects the period over which Agillic expects to derive economic benefit from intangible assets. As active markets for the majority of acquired assets and liabilities do not exist, management has made estimates of their fair values. Fair values were estimated as the present value of future cash flows calculated based on churn rates or other expected cash flows related to each asset. Estimates of fair value are associated with uncertainty and may be subsequently adjusted.

**Tangible assets**

Property, plant, and equipment are measured at cost less accumulated depreciation and accumulated impairment. Property, plant, and equipment are depreciated on a straight-line basis over the expected useful lives of the finite-lived assets, which are as follows:

Leasehold improvements (IFRS 16)	over the lease term up to 10 years
Fixtures and equipment	3-5 years

Tangible assets are tested for impairment if indications of impairment exist. Tangible assets are written down to its recoverable amount, if the carrying amount exceeds the higher of the fair value less costs to sell and the value in use. Depreciation and impairment charges are recognised in the income statement.

**Impairment of tangible and intangible assets**

The carrying amounts of tangible assets and intangible assets with determinable useful lives are reviewed regularly to determine whether there are any indications of impairment. If such indications are found, the recov-

erable amount of the asset is calculated to determine any need for an impairment write-down and, if so, the amount of the write-down. For intangible assets with indeterminable useful lives the recoverable amount is calculated annually, regardless of whether any indications of impairment have been found. If the asset does not generate any cash flows independently of other assets, the recoverable amount is calculated for the smallest cash-generating unit that includes the asset. The recoverable amount is calculated as the higher of the fair value less costs to sell and the value in use of the asset or the cash-generating unit, respectively. In determining the value in use, the estimated future cash flows are discounted to their present value, using a discount rate reflecting current market assessments of the time value of money as well as risks that are specific to the asset or the cash-generating unit and which have not been taken into account in the estimated future cash flows. If the recoverable amount of the asset or the cash-generating unit is lower than the carrying amount, the carrying amount is written down to the recoverable amount. For cash-generating units, the write-down is allocated in such a way that goodwill amounts are written down first, and any remaining need for write-down is allocated to other assets in the unit, although no individual assets are written down to a value lower than their fair value less costs to sell. Impairment write-downs are recognised in the income statement. If write-downs are subsequently reversed as a result of changes in the assumptions on which the calculation of the recoverable amount is based, the carrying amount of the asset or the cash-generating unit is increased to the adjusted recoverable amount, not, however, exceeding the carrying amount that the asset or cash-generating unit would have had, had the write-down not been made.

#### Deposits

Deposits are primarily related to leasing of offices. Deposits which will not be returned within one year of the balance sheet date are recognised as non-current assets.

#### Trade receivables

Trade receivables are measured at amortised cost less allowance for lifetime expected credit losses. To measure the expected credit losses, credit risk for trade receivables have been based on an individual assessment. Trade receivables are written off when all possible options have been exhausted and there is no reasonable expectation of recovery. The cost of allowances for expected credit losses and write-offs for trade receivables are recognised in the income statement under other administrative expenses.

#### Prepayments

Prepayments are recognised as an asset and comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

#### Right of use assets/leases (IFRS 16)

Agillic must recognise all leasing agreements, including operational leasing agreements, in the balance sheet. This means that a leasing obligation must be recognised measured at the present value of the future leasing payments, as described below, and a corresponding leasing asset adjusted for payments made to the lessor prior to the start of the leasing agreement, and incentive payments received from the lessor.

Agillic has chosen not to recognise directly related costs to the leasing asset. In accordance with the transitional provisions and possible exceptions in IFRS 16, Agillic has chosen to implement the standard:

- Not to recognise leasing agreements with a term of less than 12 months or with low value, which means the only recognised lease is the rent of the facilities at Masnedøgade 22, 2100 Copenhagen.
- Not to reassess whether an ongoing contract is or contains a lease.

The expected lease period for the rent of the facilities is 42 months.

In assessing future leasing payments, Agillic has reviewed its operational leasing agreements and identified those leasing payments that relate to a leasing component and that are fixed or variable, but which change in line with fluctuations in an index or an interest rate. Agillic has chosen not to recognise payments related to service components as part of the leasing obligation. When assessing the expected lease period, Agillic has identified the non-cancellable lease period in the agreement. The leasing assets are depreciated on a straight-line basis over the expected lease period, which is 42 months. The average alternative borrowing rate used when discounting future lease payments in connection with measuring the leasing obligation is set at Agillic's marginal borrowing rate of 2.63% p.a.

#### Borrowings

Borrowings are measured at amortised cost.

#### Trade payables and other payables

Other payables include bonus and commission accruals, vacation pay obligations, payroll taxes and VAT. Payables are measured at cost.

#### Deferred income

Deferred income comprises income received relating to subsequent financial years. Deferred income is measured at cost. When a client pays consideration in advance, or an amount of consideration is due contractually before transferring of the license or service, then the amount received in advance presented as a liability. Deferred income represents contractual prepayments from clients for unsatisfied or partially satisfied performance obligations in relation to licenses, maintenance, and services. License billing generally occurs at periodic intervals (e.g. quarterly or yearly) prior to revenue recognition, resulting in liabilities.

#### CASH FLOW STATEMENT

The cash flow statement is presented according to the indirect method commencing with the results for the year. The cash flow statement shows Agillic's cash flows divided into operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year. Cash flows from operating activities are calculated using the indirect method as the profit for the year adjusted for non-cash items, changes in working capital, changes in contract assets, financial income received, financial expenses paid and income tax paid. Cash flows from investing activities consist of receipts and payments in connection with acquisitions and disposals of companies and operations, intangible assets and property, plant, and equipment, as well as other non-current assets and liabilities. Cash flows from financing activities are comprised of changes in share capital and related costs, purchase of treasury shares, proceeds from loans and distributions of dividends to shareholders. Cash and cash equivalents consist of cash at bank and in hand less current bank loans due on demand.

#### New and revised IFRS standards in issue but not yet effective

New standards and interpretations not yet adopted IASB has issued new or amended accounting standards and interpretations that have not yet become effective and have consequently not been implemented in the financial statements for 2023. Agillic expects to adopt the accounting standards and interpretations when they become mandatory. None of the new or amended standards or interpretations are expected to have a significant impact on the financial statements.

Adoption of new or amended IFRSs Management has assessed the impact of new or amended and revised accounting standards and interpretations (IFRSs) issued by the IASB and IFRSs endorsed by the European Union

effective on or after 1 January 2021. It is assessed that application of amendments effective from 1 January 2021 has not had a material impact on the financial statements for 2023. Furthermore, Management does not anticipate any significant impact on future periods from the adoption of these amendments.

## Note 2 - Critical accounting estimates and judgements

In the application of Agillic's accounting policies, which are described in note 1, Executive Leadership is required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Critical judgements that have the most significant effect on the amounts recognised in financial statements, key assumptions concerning the future and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

#### Performance obligation

Agillic is contractually obligated to deliver online access through the platform (subscription), hosting of the platform and access as well as maintenance of the platform within the subscription period. These three services are not sold separately.

It is Agillic's judgement, that the three services do not have a separate value from a customer perspective, as subscriptions do not comprise any value without hosting, and maintenance service do not comprise value without the customer also subscribing to the platform. It is not technically possible to choose hosting by a third party, and the maintenance service only concerns the Agillic platform and therefore has no value towards other online platforms.

Based on the above factors, Agillic considers its delivery of subscription, hosting and maintenance as one complete performance obligation.

#### Tax

The company has applied for tax credit each year based on the actual interpretation at the point in time in consultancy with our advisors. However, the change in assessment and interpretation from the Danish Tax Authorities increases the uncertainty of any outcome.

Due to the ongoing request on submitted tax credit for 2020 and 2021 as well as a submitted appeal related to tax credit in 2019, a reversal of for the received tax credit from 2019 and 2020 (DKK 6.4 million) as well as a provision for the applied tax credits from 2021 and 2022 (DKK 6.0 million) has been made. The reversal is made due to the latest change in how the Danish Tax Authorities assesses and interpret the Tax Credit Scheme. A full reversal for 2019-2022 has been made in the 2023. In total the reversal is DKK 12.4 million in tax and DKK 1.9 million in interest.

#### Software developed

The measurement of developed software could be affected by significant changes in judgement and assumptions underlying their calculation. The expected useful life of 5 years reflects the period over which Agillic expects to derive economic benefit from software developed. Estimation of useful life are associated with uncertainty and may be subsequently adjusted.

#### Trade receivables

Allowances have been recognised according to the lifetime expected credit loss method as introduced under IFRS 9. We refer to note 14 for a specification of the loss.

## Note 3 – Revenue

(DKK '000)	2023	2022
Subscription fees	48,278	48,358
Transaction fees on subscription	4,118	1,384
Transaction fees by consumption	12,018	16,783
Professional services and other fees	265	483
<b>Total revenue</b>	<b>64,679</b>	<b>67,008</b>

All revenue is derived from contracts with clients. Revenue from subscription fees is recognised over time and for transaction fees and other professional services at a point in time.

Contract liabilities are presented as deferred income, see note 19 Deferred income.

## Note 4 – Direct costs

(DKK '000)	2023	2022
Hosting costs	5,462	5,362
Transaction costs	6,996	12,009
<b>Total direct costs</b>	<b>12,458</b>	<b>17,371</b>

## Note 5 – Other external costs

(DKK '000)	2023	2022
Sales and marketing costs	5,006	5,049
External consultancy costs	9,265	11,420
External consultancy costs transferred to capitalised development costs	(6,246)	(6,152)
Other employee related costs	2,041	2,170
Other administrative expenses	4,032	3,826
<b>Total other external costs</b>	<b>14,098</b>	<b>16,313</b>



## Note 6 – Staff costs

(DKK '000)	2023	2022
Salaries	36,363	37,477
Share-based payments	1,093	(32)
Pension plans (defined contribution)	4,512	2,210
Social security and other costs	301	248
Staff costs transferred to capitalised development costs	(5,469)	(7,359)
<b>Total staff costs</b>	<b>36,800</b>	<b>32,544</b>
<b>Employees</b>		
Average number of employees (FTE)	47	47
Number of employees year end (FTE)	50	48

(DKK '000)	Board of Directors		Executive Leadership and Management	
	2023	2022	2023	2022
<b>Remuneration</b>				
Salaries, Board fees and bonus	250	610	10,136	8,917
Share-based payments	234	399	954	662
Defined contribution pension plans	0	0	761	590
<b>Total remuneration</b>	<b>484</b>	<b>1,009</b>	<b>11,851</b>	<b>10,169</b>

## Note 7 – Share-based payments

(DKK '000)	2023	2022
Costs of share-based payments	1,093	(32)
<b>Total costs of share-based payments</b>	<b>1,093</b>	<b>(32)</b>

### Warrant program September 2017

The Board of Directors have used the authorisation in the Articles of Association article 3.3 to allocate warrants to the members of the Board of Management where the participants acquire the right to subscribe of in total 292,527 shares at a nominal value of DKK 0.10 each. Shares can be subscribed for at DKK 2.70 per share at a nominal value of DKK 0.10.

All warrants have been granted.

199,096 warrants will be vesting in the period 1 January 2018 to 1 October 2020 and exercise of the warrants must happen in the period 1 January 2021 to 31 March 2021. 93,431 warrants will be vesting in the period 1 October 2020 to 1 October 2021 and exercise of the warrants must happen in the period 1 January 2022 to 31 March 2022.

There are no performance conditions for the granting of the warrants but each participant must remain an employee during the vesting period.

The issue of all shares will have a dilutive effect of 4.04%.

### Warrant program April 2018

The Board of Directors have used the authorisation in the Articles of Association article 3.2 to allocate 20,717 warrants to the members of the Board of Management where the participants acquire the right to subscribe of in total 20,717 shares at a nominal value of DKK 0.10 each. Shares can be subscribed for at DKK 38.00 per share at a nominal value of DKK 0.10.

All warrants have been granted.

15,534 warrants will be vested in the period 1 January 2018 to 1 October 2020 and exercise of the warrants must happen in the period 1 January 2021 to 31 March 2021. 5,183 warrants will be vested in the period 1 October 2020 to 1 October 2021 and exercise of the warrants must happen in the period 1 January 2022 to 31 March 2022.

There are no performance conditions for the granting of warrants but each participant must remain an employee during the vesting period.

The issue of all shares will have a dilutive effect of 0.2.

The conditional warrant program has been terminated due to a warrant holder has left Agillic.

### Warrant program October 2020

The Board of Directors have used the authorisation in the Articles of Association article 3.3 to allocate warrants to the Management where the participants acquire the right to subscribe of in total 414,345 shares at a nominal value of DKK 0.10 each. Shares can be subscribed for at DKK 23.10 per share at a nominal value of DKK 0.10.

All warrants have been granted.

414,345 warrants will be vesting in the period 1 October 2020 to 30 April 2025 and exercise of the warrants must happen in the period 1 October 2020 to 30 April 2025.

There are no performance conditions for the granting of the warrants but each participant must remain an employee during the vesting period.

The issue of all shares will have a dilutive effect of 4.39%.

### Warrant program April 2021

The Board of Directors have used the authorisation in the Articles of Association article 3.2 to allocate 105,500 warrants to the members of the Board of Directors where the participants acquire the right to subscribe of in total 582,500 shares at a nominal value of DKK 0.10 each. 50,000 of the shares can be subscribed to at DKK 20.00 per share, at a nominal value of DKK 0.10 and 55,500 of the shares can be subscribed to at DKK 25.00 per share at a nominal value of DKK 0.10.

All warrants have been granted.

50,000 warrants will be vested in the period 1 April 2021 to 30 September 2022 and exercise of the warrants must happen in the period 1 April 2022 to 30 September 2022. 18,500 warrants will be vested in the period 1 April 2021 to 30 April 2024. and exercise of the warrants must happen in the period 1 May 2024 to 31 May 2024. 37,000 warrants will be vested in the period 1 April 2021 to 30 April 2022 and exercise of the warrants must happen in the period 1 May 2023 to 31 May 2023.

There are no performance conditions for the granting of warrants but each participant must remain an employee during the vesting period.

The issue of all shares will have a dilutive effect of 1.02%. 68,500 warrants were not vested within the designated timeframe and therefore terminated.

### Warrant program March 2022

The Board of Directors have used the authorisation in the Articles of Association article 3.11 to allocate 155,000

warrants to the members of the Board of Management where the participants acquire the right to subscribe of in total 155,000 shares at a nominal value of DKK 0.10 each. The 75,000 shares can be subscribed for at DKK 24.80 per share at a nominal value of DKK 0.10. The 80,000 shares can be subscribed for at DKK 25.54 per share at a nominal value of DKK 0.10.

All warrants have been granted.

The exercise price of 75,000 warrants is fixed at DKK 24.80 per share corresponding to the average share price on 1 December 2021. The warrants vest with 7,500 warrants on 1 December 2022, 15,000 warrants on 1 December 2023, 22,500 warrants 1 December 2024, and 30,000 warrants on 1 December 2025.

The exercise price of 80,000 warrants is fixed at DKK 25.54 per share corresponding to the average share price on 1 March 2022. The warrants vest with 8,000 warrants on 1 March 2023, 16,000 warrants on 1 March 2024, 24,000 warrants on 1 March 2025, and 32,000 warrants on 1 March 2026.

The warrants can be exercised in periods of 14 days starting the day after the publication of Agillic's financial reports. The warrants shall be exercised no later than 12 months after the final vesting.

The warrants include conditions on accelerated vesting in case of change of control, e.g. a takeover bid, merger or delisting.

The issue of all shares will have a dilutive effect of 0.78%. The conditional warrant program of 75,000 has been terminated due to warrant holder has left Agillic.

#### Warrant program June 2022

The Board of Directors have used the authorisation in the Articles of Association article 3.10 to allocate 105,000 warrants to the members of the Management where the participants acquire the right to subscribe of in total 105,000 shares at a nominal value of DKK 0.10 each. 105,000 of the shares can be subscribed to at DKK 20.0392 per share, at a nominal value of DKK 0.10.

All warrants have been granted.

The vesting of the first 50,000 warrants issue to Management, is subject to Agillic's achievement of the financial performance targets: The performance target was not met.

The vesting of 55,000 warrants issued to Management and the six other employee of Agillic is subject to a

cliff of twelve (12) months and further conditional upon Agillic's achievement of the following financial performance targets for the financial year 2022: The financial performance targets were met.

Subject to Agillic's achievement of the performance targets above and expiration of the cliff respectively, the warrants issued to Management and the six other employees of Agillic vest in eight (8) equal instalments with 1/8 each quarter on the dates of disclosure of Agillic's annual report, interim report or quarterly financial statement, as the case may be.

Subject to vesting, the warrants can be exercised in periods of 14 days starting the day after publication of Agillic's annual report, half-year reports and or interim reports, respectively. The warrants issued to Management and the six employees shall be exercised no later than 12 months after the final vesting. The warrants issued to Management shall be exercised no later than 36 months after the vesting date (the date of the annual general meeting in 2023).

The warrants include conditions on accelerated vesting in case of change of control, e.g. a takeover bid, merger or delisting.

The issue of all shares will have a dilutive effect of 1.02%.

#### Warrant program July 2022

The Board of Directors have used the authorisation in the Articles of Association article 3.2 to allocate 75,000 warrants to two new members of the Board of Management where the participants acquire the right to subscribe of in total 75,000 shares at a nominal value of DKK 0.10 each. Shares can be subscribed for at DKK 16.9555 per share at a nominal value of DKK 0.10.

All warrants have been granted.

Warrants can be exercised in periods of 14 days starting the day after the publication of Agillic's annual report, half-year report or quarterly financial statement, respectively. The warrants shall be exercised no later than 12 months after the vesting of the last instalment.

The issue of all shares will have a dilutive effect of 0.73%.

The warrants include conditions on accelerated vesting in case of change of control, e.g. a takeover bid, merger or delisting.

#### Warrants programme September 2023

The Board of Directors have used the authorisation in the Articles of Association article 3.1 to allocate

75,000 warrants to Management where the participants acquire the right to subscribe of in total 75,000 shares at a nominal value of DKK 0.10 each. Shares can be subscribed for at DKK 19.00 per share at a nominal value of DKK 0.10.

All warrants have been granted.

The warrants vest with 7,500 warrants on 1 October 2024, 15,000 warrants on 1 October 2025, 22,500 warrants on 1 October 2026 and 30,000 warrants on 1 October 2027.

Warrants can be exercised in periods of 14 days starting the day after the publication of Agillic's annual report. The warrants shall be exercised no later than 12 months after the final vesting.

The issue of all shares will have a dilutive effect of 0.68%.

The warrants include conditions on accelerated vesting in case of change of control, e.g. a takeover bid, merger or delisting.

Specification of outstanding warrants:

Number of warrants	Executive Leadership and Management	Board of Directors
<b>Outstanding at 1 January 2023</b>	<b>599,345</b>	<b>112,000</b>
Granted	75,000	-
Re-allocation	-	-
Exercised	-	-
Cancelled	-	(37,000)
<b>Outstanding at 31 December 2023</b>	<b>674,345</b>	<b>75,000</b>

Outstanding warrants have the following characteristics:

Warrants outstanding	Weighted average exercise price DKK	Vesting period	Exercise period	2023	2022
Warrant programme October 2020	23.10	Oct 2020 - Apr 2025	Oct 2020 - Apr 2025	414,345	414,345
Warrant programme April 2021	21.75	Apr 2021 - Apr 2024	Oct 2022 - May 2024	-	105,500
Warrant programme April 2022	25.54	Apr 2022 - Mar 2026	Apr 2022 - Mar 2026	80,000	80,000
Warrant programme June 2022	20.04	Jun 2022 - Mar 2025	Jun 2022 - Aug 2025	105,000	105,000
Warrant programme July 2022	16.96	Jul 2022 - Mar 2024	Jul 2022 - Mar 2025	75,000	75,000
Warrant programme September 2023	19.00	Oct 2024 - Oct 2027	Oct 2024 - Oct 2028	75,000	-
<b>Outstanding at 31 December</b>				<b>749,345</b>	<b>779,845</b>

73,130 warrants were exercised during 2022.

	2023	2022
Average remaining life of outstanding warrants at 31 December (years)	3.75	3.09
Exercise price for outstanding warrants at 31 December (DKK)	16.96 - 25.54	16.96 - 25.17

The fair value of the warrants issued is measured at calculated market price at the grant date based on the Black & Scholes option pricing model. The calculation is based on the following assumptions at the grant date:

	Warrant programme September 2023	Warrant programme July 2022	Warrant programme June 2022	Warrant programme April 2022	Warrant programme April 2021	Warrant programme October 2020
Average share price (DKK)	19.10	17.35	18.20	27.90	24	19.70
Expected volatility rate (% p.a.)	49	42	45	44	40	40
Risk-free interest rate (% p.a.)	3.02	0.65	1.23	(0.25)	0.64	(0.64)
Expected warrant life (no. years)	4	2.67	3.17	4	1.50-3.00	4.50
Exercise price (DKK)	19.00	16.96	20.04	25.17	20.00-25.00	23.10
Fair value all warrants, after dilution (DKK '000)	595	366	552	811	610	2,092

Expected volatility rate is applied based on the annualised volatility on relevant peer groups derived from the standard deviation of daily observations over 12 months ending 2023.

## Note 8 – Depreciation and amortisation of intangible and tangible assets

(DKK '000)	2023	2022
Software developed	11,860	10,841
Fixtures and equipment	226	214
Right of use asset	1,047	1,047
Leasehold improvements	130	130
<b>Total depreciation and amortisation of intangible and tangible assets</b>	<b>13,263</b>	<b>12,232</b>

## Note 9 – Financial income and expenses

(DKK '000)	2023	2022
<b>Financial income</b>		
Other interest income	-	489
Foreign exchange rate adjustments (net)	297	-
<b>Total financial income</b>	<b>297</b>	<b>489</b>
<b>Financial expenses</b>		
Interest expense, cash etc.	-	57
Interest expense financial liabilities carried at amortised cost	2,083	2,687
Other interest expense	2,013	122
Foreign exchange rate adjustments (net)	-	381
<b>Total financial expenses</b>	<b>4,096</b>	<b>3,247</b>

## Note 10 – Tax

(DKK '000)	2023	2022
Current income tax	-	(3,240)
Adjustment for current tax of prior periods	12,345	-
Adjustment deferred tax	-	-
<b>Total</b>	<b>12,345</b>	<b>(3,240)</b>
Unrecognised deferred tax	-	-
<b>Total</b>	<b>12,345</b>	<b>(3,240)</b>
Profit/(loss) before tax	(15,156)	(13,874)
Income tax, tax rate of 22%	-	(3,052)
Tax effect from:		
Non-deductible expenses	1,990	87
<b>Tax on profit for the year</b>	<b>-</b>	<b>(2,965)</b>
<b>Effective tax rate</b>	<b>0%</b>	<b>21%</b>

Agillic's tax losses are not expected to be used in full. No deferred tax assets have been recognised in respect of the DKK 34.9 million (2022: DKK 19.9 million) as it is not considered probable that there will be taxable profits available in the foreseeable future. All recognised tax losses may be carried forward indefinitely.

(DKK '000)	2023	2022
Intangible assets	6,846	6,843
Tangible assets	290	25
Tax losses carried forward	(42,043)	(26,787)
	<b>(34,907)</b>	<b>(19,919)</b>
Unrecognised tax asset	34,907	19,919
<b>Total deferred tax</b>	<b>-</b>	<b>-</b>



## Note 11 – Notes to cash flow statement

(DKK '000)	2023	2022
<b>Changes in working capital</b>		
Changes in trade receivables, other receivables, prepayments etc.	580	383
Changes in trade payables, other payables, deferred income etc.	(6,972)	5,719
<b>Total changes in working capital</b>	<b>(6,392)</b>	<b>5,802</b>
<b>Borrowings/repayment (-) long-term</b>		
Borrowings at 1 January, net	21,518	23,553
Borrowing of loans and debt to credit institutions	-	-
Repayment of loans and debt to credit institutions	443	(1,869)
Amortised borrowing costs	(85)	(166)
<b>Borrowings/repayment (-) long-term at 31 December</b>	<b>21,876</b>	<b>21,518</b>
<b>Borrowings/repayment (-) short-term</b>		
Borrowings at 1 January, net	2,796	3,704
Borrowing of loans and debt to credit institutions	-	-
Repayment of loans and debt to credit institutions	(799)	(809)
Amortised borrowing costs	(109)	(100)
<b>Borrowings/repayment (-) short-term at 31 December</b>	<b>1,888</b>	<b>2,796</b>

## Note 12 – Intangible assets

(DKK '000)	Patent	Client contracts	Software developed	Total
<b>2023</b>				
Cost beginning of year	500	2,254	71,312	74,066
Additions	-	-	-	-
Additions from internal development	-	-	11,715	11,715
Disposals	-	-	-	-
<b>Cost end of year</b>	<b>500</b>	<b>2,254</b>	<b>83,027</b>	<b>85,781</b>
Amortisation beginning of year	-	2,254	40,192	42,446
Amortisation	-	-	11,800	11,800
Disposals	-	-	-	-
<b>Amortisation end of year</b>	<b>-</b>	<b>2,254</b>	<b>51,992</b>	<b>54,246</b>
<b>Carrying amount end of year</b>	<b>500</b>	<b>-</b>	<b>31,035</b>	<b>31,535</b>
<b>2022</b>				
Cost beginning of year	-	2,254	57,801	60,555
Additions	500	-	-	-
Additions from internal development	-	-	13,511	13,511
Disposals	-	-	-	-
<b>Cost end of year</b>	<b>500</b>	<b>2,254</b>	<b>71,312</b>	<b>74,066</b>
Amortisation beginning of year	-	2,165	29,363	31,617
Amortisation	-	89	10,829	10,829
Disposals	-	-	-	-
<b>Amortisation end of year</b>	<b>-</b>	<b>2,254</b>	<b>40,192</b>	<b>42,446</b>
<b>Carrying amount end of year</b>	<b>500</b>	<b>-</b>	<b>31,120</b>	<b>31,620</b>

Capitalised software development costs relate to development of the existing proprietary customer experience software platform. The software is under continuous development for the use of clients and partners and is sold as a license to use the software for a given period. The user has access to upgrades and new functionalities during the contract period.

Development costs for the year cover both development of front-end and back-end part of the software solution. Both parts to increase the user experience and functionalities within the software in order to increase the Agillic's revenue by maintaining existing clients and acquire new clients.

It is Management's assessment that the expected useful lives of the finite-lived assets, as well as the expected future revenue streams from the assets is sufficient to cover the value of recognised developed software at the reporting date.

In 2023, the company expensed DKK 0 million (2022: DKK 0 million) for development projects, primarily planning, administrative and other general overhead expenditures not meeting the recognition criteria applicable to internally generated intangible assets.

## Note 13 – Tangible assets

	Fixtures and equipment	Right of use asset	Leasehold improvements	Total
<b>2023</b>				
Cost beginning of year	1,151	4,186	390	5,727
Additions Merger subsidiary	-	-	-	-
Additions	-	-	-	-
Disposals	-	-	-	-
<b>Cost end of year</b>	<b>1,151</b>	<b>4,186</b>	<b>390</b>	<b>5,727</b>
Depreciation beginning of year	910	2,181	256	3,347
Depreciation	226	1,047	130	1,403
Disposals	-	-	-	-
<b>Depreciation end of year</b>	<b>1,136</b>	<b>3,228</b>	<b>386</b>	<b>4,750</b>
<b>Carrying amount end of year</b>	<b>15</b>	<b>958</b>	<b>4</b>	<b>977</b>
<b>2022</b>				
Cost beginning of year	1,151	4,186	390	5,727
Additions Merger subsidiary	-	-	-	-
Additions	-	-	-	-
Disposals	-	-	-	-
<b>Cost end of year</b>	<b>1,151</b>	<b>4,186</b>	<b>390</b>	<b>5,727</b>
Depreciation beginning of year	683	1,134	126	1,943
Depreciation	227	1,047	130	1,404
Disposals	-	-	-	-
<b>Depreciation end of year</b>	<b>910</b>	<b>2,181</b>	<b>256</b>	<b>3,347</b>
<b>Carrying amount end of year</b>	<b>241</b>	<b>2,005</b>	<b>134</b>	<b>2,380</b>

Agillic implemented the new leasing standard IFRS 16 in 2020 using the modified retrospective transitional method and has therefore not adjusted comparative figures before 2021, which are still presented in accordance with the rules in IAS 17 and IFRIC 4.

This means that a leasing obligation must be recognised measured at the present value of the future leasing payments, as described below, and a corresponding leasing asset adjusted for payments made to the lessor prior to the start of the leasing agreement, and incentive payments received from the lessor.

Agillic has chosen not to recognise directly related costs to the leasing asset. In accordance with the transitional provisions in IFRS 16, Agillic has chosen to implement the standard:

- Not to recognise leasing agreements with a term of less than 12 months or with low value, which means the only recognised lease is the rent of the new facilities at Masnedøgade 22, 2nd floor, 2100 Copenhagen.
- Not to reassess whether an ongoing contract is or contains a lease

The expected lease period for the rent of the new facilities is 42 months.

In assessing future leasing payments, Agillic has reviewed its operational leasing agreements and identified those leasing payments that relate to a leasing component and that are fixed or variable, but which change in line with fluctuations in an index or an interest rate.

Agillic has chosen not to recognise payments related to service components as part of the leasing obligation.

When assessing the expected lease period, Agillic has identified the non-cancellable lease period in the agreement. The leasing assets are depreciated on a straight-line basis over the expected lease period, which is 42 months.

## Note 14 – Trade receivables

(DKK '000)	31 Dec 2023	31 Dec 2022
<b>Trade receivables</b>		
Trade receivables, gross	3,939	4,875
Allowances for doubtful trade receivables:		
Balance beginning of year	450	450
Change in allowance during the year	-	-
Realised losses during the year	-	-
<b>Allowances for doubtful trade receivables year end</b>	<b>450</b>	<b>450</b>
<b>Trade receivables, net</b>	<b>3,489</b>	<b>4,425</b>
<b>Trade receivables (net) can be specified as follows:</b>		
Not past due	2,894	3,198
Past due, but not impaired:		
Not more than 30 days	313	1,074
Between 31 and 60 days	-	-
Between 61 and 90 days	282	153
More than 90 days	-	-
<b>Trade receivables, net</b>	<b>3,489</b>	<b>4,425</b>

The carrying amount is equivalent to the fair value of the assets.

In 2023, allowances have been recognised according to the lifetime expected credit loss method as introduced under IFRS 9. The expected loss on trade receivables is DKK 0.45 mio. according to IFRS 9.

## Note 15 – Share capital and earnings per share

### Share capital

As at 31 December 2023, the share capital consisted of 11,062,005 (2022: 10,260,947) shares with a nominal value of DKK 0.10. The shares are not divided into classes and carry no right to fixed income.

(DKK '000)	2023	2022
<b>Issued and fully paid shares:</b>		
At 1 January 2023, 10,260,947 shares of DKK 0.10 each	1,026	1,019
Capital increase, registered 14 January 2021	-	-
Capital increase, registered 30 March 2021	-	-
Capital increase, registered 07 April 2022	-	7
Capital increase, registered 24 March 2023	80	-
<b>Share capital at 31 December 2023</b>	<b>1,106</b>	<b>1,026</b>
<b>Earnings per share</b>		
The calculation of earnings per share is based on the following:		
Profit/(loss) for the year	(25,501)	(10,634)
<b>Weighted average number of shares used for calculation of earnings per share</b>		
Average dilutive effect of outstanding share options	651,222	627,160
<b>Weighted average number of shares used for calculation of diluted earnings per share</b>		
	<b>11,553,015</b>	<b>10,868,675</b>
Earnings per share (EPS)	(2.52)	(1.04)
Earnings per share, diluted (DEPS)	(2.52)	(1.04)

## Note 16 – Borrowings

(DKK '000)	31 Dec 2023	31 Dec 2022
Borrowings are due as follows:		
Within 1 year	6,574	2,795
From 1-5 years	17,189	21,518
After 5 years	-	-
<b>Total borrowings</b>	<b>23,763</b>	<b>24,313</b>
<b>Borrowings are recognised accordingly:</b>		
Borrowings, long-term	17,189	21,518
Borrowings, short-term	6,574	2,795

### The funding package consist of:

Existing credit line is DKK 3.0 million (2022: DKK 3.0 million). At 31 December 2023, the credit line was not utilised. The credit facility is renegotiated on a yearly basis. The credit line bears an annual variable interest rate subject to DANBOR +3.0%.

Existing loans from Vækstfonden amounts to DKK 31.0 million (2022: DKK 31.0 million). The loans mature in between 2025-2026. No covenants apply. The variable interest rate is subject to adjustment quarterly based upon the 3-month CIBOR plus a premium.

Booked value is assessed to be represented the fair value of borrowings at end year.

## Note 17 – Leasing obligations

(DKK '000)	31 Dec 2023	31 Dec 2022
Leasing obligations are due as follows:		
Within 1 year	1,146	1,157
From 1-5 years	-	1,100
After 5 years	-	-
<b>Total leasing obligations</b>	<b>1,146</b>	<b>2,257</b>
<b>Leasing obligations are recognised accordingly:</b>		
Leasing obligations, long-term	-	1,100
Leasing obligations, short-term	1,146	1,157

The average alternative borrowing rate used when discounting future lease payments in connection with measuring the leasing obligation is set at Agillic's marginal borrowing rate of 2.63% p.a.



## Note 18 – Other payables

(DKK '000)	31 Dec 2023	31 Dec 2022
Accrued vacation payables, long-term	2,885	2,885
Accrued vacation payables, short-term	1,700	1,620
Bonus and commission payables	1,352	1,665
Payroll taxes, VAT etc.	3,788	3,272
Other accrued costs	562	1,366
<b>Total other payables</b>	<b>10,287</b>	<b>10,808</b>
Current	7,402	7,923
Non-current	2,885	2,885
<b>Total other payables</b>	<b>10,287</b>	<b>10,808</b>

## Note 19 – Deferred income

(DKK '000)	31 Dec 2023	31 Dec 2022
Arising from contracts with customers	19,138	22,291
<b>Total deferred income</b>	<b>19,138</b>	<b>22,291</b>
Current	19,138	22,291
Non-current	-	-
<b>Total deferred income</b>	<b>19,138</b>	<b>22,291</b>

Revenue relating to subscriptions is recognised over time although the customer pays up-front in full for these subscriptions. A contract liability is recognised for revenue at the time of the initial sales transaction and is released over the contract period.

## Note 20 – Contingent liabilities and commitments

### Contingent liabilities

The Executive Leadership assesses that the outcome of pending claims and other disputes will have no material impact on the Agillic's financial position.

A mortgage of DKK 18 million registered as collateral for Agillic's debt to Vækstfonden of DKK 23.5 million as per 31 December 2023.

A mortgage of DKK 3 million is registered as collateral for Agillic's credit facility at Danske Bank.

A guarantee of NOK 60,000 has been provided to the Norwegian Tax Authorities.

## Note 21 – Related parties

Agillic's related parties exercising a significant influence comprise Agillic's Board of Directors and Executive Leadership as well as relatives of these persons.

Related parties also comprise companies in which the individuals mentioned above have material interests.

Agillic did not enter into any agreements, deals, or other transactions in 2023 in which Agillic's Board of Directors or Executive Leadership had a financial interest, except for transactions following from the employment relationship. See note 6 Staff costs.

All agreements relating to these transactions are based on market price (arm's length). Agillic has had the following transactions with related parties:

(DKK '000)	2023	2022
<b>Transactions</b>		
<b>Outstanding balances</b>		
Sale and Purchase of shares - major shareholders	-	-

There has not been any transactions with related parties. There has been a normal remuneration to one of the Board of Directors. Board of Management and other Key Management Personnel, there has not been any transactions other than presented in note 6 Staff costs. Key Management Personnel consists of parties with significant influence not already disclosed as part of the Board of Directors and the Board of Management.

Members of the Board of Directors are elected by the shareholders at the Annual General Meeting for terms of one year. Refer to page 20 for additional information on members of the Board of Directors.

## Note 22 – Financial risks

(DKK '000)	31 Dec 2023	31 Dec 2022
Specification of financial assets and liabilities:		
Trade receivables	3,489	4,425
Other receivables	35	118
Tax receivables	5,976	5,976
Cash	9,808	7,369
<b>Total financial assets</b>	<b>19,308</b>	<b>17,885</b>
Debt to credit institutions	23,763	24,313
Prepayments from clients	-	
Trade payables	4,848	8,145
Other payables	15,637	7,923
<b>Total financial liabilities</b>	<b>44,428</b>	<b>40,381</b>

Due to the nature of its operations, investments, and financing, Agillic is exposed to a number of financial risks. It is the company policy to operate with a low risk profile, so that currency risk, interest rate risk and credit risk only occur in commercial relations.

The scope and nature of Agillic's financial instruments appear from the income statement and statement of financial position in accordance with the accounting policies applied. Provided below is information about factors that may influence amounts, time of payment, or reliability of future payments, where such information is not provided directly in the financial statements.

This note addresses only financial risks directly related to the Agillic's financial instruments. Agillic's most important operational and commercial risk factors are described in more detail on page 17 of the annual report.

### Currency risk

Currency risk is the risk that arises from changes in exchange rates and affects the company's result.

The general objective of Agillic's currency risk management is to limit and delay any adverse impact of exchange rate fluctuations on earnings and cash flows and thus increase the predictability of the financial results. Agillic also aim to balance incoming and outgoing payments in local currency as much as possible as well as monitoring the development in exchange rates and adjust price lists when required.

The most significant financial risk in Agillic relates to exchange rate fluctuations. The greatest exposure in foreign currency is to NOK and in 2023 14.2% (2022: 10.5%) of Agillic's revenue was denominated in NOK. Furthermore, the Agillic generally seeks to ensure that contracts with clients are entered into in DKK, NOK or EUR.

Based on the net exposure of Agillic, the hypothetical impact of exchange rate fluctuations on revenue and EBITDA, is as follows:

Sensitivity to a 10% increase in NOK exchange rate	2023	2022
Revenue	917	700
EBITDA	1,091	874

### Interest rate risk

Interest rate risk arises in relation to interest-bearing assets and liabilities.

Agillic's interest-bearing borrowings of DKK 23,561 thousand as per 31 December 2023 is subject to a variable rate of interest based on a 3-month CIBOR plus a premium.

If market interest rates increased by one percentage point, the interest rate sensitivity as calculated based on the loan balance to credit institutions as per end of 2023, would lead to a yearly increase in interest expenses of DKK 236 thousand. A corresponding decrease in market interest rates would have the opposite impact.

### Liquidity risk

The main credit risk in the company is related to trade receivables. Agillic does not have material risks related to a single client or partner. Agillic's business model leads to a very limited credit risk as the majority of the subscription based revenue derived from contracts with clients are subject upfront annual invoicing and payment.

Agillic has not historically had any significant loss on trade receivables and the risk of significant losses on the total receivables as per 31 December 2023 is estimated to be limited.

Also refer to note 14 Trade receivables.

### Capital structure

Agillic manages its capital to ensure that the company will be able to continue as going concern while maximising the return to shareholders through the optimisation of the debt and equity balances. The capital structure of Agillic consists of net debt and equity.

The Board of Directors reviews the capital structure continually to consider if the current capital structure is in accordance with Agillic's and shareholders' interests.

## Definitions of key figures and ratios

### Annual Recurring Revenue

Annual Recurring Revenue (ARR) is the value of subscriptions at a given date, including transaction-based use, entered into with Agillic and converted to a monthly value multiplied by 12.

New subscriptions are included in ARR at the time of entering into the binding agreement, which would typically occur at the time of signing the agreement.

For changes to existing subscriptions, ARR is included at the time that the change enters into force.

Subscriptions that are terminated or not renewed are reduced on ARR at the time that the agreement ceases to exist.

Subscriptions are typically entered into with an irrevocable period of 12-36 months. Inclusion of ARR is conducted in the following manner:

For 12 month subscriptions, ARR is included as 1 times the value of the agreement. For 24 month subscriptions, ARR is included as ½ times the value of the agreement. For 36 month subscriptions, ARR is included as 1/3 times the value of the agreement.

Monthly subscriptions are included in ARR as 12 times the actual monthly value of the subscription (MRR).

In addition to the value of subscriptions, the clients' transaction-based subscription use, including email and SMS transactions, are also included in ARR. The value of ARR from transaction-based use is calculated as the latest quarter's actual transaction-based use multiplied by 4.

From quarter to quarter, ARR is calculated as the value from the last day of the most recent quarter's ARR adjusted for changes until the last day of the current quarter.

The following elements are included in the calculation of the changes in ARR:

- + Additional sales to existing clients (subscription-based upgrades/additional services)
- + Agreed upon price adjustments to existing subscriptions
- + New sales of subscriptions
- + The change (+/-) in transaction use derived from the subscriptions
- Termination or downgrading of subscription
- = Change in ARR

ARR is calculated in Danish Kroner. When entering into a agreement in a foreign currency, a currency conversion is conducted at the time of entering into the agreement.

### ARR multiple

Market cap / ARR.

### Cash adjusted EBITDA

EBITDA added back for R&D capitalisation plus the change in deferred revenue

### Churn rate (%)

The value of terminated ARR for a 12-month period as a percentage of total ARR end of reporting period.

### Customer Acquisition Costs (CAC)

The sales and marketing cost (inclusive direct related cost, like travel costs, personal IT costs, costs of office etc.) of acquiring one new customer.

### Customer lifetime

Average number of years from customers acquisition to customer churn calculated as 1 divided by gross value churn rate.

### Earnings per share (EPS)

Net profit divided by the weighted average number of shares.

### Earnings per share, diluted (DEPS)

Net profit divided by the weighted average number of shares, including the dilutive effect of stock options.

### EBITDA

Net profit before interests, tax, depreciation, amortisation and result from joint ventures.

### EBIT

Earnings before interest and tax.

### Gross profit margin (%)

Gross profit as a percentage of Revenue.

### NRR

Net retention rate is a key customer success metric. It is an important metric that indicates the profitability of a SaaS business generated solely from your existing customers.

### Number of employees year end (FTE)

Number of full-time equivalent employees (part-time employees translated into full-time employees) at the end of the year.

### Years to recover CAC

Average number of years to recover the costs of acquiring one new customer (CAC) calculated as CAC divided by Average ARR\*Gross profit margin %.



## Company information

### **Agillic A/S**

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[agillic.com](https://agillic.com)

Business Reg. no. 25063864

### **Board of Directors**

Joar Welde, Chair  
Martin Eriksen  
Jesper Lohmann  
Jan Juul  
Thorsten Köhler

### **Executive Leadership**

Emre Gürsoy, CEO  
Claus Boysen, CFO

### **Date of establishment**

2 December 1999

### **Financial year**

1 January - 31 December

### **Auditor**

Deloitte Statsautoriseret Revisionspartnerselskab  
CVR no. 33963556