

Announcement no. 13 2023

Agillic announces its financial results for Q3 2023 showing a 13% increase in ARR from Subscriptions, a 1% decrease in Total ARR and a positive EBITDA of DKK 3.5m

Copenhagen – 12 October 2023 – Agillic A/S (Nasdaq First North Growth Market Denmark: AGILC) releases its financial results for Q3 2023. EBITDA increased to DKK 3.5 million (up 3.8 million vs. Q3 2022) while ARR from subscription increased 13% YoY to DKK 56.8 million.

Emre Gürsoy, CEO of Agillic comments

“We are very pleased to have delivered double digit growth in ARR from subscriptions and a positive EBITDA in Q3. This is a result of our continued focus on operational excellence and sustainable growth, while we also focus on growing our international markets based on a scalable international business model and future readiness through a ready-to-integrate best-of-breed platform. As we announced in August, global price increases on SMS transactions have led to a decline in ARR from transactions resulting in an overall decline in Total ARR of -1% YoY.”

Key figures and ratios

DKK million	2023			2022		
	YTD	YTD	Change	Q3	Q3	Change
INCOME STATEMENT						
Revenue subscriptions	40.2	36.4	11%	13.6	13.1	4%
Revenue transactions	9.1	10.7	-15%	3.0	4.8	-37%
Other revenue	0.0	0.4	-100%	0.0	0.0	-100%
Total revenue	49.3	46.5	6%	16.6	17.0	-2%
Gross profit	39.6	34.1	16%	13.4	11.4	18%
Gross margin	80%	72%	12%	81%	67%	21%
Employee costs	-23.5	-23.3	1%	-6.4	-7.3	-12%
Operational costs	-12.6	-11.2	12%	-4.5	-2.7	66%
EBITDA	3.5	-0.3	n/a	2.5	1.4	79%
Net profit	-5.1	-8.6	-41%	-0.4	-1.2	-67%
FINANCIAL POSITION						
Cash	11.5	1.8	539%	11.5	1.8	539%
ARR DEVELOPMENT						
ARR subscriptions	56.8	50.3	13%	56.8	50.3	13%
ARR transactions	12.1	19.6	-38%	12.1	19.6	-38%
Total ARR	68.9	69.9	-1%	68.9	69.9	-1%
Change in ARR (DKK)	2.5	5.7		2.5	5.7	
Change in ARR %	4%	9%		4%	9%	

Financial guidance 2023

Agillic maintains its financial guidance as announced 23 August 2023:

DKK million	2023
Revenue	67-70
EBITDA	1-4
ARR Subscriptions	56-60
ARR Transactions	14-17
Total ARR	60-67

Strategy going forward

We will continue to execute our Reboot 2.1 strategy with focus on internationalisation through a two-pronged go-to-market model, and cooperation with best-of-breed technology partners and global solution partners. Apart from Denmark, markets of particular interest are the DACH region, Norway, and Sweden. Our target clients are digitally mature and data-driven B2C-businesses in industries such as retail, finance, travel & leisure, NGO and charities, and subscription businesses in e.g. entertainment & gaming, energy and utilities, media & publishing, and technology & software.

Live online presentation

CEO Emre Gürsoy and CFO Claus Boysen will present the Q3 financial results on 12 October at 11.00 am CET in a live online presentation. You can already now send in questions and sign up for the event.

Sign up via this link: [Agillic Presentation of financial results for Q3 2023](#).

A recording of the presentation will be available same place.

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Disclaimer

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

About Agillic A/S

Agillic is a Danish software company offering brands a platform through which they can work with data-driven insights and content to create, automate and send personalised communication to millions. Agillic is headquartered in Copenhagen, Denmark, with teams in Germany, Norway, and Romania.

For further information, please visit www.agillic.com

Agillic A/S (publ) (Nasdaq First North Growth Market Denmark: AGILC) is obligated to publish the above information in compliance with the EU Market Abuse Regulation Article 17.

The information was published via agent by Agillic A/S on 12 October 2023.

Appendix: Financial development per quarter

DKK million	2023			2022				2021			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
INCOME STATEMENT											
Revenue subscriptions	13.6	13.5	13.1	13.4	12.2	12.2	11.1	10.8	11.0	11.9	11.3
Revenue transactions	3.0	2.9	3.2	5.7	4.8	3.3	2.6	2.7	1.8	1.2	1.0
Other revenue	0.0	0	0.0	0.0	0.0	0.1	0.3	0.3	0.3	0.2	0.3
Total revenue	16.6	16.4	16.3	19.1	17.0	15.6	14.0	13.8	13.1	13.3	12.6
Gross profit	13.4	13.2	13.0	15.5	11.4	11.7	11.0	10.7	11.1	12.1	11.2
Gross margin	81%	80%	80%	81%	67%	75%	79%	78%	85%	91%	89%
Employee costs	-6.4	-9.7	-7.4	-8.6	-7.3	-8.0	-8.0	-5.5	-6.2	-6.8	-6.9
Operational costs	-4.5	-2.5	-5.6	-5.5	-2.7	-3.7	-4.8	-7.7	-4.5	-3.2	-3.6
EBITDA	2.5	1.0	0.0	1.5	1.4	0.0	-1.7	-2.6	0.4	2.2	0.7
Net profit	-0.4	-1.8	-2.9	-2.0	-1.2	-2.7	-4.7	-4.6	-3.1	-0.5	-2.3
BALANCE SHEET											
Cash ¹	11.5	18.3	26.9	7.4	1.8	12.6	7.5	20.6	18.6	22.0	23.8
Total assets	64.9	69.0	75.8	60.3	54.0	58.7	55.4	61.6	65.7	69.5	67.2
Equity	1.5	1.8	3.4	-15.0	-13.2	-12.0	-9.6	-4.5	1.0	2.9	3.2
Borrowings	23.0	24.2	25.7	24.3	23.7	26.1	26.4	27.2	28.2	28.6	29.0
CASH FLOW											
Cash flow from operations	-2.8	-3.1	1.2	6.7	-4.9	9.0	-8.3	6.1	0.0	1.2	-1.6
Cash flow from investments	-3.1	-6.5	-3.3	-3.3	-3.3	-3.7	-3.2	-2.0	-3.8	-2.5	-2.8
Cash flow from financing	-0.8	-2.3	21.6	2.5	-2.5	-0.3	-1.6	-2.0	0.4	-0.5	11.8
Net cash flow	-6.7	-11.9	19.5	5.9	-10.7	5.0	-13.1	2.1	-3.4	-1.8	7.4
EMPLOYEES & CLIENTS											
Employees end of period	50	50	46	48	47	51	47	44	47	49	50
Clients end of period	120	120	118	118	111	108	105	97	92	91	86
ARR & SAAS METRICS											
ARR subscriptions	56.8	54.9	54.2	54.1	50.3	49.6	48.5	45.7	44.0	43.2	42.4
ARR transactions	12.1	11.5	17.3	22.6	19.6	14.6	10.3	10.0	7.3	4.8	4.2
Total ARR ²	68.9	66.4	71.5	76.7	69.9	64.2	58.8	55.7	51.3	48.0	46.6
Change in ARR (DKK)	2.5	-5.1	-5.2	6.8	5.7	5.4	3.1	4.4	3.3	1.4	0.1
Average ARR ³	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.5	0.5
Yearly CAC ⁴	0.3	0.3		0.1				0.3			
Months to recover CAC ⁵				3				7.8			

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

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

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

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

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