

Announcement no. 04 2024

## ARR Subscriptions and Revenue Subscriptions decreased 4% YoY, while EBITDA improved to DKK 0.6 million

Copenhagen – 7 May 2024 – Agillic A/S

In Q1, ARR Subscriptions decreased 4% YoY and 10% vs. Q4 2023 due to clients' technology consolidations and M&A driven changes. Agillic maintains its 2024 guidance due to expected growth from both existing clients and new sales. Cost changes have been implemented to mitigate risk with 41 employees at the end of Q1 versus 50 at the end of Q4 2023. A slight increase in employees is expected towards the end of 2024 and mainly within Sales.

### Key financial and SaaS highlights

Income statement (DKK million)	Q1 2024	Q1 2023	Change	Q1 2024	Q4 2023	Change
Revenue Subscriptions	12.6	13.1	-4%	12.6	12.2	3%
Revenue Transactions	2.2	3.2	-31%	2.2	2.9	-24%
Other revenue	0.0	0.0	-	0.0	0.3	-
Total revenue	14.8	16.3	-9%	14.8	15.4	-4%
Gross profit	12.3	13.0	-5%	12.3	12.6	-2%
Gross margin	83%	80%	-	83%	82%	-
Other operating income	0.0	0.0	-	0.0	0.6	-
Employee costs	-7.4	-7.4	0%	-7.4	-13.3	44%
Operational costs	-4.3	-5.6	23%	-4.3	-1.5	-187%
EBITDA	0.6	0.0	-	0.6	-1.6	-
Net profit	-3.4	-2.9	-17%	-3.4	-22.4	85%
<b>Financial position (DKK million)</b>						
Cash	7.2	26.9	-73%	7.2	9.8	-27%
<b>ARR development</b>						
ARR Subscriptions	52.2	54.2	-4%	52.2	57.8	-10%
ARR Transactions	8.9	17.3	-49%	8.9	12.3	-28%
Total ARR	61.1	71.5	-15%	61.1	70.1	-13%
Change in ARR (DKK)	-10.4	-	-	-9.0	-	-
Change in ARR %	-15%	-	-	-13%	-	-

### ARR

The decrease in Q1 ARR subscriptions was mainly driven by clients' technology consolidations and M&A driven changes. Agillic expects to have seen most of the impact for 2024 in Q1. The decrease in transactions is mainly due to clients' seasonality, ARR Transactions decreased 49% YoY and 28% in Q1 vs. Q4 2023. Total ARR decreased 15% YoY and 13% vs. Q4 2023.

## Revenue

Q1 total revenue decreased 9% YoY and 4% vs. Q4 2023, driven mainly by clients' seasonality impacting revenue from transactions.

## EBITDA

EBITDA increased to DKK 0.6 million in Q1 2024 (DKK 0.0 million Q1 2023) by adapting the cost structure to current activity level.

## Business development

Headcount at the end of Q1 2024 was 41 (vs. 50 at the end of Q4 2023), reflecting that Agillic adapted the cost structure to match the ARR activity. The number, however, is expected to slightly increase during the rest of 2024 and primarily by focus on investments in the Sales organisation. Cash amounted to DKK 7.2 million at the end of Q1 in line with expectations.

## Financial guidance 2024 (unchanged)

Revenue	DKK million	62 to 66
EBITDA	-	0 to 2
ARR Subscriptions	-	56 to 60
ARR Transactions	-	10 to 14
Total ARR	-	66 to 74

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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](http://www.agillic.com)

## Appendix: Financial development per quarter

DKK million	2024		2023				2022				
INCOME STATEMENT	Q1	FY	Q4	Q3	Q2	Q1	FY	Q4	Q3	Q2	Q1
Revenue Subscriptions	12.6	52.4	12.2	13.6	13.5	13.1	49.9	13.5	13.1	12.2	11.1
Revenue Transactions	2.2	12.0	2.9	3.0	2.9	3.2	16.7	6.0	4.8	3.3	2.6
Other revenue	0.0	0.3	0.3	0.0	0.0	0.0	0.4	0.0	0.0	0.1	0.3
Total revenue	14.8	64.7	15.4	16.6	16.4	16.3	67.0	19.5	17.9	15.6	14.0
Gross profit	12.3	52.2	12.6	13.4	13.2	13.0	49.6	15.5	11.4	11.7	11.0
Gross margin	83%	81%	82%	81%	80%	80%	74%	80%	63%	75%	78%
Other operating income	0.0	0.6	0.6	0.0	0.0	0.0	0.3	0.3	0.0	0.0	0.0
Employee costs	-7.4	-36.8	-13.3	-6.4	-9.7	-7.4	-32.5	-9.2	-7.3	-8.0	-8.0
Operational costs	-4.3	-14.1	-1.5	-4.5	-2.5	-5.6	-16.3	-5.1	-2.7	-3.7	-4.8
EBITDA	0.6	1.9	-1.6	2.5	1.0	0.0	1.1	1.5	1.4	0.0	-1.8
Net profit	-3.4	-27.5	-22.4	-0.4	-1.8	-2.9	-10.6	-2.0	-1.2	-2.7	-4.7
<b>BALANCE SHEET</b>											
Cash	7.2	9.8	9.8	11.5	18.3	26.9	7.4	7.4	1.8	12.6	7.5
Total assets	51.5	47.1	47.1	64.9	69.0	75.8	52.8	52.8	54.0	58.7	55.4
Equity	-23.6	-20.2	-20.2	1.5	1.8	3.4	-15.0	-15.0	-13.2	-12.0	-9.6
Borrowings	24.3	23.7	23.7	23.0	24.2	25.7	24.3	24.3	23.7	26.1	26.4
<b>CASH FLOW</b>											
Cash flow from operations	0.0	-6.5	-0.6	-2.8	-4.3	1.2	3.1	7.3	-4.9	9.0	-8.3
Cash flow from investments	-3.0	-11.7	-2.1	-3.1	-3.2	-3.3	-13.5	-3.3	-3.3	-3.7	-3.2
Cash flow from financing	0.4	20.6	1.0	-0.9	-1.1	21.6	-2.8	1.6	-2.6	-0.2	-1.6
Net cash flow	-2.6	2.4	-1.7	-6.8	-8.6	19.5	-13.2	5.6	-10.8	5.1	-13.1
<b>EMPLOYEES &amp; CLIENTS</b>											
Employees end of period	41	50	50	50	50	46	48	48	47	51	47
Clients end of period	116	122	122	120	120	118	118	118	111	108	105
<b>ARR &amp; SAAS METRICS</b>											
ARR Subscriptions	52.2	57.8	57.8	56.8	54.9	54.2	54.1	54.1	50.3	49.6	48.5
ARR Transactions	8.9	12.3	12.3	12.1	11.5	17.3	22.6	22.6	19.6	14.6	10.3
Total ARR	61.1	70.1	70.1	68.9	66.4	71.5	76.7	76.7	69.9	64.2	58.8
Change in ARR (DKK)	-9.0	-6.6	1.2	2.5	-5.1	-5.2	21.0	6.8	5.7	5.4	3.1
Change in ARR %	-13%	-9%	2%	4%	-7%	-7%	38%	10%	9%	9%	6%
Average ARR	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Yearly CAC	-	0.2	-	-	-	-	0.1	-	-	-	-
Months to recover CAC	-	6	-	-	-	-	3	-	-	-	-

### Definitions

- Cash is defined as available funds less bank overdraft withdrawals.
- ARR, i.e. the annualised value of subscription agreements and transactions at the end of the actual reporting period.
- Average ARR, i.e. the average Total ARR per client.
- 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.
- 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.
- Reclassification between cash flow from investments and cash flow from finance has been updated.