

Announcement no. 2 2022

Annual report 2021: Agillic completes the year with 20% ARR growth and positive EBITDA

Copenhagen – 25 February 2022 – Agillic A/S (Nasdaq First North Growth Market Denmark: AGILC) releases its financial results for Q4 2021 and annual report 2021.

Emre Gürsoy, CEO of Agillic comments:

"When we presented the Agillic Reboot 2.1 Strategy in January 2021 we made three financial promises; double-digit growth in ARR, a positive EBITDA, and a positive cash flow from operations. 12 months later I am proud to see that we already have fulfilled the first two and are well on our way in achieving the last. We have achieved a positive EBITDA for the second year in a row, a top of the guidance-range total ARR of DKK 55.7 million, representing a growth of 20% from 2020, and an all-time high number of clients of 97 end of 2021. A solid cash position of DKK 20.6 million ensures that no further financing is needed in the next period.

During 2021 we have made great progress in our internationalisation, we have won new clients and formed new partnerships, and we have added new strategic competence in sales, C-level management, and Board of Directors. All in all, we have all the prerequisites to do great things in 2022 and beyond."

Key figures and ratios

| | 2021 | 2020 | | 2021 | 2020 | |
|---------------------------|------------|------------|--------|-------------|------------|--------|
| DKK million | YTD | YTD | Change | Q4 | Q4 | Change |
| INCOME STATEMENT | | | | | | |
| Revenue subscriptions | 45.0 | 43.8 | 3% | 10.8 | 10.5 | 3% |
| Revenue transactions | 6.7 | 5.6 | 20% | 2.7 | 1.4 | 93% |
| Other revenue | 1.1 | 1.2 | -8% | 0.3 | 0.4 | -25% |
| Total revenue | 52.8 | 50.6 | 4% | 13.8 | 12.4 | 11% |
| Gross profit | 45.1 | 44.2 | 2% | 10.7 | 10.7 | 0% |
| Gross margin | 85% | 87% | - | 78% | 86% | - |
| Employee costs | -30.4 | -31.1 | -2% | -8.5 | -7.2 | 18% |
| Operational costs | -14.0 | -12.8 | 9% | -4.7 | -2.9 | 62% |
| EBITDA | 0.7 | 0.3 | - | -2.5 | 0.6 | - |
| Net profit for the period | -11.7 | -7.9 | 48% | -5.8 | -1.3 | 346% |
| FINANCIAL POSITION | | | | | | |
| Cash | 20.6 | 16.3 | 26% | 20.6 | 16.3 | 26% |
| ARR DEVELOPMENT | | | | | | |
| ARR subscriptions | 45.7 | 40.7 | 12% | 45.7 | 40.7 | 12% |
| ARR transactions | 10.0 | 5.8 | 72% | 10.0 | 5.8 | 72% |
| Total ARR ¹ | 55.7 | 46.5 | 20% | 55.7 | 46.5 | 20% |
| Change in ARR (DKK) | 9.1 | -8.6 | | 9.1 | -8.6 | |
| Change in ARR (%) | 20% | -16% | | 20% | -16% | |

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

Financial guidance 2022

The Company's financial guidance is latest confirmed at the release of the Q3 2021 interim information on 22 October 2021. The guidance on Total ARR is now updated with specification on guidance for ARR on subscriptions and ARR on transactions.

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

Strategy going forward

As formulated in the Reboot 2.1 strategy Agillic pursues growth through winning and retaining clients, 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, Sweden, and North America. Our target clients are digitally mature and data-driven B2C-businesses in industries such as retail, finance, travel & leisure, NGO and charities, and subscription businesses in e.g. entertainment & gaming, energy and utilities, media & publishing, and technology, software & cloud.

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Disclaimer

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

About Agillic A/S

Agillic is a Danish software company offering brands an omnichannel marketing automation platform through which they can work with data-driven insights to create, automate, and send personalised communication to millions, and thereby create the most impactful, meaningful, and profitable customer experiences.

Agillic is headquartered in Copenhagen, Denmark, with sales units in Berlin, Malmö and Oslo, and development units in Cluj-Napoca and Kiev.

For further information, please visit www.agillic.com

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

The information was published via agent by Agillic A/S on 25 February 2022.

Appendix: Financial development per quarter

| | 2019 | | | | 2020 | | | | 2021 | | | |
|------------------------------------|------|------|-------|-------|-------|------|------|------|------|------|------|------|
| DKK million | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| INCOME STATEMENT | | | | | | | | | | | | |
| Revenue subscriptions | 9.3 | 10.5 | 10.6 | 10.8 | 12.0 | 10.8 | 10.5 | 10.5 | 11.3 | 11.9 | 11.0 | 10.8 |
| Revenue transactions | 3.1 | 3.4 | 2.2 | 2.4 | 2.2 | 0.8 | 1.0 | 1.4 | 1.0 | 1.2 | 1.8 | 2.7 |
| Other revenue | 0.4 | 0.3 | 0.2 | 0.5 | 0.5 | 0.1 | 0.2 | 0.4 | 0.3 | 0.2 | 0.3 | 0.3 |
| Total revenue | 12.8 | 14.3 | 13.0 | 13.7 | 14.7 | 11.8 | 11.7 | 12.4 | 12.6 | 13.3 | 13.1 | 13.8 |
| Gross profit | 9.7 | 11.1 | 10.1 | 10.8 | 11.9 | 11.1 | 10.6 | 10.7 | 11.2 | 12.1 | 11.1 | 10.7 |
| Gross margin | 76% | 78% | 78% | 79% | 81% | 94% | 91% | 87% | 89% | 91% | 85% | 78% |
| EBITDA | -3.5 | -4.8 | -2.7 | -4.3 | -0.4 | 0.6 | -0.4 | 0.5 | 0.7 | 2.2 | 0.4 | -2.5 |
| Net profit | -5.9 | -8.6 | -4.0 | -6.5 | -2.7 | -0.5 | -3.4 | -1.4 | -2.3 | -0.5 | -3.1 | -5.8 |
| BALANCE SHEET | | | | | | | | | | | | |
| Cash ¹ | 2.7 | 1.0 | -1.0 | -4.0 | -6.1 | 15.2 | 14.8 | 16.3 | 23.8 | 22.0 | 18.6 | 20.6 |
| Total assets | 36.1 | 40.5 | 40.9 | 37.8 | 38.4 | 59.3 | 55.7 | 63.8 | 67.2 | 69.5 | 65.7 | 67.9 |
| Equity | -2.1 | - | -14.3 | -20.6 | -18.7 | -1.4 | -4.6 | -5.8 | 3.2 | 2.9 | 1.0 | -5.7 |
| Borrowings | 10.5 | 16.3 | 21.3 | 24.4 | 28.5 | 28.3 | 28.9 | 28.9 | 25.8 | 28.6 | 28.2 | 27.2 |
| CASH FLOW | | | | | | | | | | | | |
| Cash flow from operations | -5.9 | -3.9 | -4.1 | -1.0 | -4.4 | -1.7 | 1.7 | 5.0 | -1.6 | 1.2 | 0.0 | 6.1 |
| Cash flow from investments | -3.1 | -3.9 | -3.4 | -3.2 | -3.3 | -2.8 | -3.2 | -7.6 | -2.8 | -2.5 | -3.8 | -2.0 |
| Cash flow from financing | -0.6 | 6.2 | 5.4 | 1.2 | 5.5 | 25.9 | 1.0 | 4.2 | 11.8 | -0.5 | 0.4 | -2.0 |
| Net cash flow | -9.6 | -1.6 | -2.1 | -3.0 | -2.2 | 21.4 | -0.5 | 1.6 | 7.4 | -1.8 | -3.4 | 2.1 |
| EMPLOYEES & CLIENTS | | | | | | | | | | | | |
| Employees end of period | 60 | 63 | 67 | 64 | 64 | 61 | 57 | 53 | 50 | 49 | 47 | 44 |
| Clients end of period | 73 | 79 | 77 | 81 | 84 | 83 | 79 | 82 | 86 | 91 | 92 | 97 |
| ARR & SAAS METRICS | | | | | | | | | | | | |
| ARR subscriptions | 40.7 | 44.5 | 43.0 | 45.5 | 47.0 | 43.6 | 40.1 | 40.7 | 42.4 | 43.2 | 44.0 | 45.7 |
| ARR transactions | 12.6 | 13.8 | 8.7 | 9.6 | 8.9 | 3.3 | 4.0 | 5.8 | 4.2 | 4.8 | 7.3 | 10.0 |
| Total ARR ² | 53.3 | 58.2 | 51.7 | 55.1 | 55.8 | 46.9 | 44.1 | 46.5 | 46.6 | 48.0 | 51.3 | 55.7 |
| Change in ARR (DKK) | 3.2 | 5.0 | -6.5 | 3.4 | 0.8 | -8.9 | -2.8 | 2.4 | 0.1 | 1.4 | 3.3 | 4.3 |
| Average ARR ³ | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.6 | 0.6 | 0.6 | 0.5 | 0.5 | 0.6 | 0.6 |
| Yearly CAC ⁴ | | | | 0.8 | | | | 0.5 | | | | 0.3 |
| Months to recover CAC ⁵ | | | | 18 | | | | 12 | | | | 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.