

## Konsolidator lowers expectations for 2024

*In H1 2024, the net growth in Annual Recurring Revenue (ARR) only increased by DKK 0.2m, resulting in an ARR of DKK 19.6 m as per June 30, 2024. The ARR was impacted by fewer new sales and lower upsales to larger customers than expected. Thus, Konsolidator lowers the expectations for 2024. The ARR is now expected to be 21-23m for 2024 (previous guidance: 24-28m). Consequently, revenue is lowered to 21-23m for 2024 (previous guidance: 23m-27m), and EBIT loss is lowered to 10-12m for 2024 (previous guidance: EBIT loss of 0-5m), also impacted by the investment in Konsolidator Iberia of DKK 1-2m.*

### Denmark remains satisfactory but international sales are lacking

While sales conversion rates have returned to previous levels compared to H1 2023 and sales in Denmark remain satisfactory. The international sales have been challenged as the sales cycles and the decision-making process have been longer. In H1 2024, new sales and ARR up-sales amounted to DKK 1.2m, resulting in net growth in ARR of DKK 0.2m.

The financial outlook for 2024, as presented in the annual report 2023, reflected both growth opportunities from existing business and new sales opportunities materializing, including the newly announced banking application Konsolidator Banking®. The impact of the new sales opportunities has been delayed and with the uncertain geopolitical situation, Konsolidator does not see sales cycles and decision-making processes change in the short term.

Therefore, the ARR for 2024 is lowered to DKK 21-23 from DKK 24-28m. Revenue is also lowered to DKK 21-23m for 2024 from DKK 23-27m. Further, EBIT loss is lowered accordingly to DKK 10-12m for 2024 from an EBIT loss of DKK 0-5m.

The new financial outlook for 2024 is based on the existing business and pipeline, not including any revenue impact from the new banking segment.

### Initiatives to reduce cost and improve churn

Konsolidator has taken initiatives to reduce the sales and marketing costs to improve the customer acquisition cost. The number of employees at the end of June 2024 has been reduced from 36 to 30 at the end of August 2024 as well as the digital marketing will be outsourced. The full impact on the costs will not show until Q1 2025. During Q4 2024, Konsolidator will launch a new 3-year strategy. In order to improve churn further, Konsolidator has from Q2-2024 started to sell 2-year contracts, which should improve churn from 2025.

### Konsolidator Iberia exceeds expectations

Konsolidator Software Iberia S.L. (Konsolidator Iberia) has been up and running for the entire Q2 2024. The investment in the Iberian market looks promising, and during Q2 2024, Konsolidator Iberia signed two customers, which is earlier than expected. The investment in the Iberian market will have a negative EBIT impact in 2024 by DKK 1-2m, as announced in [company announcement no 2-2024](#).

## Adjusted guidance 2024

Based on the above, the financial expectation for 2024 has been lowered to:

- ARR of DKK 21-23m
- Revenue of DKK 21-23m
- EBIT loss of DKK 10-12m

Adjusted guidance on other SaaS metrics for 2024:

- CAC/new ARR 40-60 months (previous guidance 25-30)
- Net ARR increase/Cash Burn above 0.1-0.3 times (previous guidance 0.5)
- Net retention 93-98% (previous guidance 99-101)
- Churn 10-12% (previous guidance 8-10)

The half-year report will be released on August 22, 2024, and an [investor webinar will be held on August 22, 2024 at 12:30 PM.](#)

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## About Konsolidator

Konsolidator A/S is a financial consolidation software company whose primary objective is to make Group CFOs around the world better through automated financial consolidation and reporting in the cloud. Created by CFOs and auditors and powered by innovative technology, Konsolidator removes the complexity of financial consolidation and enables the CFO to save time and gain actionable insights based on key performance data to become a vital part of strategic decision-making. Konsolidator was listed at Nasdaq First North Growth Market Denmark in 2019. Ticker Code: KONSOL