



Announcement no. 3 2020

## Agillic presents Q4 2019 results and releases its annual report for 2019

**Copenhagen – 20 February 2020 – Agillic A/S (Nasdaq First North Copenhagen: AGILC) publishes its Q4 2019 results and annual report 2019. In 2019, revenue amounted to DKK 53.8 million, an increase of 38% compared to 2018, Annual Recurring Revenue (ARR) grew by 10%, compared to 2018 and EBITDA amounted to DKK -15.4 million. Although a solid growth, the result for 2019 was below expectation, mainly caused by an atypical high churn rate and a delay in the international sale. For 2020, the Company expects to increase EBITDA with DKK 16-21 million and become EBITDA positive. Further, a process aimed at raising DKK 20-25 million in a share issue is initiated.**

### **Jesper Valentin, CEO of Agillic, comments:**

“In 2019, Agillic’s internationalisation strategy through partnerships resulted in the entry into Australia and the U.S. We are looking forward to expanding our presence further in these highly attractive markets. Our revenue grew by 38% compared to 2018, and we achieved an Annual Recurring Revenue of DKK 55.1 million. Although a solid growth, the realised revenue was below expectations which we took action to mitigate. We have made substantial investments in product innovations, such as Agillic 3rd generation AI, a new user interface and native integrations to paid media enabling our clients to optimise the effect and ROI of digital advertising significantly. We believe this positions Agillic favourably in 2020 and going forward, and we confirm our expectation of a positive EBITDA in 2020.”

### **Financial result for Q4 2019**

- Total revenue in Q4 2019 amounted to DKK 13.7 million compared to DKK 12.2 million in Q4 2018, an increase of 12%
- Gross profit in Q4 2019 amounted to DKK 10.8 million compared to DKK 9.7 million in Q4 2018, an increase of 11%
- Gross profit margin in Q4 2019 was 79% compared to 79% in Q4 2018
- EBITDA amounted to DKK -4.3 million in Q4 2019 compared to -6.3 million in Q4 2018
- Annual Recurring Revenue (ARR) end-of-year 2019 amounted to DKK 55.1 million, an increase of 10% compared to end-of-year 2018
  - The license part of Annual Recurring Revenue (ARR) increased by 15% from DKK 39.6 million end-of-year 2018 to 45.5 million end-of-year 2019
  - The transaction part of Annual Recurring Revenue (ARR) decreased by 9% from DKK 10.5 million end-of-year 2018 to 9.6 million end-of-year 2019.

### **Operational highlights Q4 2019**

- The Company entered into Australia and the U.S., winning its first clients together with partners
- New strategic partnerships were formed with, among others, S360 (Denmark), VIU (Switzerland) and Webit (Germany)
- New user interface (UI) launched. Apart from innovating the UI, the source code was refactored which enables Agillic to more easily leverage cloud services

- Native integrations to the Google, Facebook and Adform ecosystems were fully released. This enables clients to activate their own data in the paid media channels
- 3<sup>rd</sup> generation of Agillic's AI was launched, enabling clients and partners to more easily leverage the business potential of AI
- The development and the operation of Agillic AI was migrated to Amazon Web Services (AWS).

### Financial result for the full-year 2019

- Revenue in 2019 amounted to DKK 53.8 million, an increase of 38% compared to 2018
- Gross profit amounted to DKK 41.7 million, an increase of 42% compared to 2018
- Gross profit margin was 78% in 2019 compared to 75% in 2018
- EBITDA amounted to DKK -15.4 million compared to DKK -19.1 million in 2018.
- Annual Recurring Revenue (ARR) end-of-year 2019 amounted to DKK 55.1 million, an increase of 10% compared to end-of-year 2018
  - The license part of Annual Recurring Revenue (ARR) increased by 15% from DKK 39.6 million end-of-year 2018 to 45.5 million end-of-year 2019
  - The transaction part of Annual Recurring Revenue (ARR) decreased by 9% from DKK 10.5 million end-of-year 2018 to 9.6 million end-of-year 2019.

### Operational highlights 2019

- Establishment of Swedish office in Stockholm
- Establishment of Swiss Office in Zurich
- The organisation was fortified with 7 (net) new colleagues throughout 2019. In particular, R&D and the sales teams in Denmark, Sweden and UK were reinforced. In Sweden, a Country Manager joined as of 1 January 2019. In UK, a Business Director joined as of 1 August 2019, and in the DACH region, a Managing Director joined as of 1 August 2019. All of them contributing with years of experience and valuable expertise
- The Company continued to form strategic partnerships in Denmark and internationally to accelerate the expansion. New partners comprise s360 (Denmark), VIU (CH), and Webit (Germany), Sage Marketing Advisors Inc. (the U.S.) and Exerp (Denmark)
- The Company continued the technological development of The Agillic Customer Marketing Platform. A new user interface (UI) was launched and apart from innovating the UI, the source code has been refactored which enables Agillic to more easily leverage cloud services
- Native integrations to the Google, Facebook and Adform ecosystems were fully released. This enables clients to activate their own data in the paid media channels, and the Company expects this to generate substantial revenue from new as well as existing clients
- 3<sup>rd</sup> generation of Agillic's AI was launched, enabling clients and partners to more easily leverage the business potential of AI
- Acquisition of outstanding shares (40%) in Armstrong One ApS.

### Outlook 2020

- Based on Agillic's performance in 2019 and the current market trends, we expect an Annual Recurring Revenue (ARR) in 2020 of DKK 61-69 million, which equals an increase of 11-25% compared to 2019

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- License part of Annual Recurring Revenue (ARR): DKK 56-62 million, corresponding to an increase of 23-36%
  - Transaction part of Annual Recurring Revenue (ARR): DKK 5-7 million, corresponding to a decrease of 27-48% primarily as a consequence of one substantial subscription agreement expiring
  - Revenue is expected to amount to DKK 57-63 million, corresponding to an increase of 6-17% compared to 2019
  - As a result of the increased revenue and a stable cost base, we expect to increase the EBITDA with DKK 16-21 million and generate a positive EBITDA of DKK 1-6 million.

### **Strategy towards 2023 and share issue**

Since the Initial Public Offering (IPO) in March 2018, Agillic has pursued growth and internationalisation. Apart from the domestic market, markets of particular interest are UK, Norway, Sweden, Benelux, DACH, Australia and the U.S. Together with Agillic's strategic partners across geographies, the Company continues to target digitally mature and data-driven B2C-businesses with a substantial customer base within the following sectors: retail, finance, travel & leisure, NGO & charities and subscription businesses.

Continued growth combined with profitability is the main priority in 2020 and going forward. To further accelerate the growth, Agillic has initiated a process aimed at raising DKK 20-25 million in a share issue to fund growth opportunities. The fundraising is expected to be completed during H1 2020.

As announced on 31 January 2020, Emre Gürsoy commences as new CEO to lead and execute Agillic's next profitable growth phase. Emre Gürsoy will begin in his new position 1 March 2020. Agillic's current CEO, Jesper Valentin Holm, will as per the same date continue as part of Agillic's senior management in a position as Chief Revenue Officer (CRO).

**Please find Agillic's annual report 2019 here:**

[Agillic annual report 2019](#)

### **Webcast**

Agillic is hosting a webcast 20 February 2020 at 3.00 pm (CET), where CEO Jesper Valentin and CFO Christian Tange will present the result for Q4 2019, full-year 2019 and outlook for 2020 as well as answer questions. Register for the webcast here: [Agillic annual report 2019 webcast](#)

### **Financial calendar 2020**

Annual General Meeting: 24 March 2020  
Financial results 1st quarter 2020: 30 April 2020  
Half-year Report 2020: 20 August 2020  
Financial results 3rd quarter 2020: 22 October 2020

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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 Nordic software company enabling marketers to maximise the use of data and translate it into relevant and personalised communication establishing strong relations between people and brands. Our customer marketing platform uses AI to enhance the business value of customer communication. By combining data-driven customer insights with the ability to execute personalised communication, we provide our clients with a head start in the battle of winning markets and customers.

Besides the company headquarter in Copenhagen, Agillic has sales offices in London (UK), Stockholm (Sweden), Zurich (CH) as well as a development unit in Kiev, (Ukraine).

For further information, please visit [www.agillic.com](http://www.agillic.com)

*Agillic A/S (publ) (Nasdaq First North Copenhagen: 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 20 February 2020.*