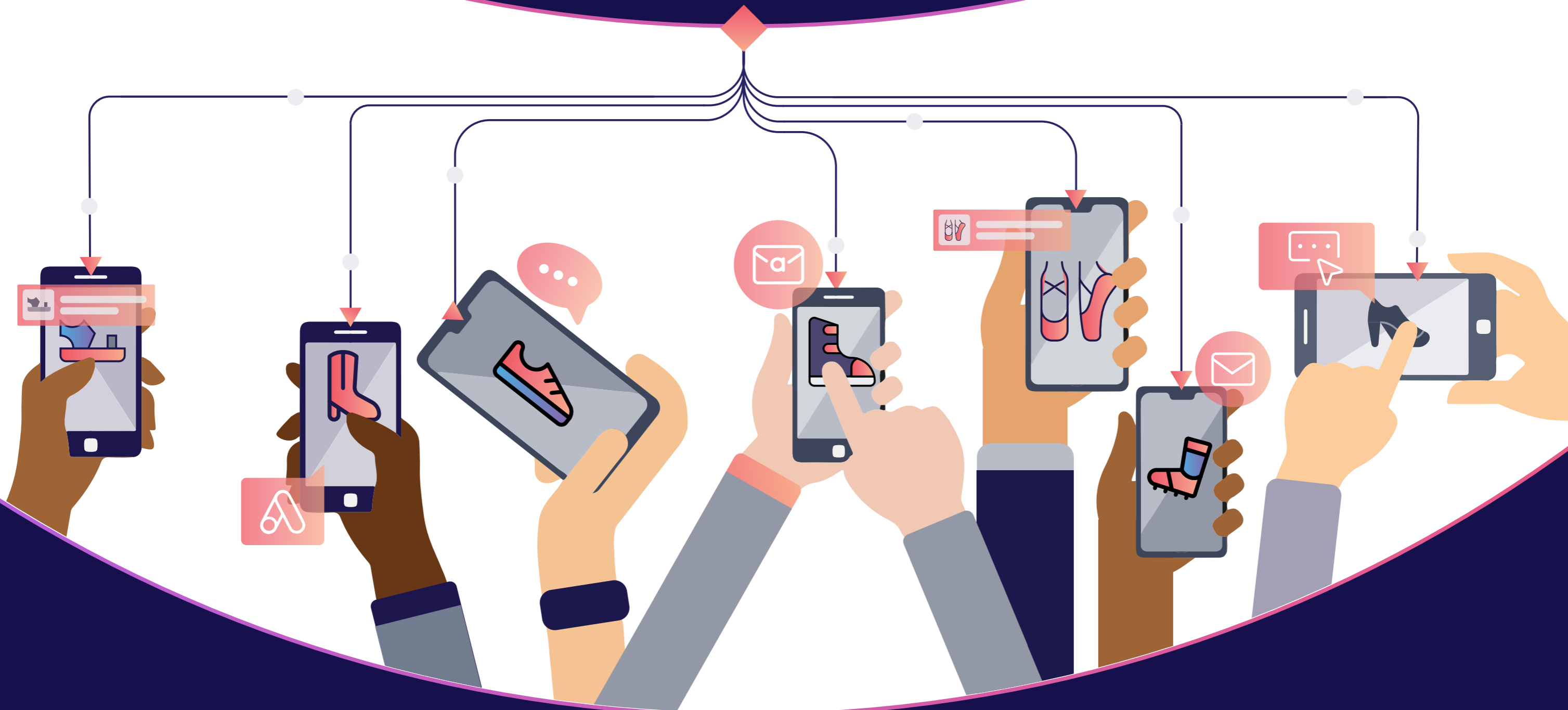




Personalised communication to millions



# Contents



10  
Our business



27  
Financial calendar



13  
Client insights

## At a glance

Agillic in numbers	3
Letter from the Chairman	4
Letter from the CEO	5
Key figures and ratios	9

## Our business

Equity story	11
Market drivers	12
Clients insights	13
Partners insights	14



14  
Partner insights

## Financial review

Financial review	16
Financial outlook and guidance	18

## Governance

Risk management	20
Governance structure	22
Security and IT compliance	23
Shareholder information	24
Board of Directors	25
Executive Leadership and Management	26
Financial calendar 2022	27

## Financial statements

Statement by the management	29
Independent auditors' report	30
Income statement	31
Statement of comprehensive income	31
Statement of financial position	32
Cash flow statement	33
Statement of changes in equity	33
Notes to the financial statements	34
Definitions of key figures and ratios	46

## Agillic in numbers



Revenue  
**DKK 52.8M**  
Within guidance of 49-53M\*



EBITDA\*\*  
**DKK 0.7M**  
Within guidance of 0-3M\*

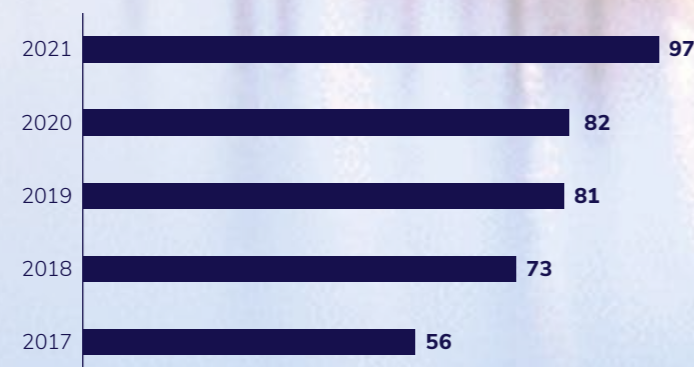


Total ARR\*\*  
**DKK 55.7M**  
Within guidance of 50-56M\*



Change in Total ARR  
**20%**  
Year-over-year

### Number of clients



### Average ARR (DKK M)



### Months to recover CAC\*\*



\* Guidance is latest confirmed at the release of the Q3 2021 interim information on 22 October 2021 (Company Announcement no. 16)

\*\* For definition of EBITDA, ARR and CAC please see definitions on page 46



## Letter from the Chairman

# Agillic has taken big steps forward in building an international eco-system together with our partners

In January, Agillic presented a strong and ambitious strategy for growth, and I am very pleased to see we are on target in following the plan. I have great confidence in our operations, and Agillic has taken big steps forward in building an international eco-system together with our partners.

During 2021, we have welcomed two new members to the Board of Directors, bringing valuable experience and competencies to our work. Michael Moesgaard Andersen comes with great insights in the Danish investor arena, and Susanne Lund is a very experienced marketer offering Emre and his team great support. In 2022 we will take further steps in professionalising the Board, aiming to add international expertise.

As a marketer at heart, I am truly delighted to see Agillic's personalisation capabilities transforming clients' businesses in ways we could only dream of before. During 2021, the company has made progress in all areas, and with the dedicated support from the Board I am confident Agillic will make a great impact in 2022 and beyond.

Johnny Emil Søbæk Henriksen  
Chairman of the Board of Directors

## Letter from the CEO

# Strong results driven by our Reboot 2.1 Strategy

**When I presented the Agillic Reboot 2.1 Strategy in January 2021, we had a lot of hard work ahead of us. I knew we would have to put all our best efforts into growing the company to fulfill our promises of delivering double-digit ARR growth, a positive cash flow from operations, and positive EBITDA. Now, 12 months later, I am proud to see that we are well on the way to reaching our ambitions, thanks to the great work of everyone involved.**

Agillic is built on a vision that technology should empower people to do more good for more people. Our Omnichannel Marketing Automation Platform allows marketers to establish lasting, meaningful, and profitable relationships with their customers, while executing precisely on their business plans at all touchpoints. We work relentlessly to understand our clients, their customers and how our platform can help enrich their relationships. Our purpose is to develop our technology in marketing automation and personalisation through a relevant, timely and channel agnostic approach to eliminate communication pollution.

2021 has shown our vision and product commitment to be highly resonant with the international markets, and we are already seeing the impact of our engagement.

### **Winning new clients, retaining existing clients, growing our partner network**

Our Reboot 2.1 strategy focuses on our ability to channel all our efforts towards our "must-win-battles":

- Growth – winning new clients, retaining and developing existing clients, and growing together with our partners
- Go-to-market model – establishing and implementing an agile, scalable, replicable and cost-efficient model to accelerate our internationalisation
- Speed to market – boost sales and eliminate implementation dependencies through local market partner engagements. Empower our solution partners to grow our business and deliver value to our clients in local markets.

The goals for all above strategic focus areas can only be achieved with the right team competencies and capacity. Throughout 2021 and moving further in the coming years, we are running a very strong talent strategy focusing on two key objectives:

- Becoming the most desired Danish tech company for all our employees and future talent
- Retaining good talent and attracting more international talent.



“

## Before the pandemic consumers wanted personalisation – now they demand it

McKinsey, 'Next in Personalisation 2021'

### Talent growth in parallel to sustainable business growth

During the year, we have added several competencies and capabilities to our organisation, with a clear focus on increasing the number of revenue-generating positions. We have doubled our sales force, with dedicated resources for each of our target markets.

We have also strengthened our C-level management with the newly-instated role of Chief Product and Technology Officer (CPTO), and a new Chief Financial Officer (CFO).

Rune Werliin has joined Agillic as our first CPTO with the aim of enabling Agillic to unify a visionary product development with strong engineering and deployment capabilities. With him, Rune brings extensive experience, and will be responsible for making our platform future-ready, and ensuring it integrates seamlessly into the ever-evolving larger martech ecosystem.

In November, we announced that Claus Boysen will be joining Agillic as the new CFO on March 1st, 2022. Claus has many years of experience from the technology industry, and his expertise in global financial strategy will be a key driver in Agillic's continued growth and profitability.

### A two-pronged strategy for internationalisation

In our Reboot 2.1 strategy, we formulated a two-pronged go-to-market strategy for international growth, via direct sales and indirect (partner-driven) sales. Choosing the right partners is a truly strategic question, and we do it by finding relationships with global players and building

mutual trust. We have built several successful cases during the year together with both our solution partners and our technology partners. Our “proof of concept” offering, where new clients can temporarily try out the platform's capabilities free-of-charge, has proven to be very successful and will continue as an important offering through our solution partners going forward.

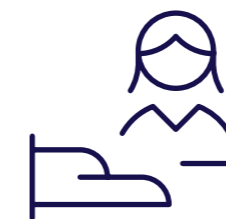
In 2021, our prioritised international markets were Sweden, Norway and especially the DACH-region. We have launched a German language website and performed several local go-to-market activities in the region.

### Before the pandemic consumers wanted personalisation - now they demand it

According to the 'Next in Personalisation 2021' report from McKinsey, personalisation matters now more than ever. The report shows that three-quarters of consumers switched to a new store, product, or shopping method during the pandemic.

Here are three key insights from the personalisation survey of US consumers:

- 71% of consumers now expect to receive personalised interactions
- 76% of consumer said receiving personalised communications was a key factor in prompting their consideration of a brand
- 78% of consumers are more likely to recommend a brand that offers personalisation to friends and family



71%

of consumers now expect to receive personalised interactions

76%

of consumer said receiving personalised communications was a key factor in prompting their consideration of a brand

78%

of consumers are more likely to recommend a brand that offers personalisation to friends and family

McKinsey, 'Next in Personalisation 2021'

Not only is it increasingly expected, personalisation drives performance and better customer outcomes. Fast-growing companies drive 40 percent more of their revenue from personalisation than their slower-growing counterparts. According to McKinsey, shifting to top-quartile performance in personalisation would generate over \$1 trillion in value across US industries. And the closer organisations get to their customers, the bigger the gains.

Luckily for us, as the demand for personalised relevant communication from end users increases, so does the interest in Agillic's solutions. In short, our technology is highly relevant for companies with large 1st party data, that want to improve their customer experience and capitalise on their data driven revenue opportunities.

### Finding and building relationships with ideal customers

An advanced best-of-breed solution is not for everyone. Our best matches are digitally mature and data-driven B2C-businesses with a substantial customer base. In all our key international growth markets, we have successfully appointed our own sales teams during 2021. The team is focusing on Agillic's Ideal Client Profile as the main growth accelerator, allowing us to avoid irrelevant market conversations. The strategy has already paid off, as we won 21 new clients this year, even though COVID-19 has still affected some of our target industries.

### Part of a best-of-best of breed ecosystem

Today's consumers expect consistency across every brand interaction, regardless of company function or system. A brand's ability to deliver desirable customer experiences will, ultimately, be reflected in conversion and retention. That means companies' technology stacks need to be flexible, highly adaptable, and easy to integrate. Therefore, finding and building collaboration with the right technology partners is essential for both our success, and that of our clients. Together, we can form a "Best of Best of Breed" ecosystem with maximum value for our customers, as a competitive alternative to traditional suite solutions.

In 2021, we ran a specific partner strategy initiative towards technology companies operating within the same client martech eco-system. We call it "Best of Best of Breed" technology partnerships, and with it, we aim to create a strong value for clients.

I am very proud of our success so far, which includes strong partnerships and completed agreements with Tealium (Customer Data Platform), Zendesk (Customer Service Platform), Spryker (Commerce Platform) and Membership Management Platforms such as Exerp and Agilea.

“

Creating a strong client value through our international “Best of Best of Breed” Technology Partnerships



Our collective efforts with technical product integrations, empowered with collective go-to-market activities, have already shown promising results on an international level.

### Business value through Agillic's Omnichannel Marketing Automation Platform – a prize-winning fact

This year, at The Danish Chamber of Commerce annual award show, both first, second and third place in the category 'Best omnichannel company' were awarded to Agillic clients – a truly amazing result!

Seeing the results and recognition of our clients' successes makes me very happy. The winner of 'Best Omnichannel Company' was, for the second time in a row, our long-time client Matas, a true beacon in the industry striving to create superior personalised omnichannel experiences. We are proud to be their choice of martech, delivering personalised communications as per their omnichannel marketing visions.

I would also like to congratulate AO Johansen for being a strong runner-up for the Best Omnichannel award, as well as third place winner Bog & Idé.



## The Danish Chamber of Commerce 2021

The winners of 'Best Omnichannel Company' are all Agillic clients

1. prize **matas**

2. prize **AO**

3. prize **Bog&idé**



“We are thrilled to win 'Best Omnichannel Company' at the Danish Chamber of Commerce's e-commerce award show for the second year in a row, and we are honoured by the recognition of our work”.

Thomas Grane, CIO/CHRO at Matas



Financial outlook for 2022

Financial outlook is described on page 18



\* Subscription part of ARR DKK 56-60 million  
Transaction part of ARR DKK 9-10 million

Looking towards 2022 and beyond

During 2021, we met quite a large portion of our promises. We have delivered a double-digit growth in ARR and a positive EBITDA on a year-to-year basis, and we have reached an all-time high number of clients. After successfully raising DKK 11.65 million in new capital in January 2021 and professionalising the board, we have the strength we need to continue our growth journey and put even more hard work into our strategy in 2022. Some areas we will focus on next year include:

- Superior product performance with strong differentiation within the category
- To become the most desired Danish tech company for all our employees and future talent
- Best-in-class customer success and support to grow our existing client ARR contribution
- International expansion through direct and partner-driven sales
- To deliver on our financial guidance for 2022 and present a strong ROI to our shareholders
- To integrate our business and ESG strategies in full capacity

Agillic's work with sustainability is part of the company's vision. In 2021 we have taken the first steps towards making this a focus area. In the coming years, we will

fully integrate our work with sustainability in the form of environmental issues (E), social issues (S) and governance (G). We will work purposefully to ensure that sustainability and social responsibility go hand in hand with the company's strategy, products/services and operations.

So, I will close where I started – with a sincere thank you to everyone who has worked hard and gone the extra mile to deliver our strong performance in 2021. I am also thankful to our shareholders, partners and clients for their trust in Agillic – we are unwavering in our commitment to delivering results to you. We look forward to a bright 2022 and beyond.

Thank you!

Emre Gürsoy  
CEO

## Key figures and ratios

DKK million	2021	2020	2019	2018	2017
<b>Income statement</b>					
Revenue	52.8	50.5	53.8	39.0	25.8
Gross profit	45.1	44.2	41.7	29.4	22.1
Operational costs	44.4	43.9	57.1	48.5	22.2
EBITDA	0.7	0.3	-15.4	-19.1	-0.1
Net financials	-2.1	-2.3	-1.6	-1.4	-1.6
Net profit for the year	-10.5	-8.0	-25.1	-25.8	-5.2
<b>Balance sheet</b>					
Total assets	67.9	63.8	37.8	47.4	31.4
Equity	-5.7	-5.8	-20.6	3.5	-6.4
Cash	20.6	16.3	1.2	12.3	-
<b>Cash flow</b>					
Cash flow from operations	6.1	3.1	-10.3	-4.5	-0.5
Investments in tangible assets	0	0.9	0.4	-	-
<b>Key ratios</b>					
Gross margin	85%	88%	78%	75%	86%
Clients end of period	97	82	81	73	56
Average number of employees	47	55	59	42	25
<b>SaaS metrics*</b>					
ARR subscriptions	45.7	40.7	45.5	39.6	25.8
ARR transactions	10	5.8	9.6	10.5	7.4
Total ARR	55.7	46.5	55.1	50.1	33.2
Change in ARR (%)	20%	-16%	10%	51%	60%
Average ARR	0.6	0.6	0.7	0.7	0.6
CAC	0.3	0.5	0.8	0.5	0.3
Months to recover CAC	8	12	18	11	6
<b>Share performance (listed 22 March 2018)</b>					
Outstanding shares end of period ('000)	10,187.8	9,435.5	8,286.9	8,286.9	-
Share price end of period (DKK)	25.8	19.6	30.5	24.5	-
Market cap (million)	263	185	253	203	-
ARR multiple (times)	4.7x	4.0x	4.6x	4.1x	-

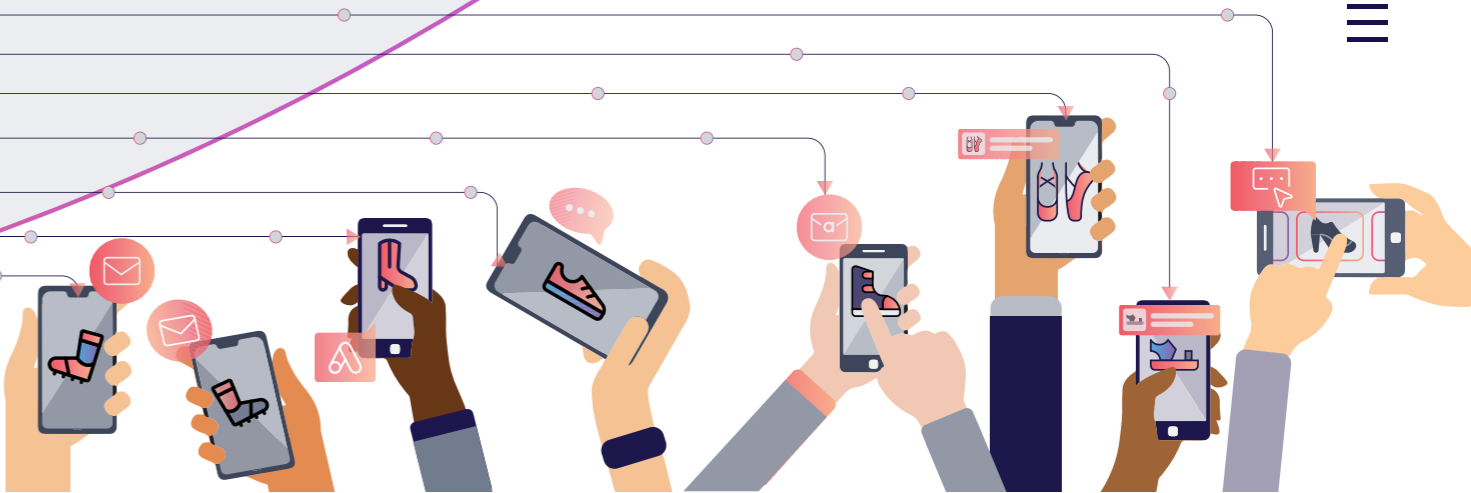
\* See key definitions on page 46

# Our business

---



Personalised communication to millions



Equity story

2021 financial performance



\* Subscription part of ARR DKK 45.7 million  
Transaction part of ARR DKK 10.0 million

Delivering impactful, meaningful, and profitable customer experiences.

Agillic is a Danish software company offering brands a platform through which they can work with data-driven insights to create, automate and send personalised communication to millions, offering advantages such as:

- Higher conversion rates
- Enhanced customer satisfaction
- Better retention and win-backs
- Increased customer lifetime value

Designed for an ecosystem of strategic partnerships across CDP, CMS, CRM, Customer Service, eCommerce, and Business Intelligence, the platform continuously integrates best-of-breed technologies to accelerate the implementation process and deliver fast time to value. Agillic holds a leading position in the Nordics and is increasing its international presence. The Company is scaling up its business through strategic partnerships and direct sales from sales offices in Berlin, Copenhagen, Malmö, and Oslo.

Business model

Agillic is a subscription business. Clients pay a yearly license for access to the Agillic platform and pay an additional fee for transactions sent, such as email and SMS.

The Agillic stock

Agillic was listed on Nasdaq First North Growth Market Denmark in March 2018. The Company's market value amounted to DKK 263 million at the end of 2021, compared to DKK 185 million at the end of 2020. Ticker: AGILC

Agillic partner strategy

Our partner strategy contains three different types of partnerships:

Business development partners: We find new business in collaboration with sales partners on our target markets.

Solution partners: We start collaborations with global partners, and build relationships through our Solution Partner Program.

Technology partners: We integrate with leading tech companies within their fields to form dynamic, compatible strategic partnerships.

We work closely with partners in a number of international markets (in alphabetical order): Czech Republic, Germany, Lithuania, Norway, Poland, Sweden, Switzerland, the UK, and the USA.

Target industries

Our target clients are digitally mature and data-driven B2C-businesses with a substantial customer base, mainly in the following industries:

- Retail
- Charities & NGOs
- Finance
- Travel, hospitality & leisure

Subscription businesses across multiple industries

- Energy & utility
- Media & publishing
- Entertainment & gaming
- Technology, software, cloud

## Market drivers

### About the market

According to Gartner “83% of CEOs intend to increase spending on digital capabilities, but only 46% intend to increase marketing spend”, which nicely sums up the market situation in which Agillic operates. Across most, if not all, industries, brands are scrambling to build and strengthen the infrastructure and orchestration necessary to capitalise on the potential of both omnichannel and personalised brand experiences demanded by the majority of consumers.

### Key market drivers

- A growing amount of data available
- Consumers expect and reward personalisation
- Rising omnichannel marketing adoption
- Increasing focus on martech to unlock the potential of personalisation

### \$344.8 billion

Suggested global market for martech industry 2021, based on an estimated value in North America and UK of \$149.7 bn.<sup>1</sup>

### 76%

Almost 8 out of 10 US consumers say that receiving personalized communications is a key factor in prompting their consideration of a brand.<sup>2</sup>

### 40% more

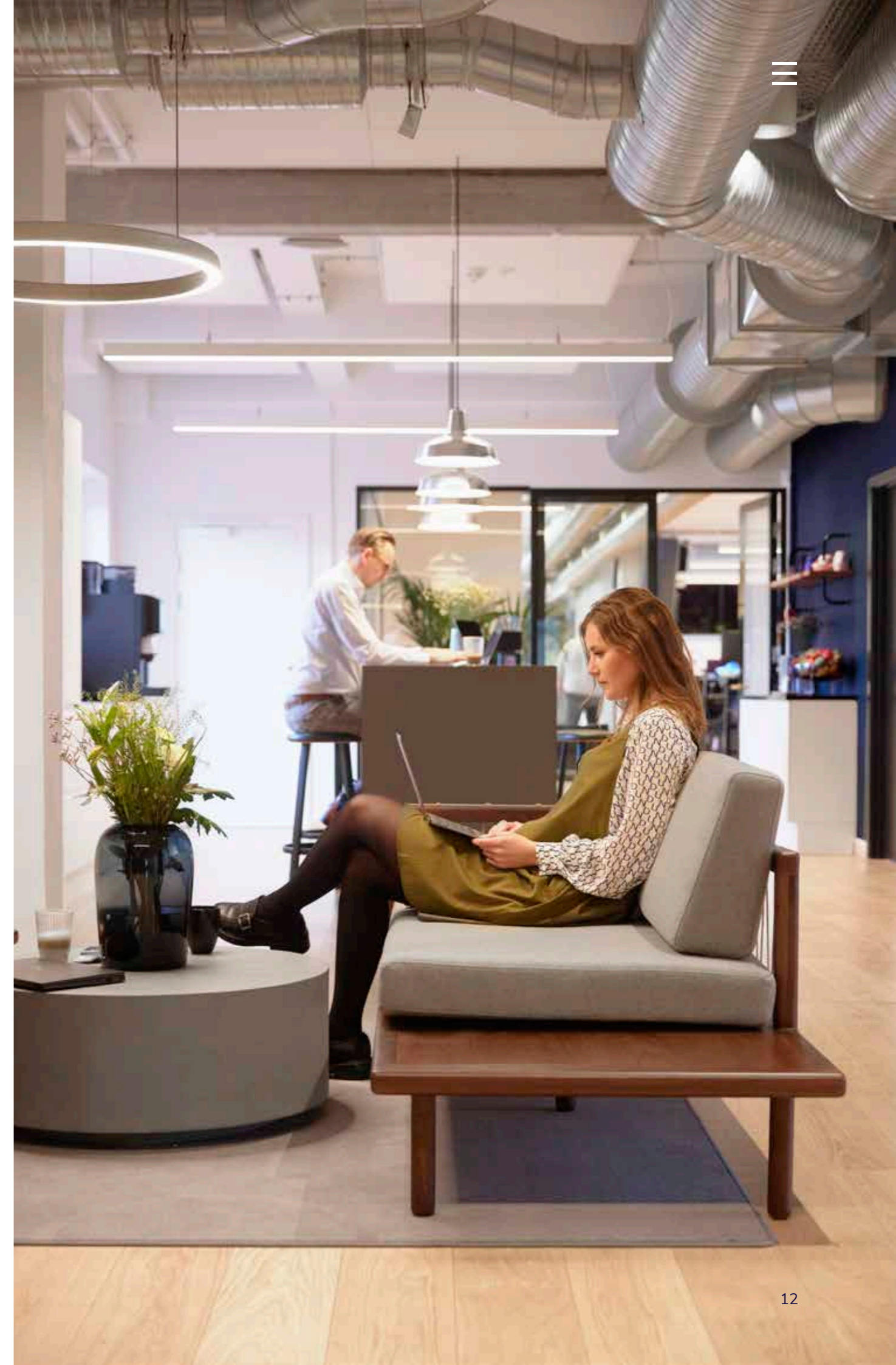
According to McKinsey, above average growth companies make 40% more revenue from personalised marketing actions or tactics than below average companies.<sup>2</sup>

“

After a year of rapid digital acceleration, CMOs’ concerns are shifting away from digital transformation and toward the challenges of orchestrating complex, customer-centric journeys.

Gartner, ‘CMO leadership vision 2022’

1: MarTech Alliance, ‘The martech report 2021-22’  
2: McKinsey, ‘Next in Personalization 2021’



# Client insights



TelgeEnergi

“We are building a customer-centric and data-driven organization. The flexible data model in Agillic enables a broader customer picture for targeted customer communication, and the powerful content tools let us personalise and manage content more effectively. Our success as a company – and in a bigger perspective – requires that we meet customer expectations and provide not only more sustainable energy but also excellent and personalised customer experiences. Agillic gives us the ability to adopt a true omnichannel approach. Therefore, Agillic is the perfect partner to help us digitalise the customer journey.”

Johannes Boson, CEO of Telge Energi



MULTILOT CORPORATION

“Gaming is entertainment and fun, hopes and dreams. When we provide a smooth and good customer experience to the end-users on behalf of our clients, we fulfill a human need, making it more likely that they will keep coming back for a positive experience. That is our business case – and that’s why Agillic is relevant to us. We believe personalised communication is vital in creating a good customer experience. Activating our content through the Agillic platform will help us attract new players and help us retain them through positive experiences.”

Petter Danbolt, CEO of Multilot



Mødrehjælpen

“Retaining and developing engaged donors and preventing churn is very important to us. A steady stream of monthly donations gives us the stability we need to provide for those needing long-term support. Having a sophisticated marketing technology platform that can execute on our communication strategy has been on my wish list for a long time. Some of our donors are particularly engaged in our domestic violence projects, others in childhood poverty. And a new donor has different communication needs than someone who has donated monthly for ten years. Agillic will enable us to communicate what we do with our donors’ funding, in a respectful, relevant and more effective way.”

Mette Rafn, Digital Marketing Manager at Mødrehjælpen



io interactive

“To us, it is extremely important to find the right eye-level communication with our players, both in-game as well as off-game. With Agillic we can use and activate our extremely complex data, based on activity levels, interests etc in an effective way. And without having to cannibalize on our own developers.”

Marc Skouborg, CMO at IO Interactive

matas

“We are thrilled to win “Best Omnichannel Company” at the Danish Chamber of Commerce’s e-commerce award show for the second year in a row, and we are honoured by the recognition of our work. We have come a long way, but we have many more ideas up our sleeves. Most importantly, the customers are more than ready for further omnichannel experiences, and there is a huge potential in continually integrating touchpoints and channels and enabling a fully customer-centric organisation in the years to come.”

Thomas Grane, CIO/CHRO at Matas



L&R

“Our focus is to inspire people to read our books, wherever they choose to buy them. With the solution from Agillic we will be able to use existing data to distribute our content in a way that is tailor-made for each reader, e.g. pushing a new book from a favorite author or suggest suitable reading for the children’s summer holiday. That simply wasn’t possible for us before.”

Cathrine Burhøj Jerris, CRM & Marketing Automation Manager at Lindhardt & Ringhof Forlag



# Partners insights



“Customers today are demanding a more personalised service that is tailored to their needs and their channel of choice. By bringing together Zendesk and Agillic, agents can have a clearer view of the customers’ needs and preferences across the customer life cycle, while also being able to proactively offer recommendations tailored to them. This kind of connected, omnichannel approach opens up new opportunities for the service team to drive sales and revenue for the business.”

Charlotte Møller-Andersen, Regional Vice President, Commercial North at Zendesk



“Custom integrations in omnichannel solutions are often a lengthy and costly affair. The Zendesk/ Agillic app can be set up in minutes, while still being fully customizable to fit customers’ data model and marketing flows. This will bring great benefits to our clients.”

Jacob Fusager at Agillic Gold Partner at Web2Media



“Spryker enables “composable commerce”, where our customers and partners leverage our platform to compose and combine tailored commerce solutions answering their specific needs, delivery model and structure. Agillic provides the fuel to ensure constant revenue streams by delivering relevant, personalised omnichannel communication which is prompted by customer’s commerce data, collected online or offline. The partnership with Agillic is extremely advantageous for our clients.”

Alexander Graf, co-CEO and co-founder of Spryker



“Winning a client like Kvik together with Agillic is a strong testimonial to our powerful joint offering. A client like Kvik needs to collect data from across its tech systems and channel it back to its customers with marketing strength, making a Tealium-Agillic combination the perfect choice. Tealium is the beating heart pumping data into Agillic, where it can be activated into personalised customer communications”.

Antony Gibson, Senior Partner & Alliances Manager EMEA at Tealium



“Our vision is to offer a complete software solution and implementation services to help fitness studios and other subscription-based services to strengthen their business. The only thing we have lacked is an advanced platform for communication. Together with Agillic, the synergy effects between our backbone and Agillic’s flexible platform for customer communication completes our solutions with a best of breed offering.”

Tilman Freisen, Managing Director at agilea



“Many of our customers are looking to integrate marketing automation and omnichannel marketing into their marketing strategies. I am convinced that the UK holds a massive potential for Agillic and with its growth ambitions, and its best-of-breed platform, it’s a superb match for us. We anticipate a long and fruitful partnership, where we together can provide cutting-edge solutions for our customers.”

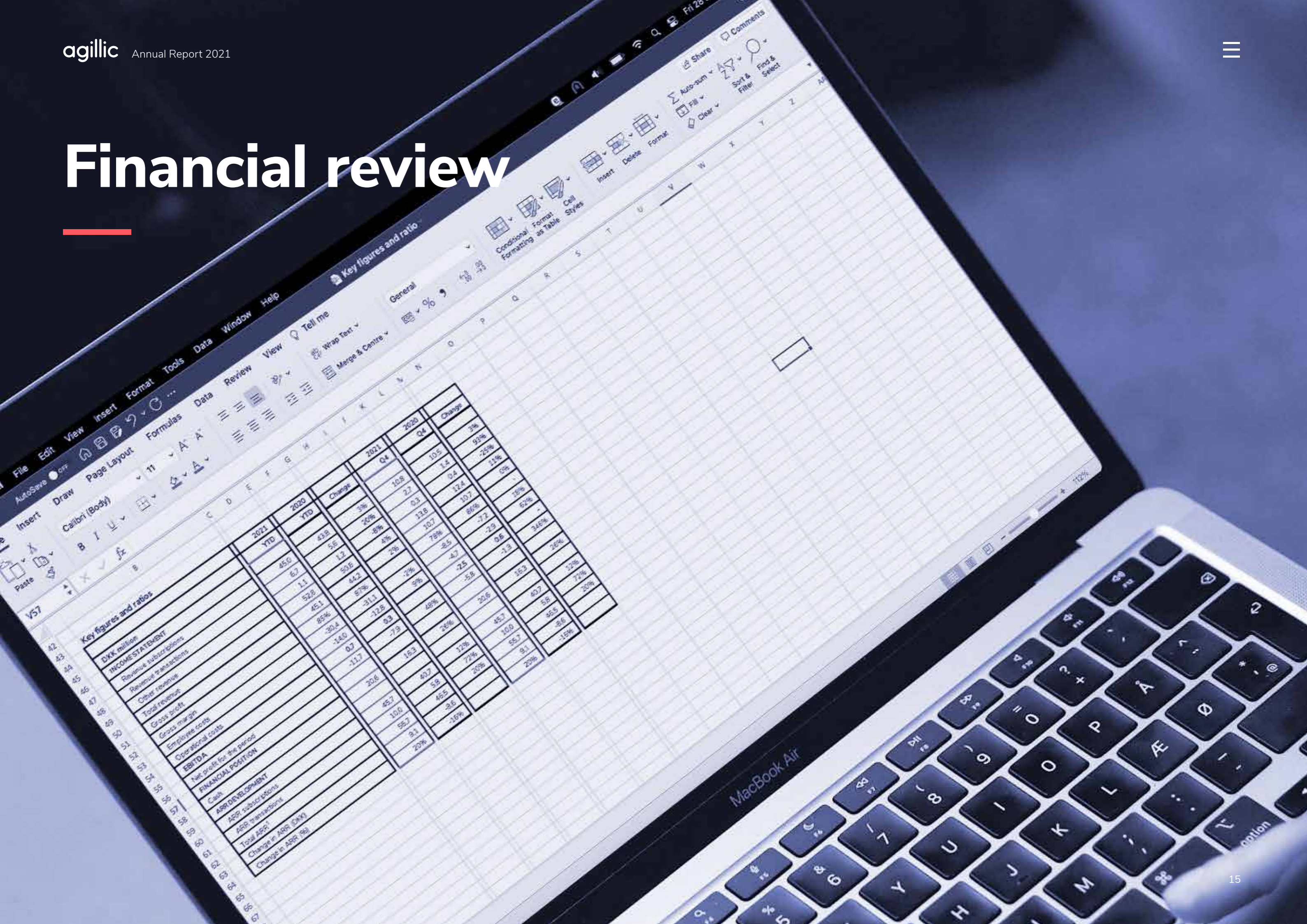
Anders Holt, CEO, Novicell UK



“It is a fascinating project where we are building everything from scratch: templates, automation rules, communication flows and content. Multilot operates a radio broadcasted bingo in various radio channels. Setting up the communication rules and tying backend operations together with personalised customer communication is quite sophisticated, and we are looking forward to pressing play when everything is ready.”

Villy Gravengaard, CEO of NexusOne

# Financial review



# Financial review

**Agillic achieved a positive EBITDA for the second year in a row, a top of the guidance-range total ARR of DKK 55.7 million 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.**

## Income statement

Despite the COVID-19 pandemic and the negative effect on the business environment in 2021, Agillic attracted new clients, uplifted existing clients, and managed to retain current clients to a very large extent. Revenue increased by 4% to DKK 52.8 million in 2021 compared to DKK 50.6 million in 2020. The subscription part of the Company's revenue increased by 3% to DKK 45.0 million (DKK 43.9 million), and gross profit increased by 2% to DKK 45.1 million (DKK 44.2 million), compared to 2020. Both revenue from subscriptions and gross profit were at an all-time high in 2021.

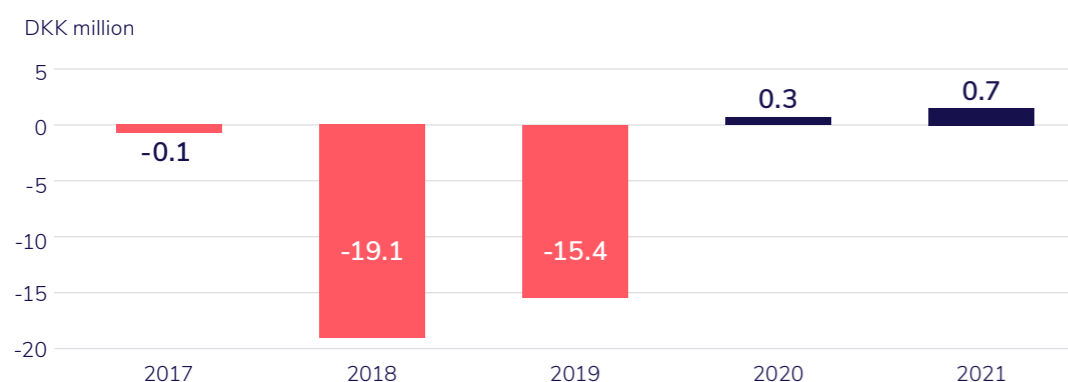
Gross margin decreased to 85% in 2021 from 88% in 2020 due to a change in sales mix, as transactions are associated with a lower margin than subscriptions.

The organisation remains streamlined and yet focused on delivering on the product strategy as well as on sales and marketing efforts. As a consequence, the average number of employees decreased from 55 in 2020 to 47 in 2021. Adjusted for employee costs transferred to capitalised development costs, staff costs declined from DKK 29.8 million in 2020 to 29.1 million in 2021.

Other external costs increased from DKK 14.1 million in 2020 to 15.3 million in 2021, mainly due to increased efforts in sales and marketing, and to other external costs, including external consultants.

Total operating costs amounted to DKK 44.4 million compared to DKK 43.9 million in 2020, an increase of only 1%.

## EBITDA 2017-2021



## EBITDA

For the second year in a row since the IPO, Agillic obtained a positive EBITDA. EBITDA for 2021 amounted to DKK 0.7 million, an increase of 0.4 million compared to the EBITDA of DKK 0.3 million in 2020.

This positive EBITDA comes from a combination of a streamlined organisation and cost-conscious behaviour.

## Profit/loss for the year

As a consequence of the continued investment in developing the Agillic Omnichannel Marketing Automation Platform, depreciation increased to DKK 10.3 million compared to 8.0 million in 2020. Consequently, EBIT amounted to DKK -11.1 million versus -8.5 million in 2020.

Profit before tax was DKK -13.3 million versus -10.8 million in 2020. The positive tax income in 2021 was DKK 2.7 million (2020: DKK 2.8 million) and was the expected tax credit for development costs.

## Assets

Investment in the development of the Agillic Omnichannel Marketing Automation Platform continued in 2021. The development costs include capitalised salary costs and costs from external consultants. Development costs during 2021 amounted to DKK 10.9 million (2020: DKK 11.3 million).

## Cash position

As of 31 December 2021, cash at bank amounted to DKK 20.6 million compared to DKK 16.3 million in 2020. To fund continuous growth and consolidate the balance sheet,

Agillic initiated a capital raise in the beginning of 2021. In January 2021 Agillic raised DKK 11.65 million in new capital by issuing 582,500 new shares, as stated in Company Announcement no. 2 2021. The price per share of DKK 0.10 was DKK 20.

On April 7 2021, according to the Company's articles of association appendix 3.3A, three current and former leading employees exercised 169,790 warrants and acquired the same number of shares of nominally DKK 0.10 in the Company, as stated in Company Announcement no. 11 2021. The Company's liquidity increased with DKK 351,465.30 due to the transaction.

## Equity

As of 31 December 2021, total equity amounted to DKK -4.5 million. Agillic raised DKK 11.7 million in equity by issuing in total 582,500 new shares.

Before the capital increases and exercise of warrants into shares, the share capital amounted to DKK 943,552.70 consisting of 9,435,527 shares of nominally DKK 0.1 each. After the two capital increases, the Company's share capital amounted to 1,018,781.70, consisting of 10,187,817 shares of nominally DKK 0.10 each.

## Liabilities and deferred income

Including the Business Angel Matching Loan, the total borrowings to The Danish Growth Fund amounted to DKK 27.3 million (2020: DKK 28.9 million).

According to International Financial Reporting Standards (IFRS), Agillic recognises revenue over the subscription

period starting from when the client commences using the Agillic Omnichannel Marketing Automation Platform. Clients typically subscribe for one year and are invoiced the full amount when signing the agreement. The invoiced amount is recognised as deferred income when paid and then released proportionally over the subscription period. On 31 December 2021, deferred income amounted to DKK 19.6 million (2020: DKK 15.2 million).

Cash flow

During 2021, cash flow from operating activities amounted to DKK 7.4 million (2020: DKK 3.1 million), and cash flow from investing activities amounted to DKK -11.5 million (DKK -12.2 million). Cash flow from investments mainly consisted of investments in developing the Agillic Omnichannel Marketing Automation Platform. The cash deficit from operating and investment activities were financed by Agillic’s own cash funds and the capital raise during the year.

Net change in cash amounted to DKK 4.3 million (DKK 15.1 million), and as of 31 December 2021, cash at bank amounted to DKK 20.6 million (DKK 16.3 million).

SaaS metrics

The general key performance figure for Software-as-a-Service (SaaS) companies, annual recurring revenue (ARR),

illustrates the annualised value of a client’s subscription agreement and transactions processed by the clients via the platform.

As of 31 December 2021, ARR was DKK 55.7 million, compared to 46.5 million as of 31 December 2020, an increase of DKK 9.2 million corresponding to an increase of 20%. The increase in Total ARR is associated with an increase in number of clients, bringing the number of clients to an all-time high of 97 clients.

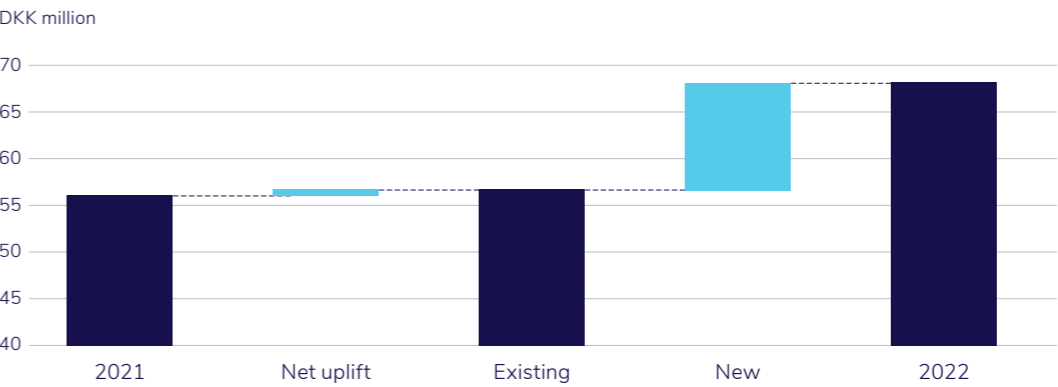
Agillic expects a further increase in Total ARR from DKK 55.7 million in 2021 to a range of DKK 65-70 million in 2022.

Months to recover CAC decreased for the second year in a row, from 12 months in 2020 to 8 months in 2021.

Events after the year-end

Reporting of transactions related to shares in Agillic A/S made by persons with managerial responsibilities as Emre Gürsoy, CEO, Agillic A/S has purchased 5,632 Agillic shares at an average price of DKK 26.82 corresponding to DKK 151,032.28 in total, as stated in Company Announcement no. 01, 19 January 2022.

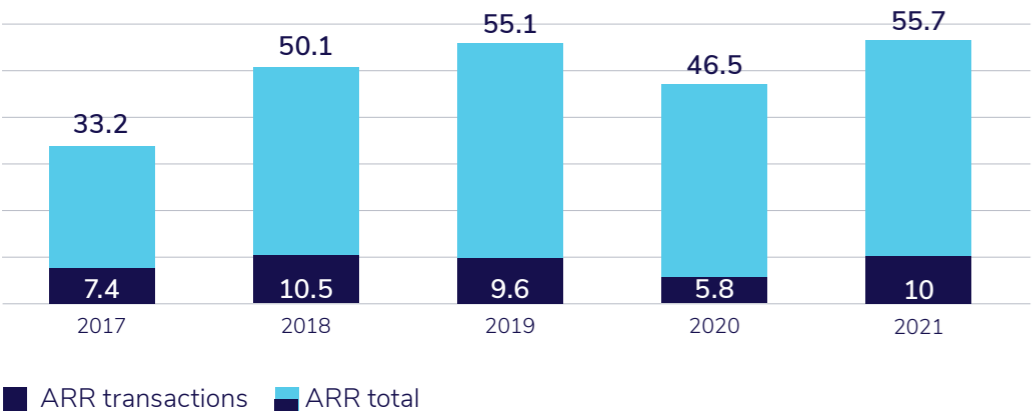
Expected development in annual recurring revenue (ARR)



Factors impacting the ARR-development

- Upselling to existing clients:
  - Clients increase the number of communication transactions
  - Clients deploy additional communication channels and/or AI
- When clients churn and when less transactions take place temporarily, ARR decreases
- Sales of subscriptions to new clients increases the ARR
- As long as the value of upselling to existing clients and the sales to new clients exceeds the value of the churning clients, the ARR will increase

ARR development 2017-2021  
Subscriptions & transactions (DKK million)



# Financial outlook and guidance

The Agillic Reboot 2.1 Strategy introduced in January 2021 continues in 2022 with the aim of winning new clients, retaining and growing existing clients, and growing together with an international partner network. In 2022, the Company expects a double-digit growth in Total ARR amounting to DKK 65-70 million building on a 2021 that has shown 20% growth in Total ARR.

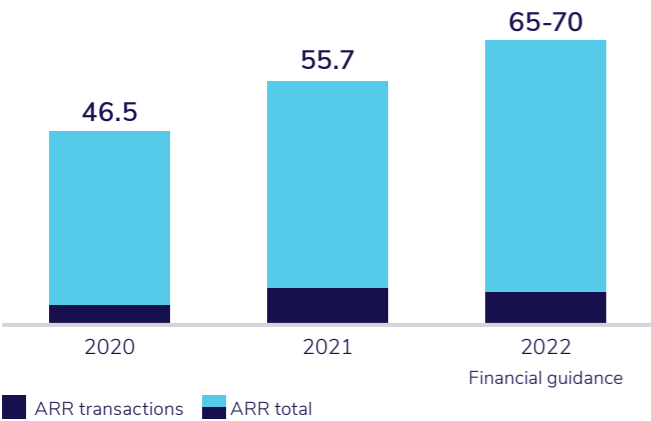
Based on the current pipeline, new international partnerships and market trends, the Company expects to increase the number of clients from the all-time high number of clients of 97 end of 2021 and thereby increase both the subscription and transaction part of the annual recurring revenue (ARR).

Agillic focuses on organisational development with the objective of becoming the most desired Danish tech company for all employees and future talent, and also to retain good talent and attract more international talent. The Company will continue to invest in marketing and sales to win new clients and deliver growth in annual recurring revenue (ARR). Agillic will continue to invest in developing the Agillic Omnichannel Marketing Automation Platform to improve the clients' user experience and enhance ROI.

**Financial guidance**  
The financial outlook is based on several assumptions, including that macroeconomic trends will not significantly change the business conditions for Agillic, nor the Company's clients, during 2022.

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

**ARR development 2020-2022**  
Actual and 2022 guidance  
Subscriptions & transactions (DKK million)



# Governance

# Risk management

**In the highly competitive and rapidly changing tech market where Agillic operates risks are plenty. Our risk management focus is on data security, investment in innovation and internationalisation to keep ahead of competition, as well as on attracting and keeping talent.**

Agillic is subject to a number of risks and uncertainties, with potential short-term and long-term implications for our business. The purpose of our risk management approach is to address these in an effective and timely manner. It is essential to ensure that the Company stays competitive and compliant with data legislations and maintains a solid cash position to support the internationalisation and expected two-digit growth in ARR, as described in the Agillic Reboot 2.1 growth plan.

## Risk management organisation

The Board of Directors is ultimately responsible for risk management. It has appointed the Audit Committee and Information Security Board to act on its behalf in monitoring the effectiveness of the Company's risk management. While recurring risks are evaluated on a running basis, monitoring is mainly performed in connection with board meetings. The responsibility of the Audit Committee and

Information Security Board is to adopt guidelines for critical areas of risk, monitor developments, and ensure that plans are in place to manage individual risks, including strategic, operational, financial and compliance risks.

## Competition

The martech market is characterised by large international vendors investing heavily in winning market share and allocating significant resources in sales and marketing. Our competitors also include emerging fast-growing vendors with innovative solutions. To mitigate the risk of increased competition impacting the business negatively, Agillic has a constant focus on developing an innovative and unique customer marketing platform and investing in customer success, sales and marketing.

## Product development

Agillic depends on innovation and must continually

dedicate resources to development. Should Agillic not be able to maintain its capacity to innovate, the Company and its offering are at risk of becoming obsolete in regard to clients' requests for functionality. The Company is in the process of applying for a patent on the Agillic platform's method for computer-implemented large-scale data communication.

## Attracting and keeping new talent

As a growing company continuous recruitment of additional competencies is necessary. Skilled backend and frontend programmers are in high demand and it can be challenging to attract and retain these profiles. If Agillic cannot attract highly qualified employees, it may have consequences for Agillic's innovation capability and growth rate. The risk is mitigated by working actively with recruitment as well as developing and maintaining an attractive working environment for all employees.

## Internationalisation

International operations and the liquidity required to build the new international partner network structure are monitored by centralised financial controlling systems and guidelines.

## Liquidity risk

On 31 December 2021, cash amounted to DKK 20.6 million. In accordance with the Reboot 2.1 strategy, Agillic is investing significant resources in growing the business. This cannot solely be financed from existing clients, and there is a risk that new business is not sufficient to cover the Company's operational costs. To mitigate that risk, Agillic raised DKK 11.65 million in new capital in January 2021. No further financing is needed in the next period.





#### **Currency risk**

Currency risk is the risk that arises from changes in exchange rates, affecting the Company's results. The general objective of Agillic's currency risk management is to limit and delay any adverse impact of exchange rate fluctuations on earnings and cash flows, thus increasing the predictability of the financial results. Agillic also aims to balance incoming and outgoing payments in local currency and monitors the development in exchange rates and adjusts price lists when required. The most significant currency exposure in Agillic is to NOK.

#### **Handling of personal data**

To mitigate the risk of handling sensitive personal data, Agillic operates an Information Security Management System (ISMS), audited to ISAE3000, that ensures the Company is GDPR compliant and mitigates the risk of data breach. Improvements to the Information Security Management System (ISMS) are considered and reviewed continuously by the Company's Information Security Board and presented to Executive Leadership and the Board of Directors. Operational procedures and guidelines are regularly reviewed from a risk perspective and aligned with the ISMS.

#### **Exposure to cybercrime**

Since Agillic's business is based on centrally hosted software, cyberattacks and viruses are threats to Agillic's daily operations. Should the Agillic platform or internal IT systems be exposed to a virus, this could prevent clients from using the Agillic software both temporarily or for a longer period. To reduce the risk, maintaining a healthy IT infrastructure and anti-virus protection is crucial.

#### **Data security**

Agillic has established an industry-standard security programme, dedicated to providing a high level of documented data security and allowing clients to have confidence in our custodianship of their data. The security programme is aligned with the ISO 27001 standard to ensure that Agillic operates in compliance with relevant legal requirements and agreements and is audited by an external auditing company according to ISAE 3000.

As Agillic uses subdata processors outside of the EU, there is a risk that some clients may have concerns related to GDPR. To mitigate this risk, Agillic provides a case-by-case data access to a limited number of developers outside of the EU. Furthermore, Agillic has expanded the EU-based development team.

#### **Business continuity**

If an incident occurs, Agillic has processes in place to handle the situation effectively. As part of the process, Agillic's client data is backed up every day to prevent data-loss scenarios. All back-ups are encrypted, both in transit and at rest, using strong industry encryption techniques. All backups are geographically distributed to maintain redundancy in the event of a natural disaster or a location-specific failure.

# Governance structure

Good corporate governance is an important focus area at Agillic. We continuously develop our practices, with the objective of supporting and securing processes and procedures.

The ultimate authority over Agillic sits with the shareholders. At the annual general meetings, shareholders approve the annual report and any amendments proposed to the Company's Articles of Association. Shareholders also elect board members and the independent auditor.

**The Board of Directors, the Executive Leadership and Management**

The management of Agillic is distributed between the Board of Directors and the Executive Leadership and Management. The Board of Directors supervises the Executive Leadership's work and is responsible for the Company's overall management and strategic direction, while the Executive Leadership is in charge of day-to-day management. The Executive Leadership and Management consists of the Chief Executive Officer, the Chief Financial Officer, the Chief Commercial Officer, the Chief Experience Officer and the Chief Product and Technology Officer. As per 31 December 2021 Agillic's Board of Directors consisted of five shareholder-elected members. 4 of 5 members are shareholders. One of the board members has a background in marketing, one has a background in finance and three have extensive experience as investors.

Board members are elected by the shareholders at the Annual General Meeting, serve for a one-year term and are eligible for re-election.

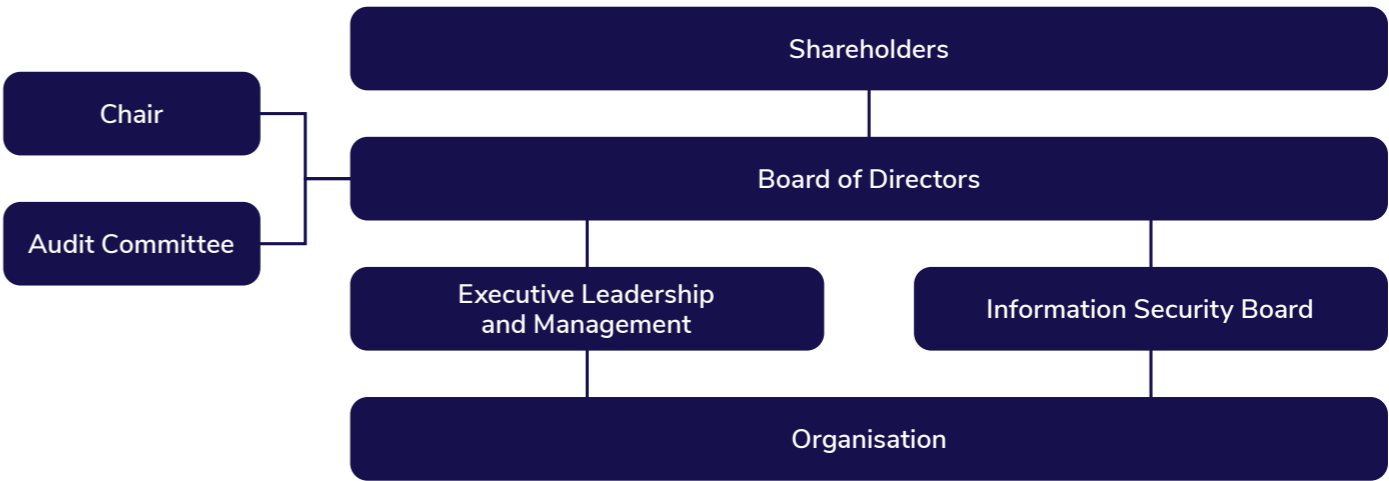
**The Chairman of the Board**  
The shareholders elect the Chairman of the Board at the annual general meeting. The Chairman performs administrative tasks, such as planning board meetings to ensure a balance between overall strategy setting and the financial and managerial supervision of the Company.

**Audit Committee**  
The Audit Committee consists of Mikael Konnerup and Johnny Henriksen. It is responsible for assisting the Board in overseeing the financial reporting process, the effectiveness of the internal control and risk management systems, as well as security and quality issues in relation to client audits.

**Information Security Board**  
The Information Security Board holds the overall responsibility for the Company's Information Security Management System (ISMS). The Information Security Board must ensure that Agillic's ISMS is compliant and inspection-ready for annual audits.

Agillic is not covered by the Danish Financial Statement of Act, section 107B.

**Corporate governance structure**



# Security and IT compliance

As a software provider we handle our clients’ and our clients’ customers data. This is why our services are developed based on a “security by design” principle. We have implemented a series of industry standards, best practices, and processes, and made security issues a top priority for all of our employees.

At the core of our data security is an industry-standard security program, dedicated to providing a high level of documented data security. This allows our clients to have confidence in our custodianship of their data. The security programme is aligned with the ISO 27001 standard to ensure that Agillic operates in compliance with relevant legal requirements and agreements. Agillic’s Information Security Management System (ISMS) was last audited by Ernst & Young in May 2021. The audit is conducted according to the ISAE 3000 and reflects how Agillic’s ISMS relates to the ISO 27001 requirements. All key control areas from the ISO 27001 standard are audited, including:

- Risk Management
- Information Security Policies
- Organisation of Information Security
- Human Resource Security
- Asset Management
- Access Control
- Operations Security
- Communications Security
- Supplier Relationships
- Information Security Incident Management
- Information Security Aspects of Business
- Continuity Management
- Compliance



## A dynamic security approach

The security landscape is constantly changing as cybercriminals discover new ways to compromise data. Therefore, Agillic’s security approach is dynamic and constant optimisation is a main objective. Agillic’s security team works across the organisation and takes exhaustive steps to identify and mitigate risks, implement best practices, and constantly evaluate ways to enhance security.

We have taken precautions in terms of technology and processes to safeguard the Agillic platform and our clients’ data. We monitor the technology and the security-related developments in the market and optimise our employees’ skill sets on an ongoing basis. During 2021 we have also implemented Complycloud to structure our audits and general compliance.

## EU GDPR

Agillic is a data processor and is, as such, subject to the General Data Protection Regulation (GDPR). Agillic’s Customer Marketing Platform supports our clients’ GDPR compliance, and we meet all data processor requirements and have implemented adequate processes to keep data safe.

GDPR guarantees consumers a series of basic fundamental rights concerning data privacy. When addressing consumers’ fundamental rights, we aim to make it easy for our clients to comply with consumers’ requests for data privacy.

# Shareholder information

**Agillic A/S' shares have been listed on Nasdaq First North Growth Market Copenhagen since 22 March 2018 with ID-code DK0060955854 and the ticker AGILC.**

## Share capital and warrants

At the end of 2021, the share capital in Agillic comprised 10,187,817 shares of DKK 0.1 each, corresponding to a nominal share capital of DKK 1,018,781.70.

Each share carries one vote. The shares must be named and noted in the Company's share register in order to give holders access to voting. At the end of 2021, Agillic A/S has 808 (774) registered shareholders.

The Company has issued warrants by the end of 2021 with the right to sign 592,975 (313,244) new shares of DKK 59,297.50 (DKK 31,324.40) nominal value.

## Ownership

At the end of 2021, 66.1% (69.5%) of the share capital was ultimately owned by six (four) shareholders, each of whom owned over 5% of the share capital or the votes.

At the end of 2021, members of Agillic's Board of Directors, and Executive Leadership and Management owned a total of 29.9% (57%) of the share capital.

## Share price and trading activities

At the end of 2021, the price of the Agillic share was DKK 25.80, compared to 19.60 at the end of 2020.

In 2021, a total of 1,065,243 (1,303,312) shares were traded, corresponding to 10.5% (13.8%) of the total number of shares.

The Company's market value amounted to DKK 263 million at the end of 2021, compared to DKK 185 million at the end of 2020.

## Dividends

Agillic has not paid any dividend and, until further notice, it is the Company's dividend policy to invest any profit in the further growth of the Company.

## Communication with the Company's shareholders

According to the Nasdaq First North Growth Market Nordic Rulebook on 1 September 2019, Agillic is only liable for issuing half-year and year-end reports. In addition, the Company has decided to issue a "trading statement" following Q1 and Q3. The year-end report is issued in connection with the release of the annual report. Investors are encouraged to sign up for Agillic Investor News. Sign up at: [www.agillic.com/investor](http://www.agillic.com/investor)

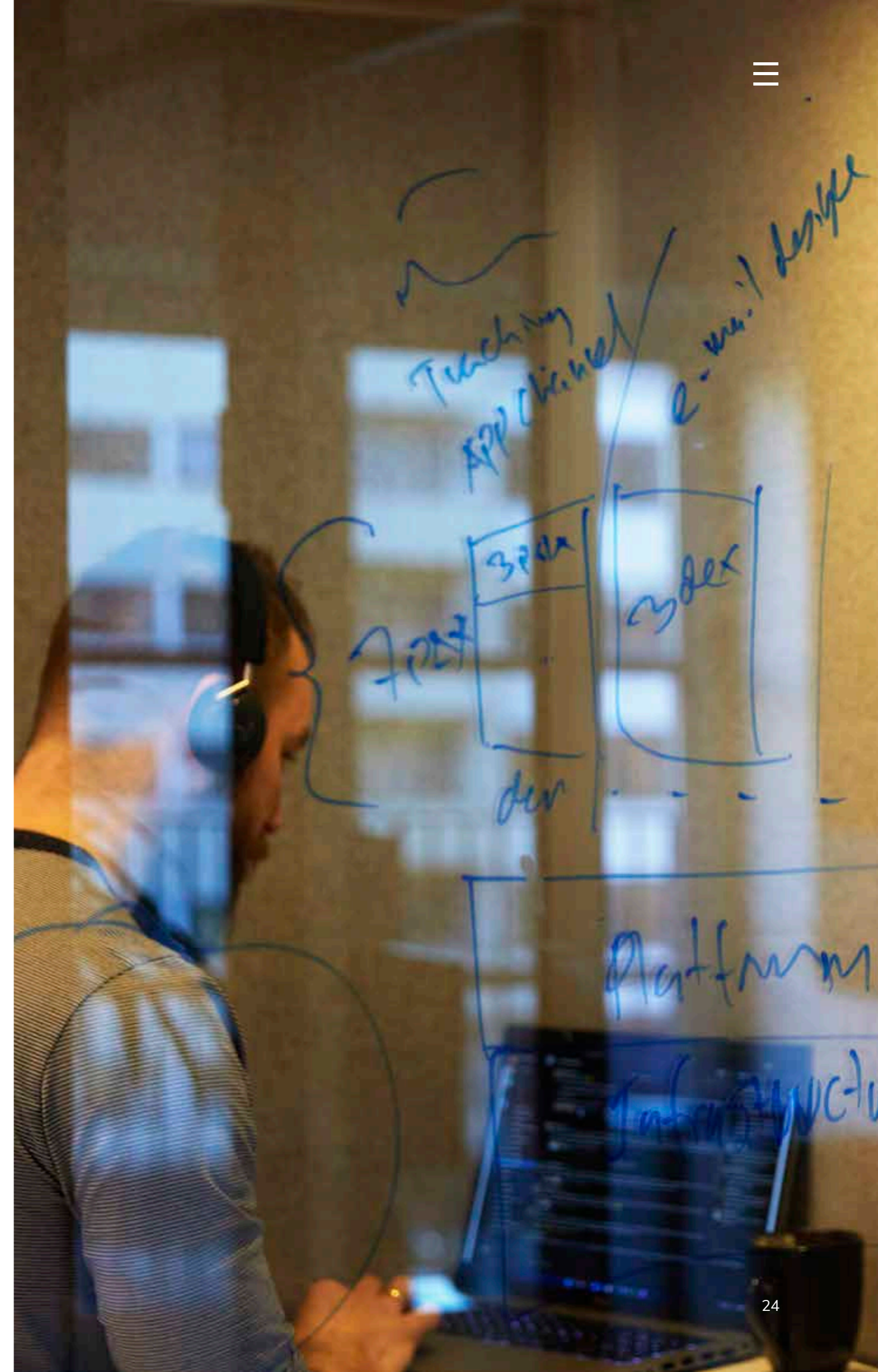
## For further information, investors, analysts and the media are encouraged to contact:

Emre Gürsoy, CEO, Agillic A/S  
+45 30 78 42 00  
[emre.gursoy@agillic.com](mailto:emre.gursoy@agillic.com)

Carit Jacques Andersen, Interim CFO, Agillic A/S  
+45 20 23 09 70  
[carit.andersen@agillic.com](mailto:carit.andersen@agillic.com)

## Certified Adviser

John Norden, Norden CEF  
[jn@nordencef.dk](mailto:jn@nordencef.dk)  
Toldbodgade 55B, 3. sal  
1253 København K  
Denmark



agillic

## Board of Directors



**Johnny Emil Søbæk Henriksen,  
Chairman of the Board**

Johnny Henriksen is an investor and has been Chair of the board since September 2013. Previously, Johnny was CEO of DDB Group Denmark (2002-2013), CEO of Tribal DDB Europe, and a board member of Tribal DDB Worldwide Board of Directors (1999-2002). Johnny has had several directorships, including with Omnicom Mediagroup Nordic (2006-2012) and The Danish Association of Creativity and Communication (2006-2012). Independent.

Holdings in Agillic through Ad.Anco ApS:  
1,283,473 shares  
Warrants: 18,500



**Mikael Konnerup,  
Board member**

Mikael Konnerup is an investor and has been a member of the board since September 2013. Mikael holds an MSc in Economics and Business Administration. He co-founded Dico in 1994 of which he is a Director. Prior to co-founding Dico, Mikael worked for IBM, Superfos and Olicom among others. Mikael has more than 30 years of experience as a board member in both small and large companies, including DIBS Payment Services. Mikael has been involved in more than 50 executed transactions with Dico portfolio companies. He currently also serves on the board of Aqoola, Consortio and Omni. Independent.

Holdings in Agillic through Dico ApS:  
1,522,542 shares



**Jesper Genter Lohmann,  
Board member**

Jesper Lohman is an investor and has been a member of the board since September 2013. Jesper holds an MSc in Economics and Business Administration. In 2009, Jesper co-founded the Investment company, Dico, of which he is a director. Prior to co-founding Dico, Jesper held management positions at Carlsberg, JP/Politiken, Thorn EMI, Vacasol International and DIBS Payment Services. Jesper has been involved in more than 30 executed transactions with Dico portfolio companies. He currently also serves on the board of HelloRetail, Junkbusters, Pronestor, Logpoint, Reepay, SimpleSite, Vita Media Group, Copus and Telefaction. Independent.

Holdings in Agillic through Lohmann  
Holding ApS: 135,081 shares  
Warrants: 18,500



**Michael Moesgaard Andersen,  
Board member**

Michael M. Andersen is an investor and became a board member on 3 February 2021. Before establishing his management consulting company, Michael was a civil servant (the Ministry of Finance), and subsequently a partner at Deloitte. He has more than 20 years of experience with startups and scaleups and was instrumental in the IPO of Konsolidator, Valuer and Penneo. He holds several executive and board member positions. Finally, Michael is an adjunct professor at Copenhagen Business School in innovation and strategy. Independent.

Holdings in Agillic through Andersen  
Advisory Group A/S: 100,000 shares.  
Warrants: 50,000



**Susanne Lund,  
Board member**

Susanne Lund has been a board member since 30 March 2021. She has a Master of Science, Economics & Business Administration degree from Copenhagen Business School. Susanne has 28 years of experience in the IT & software industry, working for corporate organisations like Microsoft and Jabra and start-ups like Templafy. During this period, she has also held a variety of international leadership and executive roles. She has extensive experience with people and organisational leadership, business management, including merger & acquisitions, all commercial disciplines, and has been driving numerous digital transformation projects. Besides this, she holds several board and advisory board membership positions in SaaS companies in various areas. Independent.

Holdings in Agillic: 0 shares.  
Warrants: 18,500

## Executive Leadership and Management



**Emre Gürsoy,**  
**Chief Executive Officer**

Emre Gürsoy is a strategic, hands-on and growth focused international leader with a strong track-record. Emre has been the CEO of Agillic since March 2020 and brings 30 years of experience, operating at the intersection of technology, data, and creativity to scale and grow high-performing technology driven companies across Europe, the US and Asia while delivering strong P&L results in various C-level roles. Emre holds several Board and Advisory Board memberships, and MBA and Mechanical Engineer degrees.

Holdings in Agillic: 21,257  
(partly owned by Emre Gürsoy Holding ApS)  
Warrants: 414,345



**Carit Jacques Andersen,**  
**Chief Financial Officer (interim)**

Carit Jacques Andersen is Master of Science in Business Administration (cand.merc.) from the University of Southern Denmark. Carit has over 25 years of experience in financial control. Current assignment includes CFO of Synklino (Biotech) and CFO (interim) of Agillic. Previous assignments include CFO at AstraZeneca A/S and a number of listed companies. Carit has taken part in IPO, rights issues, directed issues and private placement at a value above DKK 300 millions. Carit is an external lecturer at the University of Southern Denmark and is an examiner at Copenhagen Business School. Carit is and has been a member of the board of directors of several companies.

Holdings in Agillic: 0 shares.



**Rune Werliin, Chief Product & Technology Officer**

Rune Werliin joined Agillic in December 2021. He has 15 years experience in leading product and engineering teams in the media and marketing industries and has had success in scaling companies to more than 60 countries. With expertise in both commercial administration and a deep understanding of technology, Rune brings a unifying and crucial business perspective for sustainable product development. Rune holds a bachelor in Journalism and a diploma in Business Administration from Copenhagen Business School.

Holdings in Agillic: 0 shares.



**Bo Sannung,**  
**Chief Commercial Officer**

Bo Sannung joined Agillic in 2015. He has experience in both IT management, digital marketing and marketing management from advertising and consulting agencies, and in the software and financial industries. He combines a profound technical, analytical and business understanding. Bo holds an MSc in Marketing, Management and Accounting from Copenhagen Business School and a diploma in leadership, management and business administration from IMD Business School in Switzerland.

Holdings in Agillic: 74,728  
(owned via Sannung ApS)  
Warrants: 36,565



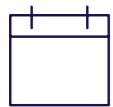
**Rasmus Houliind,**  
**Chief Experience Officer**

Rasmus Houliind joined Agillic in 2015. He has spent his career working with international clients and developing loyalty programs in international agencies. Rasmus is a keynote speaker and has authored the book "Make It All About Me: Leveraging omnichannel and AI for marketing success" about Omnichannel Marketing and Customer Experience. Rasmus holds an M.A. in Information Studies from Aarhus University.

Holdings in Agillic: 187,328 shares  
(Partly owned via Rasmus Houliind ApS)  
Warrants: 36,565

## Financial calendar 2022

---



### **Q4 results 2021 and Annual Report 2021**

25 February 2022

### **Annual general meeting**

30 March 2022

### **Financial results 1st quarter 2022**

5 May 2022

### **Half-year report 2022**

25 August 2022

### **Financial results 3rd quarter 2022**

14 October 2022



# Financial statements



## Statement by the management

---

The Board of Directors and Executive Leadership have considered and approved the Annual Report of Agillic A/S for the financial year 1 January - 31 December 2021.

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and further requirements in the Danish Financial Statements Act.

In our opinion, the financial statements present a true and fair view of the company's assets, liabilities and financial position at 31 December 2021 and of the results of the company's operations and cash flows for the financial year 1 January - 31 December 2021.

Moreover, in our opinion, the Management's Report includes a fair view of developments with the company's operations and financial position and describes all significant risks and uncertainty factors that may affect the company.

The Annual Report is submitted for the approval of the Annual General Meeting.

Copenhagen, 25 February 2022

### Executive Leadership

Emre Gürsoy  
CEO

### Board of Directors

Johnny Emil Søbæk Henriksen  
Chairman of the Board

Susanne Lund

Michael Moesgaard Andersen

Jesper Genter Lohmann

Mikael Konnerup

# Independent auditor's report

## To the shareholders of Agillic A/S

### Opinion

We have audited the financial statements of Agillic A/S for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, balance sheet and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the financial statements section of this auditor's report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 25 February 2022

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
Business Registration No 33 96 35 56

Bjørn Winkler Jakobsen  
State Authorised Public Accountant  
MNE no 32127

Henrik Wolff Mikkelsen  
State Authorised Public Accountant  
MNE no 33747

## Income statement

Note	(DKK '000)	2021	2020
3	Revenue	52,758	50,534
4	Direct costs	-7,698	-6,326
	<b>Gross profit</b>	<b>45,060</b>	<b>44,208</b>
5	Other external costs	-15,304	-14,134
6.7	Staff costs	-29,074	-29,803
	<b>EBITDA</b>	<b>682</b>	<b>271</b>
8	Depreciation and amortisation of intangible and tangible assets	-11,824	-8,780
	<b>Operating profit/loss (EBIT)</b>	<b>-11,142</b>	<b>-8,509</b>
9	Financial income	505	-
9	Financial expenses	-2,642	-2,286
	<b>Profit/loss before tax</b>	<b>-13,279</b>	<b>-10,795</b>
10	Tax on profit for the year	2,739	2,833
	<b>Profit/loss for the year</b>	<b>-10,540</b>	<b>-7,962</b>
15	Earnings per share (in DKK)	-1.04	-0.88
15	Earnings per share diluted (in DKK)	-1.04	-0.88

## Statement of comprehensive income

(DKK '000)	2021	2020
<b>Profit/loss for the year</b>	<b>-10,540</b>	<b>-7,962</b>
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>-10,540</b>	<b>-7,962</b>

# Statement of financial position

Note	(DKK '000)	31 Dec 2021	31 Dec 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
	Client contracts	-	88
	Patent	500	-
	Software developed	28,438	27,878
12	<b>Intangible assets</b>	<b>28,938</b>	<b>27,966</b>
	Fixtures and equipment	468	695
	Right of use assets	3,052	4,099
	Leasehold improvements	264	344
13	<b>Tangible assets</b>	<b>3,784</b>	<b>5,138</b>
	Deposits	583	605
	<b>Other non-current assets</b>	<b>583</b>	<b>605</b>
	<b>Total non-current assets</b>	<b>33,305</b>	<b>33,709</b>
<b>Current assets</b>			
14	Trade receivables	3,714	2,392
	Other receivables	10	238
10	Tax receivables	2,739	2,833
	Prepayments	1,207	1,086
	Deposits	-	338
	Cash	20,623	16,294
	<b>Total current assets</b>	<b>28,293</b>	<b>23,182</b>
	<b>TOTAL ASSETS</b>	<b>61,598</b>	<b>56,891</b>

Note	(DKK '000)	31 Dec 2021	31 Dec 2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
15	Share capital	1,019	944
	Reserve development costs	28,368	26,865
	Retained earnings	-33,910	-33,628
	<b>Total equity</b>	<b>-4,523</b>	<b>-5,819</b>
<b>Liabilities</b>			
16	Borrowings, long-term	23,084	26,151
17	Lease obligations, long-term	2,257	3,291
18	Other payables	2,885	2,486
	<b>Non-current liabilities</b>	<b>28,226</b>	<b>31,928</b>
16	Borrowings, short-term	4,173	2,795
17	Lease obligations, short-term	1,080	895
	Prepayments from customers	199	-
	Trade payables	4,848	1,490
18	Other payables	7,979	10,386
19	Deferred income	19,616	15,216
	<b>Current liabilities</b>	<b>37,895</b>	<b>30,782</b>
	<b>Total liabilities</b>	<b>66,121</b>	<b>62,710</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>61,598</b>	<b>56,891</b>

## Cash flow statement

Note	(DKK '000)	2021	2020
	Profit/(loss) for the year	-10,540	-7,962
	Adjustments for non-cash items:		
	Tax on profit for the year	-2,739	-2,833
	Financial income and expenses	2,137	2,286
	IFRS 16	-1,282	-
	Share-based payments	450	909
	Depreciation, amortisation and impairment	11,824	8,780
11	Changes in working capital	5,092	-180
	<b>Cash flow from ordinary operating activities</b>	<b>4,942</b>	<b>1,000</b>
	Net financials, paid	-1,704	-1,462
	Income taxes, received	2,833	3,535
	<b>Cash flow from operating activities</b>	<b>6,071</b>	<b>3,075</b>
	Investments in subsidiaries and joint ventures	-	40
12	Purchase of intangible assets	-11,394	-11,298
13	Purchase of tangible assets	-46	-919
	<b>Cash flow from investing activities</b>	<b>-11,440</b>	<b>-12,177</b>
	Issuance of shares, net of costs	11,387	21,821
11	Borrowings/repayment (-) long-term	-3,067	4,757
11	Borrowings/repayment (-) short-term	1,378	-2,360
	<b>Cash flow from financing activities</b>	<b>9,698</b>	<b>24,218</b>
	<b>Change in cash</b>	<b>4,329</b>	<b>15,116</b>
	Cash at bank 1 January	16,294	1,178
	<b>Cash at bank 31 December</b>	<b>20,623</b>	<b>16,294</b>

## Statement of changes in equity

(DKK '000)	Share capital	Reserve for development costs	Retained earnings	Total
Equity at 1 January 2020	829	22,644	-44,060	-20,587
Profit/loss for the year	-	4,221	-12,183	-7,962
Other comprehensive income for the year	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>4,221</b>	<b>-12,183</b>	<b>-7,962</b>
<b>Transactions with owners</b>				
Issue of share capital	115	-	21,939	22,054
Costs related to issuance of new shares	-	-	-233	-233
Share-based payments	-	-	909	909
<b>Equity at 31 December 2020</b>	<b>944</b>	<b>26,865</b>	<b>-33,628</b>	<b>-5,819</b>
Profit/loss for the year	-	1,503	-12,043	-10,540
Other comprehensive income for the year	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>1,503</b>	<b>-12,043</b>	<b>-10,540</b>
<b>Transactions with owners</b>				
Issue of share capital	75	-	11,926	12,001
Costs related to issuance of new shares	-	-	-615	-615
Share-based payments	-	-	450	450
<b>Equity at 31 December 2021</b>	<b>1,019</b>	<b>28,368</b>	<b>-33,910</b>	<b>-4,523</b>

For further details of Share capital, refer to note 15 Share Capital and Earnings per share.

# Notes to the financial statements

Note	
1	Accounting policies ..... 34
2	Critical accounting estimates and judgements ..... 37
3	Revenue ..... 37
4	Direct costs ..... 37
5	Other external costs ..... 37
6	Staff costs ..... 38
7	Share-based payments ..... 38
8	Depreciation and amortisation of intangible and tangible assets ..... 39
9	Financial income and expenses ..... 39
10	Tax ..... 40
11	Notes to cash flow statement ..... 40
12	Intangible assets ..... 41
13	Tangible assets ..... 41
14	Trade receivables ..... 42
15	Share capital and Earnings per share ..... 42
16	Borrowings ..... 43
17	Lease obligations ..... 43
18	Other payables ..... 43
19	Deferred income ..... 44
20	Contingent liabilities and commitments ..... 44
21	Related parties ..... 44
22	Financial risks ..... 45
23	Events after the reporting period ..... 45
	Definitions of key figures and ratios ..... 46
	Company information ..... 47

## Note 1 – Accounting policies

### GENERAL Statement of compliance

The financial statements of Agillic A/S for 2021 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish requirements for the presentation of financial statements according to the Danish Financial Statement Act for enterprises in reporting class B and certain in provisions applying to reporting class C and D.

On 25 February 2022, the Board of Directors and the Executive Leadership considered and approved the annual report for 2021 of Agillic A/S. The annual report will be presented to the shareholders for approval at the Annual General Meeting to be held on 30 March 2022

**Basis of preparation**  
The financial statements are presented in Danish kroner (DKK), which is the functional currency of Agillic A/S. All amounts have been rounded to nearest DKK thousand, unless otherwise indicated. The financial statements have been prepared on a going concern basis and in accordance with the historical cost convention, except where IFRS explicitly requires use of other values. For the purpose of clarity, the financial statements and the notes to the financial statements are prepared using the concepts of materiality and relevance. This means that line items not considered material in terms of quantitative and qualitative measures or relevant to financial statement users are aggregated and presented together with other items in the financial statements. Similarly, information not considered material is not presented in the notes. The accounting policies, except as described below, have been applied consistently during the financial year and for the comparative figures.

**Business combinations**  
Newly acquired or newly established enterprises are recognised in the financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the income statement up to the time of their divestment or winding-up.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible

assets, and they are amortised systematically over the income statement based on an individual assessment of their useful lives. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful life is reassessed annually. Negative balances (negative goodwill) are recognised as income in the income statement.

The uniting-of-interests method is applied on mergers etc. where the enterprises concerned are controlled by the Parent, under which method the combination is considered completed at the date of acquisition without restatement of comparative figures. Under the uniting-of-interests method, the acquiree's assets and liabilities are recognised at their carrying amounts, adjusted for any differences in accounting policies and accounting estimates. The difference between the consideration agreed and the carrying amount of the acquiree is recognised in equity.

**Operating segments**  
At this point the Company only operates in one segment and segments are not a part of the internal management reporting, hence operating segments are not presented in the financial statements.

**Foreign currency translation**  
Transactions denominated in currencies other than the functional currency are considered transactions in foreign currency. On initial recognition, transactions denominated in foreign currencies are translated to the functional currency at the exchange rates at the transaction date. Foreign exchange adjustments arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement under financial income or financial expenses. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates at the reporting date. The difference between the exchange rates at the reporting date and at the date of transaction or the exchange rate in the latest financial statements is recognised in the income statement under financial income or financial expenses.

**Non-IFRS financial measures**

Agillic uses certain financial measures that are not defined in IFRS to describe the Company’s financial performance. These financial measures may therefore be defined and calculated differently from similar measures in other companies, and thus not be comparable. The definitions of non-IFRS financial measures are included in Definitions of key figures and ratios on page 46.

**INCOME STATEMENT**

**Revenue recognition**

Agillic recognises revenue from the following major sources:

- Subscriptions
- Transactions
- Professional services and other

Revenue is mainly derived from subscription fees charged for Agillic software licenses, transaction fees and professional service and training fees. For software contracts, which are comprised of several components, the total contract sum is allocated to the separate performance obligations for the purpose of revenue recognition.

Revenue recognition requires an agreement with the client, which creates enforceable rights and obligations between the parties, has commercial substance, and identifies payment terms. In addition, it must be probable that the consideration determined in the contract will be collected. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a client and exclude amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of the license or service to a client. All revenue is derived from contracts with clients.

**Subscription fees**

Subscription fees covers license, hosting and maintenance.

Fixed term subscription agreements give the right to use the software for a determined period of time, which can be extended at the end of the initial term. Standard perpetual software licenses provide clients with the right to use the software whilst the contract remains in force. New subscription fees are comprised of income derived from new clients and additional subscription income originating from supplementary sales (uplifts) to existing clients. The main possible performance obligation related to subscription agreements has been identified as the right to use the software. Software

is installed only on cloud servers managed by Agillic. The customer continuously receives service, which includes license, support, and maintenance, during the term of the agreement and is recognized linearly over the contract period. Revenue relating to subscription fees are recognised over time. The transaction price allocated to these subscriptions is recognised as a contract liability (deferred income) at the time of the initial sales transaction and is released on a straight-line basis over the subscription agreement period.

**Transaction fees**

Transaction fees relate to outbound transactions, i.e. email, SMS, etc. Transactions are sold on price per units for the relevant transaction and revenue is calculated based on transactions sent and recognised when control of the goods has been transferred, being at the point the client purchases the goods by sending out transactions.

**Professional services and other fees**

Agillic provides professional services and training related to on-boarding and setup of infrastructure, template design and implementation and training of new and existing clients. These services are sold on hourly billing rates for the relevant service and revenue is as a performance obligation satisfied over time. Revenue is recognised for these installation services based on the stage of completion.

**Direct costs**

Direct costs comprise costs incurred to achieve the year’s revenue including hosting and transaction costs.

**Other operating income**

Other operating income and other operating expenses comprise income and expenses of a secondary nature relative to the primary activities of the Company.

**Other external costs**

Other external costs comprise sales and marketing costs, external consultancy costs, other employee related costs, IT and software costs, investor relations costs, rent costs, allowances for doubtful trade receivables and other administrative expenses.

**Staff costs**

Staff costs consist of salaries, sales commissions, bonuses, pensions and social costs, share-based payments, vacation pay, and other benefits. Salaries, bonuses, pensions and social costs, share-based payments, vacation pay, and other benefits are recognised in the year in which the associated services are rendered by the employees. The Company

has entered into retirement benefits schemes and similar agreements with employees. Contributions to defined contribution plans are recognised in the income statement in the period to which they relate and any contributions outstanding are recognised in the statement of financial position as other liabilities.

**Share-based payments**

The Board of Directors, Executive Leadership and Management, and other employees have been granted warrants. The warrants are measured at fair value at the grant date and are recognised as an expense in staff costs over the vesting period. Expenses are set off against equity. The fair value of the warrants is measured using the Black-Scholes valuation method. The calculation takes into account the terms and conditions under which the warrants are granted. Subsequent fair value adjustments are not recognised in the income statement. If subsequent modifications to a warrant program increase the value of the warrants granted, measured before and after the modification, the increase is recognised as an expense. If the modification occurs before the vesting period the increase in value is recognised as an expense over the period for services to be received. If the modification occurs after the vesting date, the increase in value is recognised as an expense immediately. Consideration received for warrants sold are recognised directly in equity.

**Financial income and financial expenses**

Financial income and expenses include interest income, interest expense, amortisation of borrowing issue costs and realised and unrealised exchange gains and losses.

**Tax**

Tax on the profit/loss for the year comprises the year’s current tax and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to items recognised in other comprehensive income and directly in equity, respectively, is recognised in other comprehensive income or directly in equity.

Current tax payable and receivable is recognised in the balance sheet as the expected tax on the taxable income for the year, adjusted for tax paid on account. The current tax charge for the year is calculated based on the tax rates and rules enacted at the balance sheet date.

Deferred tax is calculated using the liability method on all temporary differences between the accounting and taxable values of assets and liabilities. Deferred tax assets are assessed yearly and only recognised

to the extent that it is more likely than not that they can be utilised. Deferred tax assets, including the tax value of tax losses carried forward, are recognised as other non-current assets and measured at the amount at which they are expected to be realised, either by setting off deferred tax liabilities or by setting off tax on future earnings within the same legal entity or a jointly taxed entity. Deferred tax is measured based on the tax legislation and statutory tax rates that will apply under the legislation in force on the balance sheet date when the deferred tax asset is expected to crystallize as current tax. Changes in deferred tax resulting from changes in tax rates are recognised in the income statement. The Company recognises deferred tax assets relating to losses carried forward when Management finds that these can be offset against taxable income in the foreseeable future.

An assessment is made taking into consideration the effect of restrictions in utilisation in local tax legislation. Future taxable income is assessed based on budgets as well as Management’s expectations regarding growth and operating margin in the coming years.

**STATEMENT OF FINANCIAL POSITION**

**Intangible assets**

Intangible assets with determinable useful lives are measured at cost less accumulated amortisation and impairment losses. Intangible assets include developed software patent and client contracts. Amortisation is provided on a straight-line basis over the expected useful lives of the finite-lived assets, which are as follows:

Client contracts	3 years
Software developed	5 years

Expected useful lives are reassessed regularly. The Company regularly reviews the carrying amounts of its finite-lived intangible assets to determine whether there is an indication of an impairment loss.

**Patents**

Agillic is in the process of applying for a patent on the Agillic platform. Patents acquired are initially recognised at fair value at the acquisition date and subsequently carried at cost less any accumulated impairment losses. The carrying values of patent assets are reviewed annually for impairment to assess if there is an indication of impairment.

**Client contracts**

Client contracts acquired are initially recognised at fair value at the acquisition date and subsequently

carried at cost less accumulated amortisation and any accumulated impairment losses. The value of client contracts is amortised on a straight-line basis, based on the estimated duration of the acquired contract or other relevant period if deemed appropriate. The carrying values of other intangible assets are reviewed annually for impairment to assess if there is an indication of impairment beyond what is expressed through normal amortisation. If the carrying amount exceeds its recoverable amount, the carrying amount of the asset is written down to the recoverable amount. All intangible assets are considered to have limited useful economic lives.

#### Software developed

Software developed by the Company is recognised as an asset if the cost of development is reliably measurable and an analysis shows that future economic benefits from using the software exceed the cost. Cost is defined as development costs incurred to make the software ready for use. Once a software application has been developed the cost is amortised over the expected useful life. The cost of development consists primarily of direct salaries and other directly attributable development costs. Amortisation and impairment charges are recognised in the income statement. For Agillic, the measurement of intangible assets, could be affected by significant changes in judgment and assumptions underlying their calculation. The estimated useful life reflects the period over which the Company expects to derive economic benefit from intangible assets.

#### Tangible assets

Property, plant, and equipment are measured at cost less accumulated depreciation and accumulated impairment. Property, plant, and equipment are depreciated on a straight-line basis over the expected useful lives of the finite-lived assets, which are as follows:

Leasehold improvements (IFRS 16)	over the lease term
Fixtures and equipment	3-5 years

Tangible assets are tested for impairment if indications of impairment exist. Tangible assets are written down to its recoverable amount, if the carrying amount exceeds the higher of the fair value less costs to sell and the value in use. Depreciation and impairment charges are recognised in the income statement.

#### Impairment of tangible and intangible assets

The carrying amounts of tangible assets and intangible assets with determinable useful lives are reviewed regularly to determine whether there are any indications of impairment. If such indications are found, the recoverable amount of the asset is calculated to determine any need for an impairment write-down and, if so, the amount of the write-down. For intangible assets with indeterminable useful lives the recoverable amount is calculated annually, regardless of whether any indications of impairment have been found. If the asset does not generate any cash flows independently of other assets, the recoverable amount is calculated for the smallest cash-generating unit that includes the asset. The recoverable amount is calculated as the higher of the fair value less costs to sell and the value in use of the asset or the cash-generating unit, respectively. In determining the value in use, the estimated future cash flows are discounted to their present value, using a discount rate reflecting current market assessments of the time value of money as well as risks that are specific to the asset or the cash-generating unit and which have not been taken into account in the estimated future cash flows. If the recoverable amount of the asset or the cash-generating unit is lower than the carrying amount, the carrying amount is written down to the recoverable amount. For cash-generating units, the write-down is allocated in such a way that goodwill amounts are written down first, and any remaining need for write-down is allocated to other assets in the unit, although no individual assets are written down to a value lower than their fair value less costs to sell. Impairment write-downs are recognised in the income statement. If write-downs are subsequently reversed as a result of changes in the assumptions on which the calculation of the recoverable amount is based, the carrying amount of the asset or the cash-generating unit is increased to the adjusted recoverable amount, not, however, exceeding the carrying amount that the asset or cash-generating unit would have had, had the write-down not been made.

#### Deposits

Deposits are primarily related to leasing of offices. Deposits which will not be returned within one year of the balance sheet date are recognised as non-current assets.

#### Trade receivables

Trade receivables are measured at amortised cost less allowance for lifetime expected credit losses. To measure the expected credit losses, credit risk for trade receivables have been based on an individual assessment. Trade receivables are written off when all possible options have been exhausted and there is no reasonable expectation of recovery. The cost of allowances for expected credit losses and write-offs for trade receivables are recognised in the income statement under other administrative expenses.

#### Prepayments

Prepayments are recognised as an asset and comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

#### Borrowings

Borrowings are measured at amortised cost.

#### Right of use assets/Leases (IFRS 16)

The Company must recognise all leasing agreements, including operational leasing agreements, in the balance sheet. This means that a leasing obligation must be recognised measured at the present value of the future leasing payments, as described below, and a corresponding leasing asset adjusted for payments made to the lessor prior to the start of the leasing agreement, and incentive payments received from the lessor.

The Company has chosen not to recognise directly related costs to the leasing asset. In accordance with the transitional provisions and possible exceptions in IFRS 16, the Company has chosen to implement the standard:

- Not to recognise leasing agreements with a term of less than 12 months or with low value, which means the only recognized lease is the rent of the new facilities at Masnedøgade 22, 2., 2100 Copenhagen.
- Not to reassess whether an ongoing contract is or contains a lease.

The expected lease period for the rent of the new facilities is 42 months.

In assessing future leasing payments, the Company has reviewed its operational leasing agreements and identified those leasing payments that relate to a leasing component and that are fixed or variable, but which change in line with fluctuations in an index or an interest rate. The Company has chosen not to

recognise payments related to service components as part of the leasing obligation. When assessing the expected lease period, the Company has identified the non-cancellable lease period in the agreement. The leasing assets are depreciated on a straight-line basis over the expected lease period, which is 42 months. The average alternative borrowing rate used when discounting future lease payments in connection with measuring the leasing obligation is set at the Company's marginal borrowing rate of 2.63% p.a.

#### Trade payables and other payables

Other payables include bonus and commission accruals, vacation pay obligations, payroll taxes and VAT. Payables are measured at cost.

#### Deferred income

Deferred income comprises income received relating to subsequent financial years. Deferred income is measured at cost. When a client pays consideration in advance, or an amount of consideration is due contractually before transferring of the license or service, then the amount received in advance presented as a liability. Deferred income represents contractual prepayments from clients for unsatisfied or partially satisfied performance obligations in relation to licenses, maintenance, and services. License billing generally occurs at periodic intervals (e.g. quarterly or yearly) prior to revenue recognition, resulting in liabilities.

#### CASH FLOW STATEMENT

The cash flow statement is presented according to the indirect method commencing with the results for the year. The cash flow statement shows the Company's cash flows divided into operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year. Cash flows from operating activities are calculated using the indirect method as the profit for the year adjusted for non-cash items, changes in working capital, changes in contract assets, financial income received, financial expenses paid and income tax paid. Cash flows from investing activities consist of receipts and payments in connection with acquisitions and disposals of companies and operations, intangible assets and property, plant, and equipment, as well as other non-current assets and liabilities. Cash flows from financing activities are comprised of changes in share capital and related costs, purchase of treasury shares, proceeds from loans and distributions of dividends to shareholders. Cash and cash equivalents consist of cash at bank and in hand less current bank loans due on demand.

### New and revised IFRS standards in issue but not yet effective

New standards and interpretations not yet adopted IASB has issued new or amended accounting standards and interpretations that have not yet become effective and have consequently not been implemented in the financial statements for 2021. Agillic A/S expects to adopt the accounting standards and interpretations when they become mandatory. None of the new or amended standards or interpretations are expected to have a significant impact on the financial statements.

### Adoption of new or amended IFRSs

Management has assessed the impact of new or amended and revised accounting standards and interpretations (IFRSs) issued by the IASB and IFRSs endorsed by the European Union effective on or after 1 January 2021. It is assessed that application of amendments effective from 1 January 2021 has not had a material impact on the financial statements for 2021. Furthermore, Management does not anticipate any significant impact on future periods from the adoption of these amendments.

## Note 2 – Critical accounting estimates and judgements

In the application of the Company's accounting policies, which are described in note 1, Management is required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements that have the most significant effect on the amounts recognised in financial statements, key assumptions concerning the future and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing

a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

### Performance obligation

Agillic is contractually obligated to deliver online access through the portal (subscription), hosting of the portal and access as well as maintenance of the platform within the subscription period. These three services are not sold separately.

It is Agillic's judgement, that the three services do not have a separate value from a customer perspective, as subscriptions do not comprise any value without hosting, and maintenance service do not comprise value without the customer also subscribing to the platform. It is not technically possible to choose hosting by a third party, and the maintenance service only concerns the Agillic platform and therefore has no value towards other online platforms.

Based on the above factors, Agillic considers its delivery of subscription, hosting and maintenance as one complete performance obligation.

### Software developed

The measurement of developed software could be affected by significant changes in judgement and assumptions underlying their calculation. The expected useful life of 5 years reflects the period over which the Company expects to derive economic benefit from software developed. Estimation of useful life are associated with uncertainty and may be subsequently adjusted.

### Trade receivables

Allowances have been recognised according to the lifetime expected credit loss method in accordance with IFRS 9. We refer to note 14 for a specification of the loss.

## Note 3 – Revenue

(DKK '000)	2021	2020
Subscription fees	40,704	39,631
Transaction fees on subscription	4,282	3,544
Transaction fees by consumption	6,763	5,510
Professional services and other fees	1,009	1,849
<b>Total revenue</b>	<b>52,758</b>	<b>50,534</b>

All revenue is derived from contracts with clients. Revenue from subscription fees is derived over time and for transaction fees and other professional services at a point in time.

Contract liabilities are presented as deferred income, see note 19 Deferred income.

## Note 4 – Direct costs

(DKK '000)	2021	2020
Costs for IP addresses, remote hosting and other cloud-based service	4,067	2,738
Transaction costs	3,631	3,587
<b>Total direct costs</b>	<b>7,698</b>	<b>6,326</b>

## Note 5 – Other external costs

(DKK '000)	2021	2020
Sales and marketing costs	5,209	4,392
External consultancy costs	8,381	3,802
External consultancy costs transferred to capitalised development costs	-4,176	-1,955
Other employee-related costs	2,043	1,458
Other administrative expenses	3,847	6,437
<b>Total other external costs</b>	<b>15,304</b>	<b>14,134</b>

Note 6 – Staff costs

(DKK '000)	2021	2020
Salaries	33,461	36,659
Share-based payments	450	909
Pension plans (defined contribution)	1,631	964
Social security and other costs	249	615
Staff costs transferred to capitalised development costs	-6,717	-9,343
<b>Total staff costs</b>	<b>29,074</b>	<b>29,803</b>
<b>Employees</b>		
Average number of employees (FTE)	47	55
Number of employees year end (FTE)	44	53

(DKK '000)	Board of Directors		Excutive Leadership		Other key management personnel	
	2021	2020	2021	2020	2021	2020
<b>Remuneration</b>						
Board fees	250	135	-	-	-	-
Salaries	-	-	1,800	2,265	4,676	4,563
Share-based payments	255	-	465	345	-270	564
Bonus	-	-	350	0	268	-
Defined contribution pension plans	-	-	-	30	287	152
<b>Total remuneration</b>	<b>505</b>	<b>135</b>	<b>2,615</b>	<b>2,640</b>	<b>4,961</b>	<b>5,279</b>

Other key management personnel consist of

Nicolas Remming (CTO)	From 1 April 2015
Bo Sannung (CCO)	From 1 October 2015
Bent Faurskov (CFO)	From 1 August 2020 to 30 september 2021
Rasmus Houлинд (CXO)	From 1 September 2015
Rune Werlin (CPTO)	From 1 December 2021

Note 7 – Share-based payments

(DKK '000)	2021	2020
Costs of share-based payments	450	909
<b>Total costs of share-based payments</b>	<b>450</b>	<b>909</b>

Costs of share-based payments are recognised as Staff costs with a corresponding effect in equity. Consideration received for warrants sold is recognised directly in equity.

Warrant program September 2017

The Board of Directors has used the authorisation in the Articles of Association article 3.3 to allocate warrants to the members of the Executive Leadership and Management where the participants acquire the right to subscribe to in total 292,527 shares at a nominal value of DKK 0.10 each. Shares can be subscribed to at DKK 2.70 per share at a nominal value of DKK 0.10.

All warrants have been granted.

199,096 warrants will be vesting in the period 1 January 2018 to 1 October 2020 and exercise of the warrants must happen in the period 1 January 2021 to 31 March 2021. 93,431 warrants will be vesting in the period 1 October 2020 to 1 October 2021 and exercise of the warrants must happen in the period 1 January 2022 to 31 March 2022.

There are no performance conditions for the granting of the warrants but each participant must remain an employee during the vesting period.

The issue of all shares will have a dilutive effect of 4.04%.

Warrant program April 2018

The Board of Directors have used the authorisation in the Articles of Association article 3.2 to allocate 20,717 warrants to the members of the Executive Leadership and Management where the participants acquire the right to subscribe to in total 20,717 shares at a nominal value of DKK 0.10 each. Shares can be subscribed to at DKK 38.00 per share at a nominal value of DKK 0.10.

All warrants have been granted.

15,534 warrants will be vested in the period 1 January 2018 to 1 October 2020 and exercise of the warrants must happen in the period 1 January 2021 to 31 March 2021. 5,183 warrants will be vested in the period 1 October 2020 to 1 October 2021 and exercise of the warrants must happen in the period 1 January 2022 to 31 March 2022.

There are no performance conditions for the granting of warrants but each participant must remain an employee during the vesting period.

The issue of all shares will have a dilutive effect of 0.25%. The conditional warrant program has been terminated due to a warrant holder has left the Company

Warrant program October 2020

The Board of Directors has used the authorisation in the Articles of Association article 3.4 to allocate warrants to the Management where the participants acquire the right to subscribe to in total 414,345 shares at a nominal value of DKK 0.10 each. Shares can be subscribed to at DKK 23,10 per share at a nominal value of DKK 0.10.

All warrants have been granted.

414.345 warrants will be vesting in the period 1 October 2020 to 30 April 2025 and exercise of the warrants must happen in the period 1 October 2020 to 30 April 2025.

There are no performance conditions for the granting of the warrants but each participant must remain an employee during the vesting period.

The issue of all shares will have a dilutive effect of 4.04%.

Warrant program April 2021

The Board of Directors have used the authorisation in the Articles of Association article 3.5 to allocate 105,500 warrants to the members of the Board of Directors where the participants acquire the right to subscribe of in total 105,500 shares at a nominal value of DKK 0.10 each. 50,000 of the shares can be subscribed to at DKK 20.00 per share at a nominal value of DKK 0.10 and 55,500 of the shares can be subscribed to at DKK 25.00 per share at a nominal value of DKK 0.10.

All warrants have been granted.

50,000 warrants will be vested in the period 1 April 2021 to 30 September 2022 and exercise of the warrants must happen in the period 1 April 2022 to 30 September 2022. 18,500 warrants will be vested in the period 1 April 2021 to 30 April 2024. and exercise of the warrants must happen in the period 1 May 2024 to 31 May 2024. 37,000 warrants will be vested in the period 1 April 2021 to 30 April 2022. and exercise of the warrants must happen in the period 1 May 2023 to 31 May 2023.

There are no performance conditions for the granting of warrants but each participant must remain an employee during the vesting period.

The issue of all shares will have a dilutive effect of 1,02%

The conditional warrant program has been terminated due to a warrant holder has left the Company

Number of warrants	Weighted average exercise price DKK	Management	Other key management personnel	Executive Leadership	Board of Directors	Total
Outstanding at 1 January 2020	-	292,527	54,160	-	-	346,687
Granted	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Cancelled	38.00	-	-33,443	-	-	(33,443)
<b>Outstanding at 31 December 2020</b>	<b>-</b>	<b>292,527</b>	<b>20,717</b>	<b>-</b>	<b>-</b>	<b>313,244</b>
Granted	-	-	-	508,700	105,500	614,200
Exercised	-	-169,790	-	-	-	-169,790
Cancelled	38.00	-49,607	-20,717	-94,355	-	-164,679
<b>Outstanding at 31 December 2021</b>	<b>-</b>	<b>73,130</b>	<b>-</b>	<b>414,345</b>	<b>105,500</b>	<b>592,975</b>

Outstanding warrants have the following characteristics:

Warrants outstanding	Weighted average exercise price DKK	Vesting period	Exercise period	2021	2020
Warrant program September 2017	2.07	Jan-18 - Oct-21	Jan-21 - Mar-22	73,130	292,527
Warrant program April 2018	38.00	Jan-18 - Oct-20	Jan-21 - Mar-22	-	20,717
Warrant Program October 2020	23.10	Oct-20 - Apr-25	Oct-20 - Apr-25	414,345	-
Warrant Program April 2021	21.75	Apr-21 - Apr-24	Oct-22 - May-24	105,500	-
<b>Outstanding at 31 December 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>592,975</b>	<b>313,244</b>

169.790 warrants were exercised during 2021.

	2021	2020
Average remaining life of outstanding warrants at 31 December (years)	3.9	1.6
Exercise price for outstanding warrants at 31 December (DKK)	20.00 - 25.00	2.07 - 38.00

The fair value of the warrants issued is measured at calculated market price on the grant date based on the Black-Scholes option pricing model. The calculation is based on the following assumptions on the grant date.

	Warrant program April 2021	Warrant program October 2020	Warrant program April 2018	Warrant program September 2017
Average share price (DKK)	24	19.70	34.70	11.28
Expected volatility rate (% p.a.)	40	40	40	40
Risk-free interest rate (% p.a.)	-0.64	-0.64	-0.23 to -0.40	-0.32 to -0.45
Expected warrant life (no. years)	1.5-3.00	4.5	3.00 - 4.00	3.58 - 4.58
Exercise price (DKK)	20.00-25.00	23.10	38.00	2.07
Fair value all warrants, after dilution (DKK '000)	610	2,092	176	2,587

Expected volatility rate is applied based on the annualised volatility on relevant peer groups derived from the standard deviation of daily observations over 12 months ending in 2021.

## Note 8 – Depreciation and amortisation of intangible and tangible assets

(DKK '000)	2021	2020
Client contracts	88	522
Software developed	10,336	8,023
Fixtures and equipment	227	86
Leasehold improvements	126	62
Right of use asset	1,047	87
<b>Total depreciation and amortisation of intangible and tangible assets</b>	<b>11,824</b>	<b>8,780</b>

## Note 9 – Financial income and expenses

(DKK '000)	2021	2020
<b>Financial income</b>		
Other interest income	505	-
<b>Total financial expenses</b>	<b>505</b>	<b>-</b>
<b>Financial expenses</b>		
Interest expense, cash etc.	140	153
Interest expense financial liabilities carried at amortised cost	2,173	1,905
Other interest expense	36	50
Foreign exchange rate adjustments (net)	293	179
<b>Total financial expenses</b>	<b>2,642</b>	<b>2,286</b>

## Note 10 – Tax

(DKK '000)	2021	2020
Current income tax	-2,736	-2,833
Adjustment for current tax of prior periods	-3	-
Adjustment deferred tax	-	-916
<b>Total</b>	<b>-2,739</b>	<b>-3,749</b>
Unrecognised deferred tax	-	916
<b>Total</b>	<b>-2,739</b>	<b>-2,833</b>
Profit/(loss) before tax	-13,279	-10,795
Income tax, tax rate of 22% (2020: 22%)	-2,921	-2,375
Tax effect from		
Non-deductible expenses	107	9
Income from subsidiaries and joint ventures	-	-
Adjustment of temporary differences, deferred tax	-797	-1,383
Tax losses carried forward	872	916
<b>Tax on profit for the year</b>	<b>-2,739</b>	<b>-2,833</b>
<b>Effective tax rate</b>	<b>21%</b>	<b>26%</b>

The tax assets recognised reflect the share that is expected to be used as a result of the Company's use of the Danish tax credit scheme. No deferred tax assets have been recognised in respect of the DKK 19.9 million (2020: DKK 20.8 million) as it is not considered probable that there will be taxable profits available in the foreseeable future. All recognised tax losses may be carried forward indefinitely.

(DKK '000)	2021	2020
Intangible assets	6,162	6,153
Tangible assets	140	11
Tax losses carried forward	-26,230	-26,998
	<b>-19,928</b>	<b>-20,834</b>
Unrecognised tax asset	19,928	20,834
<b>Total deferred tax</b>	<b>-</b>	<b>-</b>

## Note 11 – Notes to cash flow statement

(DKK '000)	2021	2020
<b>Changes in working capital</b>		
Changes in trade receivables, other receivables, prepayments etc.	-855	-4,130
Changes in trade payables, other payables, deferred income etc.	5,947	3,951
<b>Total changes in working capital</b>	<b>5,092</b>	<b>-180</b>
<b>Borrowings/repayment (-) long-term</b>		
Borrowings at 1 January, net	26,151	21,393
Borrowing of loans and debt to credit institutions	-	4,817
Repayment of loans and debt to credit institutions	-2,534	-
Amortised borrowing costs	-64	-60
<b>Borrowings/repayment (-) long-term at 31 December</b>	<b>23,553</b>	<b>26,151</b>
<b>Borrowings/repayment (-) short-term</b>		
Borrowings at 1 January, net	2,795	5,155
Borrowing of loans and debt to credit institutions	3,815	2,795
Repayment of loans and debt to credit institutions	-2,795	-5,155
Amortised borrowing costs	-111	-
<b>Borrowings/repayment (-) short-term at 31 December</b>	<b>3,704</b>	<b>2,795</b>

## Note 12 – Intangible assets

2021	Patent	Client contracts	Software developed	Total
Cost beginning of year	-	2,254	46,907	49,161
Additions	500	-	-	500
Additions from internal development	-	-	10,894	10,894
Disposals	-	-	-	-
<b>Cost end of year</b>	<b>500</b>	<b>2,254</b>	<b>57,801</b>	<b>60,555</b>
Amortisation beginning of year	-	2,165	19,027	21,192
Amortisation	-	89	10,336	10,425
Disposals	-	-	-	-
<b>Amortisation end of year</b>	<b>-</b>	<b>2,254</b>	<b>29,363</b>	<b>31,617</b>
<b>Carrying amount end of year</b>	<b>500</b>	<b>-</b>	<b>28,438</b>	<b>28,938</b>

2020				
Cost beginning of year	-	2,254	35,609	37,863
Additions	-	-	-	-
Additions from internal development	-	-	11,298	11,298
Disposals	-	-	-	-
<b>Cost end of year</b>	<b>-</b>	<b>2,254</b>	<b>46,907</b>	<b>49,161</b>
Amortisation beginning of year	-	1,643	11,007	12,650
Amortisation	-	522	8,023	8,545
Disposals	-	-	-	-
<b>Amortisation end of year</b>	<b>-</b>	<b>2,165</b>	<b>19,029</b>	<b>21,195</b>
<b>Carrying amount end of year</b>	<b>-</b>	<b>89</b>	<b>27,878</b>	<b>27,966</b>

Capitalised software development costs relates to development of the existing proprietary marketing automation software platform. The software is under continuous development for the use of clients and partners and is sold as a license to use the software for a given period. The user has access to upgrades and new functionalities during the contract period.

Development costs for the year cover both development of the front-end and back-end parts of the software solution. This is to increase the user experience and functionalities within the software in order to increase the company's revenue by maintaining existing clients and acquire new clients.

It is Management assessment that the expected useful lives of the finite-lived assets, as well as the expected future revenue streams from the assets is sufficient to cover the value of recognised developed software at the reporting date.

In 2021, the Company expensed DKK 4.6 million for development projects, primarily planning, administrative and other general overhead expenditures not meeting the recognition criteria applicable to internally generated intangible assets.

## Note 13 – Tangible assets

2021	Fixtures and equipment	Right of use asset	Leasehold improvements	Total
Cost beginning of year	1,151	4,186	344	5,681
Additions Merger subsidiary	-	-	-	-
Additions	-	-	46	46
Disposals	-	-	-	-
<b>Cost end of year</b>	<b>1,151</b>	<b>4,186</b>	<b>390</b>	<b>5,727</b>
Depreciation beginning of year	456	87	-	543
Depreciation	227	1,047	126	1,400
Disposals	-	-	-	-
<b>Depreciation end of year</b>	<b>683</b>	<b>1,134</b>	<b>126</b>	<b>1,943</b>
<b>Carrying amount end of year</b>	<b>468</b>	<b>3,052</b>	<b>264</b>	<b>3,784</b>

2020				
Cost beginning of year	616	-	228	845
Additions Merger subsidiary	38	-	-	38
Additions	575	4,186	344	5,105
Disposals	-78	-	-228	-306
<b>Cost end of year</b>	<b>1,151</b>	<b>4,186</b>	<b>344</b>	<b>5,681</b>
Depreciation beginning of year	393	-	111	505
Depreciation	86	87	62	236
Disposals	-24	-	-173	-198
<b>Depreciation end of year</b>	<b>456</b>	<b>87</b>	<b>0</b>	<b>543</b>
<b>Carrying amount end of year</b>	<b>695</b>	<b>4,099</b>	<b>344</b>	<b>5,138</b>

The Company must recognise all lease agreements, including operational leasing agreements, in the balance sheet.

This means that a leasing obligation must be recognized measured at the present value of the future leasing payments, as described below, and a corresponding leasing asset adjusted for payments made to the lessor prior to the start of the leasing agreement, and incentive payments received from the lessor.

The Company has chosen not to recognize directly related costs to the leasing asset. In accordance with the transitional provisions and possible exceptions in IFRS 16, the Company has chosen to implement the standard:

- Not to recognise leasing agreements with a term of less than 12 months or with low value, which means the only recognized lease is the rent of the new facilities at Masnedøgade 22, 2., 2100 Copenhagen.
- Not to reassess whether an ongoing contract is or contains a lease

The expected lease period for the rent of the new facilities is 42 months.

In assessing future leasing payments, the Company has reviewed its operational leasing agreements and identified those leasing payments that relate to a leasing component and that are fixed or variable, but which change in line with fluctuations in an index or an interest rate.

The Company has chosen not to recognise payments related to service components as part of the leasing obligation.

When assessing the expected lease period, the Company has identified the non-cancellable lease period in the agreement. The leasing assets are depreciated on a straight-line basis over the expected lease period, which is 42 months.

## Note 14 – Trade receivables

(DKK '000)	31 Dec 2021	31 Dec 2020
<b>Trade receivables, gross</b>	<b>4,164</b>	<b>3,267</b>
Allowances for doubtful trade receivables:		
Balance beginning of year	875	932
Change in allowance during the year	-425	875
Realised losses during the year	-	-932
<b>Allowances for doubtful trade receivables year end</b>	<b>450</b>	<b>875</b>
<b>Trade receivables, net</b>	<b>3,714</b>	<b>2,392</b>
<b>Trade receivables (net) can be specified as follows:</b>		
Not past due	1,080	1,598
Past due, but not impaired:		
Not more than 30 days	2,292	794
Between 31 and 60 days	-	-
Between 61 and 90 days	342	-
More than 90 days	-	-
<b>Trade receivables, net</b>	<b>3,714</b>	<b>2,392</b>

The carrying amount is equivalent to the fair value of the assets.

Allowances have been recognised according to the lifetime expected credit loss method as introduced under IFRS 9.

## Note 15 – Share capital and Earnings per share

### Share capital

As at 31 December 2021, the share capital consisted of 10,187,820 (2020: 9,435,527) shares with a nominal value of DKK 0.10. The shares are not divided into classes and carry no right to fixed income.

(DKK '000)	2021
Issued and fully paid shares:	
At 1 January 2021, 9,435,527 shares of DKK 0.10 each	944
Capital increase, registered 14.01.2021	58
Capital increase, registered 30.03.2021	17
<b>Share capital at 31 December 2021</b>	<b>1,019</b>

(DKK '000)	2020
Issued and fully paid shares:	
At 1 January 2019, 8,286,900 shares of DKK 0.10 each	829
Capital increase, registered 27 March 2020	22
Capital increase, registered 28 April 2020	93
<b>Share capital at 31 December 2020</b>	<b>944</b>

	2021	2020
<b>Earnings per share</b>		
The calculation of earnings per share is based on the following:		
Profit/(loss) for the year (DKK '000)	-10,540	-7,962
<b>Weighted average number of shares used for calculation of earnings per share</b>	<b>10,124,074</b>	<b>9,087,418</b>
Average dilutive effect of outstanding warrants	463,972	334,969
<b>Weighted average number of shares used for calculation of diluted earnings per share</b>	<b>10,588,046</b>	<b>9,422,386</b>
Earnings per share (in DKK)	-1.04	-0.88
Earnings per share, diluted (in DKK)	-1.04	-0.88

## Note 16 – Borrowings

(DKK '000)	31 Dec 2021	31 Dec 2020
<b>Borrowings</b>		
Borrowings are due as follows:		
Within 1 year	4,173	2,795
From 1-5 years	23,084	21,690
After 5 years	-	4,460
<b>Total borrowings</b>	<b>27,257</b>	<b>28,945</b>
Borrowings are recognised accordingly:		
Borrowings. long-term	23,084	26,151
Borrowings. short-term	4,173	2,795

### The funding package consist of:

Existing credit line is DKK 3,0 million (2020: DKK 3 million). At 31 December 2021, the credit line was not utilised. The credit facility is renegotiated on a yearly basis. The credit line bears an annual variable interest rate subject to DANBOR +3.0%.

Existing loans from Vækstfonden has principal amounts to a value of DKK 31.0 million (2020: DKK 31 million). The loans mature in between 2024-2026. No covenants apply. The variable interest rate is subject to adjustment quarterly based upon the 3-month CIBOR plus a premium.

Booked value is assessed to be represented the fair value of borrowings at year-end.

## Note 17 – Lease obligations

(DKK '000)	31 Dec 2021	31 Dec 2020
<b>Lease obligations are due as follows</b>		
Within 1 year	1,080	895
From 1-5 years	2,257	3,291
After 5 years	-	-
<b>Total lease obligations</b>	<b>3,337</b>	<b>4,186</b>
<b>Lease obligations are recognised accordingly</b>		
Lease obligations, long-term	2,257	3,291
Lease obligations, short-term	1,080	895

The average alternative borrowing rate used when discounting future lease payments in connection with measuring the leasing obligation is set at the Company's marginal borrowing rate of 2.63% p.a.

## Note 18 – Other payables

(DKK '000)	31 Dec 2021	31 Dec 2020
Accrued vacation payables, long-term	2,885	2,486
Accrued vacation payables, short-term	2,335	2,253
Bonus and commission payables	600	-
Payroll taxes, VAT etc.	4,335	6,700
Other accrued costs	709	1,434
<b>Total other payables</b>	<b>10,864</b>	<b>12,873</b>
Current	7,979	10,387
Non-current	2,885	2,486
<b>Total other payables</b>	<b>10,864</b>	<b>12,873</b>

## Note 19 – Deferred income

(DKK '000)	31 Dec 2021	31 Dec 2020
Arising from contracts with customers	19,616	15,216
<b>Total deferred income</b>	<b>19,616</b>	<b>15,216</b>
Current	19,616	15,216
Non-current	-	-
<b>Total deferred income</b>	<b>19,616</b>	<b>15,216</b>

Revenue relating to subscriptions is recognised over time although the client pays up-front in full for these subscriptions. A contract liability is recognised for revenue at the time of the initial sales transaction and is released over the contract period.

## Note 20 – Contingent liabilities and commitments

### Contingent liabilities

The Executive Leadership assesses that the outcome of pending claims and other disputes will have no material impact on Agillic's financial position.

A mortgage of DKK 18 million is registered as collateral for the Company's debt to Vækstfonden of DKK 28.9 million as per 31 December 2021. A mortgage of DKK 3 million is registered as collateral for the Company's credit facility at Danske Bank.

## Note 21 – Related parties

Agillic's related parties exercising a significant influence comprise the company's Board of Directors and Executive Leadership as well as relatives of these persons.

Related parties also comprise companies in which the individuals mentioned above have material interests.

The company did not enter into any agreements, deals, or other transactions in 2021 in which the company's Board of Directors or Executive Leadership had a financial interest, except for transactions following from the employment relationship. See note 6 Staff costs.

All agreements relating to these transactions are based on market price (arm's length). The company has had the following transactions with related parties.

	2021	2020
<b>Shareholders</b>		
<b>Outstanding balances</b>		
Debt Conversion	-	5,349
Sale and Purchase of shares - major shareholders	3,875	16,014
Purchase of shares - Board of Management	-	300

There has not been any transactions with related parties. There has been a normal remuneration to the Board of Directors. Executive Leadership and other Key Management Personnel, there has not been any transactions other than presented in Note 6 Staff costs. Key Management Personnel consists of parties with significant influence not already disclosed as part of the Board of Directors and the Executive Leadership.

Members of the Board of Directors are elected by the shareholders at the Annual General Meeting for terms of one year. Refer to page 25 for additional information on members of the Board of Directors.

## Note 22 – Financial risks

(DKK '000)	31 Dec 2021	31 Dec 2020
Specification of financial assets and liabilities:		
Trade receivables	3,714	2,392
Other receivables	10	238
Tax receivables	2,739	2,833
Cash	20,623	16,294
<b>Total financial assets</b>	<b>27,086</b>	<b>21,758</b>
Debt to credit institutions	27,257	28,945
Prepayments from clients	199	-
Trade payables	4,848	1,490
Other payables	7,979	10,387
<b>Total financial liabilities</b>	<b>40,283</b>	<b>40,822</b>

Due to the nature of its operations, investments, and financing, the company is exposed to a number of financial risks. It is the company policy to operate with a low risk profile, so that currency risk, interest rate risk and credit risk only occur in commercial relations.

The scope and nature of the company's financial instruments appear from the income statement and statement of financial position in accordance with the accounting policies applied. Provided below is information about factors that may influence amounts, time of payment, or reliability of future payments, where such information is not provided directly in the financial statements.

This note addresses only financial risks directly related to the company's financial instruments.

### Currency risk

Currency risk is the risk that arises from changes in exchange rates and affects the company's result.

The general objective of Agillic's currency risk management is to limit and delay any adverse impact of exchange rate fluctuations on earnings and cash flows and thus increase the predictability of the financial results. Agillic also aim to balance incoming and outgoing payments in local currency as much as possible as well as monitoring the development in exchange rates and adjust price lists when required.

The most significant financial risk in Agillic relates to exchange rate fluctuations. The greatest exposure in foreign currency is to NOK and in 2021, 18% (2020: 18%) of Agillic's revenue was denominated in NOK. Furthermore, the company generally seek to ensure that contracts with clients are entered into in DKK, NOK or EUR.

Based on the net exposure of the company, the hypothetical impact of exchange rate fluctuations on revenue and EBITDA, is as follows:

(DKK '000)	2021	2020
<b>Sensitivity to a 10% increase in NOK exchange rate</b>		
Revenue	764	940
EBITDA	764	940

### Interest rate risk

Interest rate risk arises in relation to interest-bearing assets and liabilities.

Agillic's interest-bearing borrowings of DKK 27,256 thousand as per 31 December 2021 is subject to a variable rate of interest based on a 3-month CIBOR plus a premium.

If market interest rates increased by one percentage point, the interest rate sensitivity as calculated based on the loan balance to credit institutions as per end of 2021, would lead to a yearly increase in interest expenses of DKK 272 thousand (2020: DKK 289 thousand). A corresponding decrease in market interest rates would have the opposite impact.

### Liquidity risk

The company ensures sufficient liquidity resources by liquidity management.

In order to limit the company's counterparty risk, deposits are only made in well-reputed banks.

To further strengthen the liquidity and fund growth, a raise of DKK 11.65 million in new capital were made in January 2021 (2020: DKK 0.0 million). The cash reserve and expected cash flow for 2022 are considered to be adequate to meet the obligations of the company as they fall due.

### Credit risk

The main credit risk in the company is related to trade receivables. The company does not have material risks related to a single client or partner. The company's business model leads to a very limited credit risk as the majority of the subscription based revenue derived from contracts with clients is subject to upfront annual invoicing and payment.

The company did not historically have any significant loss on trade receivables and the risk of significant losses on the total receivables as per 31 December 2021 is estimated to be limited. As per 31 December 2021, the company has trade receivables sent to debt collection and receivables which are past due date of DKK 342 thousand (2020: DKK 692 thousand). Hereof DKK 0 thousand (2020: DKK 692 thousand) been provided for as doubtful receivables.

Also refer to note 14 Trade receivables.

### Capital structure

Agillic manages its capital to ensure that the company will be able to continue as going concern while maximising the return to shareholders through the optimisation of the debt and equity balances. The capital structure of the Agillic consists of net debt and equity.

The Executive Leadership reviews the capital structure continually to consider if the current capital structure is in accordance with the company's and shareholders interests.

## Note 23 – Events after the reporting period

Reporting of transactions related to shares in Agillic A/S made by persons with managerial responsibilities as Emre Gürsoy, CEO, Agillic A/S has purchased 5,632 Agillic shares at an average price of DKK 26.82 corresponding to DKK 151,032.28 in total, as stated in Company Announcement no. 01, 19 January 2022.

No other significant events have occurred after the balance sheet date, which are considered to have a significant impact on the assessment of the annual report.

# Definitions of key figures and ratios

## Annual Recurring Revenue

Annual Recurring Revenue (ARR) is the value of subscriptions at a given date, including transaction-based use, entered into with the company and converted to a monthly value multiplied by 12.

New subscriptions are included in ARR at the time of entering into the binding agreement, which would typically occur at the time of signing the agreement.

For changes to existing subscriptions, ARR is included at the time that the change enters into force.

Subscriptions that are terminated or not renewed are reduced on ARR at the time that the agreement ceases to exist.

Subscriptions are typically entered into with an irrevocable period of 12-36 months. Inclusion of ARR is conducted in the following manner:

For 12 month subscriptions, ARR is included as 1 times the value of the agreement. For 24 month subscriptions, ARR is included as ½ times the value of the agreement. For 36 month subscriptions, ARR is included as ⅓ times the value of the agreement.

Monthly subscriptions are included in ARR as 12 times the actual monthly value of the subscription (MRR).

In addition to the value of subscriptions, the clients' transaction-based subscription use, including e-mail and SMS transactions, are also included in ARR. The value of ARR from transaction-based use is calculated as the latest quarter's actual transaction-based use multiplied by 4.

From quarter to quarter, ARR is calculated as the value from the last day of the most recent quarter's ARR adjusted for changes until the last day of the current quarter.

The following elements are included in the calculation of the changes in ARR:

- + Additional sales to existing clients (subscription-based upgrades/additional services)
- + Agreed upon price adjustments to existing subscriptions
- + New sales of subscriptions
- + The change (+/-) in transaction use derived from the subscriptions
- Termination or downgrading of subscription
- = Change in ARR

ARR is calculated in Danish Kroner. When entering into a agreement in a foreign currency, a currency conversion is conducted at the time of entering into the agreement.

## ARR multiple

Market cap / ARR.

## Churn rate (%)

The value of terminated ARR for a 12-month period as a percentage of total ARR end of reporting period.

## Customer Acquisition Costs (CAC)

The sales and marketing cost (inclusive direct related cost, like travel costs, personal IT costs, costs of office etc.) of acquiring one new customer.

## Customer lifetime

Average number of years from customers acquisition to customer churn calculated as 1 divided by gross value churn rate.

## Earnings per share (EPS)

Net profit divided by the weighted average number of shares.

## Earnings per share, diluted (DEPS)

Net profit divided by the weighted average number of shares, including the dilutive effect of stock options.

## EBITDA

Net profit before interests, tax, depreciation, amortisation and result from joint ventures.

## EBIT

Earnings before interest and tax.

## Gross profit margin (%)

Gross profit as a percentage of Revenue.

## Number of employees year end (FTE)

Number of full-time equivalent employees (part-time employees translated into full-time employees) at the end of the year.

## Years to recover CAC

Average number of years to recover the costs of acquiring one new customer (CAC) calculated as CAC divided by Average ARR\*Gross profit margin %.

# Company information

**Agillic A/S**

Masnedøgade 22, 2.  
2100 Copenhagen Ø  
Denmark

**Tel.:** +45 70 25 28 25

**E-mail** [contact@agillic.com](mailto:contact@agillic.com)  
[www.agillic.com](http://www.agillic.com)

**CVR no.:** 25063864

**Municipality of domicile**

Copenhagen, Denmark

**Date of establishment**

2 December 1999

**Financial year**

1 January - 31 December

**Board of Directors**

Johnny Emil Søbæk Henriksen, Chairman of the Board  
Susanne Lund  
Jesper Genter Lohmann  
Mikael Konnerup  
Michael Moesgaard Andersen

**Executive Leadership**

Emre Gürsoy, CEO

**Auditor**

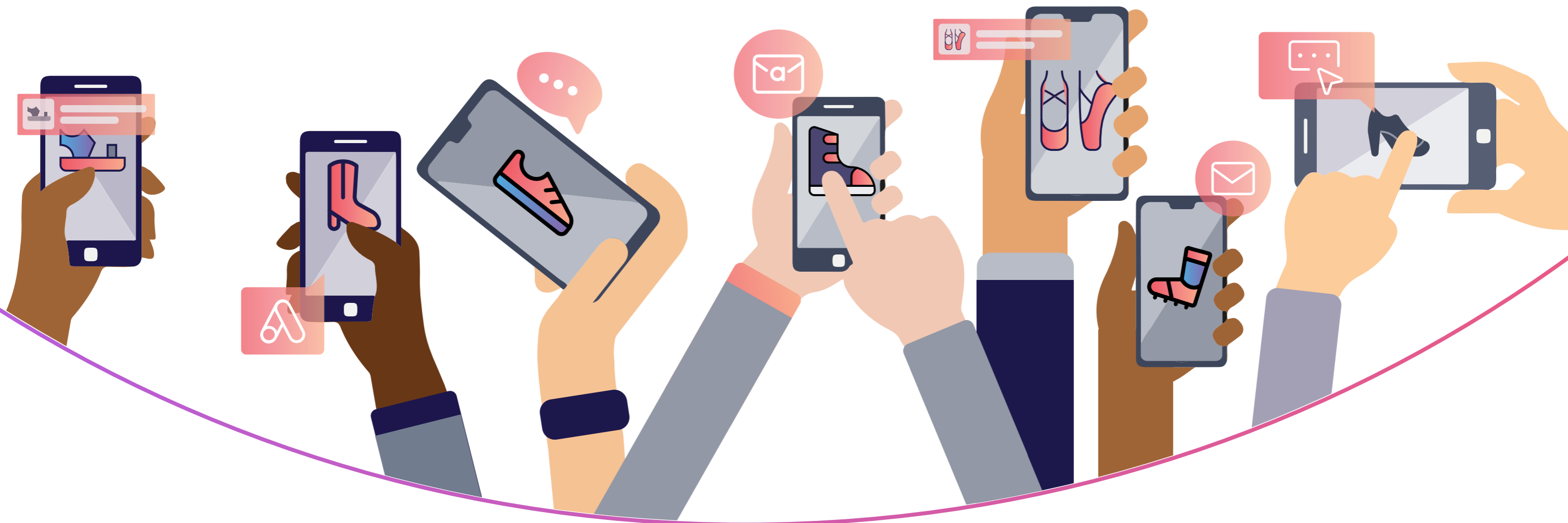
Deloitte Statsautoriseret Revisionspartnerselskab  
CVR no. 33963556

**Annual General Meeting**

The ordinary Annual General Meeting will be held on Wednesday 30 March 2022 at Masnedøgade 22, 2., 2100 Copenhagen Ø, Denmark, or virtually depending on Covid-19 restrictions.



**About Agillic.** Agillic is a Danish software company offering brands a platform through which they can work with data-driven insights to create, automate and send personalised communication to millions.



**For more information**

**Investor Relations & Newsletter:** [agillic.com/investor](https://agillic.com/investor) · **Follow us on LinkedIn:** [linkedin.com/company/agillic](https://linkedin.com/company/agillic) · **Find us on Facebook:** [facebook.com/agillic](https://facebook.com/agillic) · **Join us on Twitter:** [twitter.com/agillic](https://twitter.com/agillic)