

Share information



YTD:	-48.7%	1 year:	-48.7%
1 month:	-1.0%	3 years:	-59.7%

Note: We apply the closing price from 22 October 2024 (Source: Capital IQ).

Financials

(DKKm)	2022	2023	2024E*
Total ARR	76.6	70.1	66.0-74.0
ARR growth	38%	-8%	-6% to 6%
Revenue	67.0	64.7	62.0-66.0
Revenue growth	27%	-3%	-4% to 2%
EBITDA	1.1	1.9	0.0-2.0
EBITDA margin	2%	3%	0-3%
Cash	7.4	9.8	N/A
Interest-bearing debt	26.6	24.9	N/A

*Agillic's own guidance range for 2024. Interest-bearing debt includes leasing liabilities.

Valuation multiples

	2022	2023	2024E*
P/ARR (x)	3.2	3.0	1.5
P/S (x)	3.6	3.2	1.7
EV/Sales (x)	3.9	3.5	1.9
EV/EBITDA (x)	238.4	118.2	123.3
EV/EBIT (x)	-23.6	-19.8	N/A
P/E (x)	-22.8	-7.6	N/A
P/CF (x)	79.7	-32.3	N/A

Note: Multiples for 2022 and 2023 are based on historical numbers. *Multiples in 2024E are based on Agillic's guidance range midpoint.

Company description

Agillic is a Danish SaaS company offering B2C businesses an omnichannel marketing automation platform in which marketers can work with data-driven insights to create, automate, and send personalized communication to millions. Agillic had 40 employees by the end of Q3 2024. The company is headquartered in Copenhagen and serves 114 clients from 10 European markets. The company has been listed on Nasdaq First North Growth Market in Denmark since 2018.

Investment case

The global marketing automation software market is expected to grow with a CAGR of approx. 10% towards 2030¹. Market growth rates are supported by an increasing omnichannel focus, the rise of AI technologies, and the transition to first-party data.

The increase in AI-produced content will only make personalization more important in the future, and Agillic is prepared for that after investments in the platform.

After challenging market conditions and churn in the first part of 2024, mainly from technology consolidations and M&A in the customer base, Agillic grew total ARR by 2% QoQ in Q3 2024. Looking into Q4 2024, Agillic expects growth from existing and new clients, supported by an uplift in its current customer base through contract renewals, the company's pipeline, and typical seasonality.

Looking at valuation, Agillic has no similar best-of-breed listed peers. Large US-listed technology providers such as HubSpot and Intuit are trading at 2024E EV/Sales multiples in the range of approx. 9-10x (Capital IQ estimates), supporting this market's attractiveness. Due to the size and share liquidity, Agillic is better compared to other Danish-listed SaaS companies, which are trading at a median of 2.6x EV/ARR (2024E). Agillic trades below at 1.8x EV/ARR (2024E), partly explained by its recent negative growth rates and guidance of a flat 2024, yet with a positive EBITDA.

¹<https://www.statista.com/statistics/681027/marketing-software-software-revenue/>

Key investment reasons

Agillic's technology and business model fit into current trends. With an increasing focus on data privatization, the value and use of first-party data should continue to increase. Furthermore, AI will make it possible to increase content creation significantly, but consumption will not increase proportionally. As a result, content and communication need to be personalized to gain the best customer experience.

In 2024, Agillic has adapted its organization and decreased its costs to the current activity level. This is shown by a positive EBITDA of DKK 1.8m YTD in Q3 2024 (first 9 months of 2024), which currently is at the high end of the company's full-year 2024 EBITDA guidance range of DKK 0-2m.

Last year, Viking Venture became Agillic's largest shareholder. This ownership is expected to support Agillic and could further boost Agillic's internationalization strategy.

Key investment risks

Historically, Agillic has been relatively cyclical. This is partly mitigated by a larger and more diversified customer mix. However, Agillic has in 2024 been negatively affected by a reduction in transactions, technology consolidations and M&A activities in its client base, and prolonged decision processes from a slow-moving market due to a lack of appetite for tech investments and an unknown impact of AI technologies. Despite a 2% QoQ increase in total ARR in Q3 2024, there remains a risk of a 2024 guidance downgrade on the total ARR and revenue if headwinds continue.

After a final decision on the tax credit review earlier this year with an overall positive outcome, short-term uncertainties are eliminated. As a result, Agillic can potentially re-negotiate its debt installment profile and focus more on growth investments. Additionally, Agillic has optimized its organization, implying that there is less risk on the capital side. Looking ahead, however, there is still a risk that Agillic will raise new capital.

Danish SaaS peer group

Company	Total return	EV/ARR (x)		ARR growth (%)		Growth adj. ARR multiple (x)		EV/Sales (x)		Revenue growth (%)		NRR (%)	EBITDA (DKKm)		Net debt (DKKm)		FCF / Net new ARR	
	YTD (%)	2023	2024E	2023	2024E	2023	2024E	2023	2024E	2023	2024E	2023	2023	2024E	Latest reported	2022	2023	
Selected Danish SaaS (median)*	14.6%	2.7	2.6	41%	30%	0.09	0.07	2.9	N/A	38%	N/A	111%	-9.7	-8.3	-8.4	-3.5	-1.2	
Agillic	-48.7%	3.2	1.8	-9%	0%	N/A	N/A	3.5	1.9	-3%	-1%	98%	1.9	1.0	15.4	-0.5	N/A	

Note: *The table shows key SaaS metrics, financials, and valuation multiples for Agillic and the median values from selected Danish SaaS companies (Impero, MapsPeople, Penneo, and RISMA). Note that SaaS metrics definitions may differ across companies (there are no standards or regulations yet), i.e., this overview is only for perspective. Data is manually collected from company reports. We apply Agillic and other companies' 2024 guidance (midpoint). We apply end 2023 (31 December 2023) market capitalizations for 2023 multiples and market capitalizations from 22 October 2024 for 2024E multiples (+ latest reported net debt/cash). Agillic's FCF/Net New ARR is N/A in 2023 as the company's total ARR declined. Source: HC Andersen Capital and company reports.

Appendix: Danish SaaS peer group

Selected Danish-listed SaaS companies (reported ARR in the range of DKK 20-100m in 2023)

Company	Total return	EV/ARR (x)		ARR growth (%)		Growth adj. ARR multiple (x)		EV/Sales (x)		Revenue growth (%)		NRR (%)		EBITDA (DKKm)		Net debt (DKKm)		FCF / Net new ARR	
	YTD (%)	2023	2024E	2023	2024E	2023	2024E	2023	2024E	2023	2024E	2023	2023	2024E	Latest reported	2022	2023		
Impero	14.2%	2.8	2.6	34%	32%	0.08	0.08	3.1	N/A	39%	N/A	111%	-10.6	-10.0	-15.3	-3.4	-1.6		
MapsPeople	80.3%	1.8	2.6	63%	46%	0.03	0.06	2.3	3.3	39%	49%	111%	-59.7	-22.5	36.1	-4.0	-2.2		
Penneo	15.0%	2.6	2.6	26%	22%	0.10	0.12	2.6	N/A	23%	N/A	112%	-8.7	7.5	-6.6	-1.9	-0.8		
RISMA	-36.9%	5.5	2.6	49%	29%	0.11	0.07	5.9	N/A	38%	N/A	107%	-7.0	-6.6	-10.1	-3.5	-0.1		
Median	14.6%	2.7	2.6	41%	30%	0.09	0.07	2.9	N/A	38%	N/A	111%	-9.7	-8.3	-8.4	-3.5	-1.2		
Agillic	-48.7%	3.2	1.8	-9%	0%	N/A	N/A	3.5	1.9	-3%	-1%	98%	1.9	1.0	15.4	-0.5	N/A		

Note: The table shows market data, valuation multiples, and key SaaS metrics for Agillic, as well as median values from selected Danish SaaS companies. Note that SaaS metrics definitions may differ across companies (there are no standards or regulations yet), i.e. this overview is only for perspective. Data is manually collected from company reports. We apply Agillic's and other companies' 2024 guidance (midpoint). Market capitalizations from 22 October 2024 are used to calculate 2024E multiples and YTD returns. Concerning the net debt/cash calculation for enterprise values, we apply the latest reported numbers. Lease liabilities are included in the net debt calculations for most companies. N/A is applied for data points where there is no data, or we have assessed it makes no sense to use the number for comparison in a few cases. MapsPeople's NRR is only for MapsIndoors. FCF (in FCF/Net new ARR calculation) is defined as cash flow from operations minus investments in CAPEX (primarily intangible assets). Agillic's FCF/Net New ARR is N/A in 2023 as the company's total ARR declined. Source: HC Andersen Capital and company reports.

Disclaimer: From the table above, HC Andersen Capital receives payment from Agillic, Impero, MapsPeople, and Penneo for a Digital IR/Corporate Visibility subscription agreement.