

## Relesys reports 36% year-on-year growth in Annual recurring revenue in Q3 2023. Relesys keeps guidance unchanged.

Relesys A/S | Interim financial report Q3 2023  
Company Announcement No. 10-2023  
Copenhagen, November 29<sup>th</sup>, 2023

### Third quarter period: July 1, 2023 – September 30, 2023

Relesys achieved an Annual Recurring Revenue (ARR) of DKKm 54.8 and executed the third quarter of the financial year in accordance with the plan. Current financial guidance remains unchanged.

#### Summary of Q3 2023:

- ARR increased from DKKm 40.2 in Q2 2022 to DKKm 54.8 in Q2 2023, corresponding to 36% year-on-year growth.
- NRR in the last twelve months was 106%.
- ARR net uplift in the last twelve months was 10%.
- ARR churn in the last twelve months was 4%.
- Revenue grew from DKKm 10.9 in Q3 2022 to DKKm 14.5 in Q3 2023, corresponding to 33% year-on-year growth.
- The cash balance at the end of Q3 2023 was DKKm 26.2. Free Cash Flow Multiple last 12 months was -0.5. The cash balance of DKKm 26.2 is considered sufficient to take Relesys to a positive cash flow.

During Q3 2023, Relesys continued to concentrate efforts on enterprise size clients and Relesys is proud to have been able to roll out a group wide solution with NorgesGruppen. The rollout is expected to conclude in Q4 2023 after less than nine months. When fully rolled out, the solution will support 40,000 users across five apps for KIWI, MENY, ASKO, Kjøpmannshuset and Gigaboks. The initial delivery includes the Essential, Communication and Security Pro modules.

		Q3			Q2		January - September		
		2023	2022	%Y/Y	2023	%Q3/Q2	2023	2022	%YTD/YTD
<b>SAAS KEY METRICS:</b>									
ARR	DKKm	54.8	40.2	36%	51.8	6%	54.8	40.2	36%
Net ARR retention (year on year)	%	106%	115%	(9pp)	109%	(3pp)	106%	115%	(9pp)
Average ARR per client	DKK'000	274	232	18%	266	3%	274	232	18%
ARR retention (year on year)	%	96%	96%	0pp	95%	1pp	96%	96%	0pp
ARR expected lifetime	Years	27	25	8%	21	24%	27	25	8%
Number of clients		200	173	16%	195	3%	200	173	16%
Client retention (year on year)	%	92%	92%	0pp	92%	0pp	92%	92%	0pp
Client expected lifetime	Years	12	12	0%	12	1%	12	12	0%
SaaS share of revenue	%	93%	88%	5pp	92%	1pp	92%	85%	7pp
<b>RESULTS</b>									
Revenue	DKKm	14.5	10.9	33%	13.9	4%	41.2	31.6	30%
SaaS revenue	DKKm	13.5	9.6	41%	12.8	5%	37.8	27.0	40%
Consultancy revenue	DKKm	1.0	1.3	(22%)	1.1	(8%)	3.4	4.6	(26%)
Gross profit	DKKm	13.2	9.8	35%	12.7	4%	37.5	28.8	30%
Gross profit margin	%	91%	90%	1pp	91%	0pp	91%	91%	0pp
EBITDA	DKKm	(0.8)	(5.9)	(87%)	(3.4)	(77%)	(9.8)	(17.2)	(43%)
EBITDA margin	%	(5%)	(54%)	49pp	(24%)	19pp	(24%)	(54%)	31pp
<b>CASH FLOW</b>									
Operating activities	DKKm	2.6	(6.3)	(142%)	(2.6)	(202%)	(1.8)	(17.1)	(89%)
Investing activities	DKKm	(0.4)	(0.6)	(28%)	(0.5)	(13%)	(1.7)	(1.8)	(9%)
Free cash flow	DKKm	2.2	(6.9)	(132%)	(3.1)	(172%)	(3.5)	(18.9)	(81%)
Financing activities	DKKm	(0.8)	(0.4)	95%	(0.4)	93%	(1.6)	(3.5)	(54%)
Cash flow for the period	DKKm	1.4	(7.2)	(120%)	(3.4)	(142%)	(5.1)	(22.4)	(77%)
Cash balance	DKKm	26.2	36.8	(29%)	24.7	6%	26.2	36.8	(29%)
FCF multiple (LTM)		(0.5)	(0.6)	(20%)	(1.2)	(58%)	(0.5)	(0.6)	(20%)
<b>FINANCIAL POSITION</b>									
Balance sheet total	DKKm	46.3	58.2	(20%)	46.5	0%	46.3	58.2	(20%)
Intangible assets	DKKm	6.8	5.6	22%	6.5	4%	6.8	5.6	22%
Right-of-use-assets	DKKm	4.5	7.3	(38%)	5.1	(11%)	4.5	7.3	(38%)
Total equity	DKKm	18.3	37.7	(51%)	19.9	(8%)	18.3	37.7	(51%)

## FINANCIAL GUIDANCE 2023:

For 2023, Relesys expects continued growth in both ARR and Revenue. Guidance remains unchanged with ARR of DKKm 59-64 and Revenue of DKKm 54-60 by the end of 2023. This is unchanged from what was presented in the H1 2023 announcement.

GUIDANCE 2023 (DKKm)	2023 Guidance	H1 2023 Actual	2022 Actual	Expected Growth
Annual Recurring Revenue	59-64	51.8	45.2	31% - 42%
Revenue	54-60	26.7	44.1	22% - 36%

## CONTACT INFORMATION

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## ABOUT RELESYS

Relesys is a Software as a Service (SaaS) company founded with the sole purpose of creating a more engaged and united workforce. The communication and performance platform enables companies to strengthen their internal communication and performance, by providing employees access to an intuitive user-friendly app, with all the information they need to succeed in their jobs, thus improving the overall performance.

Relesys has a strong product-market-fit within the retail industry, but the platform has proven valuable for other industries where a large proportion of the workforce is not working from a desk in front of a computer and who is isolated from the rest of the organization. Relesys provides a scalable software solution and has already a proven track record internationally.

On September 30, 2023, Relesys had 200 clients in 15 countries and supports 34 different languages. The customer base of Relesys includes brands such as Salling Group, NorgesGruppen, Specsavers, Bauhaus, Matas, Telia, Carlsberg Danmark, Amcor and Vestas, together with several other market-leading brands.