



Avidly Plc Financial Statements Release 1 January - 31 December 2021

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Organic revenue growth was 20.0% reaching EUR 30 million in 2021, gross profit increased by 15.8% and adjusted operating result rose to EUR 1.1 million (EUR 0.3 million).

Avidly Plc, Financial Statement Release, 4 March 2022 at 08:30 (EET)

This company announcement is a summary of Avidly's Financial Statements Release for January-December 2021. The complete Release is attached to this announcement as a pdf file. It is also available on the company website at <https://investors.avidlyagency.com/en/company-news>.

October-December 2021

- Revenue was 8,293 thousand euros (6,890 thousand), an increase of 20.4%.¹
 - Other countries segment's portion of revenue was 24% (22%).
- Gross profit totaled 5,737 thousand euros (5,304 thousand), an increase of 8.2%.
 - Other countries segment's portion of gross profit was 27% (26%).
 - Continuous services accounted for approximately 51% (38%) of gross profit.
- The Group's operating result was -73 thousand euros (53 thousand).
- Adjusted operating result² totaled 9 thousand euros (241 thousand), or 0.1% of revenue (3.5%).

January-December 2021

- Revenue was 29,972 thousand euros (24,970 thousand), an increase of 20.0%.
 - Other countries segment's portion of revenue was 24% (23%).
- Gross profit was 21,596 thousand euros (18,649 thousand), an increase of 15.8%.
 - Other countries segment's portion of gross profit was 28% (26%).
 - Continuous services accounted for approximately 47% (42%) of gross profit.
- EBITDA was 1,625 thousand euros (1,724 thousand), a decrease of -5.7%.
- The Group's operating result was -57 thousand euros (-61 thousand).
- Adjusted operating result² improved to 1,074 thousand euros (337 thousand), or 3.6% of revenue (1.3%).
- Profit for the period was -218 thousand euros (-342 thousand).
- Earnings per share was -0.04 euros (-0.09).
- Cash flow from operations was 1,873 thousand euros (1,611 thousand).
- The Board of Directors proposes to the Annual General Meeting to be held on 30 March 2022 that no dividend be distributed for the financial year 2021 (0.00 euros for 2020).

Outlook for 2022:

Avidly estimates that its revenue in 2022 will be between 34 and 36 million euros (revenue in 2021: 30.0 million euros) and that its adjusted operating result will increase (adjusted operating result in 2021: 1.1 million euros).

The adjusted operating result refers to the operating result (EBIT) that has been adjusted for the acquisition costs and allocated depreciation of acquired businesses as well as expenses associated with the share-based incentive scheme pursuant to IFRS.

CEO Jesse Maula:

Avidly's year 2021 was characterized by very rapid organic growth, investments in business development, and a favorable operating environment.

Our revenue increased by 20% to 30.0 million euros, and the gross profit, which measures the volume of our own operations, increased by 15.8% to 21.6 million euros. Growth was especially rapid in our international business, where gross

profit grew at about twice the rate of the Finnish business. Outside Finland, demand was particularly focused on digital services that accelerate sales and marketing automation, while in Finland, demand covered all the marketing technology services we offer. The share of continuous services of gross profit increased to 47% (42%).

In addition to growth, we invested significantly in developing our business. One of the key events during the year was – from the perspective of the next few years’ growth and service development – the acquisition of Digital 22 Online. The acquisition expands our operations to the UK and Canada in 2022 and strengthens our position as a global leading service provider for the world's leading marketing automation system HubSpot. In Q4, we also implemented essential changes in the organization and management of our business, such as the reorganization of our operations in Finland, Norway and Sweden, and Germany.

Despite the investments made in developing our business, Avidly’s operating profit in 2021 improved by 6.6% to -0.1 million euros. Our adjusted operating result², which describes the operational performance of our operations, more than tripled to 1.1 million euros.

Avidly's growth platform, processes and reputation have developed in the right direction during the year. The good development has also been reflected in the new customers won in Q4, including Lappeenranta Energy and Svenska litteratursällskapet in Finland, Kahoot and HMD Connect Pro in Denmark, TOMRA Collection and Neoss in Sweden and Norway, and Kreuzmayr Bayern in Germany. In addition, we succeeded in deepening and expanding our existing customer relationships and improving our customer satisfaction. I would like to thank all Avidlyans for these important achievements. Our ability to retain our current martech experts at Avidly and to attract new ones to our service is central to our success also in future.

At present, the market outlook for 2022 is favorable. Overall, Avidly is well-positioned to further develop its offering and continue to grow strongly in the years to come. Our goal is to keep profitability at a reasonable level in the future, but in line with our strategy, we will continue to focus on developing our service platform and expanding our operations within the martech ecosystem.

Key figures	1-12	1-12	Change
EUR (1,000)	2021	2020	%
Revenue	29,972	24,970	20.0
Other countries segment's portion of revenue	7,099	5,627	26.2
Gross profit	21,596	18,649	15.8
Other countries segment's portion of gross profit	5,953	4,797	24.1
Continuous services of gross profit	47%	42%	
EBITDA	1,625	1,724	-5.7
Operating result (EBIT)	-57	-61	6.6
EBITA ³	121	168	-28.0
Adjusted operating result²	1,074	337	218.7
Profit before taxes	-269	-400	-32.8
Personnel, average	237	228	3.9
Earnings/share, EUR	-0.04	-0.09	52.3
Earnings/share, diluted, EUR	-0.04	-0.08	52.9
Equity ratio, %	48.14%	40.91%	
ROE, %	-2.13%	-4.07%	
Equity/share, EUR	2.02	1.85	8.7
Gearing, %	6.22%	14.34%	

Number of outstanding shares, weighted average during the period	5,279,531	3,954,023	
Number of outstanding shares, at the end of the period	5,279,531	5,279,531	
Number of outstanding shares adjusted for dilution, weighted average during the period ⁴	5,702,591	4,218,683	

FINANCIAL INFORMATION

Avidly Plc will publish its financial reports in 2022 as follows:

- Business review January–March 2022: 29 April 2022
- Half-yearly report January–June 2022: 26 August 2022
- Business review January–September 2022: 28 October 2022

Avidly's Annual Report 2021 including the Report of the Board of Directors and the Financial Statements for the period 1 January–31 December 2021 will be available in digital format on the company website at <https://investors.avidlyagency.com/en/publications> on 11 March 2022.

The Annual General Meeting 2022 of Avidly Plc is planned to be held on Wednesday, 30 March 2022. The Board of Directors will convene the meeting later by a separate notice.

In Helsinki, 4 March 2022

AVIDLY OYJ

BOARD OF DIRECTORS

Additional information:

Jesse Maula, CEO, tel. +358 40 548 0248

Hans Parvikoski, CFO, tel. 358 40 586 6154

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About Avidly

Avidly is a leading martech service provider listed on the Nasdaq First North Growth marketplace in Helsinki. We offer holistic digital marketing and sales services, and customer experience, data and technology are closely entwined into our impact-driven growth strategy. We are a team of approximately 280 navigators and explorers, makers and shakers in 18 locations in Finland, Sweden, Norway, Denmark, Germany, UK and Canada. Read more: investors.avidlyagency.com/en

¹ Unless otherwise stated, comparisons and figures in parentheses refer to the comparison period (i.e. the same period last year).

² Adjusted operating result = operating result (EBIT) adjusted for acquisition costs and allocated depreciation of acquired businesses, as well as expenses associated with the share-based incentive scheme pursuant to IFRS.

³ EBITA = operating result (EBIT) added with depreciations and impairments on acquisitions.

⁴ Dilution effect includes management share-based incentive programme's potential dilution effect from new shares calculated with the closing share price at the end of the review period.

Attachments

- [Download announcement as PDF.pdf](#)
- [AVIDLY financial statements release 2021.pdf](#)