



Half Year Review 2021

## LeadDesk Ltd Half Year Financial Statement 1/1–30/6/2021

LeadDesk Ltd Unofficial Translation of Press Release 27/8/2021 at 9.00 am. In case the document differs from the original, the Finnish version prevails.

### LeadDesk's organic growth and acquisitions fire up an excellent start to the year

Figures in parenthesis refer to the equivalent period in the previous year, unless otherwise stated. (Unaudited)

#### January–June 2021

- Revenue EUR 12,022 (6,211) thousand, growth 93.6%
- Comparable revenue EUR 12,542\* (10,917\*\*) thousand, growth 14.9%
- Annual recurring revenue EUR 19 059 (9,704) thousand, growth 96,4%
- EBITDA EUR 1,868 (623) thousand, 15.5 (10.0)% of revenue
- Comparable EBITDA EUR 1,868 (1 375\*\*) thousand, 15.5 (12.6)% of revenue
- EBIT EUR 188 (-9), 1.6 (-0.1)% of revenue
- Loss for the period EUR -53 (-104) thousand
- Cash flow from operations EUR 78 (933) thousand

\* Figures for the period include the service number business of the group adjusted with changes in the revenue recognition policy.

\*\* Pro Forma figures from 1/1–30/6/2020 including Nordcom Oy, LeadDesk Solutions Oy (formerly Capricode Systems Oy), LeadDesk Solutions AB (formerly Loxyssoft AB) and LeadDesk Solutions AS (formerly Loxyssoft AS) as if the companies had been a part of the group during the period in question.

#### Outlook for 2021

The company will maintain strong comparable revenue growth and continue operating profitably.

#### LeadDesk Group Key figures

EUR 1,000	1-6/2021	1-6/2020	2020
Revenue	12,022	6,211	13,799
Revenue growth, %	93.6%	1.4%	11.7%
Comparable revenue*	12 542*	10 917**	
Comparable revenue growth, %	14.9 %		
Annual recurring revenue*	19,059	9,704	12,027
Annual recurring revenue growth, %	96.4 %	27.4%	45.5%
EBITDA, % of revenue	15.5%	10.0%	12.2%
EBIT, % of revenue	1.6%	-0.1%	2.2%
Return on Equity (ROE), %	-0.8%	-3.2%	2.4%
Return on Investment (ROI), %	3.3%	0.0%	3.3%
Equity ratio, %	56.5%	70.9%	71.6%
Net gearing, %	9.9%	-65.8%	-47.2%
Earnings per share	-0.01	-0.02	0.04
Earnings per share (incl. dilutive effect)	-0.01	-0.02	0.04
Personnel at the end of the period*	173	90	116

\* Figures for the period include the service number business of the group adjusted with changes in the revenue recognition policy.

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## CEO Olli Nokso-Koivisto:

"LeadDesk is a European SaaS contact centre software vendor. We have created an efficient business model and expanded successfully through Europe.

I'm super happy with the performance of our team during the first half of 2021. Supporting our vital organic growth with acquisitions in line with our growth strategy has increased the capabilities and spirit of our internationally growing organisation. Foreign operations already constitute 63% of our revenue. During the first half of this year, every week around 15,000 customer service and sales professionals completed their daily tasks using our products. Thanks to our growth, our recurring revenue grew by 96.4% compared with the same period last year.

### **Aiming high with our heads in the clouds and our feet firmly on the ground**

The foundation of our strategy remains unchanged. In our Capital Markets Day last spring, we shed light on our plans towards our revenue goal of 100 million €. We see ourselves as the leading vendor for the European high volume customer service and sales organisations. To reach the goal, we need a top team and a winning culture with the right people in the right positions. We will further strengthen our product leadership by focusing on our spearhead products and by expanding our offering with acquisitions and product development. At the same time, we are developing our sales organization and capabilities by paying special attention to solution sales to our enterprise customers. We are continuously developing our transparency and one of the next potential steps is the move to IFRS reporting.

### **Integrations of acquired companies progressing as planned**

We see acquisitions as growth investments that necessary in a rapidly consolidating industry. At the moment, we are interested in acquiring companies with leading expertise in artificial intelligence, omnichannel, workforce management and automation.

As a high-performing organisation we have built a three-stage process for the integrations of our acquired companies. In phase one, our goal is to secure business continuity and revenue. During phase two, as the collaboration deepens, we identify the synergies that will enable positive development of profitability. Finally, in phase three, we focus on growing the business together.

Acquisitions always progress at their own pace, depending on the size and culture of the business. Of the acquisitions we've made so far, Loxyssoft Sweden and Loxyssoft Norway are in the second phase. Capricode Systems is about to move to the third phase. Nordcom is fully integrated, and the effects of this acquisitions are already showing positively as our LeadDesk Mobile product and in our Telecom revenue.

Since the integrations have progresses as planned, in July, after the reporting period had ended, we felt that it was a good to strengthen our position with the acquisition of GetJenny, a Finnish company specialized in automating customer service with AI.

### **The market is growing and consolidating**

We have a market-leading product, the best team and a growth strategy based on profound market and customer insight. We are a leading European player and our business is growing powerfully and profitably. As a good example of the strength of our growth strategy is our business in Spain, which has developed superbly. In my view, this is a good time to explore new growth opportunities in other European countries such as France and potentially Italy.

### **Emphasis on building a winning culture**

We have further strengthened our active, multicultural, and responsible culture. Beyond simply reaching our goals together, we value justice, equality, and the possibility to use one's own strengths. During the Covid-19 pandemic, we have continued to hold our weekly management team meetings as open for everyone. This improves the flow of information and helps communicate the direction of the company to the entire staff.



As a result of our investments into the company culture, we've managed to recruit top experts and our staff has grown by 92% during the first half of the year, including acquisitions.

I feel privileged to be able to help develop the business of our fantastic customers with industry-leading products and with a superb team. A warm thank you for all your hard work and have a splendid Autumn season!