



**Virtual investor event**  
**13 April 2021 at 11.30 EET**

The event is held mainly in Finnish. Slides are in English.





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# Agenda



1

**Opening words from the Chairman of the Board of Directors, Joakim Fagerbakk**

2

**Decisions taken by Avidly Plc's AGM 2021, Salla Tuominen (secretary of the Board of Directors, chairman of the AGM 2021)**

3

**CEO's review, Jesse Maula**

4

**Questions and discussion**



# Instructions for participation via Zoom



- ▲ The event will be held mainly in Finnish
- ▲ Presentation slides are available in English at <https://investors.avidlyagency.com/en/agm-2021>
- ▲ Event recording will be added to the IR site later
- ▲ To ask questions or to participate in discussions, please use “Raise hand” function and the moderator will unmute you. If you have video on, it will show you to all participants.
- ▲ You can ask questions also via chat (they will show to all participants)







1

# Opening words from the Chairman Joakim Fagerbakk

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2

## **Decisions taken by Avidly Plc's AGM 2021**

### **Salla Tuominen**





# Decisions taken by Avidly Plc's AGM 2021

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> The AGM adopted the financial statements 2020, which include the consolidated financial statements (agenda item 7).


> The AGM resolved that the loss based on the adopted balance sheet for the financial year that ended on 31 December 2020 shall be transferred to an account for profit/loss and that no dividend shall be paid from the distributable funds (agenda item 8).

> The AGM discharged the members of the Board of Directors and the CEO from liability for the financial year 2020 (agenda item 9).

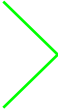
> The AGM resolved that four (4) members shall be elected to the Board of Directors of Avidly Plc for the incoming term (agenda item 10).



# Decisions taken by Avidly Plc's AGM 2021



**The AGM resolved that the remuneration for the Board shall remain the same as earlier (agenda item 11)** (chairman 4,000 e/month, co-chairman 3,000 e/month and member 2,000 e/month. The travel expenses of members of the Board shall be compensated in accordance with Avidly Plc's travel policy.



**The AGM reelected Joakim Fagerbakk, Juha Mikkola and Ville Skogberg as members of the Board of Directors and elected Åsa Arvidsson as a new member of the Board of Directors** of Avidly Plc for a term that expires at the end of the next Annual General Meeting (agenda item 12).



# Board members



**Joakim  
Fagerbakk**  
(chairman)



**Juha  
Mikkola**  
(co-chairman)



**Ville  
Skogberg**



**Åsa  
Arvidsson**



# Meet new board member Åsa Arvidsson



- ▲ Master of Information Science (University of Borås), MBA (Henley Management College).
- ▲ Broad professional background in IT and Telecom sector and from global, scalable software business.
  - ▲ Currently works as Executive Sales Leader at Microsoft with focus on business systems and transformation.
  - ▲ Has earlier held CEO positions at Iver AB, a portfolio company of investment company EQT, and the Swedish part of Avanade. She also has 10 years of experience from leading roles at IBM.
- ▲ Board member of XMReality AB.
  - ▲ Earlier board memberships Candidator AB, DGC AB and Solid Park AB.
- ▲ Independent of Avidly Plc's largest shareholders and of the Company.
- ▲ LinkedIn-profile - [linkedin.com/in/asa-arvidsson-0a8b6a1](https://www.linkedin.com/in/asa-arvidsson-0a8b6a1)



# Decisions taken by Avidly Plc's AGM 2021



- The AGM resolved that the auditor's remuneration and reimbursements shall be paid as reasonably invoiced and approved by Avidly Plc (agenda item 13).
- The general meeting elected Jari Paloniemi, Authorised Public Accountant, as the Auditor and Veikko Terho, Authorised Public Accountant, as the Deputy Auditor of Avidly Plc (agenda item 14).
- The AGM decided to authorise the Board of Directors to resolve upon the acquisition of the company's own shares in one or more instalments (at maximum 529,000 shares, corresponding to approximately a maximum of 10 percent of all shares in Avidly Plc), (agenda item 15).
- The AGM resolved to to authorize the board of directors to resolve upon one or more share issues without payment and/or share issues against payment (at maximum 1,587,000 shares, corresponding to approximately a maximum of 30 percent of all shares in Avidly Plc), (agenda item 16).



# Resolutions by the Board of Directors



In its organising meeting held after the Annual General Meeting, the Board of Directors elected Joakim Fagerbakk as its Chairman and Juha Mikkola as its Co-chairman.





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## CEO's review Jesse Maula








# Avidly's 2020 performance and 2021 focus areas

CEO Jesse Maula  
CFO Hans Parvikoski





-  **1 Segment and Half-year Performance**
-  **2 FY 2020 Performance**
-  **3 Way forward in 2021**
-  **4 Questions and discussion**





**REVENUE INCREASED BY 13 PERCENT TO 25.0 MILLION EUROS AND  
OPERATING PROFITABILITY INCREASED SIGNIFICANTLY**







## 2020 IN A NUTSHELL

- ▲ Starting point after 2019: Revenue 22,1 M€ but EBITA -2,2 M€
- ▲ Actions in 2020
  - ▲ Building the foundation
    - ▲ Share-issue & loan arrangements
    - ▲ Cooperation negotiations & other savings measures
    - ▲ Process development (sales, delivery, offering, KPI's)
    - ▲ Forecasting process & financial visibility
    - ▲ IT platform development (BI etc.)
    - ▲ Re-org in Helsinki & Turku
    - ▲ New leadership team members
    - ▲ ...
  - ▲ Strategy crystallization
    - ▲ Was launched in december and now in the middle of implementation
  - ▲ Avidly brand renewal in March 2021





**TOWARDS PROFITABLE GROWTH**

**SEGMENT & H1/H2 2020 PERFORMANCE**

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## 2020 KEY FIGURES BY SEGMENT



	MARKETING SERVICES	INBOUND SERVICES	GROUP TOTAL
Revenue	17.7 (+6%) meur	7.2 (+34%) meur	25.0 meur +12.8%
Gross profit	12.4 (+1%) meur	6.3 (+26%) meur	18.6 meur +8.0%
Operating result	-0.3 meur	0.2 meur	-0.1 meur, +97.4% margin -0.2%
	163 Marketing experts	65 Inbound experts	228 MARTECH EXPERTS



## H1 & H2 2020



### H1 2020

REVENUE	13,0 M€
GROSS PROFIT	9,3 M€
EBITDA	0,5 M€
OPERATING PROFIT	-0,4 M€
ADJUSTED OPERATING PROFIT	-0,3 M€
NET RESULT	-0,5 M€

### H2 2020

REVENUE	12,0 M€
GROSS PROFIT	9,3 M€
EBITDA	1,2 M€
OPERATING PROFIT	0,3 M€
ADJUSTED OPERATING PROFIT	0,6 M€
NET RESULT	0,1 M€

\*Adjusted operating profit = Operating profit (EBIT) adjusted for acquisition costs and allocated depreciations of acquired businesses as well as expense associated with the share-based incentive scheme pursuant to IFRS





**FROM CHALLENGES TO OPPORTUNITIES**

**FY 2020 PERFORMANCE**

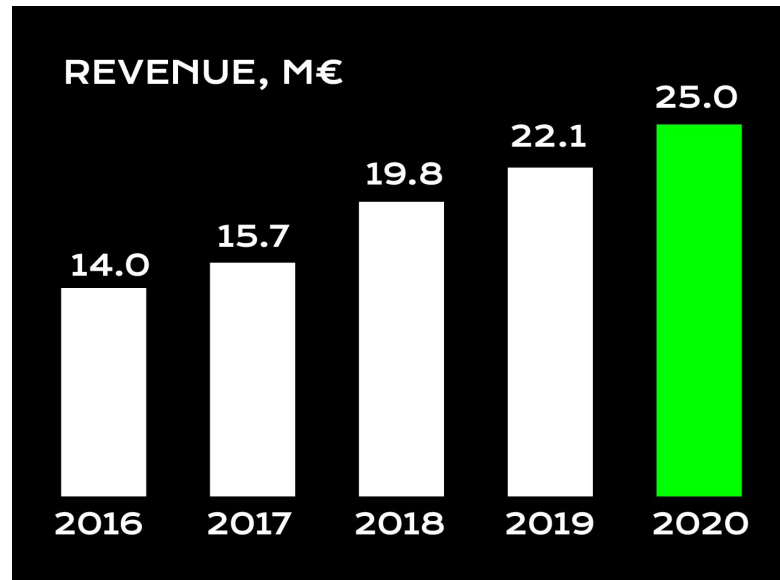






## REVENUE DEVELOPMENT IN 2020

- ▲ Group revenue 25.0 M€, +12.8%
  - ▲ 8% organic growth
  - ▲ H1 +10.0%, H2 +16.0%
  
- ▲ Marketing Services 17.7 M€, +6.0%
  - ▲ COVID-19
  - ▲ Advertising volume dropped in FI by 11.3% in 2020
  - ▲ H1 +0.8%, H2 growth +12.3%
  
- ▲ Inbound Services 7.2 M€, +34.0%
  - ▲ Netpress & Hehku Marketing acquisition in 2019
  - ▲ H1 +42.5%, H2 +26.1%

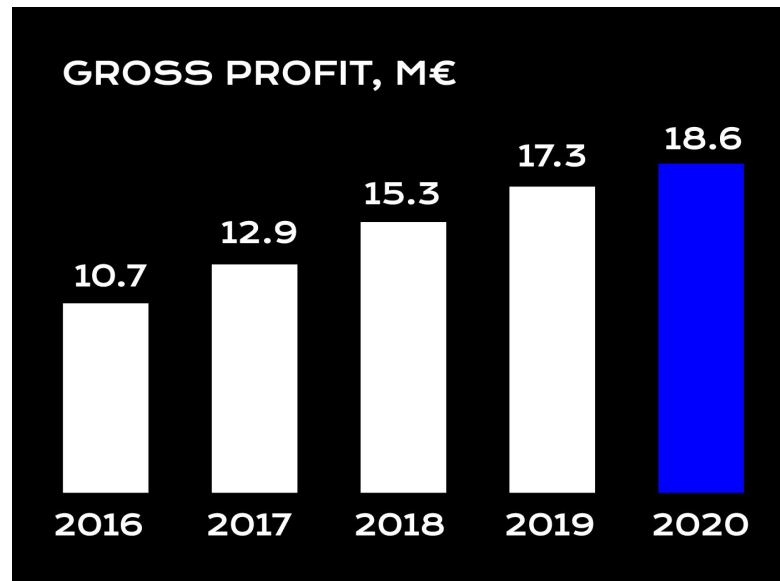




## GROSS PROFIT IN 2020



- ▲ Group gross profit up by **+8.0%** to 18.6 M€
- ▲ Marketing Services growth flat at 12.4 M€, **+0.7%**
  - ▲ SOK impact in H1 2019
  - ▲ Increase in the relative share of pass-through-invoiced media advertising, especially in H1
  - ▲ H1 **-11.0%**, H2 **+16.2%**
- ▲ Inbound Services up by **+26.1%** to 6.3 M€
  - ▲ Covid-19 and need for further digital sales and marketing
  - ▲ Partnership model in use in Germany
  - ▲ H1 **+28.3%**, H2 **+23.9%**
- ▲ Continuous services approx. 42% from gross profit

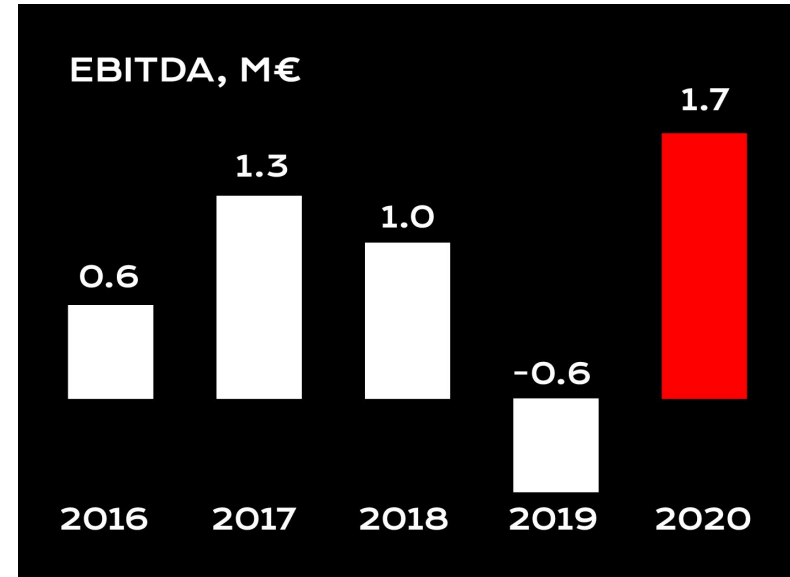




## EBITDA IN 2020



- ▲ EBITDA improved to 1.7 M€, +386%
- ▲ Clearly improving trend
  - ▲ H2 2020: 1.2 M€
  - ▲ H1 2020: 0.5 M€
  - ▲ H2 2019: -1.0 M€
  - ▲ H1 2019: 0.4 M€
- ▲ Improved hourly billing rate combined with savings in operating expenses

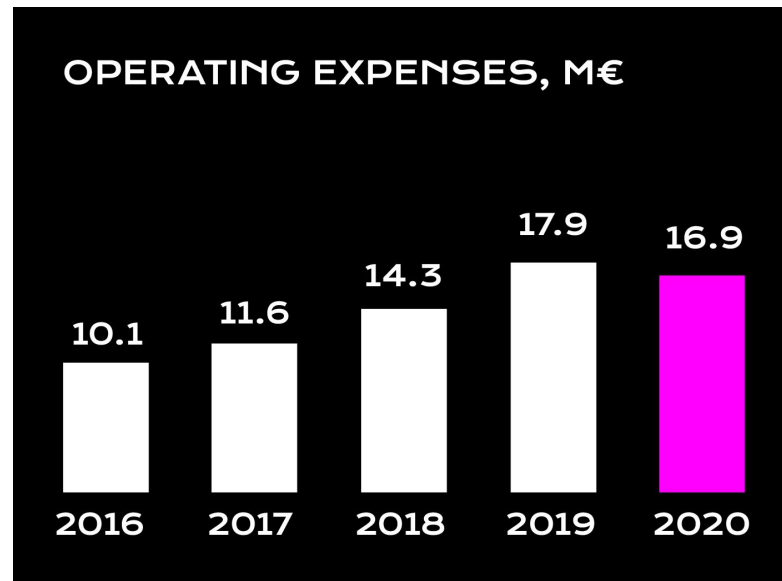




## OPERATING EXPENSES IN 2020



- ▲ We adjusted our operations and expenses according to demand
  - ▲ employee cooperation negotiations in Q1 in Finland
  - ▲ overall cost consciousness
- ▲ Operating expenses **-5.2%**.
  - ▲ Personnel Expenses and Other Operating Expenses without depreciations (excl. Materials and services and Depreciations)







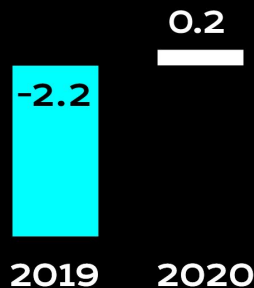
## EBITA AND ADJUSTED OPERATING PROFIT DEVELOPMENT

EBITA = Operating profit (EBIT) plus allocated depreciation and impairment of acquired businesses

Adjusted operating profit = EBITA adjusted for acquisition costs and expense associated with the share-based incentive scheme pursuant to IFRS

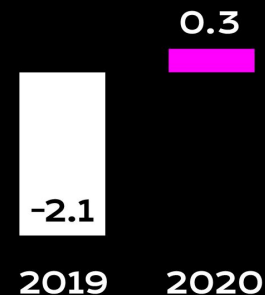
### EBITA, M€

EBITA = Operating result (EBIT)  
plus allocated depreciation and  
impairment of acquired businesses



### ADJUSTED OPERATING PROFIT, M€

Adjusted operating profit  
= Operating profit (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.

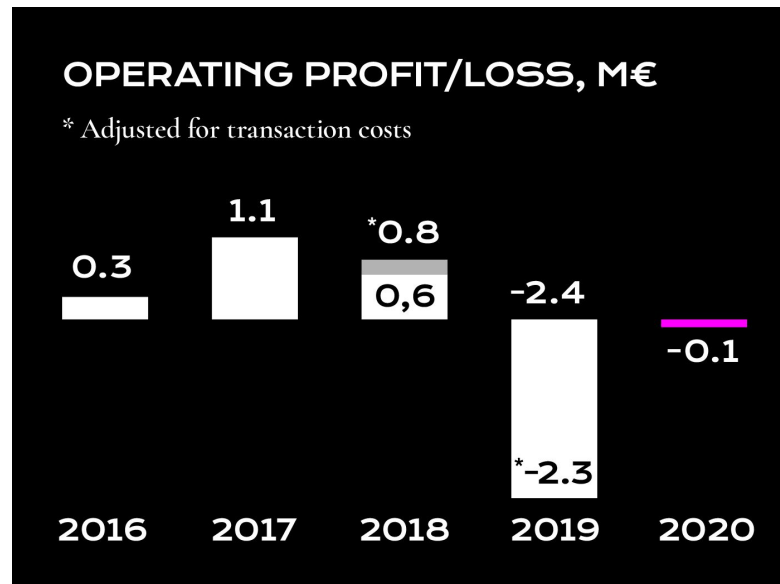




## OPERATING PROFIT (EBIT) IN 2020



- ▲ EBIT up by 97.4% to -0.1 M€
  - ▲ costs related to rights issue 0.05 M€
  - ▲ costs related to share based incentive scheme 0.2 M€ (technical IFRS cost, no cash flow impact)
  - ▲ allocated depreciation of acquired businesses 0.2 M€
- ▲ Marketing Services -0.3 M€
  - ▲ H1 -0.4 M€, H2 2020: +0.1 M€
- ▲ Inbound Services +0.2 M€
  - ▲ H1 0.0M€, H2 2020: +0.2 M€

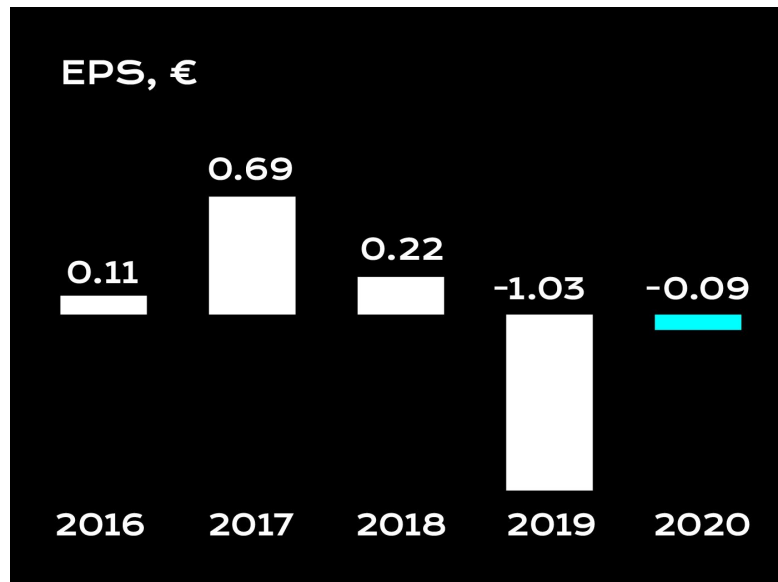




## EPS



EPS clearly improved, but still slightly negative in 2020

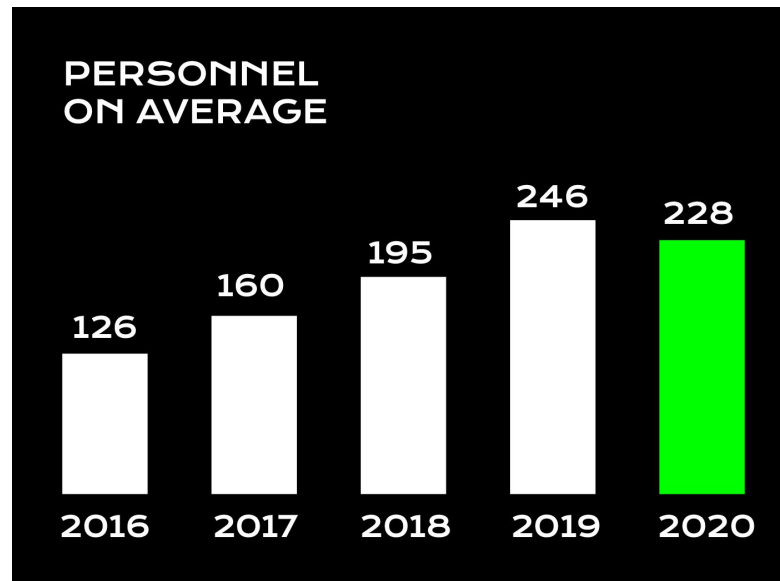




## PERSONNEL ON AVERAGE 2020



- ▲ Marketing Services 163
- ▲ Inbound 65

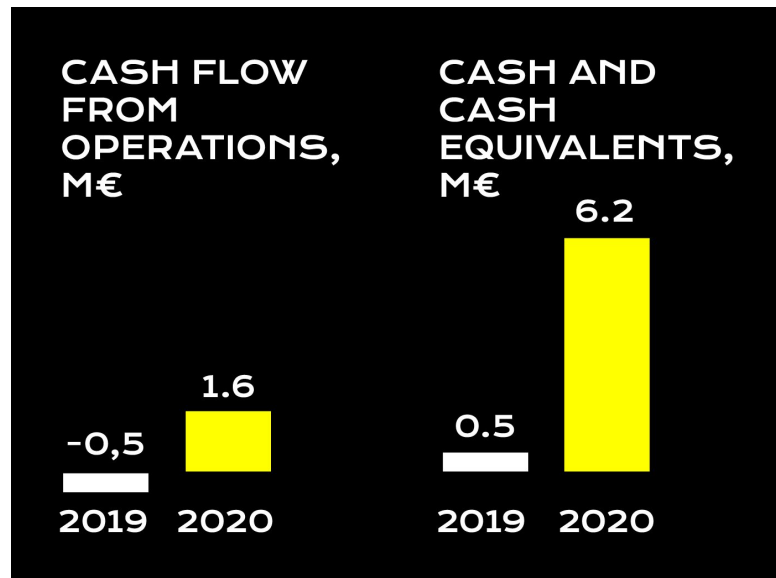




## CASH FLOW IN 2020



- ▲ Total cash increased by 5.7 M€
  - ▲ rights issue
  - ▲ loan arrangement
  - ▲ cash flow from operations
  
- ▲ Cash and cash equivalents  
6.2 M€ at 31 December (31 Dec 2019: 0.5 M€)

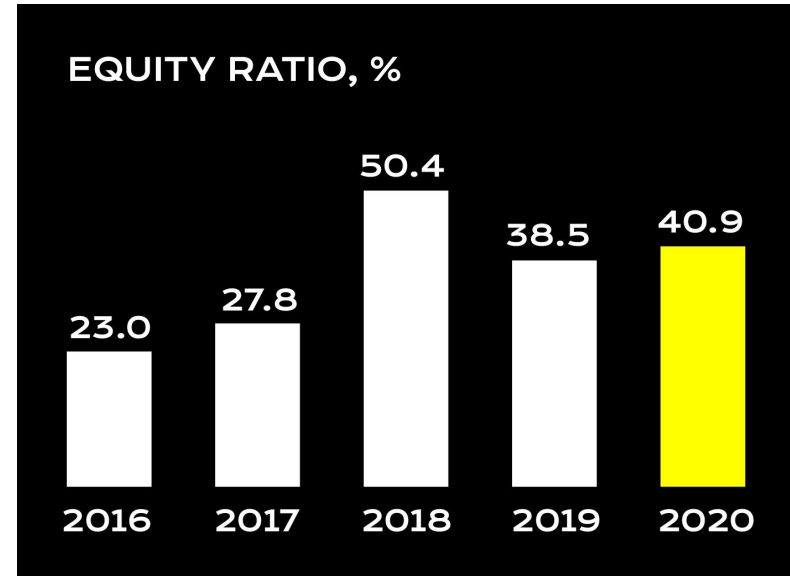




## EQUITY RATIO AND GEARING



- Equity ratio on a solid level 40.9%
  - rights issue
- Gearing 14.3%
  - Gearing without IFRS related lease liabilities (=traditional gearing ratio) -17,5%





## Consolidated Income Statement, IFRS



1,000 eur	2020	2019
<b>REVENUE</b>	<b>24,970</b>	<b>22,131</b>
Other operating income	258	21
Materials and services	-6,579	-4,886
Employee benefit expenses	-13,558	-13,924
Depreciation and amortization	-1,785	-1,790
Other operating expenses	-3,368	-3,935
Share of profit in associated companies	0	-10
<b>OPERATING PROFIT</b>	<b>-61</b>	<b>-2,392</b>
Financial income and expenses	-339	-201
<b>PROFIT BEFORE TAX</b>	<b>-400</b>	<b>-2,593</b>
Income taxes	58	115
Profit for the period	-342	-2,478
<b>ATTRIBUTABLE TO:</b>		
Parent company shareholders	-342	-2,478
Minority shareholders	0	0



## Consolidated Income Statement, IFRS



1 000 eur	2020	2019
<b>Earning per share calculated from profit attributable to parent company shareholders, EUR</b>		
Undiluted	-0.09	-1.03
Diluted	-0.08	-1.03
<b>Consolidated statement of comprehensive income, 1,000 euroa</b>		
Profit for the period	-342	-2,478
Items that may be reclassified to profit or loss in subsequent periods		
Translation differences	-38	-7
Total comprehensive profit for the period	-380	-2,485
<b>Total comprehensive income attributable to:</b>		
Parent company shareholders	-380	-2,485
Minority shareholders	0	0



## Consolidated Balance Sheet, IFRS



1,000 EUR	2020	2019
<b>ASSETS</b>		
Non-current assets		
Intangible rights	540	774
Goodwill	7,687	7,731
Buildings	2,483	2,176
Machinery and equipment	780	1 006
Other tangible assets	106	83
Investments in associated companies	316	316
Deferred tax assets	525	551
Current assets		
Work in process	645	1,061
Accounts receivables	3,278	2,642
Deferred tax assets	388	388
Other receivables	463	432
Prepayments and accrued income	563	614
Cash and cash equivalents	6,161	484
<b>Total current assets</b>	<b>11,498</b>	<b>5,621</b>
<b>TOTAL ASSETS</b>	<b>23,935</b>	<b>18,258</b>

1,000 EUR	2020	2019
<b>EQUITY AND LIABILITIES</b>		
Equity		
Share capital	322	322
Invested unrestricted equity fund	12,659	9,690
Retained earnings	- 3,189	- 2,978
<b>Total equity</b>	<b>9,792</b>	<b>7,034</b>
Non-current liabilities		
Financial liabilities	4,316	3,243
Deferred tax liabilities	209	289
Total non-current liabilities	4,525	3,532
Current liabilities		
Financial liabilities	3,249	1,512
Received advances	609	226
Accounts payable	1,174	1,888
Other liabilities	2,636	2,542
Accrued expenses and deferred income	1,950	1,524
Total current liabilities	9,618	7,692
<b>Total liabilities</b>	<b>14,143</b>	<b>11,224</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>23,935</b>	<b>18,258</b>





**WAY FORWARD:**

**PROFITABLE GROWTH VIA MARTECH SERVICES**



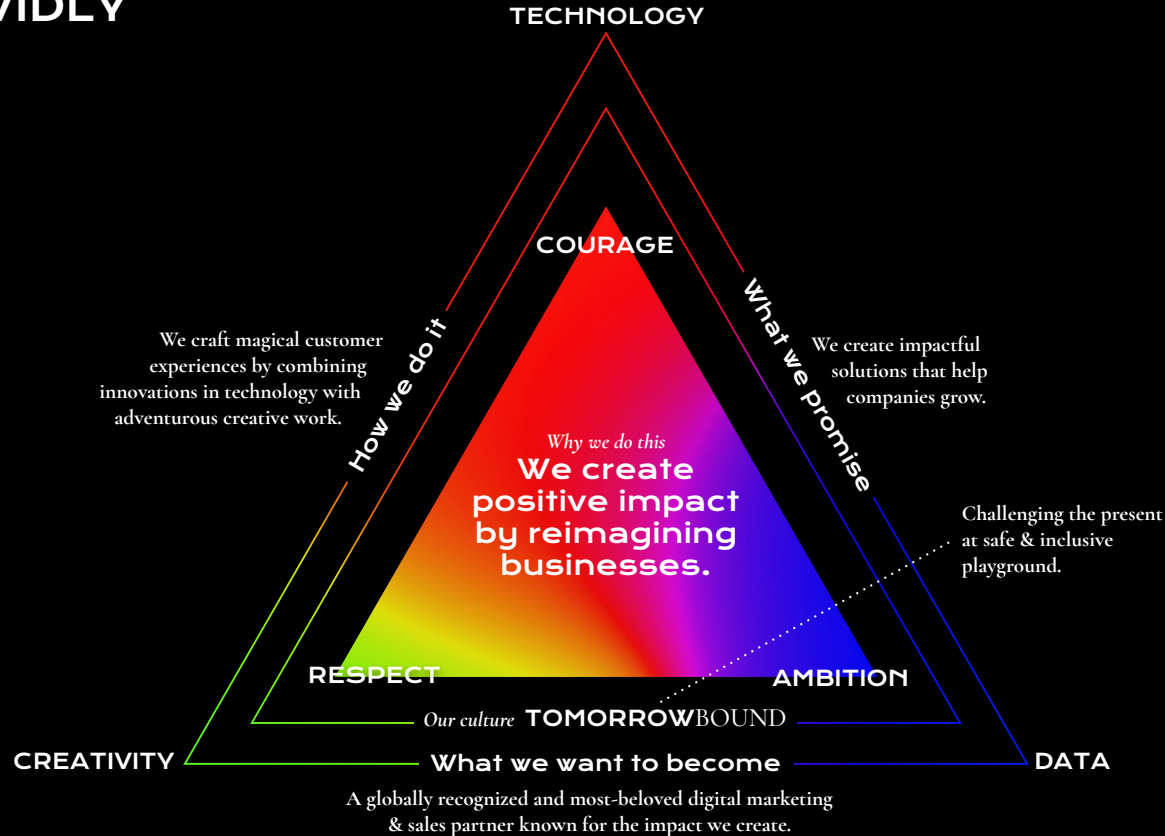




We are **a leading martech service provider**  
offering holistic digital marketing and sales services.



# THIS IS AVIDLY





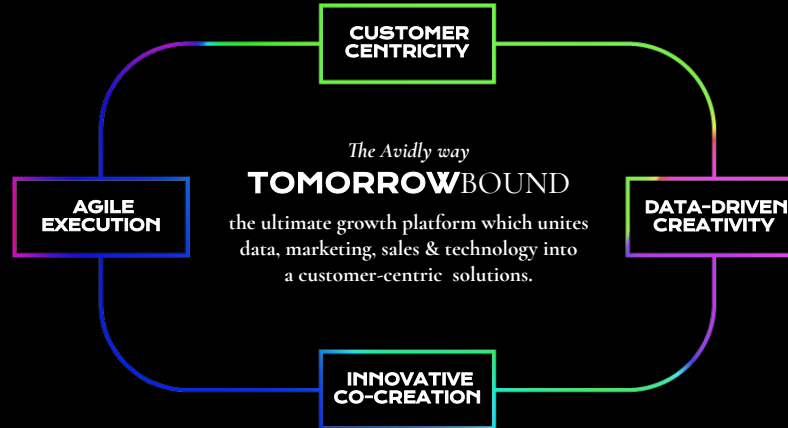


# OUR IMPACT-DRIVEN GROWTH STRATEGY

## WINNING TOGETHER

### MEGATRENDS

- Technology shift
- Sustainability
- Ecosystem thinking
- Experience economy
- The new normal



### STRATEGIC TARGETS

- Most loyal customers
- Best place to work
- Thought leader
- Profitable growth

### VISION

A globally recognized and most beloved digital marketing & sales partner known for the impact we create.

### CUSTOMER PROMISE

We create impactful solutions that help companies grow,

**MISSION:** We co-tailor solutions that help companies grow

**VALUES:** Courage, Respect & Ambition

**PURPOSE:** We create positive impact by reimagining businesses

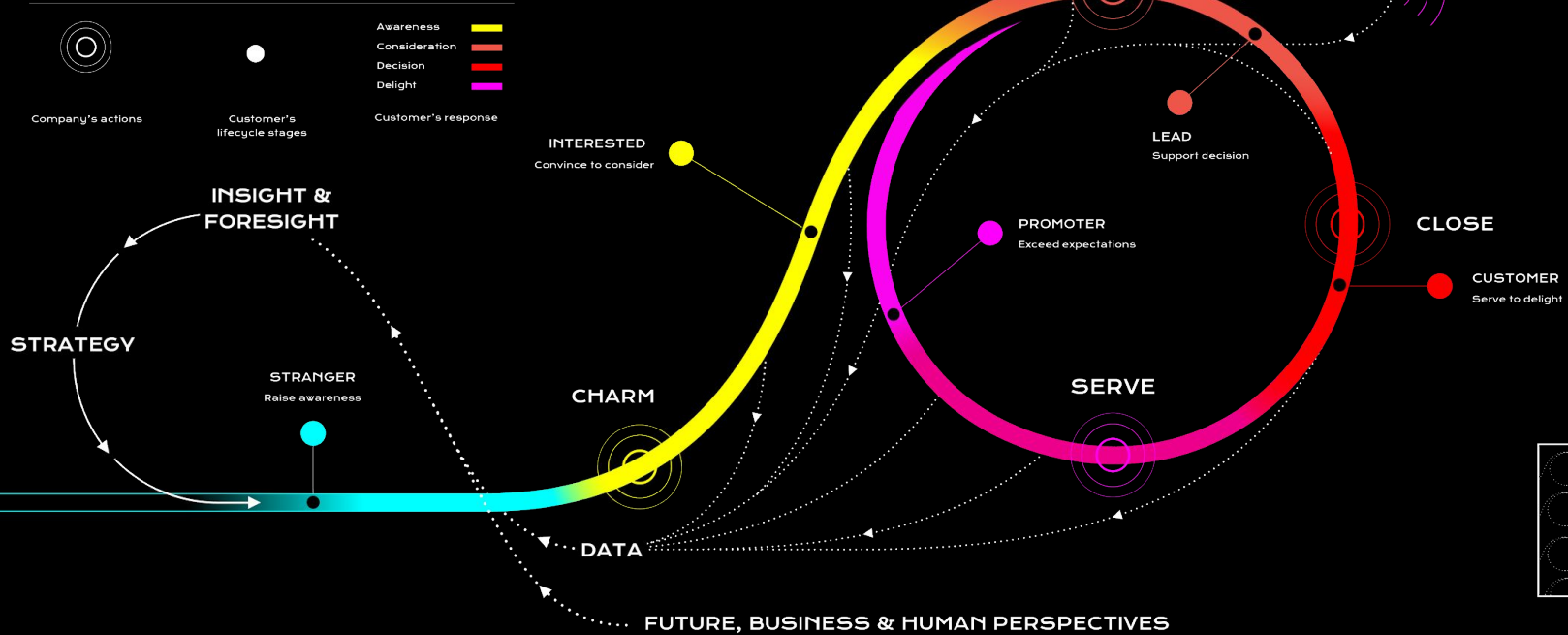
**CULTURE:** Safe & inclusive playground



# TomorroWave

## First part of the Avidly Growth Platform

Impactful, data-driven, customer centric growth model. It's the big wave every business wants to catch. Creating growth by analysing and developing marketing and sales based on the customer experience.



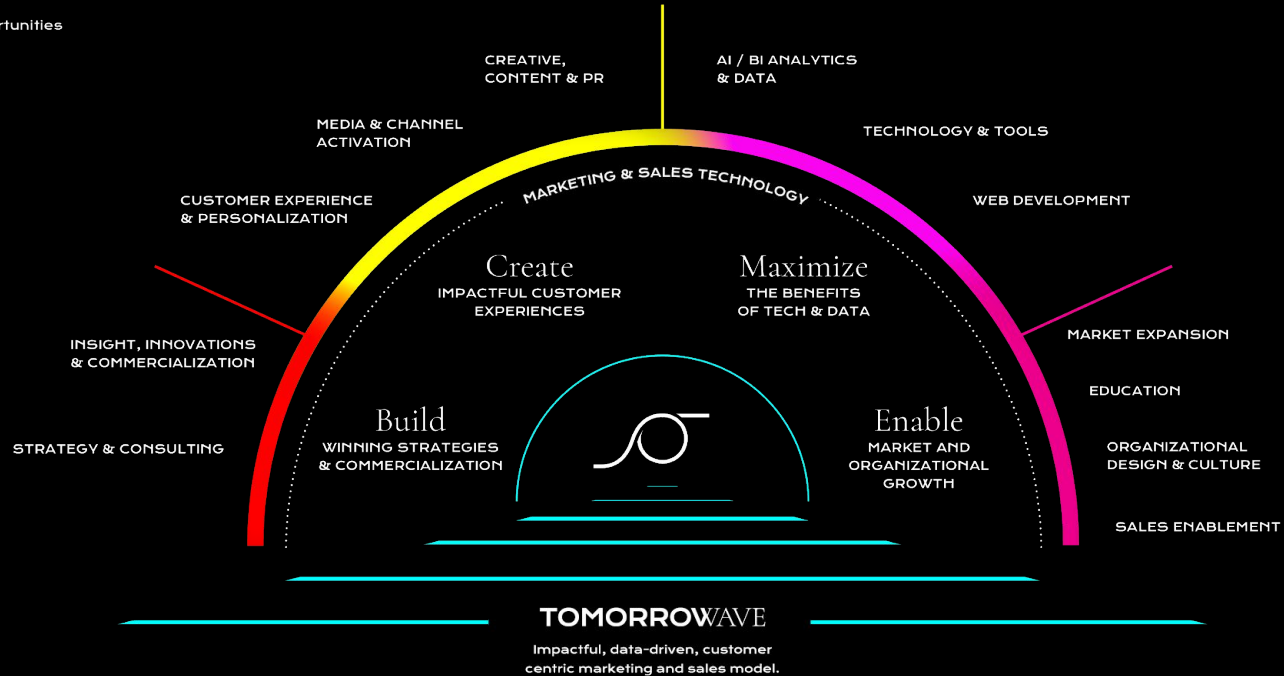
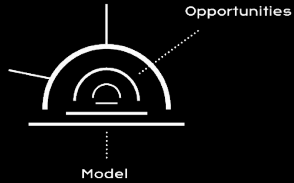


# Service Offering

Second part of the Avidly Growth Platform



Capabilities





## OUR 2021 FOCUS AREAS

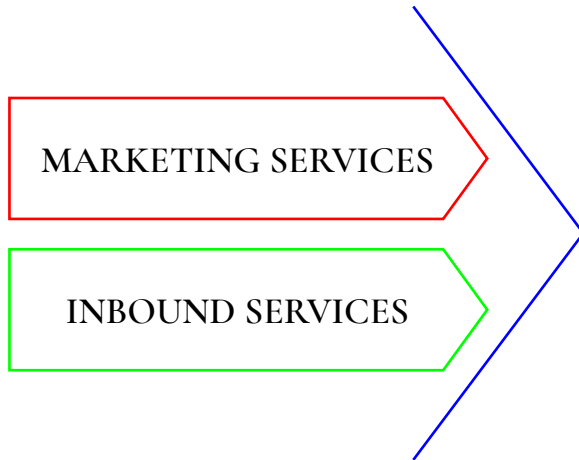


- ▲ KEY FOCUS AREAS DURING STRATEGY PERIOD 2021-2025
  - ▲ Profitable growth
  - ▲ Thought leadership
  - ▲ Most loyal customers
  - ▲ Best place to work
  
- ▲ Aim is to improve our performance further toward 2025 according to the updated strategy
  - ▲ We aim at +50 M€ in Revenue and over 10% EBITA in 2025
  - ▲ 2020 revenue at 25 M€ -> double the revenue in 5 years
  - ▲ 2020 EBITA at 0,2 M€ or 0,7% -> a long way to go towards +10%

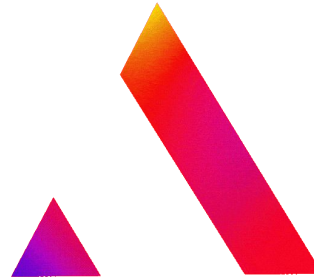


# From Q1 2021 onwards ONE AVIDLY in financial reporting

Until 31 Dec 2020:



From 1 Jan 2021:



One Aidly – A leading  
martech service provider



Q1 2021 Business Review will be published on 30 April 2021.





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## Questions and discussion







THANK YOU!