

OrderYOYO A/S publishes ARR, Net Revenue and EBITDA significantly above latest guidance. 2024 guidance significantly raised

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 OrderYOYO A/S
 Inside Information

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Highlights

Business continues to perform strongly and above guidance. Highly focused strategy solving digital challenges for our Restaurant Partners is reaping rewards

2023 ARR, Net Revenue, EBITDA and GMV all performing above latest guidance released in November. Strong performance in Q4 2023 with December ARR of DKK 296m, growing 40% compared to December 2022 ARR under continued challenged market conditions

Full year 2023 EBITDA of DKK 25.6m compared to full year 2022 EBITDA loss of DKK (0.9)m – an improvement of DKK 26.5m

2024 guidance significantly raised driven by relentless focus on delivering value to our Restaurant Partners, market leadership focus, increased economies of scale resulting from OrderYOYO's consolidation strategy and a strict focus on cost management. December 2024 ARR guidance raised to DKK 315–325m. Full year 2024 Net Revenue guidance raised to DKK 275–285m

With a full year EBITDA margin for 2023 of 10% and a H2 2023 EBITDA margin of 12% the Path to Profitability strategy implemented during 2022 and 2023 is now showing results. 2024 EBITDA guidance is therefore significantly increased to DKK 33–38m – up from DKK 23–28m; an increase of approximately 40% (based on the middle of the guidance interval) corresponding to an EBITDA margin of 11–13%

In June 2023 we realised the first month where our profitability strategy showed a positive Cash EBITDA¹⁾. This development has continued into H2 with the effect that Cash EBITDA for the full year of 2023 was positive at DKK 0.2m. A very important milestone for OrderYOYO as the organic operation is now self-sustaining and independent of external capital. Guidance for Cash EBITDA 2024 released for the first time expected in the range of DKK 5–10m

Financial Highlights

(DKKm)	Consolidated 12M			Q4		
	2023	2022	(%)	2023	2022	(%)
Annual Recurring Revenue (ARR – Annualized Dec MRR)	296	212	40%	296	212	40%
GMV (Annualized December GMV)	2,949	2,227	32%	2,949	2,227	32%
Net Revenue (12M 2022 pro forma)	253	184	38%	72	52	38%
EBITDA before other extraordinary items (12M 2022 pro forma)	25.6	(0.9)	nm	9.1	3.2	184%
Cash EBITDA	0.2	(31.0)	nm	3.6	(6.6)	nm
Accounting Net Revenue*	253	149	70%	72	52	38%

*app smart consolidated from 1 July 2022 and onwards

1) Cash EBITDA defined as EBITDA before other extraordinary items minus capitalized R&D expenditures

- Annualized December ARR of DKK 296m vs. DKK 212 December 2022 corresponding to a growth of 40%
- Full year 2023 Net revenue of DKK 253m vs. DKK 184m full year 2022 (proforma consolidated) corresponding to a growth of 38%
- Q4 2023 Net Revenue of DKK 72m vs. DKK 52m in Q4 2022 corresponding to a growth of 38%
- Annualized December GMV of DKK 2,949m vs. DKK 2,227m in December 2022 corresponding to a growth of 32%
- Positive EBITDA before other external costs full year 2023 of DKK 25.6m vs. an EBITDA loss of DKK (0.9)m full year 2022 (proforma consolidated) corresponding to an increase of DKK 26.5m
- Q4 2023 EBITDA before other external costs of DKK 9.1m corresponding to an EBITDA margin of 13% vs. an EBITDA of DKK 3.2m (6%) in Q4 2022

Consolidated 2024 guidance raised

Due to our strong performance full year 2023, consolidated 2024 guidance is raised as follows:

(DKKm)	2024 Guidance	
	Updated	Current
December Annualized Annual Recurring Revenue	315–325	300–310
December Annualized GMV	3,100–3,300	2,800–3,000
Net Revenue	275–285	260–270
EBITDA before other extraordinary items	33–38	23–28
Cash EBITDA	5–10	na

- December 2024 annualized ARR guidance is raised from DKK 300–310m to DKK 315–325m
- December 2024 annualized GMV guidance is raised from DKK 2,800–3,000m to DKK 3,100–3,300m
- Net revenue 2024 guidance is raised from DKK 260–270m to DKK 275–285m
- EBITDA before other external costs 2024 guidance is raised by 40% from DKK 23–28m to DKK 33–38m
- Cash EBITDA guidance released for the first time of DKK 5–10m

OrderYOYO consolidation strategy and Path to Profitability Strategy initiated in 2022 is showing results ahead of time

During the period 2018 to 2021 OrderYOYO's main focus was on GMV and ARR growth. In these years OrderYOYO quadrupled ARR. Coming out of Covid OrderYOYO took the strategic decision to implement a more balanced growth strategy with equal focus on profitability. Two main components were expected to drive profitability – operational leverage; i.e., the ability to do more with the same amount of resources, and an active M&A strategy.

OrderYOYO has now been EBITDA profitable since July 2022 and Cash EBITDA profitable since June 2023 while maintaining a revenue growth significantly higher than the underlying market growth. These vital strategic milestones are driven by relentless focus on delivering value to our Restaurant Partners, market leadership focus, strong commitment to profitable growth, increased economies of scale resulting from OrderYOYO's consolidation strategy and a strict focus on cost management.

As European market leader, we keep seeing increased consolidation opportunities in our markets. Our consolidation strategy focuses on two types of acquisition targets:

1. Local market leaders in European countries where OrderYOYO is currently not present to expand our European market leading position, and
2. Local participants in the markets where OrderYOYO is already market leader to drive economies of scale and increased profitability for the Group

It is our goal to continue to be EBITDA profitable and our raised guidance for 2024 EBITDA of DKK 33-38m corresponds to an EBITDA margin guidance of 11-13% – an increase from earlier EBITDA margin guidance of 9-11%.

As we continue our growth, both organically and through consolidation, economies of scale and cost control will increase EBITDA. In addition, acquisitions of local participants in markets where we are already market leader will provide the opportunity to increase profitability through cost savings and efficiency gains.

We are confident that our strategy will result in a continued expansion of our EBITDA margin in the coming years and our long-term EBITDA goal is +25%.

Video presentation

The Q4 2023 Report will be presented at an online conference call on 22 January 2024 at 12.30pm CET.

Register for the conference call at:

<https://www.inderes.dk/videos/orderyoyo-presentation-of-q4-2023-trading-update>

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About OrderYOYO

OrderYOYO is the market leading European online ordering, payment, and marketing software solution provider. OrderYOYO's solution is offered as Software-as-a-Service (SaaS) and enables small independent takeaway restaurants to have their own-branded online presence direct to consumers. OrderYOYO helps takeaway restaurants drive online takeaway orders through their own tailored software solution in the individual takeaway restaurant's own brand. We liberate restaurants.