

Digizuite publish the half-year report for 2023-H1

29.8.2023 16:00:00 CEST | Digizuite A/S | Interim information

COMPANY ANNOUNCEMENT NO. 45 - 29-08-2022 MAY NOT BE PUBLISHED, DISTRIBUTED OR DELIVERED IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR TO THE UNITED STATES, AUSTRALIA, CANADA OR JAPAN.

LETTER FROM THE CEO

Dear Shareholders,

I am pleased to announce Digizuite's half-year report for FY 1H23. Throughout the first half of 2023, we remained committed to our long-term annual recurring revenue (ARR) growth, while diligently reducing operational costs with the goal of archiving cashflow neutrality in early 2024.

Our ARR has demonstrated robust growth, increased 17% over the past 12 months (25%, excluding the influence of currency fluctuations). This impressive expansion is attributed to a combination of increase in customer acquisition and continued expansion to existing customers. Significantly, our churn rate continues to be remarkably low at 6%, while Net Revenue Retention remains robust at 104% (107%, excluding the influence of currency fluctuations). Changes in currency dynamics, mainly related to USD and SEK, had an adverse impact on ARR by reducing it by DKK 1 million, reflecting our reporting in DKK.

Our strategic initiatives to decrease operational cost, while continuing to grow revenue, have yielded good results. We obtained an improvement in result before income tax by 36% and a significant increase in Gross profit by 46% for 1H23 compared to 1H22. Noteworthy is an 8% reduction in operating costs for 1H23, driven largely by a substantial 28% decrease in distribution costs, especially in sales and marketing.

In Europe, our markets have demonstrated promising growth, marked by increased customer acquisitions and strengthened partnerships. While our North American market has not yet met our expectations in terms of growth, we remain committed to enhancing our growth trajectory in this region as a top priority.

New horizon with new ownership.

We are excited for the next chapter in our growth journey, as we embark on a new chapter with our new owner Luxion Group.

Luxion Group has a unique market position in realm of 3D rendering, enabling manufactures to craft compelling product visuals, whether in 3D or 2D, from CAD content. Digizuite has a strong position in the Digital Asset Management (DAM) market, empowering enterprise marketing teams to seamlessly oversee and distribute rich media content across diverse omnichannel landscapes.

The convergence of these two cutting-edge technologies presents a compelling and unparalleled value proposition for enterprise organizations. Together, we wield the potential to forge a digital avenue for automating the creation of product content, facilitating its rapid dissemination across all channels, all while optimizing costs.

Together, we offer an unmatched solution for forward-thinking enterprises, which is exciting news for our dedicated employees, valued partners.

I eagerly anticipate leading the company into a bright and promising future, under new ownership and a visionary outlook.

STATEMENT FROM THE CHAIRMAN

Strategy execution

The strategy execution are still following the plan with organic growth, strong improvement on the multitenant- and product strategy and now also a successful achievement on the announced M&A-strategy. I am happy to confirm that we have got support and accept from more than 96% of our shareholders to sell Digizuite A/S to Luxion Group ApS based on the offer document from Luxion Group from July 7th 2023, where all shareholders were offered to sell their Digizuite shares at a price of DKK 8,73 per share.

The future of Digizuite

With the new Luxion Group ownership, Digizuite will be delisted from Nasdaq First North in September 2023 and the rest of the shareholders who have not yet accepted the offer will be redeemed. Digizuite is expected to continue as a subsidiary to Luxion Group, serving all existing and coming customers on the same high level. Digizuite will still have a strong focus on being one of the leading DAM partners in the world and with the world leading 3D- and rendering capabilities from Luxion Group this position is expected to be expanded. The combination of Digizuite and Luxion Group will give ambitious global companies a huge competitive advantage in their digitization. That's why we believe this will be very positive for customers, employees and partners.

Thank you

Finally I want to thank our highly skilled and passionate team, our fantastic customers and partners, and our valued investors and other supporters. Without you we would never have reached most of our goals and we would never have been so attractive for a world leading company, like Luxion Group. Thank you all for your trust.

Contacts

- John Norden, Certified Adviser, Norden CEF A/S
- Kim Wolters, CEO, +45 20 60 97 37, kw@digizuite.com
- Oliver Bottelet, CFO, +45 61 69 66 52, ob@digizuite.com
- Søren Skovbølling, Chairperson of the Board, +45 25 31 07 20, ssk@digizuite.com

About Digizuite A/S

Digizuite is a SaaS company in [Digital Asset Management software \(DAM\)](#) that streamlines all digital content in one central platform. Through automated workflows and agile integrations, Digizuite removes manual workflows and streamlines the entire content value chain. Customers choose Digizuite to have control over who, where, and how corporate materials are used. It ensures brand control, risk reduction and helps to increase efficiency and revenue.

Digizuite is a global company that has realized 600% growth in ARR between 2017 and 2020. Today, the company has more than 70 employees between its headquarters in Denmark and its subsidiaries in the United States, United Kingdom, Belgium, and Ukraine.

Attachments

- [Download announcement as PDF.pdf](#)
- [H1 Report 2023.pdf](#)