

MapsPeople A/S issues updated ARR and EBITDA guidance

MapsPeople A/S | Inside Information

Company Announcement No. 22 - 2024

Aalborg, November 13, 2024

Updated guidance for 2024

As a result of the performance in the first 3 quarters of 2024, especially the lower than expected growth in ARR, MapsPeople has updated guidance for 2024 on ARR and EBITDA before Special Items, while Revenue guidance remains unchanged.

- The ARR guidance is changed from mDKK 72-80 to mDKK 59 - 63 corresponding to a YoY growth in the range of 14% - 21%.
- The revenue guidance remains unchanged at mDKK 58 - 63 corresponding to a 43% - 55% growth compared to 2023.
- The EBITDA before special items guidance is changed from mDKK negative 25 - negative 20 to mDKK negative 30 - negative 26. The new guidance on EBITDA before special items corresponds to an improvement of 50% to 57% compared to the EBITDA in 2023.

The main adjustment in guidance is ARR, where the company after Q2 concluded that the planned productivity increases in Demand Generation and Sales will take longer than expected to be delivered, on the back of the cost reduction carried out where Sales and Marketing headcounts had been reduced by 50%. As mentioned in CA 14, from August 12, 2024, a portion of the capital raise was to be spent on additional Sales and Marketing activities, which has been executed during Q3 with an expected additional spend of mDKK 2,0 over the second half of 2024. We have seen very promising results in our pipeline with multiple new large smart building partners, but these deals normally take 6-12 months to close, and while we are optimistic it will accelerate growth going forward, we can not see this happen fully before the end of 2024.

In the Company Announcement CA-14, from August 12, 2024, we also mentioned that a portion on the raised capital is to be used for in-organic acquisitive growth, and while we have signed one transaction and have a solid pipeline we do not believe any additional transactions can be signed and closed before the end of 2024.

We have kept the revenue guidance unchanged despite the ARR guidance reduction. We feel comfortable with this as the new ARR shortfall is mainly towards the end of 2024 and thereby has a minor impact on Revenues. We also

had two settlements of disputed old framework agreements that combined resulted in one off revenue in 2024 of mDKK 1,5, which gives us high visibility for revenue to end within the guided range.

EBITDA guidance has been reduced, despite the Revenue guidance has been kept unchanged, and is thereby driven by higher spend than originally planned. This additional cost comes in three main buckets. Firstly the mentioned additional sales and marketing spend of mDKK 1,5. Second, we have upgraded more partners and end customers to 3D indoor maps than planned and this technology has a higher Cost of Goods Sold and impacting EBITDA negatively with mDKK 1,2. We have chosen to accelerate this upgrade as we see clear indication that partners will grow faster using better 3D High Definition indoor maps, and we also expect less churn from partners and customers on this technology going forward, so we believe this is a healthy investment in the future, and finally we have had losses and related cost on customers, mainly old Framework Agreement customers of approximately mDKK 1,5

For additional information, please contact

MapsPeople A/S

Morten Brøgger, CEO
Mobile (+45) 31 23 48 72
Email mobr@mapspeople.com
Stigsborgvej 60, 9400 Nørresundby
Denmark

Certified Advisor

Grant Thornton
Jesper Vestergaard
Mobile (+45) 31 79 90 00
Stockholmsgade 45 2100 Copenhagen Ø
Denmark

IMPORTANT INFORMATION

This announcement is not an offer to sell or a solicitation of any offer to buy any securities issued by MapsPeople in any jurisdiction where such offer or sale would be unlawful and the announcement and the information contained herein are not for distribution or release, directly or indirectly, in or into such jurisdictions, including but not limited to, the United States, Australia, Canada or Japan.

This announcement does not constitute an offering circular, company description or other offer document and nothing herein contains an offering of securities. No one should purchase or subscribe for any securities in MapsPeople except as described in this company announcement.

Neither the existing shares of MapsPeople (the "Existing Shares") nor the New Shares have been, or will be, registered under the United States Securities Act of 1933, as amended ("Securities Act"). Neither the Existing Shares nor the New Shares may be offered or sold, directly or indirectly, in or into the United States or to persons residing there. Moreover, the Private Placement is not made to persons resident in Australia, Hong Kong, Japan, Canada, New Zealand, South Africa, Switzerland, or Singapore or to persons whose participation would require the publication of a prospectus, registration or other measures.

Certain statements in this announcement constitute forward-looking statements. Forward-looking statements are statements (other than statements of historical fact) relating to future events and the Company's anticipated or planned financial and operational performance. The words "targets", "believes", "expects", "aims", "intends", "plans", "seeks", "will", "may", "might", "anticipates", "would", "could", "should", "continues", "estimates" or similar expressions or the negative forms thereof, identify certain of these forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. MapsPeople has based these forward-looking statements on its current views with respect to future events and financial performance. By their nature, forward-looking statements are based on certain assumptions and projections on future events and financial performance, which involve a number of risks and uncertainties that could cause actual results or events to differ

materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial consequences of the plans and events described herein. Actual results are likely to differ from those set forth in the forward-looking statements. Any forward-looking statements speak only as at the date of this document and neither the Company nor any of its respective affiliates, directors, officers, employees, advisors, or any other person is under any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not and may not rely on these forward-looking statements.

Source: MapsPeople

Tag: MapsPeople-Company-Announcements