



Q1 2023 report

May 9th 2023

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Agenda

- A brief intro to SmartCraft
- Q1 financial highlights
- Solid market fundamentals
- Summary and Q&A



Our solutions provide competitive edge for our construction customers

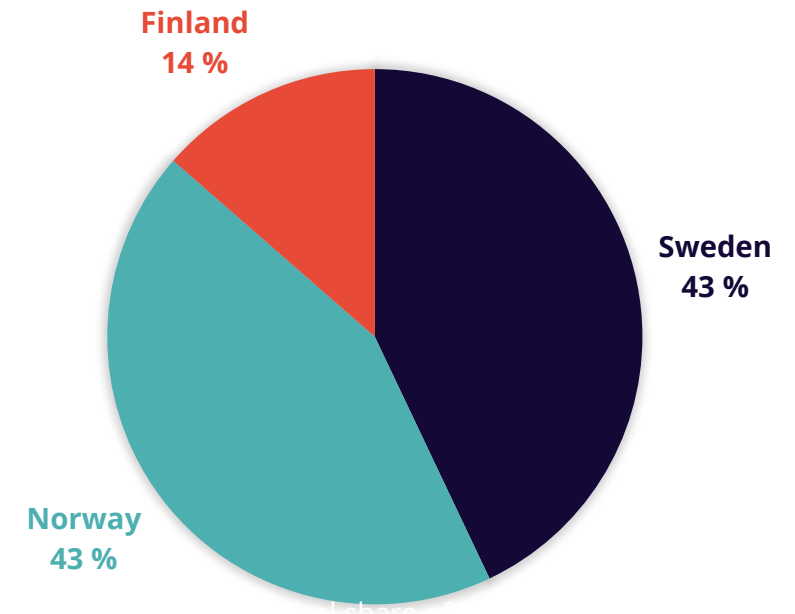
- Ensure digital flow of information between people
- Store and process all data in one place accessible for all
- Data in the field is captured with mobile Apps
- Total overview of documentation
- Revenue and cost control on each project
- Supporting sales processes in a competitive environment



Leading position in the Nordics

- Constantly gaining markets share
- ~ 12.000 customers
33% growth post IPO
- ~ 120.000 users
26% growth since IPO
- ~ 200 Employees

Strong local presence in key markets



Q1 2023 highlights

Continued strong growth, high margins and low churn



MNOK 347

Annual Recurring
Revenue

+24%



42%

Adjusted EBITDA
margin

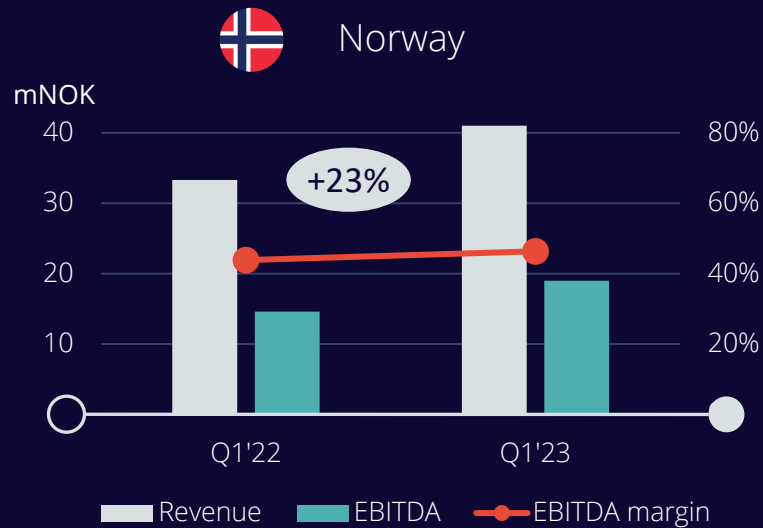
+2% points



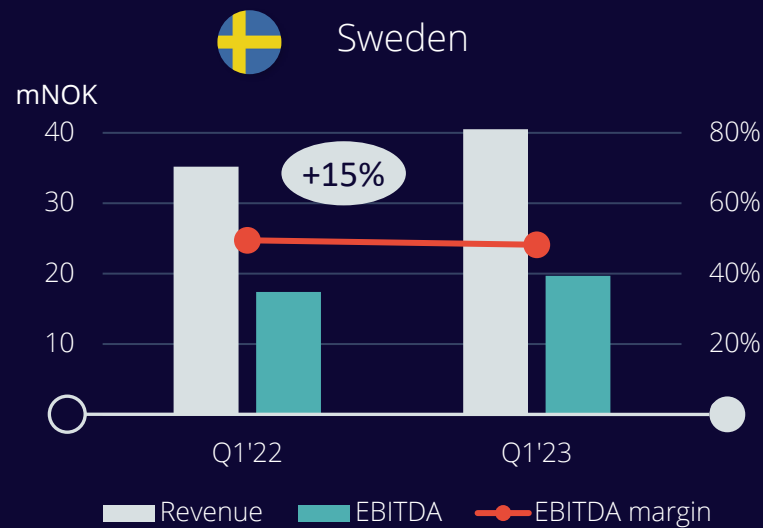
7%

Churn
consistently low

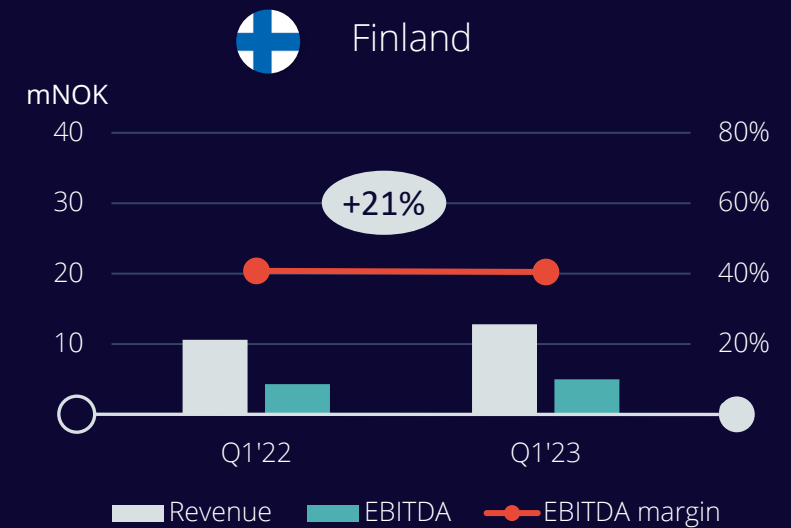
Solid growth in all segments



- Organic recurring revenue +19%
- EL-verdi and Inprog acquired in 2022
- Margin improvements in all solutions
- Increased ARPC driven by price optimization and upsales



- Organic recurring revenue +13%
- Growth from a strong Q1'22
- Increased ARPC driven by price optimization and upsales
- Two new sales leaders recruited in Q1

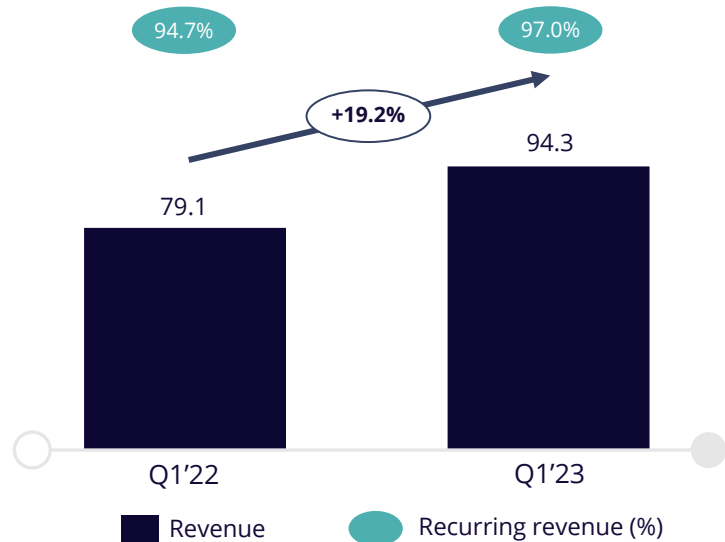


- Organic recurring revenue +11%
- Growth from a strong Q1'22
- Exposure to large customers in "new build" construction
- Low churn of 3%, but fewer initiated projects affect growth
- Move focus to renovation

Continued growth in revenue and increasingly strong profitability

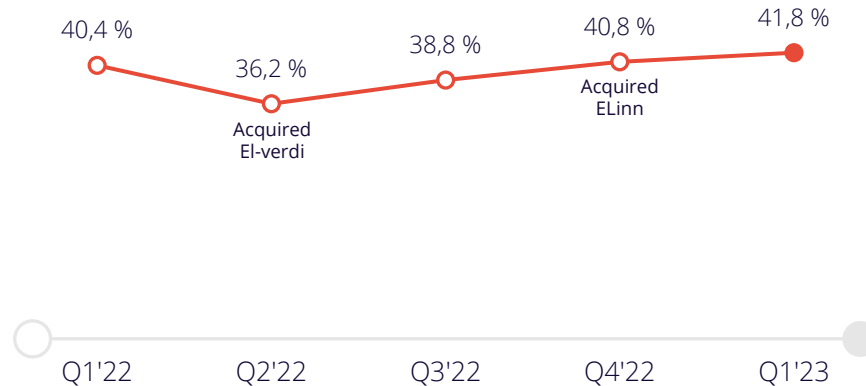
Solid YoY revenue growth

mNOK



- Increased recurring revenue share
 - Driven by strategic decline in non-recurring revenue
- 15.5% organic growth in recurring revenue

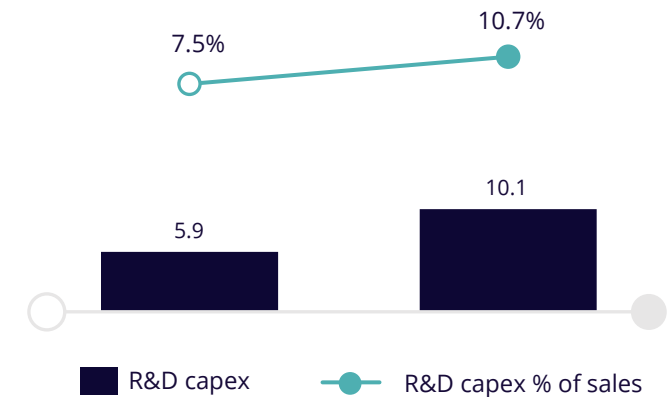
Consistently high adjusted EBITDA margin



- Continued great track record of ability to increase margin in acquired solutions
- Consistent high EBITDA margin, continue to focus on scalability
- Margin increase despite dilution from M&A

R&D capex

mNOK



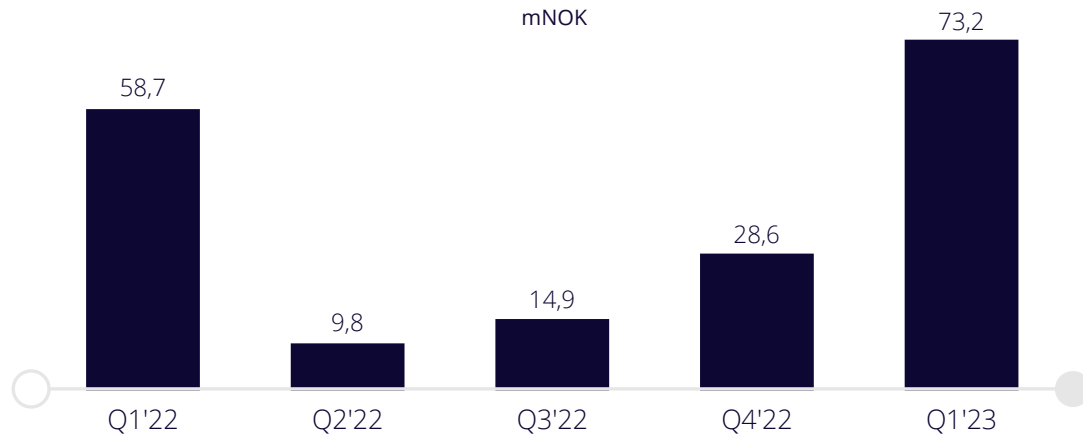
- Q1 in line with plan
- Development of SmartCraft Core and integrations for cross sale and upsales
- Expecting 9% FY'23, as communicated in Q4

Solid financial position and strong cash flow

- to support growth strategy and M&A activity

Operating cash flow

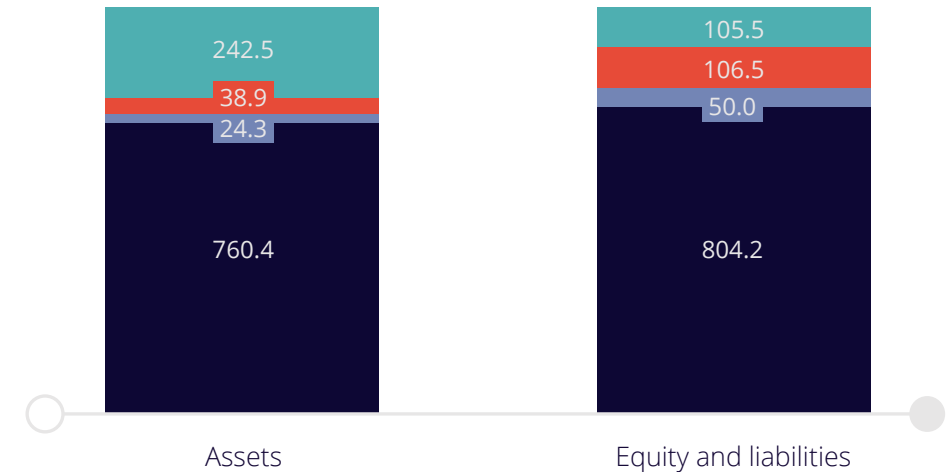
mNOK



- Cash positive all quarters, Q1 seasonally strong
- Cash generated from operations enables strategic investments and M&A

Balance sheet, March 31, 2022

mNOK

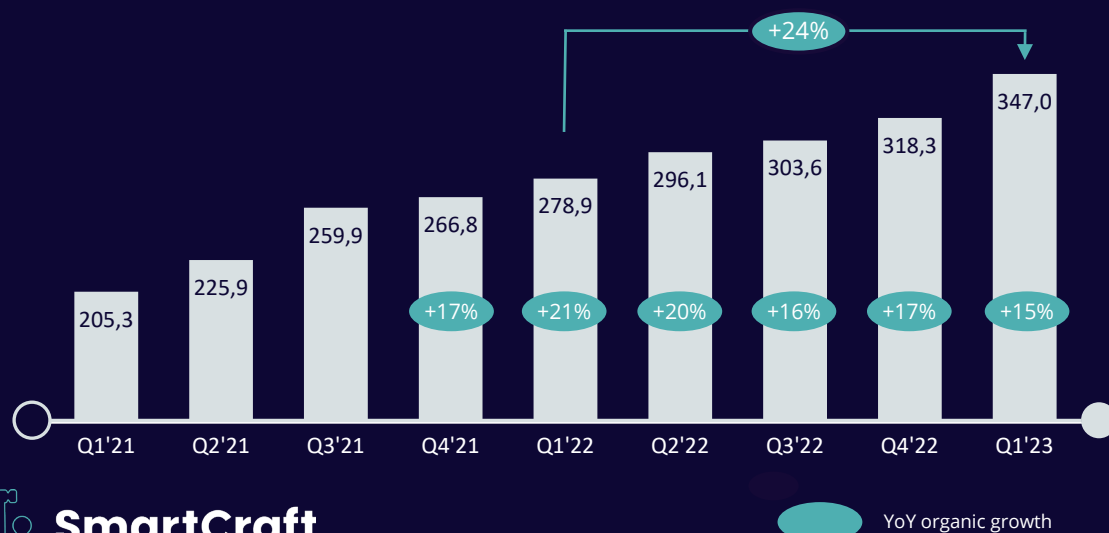


- Net cash positive
- Negative net working capital driven by customer prepayments
- Acquired ~0.8% (~1.3m shares , per april), continued buy-back program of additional 2.0%

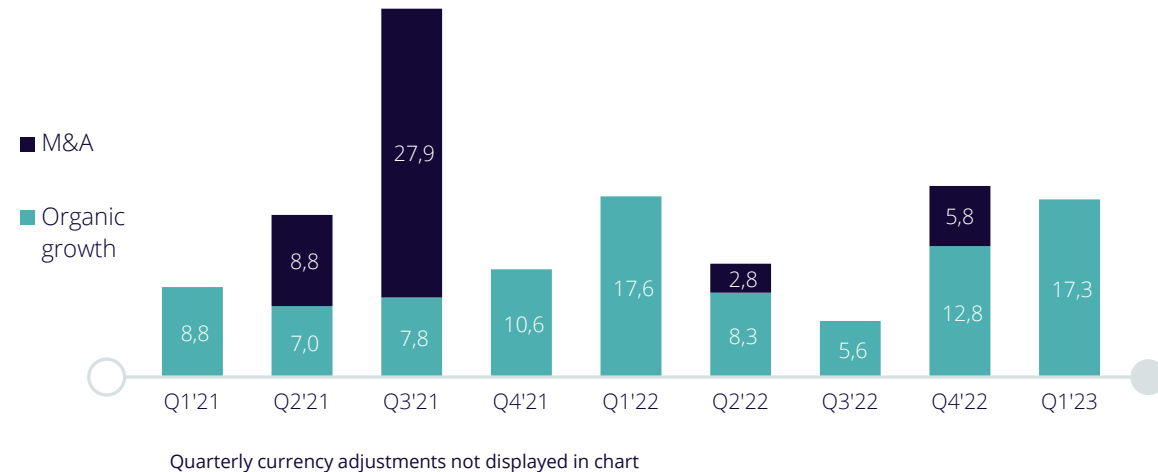
High growth in recurring revenue as basis for success

- 24% growth in ARR
 - 15% organic growth
 - Acquisition of Elverdi (June 2022) and ELinn (October 2022)
- Prices increased Dec'22 or Jan'23
 - Implemented gradually during 2023, as subscription renewals, are spread throughout the year

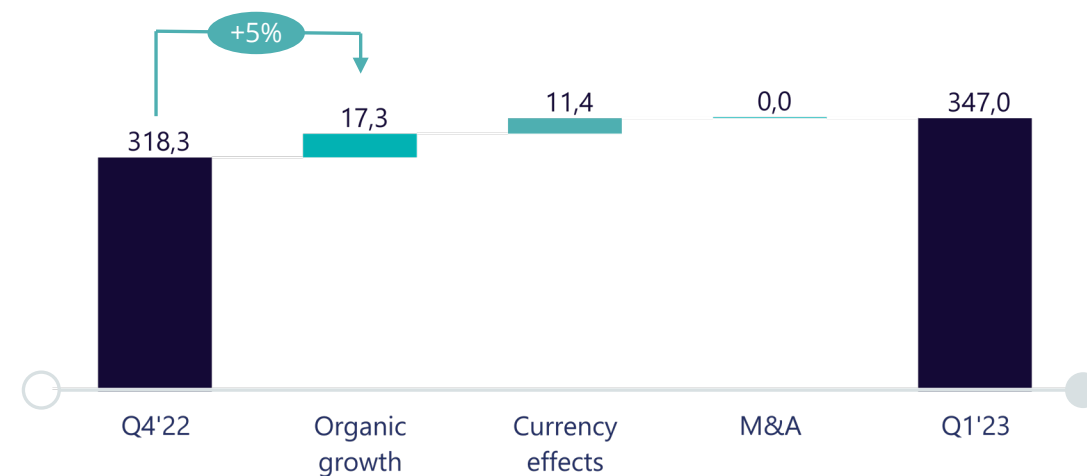
ARR development, mNOK



Quarterly ARR growth history, mNOK



ARR bridge QoQ, mNOK



Solid market fundamentals



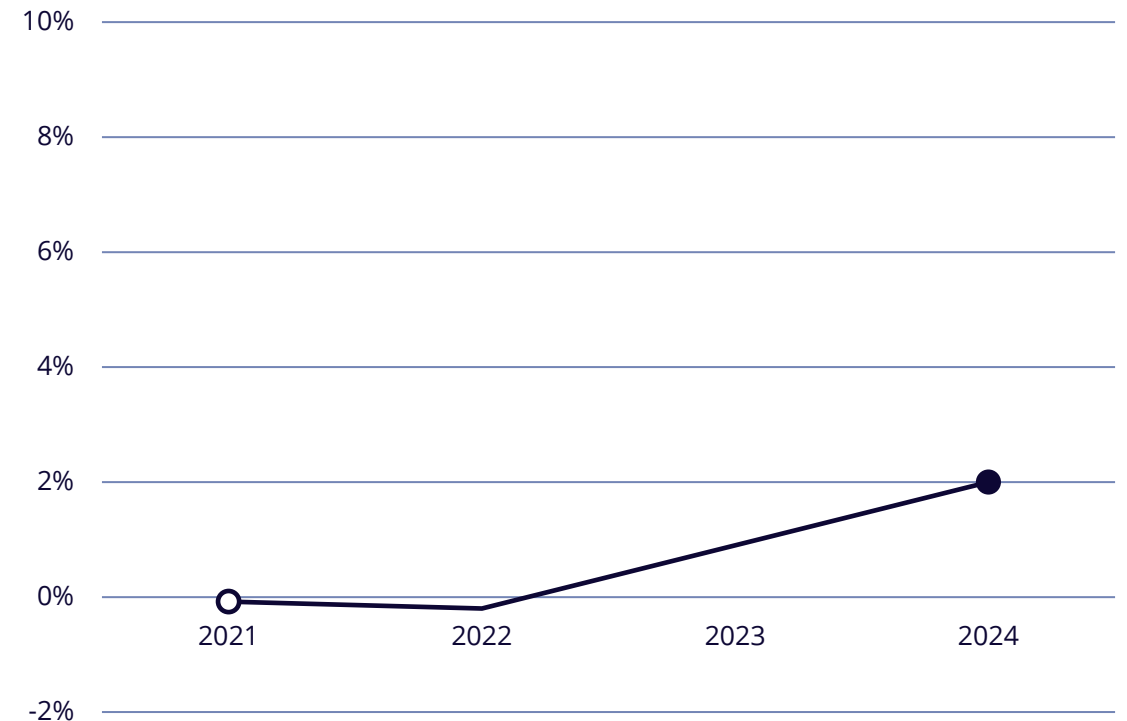
Focus on the growing renovation segment in Finland

SmartCraft has great solutions and a long track record in renovation

Statistics Finland, RT Forecast Mar 2023:

- Construction in general is declining by -3.5% in 2023. New housing market see dramatic decrease of 20%
- Renovation biggest segment in construction industry
- Slowdown in new construction will speed up repairs and renovation

Forecasted Growth in Finnish renovation segment

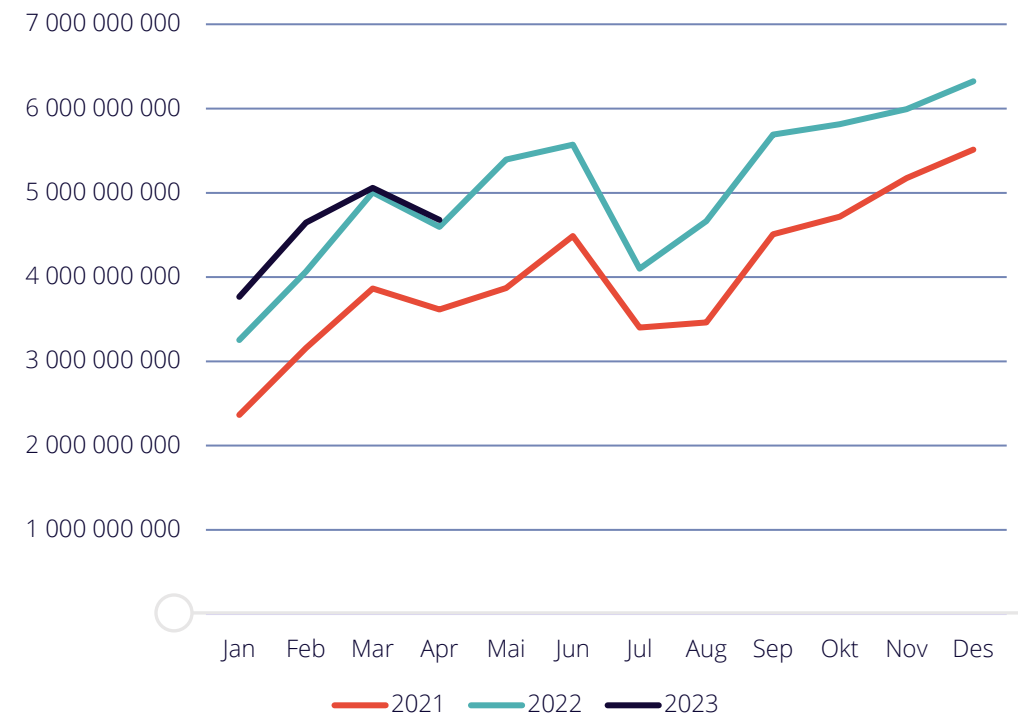


Strong demand for SmartCraft solutions

- despite slowdown in new building projects

- Good pipeline of potential customers
- Upsell and cross sell opportunities
- Energy saving initiatives drive great demand for our largest customer groups
- Our customers work with maintenance, services and upgrades

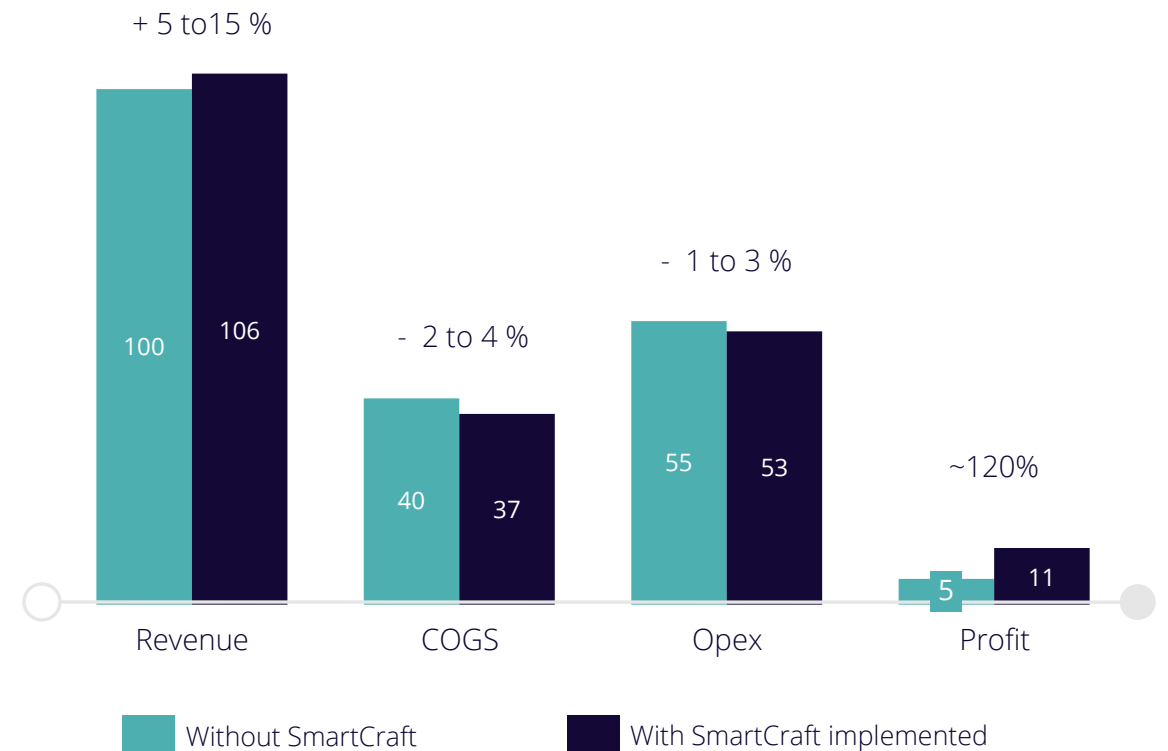
Total invoiced amount from large Swedish customer group (SEK)



Rising costs and higher interest rates triggers need for efficiency measures

- Revenue
 - On-site sales
 - Invoicing of jobs
 - Improved pricing calculations
 - Improved utilization of personnel
 - Professional offer/tender to customers
- Cost of goods sold
 - Improved purchasing conditions/price comparisons
 - More accurate calculations material consumptions
- Other operating expense
 - Improved P&L visibility
 - Optimizing resource planning

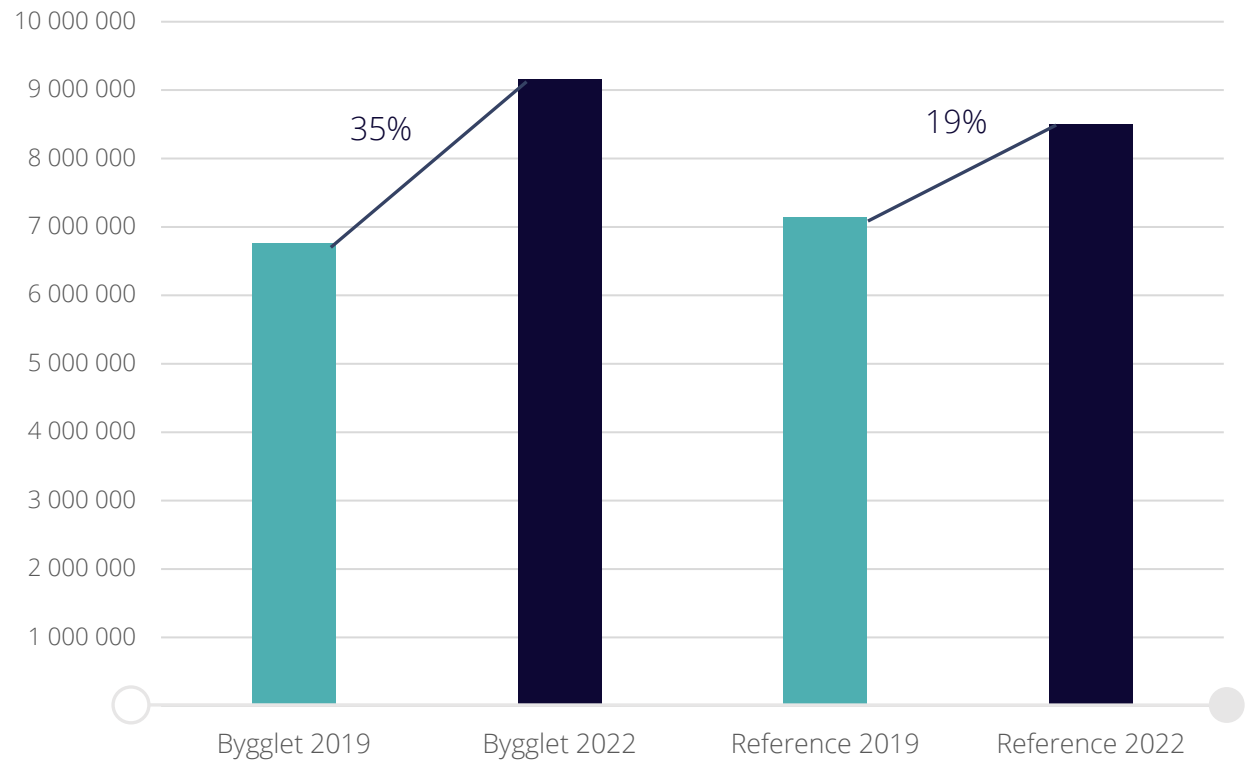
Improved profitability and efficiency with SmartCraft solutions *



Bygglet customers grow faster than the market

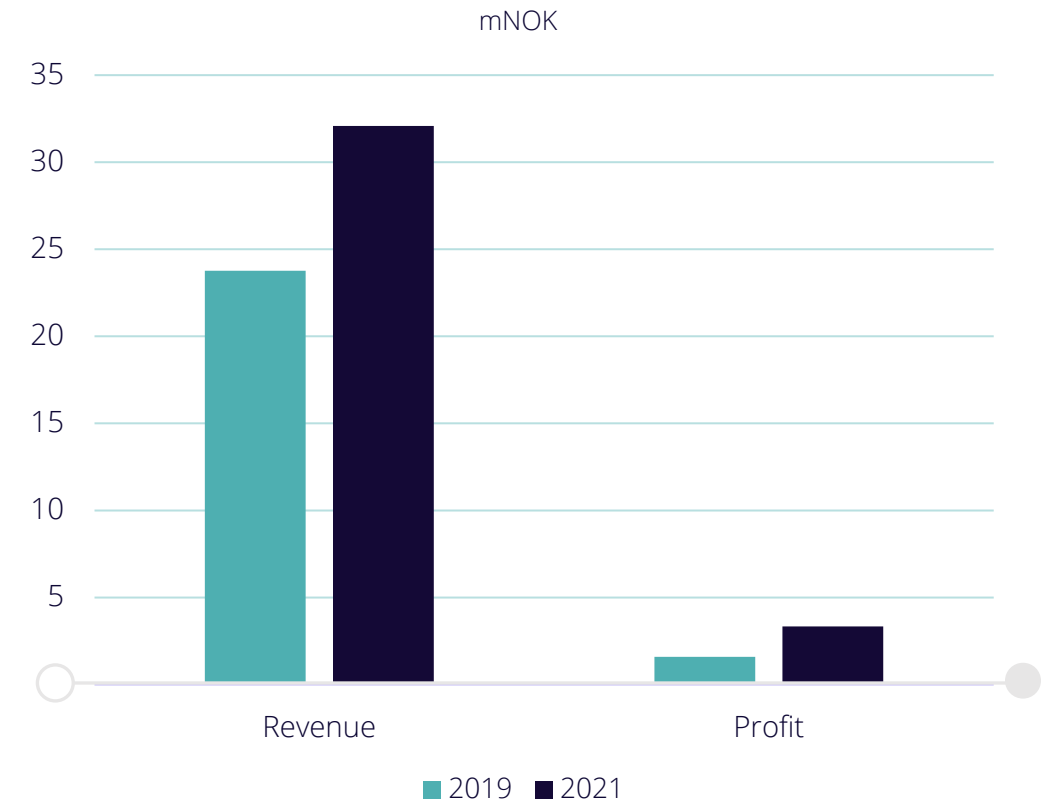
- New Bygglet customers started using solution in 2019
- Reference group, ~1000 random Swedish companies in same category
- SmartCraft customers grew nearly twice as much as reference group

Revenue growth; Bygglet customers vs reference group (tSEK)



Franchise chain achieves increased revenue and profits with Cordel

- Analysis of 25 Norwegian plumbing companies 2019-2021
- Focused on using SmartCraft digital tools to increase revenue and margin
 - Revenue +35%
 - Margins increased 101 %



The voices of our customers



*"Cordel Tender Calculations has been decisive for our growth
and our position today"*

Tore Stenvik Tanem, Project Manager - Elteam AS



"EL-VIS cable dimensioning in 2 minutes instead of 2 hours"

Johny Eriksson, Business Development - Assemblin El AB



*"Without HomeRun we would need an extra full time
employee to handle all administration"*

Louise Larsson, Tepac Entreprenad AB

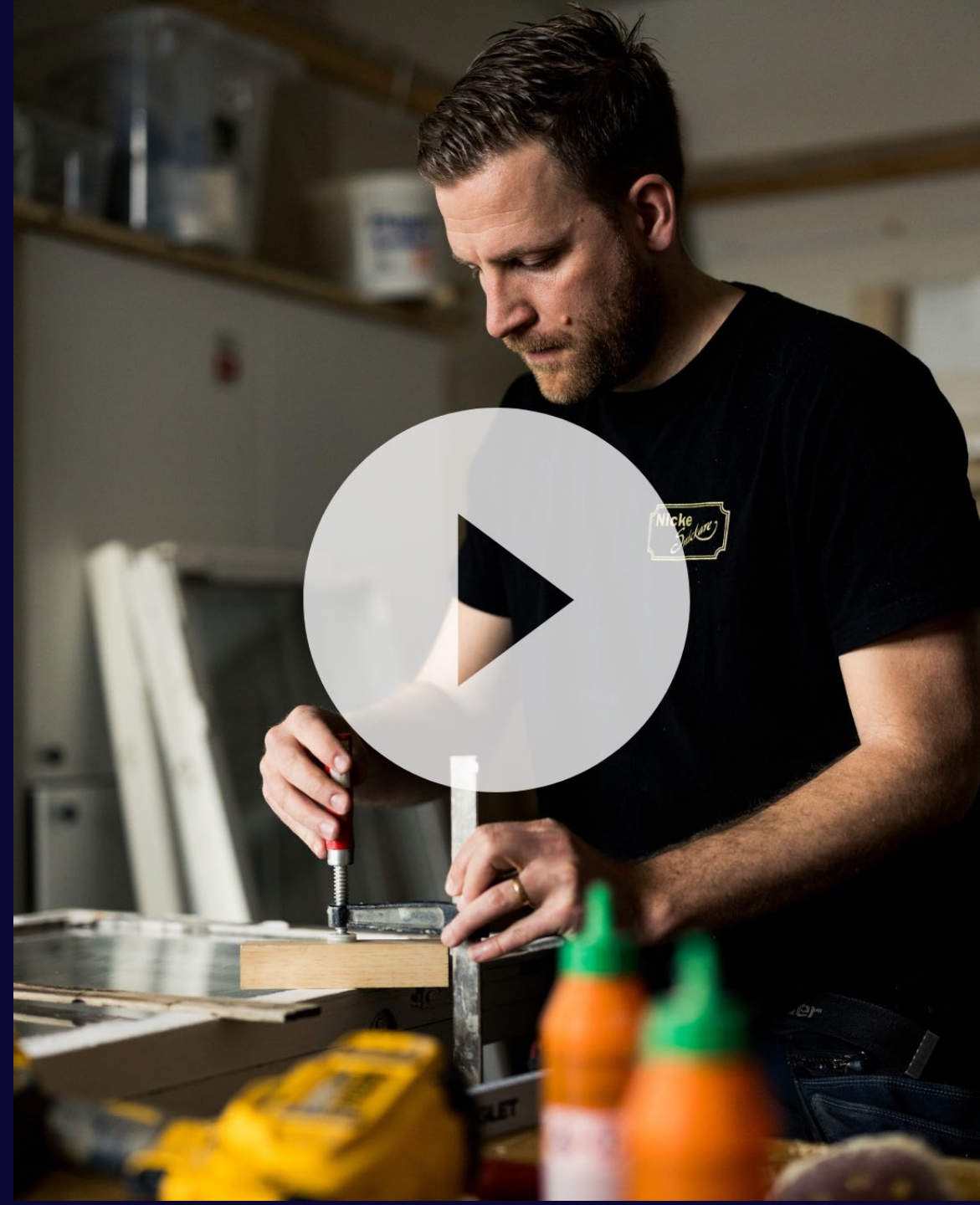
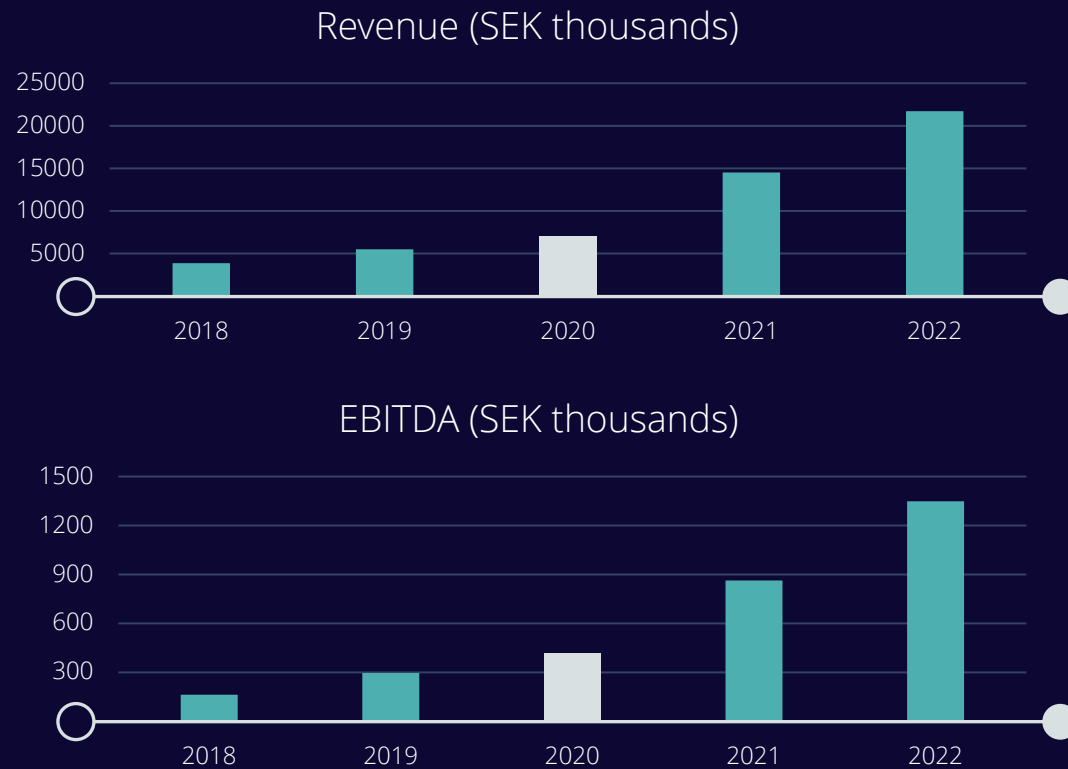


*"Thanks to Congrid, I have time to service more customers,
thus raising my revenues"*

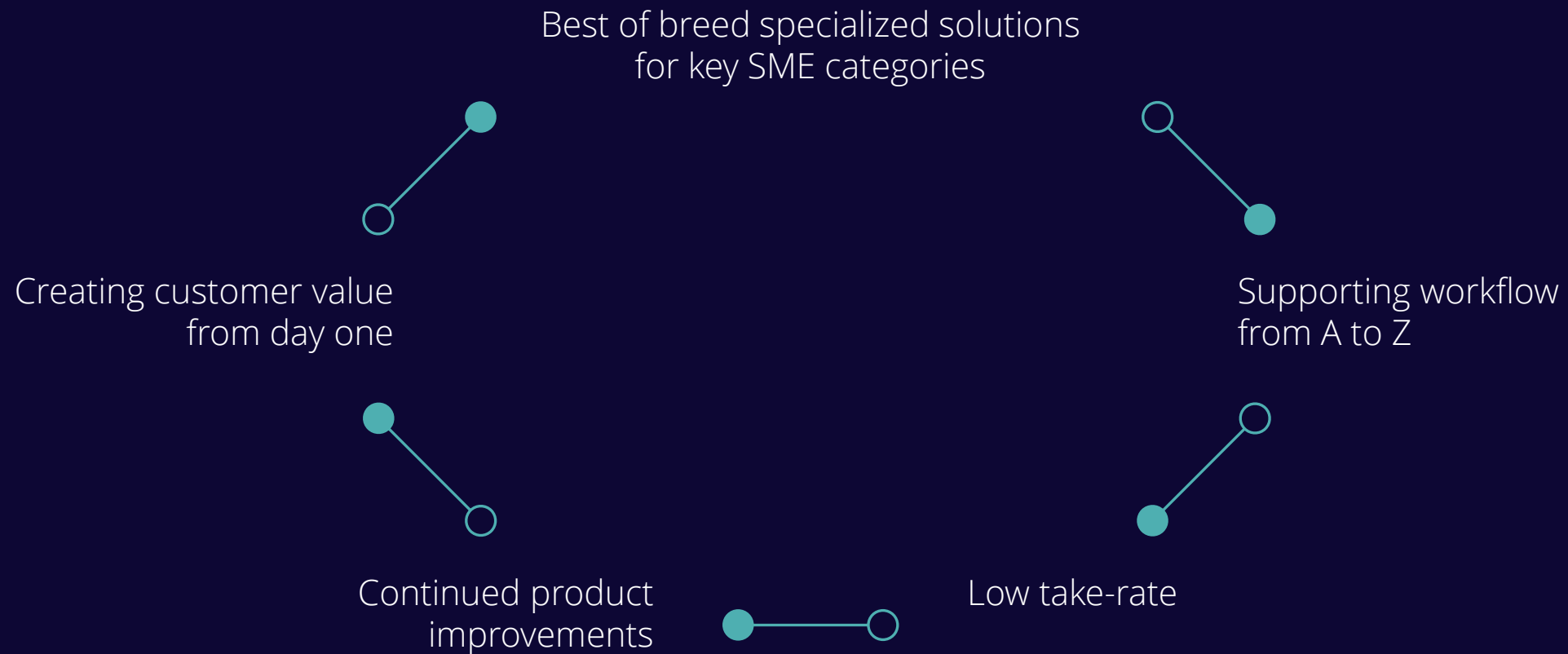
Anna Svahlstedt, Founder - Grön Vision AB

Customer Case - Nicke Snickare tripled revenue in 2 years

An SME SmartCraft customer within construction industry



Our unique and continuously improving competitive positioning



Freed up capacity in maintenance
lead to increased R&D focus

Better capacity

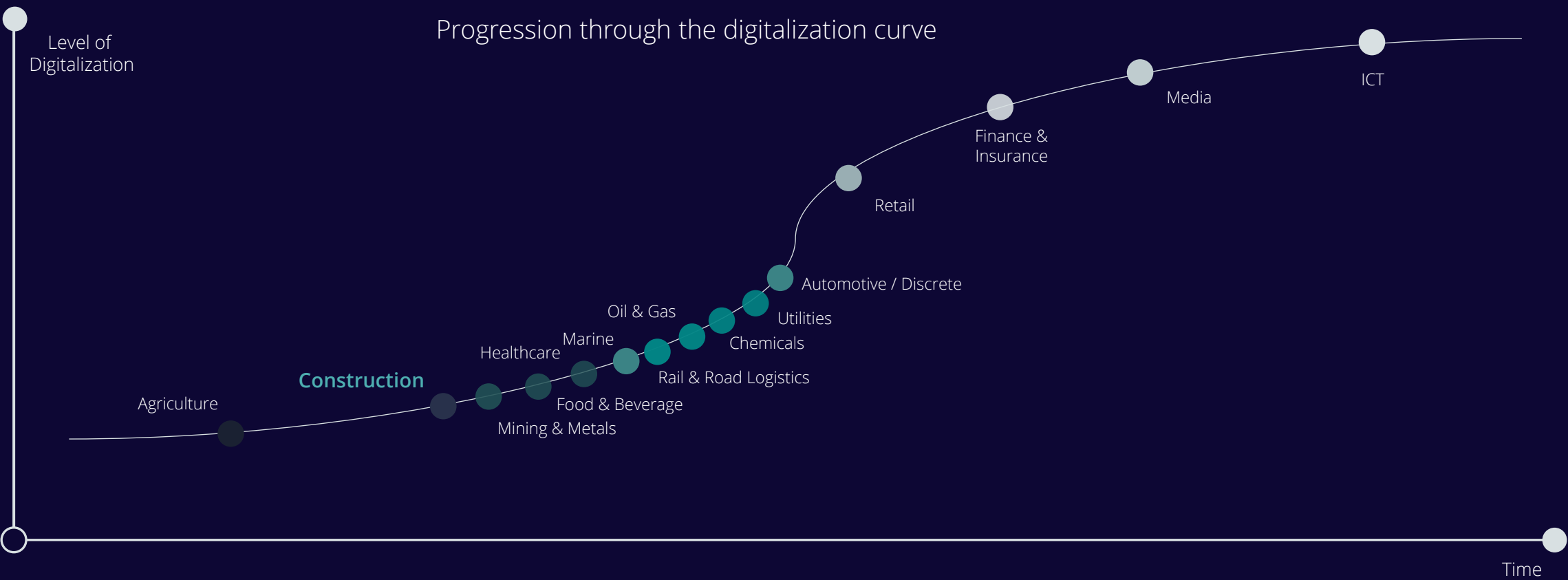


more investments in R&D

- Working smarter increases output
- Platform and technical investments in 2022 allows for more time spent on value creation

- Integrations to expand ecosystem and cross-sell
- New functionality for electricians
- More functionality in SmartCraft Core

The construction industry is at the beginning of a megatrend



Green transition and documentation are significant growth enablers

- Decarbonisation of buildings in the EU and EEA before 2050
 - Oil and gas heating will be phased out
 - New doors and windows installed
 - Re-insulation of houses
 - Millions of fluorescent tubes must be replaced
 - Climate friendly cooling of buildings
- Need for documentation will continue to increase
 - Material declaration
 - Built according to rules and regulations
 - Service and maintenance
 - Demolition and handling of waste / recycling



Multiple attractive levers to drive organic growth

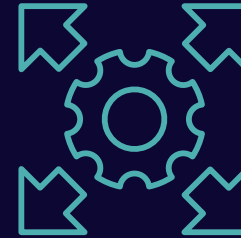
Continue to capitalize on position and underpenetrated market



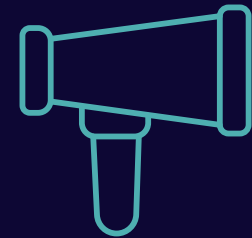
Up-sell & price optimization



Cross-sell existing portfolio



Deepen and expand presence

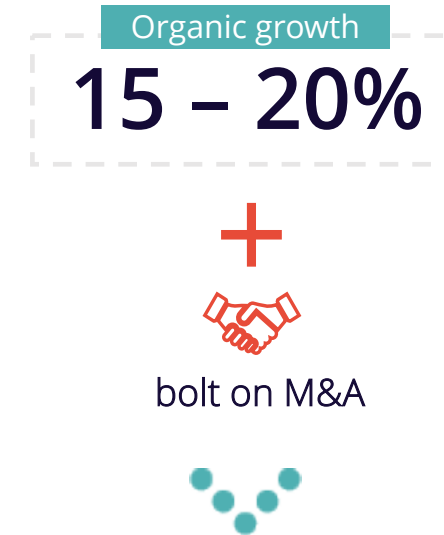


Clear growth levers to be driven by a strong commercial organisation and proven go-to-market model

Key focus to ensure continued profitable growth

- Improved coordination of marketing and sales teams
- Use our flexible business model to be prudent on costs
- Further scale our cloud environments
- Customer centric business model
- Sales automation & self service
- Value accretive M&A

Medium-term financial targets remains unchanged



Margin expected to increase due to scalability of the business

Short-term considerations:

Impact from acquired companies last 12 months

Q&A

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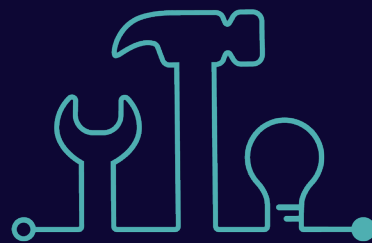


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