



Q1 Interim Report July – September 2020

2 November 2020

Gustave Geisendorf, Chief Executive Officer

Agenda

- **Results update**
- **Zutec 2.0 update**
- **Q&A**

A Snapshot of Zutech

Zutech has a strong and proven product in a large and fast accelerating market

1.

Not a Start-up

Founded in 1999 - operations in Dublin, London, Melbourne and Abu Dhabi

Listed in March 2018 on First North Nasdaq Stockholm

Sales of SEK 27m in 2020

2.

Cloud-Based Software (SaaS)

Cloud-based construction management software

Sell exclusively to construction sector

3.

Large & Fast Growing Market

Market of SEK 20bn expected to grow +10% p.a.

Construction is the least digitized industry and Covid-19 has triggered acceleration

4.

Proven Products

Zutech Cloud (Web App) for document management, CDE and handover

Zutech Field and Zutech BIM (Mobile Apps) for inspections, defects, H&S

5.

Top Tier Customer Base

Tier 1 customers including Multiplex, Wates & Mirvac

Top class reference projects including the Shard & Wembley Stadium

6.

Robust Financial Profile

Rapidly growing business

Profitable

No interest-bearing debt and strong cash balance

Q1-21 Results Update

Q1-21 Summary Highlights

Organic Sales Growth of 47.2%

EBITDA of SEK 2.0m corresponding to an EBITDA margin of 19.4%

Repaid all of our interest-bearing debt

Strong cash flow position in excess of SEK 40m of cash on balance sheet

Significant new contract wins

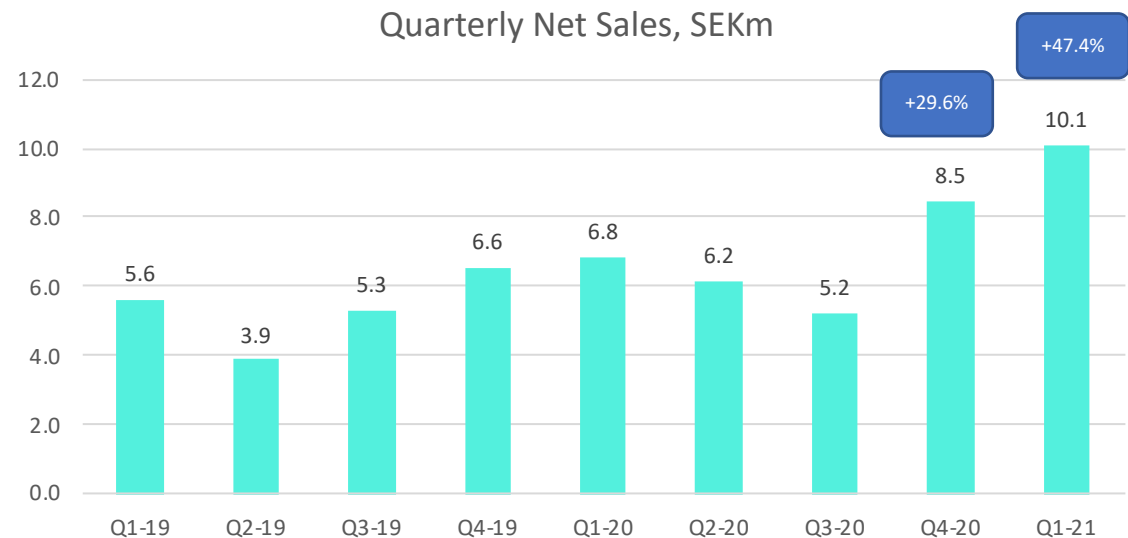
New key sales positions in place and revised go-to-market strategy initiated

Sales Highlights

Record sales of SEK 10.1m

- ❖ Net sales was SEK 10.1m, corresponding to a 47.4% increase to the same period last year
- ❖ Milestone reached: >SEK 10m in quarterly revenues
- ❖ Highest sales quarter during the past 9 quarters
- ❖ The pandemic continues to have a positive impact on construction management software and Zutec
- ❖ Strong geographic performance in the U.K. and Ireland. Australia and Middle East are lagging and issues are being addressed
- ❖ Will soon launch full Middle Eastern effort following trade license approval
- ❖ Robust new customer inflow
- ❖ Above expectation on customer retention
- ❖ EPS of SEK 0.00

SEK m	Q1		FY
	Jul-Sep 20	Jul-Sep 19	Jul-Jun 20
Net sales	10.1	6.8	26.7
EBITDA	2.0	(3.7)	(28.0)
Operating profit/(loss)	0.2	(5.3)	(35.5)
Net profit/(loss)	0.1	(5.4)	(36.7)
Operating cashflow	(7.1)	(2.6)	4.2
Net Debt/(cash)	(40.5)	(10.4)	(47.1)
Earnings per share, basic	0.00	(0.75)	(4.67)

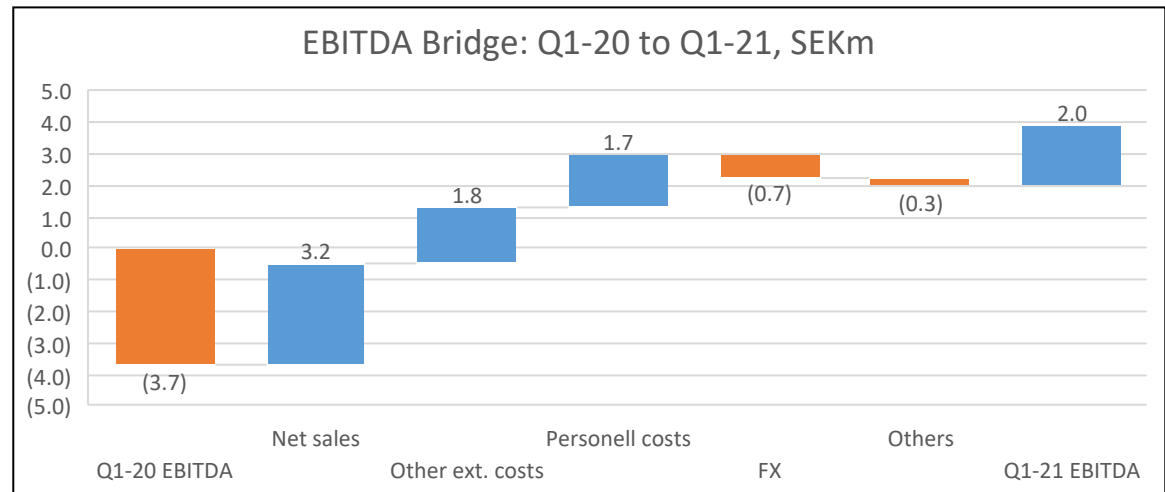


Earnings Highlights

EBITDA of SEK 2.0m, 19.4% margin

- ❖ Robust earnings driven by higher sales and permanent cost reductions
- ❖ Other external costs reduced by 39.1% driven by lower overhead costs in particular from reduction of consultants. Expected to increase given greater marketing spend
- ❖ Personnel costs reduced by 23.0% driven by headcount reductions. This number includes some one-off redundancy costs. Expected to increase given personnel additions
- ❖ FX as a result of intercompany debt and non-cash had a negative impact of SEK -0.7m

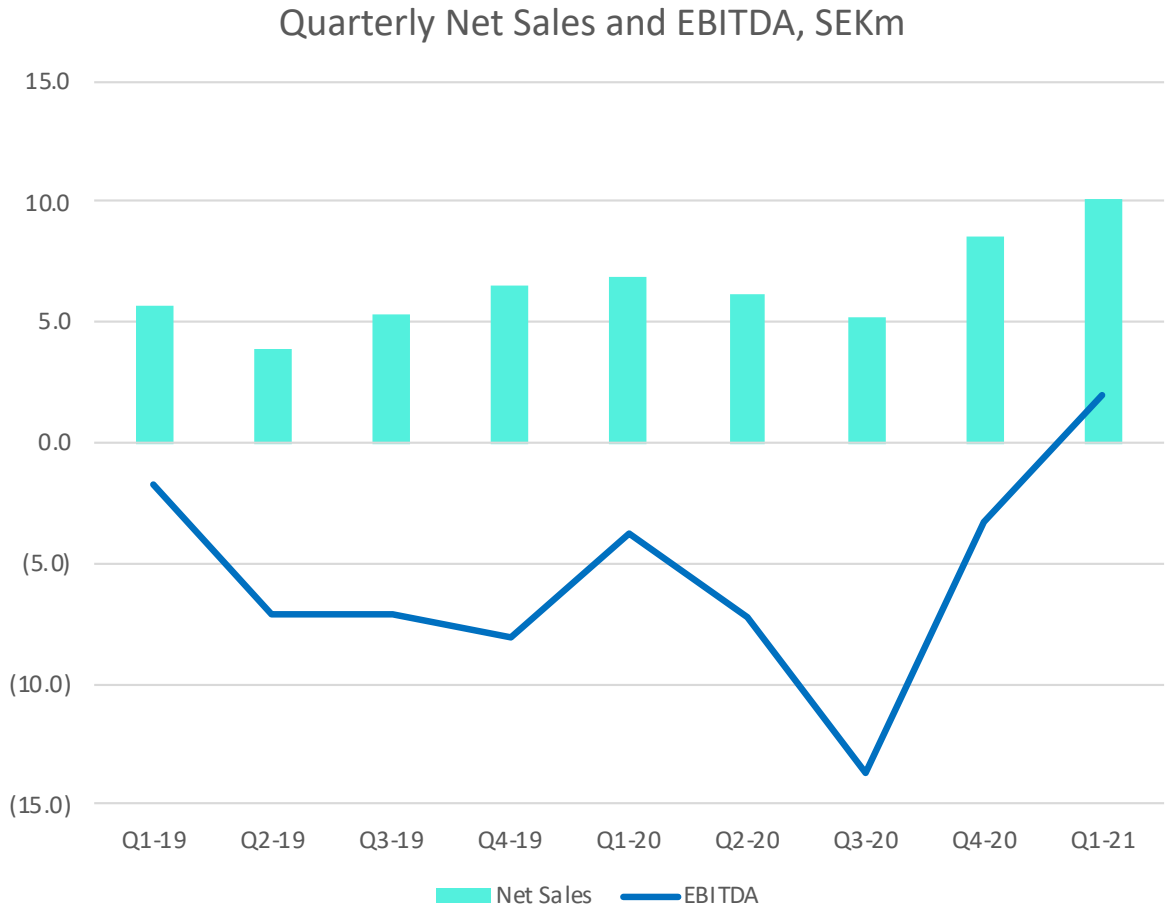
Income Statement	Q1		FY
SEK m	Jul-Sep 20	Jul-Sep 19	Jul-Jun 20
Operating Income			
Net sales	10.1	6.8	26.7
Other income	0.2	0.4	2.6
Total Operating Income	10.3	7.2	29.3
Operating expenses			
Other external costs	(2.8)	(4.6)	(23.9)
Personnel costs	(5.7)	(7.4)	(32.3)
Share Based Payments	(0.1)	0.0	0.0
Foreign Exchange	0.4	1.1	(1.1)
EBITDA	2.0	(3.7)	(28.0)



Financial Highlights

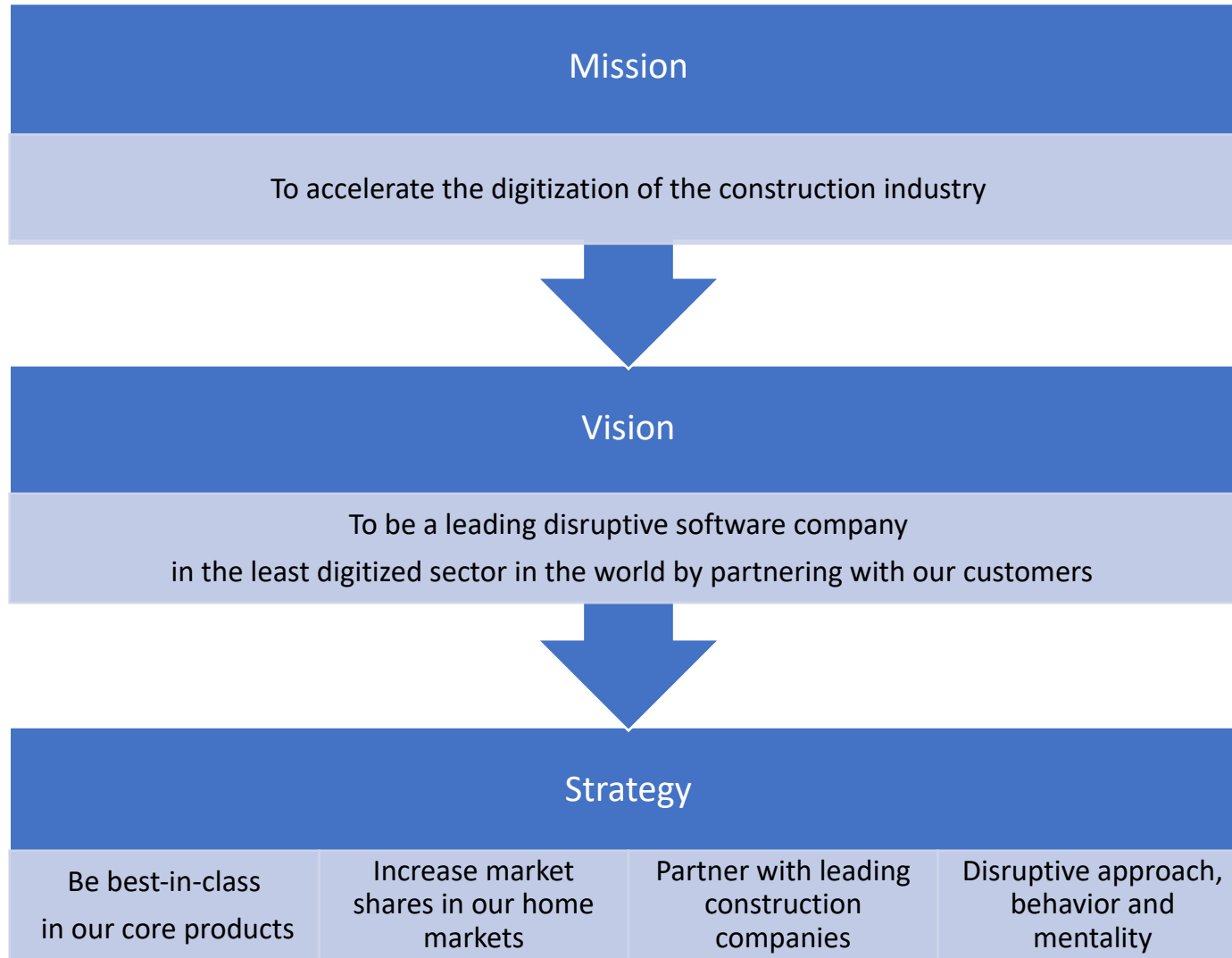
Improving Sales and Earnings

- ❖ Building momentum in both sales and earnings
- ❖ Cost control under control
- ❖ Working capital under control and improving
- ❖ Ongoing Investments into product, personell and marketing



Zutec 2.0 Update

Zutec's Strategic Framework



Zutec's Focus Areas



Company Highlights

Favorable industry dynamics; digitization in Construction is catching momentum

Gaining traction with new customers; significant new customer and contract wins during the last quarter

Focused cost control – 19.4% EBITDA margin

Improved and rigid working capital procedure

Strong cash position means we can invest in growth

Powerful product offering and a strong focus on product development and innovation

A strong team well equipped to capture growth

Q&A