



BUILDDATA

Unaudited Interim Report Q3
1 January – 31 March 2023

SUMMARY HIGHLIGHTS

Financial Highlights

- ARR at the end of Q3 (the quarter ending 31 March 2023) was SEK 92.8m, corresponding to a 25.4% increase compared with the same period last year (SEK 74.0m).
- TCV at the end of Q3 of SEK 145.1m, corresponding to a 35.9% increase compared with the same period last year (SEK 106.8m). Organic TCV growth in Q3 was 35.9% compared to the same period last year.
- Net sales in Q3 were SEK 27.0m, corresponding to a 22.2% increase compared with the same period last year (SEK 22.1m). Organic net sales growth was 22.2%.
- Gross profit in Q3 was SEK 25.8m (SEK 21.3m) equating to a 95.6% gross margin (96.4%).
- Normalised EBITDA in Q3 (EBITDA before non-recurring items) was SEK -0.5m compared to the same period last year (SEK -1.5m).
- EBITDA of SEK 0.5m compared to the same period last year (SEK -1.5m).

- Basic earnings per share (weighted) amounted to SEK -0.04 (SEK -0.08).
- Operating cashflow in Q3 was SEK -2.8m (SEK -4.0m).

Operational Highlights

- 231 new agreements were signed in Q3 with a value of SEK 38.3m.
- Reduction in headcount from 115 to 88 in the quarter increasing productivity.

Significant Events after the Period

- In April 2023, the company paid the first tranche of SEK 9.2m for the earnout due under the Createmaster acquisition agreement.

Key Figures

SEK m (except where stated)	Q3		Year to date		Full year
	Jan-Mar 23	Jan-Mar 22	Mar 23	Mar 22	Jun 2022
ARR	92.8	74.0	92.8	74.0	79.9
TCV	145.1	106.8	145.1	106.8	117.1
Net sales	27.0	22.1	80.1	65.0	88.2
Gross profit	25.8	21.3	77.2	63.2	88.3
Normalized EBITDA	(0.5)	(1.5)	(4.1)	(3.8)	(3.8)
EBITDA	0.5	(1.5)	(13.3)	(5.8)	(8.3)
Operating profit/(loss)	(2.3)	(4.8)	(21.9)	(14.3)	(19.8)
Net profit/(loss)	(2.5)	(5.0)	(22.4)	(15.0)	(20.3)
Cash flow from operating activities	(2.8)	(4.0)	(11.4)	(17.5)	(17.6)
Cash	58.3	81.8	58.3	81.8	78.6
Net cash/(debt)	56.2	79.1	56.2	79.1	76.1
Earnings per share before dilution (SEK)	(0.04)	(0.08)	(0.34)	(0.24)	(0.32)

COMMENTS FROM OUR CEO

Continued growth and SaaS KPIs are developing favorably

All of our sales KPIs continue to develop favorably. This growth can be seen in all our sales matrixes: net sales, organic net sales, ARR and TCV bookings. I am most pleased with how our TCV is progressing given that this is the best gauge for predicting future revenues.

We are continuing to produce strong SaaS KPIs: our net retention rate is strong, our customer acquisition cost is low, gross profit is in line with SaaS peers, we have satisfied customers and we are producing strong ARR trajectory.

We are now also starting to see a better development on our EBITDA on the back of the reductions we have done in our headcount.

Increasing focus on profits

We have spent the last few years building scale and we are increasingly turning to ensuring that also our profit matrix is adequate. This will not only be important for our current business but also drive how we evaluate potential acquisitions. We realize that certain of our costs are too high compared to our revenue base and we have already taken concrete measures to address this.

We are past the peak in the market

We remain optimistic about the market development although the overall economic climate in our core market in the U.K. has its challenges. We also believe that the number of construction projects has reached its peak and we are expecting fewer new construction starts compared to the levels we have seen over the past three years. We are, however, not yet seeing any direct impact on our business although we are actively monitoring the overall market.

M&A and share buybacks on the agenda

We still have a robust cash pool on our balance sheet and we are continuously evaluating how to best deploy this cash. An EGM recently approved a share buyback program which we have instigated. In parallel to this, we are looking at investments to support our

organic growth where we believe we will get adequate returns on deployed capital. We are also continuing to evaluate acquisitions and that remains a core part of our strategy. The acquisition of eDocs is taking longer than expected and it is still uncertain if that acquisition will be completed. Our acquisition strategy has not changed and it is focused on acquisition targets in our home markets in the U.K. and Ireland where we are looking to acquire companies with a strong complimentary customer base, proven growth stories and business models and excellent management teams.

At BuildData we are very excited about what the future holds. I invite you to join our journey.

Yours faithfully,
Gustave Geisendorf

COMMENTARY ON Q3

Net sales

Net sales in the quarter were SEK 27.0m (SEK 22.1m), up 22.2% on the corresponding period. This organic growth of 22.2% was driven by the continuing strong new customer logos, insignificant churn and strong price development on renewals.

We saw a strong performance in our UK business and also our Irish business is also performing according to plan.

Quarterly net sales (SEKm)



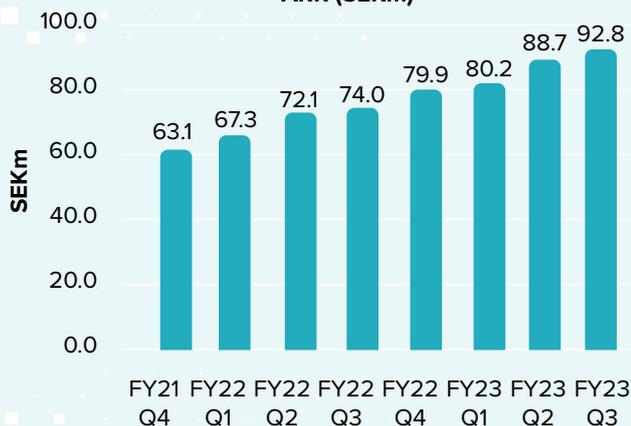
ARR

ARR at the end of Q3 was SEK 92.8m, corresponding to a 25.4% increase compared with the same period last year (SEK 74.0m). This growth can be attributed to new logos and upselling. We are also increasing prices on contracts and our churn remains insignificant.

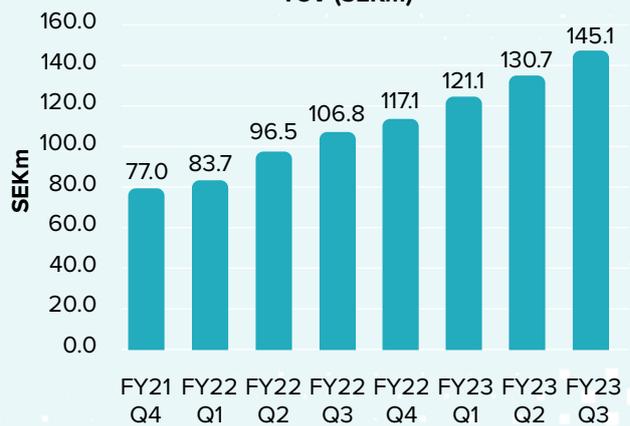
TCV

At the end of Q3 total contract value was SEK 145.1m, corresponding to a 35.9% increase compared with the same period last year (SEK 106.8m).

ARR (SEKm)



TCV (SEKm)



Cost of Sales and Gross Profit

Cost of sales, comprising hosting expenses and product related purchases amounted to SEK 1.6m (SEK 1.2m) in Q3 FY23.

Gross profit amounted to SEK 25.8m (SEK 21.3m) which equated to a gross margin of 95.6%.

Other costs and Earnings

Payroll costs amounted to SEK 22.3m (SEK 19.1m) in Q3 FY23. Our headcount went down from 115 at the end of Q2 to 88 at the end of Q3 following measures we took in the quarter to drive our business to profitability.

Capitalisation of payroll amounted to SEK 1.5m (SEK 1.3m) in Q3 and related to R&D development of the Group's software products.

Other external costs which are in line with our budget amounted to SEK 4.9m (SEK 3.7m) in Q3 and include a number of one-off professional fees and other costs.

Normalized EBITDA excluding foreign exchange translation and non-recurring items amounted to SEK -0.5m (SEK -1.5m) in Q3. Non-recurring items relate to share-based payments and one-off reorganisation and other costs.

EBITDA in Q3 amounted to SEK 0.5, compared to the same period last year of SEK -1.5m.

Operating loss (EBIT) amounted to SEK -2.3m compared to an operating loss for the same period last year of SEK -4.8m.

Earnings per share

Earnings per share (EPS) for Q3 amounted to SEK -0.04. (SEK -0.08).

Financial position

Equity was SEK 98.5m (SEK 125.6m) at the end of the period. The equity/assets ratio was 58.6% (72.9%) at 31 March 2023. Total assets were SEK 168.0m (SEK 172.3m). The cash position is strong at SEK 58.3m (SEK 81.8m).

Cashflows and investments

Cash flow for Q3 was SEK -6.3m (SEK -6.4m). Cash flow from operating activities was SEK -2.8m (SEK -4.0m).

Cash flow from financing activities was SEK -1.3m (SEK -0.9m). Cash and cash equivalents were SEK 58.3m (SEK 81.8m) at the end of the period.

Personnel

The number of group employees at 31 March 2023 was 88 (113).

Share ownership

The total number of outstanding shares at the end of the quarter was 68,171,694 (62,757,284). All shares carry an equal share of votes and capital.

The table below shows the top 10 shareholders (direct and indirect ownership) as at 31 March 2023.

The 10 largest owners as at 31 March 2023	Direct		Indirect		
	Number of shares owned	Share of capital and votes	Warrants held	Total holdings	Share of diluted capital
Athanase Industrial Partners	29,670,293	43.5%	885,000	30,555,293	40.0%
Gustave Geisendorf*	5,427,103	8.0%	2,950,000	8,377,103	11.0%
SEB Life International	4,147,249	6.1%	-	4,147,249	5.4%
FE Smabolag Sverige	2,755,660	4.0%	-	2,755,660	3.6%
Nordea Livförsäkring Sverige Ab	2,746,082	4.0%	-	2,746,082	3.6%
BNY Mellon SA	2,655,453	3.9%	-	2,655,453	3.5%
Brian Dodsworth	1,836,229	2.7%	-	1,836,229	2.4%
Avanza Pension	1,687,764	2.5%	-	1,687,764	2.2%
Gareth Burton	1,245,000	1.8%	-	1,245,000	1.6%
Case Smabolag	1,186,079	1.7%	-	1,186,079	1.6%
Per Åkerman	1,164,855	1.7%	-	1,164,855	1.5%
Other	13,649,927	20.0%	4,450,800	18,100,727	23.7%
Total	68,171,694	100.0%	8,285,800	76,457,494	100.0%

FINANCIALS

Group Financials

Income Statement SEK m	Q3		Year to date		Full year
	Jan-Mar 23	Jan-Mar 22	Mar 23	Mar 22	Jun 22
Operating Income					
Net sales	27.0	22.1	80.1	65.0	88.2
Other income	0.4	0.4	1.1	1.7	5.6
Total Operating Income	27.4	22.5	81.2	66.7	93.8
Cost of sales	(1.6)	(1.2)	(4.0)	(3.5)	(5.5)
Gross profit	25.8	21.3	77.2	63.2	88.3
Operating expenses					
Other external costs	(4.9)	(3.7)	(13.4)	(14.6)	(18.6)
Personnel costs	(22.3)	(19.1)	(74.1)	(54.1)	(75.1)
Share Based Payments	(0.7)	(0.7)	(4.6)	(2.2)	(3.0)
Foreign Exchange	2.6	0.7	1.6	1.9	0.0
EBITDA	0.5	(1.5)	(13.3)	(5.8)	(8.3)
Depreciation and Amortisation	(2.8)	(3.3)	(8.6)	(8.5)	(11.4)
Operating Profit/(Loss)	(2.3)	(4.8)	(21.9)	(14.3)	(19.8)
Interest income & similar credits	(0.2)	(0.2)	(0.4)	(0.7)	(0.6)
Profit/(Loss) after financial items	(2.5)	(5.0)	(22.4)	(15.0)	(20.3)
Income taxes	0.0	0.0	(0.0)	0.0	0.0
Net Profit/(Loss) Income	(2.5)	(5.0)	(22.4)	(15.0)	(20.3)
Attributable to:					
Equity holders of the parent company	(2.5)	(5.1)	(22.4)	(15.1)	(20.3)
Non-controlling interests	0.0	0.1	0.1	0.1	0.0
Total	(2.5)	(5.0)	(22.3)	(15.0)	(20.3)
Earnings per share, basic (weighted)	(0.04)	(0.08)	(0.34)	(0.24)	(0.32)
Average number of shares during the period	68,171,694	62,757,284	65,165,193	62,757,284	62,757,284
Shares outstanding at the end of the period	68,171,694	62,757,284	68,171,694	62,757,284	62,757,284

Group Cashflow SEK m	Q3		Year to date		Full year
	Jan-Mar 23	Jan-Mar 22	Mar 23	Mar 22	Jun 2022
Cash flow from operating activities					
Operating profit/(loss) for period	(2.3)	(4.8)	(21.9)	(14.3)	(19.8)
Adjustments for non-cash items					
Depreciation & Amortisation	2.8	3.3	8.6	8.6	11.4
Shared Based Payment	0.6	0.7	4.0	2.0	3.0
Other non-cash items	(1.1)	1.1	(3.5)	(1.2)	(3.7)
Operating cash flow after adjustments	0.0	0.3	(12.8)	(4.9)	(9.1)
Paid taxes	0.0	0.0	0.0	0.0	0.0
Interest received	0.0	0.0	0.0	0.0	0.0
Interest paid	(0.1)	(0.2)	(0.4)	(0.7)	(0.1)
Changes in working capital					
Movement in current receivables	(4.7)	(1.6)	(14.5)	(9.1)	(11.6)
Movement in current liabilities	2.0	0.5	16.3	(1.2)	3.2
Changes in other working capital	0.0	(3.0)	0.0	(1.6)	0.0
Cash flow from changes in working capital	(2.7)	(4.1)	1.8	(11.9)	(8.4)
Cash flow from operating activities	(2.8)	(4.0)	(11.4)	(17.5)	(17.6)
Cash flow from investing activities					
Investments in intangible assets	(1.9)	(1.4)	(6.3)	(5.0)	(6.0)
Investments in tangible assets	(0.3)	(0.1)	(2.5)	(1.1)	(1.3)
Cash flow from investing activities	(2.2)	(1.5)	(8.8)	(6.1)	(7.3)
Financing activities					
Financing activities	0.0	0.0	3.2	0.0	0.0
Share issue	0.0	0.0	0.0	0.2	0.0
Investment in Subsidiary	0.0	0.0	0.0	0.2	0.0
Loan repayments	(0.1)	(0.2)	(0.6)	(0.4)	(0.4)
Lease repayments	(1.2)	(0.7)	(2.7)	(2.0)	(3.8)
Cash flow from financing activities	(1.3)	(0.9)	(0.1)	(2.0)	(4.1)
Cashflow for the period	(6.3)	(6.4)	(20.3)	(25.6)	(29.0)
Change in cash and cash equivalents					
Cash and cash equivalents, at the beginning of the period	64.6	88.2	78.6	107.6	107.6
Translation differences on cash and cash equivalents	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalents, at the end of the period	58.3	81.8	58.3	81.8	78.6

Group Balance Sheet SEK m	31 Mar 2023	31 Mar 2022	30 Jun 2022
ASSETS			
<i>Non-current assets</i>			
Intangible assets	56.3	50.4	55.1
Tangible assets	1.8	1.5	1.4
Right of use assets	6.2	7.4	6.7
Total non-current assets	64.3	59.3	63.2
<i>Current assets</i>			
Trade receivables	35.1	23.0	23.2
Other receivables	4.8	4.8	4.2
Prepaid costs & other income	5.5	3.4	3.6
Cash & cash equivalents	58.3	81.8	78.6
Total current assets	103.7	113.0	109.6
TOTAL ASSETS	168.0	172.3	172.8
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital	13.6	12.6	12.6
Other contributed capital	190.4	186.2	187.2
Reserves	(1.1)	(4.2)	(1.6)
Retained earnings including profit for the period	(105.3)	(69.8)	(79.3)
Total equity attributable to the Parent Company's shareholders	97.6	124.8	118.9
Holding with non-controlling interest	0.9	0.8	0.8
Total equity	98.5	125.6	119.7
<i>Liabilities</i>			
Long-term liabilities			
Lease liabilities	2.0	4.2	3.5
Interest bearing loans	1.1	4.4	1.8
Other liabilities	3.2	4.9	11.6
Total long-term liabilities	6.3	13.5	16.9
Short-term liabilities			
Lease liabilities	4.6	2.8	2.9
Interest bearing loans	0.9	0.0	0.7
Accounts payable	4.5	2.9	4.0
Tax liabilities	12.2	4.8	6.8
Other liabilities	10.9	1.2	0.0
Accrued expenses and prepaid income	30.1	21.4	21.8
Total short-term liabilities	63.2	33.2	36.2
Total liabilities	69.5	46.7	53.1
TOTAL EQUITY & LIABILITIES	168.0	172.3	172.8

Statement of changes in Equity for the quarter ended 31 March 2023 SEK m	Share Capital	Other Contributed Capital	Reserves	Retained Earnings	Total	Minority Interest	Total Equity
Balance at 1 January 2023	13.6	189.6	(0.9)	(102.0)	100.3	0.9	101.2
Share Issue	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Share Warrant	0.0	0.6	0.0	0.0	0.6	0.0	0.6
NCI	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Translation	0.0	0.2	(0.2)	(0.8)	(0.8)	0.0	(0.8)
Results for period	0.0	0.0	0.0	(2.5)	(2.5)	0.0	(2.5)
Movement in period	0.0	0.8	(0.2)	(3.3)	(2.7)	0.0	(2.7)
Balance at 31 March 2023	13.6	190.4	(1.1)	(105.3)	97.6	0.9	98.5
Balance at 1 January 2022	12.6	185.4	0.6	(68.8)	129.8	0.0	129.8
Share Issue	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Share Warrant	0.0	0.7	0.0	0.0	0.7	0.0	0.7
NCI	0.0	0.0	0.0	0.0	0.0	0.7	0.7
Translation	0.0	0.1	(4.8)	4.1	(0.6)	0.0	(0.6)
Results for period	0.0	0.0	0.0	(5.1)	(5.1)	0.1	(5.0)
Movement in period	0.0	0.8	(4.8)	(1.0)	(5.0)	0.8	(4.2)
Balance at 31 March 2022	12.6	186.2	(4.2)	(69.8)	124.8	0.8	125.6

Statement of changes in Equity for the year to date SEK m	Share Capital	Other Contributed Capital	Reserves	Retained Earnings	Total	Minority Interest	Total Equity
Balance at 1 July 2022	12.6	187.2	(1.6)	(79.3)	118.9	0.8	119.7
Share issue	1.0	5.1	0.0	0.0	6.1	0.0	6.1
Share Warrant	0.0	(2.5)	0.0	0.0	(2.5)	0.0	(2.5)
NCI	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Translation	0.0	0.6	0.5	(3.6)	(2.5)	0.0	(2.5)
Results for period	0.0	0.0	0.0	(22.4)	(22.4)	0.1	(22.3)
Movement in period	1.0	3.2	0.5	(26.0)	(21.3)	0.1	(21.2)
Balance at 31 March 2023	13.6	190.4	(1.1)	(105.3)	97.6	0.9	98.5
Balance at 1 July 2021	12.6	184.0	1.4	(58.7)	139.3	0.0	139.3
Share Warrant	0.0	2.0	0.0	0.0	2.0	0.0	2.0
NCI	0.0	0.0	0.0	0.0	0.0	0.7	0.7
Translation	0.0	0.2	(5.6)	4.0	(1.4)	0.0	(1.4)
Results for period	0.0	0.0	0.0	(15.1)	(15.1)	0.1	(15.0)
Movement in period	0.0	2.2	(5.6)	(11.1)	(14.5)	0.8	(13.7)
Balance at 31 March 2022	12.6	186.2	(4.2)	(69.8)	124.8	0.8	125.6

Parent Financials

Parent Income Statement SEK m	Q3		Year to date		Full year
	Jan-Mar 23	Jan-Mar 22	Mar 23	Mar 22	June 2022
Operating income					
Other income	2.7	0.0	3.8	0.0	4.1
Total operating income	2.7	0.0	3.8	0.0	4.1
Operating expenses					
Other external costs	(0.2)	0.8	(0.7)	0.6	(1.3)
Personnel costs	(0.8)	(0.8)	(2.3)	(1.5)	(2.2)
EBITDA	1.7	0.0	0.8	(0.9)	0.6
Interest income & similar credits	0.0	0.0	0.0	0.0	0.0
Net Profit/(Loss) Income for the period	1.7	0.0	0.8	(0.9)	0.6

Parent Cash Flow SEK m	Q3		Year to date		Full year
	Jan-Mar 23	Jan-Mar 22	Mar 23	Mar 22	June 2022
Cash flow from operating activities					
Operating profit/(loss) for period	0.1	0.0	(0.8)	(0.9)	0.6
Adjustment for items not included in net cash	(7.6)	0.0	(6.5)	0.0	(0.6)
Changes in working capital					
Movement in current receivables	(2.1)	(0.1)	(16.4)	(0.1)	1.3
Movement in current liabilities	1.4	3.8	1.2	5.9	(1.3)
Cash flow from operating activities	(8.2)	3.7	(22.5)	4.9	(0.0)
Financing activities					
Rights share issue	0.0	0.0	0.0	0.0	0.0
Investment in new subsidiary	0.0	(3.7)	0.0	(4.9)	0.0
Cash flow from financing activities	0.0	(3.7)	0.0	(4.9)	0.0
Cashflow for the period	(8.2)	0.0	(22.5)	(0.0)	0.0
Change in cash and cash equivalents					
Cash and cash equivalents, at the beginning of the period	58.3	72.6	72.6	72.6	72.6
Cashflow for the period	(8.2)	0.0	(22.5)	0.0	0.0
Cash and cash equivalents, at the end of the period	50.1	72.6	50.1	72.6	72.6

Parent Balance Sheet SEK m	31 Mar 2023	31 Mar 2022	30 Jun 2022
ASSETS			
<i>Non-Current assets</i>			
Investments in subsidiaries	187.0	176.9	182.8
Total Non-current assets	187.0	176.9	182.8
<i>Current assets</i>			
Receivables from group companies	91.3	67.1	68.9
Other receivables	0.5	0.2	0.1
Cash & cash equivalents	50.1	72.6	72.6
Total current asset	141.9	139.9	141.6
TOTAL ASSETS	328.9	316.8	324.4
EQUITY AND LIABILITIES			
<i>Liabilities</i>			
Other liabilities	10.6	5.7	11.0
Total liabilities	10.6	5.7	11.0
<i>Equity</i>			
Share capital	13.6	12.6	12.6
Share premium reserve	302.6	297.5	297.5
Share Warrants	6.9	8.2	8.9
Retained earnings	(5.6)	(6.3)	(6.2)
Profit/(loss) for the year	0.8	(0.9)	0.6
Total Equity	318.3	311.1	313.4
TOTAL EQUITY & LIABILITIES	328.9	316.8	324.4

ABOUT BUILDDATA

BuildData Group AB (publ) (Parent Company) and its subsidiaries (collectively the “Group” or the “Company”) is a cloud-based construction management software company. The Group has operations in Ireland, the United Kingdom, Australia and the Middle East.

The Parent Company is a limited liability company based in Stockholm. The address of the head office is c/o Eversheds Sutherland Advokatbyrå AB, Box 14055, 104 40 Stockholm.

BuildData Group AB (publ) is a publicly owned company registered in Sweden and quoted on the Nasdaq First North Growth Market Stock Exchange. It commenced trading on 15th March 2018. The Company owns 100% of the share capital of Zutech Inc (Irl) Limited which in turn owns 100% of Zutech Inc (UK) Limited, 100% of Zutech Asia Limited (Hong Kong) and 100% of Zutech Inc (Australia) Pty Limited. The Group also owns 100% of Createmaster Limited and 80% of Bond Bryan Digital Limited.

About this report

This report contains forward-looking statements which reflects management’s current expectations, estimates and projections about its operations. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond our control and are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements.

Accounting policies

The consolidated financial statements of BuildData Holding AB (publ) for the three months period ended 31 March 2023, have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and are unchanged since the latest published annual report.

TCV and ARR

Total Contract Value (“TCV”) represents the unrecognised future revenue due under contracts entered into by the Group for software, hosting and services.

Annual Recurring Revenue (“ARR”) comprises the value of revenue at the end of each quarter annualised and comprises revenue from licence and hosting and recurring professional services from repeat customers.

Warrants

The Group has issued 8,285,000 share warrants under 5 different programs approved by shareholders between 2020 and 2022.

Upcoming reports

The next interim report for Q4 FY2023 (April 2023 – June 2023) is due to be published on 3 August 2023.

Auditors review

The interim report has not been reviewed by the Company’s auditor.

Webcast of this report

Analysts, investors and the media are invited to a presentation at 14.00 CET on 27 April 2023: <https://zutech.zoom.us/j/81707513684>

Certified Adviser

BuildData is listed on Nasdaq First North Growth Market and Redeye AB is the Company’s acting Certified Adviser (Tel. +46 8 121 576 90, certifiedadviser@redeye.se, www.redeye.se)

For more information

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