



BuildData Group AB Q3 FY2023 Results Update



27 April, 2023

BuildData Group AB



Gustave Geisendorf
CEO

gustave.geisendorf@builddata.se

Tel: +44 7760 760777



Bruce Morrison
CFO

bruce.morrison@builddata.se

Tel: +44 7770 262386



About BuildData Group AB



BuildData Overview

A cloud-based software platform and at the crossroads of ConTech and PropTech

Vision

- Vision to be a leading disruptive software company in one of the least digitized sector in the world by partnering with our customers

20 years track-record

- Founded in 1999 with operations in Dublin and London
- ARR of SEK88m in the last quarter
- 88 employees in the last quarter
- 80% of revenues come from the U.K.



Proven & best-in-class solutions

- We sell and develop cloud-based software solutions
- We operate three primary brands; Zutech, Createmaster and Bond Bryan Digital
- Our software is collaboration tool between stakeholders on a construction project and in the built environment
- Above 95% satisfied customers and insignificant churn
- One of the first to receive the ISO19650 BIM Kitemark



Leading markets shares & high quality customer base

- Tier 1 customers including Peabody, Cairn Homes & Taylor Wimpey
- Delivered over 2,500 projects for more than 400 customers
- More than 20% market share (No 1) in our target niches

Strategy

Focus on White Spots
across the entire
Residential Building
Lifecycle

Provide Best-in-class
Solutions and
Knowledge for the
Residential Market

Be a Regional
Champion

Make Complimentary
and Accretive
Acquisitions

Leading Market Shares
and Brands – No 1
Niche Market Positions

Have Recurring and
Predictable Revenues

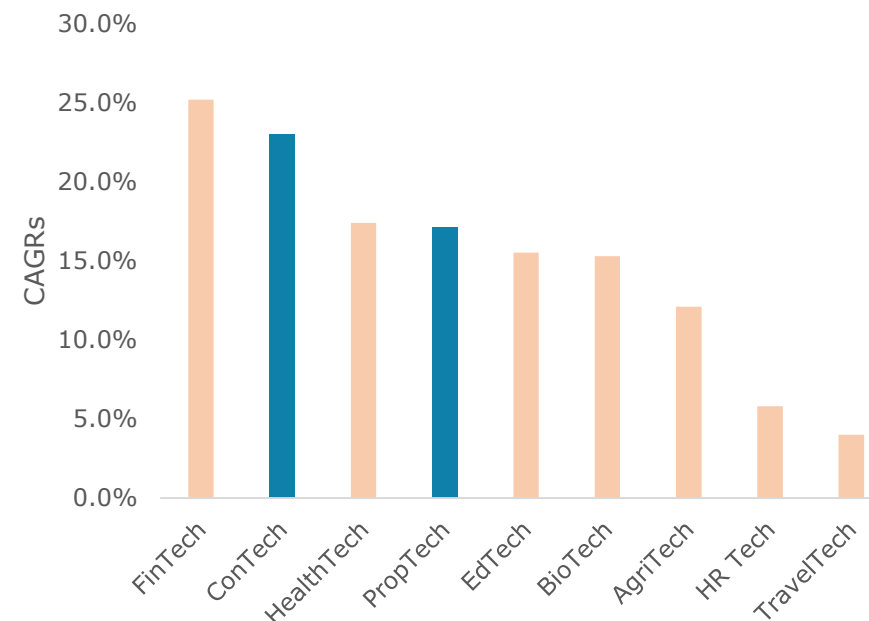


Digitization Index and Market Growth

The construction industry is the largest industry in the world but the second least digitized ...



...But one of the fastest growing sectors in technology

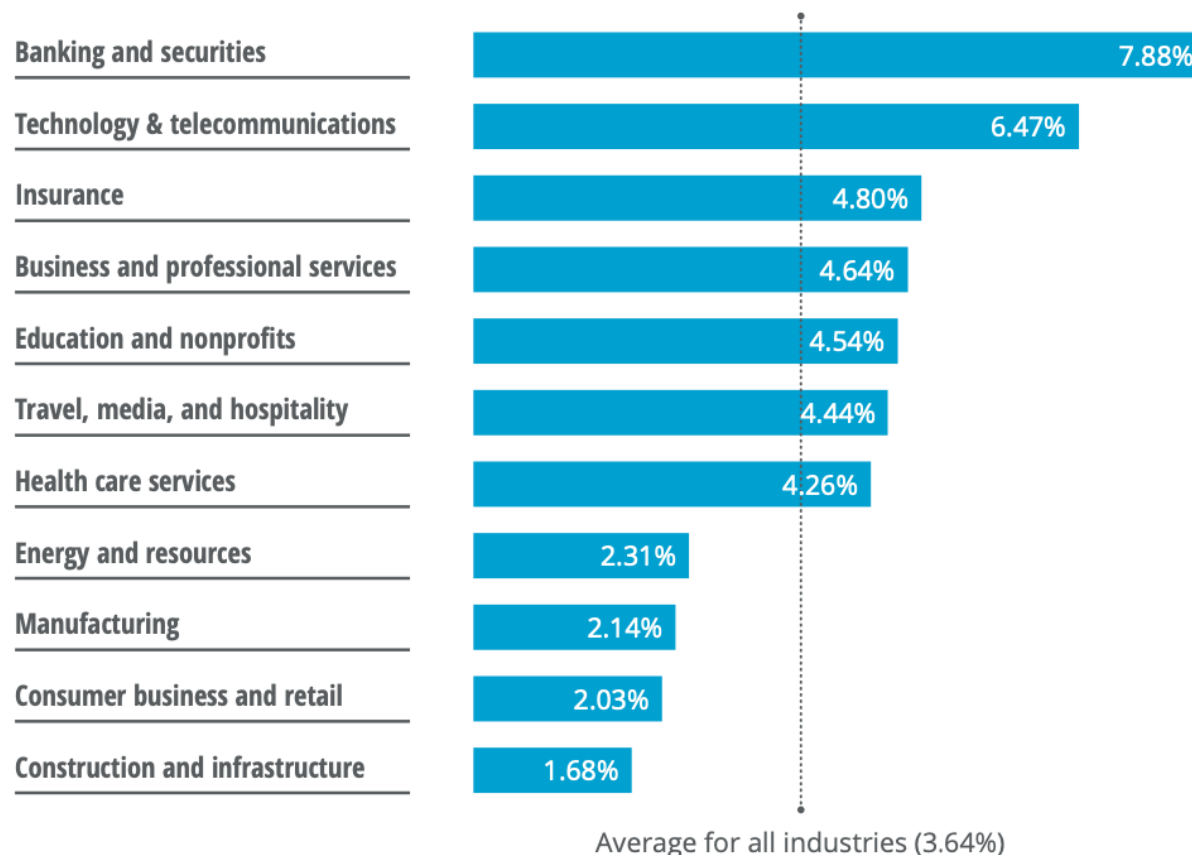


Source: McKinsey Global Institute industry digitization index. Company information

IT Spend by Industry

The construction industry is underspending on technology...this is changing

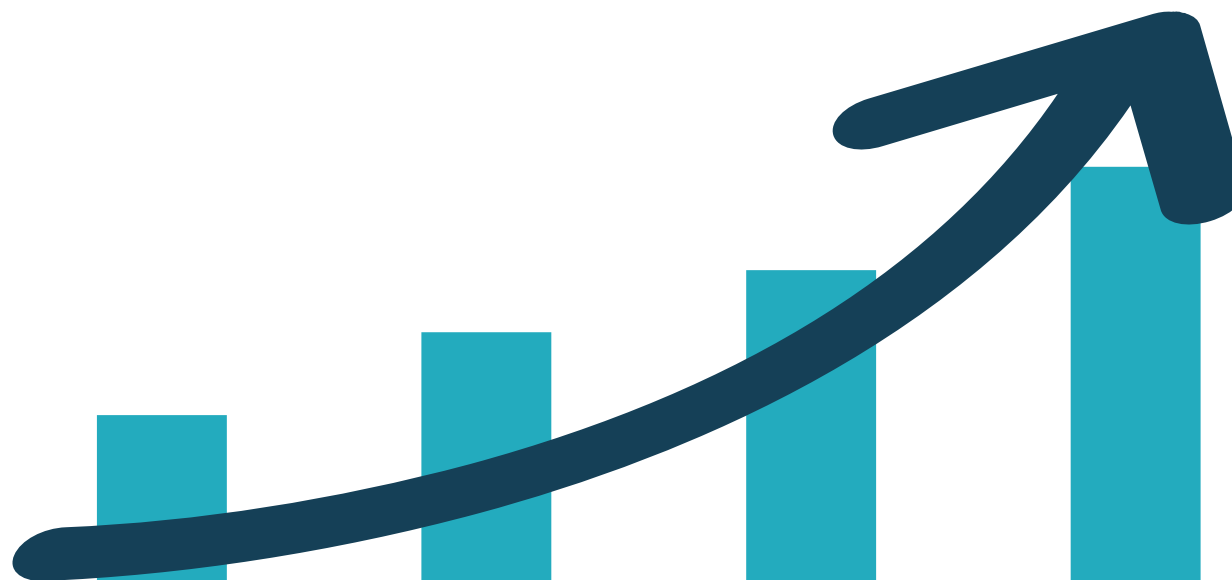
Average IT budget as a percentage of revenue



Source: Deloitte Global CIO Survey

Market Growth vs BuildData's Growth

Market growth is accelerating and we are substantially outgrowing the market



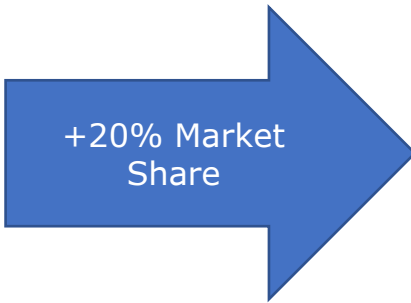
	Pre-Covid	During Covid	Current	Medium-term
BuildData Organic Growth	19%	30%	20%	+ 20 %
Market Growth	6 - 8%	10 - 12%	12 - 15%	15 - 18%

Source: Company information.

Our U.K. Revenue Opportunity

We are targeting a +20% market share in a market expected to increase spend with at least +5x with potential incremental ARR opportunity of SEK375m from SEK65m U.K. ARR

Stakeholder	BDG Market Share	Incremental Medium-term ARR Opportunity
Contractors	5%	-
Housebuilders	4%	SEK120m
Developers	5%	SEK90m
Housing Associations	4%	SEK45m
Owners	0%	SEK120m
Total	~3%	SEK375m



Source: Company Information, Coherent Market Insights Statistica.

Main Market Drivers in the U.K.



Regulation

- Significant regulation after Grenfell disaster for digitisation around fire safety
- All documentation needs to be digital & up to date throughout the entire asset lifecycle



Sustainability

- U.K. regulations around carbon emissions
- Compliance with UN regulations

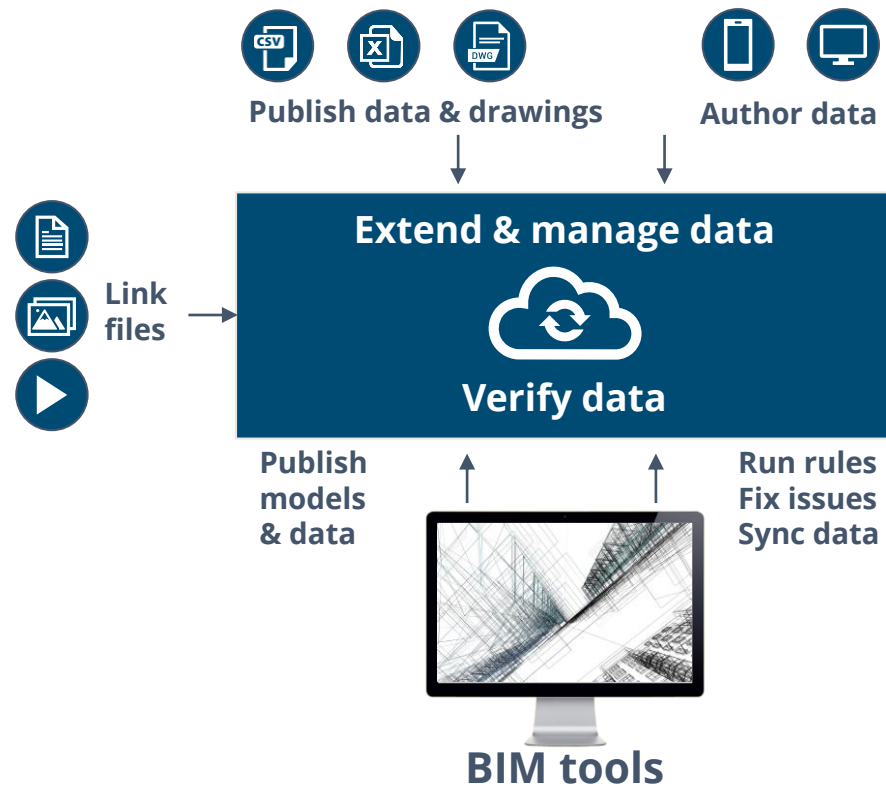


Productivity

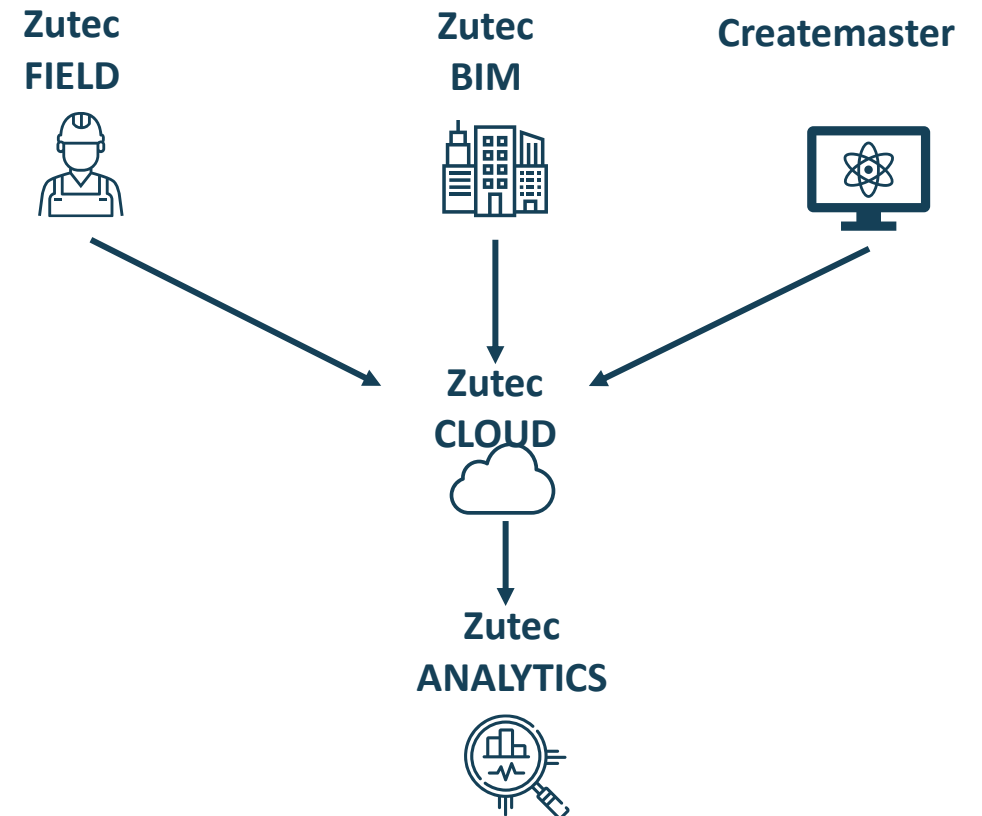
- Significant savings to be achieved by digitizing procedures
- Between 1.6% to 18% cost savings possible at different asset lifecycle stages

Our Platform and Solutions

Illustration of design & construction work flow



BuildData's Solution





Q2 FY2023 Financial Update



Q3 Financial Highlights

Net sales organic growth of
22.2% to 27,0m MSEK

TCV growth of 35.9% to 145,1
MSEK

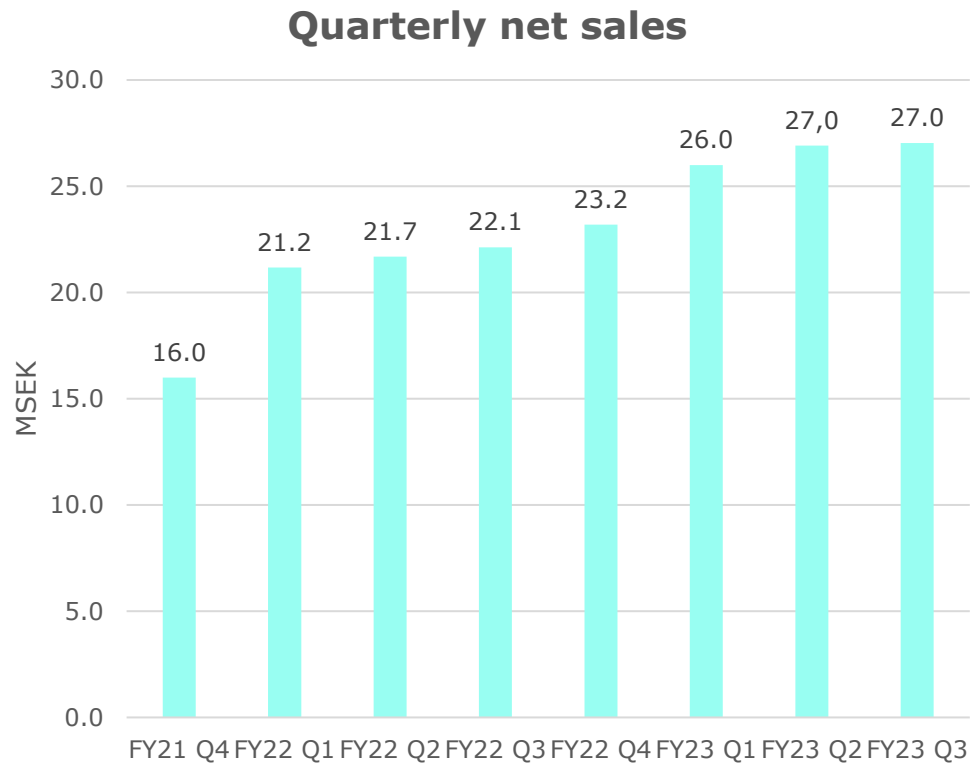
ARR growth of 25.4% to 92.8
MSEK

Gross profit margin of 96%

Normalised EBITDA of
-0.5 MSEK

Net cash position of
56,2 MSEK

Q3 Net Sales Review



- Q3 Net Sales of SEK 27,0m with organic net sales growth of 22.2%
- Increasing percentage of revenues are recurring
- Continued focus on our home markets; 95% of net sales from the U.K. and Ireland.

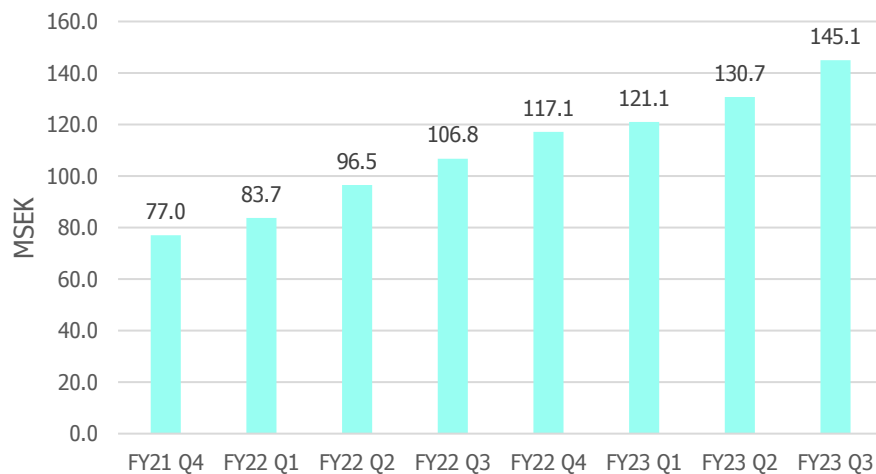
Q2 ARR and TCV Review

ARR



- ARR of 92,8 MSEK with 25,4% annual growth
- ARR growth is driven by new customer logos and price increases from existing customers
- Insignificant churn and positive NRR

TCV



- TCV of 145,1 MSEK up 35,9% on last year
- 231 new agreements signed with a TCV of 38,3 MSEK

Q3 Earnings Review

Gross profit

- Gross profit of SEK 25,8m with gross profit margin of 96%

Personnel costs

- Personnel costs of SEK 22,3m equating to 77.5% of total costs
- Average headcount for Q3 was 98 compared to 112 last year and we had 88 staff at the end of the quarter. **Down from 115 at the end of the last quarter**
- Personnel costs include reorganisation costs of SEK 0.9m

Normalised EBITDA

- Normalised EBITDA of -0.5m MSEK for Q3
- Normalised EBITDA is adjusted for share based payments, fx differences and one-off legal and reorganisation costs.

Income Statement SEK m	Quarter		YTD		FYE
	Jan-Mar 23	Jan-Mar 22	Jul-Mar 23	Jul-Mar 22	FY21/22
Operating income					
Net Sales	27,0	22,1	80,1	65,0	88,2
Other income	0,4	0,4	1,1	1,7	1,8
Total operating income	27,4	22,5	81,2	66,7	90,0
Cost of sales	(1,6)	(1,2)	(4,0)	(3,5)	(5,5)
Gross profit	25,8	21,3	77,2	63,2	84,5
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	3,8
EBITDA	0,5	(1,5)	(13,3)	(5,8)	(8,3)
Normalised EBITDA	(0,5)	(2,2)	(4,1)	(3,8)	(3,8)



Financial Targets & Company Highlights



Financial Targets

+20% Organic
Growth p.a.
in the Medium Term

+80% of Recurring
Revenues

SEK 200m of Run-rate
Revenues
End of FY 2023 / 24

Key Company Highlights

The construction industry is the **world's largest industry (US\$ 10tn)** and the **second least digitized – market growing c. 12-15%**. We are **meaningfully outgrowing the market**

LQA Net sales of SEK 108m - net sales growth of +22%

ARR of SEK 93m - ARR growth of +25%

Diversified revenue stream with more than **+700 contracts** and **+400 customers**

Scaleable business model with **insignificant churn**, **96% gross margin** and **best-in-class SaaS products**

Our growth strategy is working by **focusing on white spots in our home markets in the U.K.** – **incremental revenues of at least SEK 375m – 5x current U.K. ARR**

Acquisitions will further accelerate growth – **growing and actionable acquisition pipeline**



Q&A

