

BIMobject AB

Interim Report: Jan-Mar 2023

First quarter financial highlights

- ARR in constant currencies of MSEK 124.3 (116.5) at end of quarter, +7%
- Net sales of MSEK 36.7 (32.0), +15%, including a currency effect of +10%
- Net sales from recurring revenue of MSEK 29.8 (25.5), +17%, including a currency effect of +10%, representing 81% of total net sales
- EBITDA of MSEK -10.3 (-14.3)
- Basic earnings per share amounted to SEK -0.07 (-0.10)
- Group cash flow from operating activities of MSEK +3.7 (-9.7)

Significant events during and after the quarter

Apr 21 BIMobject welcomes leading design brand Tom Dixon to bimobject.com

May 4 BIMobject appoints Martin Lindh as permanent CEO

CEO's comments

The macroeconomic outlook remains cloudy

For some time now, we have been cautiously following a sustained market demand — despite macro-related events such as the ongoing war in Ukraine, increased interest rates, and indications of a decrease in new builds in the industry.

At the time of writing, the US market remains strong and the construction sector is delivering on previously committed projects and handling order backlogs formed after the supply chain crisis caused by the pandemic. However, we continuously receive more and more indications that the industry is about to enter a tougher period, with volumes expected to go down in Q2-Q3 this year, which we need to plan for.

However, we believe that BIMobject and our services are of even greater importance in times of fluctuating demand. It is now that the professionals in the AEC community improve their processes and update their libraries. It is also now that it will become critical for building product manufacturers to become a part of the digital information flow and influence decisions when and where they are made in the industry. With a strong revenue base as well as improved cash flow in last quarter we remain confident that we are well equipped for the future.

Another positive quarter

The first quarter of 2023 continued with a positive development. ARR reached MSEK 124.3 at the end of March and net sales from recurring revenue grew by 17% (approx 7% if adjusting for FX effects) compared to Q1 2022. The positive development stems from a strong influx of bookings at the end of 2022, which typically have a trailing effect on our accounting during the following 2-3 months, as well as some smaller but gradually improving contributions from Carbonzero AB. In contrast, bookings in Q1 came in lower than in Q4 2022, and we'll follow this development closely going forward.

On the cost side, we saw a slight increase in costs during the quarter, which is still according to plan if adjusting for FX effects. The headcount in the organization has remained stable since launching the cost program in Q4 last year.

Continued strategy execution

Internally, we are fully committed to our strategy with a steadfast focus on its execution. The "Revitalization Program" is designed to lead us toward profitable growth and consists of three main initiatives.

In our first area, "Repositioning initiative", we have completed the majority of our cost program including having improved our dunning process (resulting in positive quarterly cash flow). A momentary shortage of staff has stalled our communication initiatives, but we expect to advance this area gradually throughout the year.



Secondly, our “Create Growth” initiative is largely on track. We are in the middle of an ongoing rollout of our “pod program”, which is designed to increase our local competitiveness and engender the continued growth of the sustainability platform prodikt.com in Sweden. During the year we will increase our efforts on further developing our customer success organization in order to strengthen our ability to mitigate churn and improve our upsell opportunities, including content sales, where the level of bookings in Q1 has been lower than expected.

In the third area (New initiatives), we have seen progress in connecting with the industry ecosystem. We are also reallocating resources to start up a dedicated team that, as of June, will focus on creating additional offerings that will complement the ones already offered by prodikt.com, toward the AEC users.

Martin Lindh
CEO

Financial summary

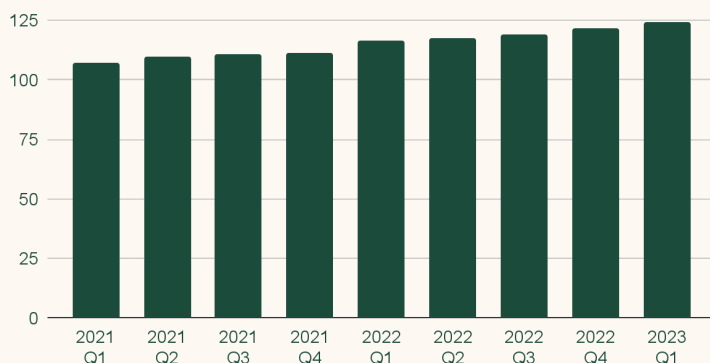
	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1
ARR in constant currencies (MSEK)	106.9	109.6	110.9	111.2	116.4	117.6	119.1	121.7	124.3
Net sales (MSEK)	28.5	30.3	30.8	30.7	32.0	32.3	33.8	34.1	36.7
Recurring Revenue (MSEK)	23.2	23.0	23.8	23.8	25.5	26.5	27.9	29.6	29.8
Other Platform (MSEK)	1.2	1.0	1.0	1.4	1.2	1.3	1.3	-1.3	0.2
Services (MSEK)	4.1	6.3	6.0	5.4	5.3	4.5	4.6	5.8	6.7
EBITDA (MSEK)	-15.5	-25.7	-20.8	-14.0	-14.3	-15.2	-9.8	-11.9	-10.3
EBITDA (%)	-54%	-85%	-68%	-45%	-45%	-47%	-29%	-35%	-28%
Operating result (EBIT) (MSEK)	-17.6	-28.2	-24.1	-15.9	-16.7	-18.6	-16.7	-12.8	-13.0
Operating result (EBIT) (%)	-62%	-93%	-78%	-52%	-52%	-57%	-49%	-38%	-35%
Earnings per share before dilution (SEK)	-0.09	-0.21	-0.16	-0.11	-0.10	-0.13	-0.09	-0.09	-0.07
Earnings per share after dilution (SEK)	-0.09	-0.21	-0.16	-0.11	-0.10	-0.13	-0.09	-0.09	-0.07
Cash flow from operating activities (MSEK)	-12.1	-27.3	-24.7	-22.9	-9.7	-17.3	-17.6	-20.3	3.7

Recurring revenue

Annual Recurring Revenue (ARR) is a key metric for understanding the revenue development within our core Platform business, since net sales can be affected by the timing of revenue recognition, corrections and even variation of days between quarters. We report this metric in constant currencies, using the exchange rate on the last working day of the quarter.

Annual Recurring Revenue

MSEK, constant currencies



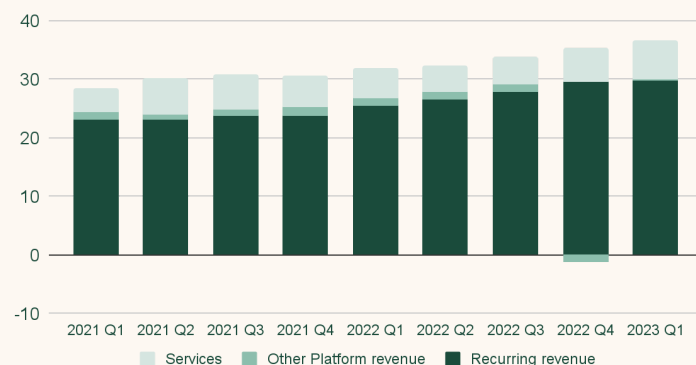
In Q1 2023, ARR in constant currencies grew by 6.7% year-over-year and 2.2% quarter-over-quarter.

Net sales

Net sales in the quarter amounted to MSEK 36.7 (32.0), +15% compared with the same period of the previous year and +8% compared with Q4 2022. Currency effects on net sales was +10% year-over-year and +1% quarter-over-quarter. There is no revenue recognized from jointly controlled companies in the quarter and for comparison quarter-over-quarter it is worth to note that Q4 2022 included a negative contribution to net sales of 1.4 MSEK.

Net sales by type

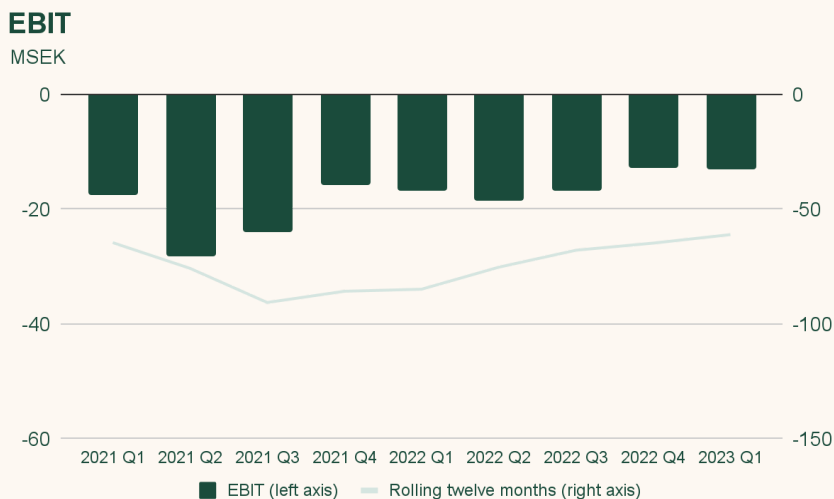
MSEK



Net sales from recurring revenue in the quarter amounted to MSEK 29.8 (25.5), +17%, and represented 81% (80%) of total net sales. Services net sales increased from MSEK 5.8 in Q4 2022 to MSEK 6.7 in Q1 2023, driven by a large order won in Q4 2022 by the acquired Carbonzero AB. Services related to BIMObject went down during the quarter.

Operating result

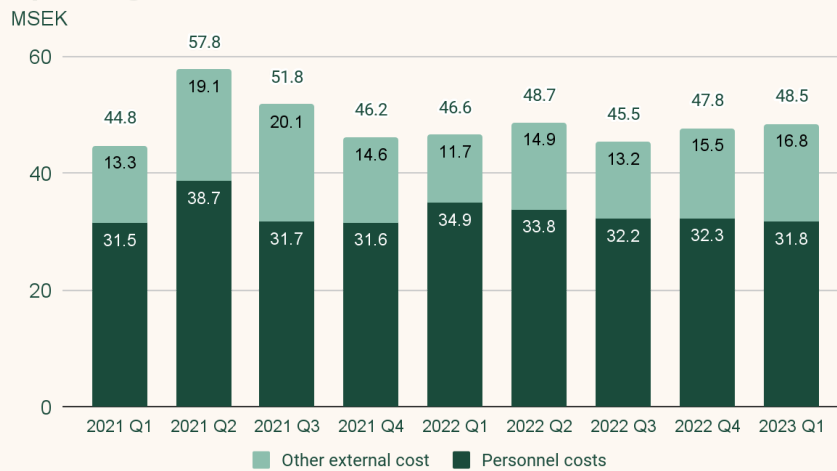
Operating result before interest and tax, EBIT, amounted to MSEK -13.0 (-16.7) during the quarter, corresponding to an EBIT margin of -35% (-52%). The improvement comes mainly from the increased revenues, favored by a successively weaker SEK, which has also generated exchange gains in other income. Quarter-over-quarter, amortization costs increased since Q4 was temporarily favored by a revised PPA for the acquisition of Carbonzero AB.



Other external costs amounted to MSEK 16.8, which is an increase both compared to the previous year and the previous quarter. The significant year-over-year increase is mainly explained by 1. the acquisition of Carbonzero AB, 2. the reorganized Services unit where production costs shifted from internal employees to consultants, and 3. the weaker SEK. Costs related to tradeshows and events were relatively high in Q1, partly it was offset by reduced advertising in general channels.

Personnel costs decreased thanks to the cost reduction program announced in Q4 2022. The announced program is largely completed and effective in Q1. Overall costs are however also affected by new initiatives/hires and the customary annual salary review, as well as the weaker SEK.

Operating costs



Cash flow, cash & cash equivalents

Cash flow from operating activities in the quarter amounted to MSEK 3.7 (-9.7). The positive cash flow in the quarter is deemed to be caused mainly by the improved processes and controls in collections. The improvement gave an extra effect on the cash flow when, on the other hand, we had particularly bad performance in the second half of 2022.

Cash and cash equivalents were MSEK 113.8 (183.9) at the end of the period. In addition, the company had short-term investments of MSEK 131.5 (114.1).

Equity & liabilities

Total equity was MSEK 232.0 (308.3) at the end of the period. The equity/assets ratio was 68% (72%) on 31 March. Interest-bearing liabilities amounted to MSEK 0.7 (0.9).

Other information

Significant events during and after the period

- Apr 21 BIMobject welcomes leading design brand Tom Dixon to bimobject.com
- May 4 BIMobject appoints Martin Lindh as permanent CEO

Warrants (incentive programmes)

The company has three active subscription warrant programs:

1. 2019/2024, expires in May 2024.
2. LTIP 2021, where the main series 1 expires in August 2024 and the smaller series 2 expires in February 2025.
3. LTIP 2022, expires in August 2025.

Full terms and conditions for warrants can be found on the Company's website <https://investors.bimobject.com>.

BIMobject AB's share

BIMobject AB is listed on Nasdaq First North Growth Market.

Earnings per share (EPS) for the quarter amounted to SEK -0.07 (-0.10). After dilution, EPS amounted to SEK -0.07 (-0.10).

The average number of shares during the quarter and year was 140,246,745. The total number of shares at the end of the quarter was 140,246,745 (140,246,745). All shares carry an equal share of votes and capital.

The table below shows BIMObject's largest shareholders at the end of the period.

Owners	Number of shares	Share of capital and votes
EQT Ventures	15,515,176	11.06%
Jan Karlander	12,855,493	9.17%
TIN Fonder	10,317,017	7.36%
Swedbank Robur Fonder	8,103,039	5.78%
Avanza Pension	8,074,256	5.76%
Nordnet Pensionsförsäkring	6,531,128	4.66%
Procedural Labs AB	5,968,976	4.26%
Svenska Handelsbanken AB for PB	2,869,076	2.05%
Johannes Reischböck	2,062,000	1.47%
Discover Capital GmbH	1,999,357	1.43%
Total ten largest owners	74,295,518	52.97%
Other shareholders	65,951,227	47.03%
Total shares	140,246,745	100.00%

Data provided by Monitor.

Employees

The number of employees in the Group on 31 Mars 2023 was 137 (169). The decrease is connected to the reorganization of Services unit in Q3 2022 as well as the new strategy announced during Q4 2022.

Parent company

The Parent Company's operating income for the quarter amounted to MSEK 12.8 (8.4) and operating costs amounted to MSEK 28.1 (29.1). The increase in income is mainly due to the centralisation project, where most invoicing for EMEA is being moved to the parent company. The result before tax for the same period was MSEK -12.6 (-19.9). Equity was MSEK 222.3 (291.7).

Forward-looking information

This report may contain forward-looking information based on management's current expectations. Although management believes the expectations expressed in such forward-looking information are reasonable, there are no assurances that these expectations will be correct.

Consequently, future outcomes may vary considerably compared to the forward-looking information due to, among other things, changed market conditions for our products and more general changes to economic, market, and competitive conditions, changes to regulatory requirements or other policy measures, and exchange rate fluctuations.

Upcoming reports

BIMobject AB prepares and publishes a financial report after the end of each quarter. Upcoming reports and events are scheduled as follows:

Report / Event	Date
Annual General Meeting	26 May 2023
Q2 Interim Report	4 August 2023
Q3 Interim Report	27 October 2023

Presentation

Shareholders, analysts and the media are welcome to a digital report presentation on 5 May 2023 14:00 (CET). The presentation will be held in English via Zoom.

To participate in the presentation please register using the following link:
https://us06web.zoom.us/webinar/register/WN_ZsoGGU39TaifJgejj517UA

Certified Adviser

FNCA Sweden AB.

Submission of interim report

Malmö, 5 May 2023

BIMobject AB

Board of Directors

For more information, please contact:

Martin Lindh, CEO

Tel: +46 40-685 29 00

E-mail: ir@bimobject.com

This information is information that BIMobject AB is obliged to publish in accordance with the EU Market Abuse Regulation. The information was provided by Martin Lindh for publication on 5 May 2023 at 08.00 CET.

Multi-year summary

	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1
ARR in constant currencies (MSEK)	106.9	109.6	110.9	111.2	116.4	117.6	119.1	121.7	124.3
Net sales (MSEK)	28.5	30.3	30.8	30.7	32.0	32.3	33.8	34.1	36.7
Net sales growth (%)	-21%	-13%	-8%	-6%	13%	7%	10%	11%	15%
Recurring revenue (MSEK)	23.2	23.0	23.8	23.8	25.5	26.5	27.9	29.6	29.8
Recurring revenue growth (%)	9%	-3%	0%	5%	10%	15%	17%	24%	17%
Recurring revenue share of net sales (%)	81%	76%	77%	78%	80%	82%	83%	87%	81%
EBITDA (MSEK)	-15.5	-25.7	-20.8	-14.0	-14.3	-15.2	-9.8	-11.9	-10.3
EBITDA (%)	-54%	-85%	-68%	-45%	-45%	-47%	-29%	-35%	-28%
Operating result (EBIT) (MSEK)	-17.7	-28.2	-24.1	-15.9	-16.7	-18.6	-16.7	-12.8	-13.0
Operating result (EBIT) (%)	-62%	-93%	-78%	-52%	-52%	-57%	-49%	-38%	-35%
Earnings per share before dilution (SEK)	-0.09	-0.21	-0.16	-0.11	-0.10	-0.13	-0.09	-0.09	-0.07
Earnings per share after dilution (SEK)	-0.09	-0.21	-0.16	-0.11	-0.10	-0.13	-0.09	-0.09	-0.07
Number of employees	156	164	171	168	169	159	143	143	137
Net sales per employee (MSEK)	0.18	0.18	0.18	0.18	0.19	0.20	0.24	0.24	0.28
Cash flow from operating activities per share (SEK)	-0.09	-0.20	-0.18	-0.16	-0.07	-0.12	-0.13	-0.14	0.03
Number of shares (thousands)	139,320	139,320	139,320	139,320	140,247	140,247	140,247	140,247	140,247

Consolidated income statement

<i>(kSEK)</i>	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Net sales	36,726	32,038	132,239
Other operating income	529	333	3,552
Total operating income	37,255	32,371	135,791
<i>Operating costs</i>			
Capitalized work for own account	975	-	1,575
Other external costs	-16,755	-11,695	-55,324
Personnel costs	-31,772	-34,937	-133,258
EBITDA	-10,297	-14,261	-51,216
Depreciation/amortization	-2,713	-2,440	-13,571
Operating result	-13,010	-16,700	-64,788
Net financial items	2,264	554	15
Result before tax	-10,746	-16,146	-64,772
Tax	87	1,493	1,339
Result for the period	-10,659	-14,653	-63,434

Attributable to:

Shareholders of the Parent company	-9,250	-14,185	-57,434
Non-controlling interests	-1,409	-468	-6,000

Other information

Earnings per share, before dilution (SEK)	-0.07	-0.10	-0.41
Earnings per share, after dilution (SEK)	-0.07	-0.10	-0.41

Consolidated balance sheet

<i>(kSEK)</i>	Mar 31 2023	Mar 31 2022	Dec 31 2022
ASSETS			
<i>Non-current assets</i>			
Intangible non-current assets	45,350	83,419	46,831
Tangible non-current assets	659	973	637
Financial non-current assets	5,015	5,611	5,118
Total non-current assets	51,024	90,003	52,587
<i>Current assets</i>			
Accounts receivable	35,988	36,477	40,514
Other current receivables	2,577	1,298	2,596
Prepaid expenses and accrued income	5,009	4,646	5,500
Short-term investments	131,452	114,054	139,400
Cash and cash equivalents	113,838	183,863	100,917
Total current assets	288,864	340,339	288,927
TOTAL ASSETS	339,889	430,342	341,514
EQUITY AND LIABILITIES			
Equity attributable to shareholders of the Parent company	216,169	271,423	225,097
Non-controlling interests	15,868	36,838	17,277
Total equity	232,037	308,261	242,374
Provisions	5,019	21,211	5,106
Non-current liabilities	706	653	704
<i>Current liabilities</i>			
Accounts payable	2,016	3,525	2,600
Other current liabilities	5,856	9,656	7,007
Accrued expenses and deferred income	94,256	87,036	83,722
Total current liabilities	102,127	100,216	93,329
TOTAL EQUITY AND LIABILITIES	339,889	430,342	341,514

Consolidated statement of changes in equity

(kSEK)	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Opening balance	242,374	282,065	282,065
Directed share issue	-	4,014	4,014
Minority interest acquisition	-	37,306	23,277
Subscription warrants	-	46	1,265
Share related remunerations	220	270	780
Translation differences	102	-787	-5,593
Result for the period	-10,659	-14,653	-63,434
Balance at end of period	232,037	308,261	242,374
Attributable to shareholders of the Parent company	216,169	271,423	225,097
Attributable to non-controlling interests	15,868	36,838	17,277

Consolidated cash flow statement

(kSEK)	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
<i>Operating activities</i>			
Result before tax items	-10,746	-16,146	-64,772
Adjustments for non-cash items	759	3,107	13,953
Tax paid	-3	-7	11
Cash flow from operating activities before changes in working capital	-9,990	-13,046	-50,808
Changes in net working capital	13,677	3,310	-14,122
Cash flow from operating activities	3,687	-9,737	-64,930
<i>Investing activities</i>			
Acquisition of subsidiary	-	414	430
Change in intangible non-current assets	-975	-	-1,575
Change in tangible non-current assets	-58	-174	-313
Change in financial non-current assets	-	7	77
Change in short-term investments	10,000	-40,000	-70,000
Cash flow from investing activities	8,967	-39,752	-71,382
<i>Financing activities</i>			
Directed share issue and subscription warrants	-	46	1,275
New external loan/repayment	-54	-52	-208
Cash flow from financing activities	-54	-6	1,068
Cash flow for the period	12,600	-49,494	-135,244
Cash and cash equivalents at beginning of period	100,917	233,221	233,221
Exchange rate effects	321	136	2,939
Cash and cash equivalents at end of period	113,838	183,863	100,917

Supplementary disclosures to cash flow statement

Interest paid, net	13	-33	48
<i>Items not affecting cash</i>			
Reversal of depreciation	2,713	2,440	13,571
Write-down of accounts receivable	295	842	1,896
Write-down of short-term investments	-2,053	-36	4,512
Result from short-term investments	-	-	107
Provisions	16	91	-1,125
Unrealised exchange rate differences and accrued interest income	-213	-229	-5,008
Total items not affecting cash	759	3,107	13,953

Parent company income statement

<i>(kSEK)</i>	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Operating income	12,753	8,402	67,238
Total operating income	12,753	8,402	67,238
<i>Operating costs</i>			
Other external costs	-11,541	-10,271	-41,859
Personnel costs	-16,507	-18,617	-72,632
Depreciation/amortization	-35	-240	-4,168
Operating result	-15,331	-20,726	-51,421
Net financial items	2,685	869	-26,628
Result before tax	-12,646	-19,857	-78,049
Tax	-	-	-
Result for the period	-12,646	-19,857	-78,049

Parent company balance sheet

(kSEK)	Mar 31 2023	Mar 31 2022	Dec 31 2022
ASSETS			
Intangible non-current assets	-	3,792	-
Tangible non-current assets	270	282	249
Financial non-current assets	25,685	67,162	25,104
Total non-current assets	25,954	71,237	25,353
Accounts receivable	19,093	7,789	17,024
Receivables, Group companies	11,425	11,963	25,474
Other current receivables	1,679	70	1,674
Prepaid expenses and accrued income	3,584	3,623	3,919
Short-term investments	131,452	114,054	139,400
Cash and cash equivalents	85,438	137,334	65,106
Total current assets	252,671	274,834	252,596
TOTAL ASSETS	278,625	346,071	277,949
EQUITY AND LIABILITIES			
Restricted equity	1,543	1,543	1,543
Unrestricted equity	220,787	290,155	233,433
Total equity	222,330	291,698	234,975
Provisions	-	14,600	-
Accounts payable	635	2,004	1,090
Liabilities, Group companies	1,091	3,173	1,156
Other current liabilities	2,732	3,474	3,322
Accrued expenses and deferred income	51,838	31,121	37,405
Total current liabilities	56,295	39,773	42,974
TOTAL EQUITY AND LIABILITIES	278,625	346,071	277,949

Notes

Accounting and valuation principles

This interim report has been prepared in accordance with the Swedish Annual Accounts Act. The accounting and valuation policies applied follow the Swedish Accounting Standards Board's BFNAR 2012:1 (K3) and are unchanged since the latest published annual report.

Amounts are reported in Swedish kronor and rounded to the nearest thousand unless otherwise stated. Amounts and figures stated in brackets are comparatives for the corresponding period of the previous year, unless otherwise stated.

The registered Parent Company is BIMobject AB.

Auditor's review

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

Risks and uncertainties

BIMobject is, through its operations, exposed to common business and financial risks. These risks are described in detail in the latest annual report.

Transactions with related parties

Any transactions with related parties have been conducted on market terms.

Definitions

Annual Recurring Revenue (ARR)

The annual contract value of all active subscription contracts per the first day of the next quarter, using the exchange rate on the last working day of the quarter. For better quarter-over-quarter comparisons, all previous quarters are calculated using the same exchange rate as the current quarter.

Cash flow from current operations per share

Cash flow from current operations divided by the average number of shares outstanding. Allows readers of financial reports to compare cash flow from current operations per share.

EBITDA

Operating result before depreciation on tangible and intangible non-current assets. The purpose is to assess the Group's operational activities. EBITDA is a supplement to operating result (EBIT).

Growth in net sales

The measure shows %-growth in net sales compared to the same period during previous year.

Operating result, EBIT

Operating result according to the income statement.

Operating margin, EBIT (%)

Operating result in relation to net sales.

Platform Revenue

Consists of subscription fees, advertising fees and joint venture license fees for our platforms bimobject.com, polantis.com, and prodikt.com.

Recurring Revenue

Revenue of annual recurring nature, referring to subscription revenue within our Platform business that is based on contracts with manufacturers publishing their products on bimobject.com, polantis.com and prodikt.com. Recurring revenue comprises the main part of Platform net sales.

Services Revenue

Consists of revenue from services provided to our customers, such as projects for creating BIM objects, as well as revenue from service sold as a recurring maintenance service.