

BIMobject AB

Interim Report: Jul – Sep 2020.

Financial summary

- Net sales of MSEK 33.6 (35.8), -6%. Platform net sales of MSEK 26.1 (22.0), +19%.
- EBITDA of MSEK -7.0 (-23.1), corresponding to an EBITDA margin of -21% (-64%).
- Basic earnings per share amounted to SEK -0.08 (-0.19).
- Group cash flow* from operating activities of MSEK -9.3 (-33.3).
- The accumulated number of users in thousands increased by 28% to approximately 2,127 (1,667).
- The accumulated number of downloads amounted to 66.5 million (44.5).
- The number of brands amounted to 1,965 (1,615).

Significant events during the period

- Directed share issue of MSEK 304 to a group of Nordic and European institutional investors.
- Christophe Carvenius was appointed Chief Product Officer. Ben O'Donnell and Åsa Gylling Hallén left the management team.

Significant events after the period

No significant events to report.

* Current investments have after a change in assessment been separated from cash and cash equivalents in the cash flow statement. All key ratios have been restated.

CEO's comments

Sticking to our plan.

In a tough global macro environment, we keep executing on our plan to build a great, global SaaS company.

With political and economical turbulence in many of our main markets, we keep our head down and focus on the task at hand. We're committed to building a global marketplace for the construction industry, connecting building designers and other AECO (Architecture, Engineering, Construction and Owners) stakeholders worldwide with building product manufacturers.

The themes for this year have been to 1) build an attractive platform, 2) strengthen commercial execution and 3) to return the company to a strong financial position. In the third quarter, we kept making strong progress on all these fronts despite economic headwinds.

An attractive platform that keeps growing

Revenues for our Platform business grew by 19% to MSEK 26.1. In October, a product was downloaded every second, 24x7, on bimobject.com - a record fuelled by both accelerated digitalisation of our industry and large improvements to our product search experience. Other KPIs, such as new user registrations and monthly active users also developed favorably.

In the quarter, we continued the rollout of our new pricing model to new and existing customers. As most customers are on annual contracts, it's an ongoing effort where many renewals take place late Q4 and early Q1. We are confident in the increasing value of our platform - through user growth, ongoing product innovation and a systematic commitment to customer success.

On the product side, we kept improving core functionality such as the bimobject.com end user experience and Insights, the analytics module for customers. This quarter we also launched a new feature for on-platform promotions, Promoted Products, which allows customers to pay to rank at the top of search results in a certain product category and market.

Strong financial position - continued commercial transformation

Financially, BIMobject is now in a very strong position. With the directed share issue carried out in the quarter, we now have over MSEK 400 in cash and short-term investments, as well as a strong, institutional investor base. The cost reduction program initiated in Q2,

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targeting a cost reduction of MSEK 50 compared to 2019, is on track and we are confident in reaching our goal.

As for our commercial transformation, a new European Customer Success Team is now in place in Malmö, as well as a regional Prospecting Team of sales development representatives building a pipeline with support from digital marketing. This allows us to operate at scale and build deeper excellence in these key functions. We are also rolling out a new brand identity and redesigned websites in Q4.

Still there are areas we need to keep addressing - we are not satisfied with the sales performance in some European countries, there are local hotspots of churn and our sales of Services are not performing satisfactorily.

Macro uncertainty clouding Q4 visibility

At the outset of the year, the company set three goals for 2020 - to achieve 40% growth in annual recurring revenue, an increase of 500 manufacturers (now referred to as brands) and a strong increase in the number of users.

While we have clearly delivered on the user goal, it is also clear that given the resurgence of COVID-19 in Europe and USA, customer sentiment will be muted in our most important quarter of the year. This will make it very hard to reach the ARR and brand growth goals for 2020. On the other hand, it also fortifies the long-term value of the platform, as virtually all physical trade shows are now cancelled.

Regardless of how the economic turbulence plays out these final weeks of 2020, our ambitions remain high, and we won't rest until we reach them. Construction and buildings still account for 40% of energy and process-related CO2 emissions, and our world still urgently needs BIM so that we can build smarter and greener.

Carl Silbersky
CEO

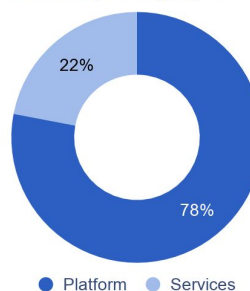
Financial summary.

	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3
Net sales (MSEK)	28.0	38.9	32.7	34.4	35.8	31.2	35.8	34.8	33.6
Platform net sales (MSEK)	13.5	16.3	21.5	23.4	22.0	22.1	23.8	26.2	26.1
EBITDA (MSEK)	-25.2	-32.9	-28.3	-33.3	-23.1	-38.8	-23.3	-14.6	-7.0
EBITDA (%)	-90%	-85%	-86%	-97%	-64%	-125%	-65%	-42%	-21%
EBITA (MSEK)	-26.7	-34.3	-30.2	-34.4	-24.4	-40.8	-24.8	-16.1	-8.4
EBITA (%)	-95%	-88%	-92%	-100%	-68%	-131%	-69%	-46%	-25%
Operating profit/loss (EBIT) (MSEK)	-26.8	-34.4	-30.3	-34.5	-25.2	-42.6	-25.7	-17.0	-9.2
Operating profit/loss (EBIT) (%)	-96%	-88%	-93%	-100%	-70%	-137%	-72%	-49%	-27%
Profit/Loss per share before dilution (kr)	-0.22	-0.28	-0.23	-0.29	-0.19	-0.36	-0.22	-0.16	-0.08
Profit/Loss per share after dilution (kr)	-0.22	-0.28	-0.23	-0.29	-0.19	-0.36	-0.22	-0.16	-0.08
Cash flow from operating activities (MSEK)	-14.1	-21.3	-24.6	-28.4	-33.3	-30.8	-13.6	-4.2	-9.3

Net sales



Net sales by category Q3 2020

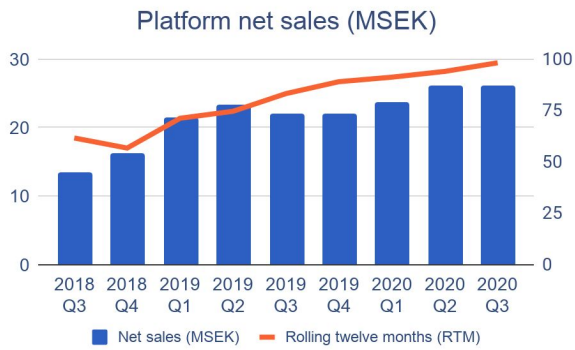


Net sales in the third quarter 2020 amounted to MSEK 33.6 (35.8), -6% compared with the same period the previous year. Our Services business had another weak quarter in the wake of COVID-19, as customers postponed their new BIM content development projects. As a consequence, Platform net sales constituted a record 78% (62%) of total sales. The growth of Platform as a share of net sales is a long-term trend.

To address the continued weak development in Services, we have integrated Services with Customer Success, and will reshape our delivery and pricing of BIM content development in Q4.

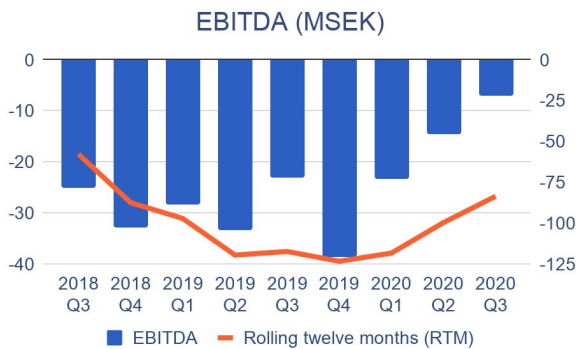


The quarter-to-quarter variation in net sales by region is mainly driven by variations in our Services business. In the quarter, net sales of Services were particularly weak in North America. Year-over-year, all regions showed a decline in net sales of Services.

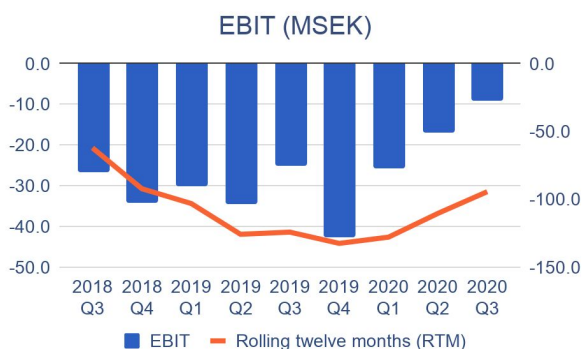


Platform net sales amounted to MSEK 26.1 (22.0), resulting in a year-on-year net sales growth of 19%. Annual recurring revenue (ARR) at the end of the period stood at MSEK 104.6 (88.1).

Operating income



Operating income before depreciation, EBITDA, amounted to MSEK -7.0 (-23.1) during the quarter, corresponding to an EBITDA margin of -21% (-64%). The operating income has been impacted by a decrease in operating expenses, resulting from the cost reduction program initiated in April.



During the third quarter 2020, operating income, EBIT, amounted to MSEK -9.2 (-25.2), corresponding to an EBIT margin of -27% (-70%).

Cost split



Personnel costs and other external costs decreased both compared to the previous year and the previous quarter. The cost reduction program initiated in April had a direct effect on other costs, with the single largest contributor being a significant reduction in spend on external consultants. The effect on personnel costs is somewhat more delayed, which can also be seen in the quarter-to-quarter comparison.

Cash flow, cash & cash equivalents

Cash flow from operating activities amounted to MSEK -9.3 (-33.3). The improvement mainly comes from a decrease in costs and government support programs related to COVID-19. The cash flow effect from COVID-19-related deferrals in working capital amounts to approximately MSEK 3.5.

Cash and cash equivalents were MSEK 363.5 (122.9) at the end of the period. Net contribution in the quarter from the direct share issue amounted to MSEK 293.1. Cash and cash equivalents also include effects from governmental loans related to COVID-19 support programs of MSEK 5.5.

In addition to cash and cash equivalents, current investments amounted to MSEK 44.0 (50.5) at the end of the period.

Equity & liabilities

Equity was MSEK 390.9 (192.3) at the end of the period. The equity/assets ratio was 79% (71%) on 30 September. Interest-bearing liabilities amounted to MSEK 8.2 (4.0) at the end of the period.

Other information.

Warrants (incentive programmes)

The company has three active stock option programs. The first program, 2018/2021, expires in June 2021. The second programme, 2019/2024, expires in May 2024. The third program, 2020/2025, expires in May 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 Q3 amounted to SEK -0.08 (-0.19). After dilution, EPS amounted to SEK -0.08 (-0.19).

The average number of shares during the quarter was 126,102,293. The total number of shares at the end of the quarter was 139,319,684 (120,319,684). All shares carry an equal share of votes and capital.

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

	Number of shares	Share of capital and votes
Solar A/S	20,700,000	14.9%
EQT Ventures	15,515,176	11.1%
IKC Fonder	10,335,983	7.4%
Swedbank Robur Fonder	9,100,000	6.5%
Procedural Labs AB*	8,891,800	6.4%
Total five largest owners	64,542,959	46.3%
Other shareholders	74,776,725	53.7%
Total shares	139,319,684	100%

**Procedural Labs AB is 100 percent owned by Stefan Larsson, board member.*

Employees

The number of employees in the Group on 30 September 2020 was 169 (218).

Parent company

The Parent Company's net sales for Q3 2020 amounted to MSEK 13.3 (11.0) and the loss before tax for the same period was MSEK -11.9 (-24.1). The increase in sales relates to Platform sales and accrual of internal transactions. Services revenue in the Nordics was significantly weaker than the previous year. Equity was MSEK 423.2 (220.9). The Parent Company's equity/assets ratio was 92% (88%).

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 are scheduled as follows:

Report	Date
Q4 2020	February 12, 2021
Q1 2021	May 4, 2021
AGM	May 4, 2021

Presentation

Analysts, investors and the media are invited to participate in the presentation at 14.00 CET on 13 November 2020 via <https://tv.streamfabriken.com/bimobject-q3-2020>.

Certified Adviser

FNCA Sweden AB.

Submission of interim report

Malmö, 13 November 2020

BIMobject AB

Board of Directors

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This information is information that BIMobject AB is obliged to publish in accordance with the EU Market Abuse Regulation. The information was provided by Carl Silbersky for publication on 13 November 2020 at 08.30 CET.

Multi-year summary.

	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3
Invoiced (MSEK)	23.1	57.2	29.4	33.5	29.2	60.5	28.6	27.4	26.4
Net sales (MSEK)	28.0	38.9	32.7	34.4	35.8	31.2	35.8	34.8	33.6
Net sales growth (%)	83%	3%	52%	33%	28%	-20%	10%	1%	-6%
Platform net sales (MSEK)	13.5	16.3	21.5	23.4	22.0	22.1	23.8	26.2	26.1
Platform net sales growth (%)	46%	-23%	204%	17%	64%	36%	10%	12%	19%
Platform share of net sales (%)	48%	42%	66%	68%	62%	71%	66%	75%	78%
EBITDA (MSEK)	-25.2	-32.9	-28.3	-33.3	-23.1	-38.8	-23.3	-14.6	-7.0
EBITDA (%)	-90%	-85%	-86%	-97%	-64%	-125%	-65%	-42%	-21%
EBITA (MSEK)	-26.7	-34.3	-30.2	-34.4	-24.4	-40.8	-24.8	-16.1	-8.4
EBITA (%)	-95%	-88%	-92%	-100%	-68%	-131%	-69%	-46%	-25%
Operating profit/loss (EBIT) (MSEK)	-26.8	-34.4	-30.3	-34.5	-25.2	-42.6	-25.7	-17.0	-9.2
Operating profit/loss (EBIT) (%)	-96%	-88%	-93%	-100%	-70%	-137%	-72%	-49%	-27%
Profit/Loss per share before dilution (SEK)	-0.22	-0.28	-0.23	-0.29	-0.19	-0.36	-0.22	-0.16	-0.08
Profit/Loss per share after dilution (SEK)	-0.22	-0.28	-0.23	-0.29	-0.19	-0.36	-0.22	-0.16	-0.08
Number of employees	175	206	194	212	218	203	200	178	169
Net sales per employee (MSEK)	0.16	0.19	0.17	0.16	0.16	0.15	0.18	0.20	0.20
Cash flow from operating activities per share (SEK)	-0.12	-0.18	-0.20	-0.24	-0.28	-0.26	-0.11	-0.03	-0.07
Number of shares (thousands)	120,320	120,320	120,320	120,320	120,320	120,320	120,320	120,320	139,320

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Consolidated income statement (TSEK).

	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Jan-Dec 2019
Net sales	33,623	35,793	104,225	102,901	134,058
Work performed by the Company and capitalised	-	11	225	2,778	3,477
Other operating income	587	601	4,461	2,355	2,790
Total operating income	34,210	36,406	108,912	108,034	140,325
<i>Operating expenses</i>					
Other external expenses	-13,914	-24,150	-53,106	-83,422	-112,035
Personnel costs	-27,282	-35,315	-100,726	-109,260	-151,747
Depreciation/amortisation	-2,258	-2,149	-7,027	-5,321	-9,108
Operating profit/loss after depreciation/amortisation	-9,244	-25,207	-51,947	-89,969	-132,565
Net financial items	-461	2,536	-3,714	3,866	731
Profit/loss after financial items	-9,704	-22,671	-55,661	-86,104	-131,835
Tax	-43	-122	13	-239	4,248
Profit/Loss for subsidiaries before acquisition	-	-	-	1,618	-
Profit/loss for the period	-9,748	-22,793	-55,648	-84,725	-127,586

Consolidated balance sheet (TSEK).

	Sep 30 2020	Sep 30 2019	Dec 31 2019
ASSETS			
<i>Fixed assets</i>			
Intangible assets	38,376	42,669	42,445
Tangible assets	3,592	5,436	5,070
Other non-current receivables	6,068	2,384	6,526
Total fixed assets	48,035	50,488	54,041
<i>Current assets</i>			
Accounts receivable	29,161	38,330	65,609
Other current receivables	2,886	1,862	3,652
Prepaid expenses and accrued income	4,560	7,904	5,403
Current investments	44,008	50,511	46,698
Cash and cash equivalents	363,509	122,926	95,609
Total current assets	444,124	221,533	216,970
TOTAL ASSETS	492,159	272,021	271,011
EQUITY AND LIABILITIES			
Equity	390,926	192,261	152,194
Total equity	390,926	192,261	152,194
Provisions	6,507	3,309	8,185
Non-current liabilities	7,466	3,745	3,401
<i>Current liabilities</i>			
Accounts payable	6,476	6,073	7,882
Other current liabilities	17,707	11,573	13,281
Accrued expenses and deferred income	63,077	55,060	86,069
Total current liabilities	87,260	72,707	107,232
TOTAL EQUITY AND LIABILITIES	492,159	272,021	271,011

Consolidated statement of changes in equity (TSEK).

	Jan-Sep 2020	Jan-Sep 2019	Jan-Dec 2019
Opening balance	152,194	279,531	279,531
Employee warrants issued	3	306	968
Directed share issue	304 000	-	-
Issuance costs	-10 890	-	-
Translation differences	1,268	-2,852	-719
Profit/loss for the period	-55,648	-84,725	-127,586
Balance at end of period	390,926	192,261	152,194

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Consolidated cash flow statement (TSEK).

	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Jan-Dec 2019
<i>Operating activities</i>					
Profit/loss after financial items	-9,704	-22,671	-55,661	-86,104	-131,835
Adjustments for non-cash items	2,195	-665	11,279	1,419	13,560
Tax paid	184	-162	252	-279	-1,746
Cash flow from operating activities before changes in working capital	-7,325	-23,498	-44,131	-84,964	-120,021
Changes in net working capital	-1 997	-9 752	17 041	-1 340	2 988
Cash flow from operating activities	-9,322	-33,250	-27,089	-86,304	-117,033
<i>Investing activities</i>					
Acquisition value subsidiary	-	-	-	-24,537	-24,537
Investment in intangible assets	-1,072	-	-1,297	-2,451	-2,451
Change in tangible assets	-16	-886	-562	-1,318	-1,206
Change in financial assets	-5	430	-257	-202	-68
Sales value of current investments	-	2,700	-	7,168	10 963
Cash flow from investing activities	-1,004	2,244	-2,116	-21,340	-17,299
<i>Financing activities</i>					
Directed share issue and employee warrants	293,110	47	293,113	306	968
New external loan/repayment	-93	-429	4,772	-615	-1,395
Cash flow from financing activities	293,017	-382	297,884	-309	-428
Cash flow for the period	282,691	-31,388	268,769	-107,953	-134,759
Cash and cash equivalents at beginning of period	81,009	154,036	95,609	230,059	230,059
Exchange rate effects	-191	278	-869	820	310
Cash and cash equivalents at end of period	363,509	122,926	363,509	122,926	95,609

Supplementary disclosures to cash flow statement

Interest paid, net	-47	-48	-95	-153	-102
<i>Items not affecting cash</i>					
Reversal of depreciation	2,258	2,149	7,027	5,321	9,108
Write-down of accounts receivable	-382		-437	-417	3,989
Write-down of current investments	-620	59	2,690	650	548
Result from current investments	-	102		350	470
Provisions	56	436	-901	-306	281
Unrealised exchange rate differences and accrued interest income	883	-3,411	2,899	-4,179	-836
Total items not affecting cash	2,195	-665	11,279	1,419	13,560

Parent company income statement (TSEK).

	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Jan-Dec 2019
Operating income	13,307	10,993	42,080	30,514	57,330
Total operating income	13,307	10,993	42,080	30,514	57,330
<i>Operating expenses</i>					
Other external expenses	-13,420	-21,983	-47,255	-69,899	-98,207
Personnel costs	-11,537	-12,887	-41,368	-42,085	-59,696
Depreciation/amortisation	-200	-208	-687	-855	-1,219
Operating profit/loss after depreciation/amortisation	-11,850	-24,085	-47,230	-82,325	-101,792
Net financial items	-22	2,943	-3,133	4,914	-16,676
Profit/loss after financial items	-11,872	-21,142	-50,363	-77,411	-118,468
Tax	-	-	-	-	-
Profit/loss for the period	-11,872	-21,142	-50,363	-77,411	-118,468

Parent company balance sheet (TSEK).

	Sep 30 2020	Sep 30 2019	Dec 31 2019
ASSETS			
<i>Fixed assets</i>			
Intangible assets	1,072	104	-
Tangible assets	1,149	1,981	1,879
Financial assets	61,599	54,310	47,483
Total fixed assets	63,820	56,395	49,362
<i>Current assets</i>			
Accounts receivable	21,512	21,694	46,873
Other current receivables	537	12,799	1,563
Prepaid expenses and accrued income	5,796	7,390	4,781
Current investments	44,008	50,511	46,698
Cash and cash equivalents	324,456	100,966	75,760
Total current assets	396,310	193,360	175,675
TOTAL ASSETS	460,130	249,755	225,037
EQUITY AND LIABILITIES			
<i>Equity</i>			
Restricted equity	1,533	1,324	1,324
Unrestricted equity	421,714	219,569	179,173
Total equity	423,247	220,893	180,497
<i>Current liabilities</i>			
Accounts payable	7,447	5,617	9,322
Other current liabilities	9,842	4,101	3,905
Accrued expenses and deferred income	19,594	19,144	31,312
Total current liabilities	36,883	28,862	44,540
TOTAL EQUITY AND LIABILITIES	460,130	249,755	225,037

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.

Significant events after the reporting period

None.

Definitions.

Annual Recurring Revenue

The recurring revenue, in the last month of the quarter, recalculated to a 12-month period. The measure indicates the value of recurring revenue during the coming 12 months based on revenue from existing customers at the end of the period. The measure is also important for industry comparisons.

Brands

Unique brands as listed on bimobject.com. Regional subsidiaries are counted as individual brands when separated by the customer, e.g. because of having different product ranges.

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.

EBITA

Operating income before depreciation of acquired intangible fixed assets.

EBITDA

Operating income before depreciation on tangible and intangible fixed assets. The purpose is to assess the Group's operational activities. EBITDA is a supplement to operating income.

Growth in net sales

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

Invoiced

Net sales plus change in deferred income and income invoiced but not accrued, adjusted for translation differences.

Number of shares outstanding

The number of registered shares less any repurchased shares at the balance sheet date. The measure is mainly used for calculation of key ratios. The Group did not own any of its own shares during any of the reporting periods.

Operating income, EBIT

Operating income according to the income statement.

Operating margin, EBIT (%)

Operating income in relation to net sales.

Platform

Consists of recurring revenue, including subscription fees and licence fees on the BIMobject platform.

Previously reported as “Web Services”.

Recurring revenue

Revenue of annual recurring nature, referring to revenues from our Platform business.

Services

Consists of revenue from projects relating to the creation of BIM objects and other revenue that is not recurring, such as marketing programs. Previously reported as “Projects”.