



Admicom Oyj

Building sustainable future together

Q1-Q3 results
October 5, 2023

Petri Kairinen, CEO

| Agenda

- Refreshed strategy from ERP to Contech
- Q3 highlights and Admicom financials
- Market situation
- Strategy execution



| Admicom Purpose & Vision

Purpose

Building sustainable future together

Vision

First choice of partner in the European construction software ecosystem



Strategic vision:

”First choice of partner in the European construction software ecosystem”

Multi-sector ERP- software in Finland

- Limited capability for international expansion

Construction technology for building ecosystem in Finland

- Comprehensive portfolio & focus to data flow and insights from data

Construction technology for building ecosystem internationally

- SME focused challenger for global players

Focus for Growth

Accelerated Growth

| Highlights from Q3

- New sales on satisfactory level considering market environment
 - Considerable success especially within smaller customers
- Market situation has continued to be weak with increased churn especially following insolvencies
- Extra focus paid into sales effectiveness, churn prevention and cost control
- Sales organizations of Tocoman and Kotopro merged together
- New cost estimation software aimed for SMEs launched in September
- Satu Helamo to start as new Chief Financial Officer from 9.10.



| Key figures of January - September 2023

Recurring revenue growth
(Comparable organic RR growth)

14.7%

(12.2% *)

EBITA

39.3%

(46.1%)

ARR, MEUR

32.7

(29.6)

Revenue growth

10.8%

(27.2%)

Gross churn 9/2023

10.6%

(12/2022: 7.7%)

Recurring revenue of total
revenue

93%

(88%)

Key financials of Q3 2023

ADMICOM GROUP	1-9/'23	1-9/'22	Change-%	7-9/'23	7-9/'22	Change-%
Revenue, kEUR	26 127	23 576	10.8%	8 502	8 039	5.8%
EBITDA, kEUR	10 357	11 166	-7.2%	3 762	3 806	-1.2%
<i>% of revenue</i>	<i>39.6%</i>	<i>47.4%</i>		<i>44.2%</i>	<i>47.3%</i>	
Comparable organic recurring revenue, kEUR	22 835	20 358	12.2%	7 843	7 171	9.4%
<i>% of revenue</i>	<i>87.4%</i>	<i>86.4%</i>		<i>92.3%</i>	<i>89.2%</i>	
EBITA, kEUR	10 269	10 867	-5.5%	3 727	3 726	0.0%
<i>% of revenue</i>	<i>39.3%</i>	<i>46.1%</i>		<i>43.8%</i>	<i>46.3%</i>	
Operating profit, kEUR	8 103	9 021	-10.2%	3 004	2 925	2.7%
<i>% of revenue</i>	<i>31.0%</i>	<i>38.3%</i>		<i>35.3%</i>	<i>36.4%</i>	
Profit for the period, kEUR	5 862	6 736	-13.0%	2 194	2 139	2.6%
<i>% of revenue</i>	<i>22.4%</i>	<i>28.6%</i>		<i>25.8%</i>	<i>26.6%</i>	
Earnings per share, EPS	1.18	1.35	-13.0%	0.44	0.43	2.6%
Number of employees at the end of the period	263	238		263	238	
ARR, MEUR	32.7	29.6	10.2%	32.7	29.6	10.2%



| Key figures change by quarter

	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Revenue growth	+30%	+27%	+12%	+15%	+6%
Organic new sales	+9%	+8%	+5%	+2%	+5%
Annual adj. fees	+3%	+1%	+0%	+7%	+1%
Acquisitions	+18%	+18%	+7%	+6%	0%
EBITDA-%	47%	37%	37%	38%	44%
Change from the comparison period in percentage points	-6	-5	-8	-11	-3

Market situation in the construction sector

- The outlook for construction sector in Finland continues to be weak

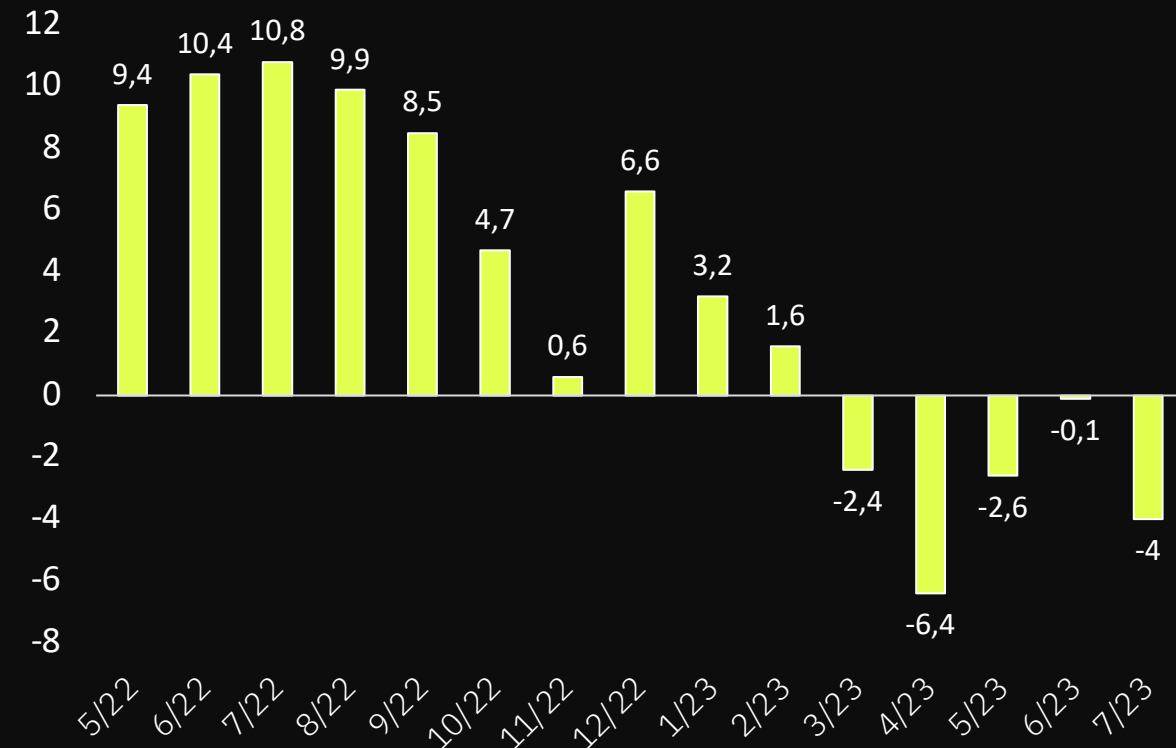
- Insolvencies increasing significantly
- New construction building starts stopped
- Government starting to react
- Stabilizing interest rates should open up demand

- Impacts for software sector

- Customers more cautious and financials tight
- Churn increasing, volumes & usage decreasing
- Cost efficiency, estimate accuracy, agility and realtime visibility increasingly important

M&A valuations decrease, but activity remains

Construction sector revenue trends *



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Our North Star is the moonshot we aim for

Our building ecosystem **customers are +25% more productive** than their peers

Superior customer experience is the result of seamless connection of software with value add services

Comprehensive data platform with AI:

• Innovative, but simple to use solutions utilize data and AI to produce tangible benefits

2030:
100 MEUR
ARR

Best workplace known for raising and training people and transparent culture

• **Present in numerous markets:** synergies from construction industry specific operating procedures, ecosystem and solutions



Three principles guide us towards the North Star

2023-2024 Focus for Growth

2024-> Accelerated Growth

Winning customer experience

Customer centricity as a strategic advantage

Bringing the ecosystem to the client. Closeness with value-add services.

Simple innovations

Increasing speed and agility of product development and management

Data-driven comprehensive portfolio. Competitive edge from scale.

Transparently agile

Speed from focus and transparency, shared culture and embracing change

Agile operating model, strong procedures and concepts across markets

| “Focus for Growth” means strengthening our base

Concrete steps taken already

- Clarifying operating model and governance
- Growth investments into joint operating practices
- Deinvestment of non-standard Lakeus accounting clients
- R&D investment of abt 1 MEUR for 2023
- R&D moved to fully agile
- Two new products launched
- Sales & marketing aligned
- Aligning incentives for cross-sell
- First international pilot ongoing



| “Focus for Growth” means strengthening our base

Next steps during 2023

- Joint brand and culture finalized
- Product suite vision in effect
- International go-to-market planning
- AI strategy and first implementations
- Open up for further M&A

Short Term Priorities

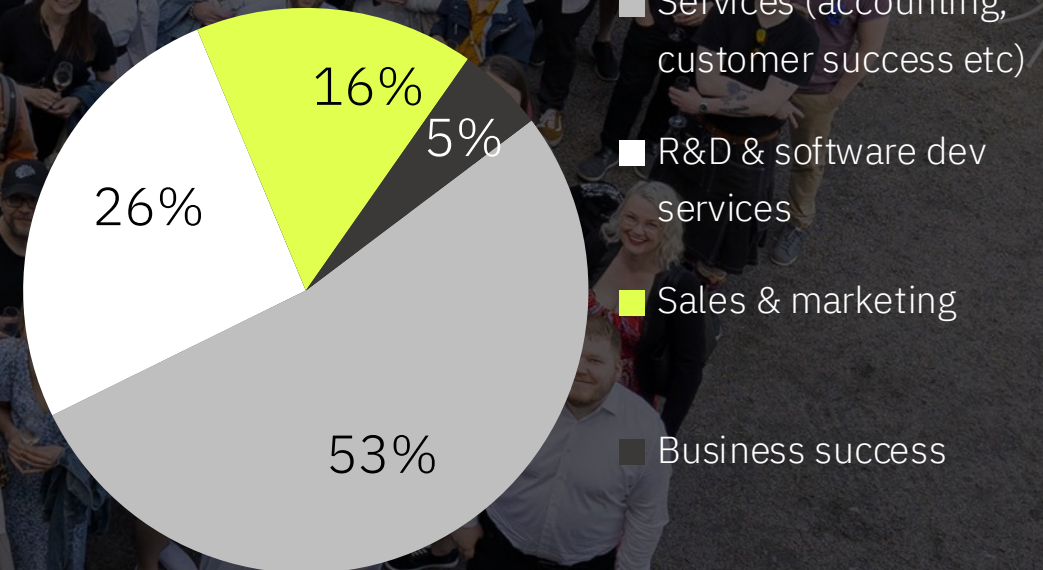
- Efficient sales
- Churn prevention
- Cost control



| Admicomunity making the growth happen

263 employees

- Investments into personnel
 - in order to develop customer success, product management and accounting services
- Headcount decrease during Q3 from 275 to 263
- Only targeted recruitments to build the winning team
- Employee NPS Q3/2023: 31 (Overall feeling 4.2 on a scale of 1-5)



| Outlook 2023

Themes affecting revenue growth and profitability

Growth drivers:

- + New and expansion sales, cross-selling and annual pricing adjustments
- + M&A supported recurring revenue growth in H1'2023
- Economic downturn causes uncertainty to new sales and churn
- Use of Aitio's R&D resources for the Group's internal R&D-projects impacts the revenue growth by approx. -2% y/y
- Discontinued non-strategic accounting business impacts the revenue growth approx. -1.5% y/y

Profitability drivers:

- + Recurring revenue growth and annual pricing adjustments
- Strategic OPEX investments in CS-, R&D- and S&M-organizations and new products, and strategy implementation weaken the profitability in the short term
- Structural changes (M&A and Aitio) weaken the relative profitability

Comparable recurring revenue
growth 2023

8-15%

(FY22 comparable recurring
revenue 27.3 MEUR)

ERP ♥

EBITA 2023

35-40%

(FY22 EBITA-% 43.4%)



| Admicom investment highlights

1. Firm foundation to build on

2. Huge long-term potential in ConTech

3. Comprehensive cloud SaaS -suite

4. Solid financials and governance

Vision

First choice of partner
in the European
construction software
ecosystem.

Ambition

100

MEUR ARR

by 2030





admicom

Thank you! Questions please!

investors.admicom.fi



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