

SmartCraft ASA (SMCRT) – Third quarter 2021 financial results

10 November 2021 – SmartCraft ASA today reported its results for the third quarter 2021, ending the period with annual recurring revenue (ARR) of NOK 259.9 million, 50 percent higher than in Q3 2020. Revenue in the third quarter was 72.2 million, a growth of 49 percent. Organic growth in recurring revenue was 17 percent compared to Q3 2020, whereas organic growth in total revenue was 14 percent.

“We continue our efforts to simplify business for construction companies through efficient Software-as-a-Service solutions, and the third quarter was a solid period for SmartCraft. We now have around 11,000 customers, and 115,000 individual users streamlining their workday helped by our solutions,” said CEO Gustav Line in SmartCraft ASA.

SmartCraft’s average revenue per customer (ARPC) was NOK 27,903 in Q3 2021, 22 percent higher than in the same period in 2020. 96 percent of SmartCraft’s reported revenue in Q3 2021 was defined as recurring, an increase from 93 percent in Q3 2020.

“SmartCraft’s strategy is to grow organically combined with an active approach to M&A. In Q3, we delivered well on both, and we expect this to continue going forward. The acquisition of Kvalitetskontroll was closed in Q3, whereas HomeRun was acquired in Q2 broadening our geographical footprint and our product portfolio. Increased size allows increased scale effects, and we now focus on realizing synergies across the portfolio through cross sales and product development” said Gustav Line.

SmartCraft’s adjusted EBITDA increased 23 percent in Q3 2021 compared to Q3 2020, and the adjusted EBITDA margin was 37 percent compared to 44 percent last year. Lower margins in the acquired companies during the last 10 months diluted the adjusted EBITDA margin by 6 percentage points.

SmartCraft is a leading Nordic provider of mission-critical SaaS solutions to small and mid-sized companies in the construction sector, a market with a potential of NOK 10.5 billion, growing at double digit rate.

“With continued high profitability and our strong balance sheet following the IPO in June, we are perfectly positioned to continue to grow well. Our medium-term financial targets stand firm with 15-20 percent annual organic growth, with the addition of bolt-on M&A, whereas we expect growing EBITDA margins due to scalability of the business,” said Gustav Line.



Webcast presentation

An English language webcast presentation of the financial results is available at the link below.

Webcast link: <https://smartcraftready.com/investor-relations/reports-and-presentations/presentation-of-third-quarter-2021-results/>

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About SmartCraft ASA

SmartCraft is the leading Nordic provider of mission-critical SaaS solutions to SME's in the construction sector. The company's business model is highly scalable, based on 94% recurring revenue and low churn. The construction sector is among the least digitalized industries and represents a NOK 10bn software market in the Nordics, growing at a double-digit rate. SmartCraft's solutions help customers to increase their productivity, margins, and resource efficiency.

