

SmartCraft ASA (SMCRT) – SmartCraft acquires Elverdi, increasing the potential reach to digitalize the construction industry

10 June 2022: SmartCraft ASA ("SmartCraft" or the "Company") has today entered into an agreement and completed the acquisition of all the shares of Elverdi Norge AS ("Elverdi"), adding valuable competence and specialist digital sales tools for electricians to SmartCraft's portfolio.

"Elverdi has great tools for digitalizing the sales process for electricians. The solution is at an early stage in its life cycle but has already gained traction with about 100 electrician companies as customers. We believe Elverdi and SmartCraft are a perfect match, as we are now adding important functionality to our already market-leading portfolio of services for craftsmen and contractors in the Nordics, as well as a highly competent and innovative team," said Gustav Line, CEO of SmartCraft.

The Elverdi solution is aimed at increasing sales for electrician companies. The mobile solution enables electricians in the field to easily and instantly provide offers and upsell to customers. This saves time and resources and makes sure the customers get quick response which again increases revenue for the electrician company. Elverdi also provides several add-ons that electrician companies can use on their web sites to increase sales to new and existing customers.

"We are very pleased to join forces with SmartCraft, which we consider to be the best team for consolidating software for the construction industry. Elverdi is made for electricians by electricians. As an electrician, I experienced the challenges electricians face when meeting the customers out in the field. Without a digital mobile tool, the sales process is very time consuming and complex. That's why we made our solutions – to enable new sales and upsell for electricians.," said Jan-Gustav Nyheim, CEO of Elverdi.

Elverdi had NOK 5.5 million of revenue in 2021, a growth of 30% from 2020, of which approximately 40 percent was recurring. The recurring revenue grew by 90 percent from 2020. The EBITDA margin in 2021 was 31 percent. Elverdi is based in Svolvær in Lofoten, in the north of Norway, and has 4 employees.

"Elverdi is our eighth acquisition, and an active approach to M&A and consolidation of the industry is a key part of SmartCraft's strategy. Through the acquisition, we expect to achieve significant synergies with our existing services for construction companies," said Gustav Line.



The purchase price for the shares is NOK 16.5 million which was paid in cash. The acquisition was made through SmartCraft ASA's wholly owned subsidiary SmartCraft Norway AS.

Jan Gustav Nyheim, one of the sellers of Elverdi and the CEO of Elverdi, has undertaken to acquire shares in SmartCraft on the open market for a total amount of NOK 1 million, within three months of SmartCraft's acquisition of Elverdi. The shares acquired by Jan Gustav Nyheim will be subject to a 12 month lock-up period after the completion of the share acquisition.

About SmartCraft

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 95% 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.

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