

## SmartCraft ASA (SMCRT) – First quarter 2022 financial results

**24 May 2022 - SmartCraft ASA today reported its results for the first quarter of 2022, ending the period with annual recurring revenue (ARR) of NOK 278.9 million, which represents a 12-month growth of 36 percent. Organic growth was 21% compared to Q1 2021, 7% compared to Q4 2021. Revenue in Q1 2022 was 79.1 million (+33% Y/Y), of which 95 percent was recurring.**

SmartCraft's adjusted EBITDA increased by 31.5 percent in Q1 2022 compared to Q1 2021, and the adjusted EBITDA margin was 40.4 percent compared to 40.9 percent in the same period last year and 36.8 percent in Q4 2021. Cash flow from operating activities was NOK 58.7 million.

"I am happy and proud to report another quarter of strong growth and high profitability and cash flow for SmartCraft. Our year-on-year organic annual recurring revenue growth accelerated from 17 percent in the fourth quarter last year to 21 percent in the first quarter this year driven by strong sales performance and the fact that we have reduced our churn rate to 5% in Q1. This is the result of great efforts in the whole organization," said CEO of SmartCraft Gustav Line.

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 above NOK 10 billion, growing annually at a double-digit rate.

"The construction industry is one of the least digital, and we are deeply committed to remaining a leading player and a driving force in the industry. We focus on best-of-breed solutions that are simple and cheap to implement, and with a very low take-rate, we create value for small and medium-sized construction companies from the day they become customers. This also means that we see continued strong demand despite the global macro uncertainties," said Gustav Line.

SmartCraft targets 15-20 percent annual revenue growth in the medium term, with the addition of bolt-on acquisitions. Margins are expected to increase due to scalability of the business.

"We are consistently delivering strong results, and I am confident in achieving our medium-term targets. Our primary focus is organic growth in the Nordics through upselling to existing customers, by winning new customers, and by cross-selling on our customer bases. Secondly, we continue our successful M&A strategy, seeking opportunities both in existing and new geographies. We are currently in dialogue with several companies," said Gustav Line.





### **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 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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