



# Admicom Oyj

Building sustainable future together

**H1 2024 financial report – 9 July 2024**

Petri Kairinen, CEO

Satu Helamo, CFO



admicom

H1 2024 financial report:

*"Growth continued in Q2 despite lower annual adjustment fees and EBITDA improved to 38.4%"*

- Strategy execution during Q2- *Petri Kairinen, CEO*
- Q2 financials - *Satu Helamo, CFO*
- Q&A

# Strategic phasing: Strengthen and then accelerate

**2023-2024**  
**Focus for Growth**

Strengthening the platform:

Cross-sell, technical integrations and increased R&D for comprehensive platform, cultural integration and operating model

**2025 -**  
**Accelerated Growth**

Accelerated growth with international focus:

Chosen target markets and solutions, aligned processes and concepts producing superior client experience

Ambition:  
> 15 % organic  
ARR growth with  
increasing EBITDA



# Our solutions for the construction life cycle

## adm1com ultima

Comprehensive solution for managing operations and financials

## adm1com vision

For gathering and producing information on the site realtime

## adm1com tempo

Scheduling and managing of projects realtime

## adm1com insite

Management of revenues and costs in construction projects

## adm1com trackinno

Asset management and maintenance

## adm1com flex

Fieldwork management and building maintenance operations

## adm1com estima

Quantity and cost estimations

## adm1com planner

Comprehensive solution for planning large construction projects

## adm1com BIM3

For utilizing building information models





# Lämpövelho Oy, MD Miska Rissanen:

HVAC-company operating from Kuopio, Finland, 6 MEUR revenue and 35 employees.

## Admicom solutions: Ultima & Tempo


*"I've saved about 30% of my own time, which enables us to grow as I've been able to invest in sales and growing our operations – and this hasn't been just a plan, as we've grown by about two million euros in a couple of years.*

*– In my opinion, both software and Admicom as a company are constantly evolving. For example, I have high expectations of Dashboard, as the personalized front page can show even more things that are important to me at a glance. Then, when information comes from Tempo as well, it creates an experience of one software, even though there are practically several of them in the background."*





# Highlights from Q2

- ARR growth 6.7 % y-to-y: Reasonable new sales, given the market, especially in project management solutions, deal sizes generally smaller, but with more cross-sell
  - Amount of contract terminations excl. insolvencies is showing a positive trend. Insolvencies still form a quarter from total terminations
  - Project management solutions suite contract with a large Swedish construction company operating in the Nordic countries
  - Kick off for Admicom sustainability strategy work aligned with our purpose of building a sustainable future together
  - Ebitda margin improved to 38.4 %
- 



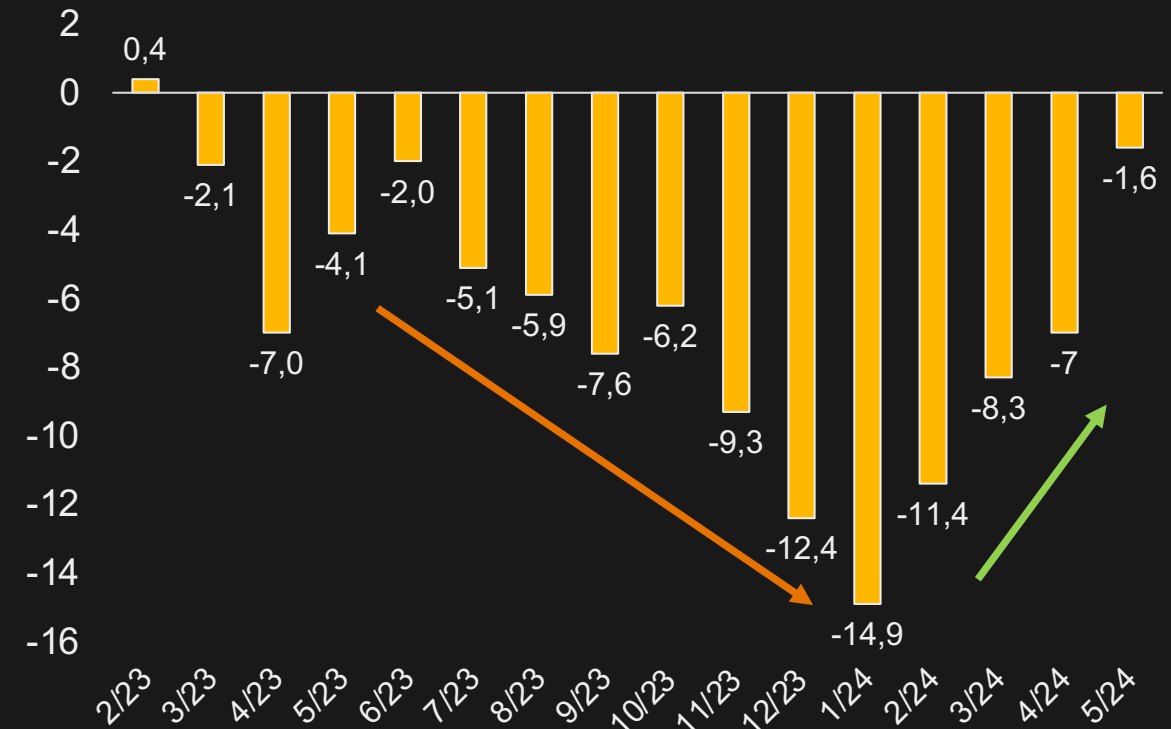
# The construction sector in Finland is weak – but are volumes returning to growth track?

- New residential build construction starts for 2024 estimated to be even lower level than in 2023
- Other construction sectors faring better – and our customer companies are generally flexible
- Apartment sales have started to pick-up again

## Impacts for software sector

- Larger customers more cautious and financials tight
- Insolvencies continue to stay on high levels, but levels in Admicom clientele have reduced slightly
- *Cost efficiency, estimate accuracy, agility and realtime visibility increasingly important*

Construction sector revenue trends \*



\* Source: Statistics Finland

# Setting up for Accelerated Growth during 2024

- ✓ Modern, customized dashboard and SSO for the Suite
- ✓ Joint go-to-market approach and increased cross-sell
- ✓ First AI&data implementations into products and increased internal automation
- Opening an international market via M&A
- ✓ M&A supporting product suite
- Looking towards market improving towards end of 2024 and building the growth base

## Short Term Priorities

- Efficient sales
- Churn prevention
- Cost control



# Agenda

- Strategy execution during Q2- *Petri Kairinen*
- Q2 financials - *Satu Helamo*
- Q&A

# Key figures of Q2 2024

ARR growth

**6.7%**  
(9.3%)

Recurring revenue  
growth

**1.7%**  
(15.8%<sup>1)</sup>)

Revenue growth

**0.7%**  
(14.7%<sup>1)</sup>)

Adjusted EBITDA

**38.4%**  
(38.1%)

Customer churn YTD 6m

**3.6%**

Recurring revenue of total  
revenue

**94%**  
(94%)

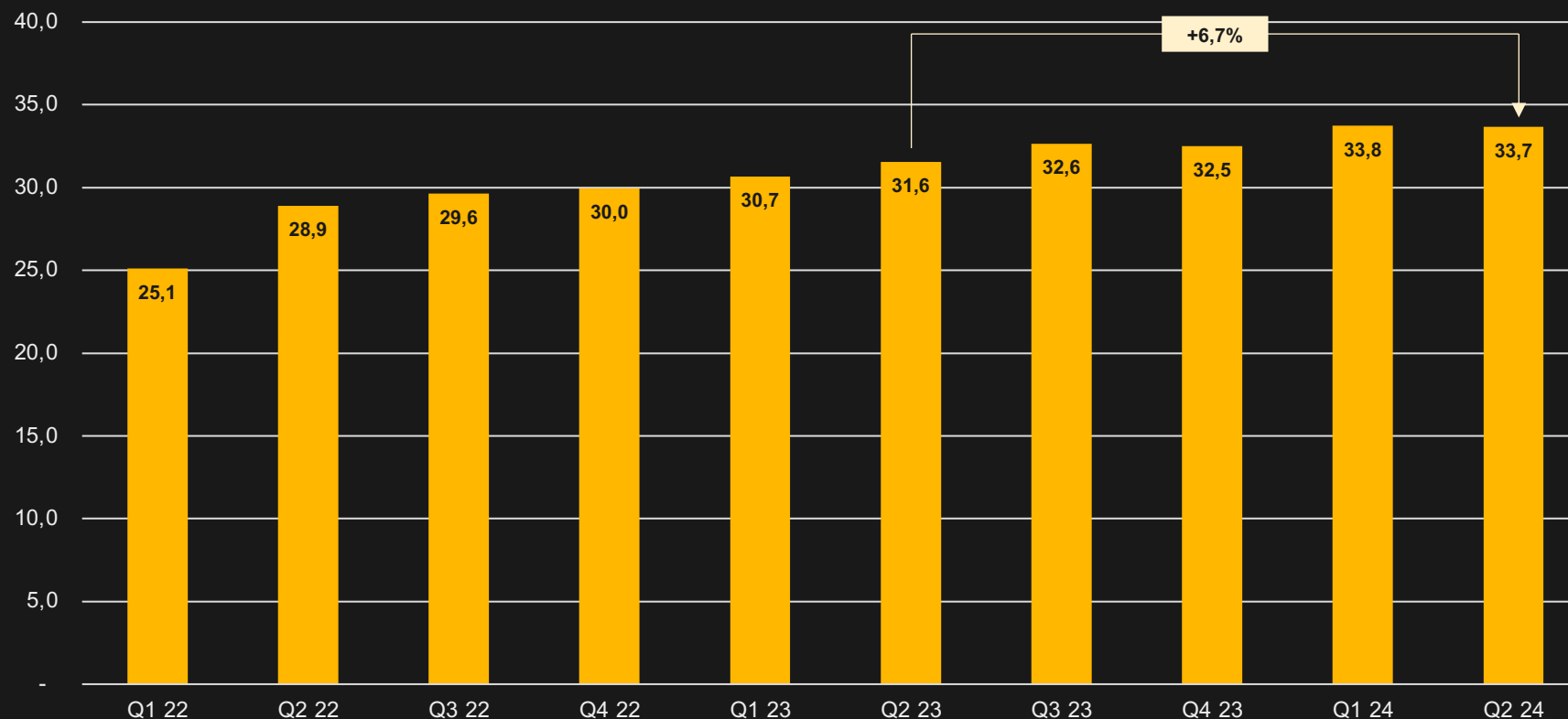
<sup>1)</sup> Impact of inorganic Kotopro acquisition in comparative period growth: RR growth +6.0 %-points, revenue +5.5 %-points  
Figures in brackets represent the comparatives from Q2 2023.

# Key financials Q2

ADMICOM GROUP (1,000 EUR)	Q2 2024	Q2 2023	VAR y/y	Q1 2024	VAR q/q	H1 2024	H1 2023	VAR y/y
ARR	33,676	31,566	6.7%	33,754	-0.2%	33,676	31,566	6.7%
Recurring revenue	8,955	8,808	1.7%	8,054	11.2%	17,009	16,304	4.3%
% of revenue	94.5%	93.5%		93.6%		94.1%	92.5%	
Revenue	9,479	9,417	0.7%	8,605	10.2%	18,084	17,625	2.6%
Adjusted EBITDA	3,640	3,586	1.5%	2,657	37.0%	6,297	6,595	-4.5%
% of revenue	38.4%	38.1%		30.9%		34.8%	37.4%	
Adjustments to EBITDA/EBIT				80		80		
EBITDA	3,640	3,586	1.5%	2,577	41.2%	6,217	6,595	-5.7%
% of revenue	38.4%	38.1%		29.9%		34.4%	37.4%	
Adjusted EBIT	2,688	2,836	-5.2%	1,713	56.9%	4,402	5,099	-13.7%
% of revenue	28.4%	30.1%		19.9%		24.3 %	28.9%	
EBIT	2,688	2,836	-5.2%	1,633	64.6%	4,321	5,099	-15.3%
% of revenue	28.4%	30.1%		19.0%		23.9%	28.9%	
Profit for the period	1,918	2,073	-7.5%	1,071	79.1%	2,989	3,668	-18.5%
% of revenue	20.2%	22.0%		12.4%		16.5%	20.8%	
Earnings per share, EPS	0.38	0.42	-7.4%	0.21	79.1%	0.60	0.74	-18.5%
Number of employees, end of the period	288	275	4.7%	279	3.2%	288	275	4.7%



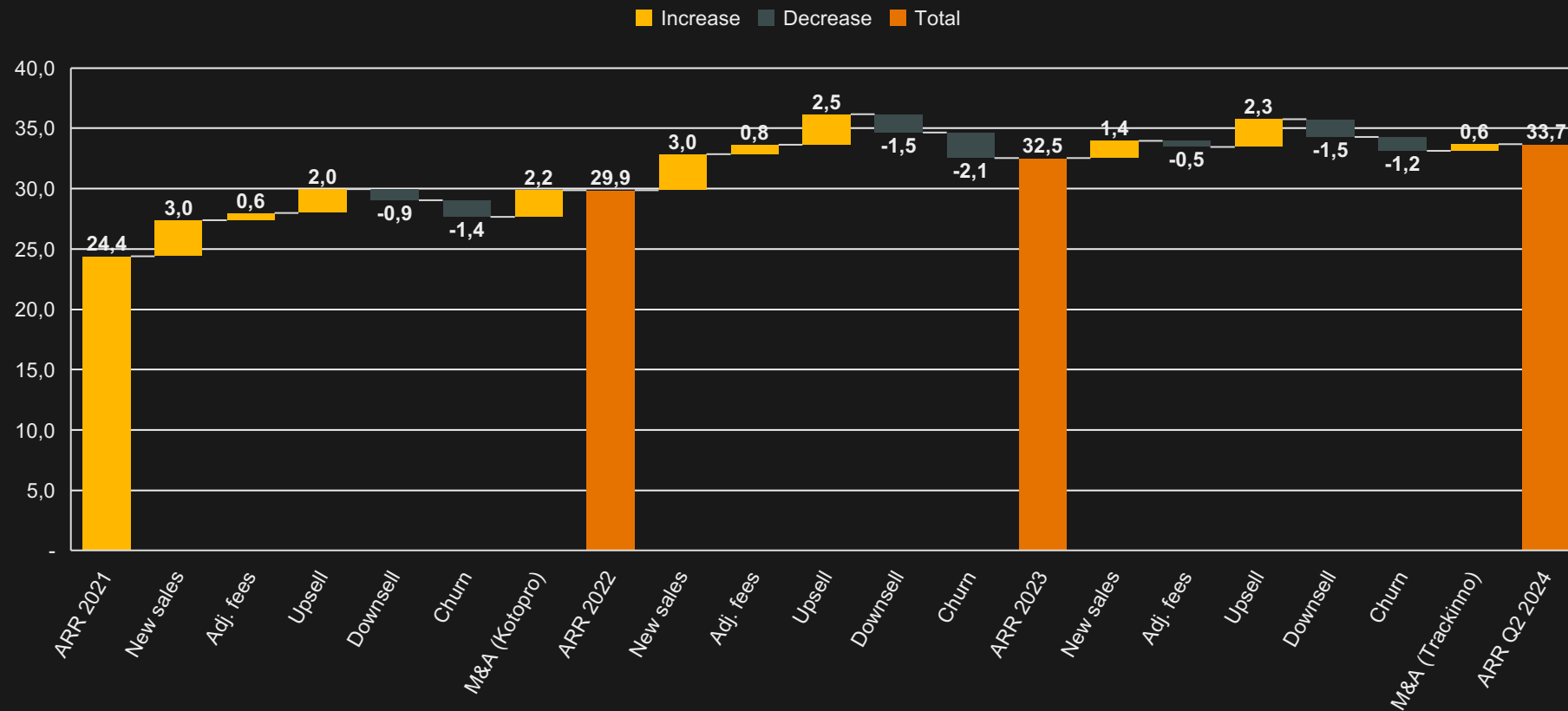
# ARR trend 2022-Q2'2024



Q2 q/q growth negative (-0.2%) due to negative impact from annual adjustment fees.

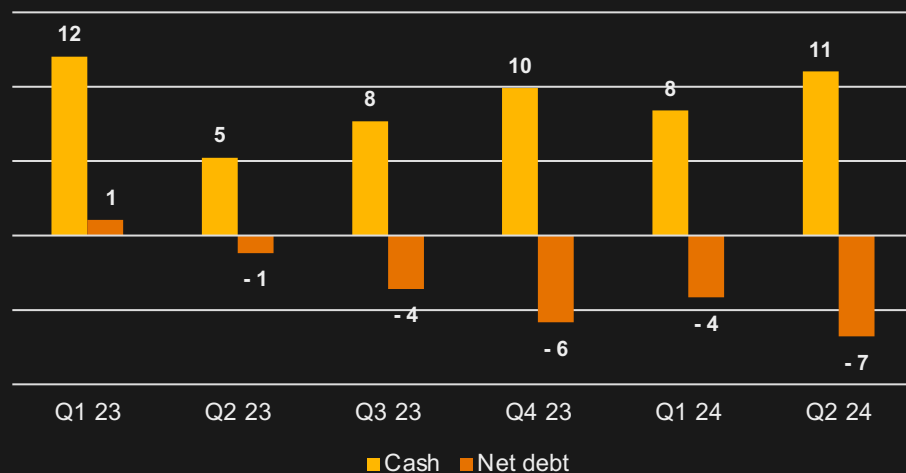
Trackinno impact in y/y growth: +1.9%-points (+0.6 MEUR)

# ARR bridge 2021-Q22024



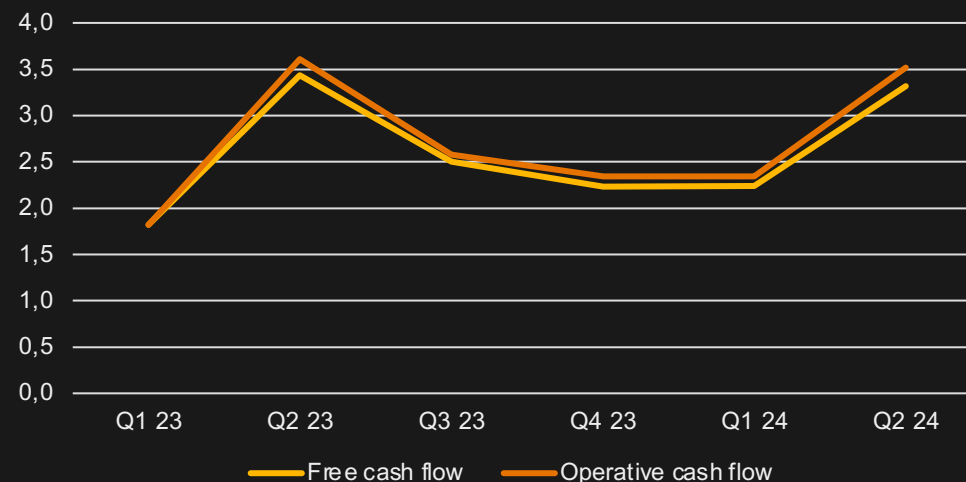
# M&A and strategic investments supported by strong cash flow and high cash conversion (c. 80% of EBITDA)

Cash & Net debt  
mEUR



Q1'23: Dividend (-6,6m)  
 Q2'23: Loan repayment (-9m)  
 Q1'24: Trackinno M&A & dividend (-4,1m)

Operative & Free Cash Flow  
mEUR

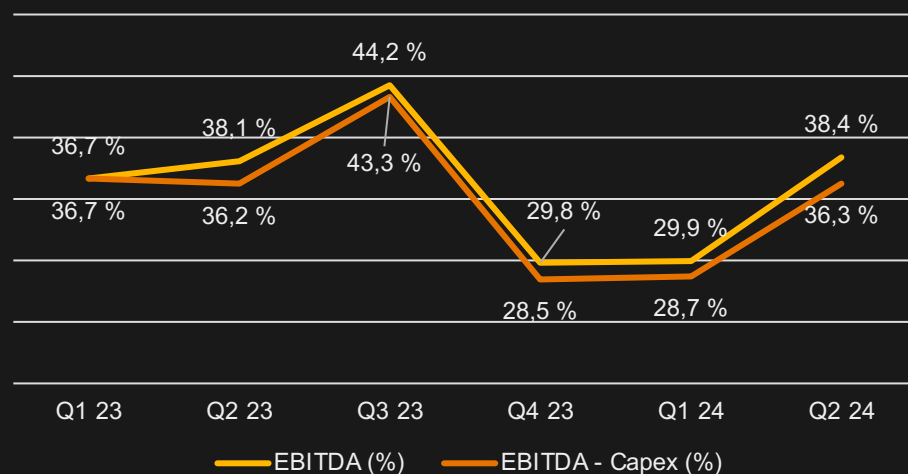




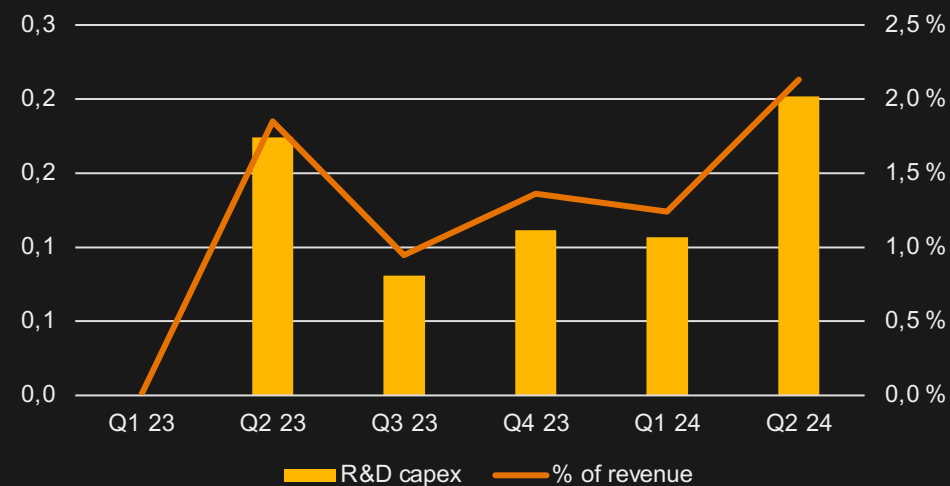
# Majority of costs recognized in P&L

## R&D shifting focus to new technologies and AI → leading to increased capitalizations

EBITDA & EBITDA - R&D capex  
% of revenue



R&D capex  
kEUR



# Outlook 2024 - unchanged



## Growth drivers

- + Renewed sales organization fully operational as of January 2024 with higher focus on cross sales
- + Trackinno acquisition (+1.5 %-points)
- + Price increases
- Economic situation expected to impact new sales and churn
- Annual adjustment fees expected to reduce from 2.3m to 1.5m
- Services revenue further declining due to allocation of R&D resources to internal R&D (-1 %-points)



## Profitability drivers

- + Tight cost control, gas&brake approach to investments
- Economic uncertainty limiting topline growth
- Strategic investments made in 2023 with full year cost impact
- R&D resources continued transfer from external to internal work

## ARR growth

**5-10%**

(2023 ARR: 32.5m)

**Total revenue grows from 2023**

## Adjusted EBITDA\*

**32-37%**

(2023: 37.3%)

\* Adjustments are material items outside the normal course of business related to e.g. acquisitions or other one-off transactions.

# **Admicom** - *profitably growing vertical SaaS platform for building ecosystem*

1. Strong foundation to build on
2. Huge long-term potential in ConTech
3. Comprehensive cloud SaaS -suite
4. Prepared for accelerated growth

## **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](https://investors.admicom.fi)**