



# Ørn Software Holding Q3 2021 presentation

19 November 2021

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This presentation includes the use of the following Alternative Performance Measures: Annual Recurring Revenue (ARR), Organic growth in ARR, Net retention, Adjusted EBITDA and Churn rate. These are defined in Ørn Software's Q3 2021 report.



Sten-Roger Karlsen  
CEO



Vidar André Løken  
CFO

# A leading Nordic Software-as-a-Service company

We offer software for  
sustainable use, development  
and management of assets



# A leading Nordic Software-as-a-Service company

- Improved insight
- Increased efficiency
- Reduced cost
- Improved quality
- Reduced carbon footprint



Employees

Office locations

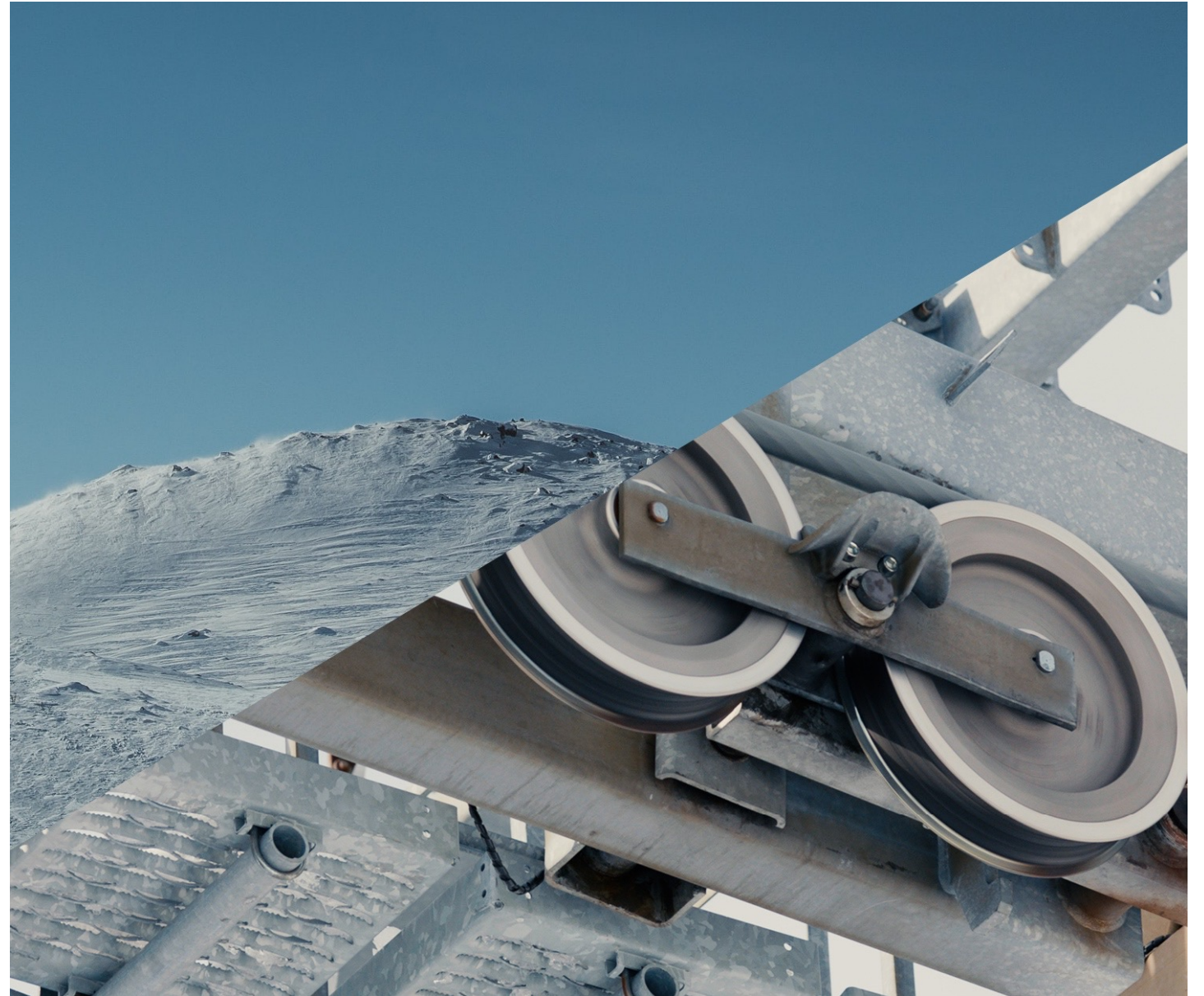
Countries

# The Big Picture

Ørn's customers get insight into all the details,  
while still having a complete overview

Q3 2021 presentation

By providing THE BIG PICTURE,  
we enable stakeholders of  
facilities and industrial assets to  
improve quality, operational  
efficiency and sustainability  
performance



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Our vision:

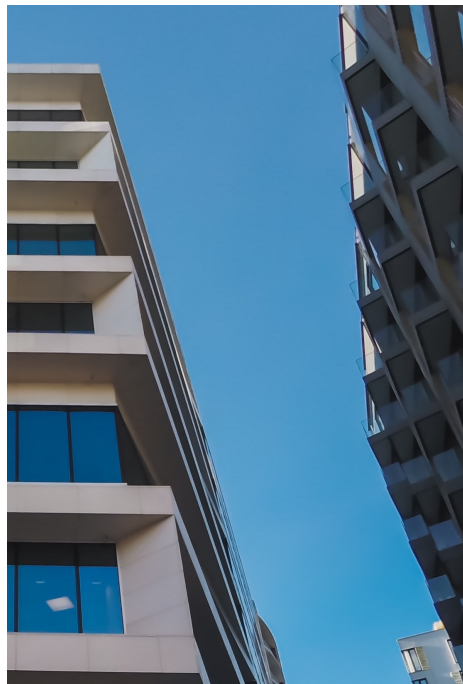
#1 in Europe





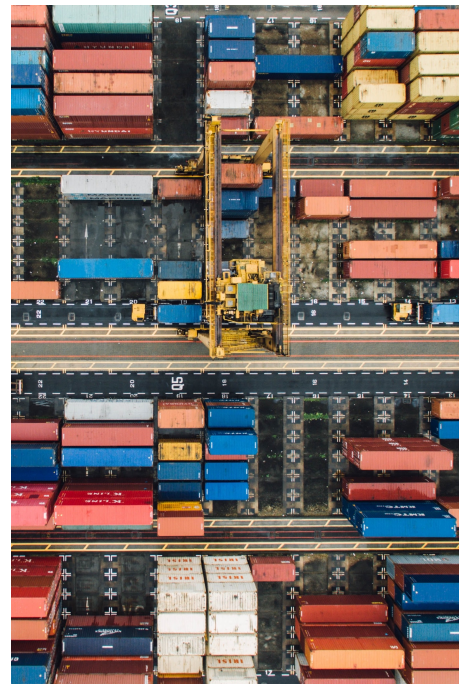
Leading position within several segments

ARR NOK  
148m



Real Estate  
Management

ARR NOK  
51m



Industrial  
Maintenance &  
Quality Control

ARR NOK  
15m



Energy &  
Sustainability  
Management

# Distinct model to drive ARR growth



1. Successful  
M&A



2. Up-/cross-  
selling



3. Price  
increases



4. Convert services to  
subscriptions



5. New product  
development

# Complementary Best-of-breed offering



## Real Estate Management

Enables workflow automation and data-driven decision making across facility and property management activities, as well as space optimization and smart office solutions



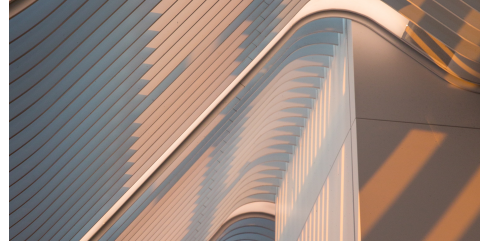
## Industrial Maintenance & Quality Control

User-friendly digitalization of maintenance & quality management processes - improving asset uptime and operating efficiency, increasing lifetime and improves quality



## Energy & Sustainability Management

Helping operators reduce energy cost and improve sustainability performance - with efficient monitoring and optimization tools



# Key figures

5% <sup>1)</sup>  
Churn

112% <sup>1)</sup>  
Net retention

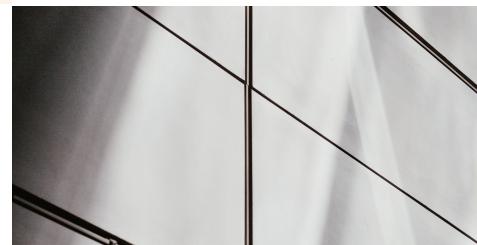
280,000  
Users

38,000  
Residents

100,000  
Buildings

89,000,000  
Sqm

1) Annual average last three years, Q3 2019 - Q3 2021, excl. currency differences



# Our growth journey

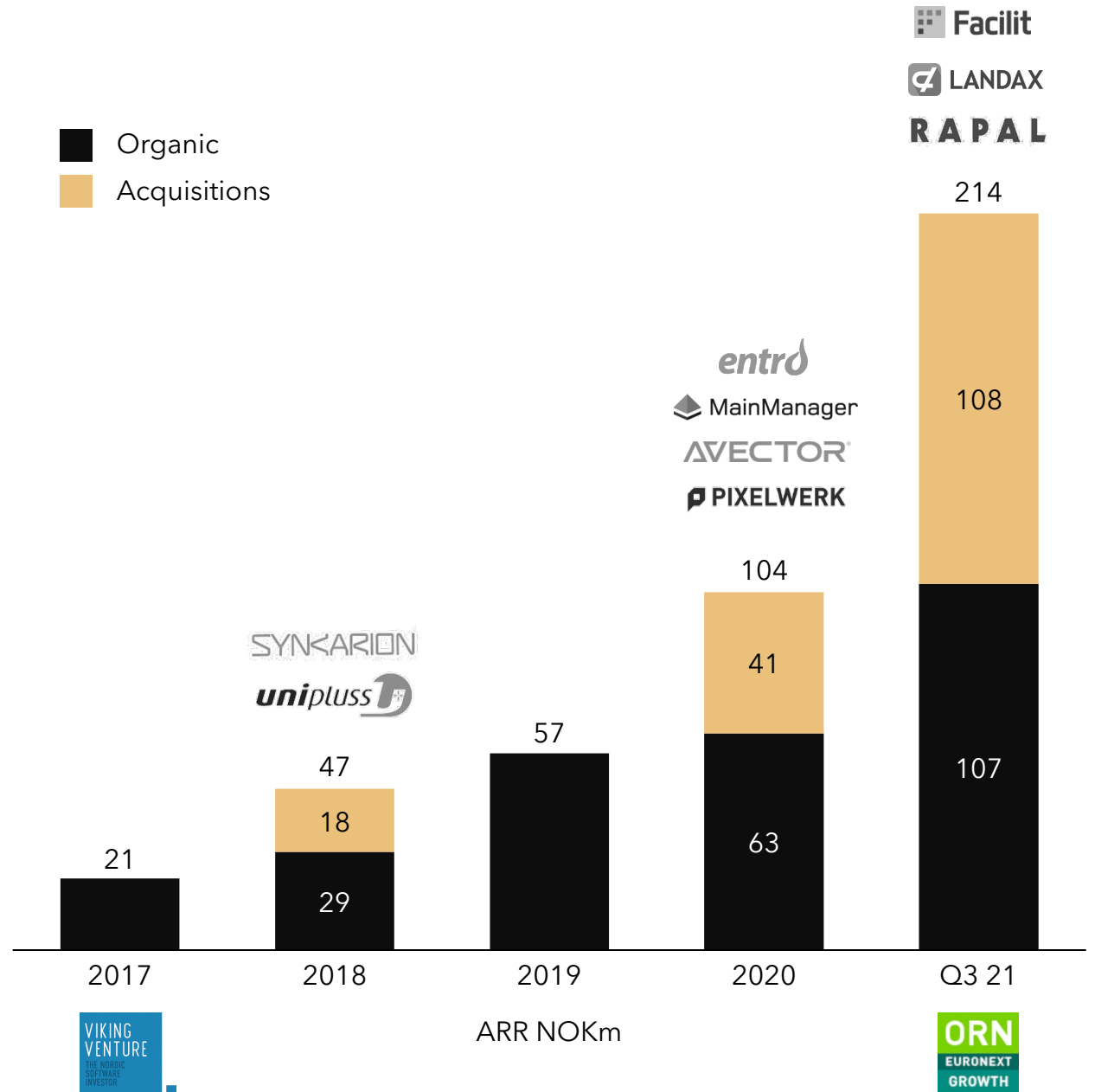
10x  
ARR increase

9  
Acquisitions

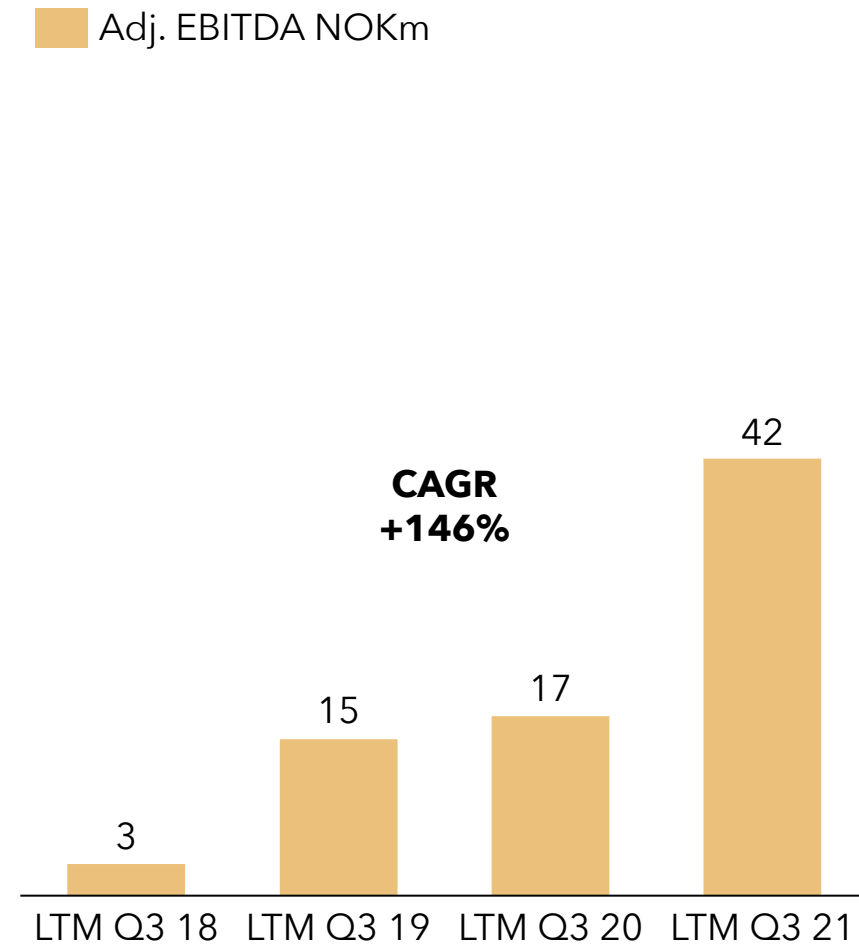
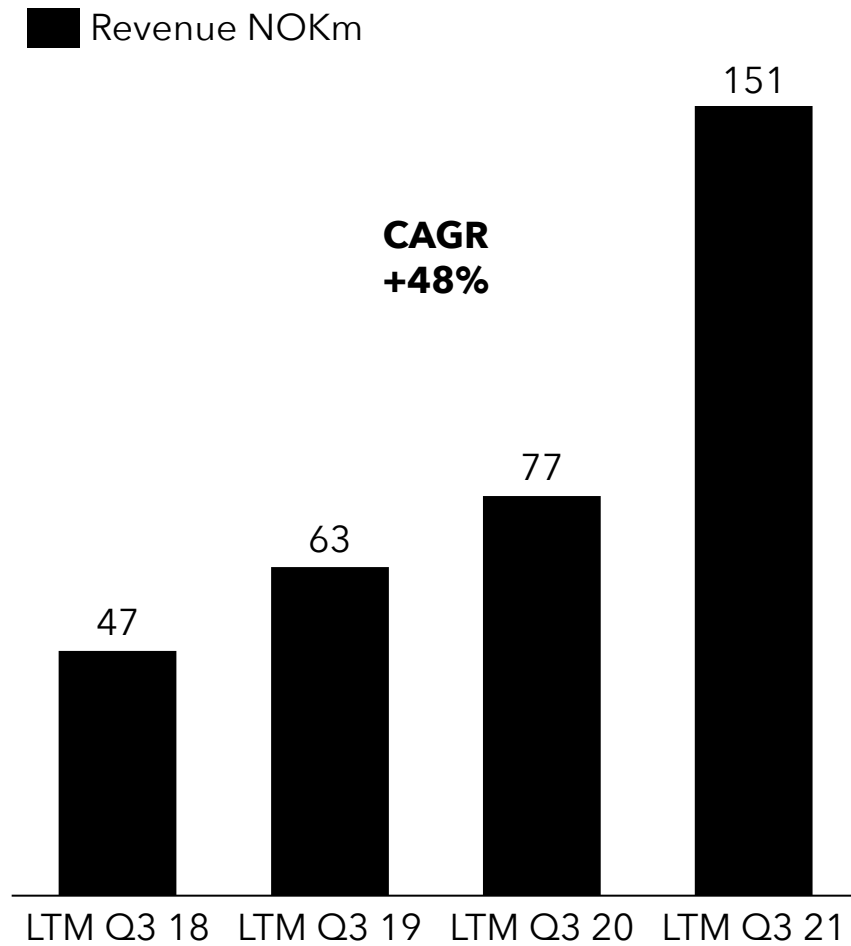
86%<sup>1)</sup>  
CAGR (total)

25%<sup>1)</sup>  
CAGR (organic)

1) Average annual ARR growth 2017 - Q3-21



# Revenue and adj. EBITDA



# Large reputable Nordic customer base

## Real Estate Management



# of customers

606

NOK ARR

148m

## Industrial Maintenance & Quality Control



# of customers

865

NOK ARR

51m

## Energy & Sustainability Management



# of customers

456

NOK ARR

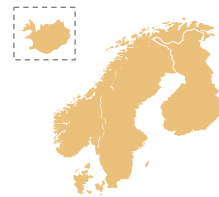
15m

# Sizeable Nordic market opportunity

And vast European upside

## Digitally advanced markets:

### The Nordics



Market size

~12b NOK

Share addressed

~22%

### Dach+



Market size

~21b NOK

Share addressed

~15%

### British Isles



Market size

~23b NOK

Share addressed

~15%

### Benelux



Market size

~6b NOK

Share addressed

~15%

NOK 62 billion market, where current spend is NOK 9 billion, and estimated to grow with CAGR 10-20%

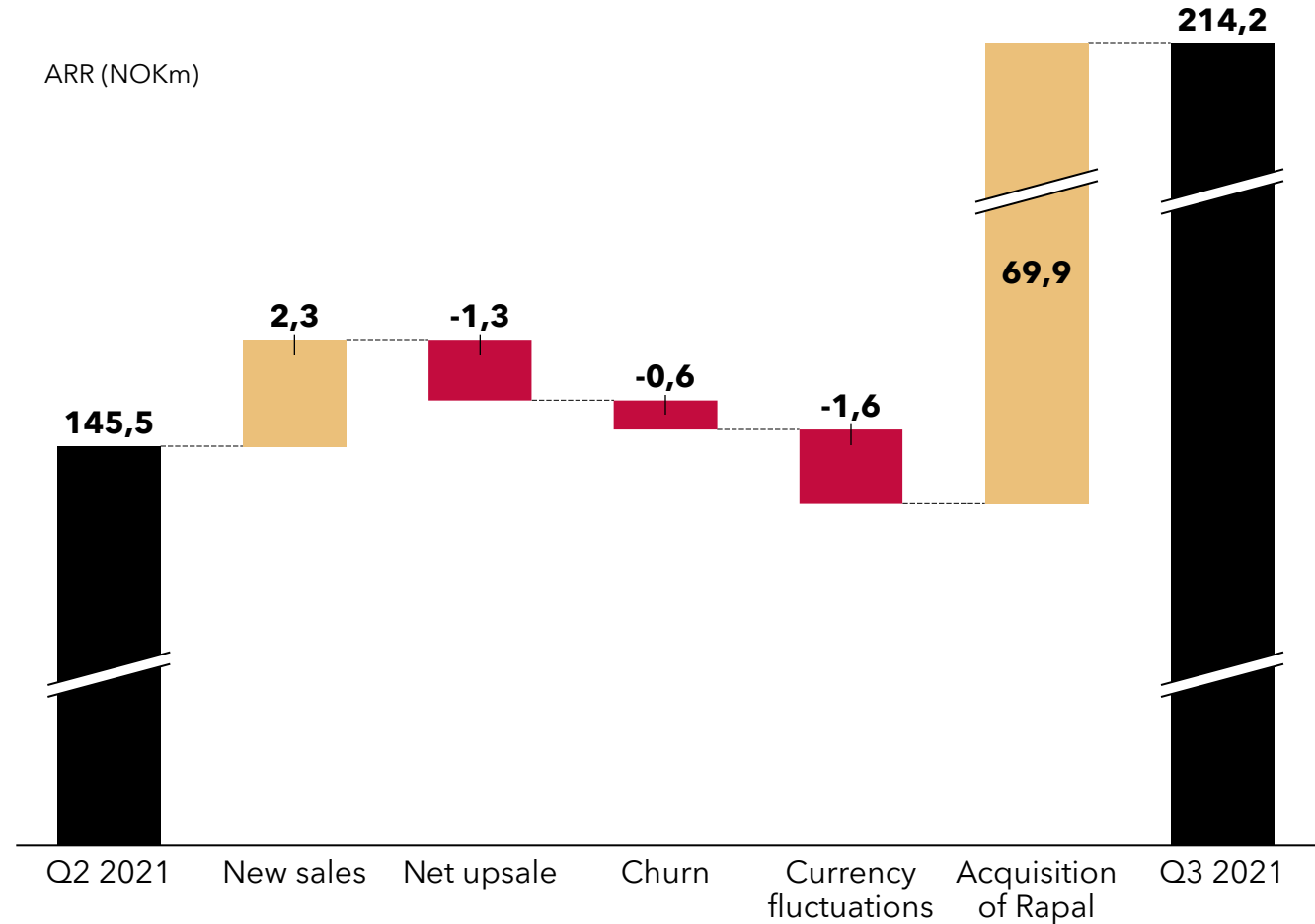


# Q3

## highlights

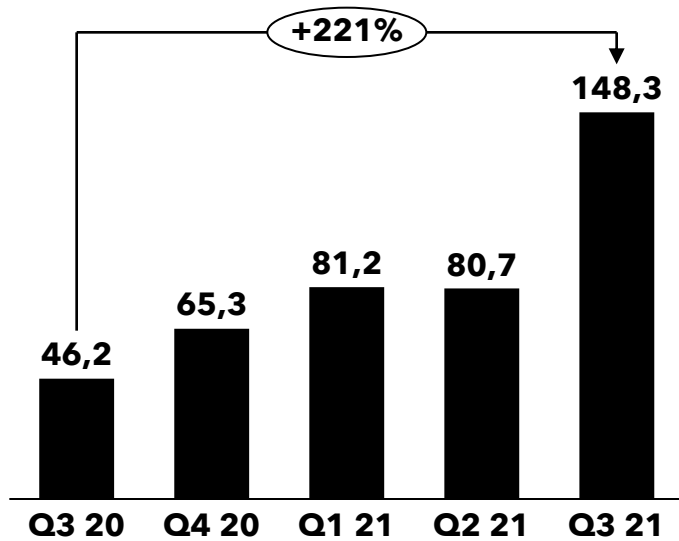
# Successful M&A drives ARR growth

- ARR growth primarily driven by acquisition of Rapal in Q3
- Rapal's ARR is 10.7 NOKm higher than announced due to reclassification of additional revenue as ARR
- Q3 churn of 0.3%
- The net retention rate 98.3% in Q3 negatively affected by currency differences
- Net upsell is negatively affected by seasonal contraction in volume-based ARR with NOK 2.1 million in Q3



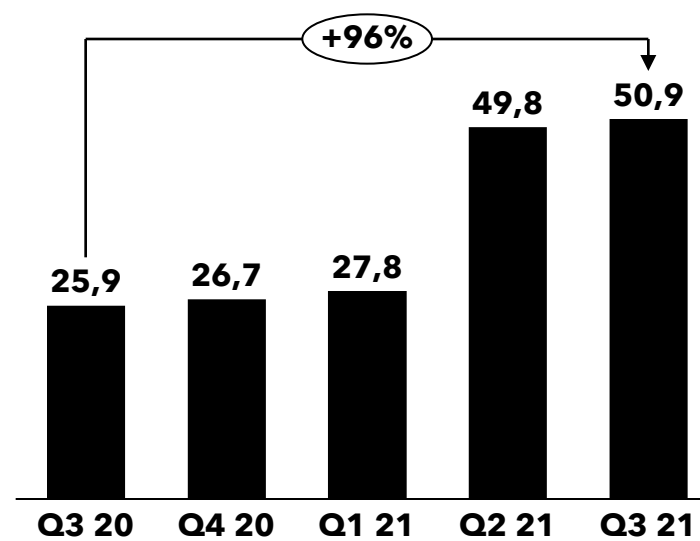
# Significant ARR and customer growth

Real Estate Management  
(ARR NOKm)



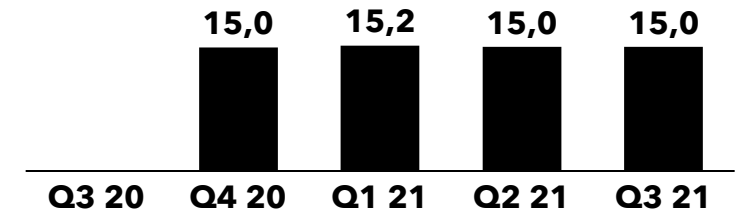
- Growth reflecting acquisitions made in Q4-20, Q1-21 and Q3-21
- Organic growth of 11.0% Y/Y Q3-21

Industrial Maintenance & Quality Control  
(ARR NOKm)



- Q2-21 growth driven by acquisition of Landax
- Organic growth of 14.3% Y/Y Q3-21

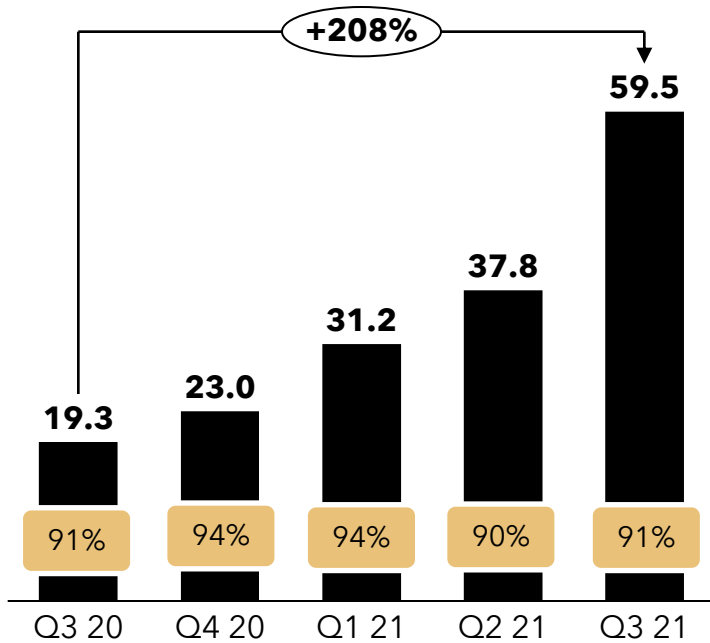
Energy & Sustainability Management  
(ARR NOKm)



- New segment as of Q4 2020 as a result of acquisition
- Establishing organization to prepare for scale-up

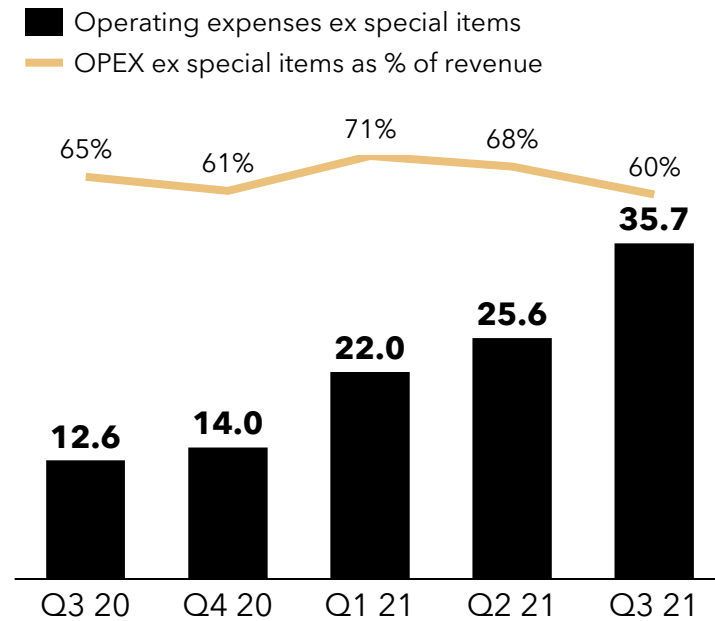
# Strong revenue growth and sustained high gross margin

Revenue and gross profit



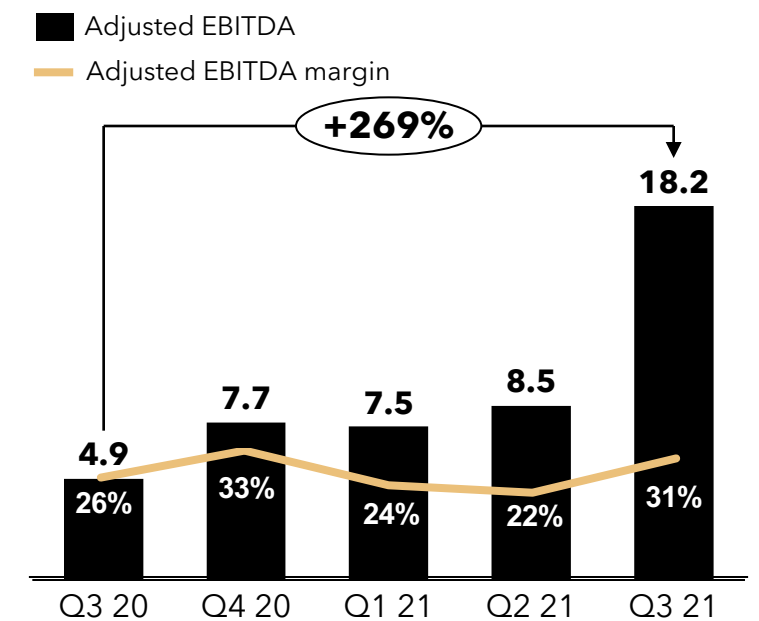
- Growth is primarily driven by acquisitions of MainManager, Entro IT, Facilit, Landax and Rapal
- Gross margin increase with 1 percentage point from Q2 21

Adjusted total OPEX



- Better margins in acquired companies is the primary driver for decrease in total OPEX ex special items as % of revenue
- In addition, synergy initiatives are gradually contributing positively

Adjusted EBITDA



- Strong development in EBITDA. Increase of 269% compared to the same quarter in 2020.
- Margin improvement driven by high margin in acquired companies

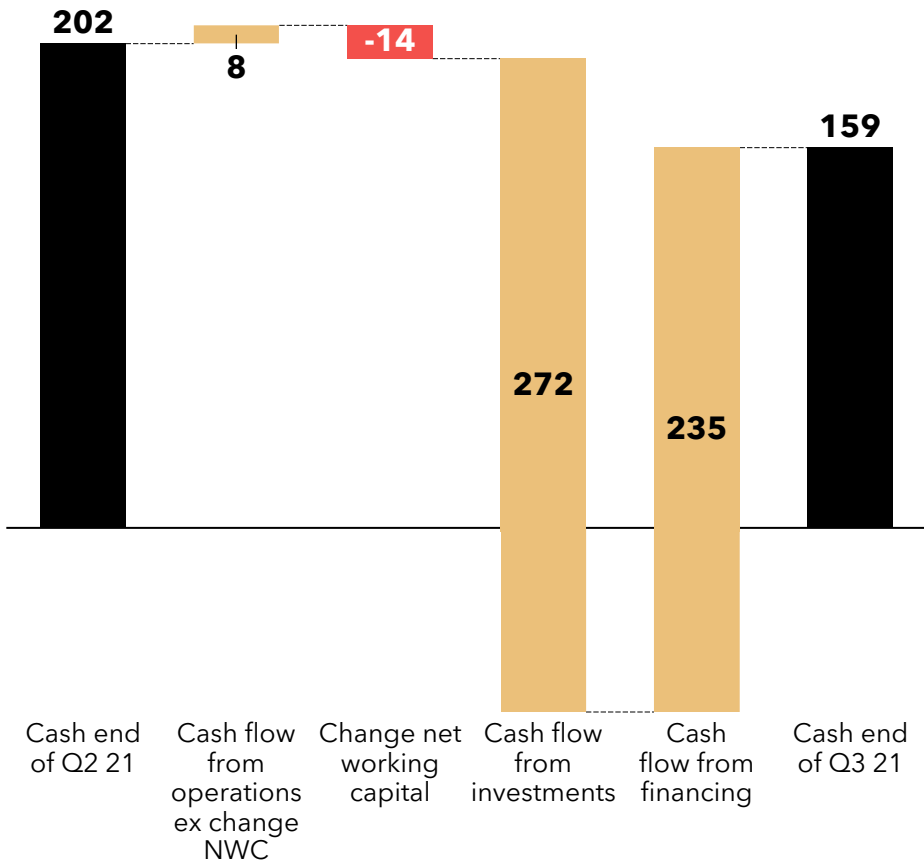
# Profit and loss statement

- Operating revenue growth in Q3 2021 compared to Q3 2020 driven by acquisitions and organic growth
- Adjusted EBITDA +269%
- Special items of NOK 5.8 million is related to acquisition and restructuring/severance pay
- Increased Depreciations & amortizations reflecting increased activity in the group and the acquisitions
- Negative Net financial income as a result of a NOK 11.4 million in interest expense, other loan related expenses and earn-out revaluation, reduced with NOK 0.9 million in currency differences
- Tax calculated as 24% of reported EBT

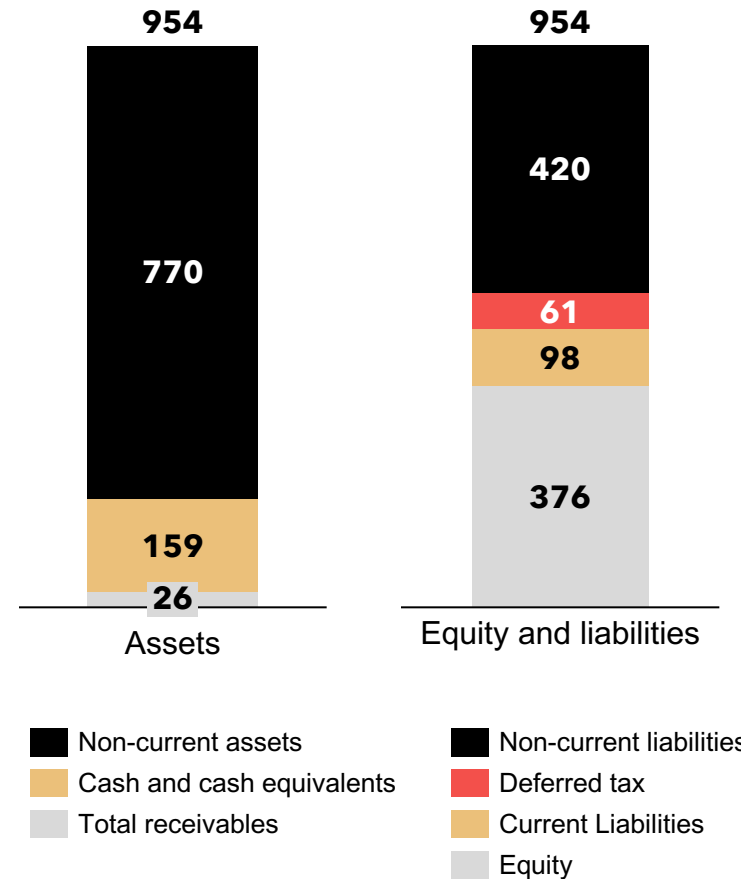
<b>NOKm</b>	<b>Q3 21</b>	<b>Q3 20</b>	<b>FY20</b>
Recurring revenue	51,011	17,157	71,395
Non-recurring revenue	8,442	2,144	10,530
<b>Total revenue</b>	<b>59,453</b>	<b>19,301</b>	<b>81,925</b>
COGS	-5,495	-1,793	-5,900
Gross profit	53,958	17,508	76,025
Total Opex	-41,479	-12,571	-58,153
<b>EBITDA</b>	<b>12,479</b>	<b>4,937</b>	<b>17,872</b>
Special items	5,758		3,652
<b>Adjusted EBITDA</b>	<b>18,237</b>	<b>4,937</b>	<b>21,525</b>
Depreciation and amortisation	-28,158	-5,271	-21,271
<b>Reported EBIT</b>	<b>-15,679</b>	<b>-334</b>	<b>-3,398</b>
Net financial income	-10,551	-250	-2,683
Reported EBT	-26,230	-584	-6,081
Tax	6,295	421	1,685
<b>Net income</b>	<b>-19,935</b>	<b>-163</b>	<b>-4,396</b>
Gross margin	91 %	91 %	93 %
EBITDA margin	21 %	26 %	22 %
Adjusted EBITDA margin	31 %	26 %	26 %

# Cash flow and balance sheet

Cash flow bridge



Non-current assets has increased after several acquisitions

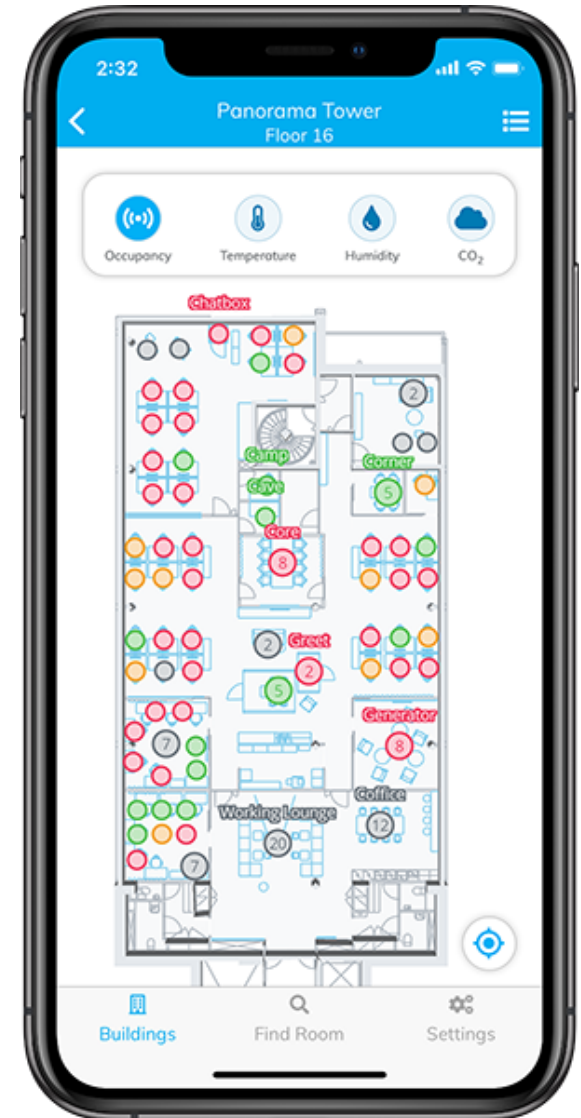


# Acquisition of Rapal closed in July

Representing Ørn's entry into the Finnish market

# RAPAL

- Leading Finnish Real Estate Software-as-a-Service company
- Focused on occupancy analytics, lease management and smart office solutions
- HQ in Espoo Finland, 70 employees
- 164 customers
- NOK 70m in ARR
- Highly complimentary products to Ørn's existing Real Estate offering



Worksense mobile app

# High-level targets for 2025

Organic growth

**430 NOKm  
ARR**

Profitability

**EBITDA  
margin  
> 40%**

Market recognition

**Dominant  
European  
player**





O

CAREER  
GRADUATE  
SCHOOL  
TUESDAY  
THE