

RIB Group shows solid growth in Q1 2021

- Software license revenues increase by 23.0% to € 10.7 million (previous year: € 8.7 million)
- EBITDA grows by 46.8% to € 22.6 million (previous year: € 15.4 million)
- Cash flow from operating activities increases by 30.6% to € 32.0 million (previous year: € 24.5 million)
- Domestic revenues grow by 24.1% to € 24.7 million (previous year: € 19.9 million)
- Group revenue increases by 9.4% to € 68.8 million (previous year: € 62.9 million)
- Recurring support revenues grow by 11.9% to € 15.1 million (previous year: € 13.5 million)

CONSOLIDATED FIGURES - OVERVIEW

€ million unless otherwise indicated	1st quarter 2021	1st quarter 2020*	change
Revenue	68.8	62.9	9.4%
ARR	39.9	40.4	-1.2%
NRR	10.7	8.7	23.0%
Services	18.2	13.7	32.8%
EBITDA	22.6	15.4	46.8%
as % of revenue	32.8%	24.5%	
Operating EBITDA**	20.9	15.6	34.0%
as % of revenue	30.4%	24.8%	
EBT	11.5	6.4	79.7%
as % of revenue	16.7%	10.2%	
Expenses from purchase price allocations (PPA amortisation)	5.3	4.0	32.5%
Cash flow from operating activities	32.0	24.5	30.6%
Group liquidity***	253.2	224.0	13.0%
Equity ratio****	69.6%	71.7%	
Average number of employees	2,467	1,827	35.0%

* The previous year's figures were adjusted by the amounts generated in the discontinued business area xTWO (E-Commerce).

** EBITDA adjusted for currency effects and one-off/special effects.

*** Cash and cash equivalents, time deposits and available-for-sale securities, previous year as of December 31, 2020.

**** Previous year as of December 31, 2020.

BUSINESS DEVELOPMENT

THE RESULTS IN DETAIL - FIRST QUARTER 2021

Total revenues increased by 9.4% to € 68.8 million (previous year: € 62.9 million). Software revenues (ARR + NRR) increased by 3.1% to € 50.6 million (previous year: € 49.1 million). Service revenues grew by 32.8% to € 18.2 million (previous year: € 13.7 million). Organic revenue growth in the Group amounted to 2.3%. EBITDA increased by 46.8% year-on-year to € 22.6 million (previous year: € 15.4 million). At 32.8%, the EBITDA margin was with 8.3 percentage points significantly above the previous year. Earnings after taxes rose substantially by 112.1% to € 7.0 million (previous year: € 3.3 million).

Net cash flow from operating activities increased by 30.6% to € 32.0 million (previous year: € 24.5 million).

At the end of the first quarter, Group liquidity amounted to € 253.2 million (December 31, 2020: € 224.0 million). The average number of employees changed by 35.0% to 2,467 (previous year: 1,827).

DEVELOPMENT OF THE SEGMENTS

iMTWO

Total revenues in the iMTWO segment increased by 9.2% to € 68.7 million (previous year: € 62.9 million). Software revenues (ARR and NRR) increased by 2.9% to € 50.5 million (previous year: € 49.1 million). The EBITDA margin improved strongly and reached 33.0% (previous year: 24.7%).

YTWO

In the YTWO segment, total revenue was € 0.0 million (previous year: € 0.0 million). The segment EBITDA amounted to € -0.1 million and continues to be strongly characterised by start-up costs in the YTWO segment. In previous years, we divided the reporting segment xYTWO into the two business segments YTWO (SCM) and xTWO (E-commerce). Since the xTWO business segment is not part of our core business, we separated from this area in August 2020 and sold the business segment as a whole. Thus, there will be no further subdivision of the YTWO reporting segment into business segments in the future.

REVENUE DEVELOPMENT IN INDIVIDUAL REGIONS

International revenues grew by 2.8% to € 44.1 million (previous year: € 42.9 million). Domestic revenues increased by 24.1% to € 24.7 million (previous year: € 19.9 million). The international share of total revenues thus amounts to 64.1% (previous year: 68.2%).

In the EMEA region (Europe, Middle East and Africa), revenues grew by 20.6% to € 41.5 million (previous year: € 34.4 million), while revenues in North America declined by -3.2% and in the APAC region (Asia Pacific) by -5.7%.

FORECAST - 2021 FINANCIAL YEAR

Further business development

Due to the uncertainties caused by Covid-19, we have currently strongly reduced our M&A activities, which in turn will have an impact on the planned revenue and EBITDA contribution from these deals. In the context of further cost reductions and preservation of liquidity, we have strongly reduced investments in new business areas, such as Y TWO, and are focusing on the successful expansion of the iMTWO segment.

After the first quarter of 2021, we are sticking to our guidance and forecast a revenue in the range of € 280 million to € 310 million and an operating EBITDA of between € 65 million and € 75 million for the 2021 financial year.

OTHER INFORMATION

We invite our shareholders to regularly follow the current development of the RIB Group using the IR presentations and definitions available on the Investor Relations website.

MAIN COMPONENTS OF THE FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

For the period: 01.01.2021 to 31.03.2021

figures in € thousand, unless otherwise indicated	3 months 2021	3 months 2020
Revenue	68,792	62,857
Cost of sales	-28,854	-27,563
Gross profit	39,938	35,294
Other operating income	3,157	943
Sales and marketing expenses	-14,529	-13,989
General administrative expenses	-8,413	-9,092
Research and development costs	-7,522	-5,565
Other operating expenses	-829	-1,093
Financial income	82	129
Financial costs	-402	-275
Share of earnings from investments accounted for using the equity method	0	24
Profit before tax	11,482	6,377
Income taxes	-4,506	-3,051
Profit after tax	6,976	3,326
Profit attributable to non-controlling interests	-337	567
Profit attributable to the owners of the parent company	7,313	2,759
Earnings per share based on the profit attributable to the shareholders of RIB Software SE:		
basic	0.14 €	0.06 €
diluted	0.14 €	0.06 €

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 31.03.2021 AND 31.12.2020

Figures in € thousand	31/03/2021	31/12/2020
Goodwill	181,778	179,034
Other intangible assets	175,825	176,473
Property, plant and equipment	16,201	16,209
Right of use	13,800	13,990
Investment property	6,773	6,544
Investments accounted for using the equity method	5,909	5,886
Prepaid land use lease payments	-10	0
Other financial assets	5,038	4,725
Deferred tax assets	1,308	1,351
Total non-current assets	406,622	404,213
Inventories	3,557	2,573
Trade receivables	60,621	54,834
Income tax assets	1,685	1,738
Other financial assets	4,363	4,476
Non-current assets held for sale	2,304	2,201
Other non-financial assets	19,999	14,778
Cash and cash equivalents	251,013	221,879
Total current assets	343,543	302,479
Total assets	750,165	706,692

Figures in € thousand	31/03/2021	31/12/2020
Subscribed capital	52,091	52,091
Capital reserves	325,933	323,916
Retained earnings	103,924	95,040
Other components of equity	-4,643	-9,965
Equity attributable to owners of the parent company	477,305	461,083
Non-controlling interests	44,586	45,453
Total equity	521,892	506,536
Provisions for pensions	3,569	3,610
Bank liabilities	6,912	6,973
Other provisions	317	303
Other financial liabilities	48,988	45,848
Lease liabilities	9,327	9,619
Deferred tax liabilities	29,405	29,124
Total non-current liabilities	98,519	95,476
Bank liabilities	418	419
Trade payables	21,383	24,593
Income tax liabilities	7,842	5,718
Other provisions	2,483	2,099
Accruals	14,835	15,980
Deferred income	52,200	25,340
Other financial liabilities	6,693	9,075
Lease liabilities	5,066	5,000
Other liabilities	18,833	16,456
Total current liabilities	129,754	104,681
Total liabilities	228,273	200,156
Total equity and liabilities	750,165	706,692

CONSOLIDATED STATEMENT OF CASH FLOW

For the period: 01.01.2021 to 31.03.2021

	Figures in € thousand	3 months 2021	3 months 2020
Cash flow from operating activities:			
Profit before tax		11,482	6,377
Adjustments for:			
Depreciation of property, plant and equipment and amortisation of rights of use from leases		1,921	1,973
Amortisation of intangible assets		8,794	7,006
Depreciation of investment property		64	33
Changes in valuation allowances for trade receivables		-16	70
Other non-cash items		-1,861	-483
Share of profit(-)/loss from associates		0	-24
Interest expense and other financial expenses		402	417
Financial income		-82	-128
		20,704	15,241
Changes in working capital:			
Increase/decrease(-) in provisions and accruals		724	-459
Increase(-)/decrease in receivables and other assets		-12,020	-6,243
Increase/decrease(-) in advanced payments received		272	-98
Increase/decrease(-) in trade payables and other liabilities		26,513	18,301
Cash inflow from operating activities		36,193	26,742
Interest paid		-298	-390
Interest received		42	127
Income tax paid		-3,891	-1,969
Net cash flow from operating activities		32,046	24,510
Acquisition of property, plant and equipment		-292	-404
Acquisition/production of intangible assets		-3,098	-3,623
Cash outflow from the acquisition of consolidated companies less cash acquired		0	-1,412
Cash outflow from the acquisition of non-controlling interests without a change of control		-1,657	-2,300
Cash outflow from credits and loans granted		0	-1,154
Cash outflow from financial investments as part of short-term treasury management		-8	-352
Net cash flow from investing activities		-5,055	-9,245
Cash outflow from the repayment of bank loans		-100	-440
Cash outflow from the repayment of other financial liabilities		0	-409
Cash inflow from bank loans taken out		0	913
Cash outflow from lease liabilities		-1,625	-1,615
Net cash flow used in financing activities		-1,725	-1,551
Net change in cash and cash equivalents		25,266	13,714
Cash and cash equivalents at the beginning of the period		221,879	123,821
Currency-related change in cash and cash equivalents		3,868	-553
Cash and cash equivalents at the end of the period		251,013	136,982
Composition of cash and cash equivalents:			
Liquid funds, unrestricted		245,112	132,982
Liquid funds, restricted		5,901	4,000
Total		251,013	136,982

SEGMENT INFORMATION

	3 months 2021		
	iMTWO	YTWO	Total
Figures in € thousand			
Revenue, external	68,748	44	68,792
ARR	39,829	44	39,873
Subscription	23,369	44	23,412
Support	15,124	0	15,124
Managed Services	1,337	0	1,337
NRR	10,749	0	10,749
Licenses	10,749	0	10,749
Services	18,169	0	18,169
Cost of sales	-28,153	-700	-28,854
ARR / NRR	-16,879	-700	-17,580
Services	-11,274	0	-11,274
Research and development expenses	-7,513	-9	-7,522
ARR / NRR	-7,513	-9	-7,522
Sales and marketing costs	-14,529	-1	-14,529
General administrative expenses	-8,392	-21	-8,413
Other operating income and expenses	2,469	-141	2,329
EBIT segment	12,630	-828	11,802
Financial result			-320
thereof profit shares from investments accounted for using the equity method	-	-	0
Income tax expenses			-4,506
Profit after tax			6,976
EBITDA segment	22,692	-120	22,572
EBITDA-margin	33.0%	-273.5%	32.8%
Further segment information:			
Depreciation and amortisation / impairment losses of the segments	-10,062	-707	-10,770

Figures in € thousand	3 months 2020*		
	iMTWO	YTWO	Total
Revenue, external	62,857	0	62,857
ARR	40,400	0	40,400
Subscription	25,582	0	25,582
Support	13,535	0	13,535
Managed Services	1,283	0	1,283
NRR	8,745	0	8,745
Licenses	8,745	0	8,745
Services	13,712	0	13,712
Cost of sales	-26,797	-766	-27,563
ARR / NRR	-15,721	-766	-16,487
Services	-11,076	0	-11,076
Research and development expenses	-5,552	-13	-5,565
ARR / NRR	-5,552	-13	-5,565
Sales and marketing costs	-13,984	-5	-13,989
General administrative expenses	-9,047	-45	-9,092
Other operating income and expenses	-101	-48	-149
EBIT segment	7,376	-877	6,499
Financial result			-122
thereof profit shares from investments accounted for using the equity method	24	-	24
Income taxes expenses			-3,051
Profit after tax	7,400	-877	3,326
EBITDA segment	15,506	-98	15,408
EBITDA-margin	24.7%	-	24.5%
Further segment information:			
Depreciation and amortisation / impairment losses of the segments	8,130	779	8,909

*)The previous year's figures have been adjusted for the amounts relating to the discontinued operation xTWO (E-Commerce).

OTHER DISCLOSURES

AVERAGE NUMBER OF EMPLOYEES

	3 months 2021	3 months 2020
General administration	309	263
Research & development	642	457
Sales & marketing	380	349
Support & consulting	1,136	758
Total	2,467	1,827

REVENUE BY GEOGRAPHIC AREA

Revenue by geographic area (based on the location of customers):

	Figures in € thousand	3 months 2021	3 months 2020
Germany		24,660	19,920
Remaining EMEA Region (Europe, Middle East and Africa)		16,843	14,492
EMEA Region		41,503	34,412
APAC Region		9,754	10,339
North America		17,534	18,106
Total revenue		68,792	62,857

ACQUISITION OF NON-CONTROLLING INTERESTS

In February 2021, the Group acquired additional shares of 60% in Integrated Computer Systems Support, Inc. The shareholding thus increased from 40% to 100%. The carrying amount of the total net assets of ICS in the Group amounted to € 2,211 thousand at the acquisition date.

The Group acquired the 40% of shares existing prior to the increase in fiscal year 2018. As part of this acquisition, the Group has committed to purchase the now acquired 60% of shares within 36 months of the original purchase. The unconditional purchase obligation results in substantial potential voting rights, so that the Group has already acquired control over ICS before taking over the now acquired shares. For the written put option, the Group recognized a financial liability of approximately € 1,359 thousand (\$ 1,583 thousand) at the acquisition date, the recognition of which resulted in a reduction of additional paid-in capital. For further details on the acquisition completed in the financial year 2018 and the financial liability recognized in this context, please refer to notes (7.C.) and (38) of our consolidated financial statements as of December 31, 2018.

The purchase price paid for the non-controlling interests acquired amounted to approximately € 1,657 thousand (\$ 2,008 thousand). Due to the subsequent measurement of the financial liability at the acquisition date, there was a positive effect on earnings in the amount of the difference between the amortized carrying amount of the financial liability and the actual purchase price to be paid. This income in the amount of € 19 thousand was recognized under other operating income in these financial statements. The disposal of the carrying amount of the non-controlling interests was recognized directly in equity and is presented as follows:

	€ thousand
Carrying amount of non-controlling interests acquired	1,327
Purchase price liabilities	1,676
Income from difference between amortized carrying amount of purchase price liability and actual purchase price to be paid	-19
Purchase price paid for non-controlling interests	-1,657
Decrease in equity of the owners of the parent company	1,327

FURTHER INFORMATION

The quarterly statement and all information contained therein are unaudited.

IMPRINT

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Translation of the original German version:

The English version of the Quarterly Statement is a translation of the original German version; in the event of variances, the German version shall take precedence over the English translation.

FINANCIAL CALENDAR 2021

30 April 2021	11 May 2021
Quarterly Statement (January - March 2021)	Annual General Meeting
30 July 2021	29 October 2021
Interim Report (January - June 2021)	Quarterly Statement (January - September 2021)

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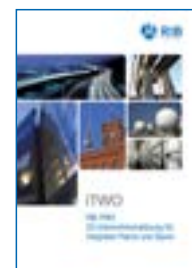
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Careers

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Product information and References

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