

RIB Group with strong revenue growth in first nine months of 2021

Group revenues grow by 10.2% to € 204.1 million

- Group revenue grows by 10.2% to € 204.1 million (previous year: € 185.2 million, adjusted for discontinued e-commerce operations)
- Recurring revenue (ARR) grows by 7.3% to € 117.1 million (previous year: € 109.1 million)
- License revenue (NRR), adjusted for the Phase III deal included in the previous year (€ 7.9 million), increases by 13.8%
- International revenue rises by 15.7% to € 135.8 million (previous year: € 117.4 million)
- International share of revenue increases further to 66.5% (previous year: 63.4%)

CONSOLIDATED FIGURES - OVERVIEW

€ million unless otherwise indicated	3rd quarter 2021	3rd quarter 2020*	Change	9 months 2021	9 months 2020*	Change
Revenue	65.4	57.5	13.7%	204.1	185.2	10.2 %
ARR	39.4	34.0	15.9%	117.1	109.1	7.3 %
NRR	9.5	11.5	-17.4%	34.6	38.3	-9.7 %
Services	16.5	12.0	37.5%	52.4	37.8	38.6 %
EBITDA	11.2	14.0	-20.0%	50.1	60.5	-17.2 %
as % of revenue	17.1%	24.3%	-	24.5%	32.7%	-
Operating EBITDA**	11.7	13.7	-14.6%	52.7	54.8	-3.8 %
as % of revenue	17.9%	23.8%	-	25.8 %	29.6 %	-
Expenses from purchase price allocations (PPA amortisation)	5.3	4.6	15.2%	15.8	12.5	26.4 %
Cash flows from operating activities	-	-	-	46.7	62.4	-25.2%
Group liquidity***	-	-	-	202.9	224.0	-9.4%
Equity ratio****	-	-	-	69.3%	71.7%	-
Average number of employees	-	-	-	2,610	1,886	38.4%

* The previous year's figures have been adjusted for the xTWO/e-commerce operation discontinued in the previous year.

** EBITDA adjusted by 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 - NINE MONTHS 2021

Total revenue increased by 10.2% to € 204.1 million (previous year*: € 185.2 million). Recurring revenue (ARR) increased by 7.3% to € 117.1 million (previous year: € 109.1 million). License revenue (NRR) decreased by 9.7% to € 34.6 million (previous year: € 38.3 million). Adjusted for the Phase III deal included in the previous year's period (€ 7.9 million), NRR revenue increased by 13.8%. Service revenue continued to develop very positively due to the high number of projects and increased by 38.6% to € 52.4 million (previous year: € 37.8 million). Organic revenue growth in the Group amounted to 3.2%.

EBITDA fell by 17.2% year-on-year to € 50.1 million (previous year: € 60.5 million). At € 52.7 million, operating EBITDA was down slightly by 3.8% on the previous year (€ 54.8 million); adjusted for the Phase III deal in the previous year, operating EBITDA increased by 12.4%.

Net cash flow from operating activities sank by 25.2% to € 46.7 million (previous year: € 62.4 million).

At the end of the third quarter, group liquidity amounted to € 202.9 million (December 31, 2020: € 224.0 million). The average number of employees changed by 38.4% to 2,610 (previous year: 1,886).

DEVELOPMENT OF THE SEGMENTS

iMTWO

Total revenue in the iMTWO segment increased by 10.3% to € 203.9 million (previous year: € 184.9 million). Adjusted for the Phase III deal included in the prior-year period, revenue in the iMTWO segment grew by 15.2%. Recurring revenue (ARR) increased by 7.4% to € 116.9 million (previous year: € 108.8 million). EBITDA decreased by 16.9% to € 50.0 million (previous year: € 60.2 million). Operating EBITDA in the segment reached € 52.5 million and was slightly below the previous year's level at -3.8% (previous year: € 54.6 million).

YTWO

In the YTWO segment, total revenue of € 0.3 million were at a very low level, as in the previous year (previous year: € 0.3 million, the previous year's figures were adjusted for the amounts of the discontinued xTWO/E-Commerce operation). The segment EBITDA amounted to € 0.1 million (previous year: € 0.3 million).

REVENUE DEVELOPMENT IN THE REGIONS

International revenue grew by 15.7% to € 135.8 million (previous year: € 117.4 million). Domestic revenue increased by 0.7% to € 68.3 million (previous year: € 67.8 million). The international share of total revenue thus amounts to 66.5% (previous year: 63.4%).

In the EMEA region (Europe, Middle East and Africa), revenue grew by 13.9% to € 48.3 million (previous year: € 42.4 million), in North America by 6.4% and in the APAC region (Asia Pacific) by 37.1%.

REPORT ON OPPORTUNITIES AND RISKS

Regarding to the material opportunities and risks of the expected development of the RIB Group, we refer to the opportunities and risks described in the Group Management Report as of 31 December 2020 and at the Annual General Meeting and published on the RIB website.

*The previous year's figures stated below have been adjusted for the xTWO/e-commerce operation discontinued in the previous year.

OUTLOOK - FISCAL YEAR 2021

Schneider Electric Investment AG specifies transfer request and determines cash compensation for the intended squeeze-out under stock corporation law of the minority shareholders of RIB Software SE

On September 22, 2021 the main shareholder of RIB Software SE, Schneider Electric Investment AG, Düsseldorf, has submitted to RIB Software SE the specific formal request to have the General Meeting of RIB Software SE resolve on the transfer of the shares of the remaining shareholders of RIB Software SE (minority shareholders) to Schneider Electric Investment AG in return for an appropriate cash compensation (squeeze-out under stock corporation law).

The required resolution is to be adopted at an Extraordinary General Meeting of RIB Software SE scheduled for November 3, 2021. Schneider Electric Investment AG holds shares in RIB Software SE in the amount of approximately 96.28 % of the share capital.

The amount of the cash compensation offered by Schneider Electric Investment AG to the minority shareholders of RIB Software SE for the transfer of the shares amounts to € 41.72 per registered no-par value share of RIB Software SE on the basis of a business valuation carried out.

Further business development

Due to the uncertainties caused by Covid-19 and in the context of further cost reductions and preservation of liquidity, we have continued to strongly reduce investments in new business areas, such as Y TWO, and are focusing on the successful expansion of the iMTWO segment.

On this basis and considering the further likely impact of the Covid-19 pandemic, provided it does not intensify during the year, we maintain the RIB Group's guidance for the 2021 financial year, according to which the company plans to generate revenue of between € 280 million and € 310 million and operating EBITDA of between € 65 million and € 75 million.

OTHER INFORMATION

We invite our shareholders to visit our Investor Relations website, in particular to keep an eye on our presentations to investors and our updated definitions to understand our current strategy.

MAIN COMPONENTS OF THE FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

For the period: January 1, 2021 to September 30, 2021

figures in € thousand, unless otherwise indicated	3rd quarter 2021	3rd quarter 2020	9 months 2021	9 months 2020
Revenue	65,420	58,434	204,119	190,376
Cost of sales	-31,296	-26,735	-88,826	-83,846
Gross profit	34,123	31,699	115,293	106,530
Other operating income	2,067	2,194	7,160	10,675
Sales and marketing expenses	-16,414	-13,547	-47,108	-39,766
General administrative expenses	-10,136	-6,299	-31,682	-21,786
Research and development expenses	-8,253	-7,272	-23,406	-18,656
Other operating expenses	-639	-2,079	-5,329	-3,513
Financial income	109	232	577	560
Finance costs	-290	-54	-864	-825
Share of earnings from investments accounted for using the equity method	221	-48	316	-92
Profit before tax	788	4,827	14,958	33,128
Income tax expenses	-1,022	-2,387	-6,027	-8,996
Consolidated net profit	-234	2,440	8,931	24,132
Profit attributable to non-controlling interests	-70	341	631	996
Profit attributable to owners of the parent company	-164	2,099	8,300	23,136
Earnings per share based on the profit attributable to the shareholders of RIB Software SE:				
basic	0.00 €	0.03 €	0.16 €	0.47 €
diluted	0.00 €	0.03 €	0.16 €	0.46 €

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF SEPTEMBER 30, 2021 AND DECEMBER 31, 2020

Figures in € thousand	September 30, 2021	December 31, 2020
Goodwill	182,133	179,034
Other intangible assets	163,758	176,473
Property, plant and equipment	16,045	16,209
Right of use	12,995	13,990
Investment property	6,823	6,544
Investments accounted for using the equity method	4,746	5,886
Other financial assets	5,253	4,725
Deferred tax assets	1,403	1,351
Total non-current assets	393,156	404,213
Inventories	2,656	2,573
Trade receivables	55,923	54,834
Income tax assets	2,002	1,738
Other financial assets	4,802	4,476
Non-current assets held for sale	2,333	2,201
Other non-financial assets	19,390	14,778
Cash and cash equivalents	201,531	221,879
Total current assets	288,637	302,479
Total assets	681,793	706,692

Figures in € thousand	September 30, 2021	December 31, 2020
Subscribed capital	52,274	52,091
Capital reserves	328,209	323,916
Retained earnings	54,030	95,040
Other equity components	-5,815	-9,964
Equity attributable to owners of the parent company	428,698	461,083
Non-controlling interests	43,529	45,453
Total equity	472,227	506,536
Provisions for pensions	3,488	3,610
Bank liabilities	4,086	6,973
Other provisions	303	303
Other financial liabilities	50,263	45,848
Leasing liabilities	8,522	9,619
Deferred tax liabilities	24,078	29,124
Total non-current liabilities	90,740	95,476
Bank liabilities	1,748	419
Trade payables	19,826	24,593
Income tax liabilities	7,565	5,718
Other provisions	2,321	2,099
Accruals	24,619	15,980
Deferred income	38,006	25,340
Other financial liabilities	1,840	9,075
Leasing liabilities	4,797	5,000
Other liabilities	18,104	16,455
Total current liabilities	118,826	104,680
Total liabilities	209,566	200,155
Total equity and liabilities	681,793	706,692

CONSOLIDATED STATEMENT OF CASH FLOWS

For the period: January 1, 2021 to September 30, 2021

	Figures in € thousand	9 months 2021	9 months 2020
Cash flows from operating activities:			
Profit before tax		14,958	33,128
Adjustments for:			
Depreciation of property, plant and equipment and amortisation of rights of use from leases		5,659	6,051
Amortisation of intangible assets		25,620	21,089
Depreciation of investment property		192	186
Impairment of self generated software		3,739	0
Changes in valuation allowances for trade receivables		1,552	7
Other non-cash items		-4,854	-4,051
Share of profit(-)/loss from associates		316	92
Interest expense and other financial expenses		863	825
Financial income		-577	-560
		47,468	56,767
Changes in working capital:			
Increase/decrease(-) in provisions and accruals		8,790	1,134
Increase(-)/decrease in receivables and other assets		-6,194	11,499
Increase/decrease(-) in advanced payments received		886	561
Increase/decrease(-) in trade payables and other liabilities		4,991	-2,708
Cash inflows from operating activities		55,941	67,253
Interest paid		-448	-723
Interest received		468	454
Income tax paid		-9,277	-4,628
Net cash flows from operating activities		46,684	62,356
Cash inflow from the sale of non-current assets		0	1,350
Acquisition of property, plant and equipment		-1,240	-1,749
Acquisition/production of intangible assets		-10,051	-11,669
Cash outflow from the acquisition of consolidated companies less cash acquired		0	-18,969
Cash outflow from the acquisition of non-controlling interests without a change of control		-2,322	-22,063
Purchase(-)/sale of available-for-sale securities		0	-4
Cash outflow from credits and loans granted		0	-1,244
Cash inflow from financial investments as part of short-term treasury management		793	1,006
Cash outflow from financial investments as part of short-term treasury management		-23	-490
Net cash flows from investing activities		-12,843	-53,832
Cash outflow from the repayment of bank loans		-392	-957
Cash outflow dividend payment		-51,049	-5,796
Cash inflow from the sale of treasury shares		0	104,498
Cash inflow from the exercise of stock options		183	170
Cash outflow from the repayment of other financial liabilities		-2,157	-1,397
Cash inflow from bank loans taken out		1,336	2,688
Cash outflow from non-controlling shareholders		-1,928	0
Cash outflow from lease liabilities		-4,799	-4,679
Net cash flows used in financing activities		-58,806	94,527
Net change in cash and cash equivalents		-24,965	103,051
Cash and cash equivalents at the beginning of the period		221,879	123,821
Currency-related change in cash and cash equivalents		4,617	-661
Cash and cash equivalents at the end of the period		201,531	226,211
Composition of cash and cash equivalents:			
Liquid funds, unrestricted		195,664	202,223
Liquid funds, restricted		5,867	23,988
Total		201,531	226,211

SEGMENT INFORMATION

Figures in € thousand	9 months 2021		
	iMTWO	YTWO	Total
Revenue, external	203,860	259	204,119
ARR	116,877	259	117,136
Subscription	68,986	259	69,245
Support	43,787	0	43,787
Managed Services	4,103	0	4,103
NRR	34,559	0	34,559
Licenses	34,559	0	34,559
Services	52,424	0	52,424
Cost of sales	-86,709	-2,117	-88,826
ARR / NRR	-50,688	-2,117	-52,805
Services	-36,022	0	-36,022
Research and development expenses	-23,378	-28	-23,406
ARR / NRR	-23,378	-28	-23,406
Sales and marketing costs	-47,107	-1	-47,108
General administrative expenses	-31,630	-51	-31,682
Other operating income and expenses	1,969	-137	1,832
Segment EBIT	17,004	-2,075	14,929
Financial result			29
thereof profit shares from investments accounted for using the equity method	316	0	316
Income tax expenses			-6,027
Consolidated net profit			8,931
Segment EBITDA	50,038	54	50,092
EBITDA margin	24.5%	20.8%	24.5%
Other segment information:			
Depreciation and amortisation / impairment losses of the segments	33,034	2,129	35,163

Figures in € thousand	9 months 2020*		
	iMTWO	xYTWO	Total
Revenue, external	184,858	5,518	190,376
ARR	108,752	345	109,097
Subscription	66,126	345	66,471
Support	39,057	0	39,057
Managed Services	3,569	0	3,569
NRR	38,310	0	38,310
Licenses	38,310	0	38,310
Services	37,797	0	37,797
E-commerce	0	5,173	5,173
Cost of sales	-77,100	-6,746	-83,846
ARR / NRR	-46,101	-2,256	-48,357
Services	-30,999	0	-30,999
E-commerce	0	-4,490	-4,490
Research and development expenses	-18,621	-34	-18,655
ARR / NRR	-18,621	-34	-18,655
Sales and marketing costs	-39,165	-600	-39,766
General administrative expenses	-21,298	-487	-21,786
Other operating income and expenses	6,818	343	7,162
EBIT segment	35,492	-2,006	33,485
Financial result			-357
thereof profit shares from investments accounted for using the equity method	82	-174	-92
Income tax expenses			-8,996
Consolidated net profit			24,132
Sement EBITDA	60,183	443	60,626
EBITDA margin	32.6%	8.0%	31.8%
Other segment information:			
Depreciation and amortisation / impairment losses of the segments	24,691	2,449	27,140

*)The information on the reporting segment xYTWO contains figures generated in the discontinued business area of xTWO (E-commerce) in fiscal year 2020.

OTHER DISCLOSURES

AVERAGE NUMBER OF EMPLOYEES

	9 months 2021	9 months 2020
General administration	316	264
Research & development	672	522
Sales & marketing	396	347
Support & consulting	1,226	753
Total	2,610	1,886

REVENUE BY GEOGRAPHIC AREA

	Figures in € thousand	9 months 2021	9 months 2020
Germany		68,341	68,869
(therof discontinued operation)		0	1,098
Remaining EMEA Region (Europe, Middle East and Africa)		48,299	45,020
(therof discontinued operation)		0	2,618
EMEA Region		116,640	113,889
(therof discontinued operation)		0	3,716
APAC Region		34,164	26,375
(therof discontinued operation)		0	1,453
North America		53,316	50,112
(therof discontinued operation)		0	4
Total revenue		204,119	190,376
(therof discontinued operation)		0	5,173

ACQUISITION OF NON-CONTROLLING INTERESTS

In February 2021, the Group acquired additional shares of 60% in Integrated Computer Systems Support, Inc. (hereinafter ICS). 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% interest existing prior to the increase in fiscal year 2018 and thus gained control over ICS. As part of this acquisition, the Group has committed to purchase the now acquired 60% interest within 36 months of the original purchase. 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 and (\$ 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	-19
actual purchase price to be paid	-1,657
Increase in equity of the owners of the parent company	1,327

In May 2021, the Group acquired additional shares of 15% in RIB SAA Software Engineering GmbH, Vienna/Austria (hereinafter RIB SAA). The shareholding thus increased from 75% to 90%.

The Group acquired the interest of 75% existing prior to the increase in the financial year 2015 and thus gained control over RIB SAA.

In the course of the acquisition of the company in the 2015 financial year, the Group concluded reciprocal call and put options with the sellers for the transfer of the outstanding shares of 25%. The options were generally exercisable by both parties in the period from January 1, 2021 to March 31, 2021. For the written put option, the Group had recognized a financial liability of approximately € 2,632 thousand at the acquisition date. For further details on the acquisition completed in the 2015 financial year and the financial liability recognized in this context, please refer to the comments in Notes (8) and (40) of our consolidated financial statements as of December 31, 2015.

In the course of the share acquisition in May 2021, the Group again entered into mutual call and put options with the sellers to transfer the outstanding shares of 10%. The options are generally exercisable by both parties in the period from January 1, 2023 to March 31, 2023.

The purchase price paid for the acquired non-controlling interests amounted to approximately € 2,157 thousand. The disposal of the carrying amount of the non-controlling interests was recognized directly in financial liabilities and is presented as follows:

	€ Thousand
Purchase price liability for outstanding 25%	3,571
Fair value of the consideration paid for 15% of the shares	-2,157
Purchase price liability for outstanding 10% as of 09/30/2021	1,414

In September 2021, the Group acquired additional shares of 40% in Levtech Consulting DMCC (hereinafter Levtech). The shareholding thus increased from 60% to 100%. The carrying amount of the total net assets of Levtech in the Group amounted to € 2,033 thousand at the acquisition date.

The Group acquired the 60% interest existing prior to the increase in fiscal year 2019 and thus gained control over Levtech. For further details on the acquisition completed in the financial year 2019 and the financial liability recognized in this context, please refer to note (39) of our consolidated financial statements as of December 31, 2019.

The purchase price paid for the non-controlling interests acquired amounted to approximately € 665 thousand and (\$ 770 thousand). 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	813
Purchase price paid for non-controlling interests	-665
Increase in equity of the owners of the parent company	148

FURTHER INFORMATION

The Quarterly Statement and all information contained therein are unaudited.

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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

<p>30 April 2021</p> <p>Quarterly Statement (January - March 2020)</p>	<p>11 May 2021</p> <p>Annual General Meeting</p>	
<p>30 July 2021</p> <p>Interim Report (January - June 2020)</p>	<p>29 October 2021</p> <p>Quarterly Statement (January - September 2020)</p>	<p>03 November 2021</p> <p>Extraordinary General Meeting</p>

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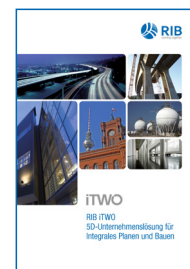
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Product information and References



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