

Corporate

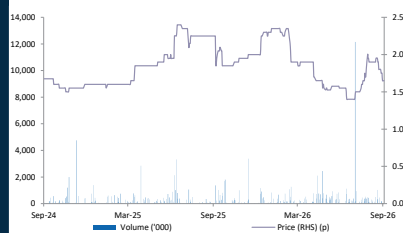
Current price **1.65p**

Sector **Technology**

Code **BUC.L**

Listing **AIM**

Share Performance



% Change	1m	3m	12m
BUC.L	-13.2	6.5	-26.7

Source: Thomson Reuters, Allenby Capital

Share Data

Market Cap (£m) **6.6**

Shares in issue (m) **398.694**

52 weeks (p)	High	Low
	2.50	1.30

Financial year end **30 September**

Source: Company Data, Allenby Capital

Key Shareholders (pre-deal)

Nicholas Clark (CEO)	12.0%
Keith McCullagh	10.4%
Philip J Milton & Co.	9.6%
James Nicholas Earle Thompson	5.4%
John-David Papworth	4.1%

Source: LSEG

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Built Cybernetics plc (BUC.L)

Transformational acquisition

Built Cybernetics plc (BUC.L), the Smart Buildings group, has conditionally agreed to acquire Ecolibrium, a Smart Buildings and industrial technology business, for £3.6m in an all-share deal. Strategically, the acquisition expands the Group's product portfolio and AI/ML capability, adds customers and opens access to new geographies and verticals. The deal also brings a prominent new shareholder, Unbound, backed by the Bharti Group, which holds major stakes in two FTSE 100 companies, BT Group and Airtel Africa, and newly listed Airtel Money. Built Cybernetics has also conditionally raised £3m (gross) as working capital for the enlarged business. Ecolibrium is expected to contribute c. £3.0m to FY27E net revenue, a 13% uplift to previous forecasts, with enlarged Group YE ARR up 62% to £5.5m, rising to £8.6m in FY28E. Built Cybernetics offers investors (i) exposure to a rapidly growing Smart Buildings market via a Company with an established track record; (ii) organic growth with M&A upside; and (iii) a deep value stock, with the enlarged Group trading at an undemanding 0.43x FY27E and 0.37x FY28E EV/Sales at the 1.5p placing price.

- Deal summary:** Built Cybernetics has conditionally raised £3m: half as working capital for Ecolibrium, funding the Airtel Africa contract and development work, and the balance primarily for working capital at Built Cybernetics. The acquisition consideration of £3.6m equates to 4x Ecolibrium's FY26 revenue and a c. 66% discount to its £10.5m investment to date.
- Impact to forecast:** No impact is foreseen to FY26E, given completion is after Built Cybernetics' September year end. Group EBIT is expected to be £0.5m in FY27E, despite absorbing the investment in Ecolibrium, rising to £2.2m in FY28E as Ecolibrium moves into profit. The new business is expected to boost YE ARR, a key metric in our view for assessing the Group's growth, by 62% in FY27E and 88% in FY28E.
- New major shareholder:** Unbound, a venture capital firm backed by the Bharti Group, is Ecolibrium's largest shareholder and will become the largest shareholder in Built Cybernetics on completion (c. 21% holding). The Bharti Group holds major stakes in two FTSE 100 companies, BT Group and Airtel Africa, as well as in Airtel Money, which listed in London last week. Unbound's backing represents a significant endorsement from a notable investor for an AIM-quoted micro-cap company.
- Strategic rationale:** Value creation is primarily expected through topline and recurring revenue growth, with modest cost synergies. Ecolibrium's SmartSense adds a fourth product to the Group's software portfolio, strengthens its AI/ML capability via Ecolibrium's India-based team, and opens a first foothold in emerging markets (India and Africa) and new verticals (telecom towers, data centres). Ecolibrium's customer and channel relationships also create cross-selling opportunities.

Year End: 30 September

(£'000)	FY25	FY26E	FY27E Old	FY27E New	FY28E
ARR	1,710	2,114	3,403	5,503	8,566
NET REVENUE	19,718	19,460	23,124	26,124	30,952
ADJ. EBIT	203	-743	790	490	2,188
ADJ. PBT	77	-821	706	437†	2,218
NET CASH/ (DEBT)	-962	-1,444	-1,442	1,121*	2,961*

Source: Company; Allenby Capital. †Excludes other non-recurring costs related to acquisition costs; *Includes a £3m fundraise
Allenby Capital acts as Joint Broker to Built Cybernetics plc (BUC.L).

Please refer to the last page of this communication for all required disclosures and risk warnings.

All-share acquisition of Ecolibrium

Ecolibrium's SmartSense software platform uses AI and ML to convert real-time building and industrial data into actionable insights, helping clients cut energy costs and carbon emissions. The £3.6m consideration, based on the 1.5p placing price, will be satisfied entirely in new Built Cybernetics shares. The acquisition alone would leave existing Built Cybernetics shareholders with 62.5% of the enlarged Company, with Ecolibrium's shareholders and lenders holding 37.5%.

The acquisition is conditional on shareholder approval at a General Meeting on 2 November, with completion expected on 3 November. Details of the associated £3m fundraise are set out below.

The all-share deal is similar in structure to the Company's March 2023 £2.9m acquisition of TFG, its largest business, now rebranded as Vanti. By contrast, the majority of Built Cybernetics' acquisitions have been smaller, all cash deals.

Exhibit 1: Built Cybernetics completed acquisitions since 2023

Date	Target	Division	£m	Consideration details
Mar-23	TFG	Smart Buildings	2.90	All-share
Jul-23	A+K*	Smart Buildings	0.52	All cash
Oct-23	ecoDriver	Smart Buildings	0.36	75% shares, 25% cash
Mar-24	Vanti	Smart Buildings	0.09	All cash. 43% up front, balance in 18 months
Nov-25	MapBI	Smart Buildings	0.10	All cash: 75% up front, balance in 6 months
Jan-26	WPC	Architecture	0.12	All cash: Earn out of up to £0.15m
Total			4.08	

Source: Company data and Allenby Capital Research; *A+K was divested in Nov 2025 for a nominal amount

Ecolibrium financials and acquisition multiples

In FY26 (YE 31 March), Ecolibrium generated \$1.2m (£0.9m at £1=\$1.33) in revenue and a net loss of \$2.9m (£2.2m).

The acquisition consideration equates to 4x FY26 revenue. Ecolibrium has also invested \$14m (£10.5m) over the last decade, of which \$8m to \$9m was on software development. The consideration represents a c. 66% discount to this investment, which has been important to Ecolibrium developing its SmartSense technology.

£3m fundraise

Built Cybernetics has conditionally raised £3m (gross) through the issue of 204.6m new shares at the 1.5p placing price. Fundraise participants will hold 24.3% of the enlarged Company.

Exhibit 2: Shareholding post-acquisition and fundraise

Shareholder	Shares (m)	%
Built Cybernetics shareholders	398.7	47.3%
Ecolibrium shareholders and debt holders	239.1	28.4%
Fundraise participants	204.6*	24.3%
Total	842.4	100.0%

Source: Company data and Allenby Capital Research; *Includes 33.3m CLA Shares, which are expected to convert after Admission

Half of the proceeds (c. £1.5m) are earmarked as working capital for Ecolibrium, primarily funding the Airtel Africa contract and wider development work. The balance is split between Built Cybernetics' own working capital (£1m) and £0.5m allocated to deal costs across three jurisdictions.

Airtel, LSEG, BT, NTT Data, Tata

Ecolibrium company profile

Ecolibrium is a Smart Buildings and industrial technology business focused on sustainability. Its flagship SmartSense software platform connects to building and industrial systems, using proprietary AI and ML to convert real-time operational data into actionable insights, helping organisations reduce energy costs, carbon emissions and operating expenditure. Ecolibrium was founded by Chintan Soni (CEO), who will continue to run the business post-acquisition.

Blue chip customer base and major channel partners

Ecolibrium customers span real estate, manufacturing and data centre operators globally. Customers include Airtel, LSEG, BT, Aon, Gartner, NTT Data, Tata and Concentrix.

Channel partners include JLL, OCS and SWDC, who resell or recommend SmartSense across their managed portfolios.

Prominent new major shareholder

Unbound, a venture capital firm, is Ecolibrium's largest shareholder as well as a major debt provider. Following completion of the deal, it will become the largest shareholder in Built Cybernetics, with a c. 21% holding in the enlarged Group. Unbound is backed by the Bharti Group, whose major holdings include:

- 40.47% stake in Bharti Airtel (BHARTIARTL.NS; MCap: £87.2bn), India's second-largest telecoms operator, which in turn owns c. 79% of Airtel Africa (AAF.L; MCap: £11.3bn).
- Airtel Africa owns 77.85% of its spin-off mobile money business, Airtel Money (AMC.L; MCap: £5.0bn), which listed on the London Stock Exchange on 9 October 2026, the largest London IPO in more than five years.
- 24.95% interest in BT Group (BT.L; MCap: £19.2bn), making it BT's largest shareholder.
- 17.9% stake in Eutelsat (ETL.PA; MCap: €1.6bn), the European satellite operator.

Airtel Africa contract

Ecolibrium's largest order to date is with Airtel Africa, awarded in November 2025. The order covers the delivery of a Building Management System across over 40 edge data centres in 14 African countries, providing energy efficiency and operational assurance services to avoid over-cooling and improve site uptime.

- The order is worth \$1.9m in Year 1, covering hardware, installation and the first year's subscription, to be delivered by end March 2027.
- From Year 2, it generates a recurring \$221k annually, taking the three-year contract value to c. \$2.3m.

Beyond its immediate revenue impact, the deployment provides a beachhead for work with other telecom operators in the region and beyond.

No impact on FY26E due to deal timing**Impact on our forecasts**

Given Built Cybernetics' year end (30 September) and completion expected in November, there is no impact on FY26E forecasts.

In FY27E, we would expect Ecolibrium to contribute:

- c. £3.0m to our existing £23.1m net revenue forecast, providing a 13% uplift.
- EBIT should decline 38% to £0.5m, resulting from a £0.3m loss at Ecolibrium.
- Year-end ARR should receive a major boost from Ecolibrium, increasing 62% to £5.5m.

Exhibit 3: Potential impact to forecasts

FY27E (YE 30 September) - £m	BUC	Ecolibrium	Enlarged	Impact
Net Revenue	23.1	3.0	26.1	13%
EBIT	0.8	-0.3	0.5	-38%
YE ARR	3.4	2.1	5.5	62%

Source: Allenby Capital Research

We also introduce FY28 forecasts that show the full impact of the acquisition. Within this, we would expect Ecolibrium to contribute £4m in ARR, c. £5.4m in net revenue and £0.7m in EBIT.

Exhibit 4: Indicative impact to FY28

FY28 (YE 30 September) - £m	Enlarged	
Net Revenue	31.0	
EBIT	2.2	
YE ARR	8.6	

Source: Allenby Capital Research

Strategic rationale for a transformational acquisition

The acquisition of Ecolibrium is underpinned by clear strategic logic, with value creation expected primarily through topline growth and recurring revenue acceleration rather than major cost synergies. The combination expands Built Cybernetics' product portfolio, strengthens its AI/ML capability, and opens access to emerging markets, new verticals and blue chip customer relationships, reinforcing the Group's positioning as an emerging leader in Smart Buildings technology.

Expands product portfolio

SmartSense adds a fourth product to the Group's software portfolio, alongside Smart Core, MapBI and ecoDriver. Rather than simply flagging issues within a building's systems, SmartSense interprets the underlying data and recommends specific actions to be taken, complementing Built Cybernetics' existing Smart Core operating system.

AI/ML boost, with India development capacity

The acquisition brings 112 proprietary machine learning algorithms covering more than 80 asset types, materially strengthening Built Cybernetics' AI/ML capability, alongside Ecolibrium's India-based development team, which expands Built's engineering resource on a more efficient cost basis.

Foray into emerging markets

Built Cybernetics' existing operations are concentrated in developed markets. Ecolibrium's established presence across emerging markets, including India, together with its Airtel Africa contract, gives Built a foothold in two major new geographies.

New verticals, including telecom towers and data centres

Beyond its traditional office, retail and industrial building base, Ecolibrium's technology extends into telecom towers and edge data centres, verticals where Built Cybernetics currently has no presence. This broadens the combined Group's addressable market well beyond core Smart Buildings applications.

Blue chip customers and expanded channel sales relationships

Ecolibrium's existing customer and channel relationships create an immediate route to cross-sell SmartSense into Built Cybernetics' own client base, while Built Cybernetics' product set gains access to new customers through Ecolibrium's channel partners. This is a two-way distribution benefit that neither business could achieve as quickly alone. Encouragingly, on 5 October, ecoDriver secured a c. £110k, five-year contract (£16k ARR), identified during due diligence and to be delivered with support from Ecolibrium.

Smart Buildings division (50.4% of FY25 Group net revenue)

The Smart Buildings division currently has three businesses: Vanti, ecoDriver and MapBI. Ecolibrium will join the division on completion.

Vanti (47.5% of FY25 Group net revenue)

Vanti is a Master Systems Integrator (MSI) and has developed Smart Core, a Building Operating System (BOS) software. Smart Core enables clients to integrate all aspects of building technology, increasing efficiency and comfort. Smart Core deployments reached 3.3m sq ft across 16 countries at 31 March 2026, up 14% in six months. Clients include property owners, building operators and commercial tenants. Vanti was the largest of Built Cybernetics' businesses in FY25, accounting for 47.5% of Group net revenue and contributing 94.3% of the Smart Buildings division's revenue.

ecoDriver (2.9% of FY25 Group net revenue)

ecoDriver helps organisations understand and reduce their energy consumption and emissions. The business has two decades of expertise and currently offers energy monitoring software, energy efficiency consulting services and sensors and other hardware to monitor energy usage, air quality and other metrics. Clients include major corporations, NHS trusts, schools, universities and the public sector. ecoDriver's technology is particularly suited to older buildings that tend to be less energy efficient.

MapBI (Acquired in November 2025)

MapBI's Active Maps SaaS solution is used to visualise and analyse information in 3D environments and has a range of applications including for Smart Cities and Smart Ports. Active Maps combines mapping, Geographic Information System (GIS), Business Intelligence (BI) and 3D visualisation. It is expected to be of interest to the Group's existing client base, particularly to developers and multi property owners, helping them understand data at a portfolio wide level. MapBI has made slower progress than management anticipated and will be integrated into Vanti's Smart Core platform during FY27 to reduce its cost base.

MSI and BOS software

Software, hardware and consulting services

SaaS solution to visualise and analyse information in 3D environments

Financial statements

Exhibit 5: Summary income statement

YE 30 September (£'000)	FY24	FY25	FY26E	FY27E	FY28E
Revenue	18,633	20,061	19,752	26,516	31,416
Sub consultant costs	265	343	292	392	464
Net Revenue	18,368	19,718	19,460	26,124	30,952
Cost of Sales	4,462	4,669	4,608	6,186	7,329
Gross profit	13,906	15,049	14,852	19,938	23,623
Gross margin	75.7%	76.3%	76.3%	76.3%	76.3%
Admin expenses	14,438	15,093	15,848	19,705	21,692
Other operating income	-500	-247	-252	-257	-257
Operating profit	-32	203	-743	490	2,188
Operating margin	nm	1.0%	nm	1.9%	7.1%
Adj. Operating profit (EBIT)	-32	203	-743	490	2,188
Finance income	13	16	16	40	90
Finance costs	458	299	250	250	225
Share of JVs	156	157	157	157	165
Trading profit	-321	77	-821	437	2,218
Other non-recurring costs	978	-	-	250	-
Profit before tax (PBT)	-1,299	77	-821	187	2,218
Adj. Profit before tax (PBT)	-321†	77	-821	437†	2,218
Taxes	-221	-34	-	-	-
Tax rate	38.5%	nm	-	-	-
Extraordinary gain (loss)	-	-	-	-	-
Net profit	-1,078	111	-821	187	2,218
Net Margin	nm	0.6%	nm	0.7%	7.2%
Adjusted net profit	-100†	111	-821	437†	2,218
Basic shares outstanding ('000)	315,833	346,286	384,283	805,400	842,373
Basic EPS (p)	-0.34	0.03	-0.21	0.02	0.26
Diluted shares outstanding ('000)	341,589	382,074	420,070	841,187	878,160
Diluted EPS (p)	-0.32	0.03	-0.20	0.02	0.25
Adjusted diluted EPS (p)	-0.03†	0.03	-0.20	0.05†	0.25
Dividend per share (p)	-	-	-	-	-

Source: Company data and Allenby Capital Research forecasts; Note: †Excludes other non-recurring costs related to acquisition costs, goodwill impairment, etc.

Exhibit 6: Revenue by division and Annual Recurring Revenue

YE 30 September (£'000)-	FY24	FY25	FY26E	FY27E	FY28E
Smart Buildings	9,069	9,946	9,395	15,153	19,323
% Change YoY	71.7%	9.7%	-5.5%	61.3%	27.5%
Architecture	9,299	9,772	10,065	10,971	11,629
% Change YoY	5.4%	5.1%	3.0%	9.0%	6.0%
Net revenue	18,368	19,718	19,460	26,124	30,952
% Change YoY	30.2%	7.3%	-1.3%	34.2%	18.5%
Annual Recurring Revenue (ARR)					
Smart Buildings YE ARR	1,200	1,710	2,114	5,503	8,566
% Change YoY		42.5%	23.6%	160.3%	55.7%
% of Smart Buildings division revenue	13.2%	17.2%	22.5%	36.3%	44.3%

Source: Company data and Allenby Capital Research forecasts

Exhibit 7: Summary balance sheet

YE 30 September (£'000)	FY24	FY25	FY26E	FY27E	FY28E
Assets					
Cash & cash equivalents	353	536	504	3,069	4,909
Accounts receivable	5,026	3,582	3,572	4,724	5,597
Other short-term assets	2,143	1,508	1,508	1,508	1,508
Assets held for sale	-	118	118	118	118
Current Assets	7,522	5,744	5,702	9,419	12,131
Goodwill	1,814	1,814	1,814	1,814	1,814
Other intangibles	573	939	1,368	1,817	2,289
Net fixed assets	176	188	210	233	256
Other long-term assets	3,372	3,505	3,291	3,291	3,291
Long-term assets	5,935	6,446	6,683	7,155	7,650
Total Assets	13,457	12,190	12,385	16,574	19,781
Liabilities					
Accounts payable	5,483	4,053	3,964	5,084	6,024
Short-term debt	522	383	833	833	833
Taxes and others	3,233	2,274	2,274	2,274	2,274
Current Liabilities	9,238	6,710	7,071	8,191	9,131
Long-term debt	84	1,115	1,115	1,115	1,115
Reserves and other	1,742	1,783	1,783	1,783	1,783
Long-term liabilities	1,826	2,898	2,898	2,898	2,898
Issued share capital	3,411	3,555	4,152	6,975	6,975
Other reserves	3,938	3,980	3,980	3,980	3,980
Retained earnings	-4,956	-4,953	-5,716	-5,470	-3,202
Total Equity	2,393	2,582	2,416	5,484	7,752
Total liabilities & equity	13,457	12,190	12,385	16,574	19,781

Source: Company data and Allenby Capital Research forecasts

Exhibit 8: Summary cashflow statement

YE 30 September (£'000)	FY24	FY25	FY26E	FY27E	FY28E
Operating profit	-32	203	-743	490	2,188
Amortisation of intangible assets	62	82	96	101	106
Depreciation	134	109	128	128	134
Taxes	-	34	-	-	-
Share based compensation	23	34	-	-	-
Change in working capital (use)	-226	-23	-79	-31	67
Others	128	-325	-	-250	-
Cash flow from operations (CFO)	89	114	-598	437	2,495
Capex	2,284	-128	-150	-150	-158
Acquisitions & divestitures	-	-	214	-	-
Capitalisation and purchase of intangibles	-221	-448	-525	-550	-578
Dividends received from JVs	192	211	215	215	215
Others	-44	31	-	-	-
Net investments	2,211	-334	-246	-485	-520
Free cash flow (FCF)	2,300	-220	-844	-48	1,975
Free cash flow per share (p)	0.7	-0.1	-0.2	0.0	0.2
Net interest received (paid)	-357	-220	-234	-210	-135
Dividends paid	-	-	-	-	-
Capital increase (decrease)	482	147	597	2,823	-
Debt issued (redeemed)	-2,167	872	450	-	-
Lease payments	-582	-329	-	-	-
Others	155	-67	-	-	-
Cash flow from financing	-2,469	403	812	2,613	-135
Net Increase (decr) in cash and equivalents	-169	183	-32	2,565	1,840
Cash & cash equivalents	353	536	504	3,069	4,909

Source: Company data and Allenby Capital Research forecasts

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