



Earnings Call Q4- / FY-2021

Nemetschek Group

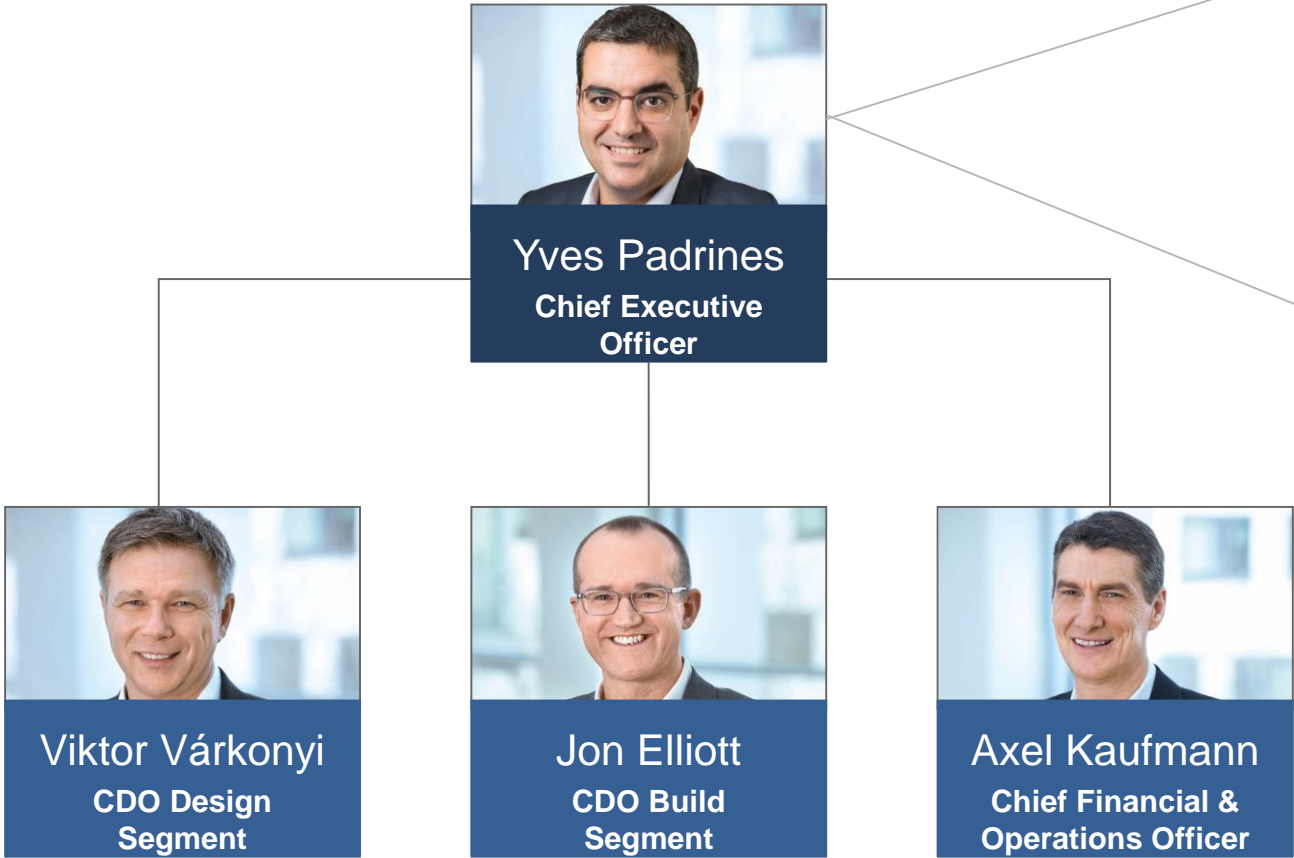
22 March 2022

NEMETSCHKEK
GROUP®

Agenda

- 1 Introduction & Welcome Yves Padrines
- 2 Financial Results Q4- / FY-2021
- 3 Update Subscription Transition
- 4 Outlook: 2022
- 5 Appendix

Introduction Yves Padrines & New Board Structure



Yves Padrines:

“Building on a strong foundation, I am here to lead Nemetschek to its next phase of growth as well as to continue building on its impressive success.”



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Financial Results Q4- / FY-2021

Strategic Highlights FY-21

Start-up Investments / M&A

Design:

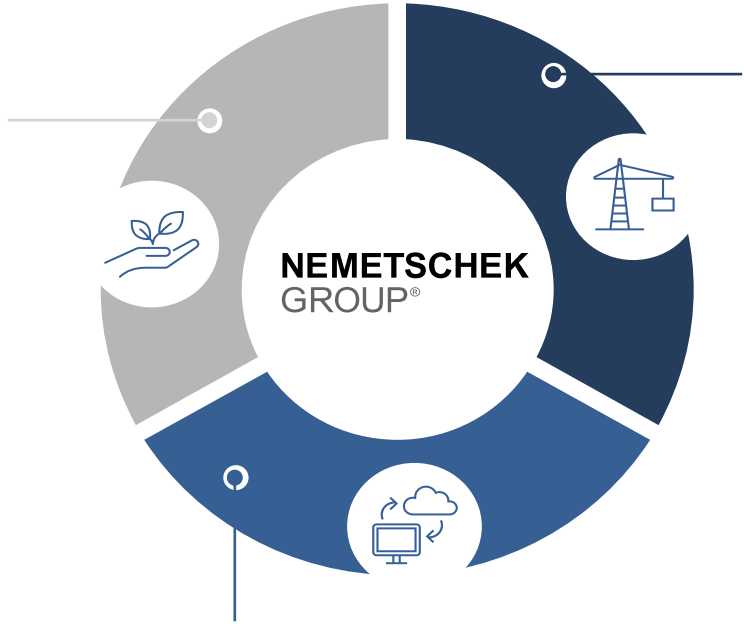
- Venture investment in Imerso (Digital Twins for Property Development)

Build:

- Venture investments in Sablono (real-time project controls across time, quality and costs)
- Venture investments in Reconstruct (remote Quality Control & Measurable Progress Monitoring)

M&E:

- Acquisition of Pixologic to strengthen portfolio for huge metaverse market



Operational Excellence

Design:

- Allplan and SDS2 join forces
- Brands Graphisoft and Data Design System merge

Build:

- dRofus now part of Build segment that will greatly benefit from dRofus' deep understanding of construction data management and BIM-based collaboration

M&E:

- Full-fledged integration of Redshift & Red Giant into Maxon
- Successful subscription transition completed

Innovation & Technological Leadership

Build:

- Increased cloud and mobile capabilities for subscription transition

M&E:

- Flagship product Maxon ONE - complete suite to expand customer segments

Manage:

- Smart Building Digital Twin / Energy Intelligence Digital Twin
- Expanding position as one of the leading building IoT platform vendors¹

¹ Verdantix Green Quadrant for Smart Buildings 2022

Top key figures Q4-21: Strong Finish of the Year

Revenues EURm



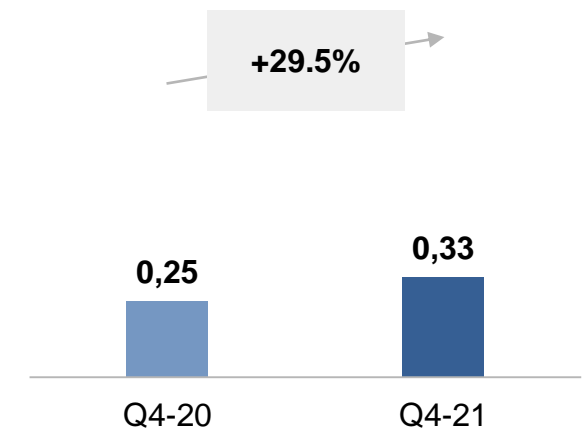
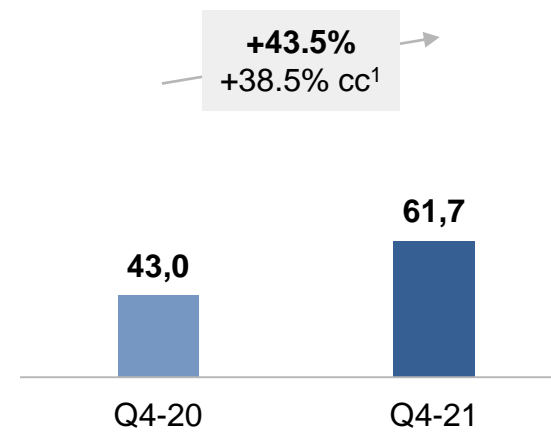
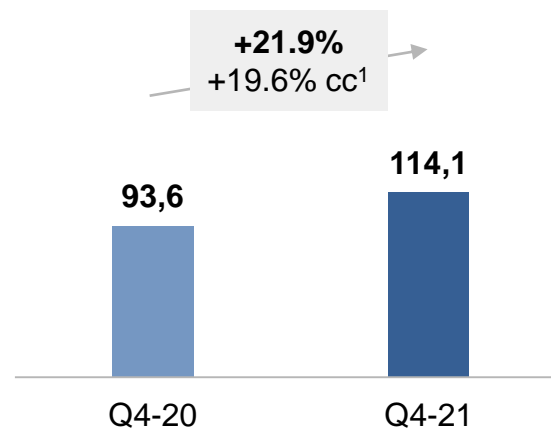
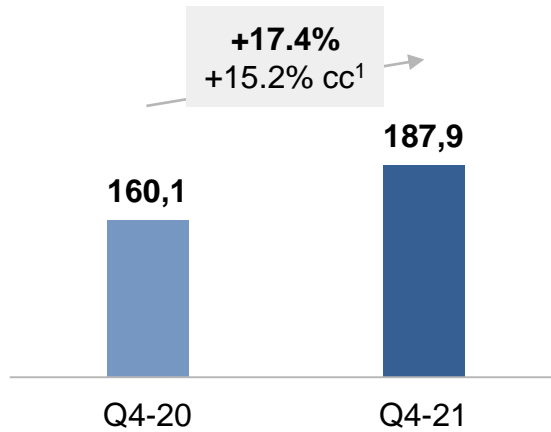
Recurring Revenues EURm



EBITDA EURm



EPS EUR



- Re-acceleration of growth in Q4 (15.2% cc) vs. Q3-21 (13.8% cc)
- Build and M&E continue to be the main growth drivers

- Subscription/SaaS grow over-proportionally again: +41.8% cc
- Substantial increase in share of Subscription/SaaS revenues to new record high of 19% (FY-20: 15%)

- Q4-21: EBITDA margin: 32.9% vs. Q4-20: 26.9%
- Strong margin expansion supported by strong growth and efficiency gains

- Tax rate: 20.7%
- EPS before PPA amortization: 0.36 EUR (+26.8%)

1 Constant currency

Key Business Highlights FY-2021: Strong Growth Combined with High Profitability



Outstanding Financial Performance



Revenues:
**+14.2% (FX adj.: +15.6%) to
EUR 681.5m**



Recurring Revenues:
**+16.1% (FX adj.: +17.5%) to
EUR 416.7m**



Subscription/SaaS Revenues:
**+46.0% (FX adj.: +47.7%) to
EUR 132.0m**



EBITDA:
**+28.8% (FX adj.: +30.4%) to
EUR 222.0m**



EBITDA margin:
32.6% (FX adj.: 32.6%)



Earnings per Share
EUR 1.17 (+38.9%)



High Cash Conversion:
96.6%



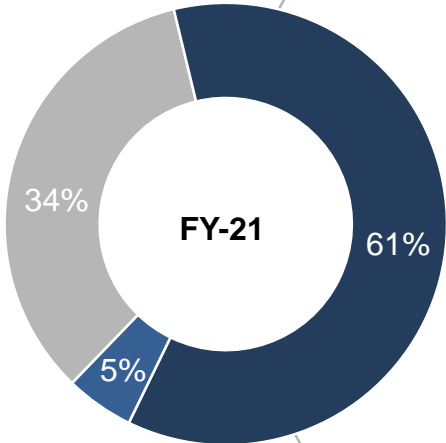
Equity Ratio:
51.4% (FY-20: 46.9%)



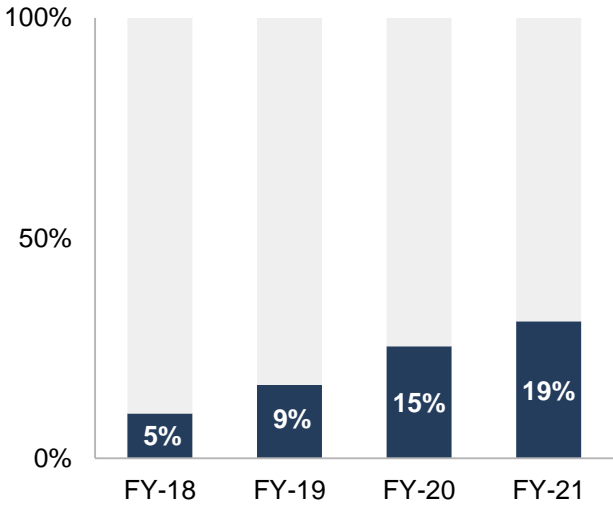
Sustainable Dividend:
DPS '21: EUR 0.39 (Proposal)
DPS '20: EUR 0.30

Record High: Share of Recurring and Subscription/SaaS Revenues

Revenue Share by type in %



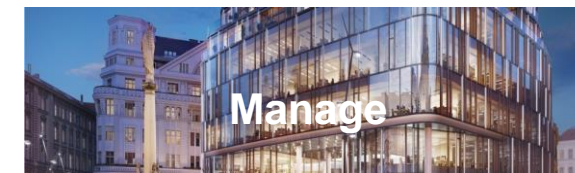
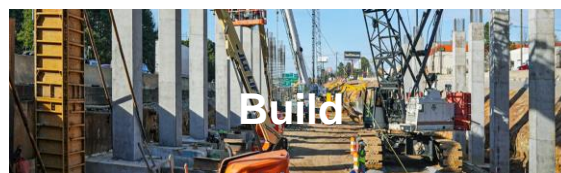
Revenue Share of Subscription/SaaS



	Q4-21	FY-21
Recurring revenues y/y	↑ +21.9% +19.6% cc ¹	↑ +16.1% +17.5% cc ¹
Subscription/SaaS y/y	↑ +44.6% +41.8% cc ¹	↑ +46.0% +47.7% cc ¹
Software licenses y/y	↗ +13.5% +11.3% cc ¹	↗ +11.8% +13.4% cc ¹

¹ Constant currency ■ Recurring revenues (Software services (42%); Subscription/SaaS (19%)) ■ Consulting & Hardware ■ Software licenses

FY-21 Segment Overview: Strong Momentum in M&E and Build



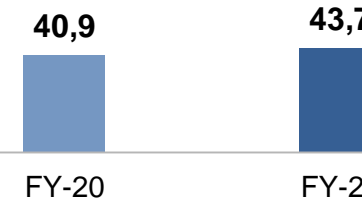
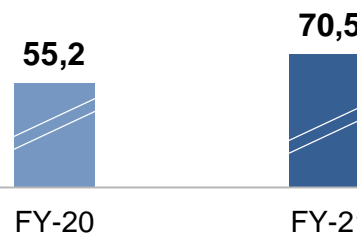
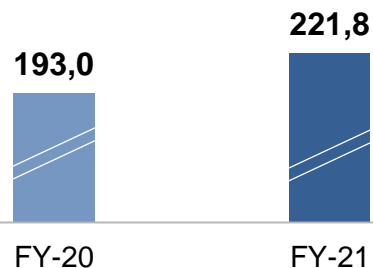
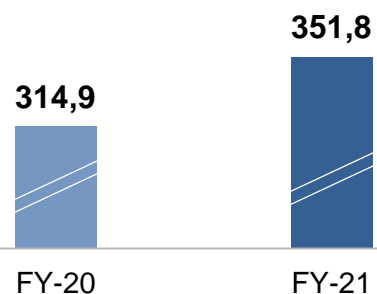
Revenues
EURm

+11.7%
+12.7% cc¹

+14.9%
+17.1% cc¹

+27.7%
+29.8% cc¹

+7.0%
+6.9% cc¹



Margin

30.4%

33.8%

36.3%

41.1%

28.1 %

36.2%

9.0%

9.3%

- Q4: Re-acceleration of growth (+13.1 cc%)
- Over-proportional growth (+61%) in Sub./SaaS confirms segment tailored subscription strategy

- Q4: Outstanding growth with +24.5% (+20.4% cc)
- Collaboration, cloud & mobile solutions main growth driver in Build division, with strong international and SMB demand

- Q4: Revenue growth of 29.0% (26.3% cc)
- Margin uplift after successful integration of acquisitions Red Giant & Redshift and subscription transition

- Q4: Renewed adverse effects from Covid-19 (-7.7% yoy)
- Unchanged promising long-term growth potential



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Update Subscription Transition

The Why: Rationale and Benefits

Value proposition of a subscription business...

... from a **Customer's** Perspective



Higher flexibility



No need for big upfront investment
(Capex to Opex)



Service mentality and product quality
important for customer retention



Constant product innovation throughout the year

...from a **Company's** Perspective



Higher revenue per customer



Potential to address new customer groups



Higher visibility based on more
predictable revenues

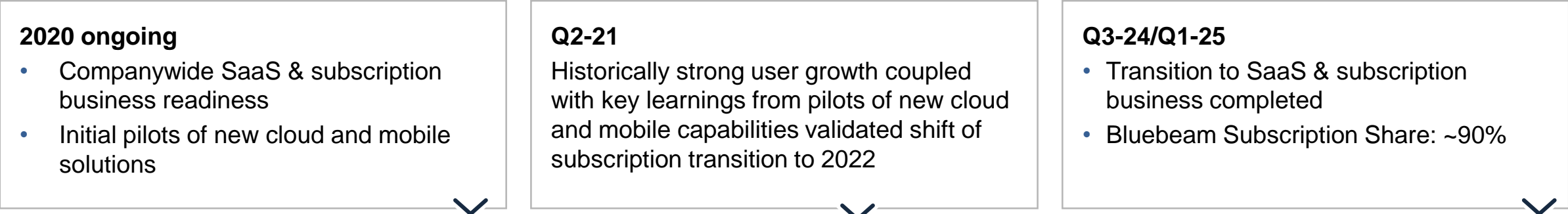


Better upselling opportunity leads to
higher customer lifetime value

Key Points

- Subscription/SaaS will be the main driver of higher recurring revenues share in the coming years
- Main Subscription/SaaS drivers:
 - Bluebeam Subscription transition (expected to start in H2-22)
 - Above group average growth of Media & Entertainment

Bluebeam Subscription Transition: Roadmap



2021 ongoing

- Expanded pilots of cloud and mobile solutions with selected test customers
- Continued SaaS & subscription business readiness

Q3-22

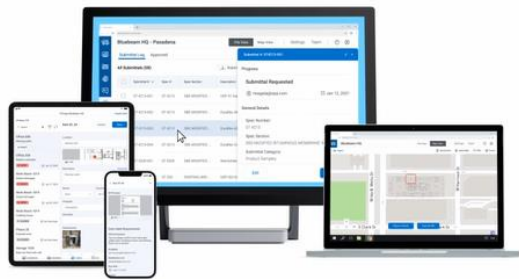
- **New** customers: Start of subscription-only offerings phased globally by route-to-market and region
- **Existing** customers: Encouraged to transition based on SaaS & subscription benefits, but can still choose to add users to existing license contract for a limited time period

The How: New Features to Increase the Customer Value

Pilot Offerings

Rover

Rover enables effortless management of punch/snagging, RFIs, and submittals on the go. The new, easy-to-use project and field management solution enables easy project and workflow management.



Atlas

Atlas was created to give project team members quick access to information in the field with a single app, using a whole project view to share that information by location quickly and in context.



Bluebeam Cloud

Multiple tiers, all including versions of Revu desktop plus new cloud collaboration features are introduced. Capabilities piloted with Rover & Atlas are included in select packages with additional construction workflows to enable upsell and increase value propositions.

Transition KPIs for the Nemetschek Group

Group Level KPIs

Annual Recurring Revenue (ARR)

- **Definition:**
Includes all types of recurring revenue streams (i.e. subscription, SaaS, maintenance)



Share Recurring and Sub./SaaS Revenue

- **Definition:**
Revenue (Sub./SaaS and SSA)/Total Revenue
Revenue (Sub. and SaaS)/Total Revenue



ARR will be provided with the start of Bluebeam's transition in Q3-22



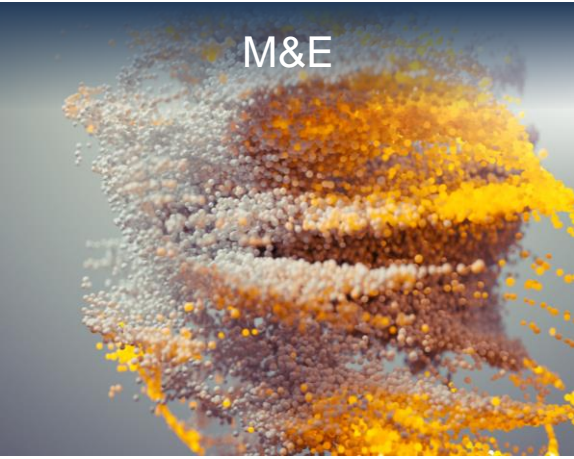
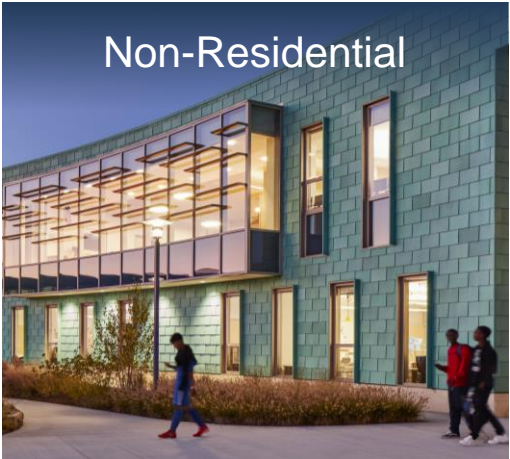
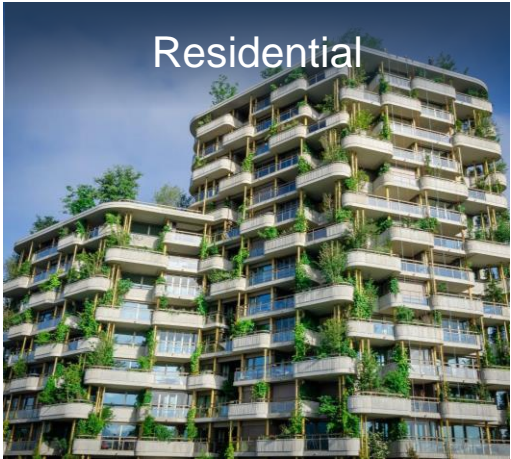
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Outlook FY-22

Huge Market Potential: Positive Outlook for 2022 and the Long-Term

AEC/O Markets (TAM > EUR 30bn)

3D Animation Market (TAM > EUR 15bn)



Multi-Family Homes

Flats

Education & Health

Commercial (e.g. Office)

Airports

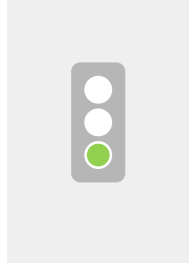
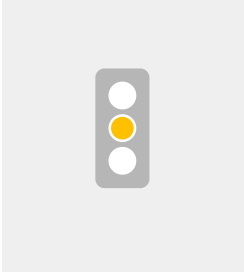
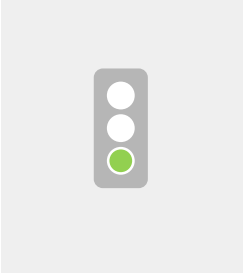
Bridges

Tunnels

3D Creation

Compo-siting

Editing



Sub-Markets

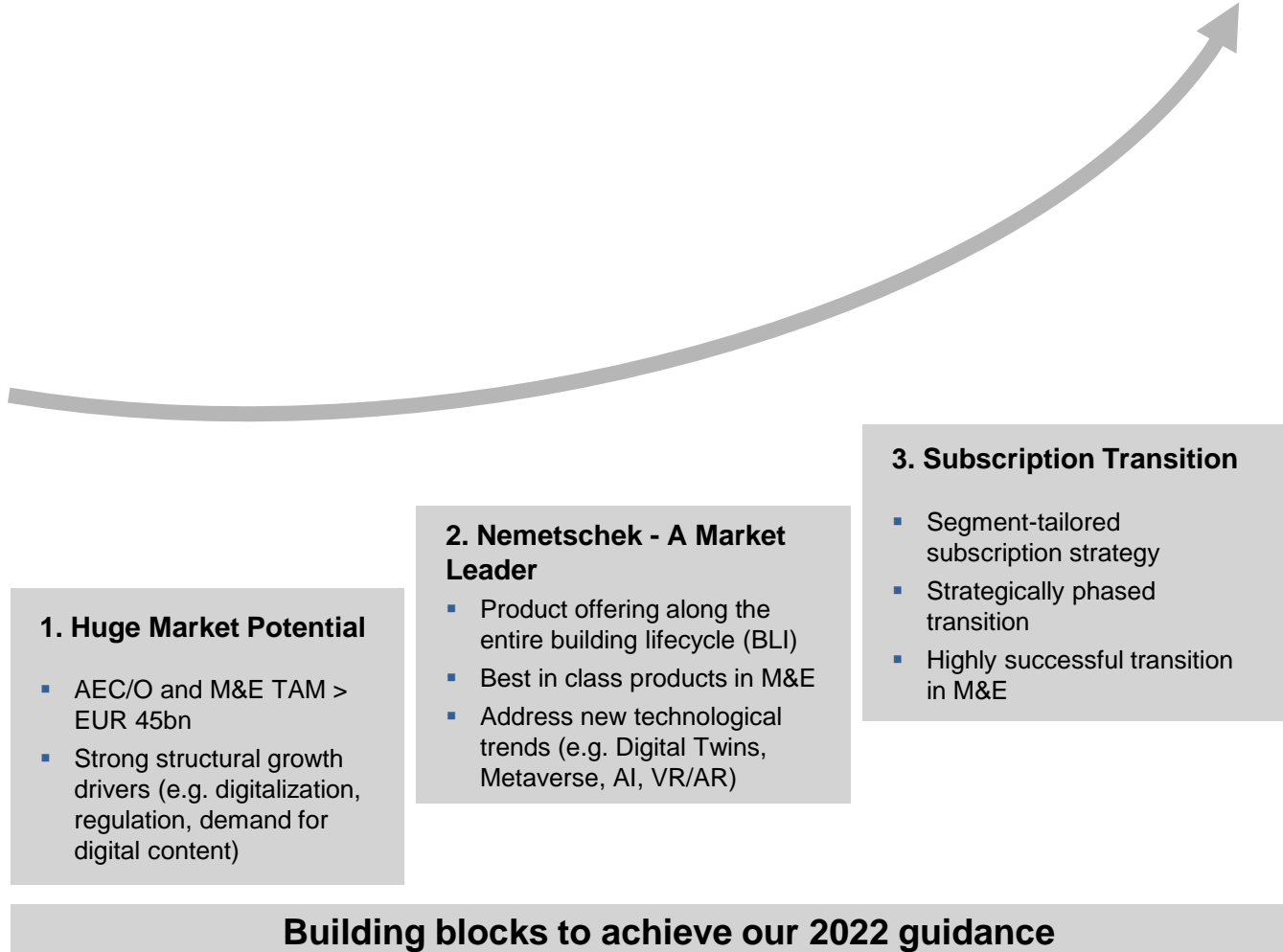
Outlook 2022: Continued Growth During Subscription Transition

2021

Revenue:
EUR 681.5 m
EBITDA Margin:
32.6%

2022

Revenue Growth:
12 - 14%
(at constant currencies)
EBITDA Margin:
32 - 33%





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Appendix

Income Statement

€m	Q4 2021	Q4 2020	% YoY	12M 2021	12M 2020	%YoY
Revenues	187.9	160.1	+17.4%	681.5	596.9	+14.2%
Other income	3.6	2.9	+26.8%	9.8	10.2	-3.3%
Operating income	191.5	162.9	+17.5%	691.3	607.1	+13.9%
Cost of materials/purchased services	-7.3	-6.5	+11.3%	-25.3	-23.7	+7.0%
Personnel expenses	-79.4	-70.7	+12.3%	-292.0	-267.1	+9.3%
Other expenses	-43.1	-42.7	+0.9%	-152.0	-144.0	+5.5%
Operating expenses	-129.8	-119.9	+8.2%	-469.3	-434.8	+7.9%
EBITDA	61.7	43.0	+43.5%	222.0	172.3	+28.8%
Margin	32.9%	26.9%		32.6%	28.9%	
Depreciation and amortization	-12.7	-12.6	+1.1%	-50.0	-49.8	+0.4%
t/o right-of-use assets	-3.8	-3.8	+0.6%	-14.9	-15.5	-3.4%
t/o PPA	-6.3	-6.0	+4.9%	-25.4	-24.5	+3.8%
EBIT	49.0	30.4	+61.1%	172.0	122.5	+40.4%
Financial result	-0.3	-0.7	-61.7%	-1.4	-2.5	-45.1%
t/o IFRS 16	-0.3	-0.3	-9.4%	-1.3	-1.4	-9.7%
EBT	48.7	29.7	+64.1%	170.6	120.0	+42.2%
Income taxes	-10.1	-0.3	> +100%	-33.7	-22.3	+50.9%
Non-controlling interests	0.8	0.1	> +100%	2.3	0.7	> +100%
Net income (group shares)	37.8	29.2	+29.5%	134.6	96.9	+38.9%
EPS in EUR	0.33	0.25	+29.5%	1.17	0.84	+38.9%

Balance Sheet – Assets

€m	December 31, 2021	December 31, 2020
Assets		
Cash and cash equivalents	157.1	139.3
Trade receivables, net	70.1	64.6
Inventories	0.9	0.6
Other current assets	35.0	31.8
Current assets, total	263.1	236.4
Property, plant and equipment	20.7	21.7
Right-of-use assets	59.2	61.3
Intangible assets	158.9	138.2
Goodwill	524.0	416.7
Other non-current assets	28.2	15.5
Non-current assets, total	791.1	653.3
Total assets	1,054.2	889.7

Balance Sheet – Equity and Liabilities

€m	December 31, 2021	December 31, 2020
Equity and liabilities		
Short-term borrowings and current portion of long-term loans	93.8	59.6
Trade payables & accrued liabilities	83.0	67.5
Deferred revenue	158.0	129.5
Current lease liability	14.1	13.4
Other current assets	35.7	25.9
Current liabilities, total	384.5	295.8
Long-term borrowings without current portion	34.9	70.7
Deferred tax liabilities	20.6	25.2
Non-current lease liability	52.0	54.3
Other non-current liabilities	20.5	26.4
Non-current liabilities, total	128.0	176.6
Subscribed capital and capital reserve	128.0	128.0
Retained earnings	415.4	315.3
Other comprehensive income	-17.5	-39.4
Non-controlling interests	15.8	13.4
Equity, total	541.7	417.3
Total equity and liabilities	1,054.2	889.7

Cash Flow Statement

€m	December 31, 2021	December 31, 2020	% YoY
Cash and cash equivalents at the beginning of the period	139.3	209.1	-33.4%
Cash flow from operating activities	214.4	157.5	+36.1%
Cash flow from investing activities	-147.6	-111.0	
t/o CapEX	-9.9	-9.1	
t/o Cash paid for acquisition of subsidiaries, net of cash acquired	-127.1	-101.7	
Cash flow from financing activities	-55.4	-109.1	
t/o Dividend payments	-34.7	-32.3	
t/o Cash received from loans	75.6	6.9	
t/o Repayments of borrowings	-77.5	-65.4	
t/o Principal elements of lease payments	-15.1	-13.2	
FX-effects	6.4	-7.2	
Cash and cash equivalents at the end of the period	157.1	139.3	+12.8%
Free cash flow¹	66.7	46.5	+43.6%
Free cash flow¹ (w/o acquisition effects)	193.8	148.2	+30.8%



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