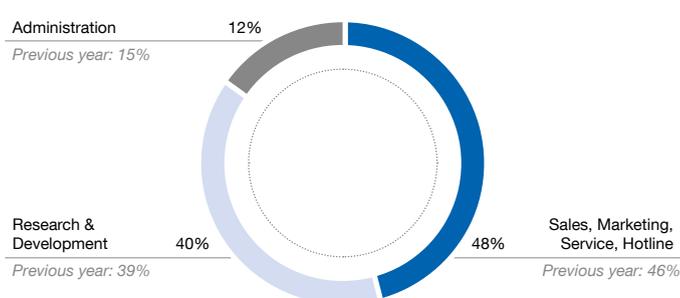


Employees by Function

On average, the Nemetschek Group employed 3,291 people worldwide in 2022, an increase of 4.7% compared with the previous year (3,143). The average number of employees in research and development was 1,316 (previous year: 1,232), or 40.0% of the total workforce (previous year: 39.2%).

The number of employees in sales, marketing and hotline averaged 1,572 (previous year: 1,458). In addition, 404 employees (previous year: 453) worked in administration (including 12 trainees after 9 in the previous year). Trainees are primarily employed in the commercial departments as well as in the IT and development departments.



Personnel Expenses

Personnel expenses increased by 15.5% to EUR 337.2 million in 2022 (previous year: EUR 292.0 million), resulting in a personnel expense ratio (personnel expenses/revenues) of 42.1% (previous year: 42.9%).

3.4 Results of Operations, Financial Position and Net Assets of Nemetschek SE

The following information refers to Nemetschek SE as the parent company of the Nemetschek Group. The information is based on the German Commercial Code (HGB) on accounting for large corporations and the German Stock Corporation Act (AktG). The result of Nemetschek SE is dependent on the earnings of subsidiaries held directly and indirectly. The non-financial consolidated report (non-financial declaration) is combined with the non-financial declaration of the parent company under [<< 2 Non-Financial Declaration >>](#).

Revenue Development and Earnings Situation

Nemetschek SE's revenues of EUR 8.7 million in the 2022 financial year (previous year: EUR 7.6 million) resulted primarily from income from licensing the umbrella brand "A Nemetschek Company".

Other operating income increased to EUR 13.2 million (previous year: EUR 6.0 million). In the past financial year, it included, among other things, income from currency conversion in the amount of EUR 7.0 million (previous year: EUR 0.3 million) and income from charging out to subsidiaries amounting to EUR 5.2 million (previous year: EUR 5.6 million). The operating expenses of EUR 23.6 million (previous year: EUR 16.1 million) include personnel expenses, consulting costs and other operating expenses. Personnel expenses increased due to the expansion of the central functions of Nemetschek SE and due to an increase in performance-related variable components from EUR 12.2 million to EUR 15.2 million. Other operating expenses increased in line with other operating income, mainly due to expenses from exchange rate differences (EUR 6.5 million compared to EUR 1.6 million in the previous year).

Depreciation on financial assets amounting to EUR 34.8 million was recognized for an impairment loss on associated companies.

Income from interests of EUR 53.0 million (previous year: EUR 67.4 million) includes EUR 52.9 million in dividends from subsidiaries (previous year: EUR 67.3 million). Income from profit transfer agreements in the amount of EUR 32.4 million (previous year: EUR 34.7 million) came as a result of profit transfers from Allplan GmbH, Frilo Software GmbH and Nevaris Bausoftware GmbH. Net income for the year amounted to EUR 29.8 million (previous year: EUR 81.0 million).

Net Assets

Nemetschek SE's balance sheet is mainly characterized by financial assets amounting to EUR 569.9 million (previous year: EUR 609.3 million). Affiliates accounted for by far the largest share at EUR 531.5 million (previous year: EUR 568.3 million). The decrease is mainly due to the extraordinary write-down of associated companies in the amount of EUR 34.7 million. Owing to

repayments amounting to EUR 4.8 million, loans to affiliates fell to EUR 34.3 million (previous year: EUR 39.1 million). With regard to current assets, current loan receivables from affiliates, trade receivables from affiliates and profit and loss transfer agreements amounted to EUR 183.3 million as of the balance sheet date (previous year: EUR 160.8 million). At the end of the 2022 financial year, receivables from the tax office amounting to EUR 7.1 million (previous year: EUR 1.4 million) were reported under other assets.

At the end of 2022, cash and cash equivalents amounted to EUR 3.6 million (previous year's reporting date: EUR 1.6 million).

The liabilities side of the company's balance sheet is dominated by liabilities to banks and Group companies. As a result of scheduled repayments and new loans, bank liabilities fell to EUR 71.3 million (previous year: EUR 118.2 million). Equity decreased by EUR 15.3 million to EUR 462.0 million. Net income for 2022 of EUR 29.8 million was offset by the dividend payment for the 2021 financial year (EUR 45.0 million). The equity ratio of Nemetschek SE was 60.0% as of the balance sheet date (previous year: 61.3%).

Provisions increased by EUR 1.3 million to EUR 9.9 million, mainly resulting from the suspension of an obligation following the termination of an employment relationship.

Liabilities to affiliates resulted mainly from cash pooling (EUR 91.3 million; previous year: EUR 81.5 million) and short-term intercompany loans of EUR 127.3 million (previous year: EUR 89.0 million).

In the 2022 financial year, control agreements and profit and loss transfer agreements existed with the following subsidiaries: Allplan GmbH, Frilo Software GmbH and Nevaris Bausoftware GmbH. There were also profit and loss transfer agreements and control agreements between Allplan GmbH and Allplan Deutschland GmbH.

Financial Position

Nemetschek SE's financing activities mainly comprised redemption payments of EUR 87.7 million (previous year: EUR 77.5 million), new loans in the amount of EUR 40.8 million and the dividend payment of EUR 45.0 million (previous year: EUR 34.7 million).

In 2022, Nemetschek SE extended its existing bilateral credit lines and increased them to a total of EUR 284.5 million (previous year: EUR 207 million). These lines of credit were granted with a term of up to one year. At the end of 2022, Nemetschek SE drew on these lines of credit for EUR 17 million and disclosed this accordingly as liabilities to banks in the statement of financial position.

In the 2022 financial year, interest payments of EUR 0.8 million (previous year: EUR 1.0 million) were made on loans taken out and credit lines.

Within the scope of its internal financing activities, the company received funds primarily from cash pooling transactions, inter-company loans and dividends from selected subsidiaries.

Nemetschek SE Opportunity and Risk Reporting

The Group's opportunities and risks are a significant influencing factor for Nemetschek SE. Nemetschek SE is exposed to a higher foreign currency risk than the Group, arising from intra-Group financing in foreign currencies. These foreign currency risks are mainly offset by a natural hedge. Remaining significant risk peaks are limited in individual cases by hedging transactions. There were no open hedging transactions as of the balance sheet date.

Nemetschek SE Employees

On average, Nemetschek SE had 62 employees in 2022 (previous year: 57).

Outlook for Nemetschek SE and comparison of actual and forecast business performance

The future development of Nemetschek SE with its significant opportunities and risks is significantly influenced by the forecasts the forecasts of the Nemetschek Group set out in the Opportunity and Risk report. Based on the group's planning Nemetschek SE expects a slight increase in the investment result in the fiscal year 2023. In the past fiscal year this was not above that of the previous year, because the financing requirements were lower than those of the year 2021 and an extraordinary write-down on financial assets in the amount of EUR 34.8 million. The reason for the higher financing requirement in 2021 was the acquisition of the Pixologic business operations. The net income for the year was also not above the 2021 result as forecast in the previous year, mainly due to lower income from investments and the write-down of financial assets amounting to EUR 34.8 million. For fiscal 2022, according to the dividend proposal, 24.3% of cash flow from operating activities will be distributed (forecast previous year: 25 %).

Nemetschek SE assumes a positive development of earnings and for 2023 an annual result above the past fiscal year. Furthermore, it is expected to report a positive gross liquidity in 2023 at the level of the previous year. The company plans to continue to distribute around 25 % of the operating cash flow to its shareholders in the future. The dividend policy is always taking into account the overall economic development as well as the economic and financial situation of the company.