

# Nemetschek on the Capital Market

## Review of 2023

After 2022 had been impacted by various crises, rapid interest rate hikes, and the resulting significant declines on international stock markets, particularly for growth and technology stocks, the market situation improved noticeably in 2023. Even though the year 2023 continued to be affected by ongoing and new geopolitical crises, the real economy proved very resilient, especially in the USA. An additional factor was that inflation in Europe and the USA declined faster than originally expected, partly driven by rapidly falling energy prices. This led many market participants to expect cuts in interest rates, which in turn triggered new all-time highs in a number of global share indices in the fourth quarter of the year.

Driven by these trends, the international stock markets recovered from the significant losses of the previous year, and stock market performance in 2023 was very positive overall and better than expected by many market participants. For example, the global MSCI World (+22%) and the US S&P 500 (+24%) rose significantly, driven above all by – in some cases – very strong increases in the share prices of only a few major US technology stocks. The leading German index, the DAX, also recorded a significant increase of +20%. The more relevant benchmark indices for Nemetschek, such as the MDAX (+8%), Nasdaq (+43%) or the STOXX Europe Total Market Software & Computer Services (+27%), also recorded significant gains in most cases.

## Nemetschek shares: Strong rise in share price in 2023 after significant decline in previous year

In line with the market developments described above and despite the continued negative outlook of most indicators for the construction industry, especially in Europe, Nemetschek's most important market, the performance of Nemetschek shares also performed very well in 2023. After the sharp share price decline (–56%) in 2022, the price of Nemetschek SE shares rose by 65% during 2023, outperforming its benchmark indices as well as most European and US competitors.

Following the sharp decline in share prices in the previous year, Nemetschek SE started the new year on January 2, 2023 at EUR 47.25, which also marked the low for the year. The share price subsequently developed slightly positively in the first few months of the year, in line with the major global share indices and the share prices of most competitors.

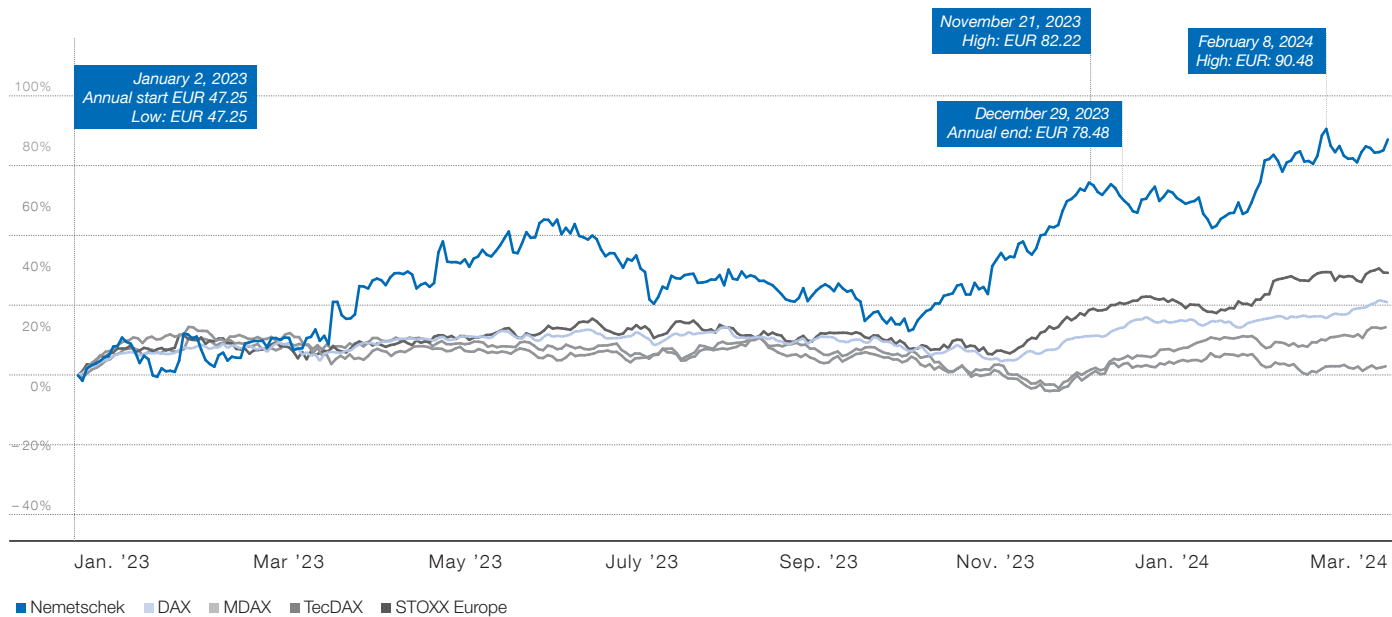
Towards the end of the first quarter, however, Nemetschek SE shares began to outperform the rest of the market, a trend that continued until the end of the year. This sharp upward movement in the share price, despite the continuing negative performance of most indicators for the construction industry in Europe, was driven by the company's strong operating performance. Already, the outlook for the financial year 2023 presented at the end of March as well as the growth ambitions for the subsequent years, 2024 and 2025, convinced the investors. Another factor was the very successful transition of company's business to subscription and SaaS models, especially in the Bluebeam brand, which continues to proceed as planned, and this led to a reduction in the associated uncertainty among investors.

Despite the ongoing geopolitical challenges and the temporary dampening effect on growth and profitability due to the transition of its business model to subscription and SaaS, the Nemetschek Group was able to perform better than expected. The company's continued strong operating performance in the first three quarters of the year led the Nemetschek Group after the third quarter to increase its currency-adjusted revenue growth forecast for financial year 2023 and to narrow the profitability guidance to the upper end of the target corridor. As a result, the company's share price reached its high for the year, at EUR 82.22, on November 21, before stabilizing at a high level and ending the year 2023 at EUR 78.48.

## Market development in the current financial year 2024

Following the sharp rise in share prices in 2023, global share prices, including the securities of technology and growth companies remained at a high level or even rose slightly at the beginning of 2024. In line with most of its direct competitors and the most important benchmark indices, the Nemetschek SE share price continued to develop positively over the course of the first quarter of 2024 and reached a preliminary high for the current year 2024 with a price of EUR 90.48 on February 8. The share price subsequently stabilized at a level of around EUR 85 until the beginning of March.

**PRICE DEVELOPMENT OF NEMETSCHKEK SHARES FROM THE BEGINNING OF 2023 TO THE BEGINNING OF MARCH 2024 COMPARED TO SELECTED INDEXES (INDEXED)**



**Nemetschek shares in the MDAX and TecDAX rankings**

In the Deutsche Börse ranking, Nemetschek was ranked 48th (previous year: 57th) in the MDAX and 7th (previous year: 9th) in the TecDAX in terms of market capitalization (based on free float) as of 31 December 2023.

In the 2023 financial year, an average of 121,095 shares were traded daily via the Xetra electronic trading system (previous year: 162,273 shares). The average daily turnover on XETRA was EUR 7.70 million (previous year: EUR 10.48 million).

**Nemetschek shares at a glance**

**KEY FIGURES ON SHARES**

	2023	2022
Closing price in EUR	78.48	47.69
High in EUR	82.22	107.65
Low in EUR	47.25	43.62
Market capitalization in EUR million as of year-end	9,064.44	5,508.19
Earnings per share in EUR	1.40	1.40
Price/earnings ratio as of year-end	56.06	34.06
Average number of shares traded per day (Xetra)	121,095	162,273
Average number of outstanding shares	115,500,000	115,500,000

As of December 31, 2023, Nemetschek SE had no rating from a rating agency that assesses its creditworthiness.

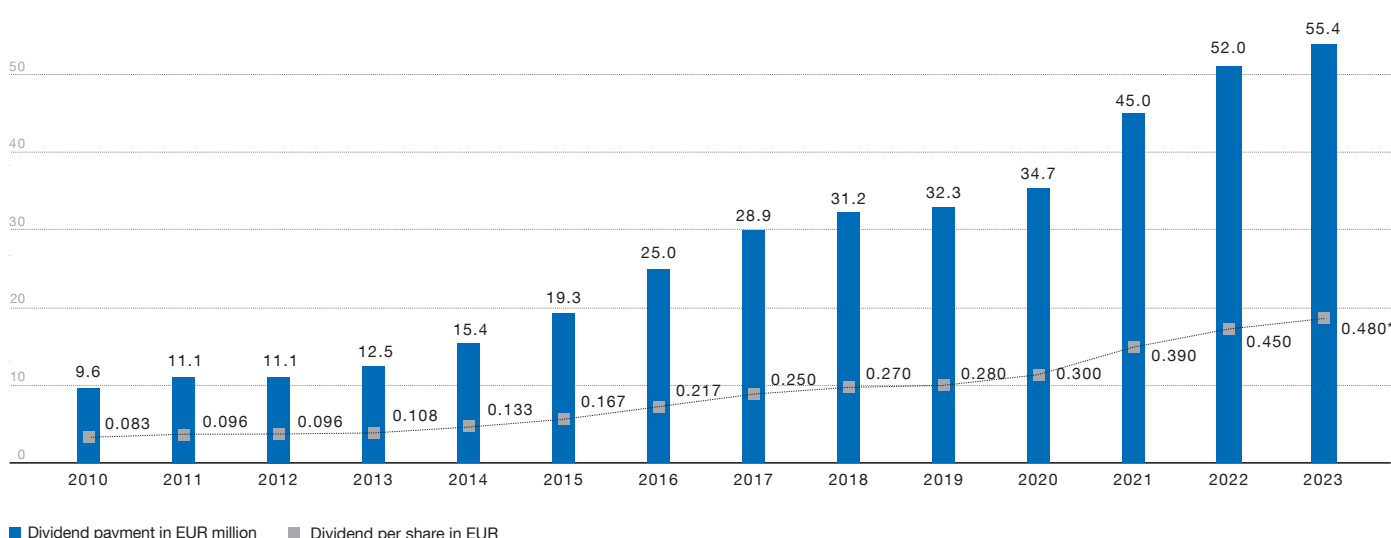
### Dividend policy and dividend proposal for the 2023 financial year

The Nemetschek Group pursues a sustainable dividend policy, which provides for a payout of around 25% of its operating cash flow. The dividend policy always takes into account the overall economic development, the economic and financial situation of the company, as well as the interests of the shareholders.

Despite persistent challenges in the macroeconomic environment, the Nemetschek Group's positive operating performance continued in 2023. The targets set for the financial year 2023, which were revised upward after the third quarter, were achieved and the very sound financial situation of the company was

strengthened further. Based on these developments, Nemetschek SE plans to continue its sustainable and reliable dividend policy, despite the ongoing tense geopolitical and economic environment. The Supervisory Board and Executive Board have therefore decided to propose to the Annual General Meeting on May 23, 2024 an appropriate dividend increase of 6.7% to EUR 0.48 per share (previous year: EUR 0.45 per share). For all 115.5 million shares, this would correspond to a total payout of EUR 55.4 million (previous year: EUR 52.0 million) and a payout ratio – in relation to the operating cash flow – of around 22% (previous year: around 24%).

#### DIVIDEND PER SHARE AND TOTAL PAYOUT IN YEAR-ON-YEAR COMPARISON



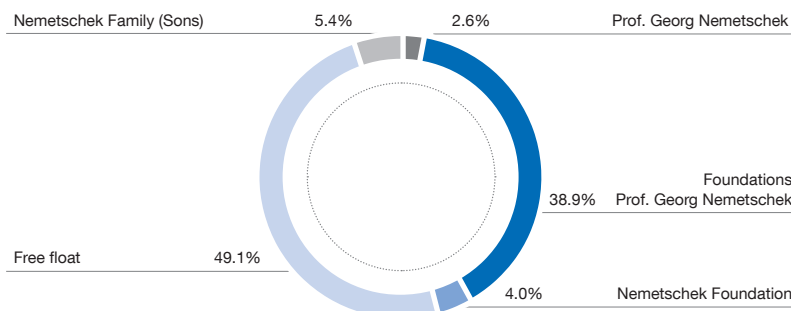
\* Proposal to the annual general meeting on May 23, 2024.

### Shareholder structure

As of December 31, 2023, the free float was 49.1%. It was spread across a regionally widely diversified shareholder base with a high proportion of international investors, primarily from the USA, Germany, France, the UK, Switzerland, and Scandinavia.

With its directly or indirectly held shares, amounting to around 50.9% of the share capital, the Nemetschek family remained the majority shareholder of the company in the 2023 financial year.

#### SHAREHOLDER STRUCTURE\*



\* Direct shareholdings as of December 31, 2023.

### **Annual General Meeting**

The Annual General Meeting 2023 of Nemetschek SE took place on Tuesday, May 23, 2023. It was the first time in three years that the Annual General Meeting was held as an in-person event at the Haus der Bayerischen Wirtschaft in Munich due to the restrictions imposed during the global Covid-19 pandemic.

### **Dividend for the financial year 2022**

For the 2022 financial year, the shareholders resolved, for the tenth time in a row, a dividend increase to EUR 0.45 per share (previous year: EUR 0.39 per share). The total dividend payout amounted to EUR 52.0 million (previous year: EUR 45.0 million). The payout ratio for the 2022 financial year – based on the operating cash flow – was around 24% and was thus close to the long-term target payout ratio of around 25% of the operating cash flow. The dividend was distributed to the shareholders following the Annual General Meeting on May 23, 2023.

### **Additional agenda items**

In addition to the dividend, the Annual General Meeting also voted on other agenda items. They related to the formal approval of the actions of the Executive Board, the formal approval of the actions of the individual Supervisory Board members, the appointment of the auditor for the 2023 financial year, the authorization to hold a virtual Annual General Meeting, the authorization of Supervisory Board members to attend the Annual General Meeting by way of video and audio transmission, and the resolution on the approval of the 2022 remuneration report. The shareholders approved all agenda items. The agenda items and voting results can be accessed at [ir.nemetschek.com/agm](https://ir.nemetschek.com/agm).

### **Extensive communication with the capital market**

Nemetschek SE is committed to open, transparent, and reliable communication with all stakeholders. The goal is to further strengthen the trust in the Nemetschek Group by timely publications as well as a continuous dialogue with its shareholders.

In the financial year 2023, the relationship with existing and potential new investors of the Nemetschek Group was again maintained and further expanded through a large number of contacts and discussions. Over the course of the year, there were a large number of personal meetings with investors at conferences as well as roadshows.

In addition, as part of the regular publication of the annual, half-year, and quarterly results, telephone conferences were again held. These conferences provided not only a platform for the Executive Board to report on the current and expected future business development, but also offered the opportunity for analysts and investors to have questions answered in direct exchanges with the Executive Board. Nemetschek SE also maintained a close and continuous exchange with relevant trade and business media.

In addition, the Nemetschek Group is currently covered by more than 20 analysts from various global banks and research houses, who regularly publish independent reports and comments on the current development of the company.

An overview of the current price targets of the analysts can be found on the company website at [ir.nemetschek.com/analysts](https://ir.nemetschek.com/analysts).