

# Earnings Call Q1-24

**Nemetschek Group**

April 30, 2024



# 01

## Highlights Q1-24



# Key Messages

1. Successful start to the year 2024 driven by a strong growth in recurring revenues.
2. Demand environment in AEC/O markets in Europe and North America unchanged.
3. Highly successful subscription/SaaS transition in the Design and Build segments continues to develop as planned.
4. Well on track to reach outlook FY-24. Strong foundation to achieve above-market growth and shareholder returns in the medium- to long-term by leveraging our leading positions in structurally growing industries.

# Strategic Update Q1-24: Driving Internationalization

## India – A Huge Opportunity:

- Population: 1.3bn
- Indian economy: 5<sup>th</sup> largest in the world
- Indian construction market: 3<sup>rd</sup> largest in the world

## Nemetschek in India:

- Opening of a new local Go-to-Market office in Mumbai
- Products and product packages will be jointly sold under the Nemetschek Group brand
- Already established location in Hyderabad acting as a shared services, development and research excellence center





# Strategic Update Q1-24: New Partnerships to Advance AEC/O & M&E Industries



## Nemetschek & Autodesk

- Interoperability agreement between Nemetschek Group & Autodesk
- Improve open collaboration and efficiencies in AEC/O and M&E industries
- Enhance existing interoperability between Nemetschek Group and Autodesk solutions
- Both companies will provide mutual access to their APIs and industry clouds



## Nemetschek & Hexagon:

- Partnership of Nemetschek with Hexagon's Geosystems Division focused on digital twins
- Increasing the efficiency in building operations
- Nemetschek to provide its new horizontal, open, and cloud-based dTwin platform
- Hexagon to provide its end-to-end reality capture solutions

# Key Financial Highlights Q1-24: Successful Start to the Year 2024



**Revenues:**  
**+9.4% (FX adj.: +10.3%) to  
EUR 223.9m**



**EBITDA:**  
**+11.9% (FX adj.: +8.5%) to  
EUR 68.3m**



**Cash Conversion:**  
**123.8%**



**ARR Growth:**  
**+24.5% (FX adj.: +25.4%) to  
EUR 743.6m**



**EBITDA Margin:**  
**30.5%**



**Net Cash Position:**  
**EUR 339.5m**



**Subscription/SaaS Revenues:**  
**+66.5% (FX adj.: +68.0%) to  
EUR 106.3m**



**Earnings per Share:**  
**EUR 0.37 (+17.4%)**



**Equity Ratio:**  
**60.2%**

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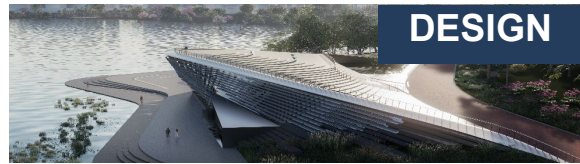
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## Overview Financial Results Q1-24





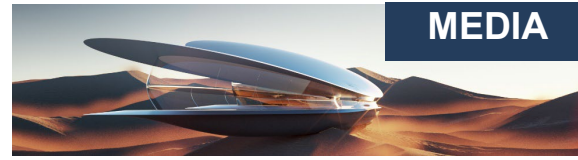
# Segments Q1-24: All Segments According to Plan



**DESIGN**



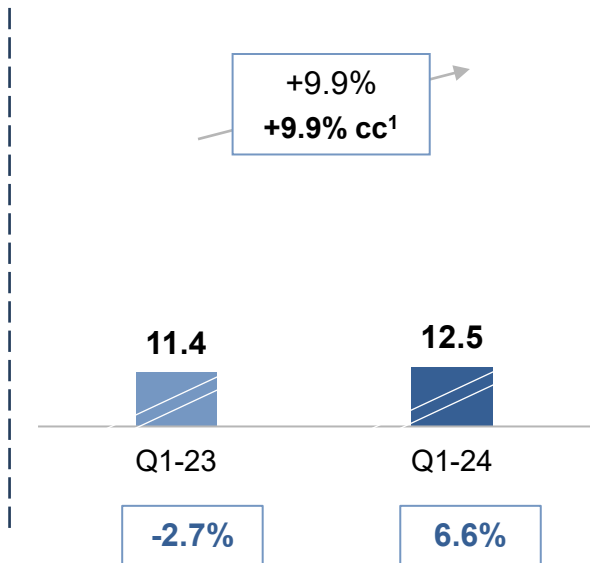
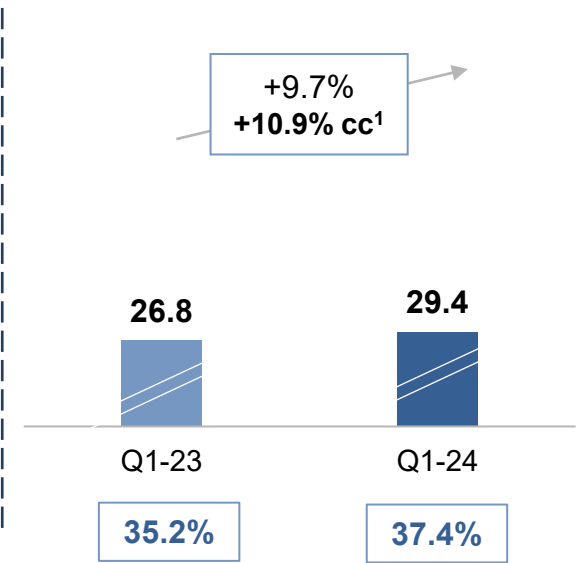
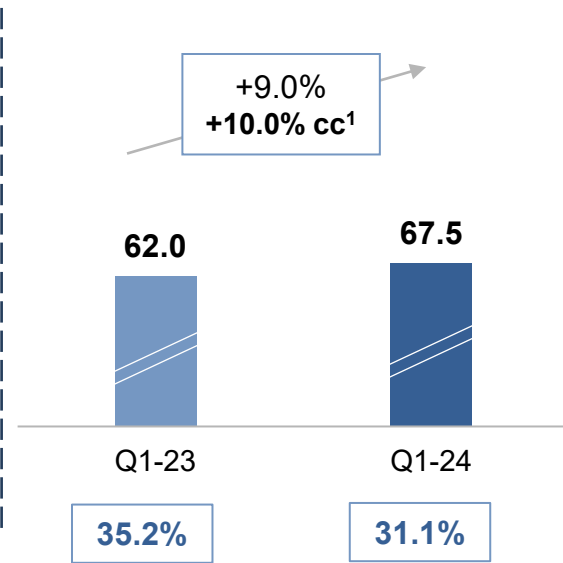
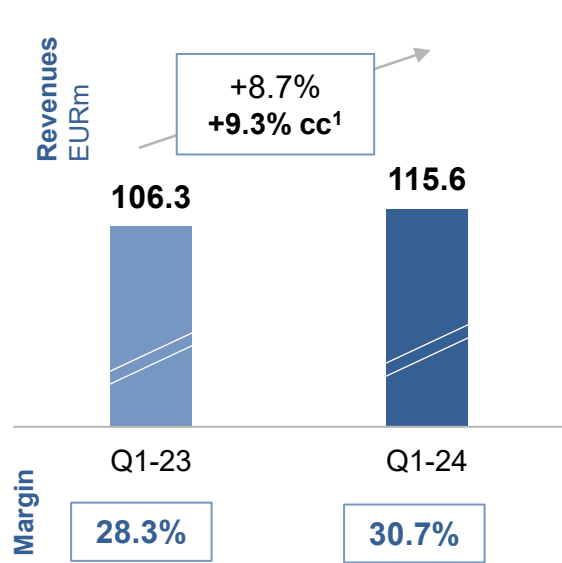
**BUILD\***



**MEDIA**



**MANAGE\***



- Subscription/SaaS transition according to plan
- Subscription/SaaS continues to be main growth driver (> 60% y/y)
- Unchanged market environment in European Design markets

- Very successful transition to Subscription/SaaS of Bluebeam continues as planned
- Continued resilient customer demand
- Strong acceleration Bluebeam growth expected in Q4-24

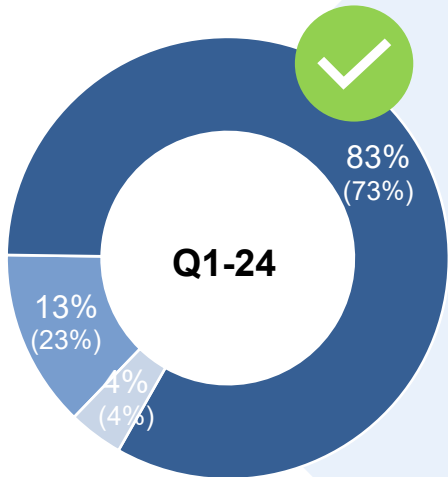
- Re-acceleration of growth with 10.9% cc<sup>1</sup> in Q1-24 vs. 3.8% cc<sup>1</sup> in Q4-23
- Market still partly impacted by aftermaths of Hollywood strikes

- Continued investments into future growth weighting on profitability
- Good demand for AI-powered energy management solutions
- Long-term growth potential due to green buildings, energy efficiency regulation

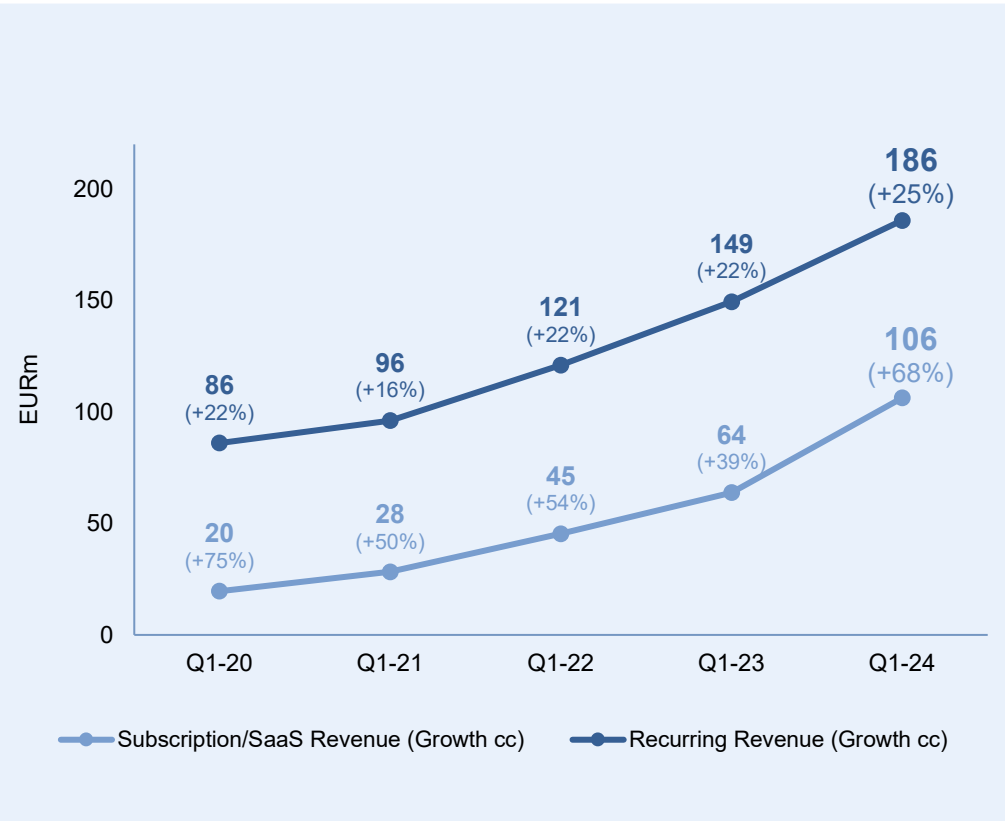


# Recurring Revenues: Successful Transition Leads to New Record High of 83%

## Revenue Share by type in %



## Recurring & Subscription/SaaS 2020-2024



## Overview Q1-24:



■ Recurring revenues (Software services (36%); Subscription/SaaS (47%)) ■ Licenses ■ Consulting & Hardware

<sup>1</sup> Constant currency

<sup>2</sup> Annual Recurring Revenue (ARR): Average of all recurring revenues (Sub./SaaS and maintenance contracts) over the last three months x 4.

# At a Glance: Income Statement and Important KPIs

Key Figures mEUR	Q1-24	In % of revenue	Q1-23	Growth y/y
Revenues	223.9	100%	204.6	+9.4%
Cost of goods and services	-9.1	4.1%	-7.8	+16.9%
Personnel expenses	-94.2	42.1%	-88.8	+6.1%
Other operating income/expenses	-52.3	23.4%	-47.1	+11.2%
<b>EBITDA</b>	<b>68.3</b>	<b>30.5%</b>	<b>61.0</b>	<b>+11.9%</b>
EBITDA margin	30.5%	-	29.8%	+70bps
D&A (incl. PPA)	-13.6	6.1%	-14.4	-5.6%
<b>EBIT</b>	<b>54.7</b>	<b>24.4%</b>	<b>46.6</b>	<b>+17.3%</b>
EBIT margin	24.4%	-	22.8%	+160bps
Net income (group shares)	42.5	19.0%	36.3	+17.4%
<b>EPS</b>	<b>0.37</b>	<b>-</b>	<b>0.31</b>	<b>+17.4%</b>
FCF (before M&A)	82.1	-	72.5	+13.3%
Equity ratio in %	60.2%	-	58.0%	+220bps
Net Cash	339.5	-	189.1	+79.5%



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## Outlook



# Guidance 2024: On Track After Successful Start to the Year



Starting Point	Guidance	Ambition
2023	2024	2025
<b>ARR:</b> EUR 718.6m  <b>Revenue:</b> EUR 851.6m  <b>EBITDA Margin:</b> 30.3%  <b>Share Recurring Revenue:</b> 77%	<b>ARR Growth:</b> ~ 25%  <b>Revenue Growth:</b> 10% - 11% (at constant currencies)  <b>EBITDA Margin:</b> 30% - 31%  <b>Share Recurring Revenue:</b> ~ 85%	<b>Revenue Growth:</b> Significantly above market – At least mid-teens

## Guidance 2024:

**Please note:** The guidance is based on the assumption that the global macroeconomic or sector-specific conditions will not deteriorate significantly in 2024 and 2025. Furthermore, no additional potential negative effects from the current developments in the Middle East conflict and the ongoing war in Ukraine are reflected in the outlook.



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## Appendix



# Income Statement

€m	Q1 2024	Q1 2023	% YoY
<b>Revenues</b>	<b>223.9</b>	<b>204.6</b>	<b>+9.4%</b>
Other income	3.4	1.8	+86.4%
<b>Operating income</b>	<b>227.3</b>	<b>206.4</b>	<b>+10.1%</b>
Cost of goods and services	-9.1	-7.8	+16.9%
Personnel expenses	-94.2	-88.8	+6.1%
Other expenses	-55.7	-48.9	+14.0%
<b>Operating expenses</b>	<b>-159.1</b>	<b>-145.5</b>	<b>+9.4%</b>
<b>EBITDA</b>	<b>68.3</b>	<b>61.0</b>	<b>+11.9%</b>
<b>Margin</b>	<b>30.5%</b>	<b>29.8%</b>	
Depreciation and amortization	-13.6	-14.4	-5.6%
t/o right-of-use assets	-4.1	-4.3	-2.6%
t/o PPA	-6.2	-7.2	-13.2%
<b>EBIT</b>	<b>54.7</b>	<b>46.6</b>	<b>+17.3%</b>
Financial result	0.0	-0.5	+>100%
t/o IFRS 16	-0.5	-0.5	+8.8%
<b>EBT</b>	<b>54.7</b>	<b>46.1</b>	<b>+18.7%</b>
Income taxes	-11.4	-9.3	+22.6%
Non-controlling interests	0.8	0.6	+38.0%
<b>Net income (group shares)</b>	<b>42.5</b>	<b>36.3</b>	<b>+17.4%</b>
<b>EPS in EUR</b>	<b>0.37</b>	<b>0.31</b>	<b>+17.4%</b>



# Balance Sheet – Assets

€m	March 31, 2024	December 31, 2023
<b>Assets</b>		
Cash and cash equivalents	339.5	268.0
Trade receivables, net	118.2	99.6
Inventories	0.9	1.0
Other current assets	57.2	49.6
<b>Current assets, total</b>	<b>515.7</b>	<b>418.2</b>
Property, plant and equipment	23.3	23.7
Right-of-use assets	58.1	60.9
Intangible assets	129.5	135.1
Goodwill	557.3	552.0
Other non-current assets	95.2	84.3
<b>Non-current assets, total</b>	<b>863.3</b>	<b>856.1</b>
<b>Total assets</b>	<b>1,379.0</b>	<b>1,274.3</b>

# Balance Sheet – Equity and Liabilities

€m	March 31, 2024	December 31, 2023
<b>Equity and liabilities</b>		
Short-term borrowings and current portion of long-term loans	4.9	6.8
Trade payables	15.6	15.3
Provisions and accrued liabilities	59.6	65.7
Deferred revenue	321.5	265.1
Current lease liability	16.6	16.7
Other current liabilities	40.5	31.0
<b>Current liabilities, total</b>	<b>458.7</b>	<b>400.6</b>
Long-term borrowings without current portion	0.1	0.1
Deferred tax liabilities	15.8	16.7
Non-current lease liability	50.7	52.8
Other non-current liabilities	22.9	22.2
<b>Non-current liabilities, total</b>	<b>89.5</b>	<b>91.8</b>
Subscribed capital and capital reserve	128.0	128.0
Retained earnings	684.5	640.8
Other reserves	-17.8	-22.2
Non-controlling interests	36.1	35.3
<b>Equity, total</b>	<b>830.7</b>	<b>781.9</b>
<b>Total equity and liabilities</b>	<b>1,379.0</b>	<b>1,274.3</b>

# Cash Flow Statement

€m	Q1 2024	Q1 2023	% YoY
<b>Cash and cash equivalents at the beginning of the period</b>	<b>268.0</b>	<b>196.8</b>	<b>+36.2%</b>
<b>Cash flow from operating activities</b>	<b>84.5</b>	<b>74.9</b>	<b>+12.8%</b>
<b>Cash flow from investing activities</b>	<b>-7.8</b>	<b>-6.0</b>	<b>+29.0%</b>
t/o CapEX	-2.4	-2.6	
t/o Cash paid for acquisition of equity investments	-5.4	-3.3	
<b>Cash flow from financing activities</b>	<b>-7.4</b>	<b>-29.9</b>	<b>-75.2%</b>
t/o Cash received from bank loans	0.0	2.5	
t/o Repayments of borrowings	-1.9	-27.1	
t/o Principal elements of lease payments	-4.4	-4.1	
FX-effects	+2.1	-1.7	
<b>Free cash flow</b>	<b>76.7</b>	<b>68.9</b>	<b>+11.4%</b>
<b>Free cash flow (before M&amp;A)<sup>1</sup></b>	<b>82.1</b>	<b>72.5</b>	<b>+13.3%</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>339.5</b>	<b>234.1</b>	<b>+45.0%</b>



# SHAPE THE WORLD

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