

Nemetschek Group

## Earnings Call Q1-21

April 29 2021 | Dr. Axel Kaufmann, Spokesman & CFO





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Financial Results Q1-21



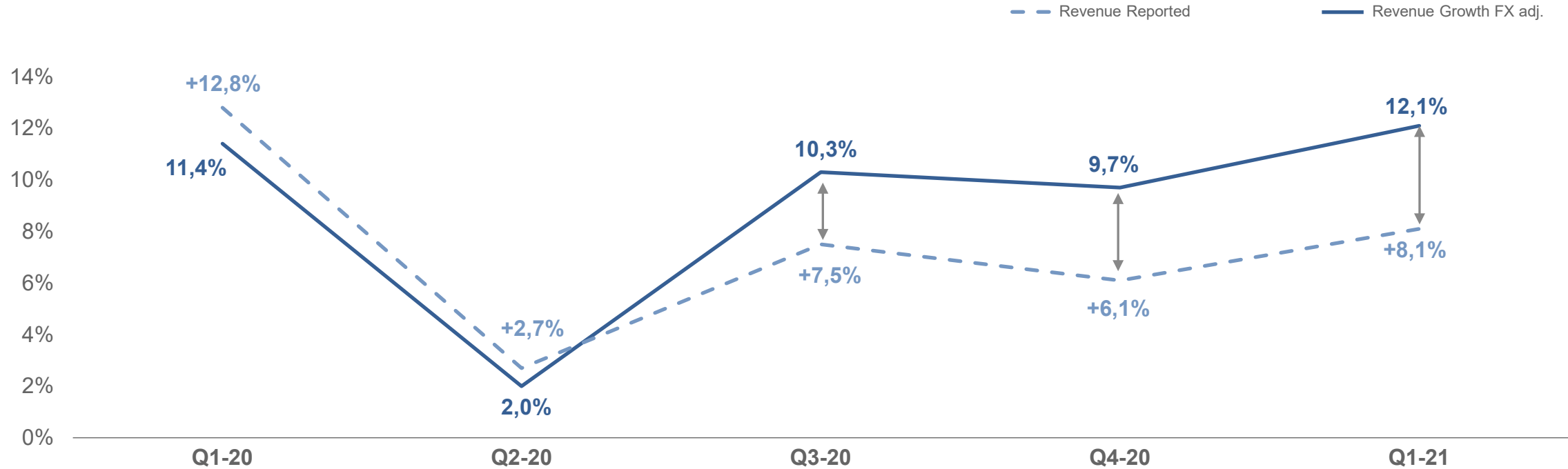
# Key Business Highlights Q1-21: Strong Start to the Year



## Solid Financial Performance



# Strong Underlying Business Despite FX Headwind

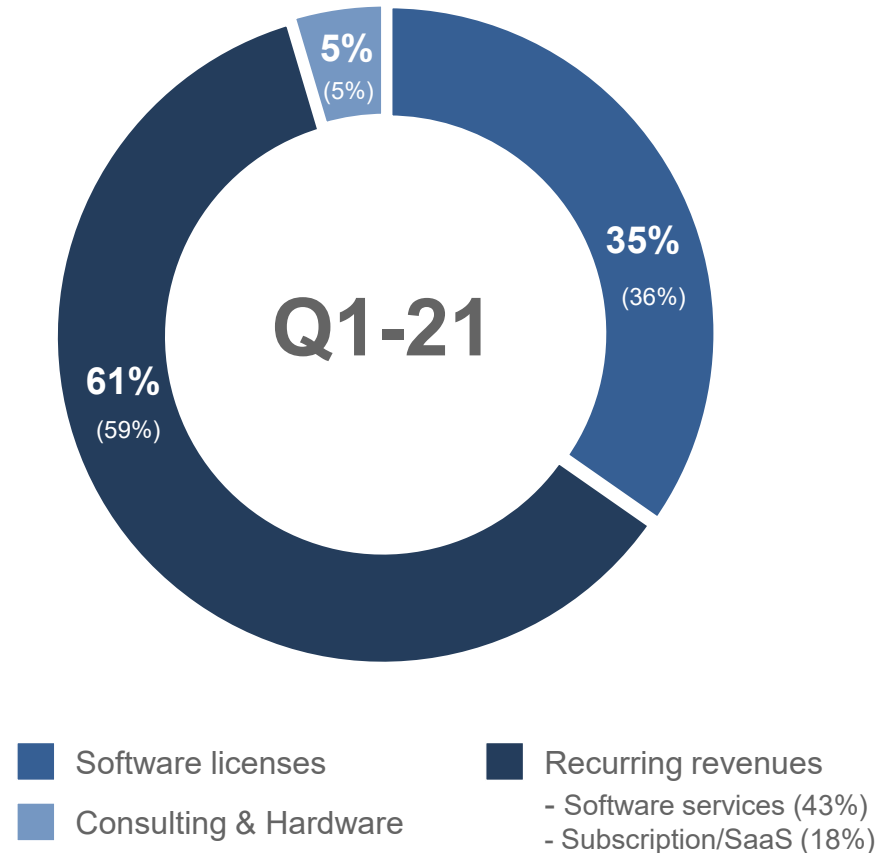


- Underlying growth back at levels prior to Covid-19
- FX headwind mainly driven by weakening USD
- Nemetschek generates ~45% of its revenues in USD
- Effect on Margin: Slightly negative but mainly translational



# Strong Growth in Recurring Revenues: Subscription is Key Driver

Revenue share by Type in % (previous year)



## Q1-21

## Comments

### Recurring revenues y/y



+11.7%  
+15.9% cc<sup>1</sup>

- Above average growth to EUR 96.1m

### Subscription/SaaS y/y



+44.0%  
+49.8% cc<sup>1</sup>

- Subscription/SaaS revenue of 28.3m
- Driven by M&E segment

### Software licenses y/y



+3.0%  
+7.2% cc<sup>1</sup>

- Return to growth
- Driven by Design segment

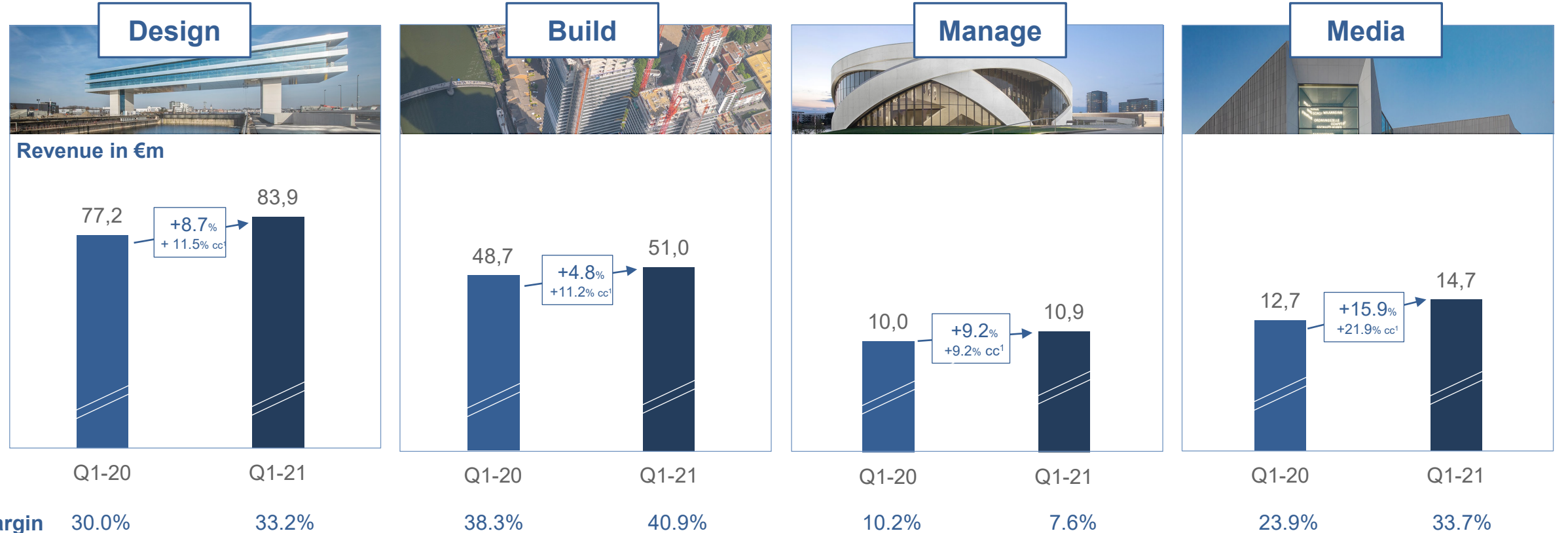


## At a Glance: Income Statement and Important KPIs

Key Figures mEUR	Q1-21	In % of revenue	Q1-20	Growth y/y
<b>Revenues</b>	158.4	-	146.6	+8.1%
Cost of materials/cost of purchased services	-6.7	4.2%	-5.1	+31.4%
Personnel expenses	-69.5	43.9%	-65.5	+6.0%
Other operating income/expenses	-32.7	20.6%	-34.2	-4.4%
<b>EBITDA</b>	<b>49.6</b>	31.3%	<b>41.8</b>	<b>+18.5%</b>
EBITDA margin	31.3%	-	28.5%	+280bps
D&A (incl. PPA)	-10.8	6.8%	-12.6	-14.4%
<b>EBIT</b>	<b>38.8</b>	24.5%	<b>29.2</b>	<b>+32.6%</b>
EBIT margin	24.5%	-	19.9%	+460bps
Net income (group shares)	29.4	18.6%	21.4	+37.5%
<b>EPS</b>	0.25	-	0.19	+37.5%
Operating cash flow	60.5	-	43.1	+40.4%
Free cash flow (ex M&A)	58.8	-	40.5	+45.1%
Equity ratio in %	48.7%	-	43.3%	-
Net Cash	64.8	-	9.0	-



# Segment Overview: Strong Recovery in Design



- Graphisoft with largest contribution to revenue and margin increase
- Organic growth licenses: +13%

- Strong FX headwind from USD
- Org. growth recurring revenues: +16%

- Q1: Expected slow start to the year due to ongoing cautious investments of facility managers
- EBITDA margin: ongoing investments in future growth

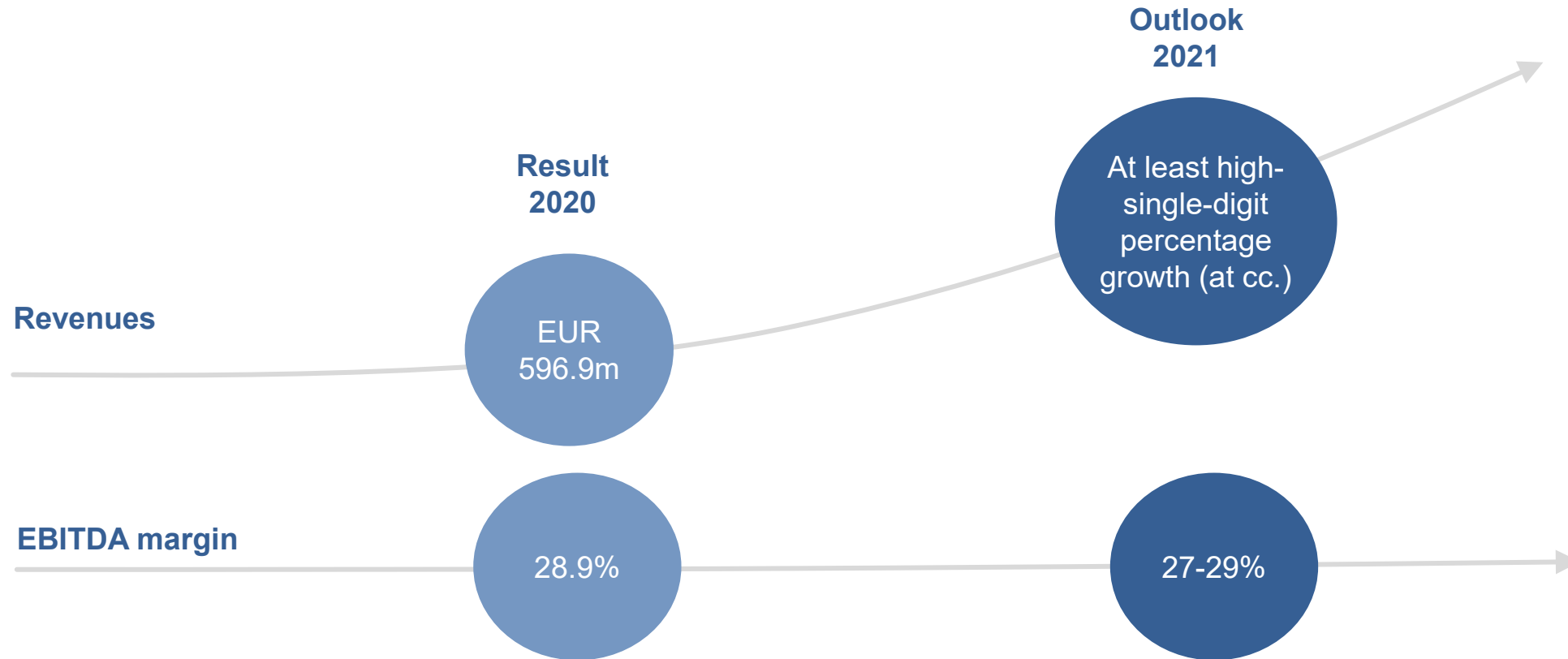
- Q1-21: Strong growth purely organic
- Q1-20: Margin negatively impacted by Maxon's move to subscription and integration of Redshift and Red Giant



# 02

## Summary & Outlook

# Outlook 2021: Confirmed after the First Quarter



## Ambition 2023

- Mid-teens growth starting in 2023 and following the successful Subscription/SaaS transition
  - Share of Recurring Revenues: ~ 75% (t/o Share of Subscription/SaaS ~ 45%)



## Summary Q1-21 - Strong start to the year

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### Q1-21:

- Recovery in construction industry and recurring revenues were main growth drivers
- High Q1 profitability:
  - Better than expected growth & ongoing cost savings (travel, trade fairs etc.) due to Covid-19
  - Margin level will be impacted by Bluebeam's SaaS transition in H2-21, first impacts in Q4, start of add'l KPIs

⇒ **Q1 builds a strong basis for a successful overall financial year 2021!**

### Long-term view:

- Long-term structural growth drivers (low degree of digitalization, regulations, ESG) intact
- Continued progress on strategic initiatives (e. g. harmonization, subscription)
- Upcoming events: AGM (May 12), Q2-21 Reporting (July 29)

⇒ **Nemetschek is well positioned for the future, incl. continued attractive financial returns!**



# Q&A





# Appendix



# Income Statement

€m	Q1 2021	Q1 2020	%YoY
<b>Revenues</b>	158.4	146.6	<b>+8.1%</b>
Other operating income	1.5	4.0	-62.1%
<b>Operating income</b>	<b>159.9</b>	<b>150.6</b>	<b>+6.2%</b>
Cost of materials/purchased services	-6.7	-5.1	+31.4%
Personnel expenses	-69.5	-65.5	+6.0%
Other operating expenses	-34.2	-38.2	-10.3%
<b>Operating expenses</b>	<b>-110.4</b>	<b>-108.8</b>	<b>+1.5%</b>
<b>EBITDA</b>	<b>49.6</b>	<b>41.8</b>	<b>+18.5%</b>
<b>Margin</b>	<b>31.3%</b>	<b>28.5%</b>	
Depreciation and amortization	-10.8	-12.6	-14.4%
t/o Right-of-use assets	-3.7	-3.9	-6.7%
t/o PPA	-4.9	-6.4	-22.8%
<b>EBIT</b>	<b>38.8</b>	<b>29.2</b>	<b>+32.6%</b>
Financial result	-1.0	-0.5	
t/o IFRS 16	-0.3	-0.4	-11.2%
<b>EBT</b>	<b>37.7</b>	<b>28.7</b>	<b>+31.5%</b>
Income taxes	-7.9	-7.2	+9.7%
Non-controlling interests	0.4	0.1	
<b>Net income (group shares)</b>	<b>29.4</b>	<b>21.4</b>	<b>+37.5%</b>
<b>EPS in EUR</b>	<b>0.25</b>	<b>0.19</b>	<b>+37.5%</b>



## Balance Sheet – Assets

€m	March 31, 2021	December 31, 2020
<b>Assets</b>		
Cash and cash equivalents	177.4	139.3
Trade receivables, net	66.6	64.6
Inventories	0.8	0.6
Other current assets	37.0	31.8
<b>Current assets, total</b>	<b>281.9</b>	<b>236.4</b>
Property, plant and equipment	21.3	21.6
Right-of-use assets	60.6	61.3
Intangible assets	137.8	138.2
Goodwill	429.4	416.7
Other non-current assets	16.6	15.5
<b>Non-current assets, total</b>	<b>665.8</b>	<b>653.3</b>
<b>Total assets</b>	<b>947.7</b>	<b>889.7</b>

## Balance Sheet – Equity and Liabilities

€m	March 31, 2021	December 31, 2020
<b>Equity and liabilities</b>		
Short-term borrowings and current portion of long-term loans	47.8	59.6
Trade payables & accrued liabilities	55.7	67.5
Deferred revenue	164.9	129.5
Current lease liability	13.7	13.4
Other current assets	33.8	25.9
<b>Current liabilities, total</b>	<b>315.8</b>	<b>295.8</b>
Long-term borrowings without current portion	64.9	70.7
Deferred tax liabilities	25.6	25.2
Non-current lease liability	53.5	54.3
Other non-current liabilities	26.2	26.4
<b>Non-current liabilities, total</b>	<b>170.2</b>	<b>176.6</b>
Subscribed capital and capital reserve	128.0	128.0
Retained earnings	345.0	315.3
Other comprehensive income	-25.9	-39.4
Non-controlling interests	14.6	13.4
<b>Equity, total</b>	<b>461.7</b>	<b>417.3</b>
<b>Total equity and liabilities</b>	<b>947.7</b>	<b>889.7</b>



# Cash Flow Statement

€m	March 31, 2021	March 31, 2020	% YoY
<b>Cash and cash equivalents at the beginning of the period</b>	<b>139.3</b>	<b>209.1</b>	<b>-33.4%</b>
<b>Cash flow from operating activities</b>	<b>60.5</b>	<b>43.1</b>	<b>+40.4%</b>
<b>Cash flow from investing activities</b>	<b>-3.9</b>	<b>-81.7</b>	
t/o CapEX	-1.7	-2.6	
t/o Cash paid for acquisition of subsidiaries, net of cash acquired	-2.2	-79.1	
<b>Cash flow from financing activities</b>	<b>-22.1</b>	<b>-17.5</b>	
t/o Repayments of borrowings	-17.8	-13.6	
t/o Principal elements of lease payments	-3.7	-3.1	
FX-effects	3.7	-0.4	
<b>Cash and cash equivalents at the end of the period</b>	<b>177.4</b>	<b>152.7</b>	<b>+16.2%</b>
<b>Free cash flow<sup>1</sup></b>	<b>56.6</b>	<b>-38.6</b>	<b>+246.6%</b>
<b>Free cash flow<sup>1</sup> (w/o acquisition effects)</b>	<b>58.8</b>	<b>40.5</b>	<b>45.1%</b>

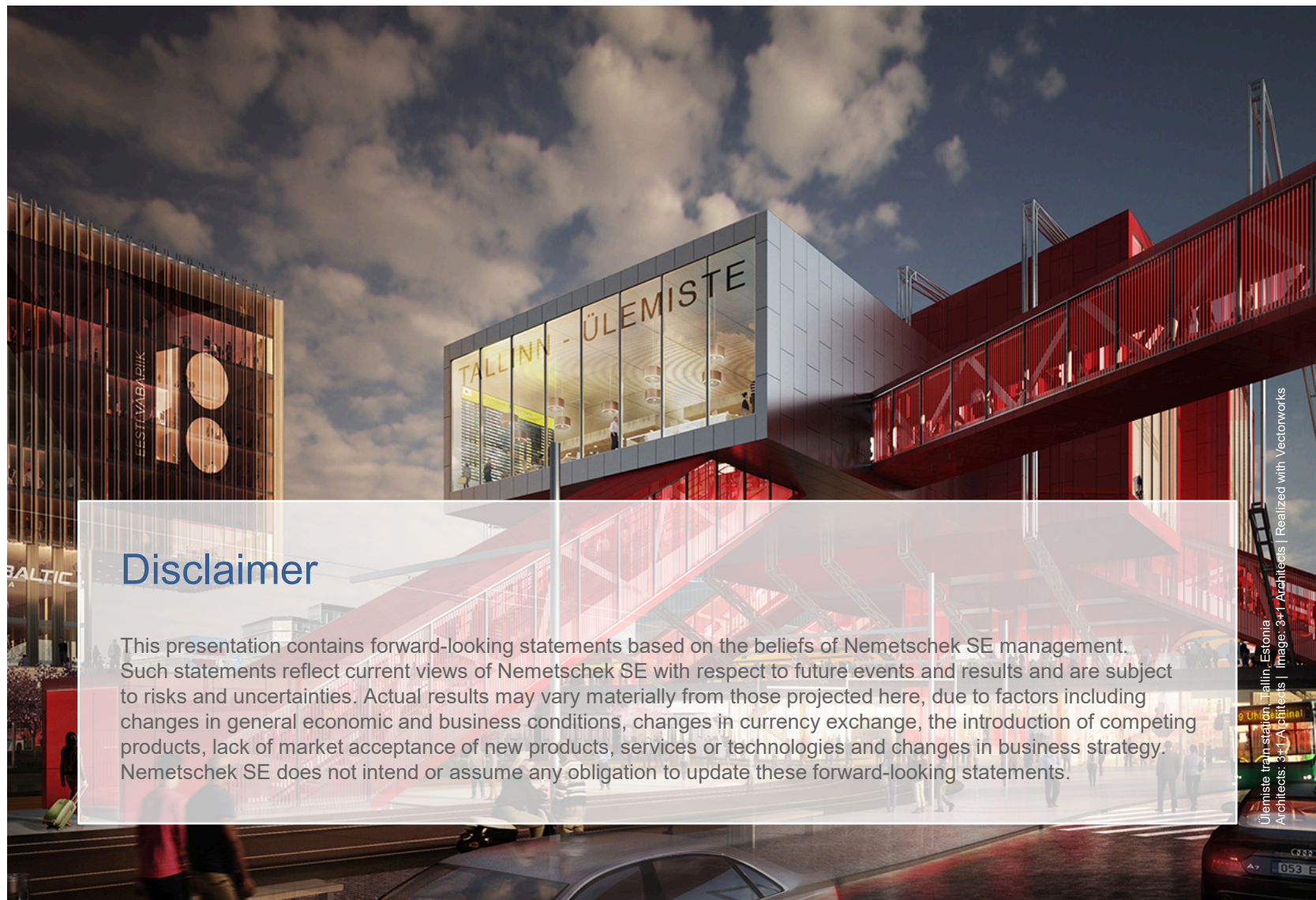
<sup>1</sup> Operating cash flow – Investing cash flow

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**Thank you!**

