

4 Comparison of Actual and Forecast Business Performance of the Nemetschek Group

The original forecast for the 2021 financial year took account of the uncertain macroeconomic conditions at the beginning of 2021. Firstly, the forecast was based on global economic growth in the mid-single-digit percentage range, as forecast by the German Council of Economic Experts and the IMF at that time, as well as the lessening of the adverse effects of the Covid-19 pandemic over the course of 2021. Taking these assumptions into account, the Executive Board started the 2021 financial year with cautiously optimistic expectations, envisaging revenue growth adjusted for currency effects in at least the high single-digit percentage range and an EBITDA margin of 27%-29%.

Despite the Covid-19 pandemic's continued impact in many parts of the world, as described in [« 3.2 Business Performance in 2021 and Key Events Influencing the Company's Business Performance »](#), the global economy was able to return to growth mode and global economic growth is expected to be within the range of expectations outlined above in 2021. The construction industry, which is very important to the Nemetschek Group, also recovered significantly in 2021; see [« 3.1 Macroeconomic and Industry-Specific Conditions »](#).

Given this environment, the Nemetschek Group's development was very positive and better than expected. The business, which was driven, in particular, by increased licensing business and the strong development of recurring revenues from subscription and software as a service (SaaS), performed better than originally expected from as early as the first half of the year; the Executive Board adjusted the forecast in July 2021, anticipating revenue growth adjusted for currency effects in the 12%-14% range and an EBITDA margin of between 30% and 32% for the 2021 financial year.

Revenues of EUR 681.5 million were generated in the 2021 financial year, corresponding to nominal growth of 14.2% and growth adjusted for currency effects of 15.6% and thus also slightly exceeding the adjusted forecast. All regions and, with the exception of the Manage segment, all segments exceeded their expectations and thus contributed to the encouraging development of revenues. The main reasons for the better-than-expected growth were catch-up effects from the previous crisis year, the faster-than-expected recovery in the construction industry, and the positive impact of economic stimulus programs. The Covid-19 pandemic had an appreciable effect on the Manage segment and building managers' reluctance to invest was stronger than anticipated.

Based on the good development of revenues, which exceeded expectations, profitability also developed very positively in the 2021 financial year and EBITDA of EUR 222.0 million was generated. This corresponded to an EBITDA margin of 32.6% and was also slightly above the adjusted forecast from July 2021.

	Financial year 2020 Actual	Financial year 2021 Forecast March 2021	Financial year 2021 Forecast July 2021	Financial year 2021 Actual	Δ nominal in %	Δ currency- adjusted	Δ comparison ¹⁾
		Growth in the at least in the high single-digit percentage range					
Revenue	EUR 596.9 million		12% to 14%	EUR 681.5 million	14.2%	15.6%	15.6%
EBITDA margin	28.9%	27% to 29%	30% to 32%	32.6%			

¹⁾ Growth comparable to previous year, i.e. adjusted for currency and portfolio effects