

NEMETSCHKE  
GROUP

2022 QUARTERLY STATEMENT  
AS OF MARCH 31

SHAPE  
THE  
WORLD

# Key Figures

## NEMETSCHKE GROUP

in EUR million	3 months 2022	3 months 2021	Change
<b>Operative figures</b>			
<b>Revenues</b>	<b>192.2</b>	<b>158.4</b>	<b>21.3 %</b>
- thereof software licenses	63.8	55.0	15.9 %
- thereof recurring revenues	120.7	96.1	25.6 %
- subscription (as part of the recurring revenues)	45.2	28.3	59.8 %
<b>EBITDA</b>	<b>69.8</b>	<b>49.6</b>	<b>40.9 %</b>
as % of revenue	36.3 %	31.3 %	
<b>EBIT</b>	<b>56.3</b>	<b>38.8</b>	<b>45.2 %</b>
as % of revenue	29.3 %	24.5 %	
<b>Net income (group shares)</b>	<b>42.6</b>	<b>29.4</b>	<b>44.7 %</b>
per share in €	0.37	0.25	
<b>Net income (group shares) before purchase price allocation</b>	<b>48.3</b>	<b>33.3</b>	<b>45.1 %</b>
per share in €	0.42	0.29	
<b>Cash flow figures</b>			
Cash flow from operating activities	72.0	60.5	19.0 %
Cash flow from investing activities	-10.7	-3.9	
Cash flow from financing activities	-14.8	-22.1	
Free cash flow	61.3	56.6	8.4 %
<b>Balance sheet figures</b>			
Cash and cash equivalents*	205.6	157.1	30.8 %
Net liquidity/net debt*	86.9	28.4	
Balance sheet total*	1,125.3	1,054.2	6.7 %
Equity ratio in %*	52.7 %	51.4 %	
Headcount as of balance sheet date	3,185	3,173	0.4 %
<b>Share figures</b>			
Closing price (Xetra) in €	87.80	54.40	
Market Capitalization	10,140.90	6,283.20	

\* Presentation of previous year as of December 31, 2021.

# Interim Group Management Report

## Report on the earnings, financial and asset situation

### Strong start to the year 2022: Revenue growth of 21.3% and increase in EBITDA margin to 36.3%

Consolidated revenue rose by 21.3% in the first three months to EUR 192.2 million (previous year: EUR 158.4 million). The increase in revenue is a result of solely organic growth. Adjusted for currency translation effects at constant exchange rates, revenue growth would have been 17.5%.

EBITDA increased by 40.9% to EUR 69.8 million (previous year: EUR 49.6 million). The EBITDA margin thus rose considerably from 31.3% in the previous year to 36.3%. The above-average margin is mainly due to the strong operating business development.

### Subscription and SaaS continue to drive growth

Overall, there was a recovery in the license business compared to the previous year. In the first three months of 2022, the Nemetschek Group's revenues from software licenses were 15.9% higher than in the same quarter of the previous year at EUR 63.8 million (previous year: EUR 55.0 million). Adjusted for currency effects, the increase was 11.9%. Recurring revenues again increased significantly in the first three month by 25.6% to EUR 120.7 million (previous year: EUR 96.1 million). Adjusted for currency effects, recurring revenues rose by 21.6%. The disproportionately strong increase reflects the strategic change in the business model to increasingly offer subscription and SaaS. Revenues from subscription/SaaS increased significantly by 59.8% (adjusted for currency effects: 54.4%) to EUR 45.2 million. Software licenses accounted for 33.2% of total revenues (previous year: 34.7%), while the share of recurring revenues slightly increased from 60.7% in the previous year to 62.8%.

### Internationalization

An essential diversification factor is the Group's continuing global orientation. Domestic sales increased by 7.3% to EUR 45.3 million (previous year: EUR 42.2 million). In the foreign markets, the Nemetschek Group achieved revenues of EUR 146.9 million, an increase of 26.5% compared to the previous year. The share of revenues generated abroad increased to 76.4% (previous year: 73.4%).

### Overview of segments

In the Design\* segment, revenues increased by 10.4% (adjusted for currency effects: 7.9%) to EUR 93.3 million compared to the prior-year (EUR 84.5 million). EBITDA increased by 11.8% to EUR 31.7 million (previous year: EUR 28.4 million). This corresponds to an operating margin of 34.0%, which was slightly above the previous year's level of 33.6%. In the Build\* segment, revenues increased significantly year-on-year by 30.3% (after adjustment for currency translation effects: 23.9%) to EUR 64.7 million (previous year: EUR 49.7 million). The EBITDA margin increased to 46.0% (previous year: 41.9%). In the Manage segment, revenues increased by 1.0% (adjusted for currency translation effects: 1.0%) to EUR 11.0 million (previous year EUR 10.9 million). The EBITDA margin was 6.6% and below the previous year (7.6%). The Media & Entertainment segment revenues significantly increased by 73.6% to EUR 25.5 million (previous year: EUR 14.7 million) in the first three months. The currency-adjusted growth was at 67.5%. At 47.2%, the EBITDA margin significantly increased (previous year: 33.7%).

### Earnings per share at EUR 0.37

Operating expenses increased by 14.7% from EUR 121.2 million to EUR 139.0 million. The cost of materials included in this figure rose to EUR 6.9 million (previous year: EUR 6.7 million). Personnel expenses rose by 12.6% from EUR 69.5 million to EUR 78.2 million. Other expenses increased by 17.8% from EUR 34.2 million to EUR 40.3 million. Depreciation and amortization on fixed assets slightly increased by 25.3% from EUR 10.8 million to EUR 13.5 million.

The net income for the year (group shares) increased to EUR 42.6 million (previous year: EUR 29.4 million). Adjusted for amortization from the purchase price allocation after tax, net income rose by 45.1% to EUR 48.3 million (previous year: EUR 33.3 million), resulting in earnings per share of EUR 0.42.

The Group's tax rate at the end of the first quarter of 2022 was 20.9% (previous year: 21.0%).

### Operating cash flow at EUR 72.0 million – Cash and cash equivalents at EUR 205.6 million

The cash flow from operating activities was mainly used for the repayment of loans and lease liabilities.

The operating cash flow of the first three months in the amount of EUR 72.0 million increased significantly due to the higher operating performance (previous year: EUR 60.5 million) supported by positive working capital effects.

\* As a result of the strategic reorganization of brands between the Design and Build segments, the prior year figures were adjusted for comparability purposes.

Cash flow from investing activities was EUR –10.7 million (previous year: EUR –3.9 million) and included the payments of the conditional purchase price obligations in the amount of EUR 7.3 million. In the previous year, EUR 2.2 million were paid for the acquisition of an asset deal in Maxon GmbH as well for Maxon Japan in the Media & Entertainment segment. The cash flow from financing activities of EUR –14.8 million (previous year: EUR –22.1 million) mainly includes cash received for short-term interim financing in the amount of EUR 39.0 million (previous year: EUR 0), the repayment of bank loans of EUR 49.1 million (previous year: EUR 17.8 million), and the repayment of lease liabilities of EUR 4.0 million (previous year: EUR 3.7 million).

On the quarterly closing date, the Nemetschek Group held cash and cash equivalents of EUR 205.6 million (December 31, 2021: EUR 157.1 million).

#### **Equity ratio at 52.7 %**

The balance sheet total increased from EUR 1,054.2 million to EUR 1,125.3 million compared to December 31, 2021. Equity amounted to EUR 593.5 million (December 31, 2021: EUR 541.7 million), resulting in an equity ratio of 52.7 % compared to 51.4 % as of December 31, 2021. The increase was driven by the net income for the year (EUR 44.3 million), the currency-related increase of Group assets (EUR 7.5 million).

### **Significant events after the interim reporting period**

As of April 1, 2022, Frilo Software GmbH obtained control over 100% of the shares of DC-Software Doster & Christmann GmbH, Munich, Germany. The consideration transferred consists of EUR 5.0 million in cash. Furthermore, a contingent consideration of up to EUR 2.0 million, depending on the achievement of revenue targets, has been negotiated. Further disclosures are not available as of the date of preparation of the consolidated interim financial statements.

### **Employees**

As of March 31, 2022, the Nemetschek Group employed a staff of 3,185 (March 31, 2021: 3,173), an increase of 0.4 % on the prior-year quarter. In the following quarters, the Nemetschek Group intends to further increase the number of employees in order to ensure future growth.

### **Report on opportunities and risks**

For the main opportunities and risks of the Nemetschek Group's anticipated development, we refer to the opportunities and risks described in the Group management report as of December 31, 2021. No significant changes have occurred in the meantime. With regard to the effects of the Covid-19 pandemic and the Ukraine war, we refer to the forecast report in the Group management report as of December 31, 2021.

### **Report on forecasts and other statements on expected development**

Following the very successful start to the year, the Executive Board is reaffirming its current targets for the financial year 2022. The Executive Board therefore continues to expect a revenue growth at constant exchange rates in the range of 12% to 14% for the Group in 2022. The EBITDA margin is targeted to be between 32% and 33%.

The outlook is based on the assumption that there will be no significant deterioration in the global macroeconomic as well as industry-specific conditions in 2022, in particular in the light of the recent growing global economic risk due to the war in Ukraine.

# Consolidated statement of comprehensive income

for the period from January 1 to March 31, 2022 and 2021

## STATEMENT OF COMPREHENSIVE INCOME

Thousands of €	3 months 2022	3 months 2021
<b>Revenues</b>	<b>192,224</b>	<b>158,431</b>
Other income	3,047	1,499
<b>Operating income</b>	<b>195,271</b>	<b>159,930</b>
Cost of goods and services	-6,916	-6,676
Personnel expenses	-78,203	-69,452
Depreciation of property, plant and equipment and amortization of intangible assets	-13,532	-10,801
<i>thereof amortization of intangible assets due to purchase price allocation</i>	-7,083	-4,912
Other expenses	-40,336	-34,241
<b>Operating expenses</b>	<b>-138,987</b>	<b>-121,171</b>
<b>Operating result (EBIT)</b>	<b>56,284</b>	<b>38,759</b>
Interest income	60	15
Interest expenses	-634	-638
Other financial expenses/income	296	-408
<b>Net finance costs</b>	<b>-277</b>	<b>-1,031</b>
<b>Earnings before taxes (EBT)</b>	<b>56,006</b>	<b>37,728</b>
Income taxes	-11,723	-7,920
<b>Net income for the year</b>	<b>44,283</b>	<b>29,808</b>
<b>Other comprehensive income:</b>		
Difference from currency translation	7,455	14,459
<b>Items of other comprehensive income that are reclassified subsequently to profit or loss</b>	<b>7,455</b>	<b>14,459</b>
Gains/losses from the revaluation of defined benefit pension plans	270	237
Tax effect	-76	-67
<b>Items of other comprehensive income that will not be reclassified to profit or loss</b>	<b>193</b>	<b>170</b>
<b>Subtotal other comprehensive income</b>	<b>7,649</b>	<b>14,629</b>
<b>Total comprehensive income for the year</b>	<b>51,932</b>	<b>44,437</b>
<b>Net profit or loss for the period attributable to:</b>		
Equity holders of the parent	42,597	29,446
Non-controlling interests	1,686	362
<b>Net income for the year</b>	<b>44,283</b>	<b>29,808</b>
<b>Total comprehensive income for the year attributable to:</b>		
Equity holders of the parent	49,852	43,166
Non-controlling interests	2,080	1,271
<b>Total comprehensive income for the year</b>	<b>51,932</b>	<b>44,437</b>
Earnings per share (undiluted) in euros	0.37	0.25
Earnings per share (diluted) in euros	0.37	0.25
Average number of shares outstanding (undiluted)	115,500,000	115,500,000
Average number of shares outstanding (diluted)	115,500,000	115,500,000

# Consolidated statement of financial position

as of March 31, 2022 and December 31, 2021

## STATEMENT OF FINANCIAL POSITION

Assets	Thousands of €	March 31, 2022	December 31, 2021
<b>Current assets</b>			
Cash and cash equivalents		205,552	157,095
Trade receivables		81,643	70,108
Inventories		895	949
Income tax receivables		6,408	4,766
Other financial assets		1,306	1,220
Other non-financial assets		33,975	28,990
<b>Current assets, total</b>		<b>329,779</b>	<b>263,128</b>
<b>Non-current assets</b>			
Property, plant and equipment		21,452	20,736
Intangible assets		153,752	158,884
Goodwill		531,080	523,967
Right-of-use assets		60,123	59,233
Investments in associates		4,063	4,063
Deferred tax assets		8,489	8,208
Other financial assets		14,432	13,816
Other non-financial assets		2,095	2,158
<b>Non-current assets, total</b>		<b>795,485</b>	<b>791,064</b>
<b>Total assets</b>		<b>1,125,264</b>	<b>1,054,193</b>

<b>Equity and liabilities</b>	Thousands of €	<b>March 31, 2022</b>	December 31, 2021
<b>Current liabilities</b>			
Short-term borrowings and current portion of long-term loans		90,797	93,766
Trade payables		12,590	11,260
Provisions and accrued liabilities		48,063	71,744
Deferred revenue		201,447	157,975
Income tax liabilities		19,434	11,496
Other financial liabilities		884	7,355
Lease liabilities		14,167	14,060
Other non-financial liabilities		24,533	16,870
<b>Current liabilities, total</b>		<b>411,914</b>	<b>384,526</b>
<b>Non-current liabilities</b>			
Long-term borrowings without current portion		27,868	34,935
Deferred tax liabilities		19,559	20,590
Pensions and related obligations		3,317	3,601
Provisions		4,443	4,530
Deferred revenue		2,731	2,966
Income tax liabilities		4,845	4,787
Other financial liabilities		1,002	1,241
Lease liabilities		52,851	51,977
Other non-financial liabilities		3,248	3,379
<b>Non-current liabilities, total</b>		<b>119,864</b>	<b>128,005</b>
<b>Equity</b>			
Subscribed capital		115,500	115,500
Capital reserve		12,485	12,485
Retained earnings		458,168	415,410
Other reserves		-10,439	-17,533
<b>Equity (group shares)</b>		<b>575,714</b>	<b>525,862</b>
Non-controlling interests		17,772	15,799
<b>Equity, total</b>		<b>593,486</b>	<b>541,662</b>
<b>Total equity and liabilities</b>		<b>1,125,264</b>	<b>1,054,193</b>

# Consolidated cash flow statement

for the period from January 1 to March 31, 2022 and 2021

## CONSOLIDATED STATEMENT OF CASH FLOWS

Thousands of €	3 months 2022	3 months 2021
Profit (before tax)	56,006	37,728
Depreciation and amortization of fixed assets	13,532	10,801
Net finance costs	277	1,031
<b>EBITDA</b>	<b>69,816</b>	<b>49,561</b>
Other non-cash transactions	369	1,082
<b>Cash flow for the period</b>	<b>70,184</b>	<b>50,643</b>
Change in trade working capital	31,372	28,138
Change in other working capital	-23,105	-10,750
Financing effects and tax cash flow	-6,480	-7,566
<b>Cash flow from operating activities</b>	<b>71,971</b>	<b>60,465</b>
Capital expenditure	-3,074	-1,718
Changes in liabilities from acquisitions	-7,276	0
Cash received from disposal of fixed assets	2	25
Cash paid for acquisition of subsidiaries, net of cash acquired	0	-2,219
Cash paid for acquisition of other investments	-306	0
<b>Cash flow from investing activities</b>	<b>-10,654</b>	<b>-3,912</b>
Dividend payments to non-controlling interests	-107	0
Cash received from bank loans	39,000	0
Repayment of borrowings	-49,125	-17,825
Principal elements of lease payments	-4,000	-3,711
Interests paid	-571	-607
<b>Cash flow from financing activities</b>	<b>-14,803</b>	<b>-22,142</b>
<b>Changes in cash and cash equivalents</b>	<b>46,514</b>	<b>34,411</b>
<b>Effect of exchange rate differences on cash and cash equivalents</b>	<b>1,944</b>	<b>3,711</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>157,095</b>	<b>139,320</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>205,552</b>	<b>177,442</b>



## Consolidated statement of changes in equity

for the period from January 1 to March 31, 2022 and 2021

Thousands of €	Equity attributable to the parent company's shareholders				Total	Non-controlling interests	Total equity
	Subscribed capital	Capital reserve	Retained earnings	Translation reserve			
<b>As of January 1, 2021</b>	<b>115,500</b>	<b>12,485</b>	<b>315,341</b>	<b>-39,408</b>	<b>403,919</b>	<b>13,373</b>	<b>417,292</b>
Other comprehensive income	-	-	251	13,469	13,720	909	14,629
Net income for the year	-	-	29,446	-	29,446	362	29,808
<b>Total comprehensive income for the year</b>	<b>0</b>	<b>0</b>	<b>29,697</b>	<b>13,469</b>	<b>43,166</b>	<b>1,271</b>	<b>44,437</b>
<b>As of March 31, 2021</b>	<b>115,500</b>	<b>12,485</b>	<b>345,038</b>	<b>-25,939</b>	<b>447,084</b>	<b>14,644</b>	<b>461,728</b>
<b>As of January 1, 2022</b>	<b>115,500</b>	<b>12,485</b>	<b>415,410</b>	<b>-17,533</b>	<b>525,862</b>	<b>15,799</b>	<b>541,662</b>
Other comprehensive income	-	-	162	7,094	7,256	393	7,649
Net income for the year	-	-	42,597	-	42,597	1,686	44,283
<b>Total comprehensive income for the year</b>	<b>0</b>	<b>0</b>	<b>42,758</b>	<b>7,094</b>	<b>49,852</b>	<b>2,080</b>	<b>51,932</b>
Dividend payments to non-controlling interests	-	-	-	-	0	-107	-107
<b>As of March 31, 2022</b>	<b>115,500</b>	<b>12,485</b>	<b>458,168</b>	<b>-10,439</b>	<b>575,714</b>	<b>17,772</b>	<b>593,486</b>



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