

Q3-2024

NEMETSCHKEK
GROUP

ARR growth of

+33%

to EUR 883.3m*

Subscription & SaaS growth of

+94.3%

to EUR 150.3m*

Revenue Growth of

+15.1%

to EUR 253.0m*

*including GoCanvas

ALLPLAN

BLUEBEAM

CREMSOLUTIONS

dRofus

dTwin

gocanvas

GRAPHISOFT

MAXON

NEVARIS

IRISA

SOLIBRI

SPACEWELL

VECTORWORKS

Nemetschek Group quarterly report Q3/2024 announcement

Nov 07, 2024 06:11 UTC

Nemetschek Group continues its strong and profitable growth course in Q3 2024 and confirms the outlook for full year 2024

- **+94.3% revenue growth in Subscription/SaaS to EUR 150.3 million in Q3 (+77.5% organic growth excluding the acquisition of GoCanvas)**
- **+33.0% ARR growth in Q3 to EUR 883.3 million (+25.2% organic)**
- **+15.1% growth in Group revenues in Q3 to EUR 253.0 million**

- **(+8.9% organic)**
- **EBITDA margin in Q3 at 30.1% (32.2% organic)**
- **Executive Board fully confirms organic as well as extended outlook following the GoCanvas acquisition for financial year 2024**

Munich, November 7, 2024 - The Nemetschek Group, a global provider of software solutions for the construction and media industries, continued its profitable growth course in Q3 2024. Growth was once again driven by subscription and SaaS revenue, which increased to a new record level. Based on the successful development in the first nine months, the Executive Board reiterates both its previous outlook for the operating business (i.e. excluding GoCanvas acquisition effects) and the extended outlook following the acquisition of GoCanvas, which was consolidated for the first time in Q3 2024.

"Our third quarter clearly shows that the Nemetschek Group continues its profitable growth course - while transitioning to a subscription and SaaS-centric business model. Even though the general economic conditions remain challenging, especially in Europe, the strategic advantage of our globally operating brands is clearly evident," says **Yves Padrines, CEO of the Nemetschek Group**. "We continue to consistently implement our strategy of generating value-added growth and accelerating the digital transformation as well as the shift towards greater efficiency and sustainability for our customers in the construction industry. In addition to our continued internationalization and our focus on new technologies such as AI and cloud, the acquisition of GoCanvas will also contribute to future growth. With our performance in the first nine months of the year, we have created a strong basis to fully achieve our targets for 2024."

Key Group Performance Indicators in Q3 and 9M 2024

- The main driver in Q3 was once again revenues from **subscription and SaaS offerings**, which increased by 94.3% (currency-adjusted: 95.1%) compared to Q3 2023, significantly outpacing total revenue and reaching a new record high of EUR 150.3 million. Organic growth (excluding GoCanvas) amounted to 77.5% (currency-adjusted: 78.2%). In the first nine months, this

revenue category increased significantly by 82.1% (currency-adjusted: 82.6%) to EUR 381.2 million, with organic growth amounting to 75.9% (currency-adjusted: 76.4%).

- **Annual recurring revenue (ARR)** increased by 33.0% (currency-adjusted: 33.7%) to EUR 883.3 million, with organic growth amounting to 25.2% (currency-adjusted: 25.8%). ARR growth was therefore significantly higher than revenue growth, which indicates significant growth potential in the next 12 months.
- In line with the Group strategy, **the share of recurring revenues** as a percentage of total revenues increased by more than 10 percentage points to 86.0% in the first nine months (prior-year period: 74.8%) and thus already reached the target for the full year 2024.
- **Group revenue** increased by 15.1% (currency-adjusted: 15.8%) to EUR 253.0 million in Q3 compared to the same quarter of the previous year. Organic growth amounted to 8.9% (currency-adjusted: 9.6%). In the first nine months, revenue grew to EUR 704.7 million, an increase of 11.5% (currency-adjusted: 12.0%). Purely organic growth amounted to 9.3% (currency-adjusted: 9.8%).
- The **earnings before interest, taxes, depreciation and amortization (EBITDA)** increased by 6.7% to EUR 76.2 million compared to the same quarter of the previous year. The EBITDA margin of 30.1% in Q3 was diluted by the currently still lower margin of GoCanvas, which was consolidated since the beginning of Q3. The organic EBITDA margin (excluding GoCanvas) amounted to 32.2% in Q3. In the first nine months of the year, EBITDA increased by 9.2% to EUR 205.9 million, which corresponds to a margin of 29.2% (prior-year period: 29.8%). The organic margin (excluding the dilutive effect of GoCanvas) was 29.9%. This includes one-off costs for M&A activities in the mid-single-digit million euro range from Q2. Excluding these acquisition-related effects, the adjusted organic EBITDA margin was 30.8%.
- **Net income** for the quarter was 12.8% below the previous year at EUR 39.3 million due to higher amortization charges from the purchase price allocation (PPA) and higher financing costs in connection with the GoCanvas acquisition. This corresponds to earnings per share (EPS) of EUR 0.34 (Q3 2023: EUR 0.39). EPS before PPA amortization was at the previous year level at EUR 0.44. In the first nine months, net income increased by 8.5% to EUR 123.8 million while the EPS amounted to EUR 1.07 (9M

2023: EUR 0.99). Adjusted for PPA amortization, EPS was at EUR 1.26, an increase of 10.1% versus EUR 1.14 after the first nine months of the previous year.

Strategic highlights in the first nine months of 2024

- The Group-wide **transition of the business model to subscription and SaaS** continues to progress successfully and according to plan, primarily driven by the Build segment with the transition of the Bluebeam brand and the SaaS solutions of the newly acquired GoCanvas business (since Q3) as well as the Design segment.
- The continued **internationalization** and the intensified Group-wide **go-to-market approach** are progressing according to plan. At 18.7% in North America and 19.4% in Asia/Pacific, growth abroad in the first nine months was significantly higher than in the German domestic market (+2.6%), which continues to be affected by the weak construction industry.
- The Group's development activities continue to focus on **new technologies** such as artificial intelligence and cloud features. In order to increase the **operational excellence** and ensure future growth, Nemetschek continues to work on further enhancing its business structures and processes.
- **GoCanvas Holdings, Inc.**, the largest acquisition in the company's history, was successfully completed by the Nemetschek Group on July 1. The US-based SaaS-company is a leading software provider for construction site collaboration. The complementary technologies, customer bases and regional sales structures of GoCanvas and the Nemetschek Group open up considerable synergy potential and growth opportunities. The acquisition also strengthens the Nemetschek Group's market position in North America, while providing GoCanvas with an attractive base for expansion in Europe and in the Asia-Pacific region.

Segment Developments in Q3 and 9M 2024 (see table)

- The **Design segment** recorded a growth rate of 5.4% (currency-adjusted: 6.3%) to EUR 115.7 million in Q3. As expected, growth

in Q3 was slightly below the previous quarters due to the high prior-year figures, which were attributable to a strong license business in the light of the last time buy of perpetual licenses without a software service contract. In the first nine months, revenues grew to EUR 343.7 million (8.1%, currency-adjusted: 8.8%). Growth was again driven by the revenue from subscription/SaaS models, which increased by 75.0%. EBITDA in Q3 decreased slightly by 2.1% to EUR 33.8 million, which corresponds to an EBITDA margin of 29.2%. In 9M 2024, the EBITDA margin improved to 27.9% (prior-year period: 26.8%).

- The acquired GoCanvas business was consolidated in the **Build segment** for the first time at the beginning of Q3. Segment revenues in Q3 therefore increased significantly by 33.5% (currency-adjusted: 34.0%) to EUR 96.2 million. However, the segment also recorded strong organic growth of 14.6% (currency-adjusted: 15.0%). In the first nine months, revenues grew to EUR 238.4 million, an increase of 18.3% (currency-adjusted: 18.6%). Organic growth amounted to 11.6% (currency-adjusted: 11.8%). The EBITDA margins of 31.5% in Q3 (Q3 2023: 35.0%) and 32.2% in the first nine months (9M 2023: 35.9%) were below the previous year's figures due to the still dilutive effect of the GoCanvas acquisition. Organic margins (excluding GoCanvas) were up on the previous year at 37.7% in Q3 and 34.5% in the first nine months. The transition of the business model to subscription and SaaS will lead to a significant acceleration in growth in Q4, as the comparative basis of the previous year contains almost no license revenues for the first time since the transition started.
- In the **Manage segment**, revenues in Q3 amounted to EUR 11.7 million and were therefore almost in line with the previous year (EUR 11.8 million). The discontinuation of a unit for consulting services with low profitability had a negative impact on revenues. In the first nine months, revenues increased slightly by 1.9% to EUR 36.7 million. The EBITDA margin expanded to 7.2% in Q3 (previous year: 3.4%) and to 7.3% in the first nine months (previous year: 1.2%).
- The **Media segment** showed an acceleration in growth in Q3. With an increase of 8.2% (currency-adjusted: 8.8%), revenues reached EUR 30.4 million. This growth was above the underlying market growth, which is still feeling the effects of ongoing customer restraint in the US market. In the first nine months, revenues amounted to EUR 88.6 million, representing a growth

of 7.9% (currency-adjusted: 8.6%). The EBITDA margin amounted to 37.0% in Q3 2024 and 34.3% in the first nine months.

Outlook for Financial Year 2024 confirmed

Following the successful development in the first nine months of 2024, the Executive Board fully confirms its previous guidance for 2024. In organic terms, i.e. excluding the effects of the GoCanvas acquisition, the Executive Board expects a currency-adjusted revenue growth between 10% and 11% compared to the previous year, a growth in annual recurring revenue (ARR) of around 25%, a share of recurring revenue as a percentage of total revenue of around 85% and an EBITDA margin of between 30% and 31%.

At the same time, the Executive Board reiterates the extended outlook for 2024, according to which the consolidation of GoCanvas (consolidated from July 1) will continue to have an additional positive impact of around 3 percentage points on the targeted revenue growth for the full year. The Group EBITDA margin is expected to be diluted by around 100 basis points for the full year, as GoCanvas' profitability is still below the Group average. These figures do not yet reflect the full potential of the acquisition, as both the revenue and EBITDA contribution of GoCanvas is reduced by a high single-digit million euro amount in the second half of the year due to the IFRS-related purchase price allocation. The ARR growth is expected to increase from around 25% to more than 30% in 2024. The share of recurring revenue increases to around 85%.

The statements on the effects of the acquisition of GoCanvas are subject to the proviso that important key figures, including the calculation of the purchase price allocation (PPA), have not yet been finalized. In addition, the guidance is based on the assumption that the global economic and industry-specific conditions do not deteriorate significantly in 2024.

Overview of quarterly key figures (Q3-24)

| In EUR million | Q3 2024 | Q3 2023 | Δ in % (FX-adj.) | Δ in % organic (FX-adj.) |
|----------------|--------------|--------------|----------------------------------|----------------------------------|
| ARR | 883.3 | 664.0 | +33.0% (+33.7%) | +25.2% (+25.8%) |

| | | | | |
|---|--------------|--------------|----------------------------------|--------------------------------|
| Revenues | 253.0 | 219.8 | +15.1% (+15.8%) | +8.9% (+9.6%) |
| - thereof software licenses | 24.7 | 44.0 | -43.8% (-42.8%) | -43.8% (-42.8%) |
| - thereof recurring revenues | 220.8 | 166.0 | +33.0% (+33.7%) | +25.2% (+25.8%) |
| - Subscription + SaaS (part of recurring revenue) | 150.3 | 77.4 | +94.3% (+95.1%) | +77.5% (+78.2%) |
| EBITDA | 76.2 | 71.4 | +6.7% (+7.5%) | +7.8% (+8.1%) |
| EBITDA margin | 30.1% | 32.5% | | |
| Organic EBITDA margin (w/o GoCanvas dilution effect) | 32.2% | 32.5% | | |
| Adjusted organic EBITDA margin (w/o GoCanvas dilution effect & one-off M&A related costs) | 32.4% | 32.5% | | |
| EBIT | 57.9 | 56.6 | +2.4% | |
| EBIT margin | 22.9% | 25.7% | | |
| Net income (Group shares) | 39.3 | 45.0 | -12.8% | |
| Earnings per share in EUR | 0.34 | 0.39 | -12.8% | |
| Net income (Group shares) before amortization of purchase price allocation (PPA) | 50.8 | 50.9 | -0.2% | |
| Earnings per share in EUR before amortization of PPA | 0.44 | 0.44 | -0.2% | |

Overview of quarterly key figures per segment* (Q3-24)

| In EUR million | Q3 2024 | Q3 2023 | Δ in % (FX-adj.) | Δ in % organic (FX-adj.) |
|----------------|--------------------|--------------------|-----------------------------|-------------------------------------|
| Design | | | | |
| Revenues | 115.7 | 109.8 | +5.4% (+6.3%) | |
| EBITDA | 33.8 | 34.5 | -2.1% (-1.4%) | |
| EBITDA margin | 29.2% | 31.4% | | |
| Build | | | | |
| Revenues | 96.2 | 72.1 | +33.5% (+34.0%) | +14.6% (+15.0%) |

| | | | | |
|--|-------|-------|--------------------|--------------------|
| EBITDA | 30.3 | 25.2 | +20.2% (+22.2%) | +23.5% (+23.8%) |
| EBITDA margin | 31.5% | 35.0% | | |
| Organic EBITDA margin (w/o GoCanvas dilution effect) | 37.7% | 35.0% | | |
| Manage | | | | |
| Revenues | 11.7 | 11.8 | -1.0% (-1.1%) | |
| EBITDA | 0.8 | 0.4 | | |
| EBITDA margin | 7.2% | 3.4% | | |
| Media | | | | |
| Revenues | 30.4 | 28.1 | +8.2% (+8.8%) | |
| EBITDA | 11.3 | 11.3 | -0.4% (-3.6%) | |
| EBITDA margin | 37.0% | 40.2% | | |

* As at January 1, 2024, the Digital Twin business unit, including the dRofus brand, was reclassified from the Manage segment to the Design segment and subsequently consolidated here. The previous year's figures have been adjusted accordingly.

Overview of nine month key figures (9M-24)

| In EUR million | 9M 2024 | 9M 2023 | Δ in % (FX-adj.) | Δ in % organic (FX-adj.) |
|---|--------------|--------------|----------------------------------|----------------------------------|
| ARR | 883.3 | 664.0 | +33.0% (+33.7%) | +25.2% (+25.8%) |
| Revenues | 704.7 | 632.0 | +11.5% (+12.0%) | +9.3% (+9.8%) |
| - thereof software licenses | 74.7 | 132.0 | -43.4% (-42.5%) | -43.4% (-42.5%) |
| - thereof recurring revenues | 606.2 | 473.0 | +28.2% (+28.6%) | +25.4% (+25.8%) |
| - Subscription + SaaS (part of recurring revenue) | 381.2 | 209.3 | +82.1% (+82.6%) | +75.9% (+76.4%) |

| | | | | |
|---|--------------|--------------|--------------------------------|--------------------------------|
| EBITDA | 205.9 | 188.5 | +9.2% (+8.0%) | +9.7% (+8.2%) |
| EBITDA margin | 29.2% | 29.8% | | |
| Organic EBITDA margin (w/o GoCanvas dilution effect) | 29.9% | 29.8% | | |
| Adjusted organic EBITDA margin (w/o GoCanvas dilution effect & one-off M&A related costs) | 30.8% | 29.8% | | |
| EBIT | 160.5 | 143.9 | +11.5% | |
| EBIT margin | 22.8% | 22.8% | | |
| Net income (Group shares) | 123.8 | 114.1 | +8.5% | |
| Earnings per share in EUR | 1.07 | 0.99 | +8.5% | |
| Net income (Group shares) before amortization of purchase price allocation (PPA) | 145.1 | 131.8 | +10.1% | |
| Earnings per share in EUR before amortization of PPA | 1.26 | 1.14 | +10.1% | |

Overview of nine month key figures per segment* (9M-24)

| In Mio. Euro | 9M 2024 | 9M 2023 | Δ in % (FX-adj.) | Δ in % organic (FX-adj.) |
|--|------------|------------|---------------------|-----------------------------|
| Design | | | | |
| Revenues | 343.7 | 317.9 | +8.1% (+8.8%) | |
| EBITDA | 96.0 | 85.3 | +12.6% (+9.8%) | |
| EBITDA margin | 27.9% | 26.8% | | |
| Build | | | | |
| Revenues | 238.4 | 201.5 | +18.3% (+18.6%) | +11.6% (+11.8%) |
| EBITDA | 76.7 | 72.3 | +6.2% (+6.6%) | +7.3% (+7.1%) |
| EBITDA margin | 32.2% | 35.9% | | |
| Organic EBITDA margin (w/o GoCanvas dilution effect) | 34.5% | 35.9% | | |
| Manage | | | | |
| Revenues | 36.7 | 36.0 | +1.9% (+1.9%) | |

| | | | | |
|---------------|-------|-------|------------------|--|
| EBITDA | 2.7 | 0.4 | | |
| EBITDA margin | 7.3% | 1.2% | | |
| Media | | | | |
| Revenues | 88.6 | 82.2 | +7.9% (+8.6%) | |
| EBITDA | 30.4 | 30.5 | -0.2% (-0.2%) | |
| EBITDA margin | 34.3% | 37.1% | | |

* As at January 1, 2024, the Digital Twin business unit, including the dRofus brand, was reclassified from the Manage segment to the Design segment and subsequently consolidated here. The previous year's figures have been adjusted accordingly.

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About the Nemetschek Group

The Nemetschek Group is a globally leading provider of software for digital transformation in the AEC/O and media industries. Its intelligent software solutions cover the entire life cycle of construction and infrastructure projects and allow creatives to optimize their workflows. Customers can plan, construct, and manage buildings and infrastructure more efficiently and sustainably, and develop digital content such as visualizations, films, and computer games in a creative way. The software company drives new technologies and approaches such as artificial intelligence, digital twins, and open standards (OPEN BIM) in the AEC/O industries to increase productivity and sustainability. We are continuously expanding our portfolio, including through investments in disruptive start-ups. More than 7 million users are currently designing the world with the customer-focused solutions of our four segments. Founded by Prof. Georg Nemetschek in 1963, the Nemetschek Group today employs around 4,000 experts.

The company, which has been listed in the MDAX and TecDAX since 1999, achieved a revenue of EUR 851.6 million and an EBITDA of EUR 257.7 million in 2023.

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