

ARR growth of

+26.5%

to EUR 797.9m

Subscription & SaaS growth of

+82.9%

to EUR 124.6m

ALLPLAN

BLUEBEAM

CREMSOLUTIONS

dRofus

dTwin

gocanvas

GRAPHISOFT

MAXON

NEVARIS

IRISA

SOLIBRI

SPACEWELL

VECTORWORKS

Quarterly figures Q2 2024 | Nemetschek Group

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Nemetschek Group: Successful First Half of 2024 with Strong Growth in Subscription/SaaS

- **+82.9% growth in subscription and SaaS to EUR 124.6 million in Q2**
- **+26.5% ARR growth to EUR 797.9 million in Q2**
- **+9.7% growth in Group revenues to EUR 227.7 million in Q2**
- **EBITDA margin in Q2 at 27.0%, adjusted for acquisition-related one-off costs at 29.4%**
- **+27.7% growth in quarterly earnings per share to EUR 0.36**
- **Organic outlook for financial year 2024 confirmed**

- **Outlook for 2024 expanded following acquisition of GoCanvas**

Munich, July 31, 2024 - The Nemetschek Group, a global provider of software solutions for the construction and media industries, confirms its previous guidance for the operational business (i. e. excluding acquisition effects) for the financial year 2024 based on the successful development in the first half of 2024. In addition, Nemetschek further expands the outlook due to the acquisition of GoCanvas (consolidated as of July 1).

The business development in the second quarter of 2024 was in line with plans. Growth in subscription and SaaS revenue increased significantly by more than 80%, so that the share of recurring revenues is already exceeding 85% in the first half of the year.

"We are very pleased with the development of the first half of the year. In addition, the very high growth momentum in Subscription and SaaS in the second quarter shows that the transition of our business model continues to be very successful," says **Yves Padrines, CEO of the Nemetschek Group**. "We are also focusing on our strategic focus areas such as increased internationalization and new technologies as well as the acquisition of GoCanvas, which will contribute to our future growth. With GoCanvas, the largest acquisition in the over 60-years history of our company, we are expanding our portfolio with unique SaaS solutions in Field Management to increase the safety and efficiency on the construction site while simultaneously accelerating our transition to recurring revenues. We expect that the acquisition will generate significant synergies for the Group and especially for our Build segment".

Key Group Performance Indicators in Q2 and H1 2024

- The main growth driver in Q2 were revenues from **subscription and SaaS offerings**, which increased by 82.9% year-on-year (currency-adjusted: 82.2%) to a new record high of EUR 124.6 million and therefore once again significantly outpaced total revenues. In the first half of the year, these revenues grew significantly by 74.9% (currency-adjusted: 75.3%) to EUR 230.9 million (prior-year period: EUR 132.0 million).
- **Annual recurring revenue (ARR)** grew by 26.5% (currency-adjusted: 26.2%) to EUR 797.9 million. The ARR growth was

therefore well above the revenue growth, which indicates a high growth potential in the next 12 months.

- The **share of recurring revenues** as a percentage of total revenues increased strongly and in line with the Group's strategy by 10 percentage points year over year to 85.3% at the end of the first half of 2024 (previous year: 74.5%).
- **Group revenue** increased by 9.7% (currency-adjusted: 9.7%) to EUR 227.7 million in Q2 2024. In the first half of 2024, Group revenue increased by 9.6% (currency-adjusted: 10.0%) to EUR 451.6 million.
- The **earnings before interest, taxes, depreciation, and amortization (EBITDA)** in Q2 increased by 9.5% year-on-year to EUR 61.4 million. This includes M&A-related one-off costs in the mid-single-digit million euro range. At 27.0%, the corresponding EBITDA margin was on the same level as the previous year (Q2 2023: 27.0%). Adjusted for these one-off acquisition-related costs the EBITDA margin in Q2 amounted to 29.4%. In the first half of the year, the EBITDA grew by 10.8% to EUR 129.7 million resulting in a margin of 28.7% (prior-year period: 28.4%). Excluding the one-off costs, the EBITDA margin of 30.0% in H1 2024 is already in line with the outlook for the financial year 2024 communicated in March 2024.
- **Net income** for the quarter grew significantly by 27.7% to EUR 41.9 million, which corresponds to earnings per share of EUR 0.36 (Q2 2023: EUR 0.28). In the first half of the year, net income increased by 22.3% to EUR 84.5 million, resulting in earnings per share of EUR 0.73 (previous year: EUR 0.60).

Strategic Highlights

- The Group-wide **transition to subscription and SaaS** continues to progress successfully and according to plan. The Build segment – via the Bluebeam brand – and the Design segment were the biggest drivers in the first half of 2024.
- Nemetschek continued to drive forward its **internationalization** in H1 2024. At +12.4% in North America and +16.2% in Asia-Pacific, the growth abroad in the first half of the year was significantly stronger than in Germany. In particular in India, as one of the largest and fastest growing markets for the

construction industry, Nemetschek sees considerable potential. To better participate in this dynamic growth in the future, a second location with a local go-to-market office was inaugurated in Mumbai in addition to the existing shared service and development & research center in Hyderabad.

- The acquisition of **GoCanvas Holdings, Inc.**, a leading software provider for construction site collaboration, was successfully completed on July 1. GoCanvas can digitalize traditionally paper-based processes, simplify inspections, improve safety and ensure regulatory compliance. The complementary technologies, customer bases and regional sales structures of GoCanvas and the Nemetschek Group offer substantial synergy potential and growth opportunities. In addition, the acquisition strengthens the Nemetschek Group's market position in North America, while providing GoCanvas with an attractive base for expansion in Europe and the Asia-Pacific region.

Segment Developments in Q2 and H1 2024 (see table)

- The **Design segment** recorded a growth rate of +10.4% (currency-adjusted: +10.8%) to EUR 112.4 million in Q2. In the first half of the year, revenue grew to EUR 228.0 million (+9.5%, currency-adjusted: +10.1%). Growth in Q2 was again driven by subscription/SaaS revenues, which increased strongly by 88.5%. It is expected that the temporary accounting-related effects from the transition to subscription and SaaS will have a greater dampening effect on the segment's revenue development in the coming quarters. EBITDA in Q2 grew clearly over-proportionately by 29.2% to EUR 26.8 million, which corresponds to an EBITDA margin of 23.8%. In H1 2024, the EBITDA margin consequently improved to 27.3% (prior-year period: 24.4%).
- In the **Build segment**, the transition to subscription and SaaS models of the Bluebeam brand continued to progress very successfully, with the result that revenue in this category more than doubled in the first half of 2024. The segment's revenue in Q2 grew in line with plans by 10.7% (currency-adjusted: 9.9%) to EUR 74.7 million. In the first half of the year, revenue amounted to EUR 142.2 million, an increase of +9.9% (currency-adjusted: +10.0%). The EBITDA margins of 34.1% in Q2 (Q2 2023: 37.4%)

and 32.6% in the first half of the year (H1 2023: 36.3%) were below the previous year level due to acquisition-related one-off costs. The transition of the business model to subscription and SaaS is expected to lead to a significant acceleration in growth, particularly in the fourth quarter of 2024, as the comparative basis of the previous year then almost no longer includes license revenues for the first time since the transition started.

- In the **Media segment**, revenue grew by 5.8% (currency-adjusted: 6.1%) to EUR 28.8 million in Q2. This growth is higher than that of the underlying market, which is still feeling the effects of the prolonged strikes in the Hollywood and film industry in the previous year. In the first half of the year, revenue amounted to EUR 58.2 million, representing growth of +7.7% (currency-adjusted: +8.5%). The EBITDA margin amounted to 28.4% in Q2 2024 and 32.9% in the first half of the year.
- In the **Manage segment**, revenue in Q2 amounted to EUR 12.6 million and was hence slightly below the previous year's level (EUR 12.9 million). The discontinuation of an advisory service unit with low profitability had a negative impact on revenue. In the first half of the year, revenue increased to EUR 25.1 million, a growth of 3.4%. The EBITDA margin expanded to 8.2% in Q2 (previous year: 2.7%). In the half-year period, the EBITDA margin was 7.4% (previous year: 0.2%).

Outlook Financial Year 2024

Following the successful first half of the year, Nemetschek confirms its previous guidance for the operational business (i. e. excluding acquisition effects from GoCanvas) for the financial year 2024. The Executive Board expects that the currency-adjusted, organic revenue growth in 2024 will be in a range of 10% to 11%. The annual recurring revenue (ARR) is forecasted to grow by around 25% while the share of recurring revenue as a percentage of total revenue is expected to increase to around 85% in 2024. The EBITDA margin is forecasted to be between 30% to 31%.

Based on the consolidation of GoCanvas as of July 1, 2024, the Executive Board expects an additional positive effect on the forecasted revenue growth of around 3 percentage points for the financial year 2024. The EBITDA margin

in 2024 is expected to be diluted by around 100 basis points due to the GoCanvas' profitability, which is still below the Nemetschek 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 is expected to continue to increase to around 85%.

The statements on the effects of the acquisition on the 2024 financial year are subject to the proviso that important key figures, including the calculation of the purchase price allocation (PPA) for GoCanvas, will not be finalized until later in the year. In addition, the guidance is based on the assumption that the global macroeconomic or industry-specific conditions will not deteriorate significantly in 2024. Furthermore, no additional potential negative effects from the current conflict in the Middle East and the ongoing war in Ukraine are reflected in the outlook.

Overview of quarterly key figures (Q2-24)

In EUR million	Q2 2024	Q2 2023	Δ in %	Δ in % FX-adj.
ARR	797.9	630.7	+26.5 %	+26.2%
Revenues	227.7	207.5	+9.7%	+9.7%
- thereof software licenses	20.2	40.4	-50.1 %	-48.7%
- thereof recurring revenues	199.5	157.7	+26.5 %	+26.2%
- Subscription + SaaS (part of recurring revenues)	124.6	68.1	+82.9 %	+82.2%
EBITDA	61.4	56.1	+9.5%	+8.1%
EBITDA margin	27.0%	27.0%		
Adjusted EBITDA margin (w/o one-off M&A related costs)	29.4%	27.0%		
EBIT	47.9	40.7	+17.6 %	
EBIT margin	21.0%	19.6%		

Net income (Group shares)	41.9	32.8	+27.7 %	
Earnings per share in EUR	0.36	0.28	+27.7 %	
Net income (Group shares) before amortization of purchase price allocation (PPA)	47.1	39.2	+20.1 %	
Earnings per share before PPA in EUR	0.41	0.34	+20.1 %	

Overview of quarterly key figures per segment* (Q2-24)

In EUR million	Q2 2024	Q2 2023	Δ in %	Δ in % FX-adj.
Design				
Revenues	112.4	101.9	+10.4%	+10.8%
EBITDA	26.8	20.8	+29.2%	+28.5%
EBITDA margin	23.8%	20.4%		
Build				
Revenues	74.7	67.4	+10.7%	+9.9%
EBITDA	25.4	25.2	+0.8%	-2.7%
EBITDA margin	34.1%	37.4%		
Manage				
Revenues	12.6	12.9	-2.4%	-2.4%
EBITDA	1.0	0.4	-	-
EBITDA margin	8.2%	2.7%		
Media				
Revenues	28.8	27.2	+5.8%	+6.1%
EBITDA	8.2	9.7	-16.2%	-12.9%
EBITDA margin	28.4%	35.8%		

* 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 half-yearly key figures (H1-24)

In EUR million	H1 2024	H1 2023	Δ in %	Δ in % FX-adj.
ARR	797.9	630.7	+26.5 %	+26.2%
Revenues	451.6	412.1	+9.6%	+10.0%
- thereof software licenses	49.9	88.0	-43.2 %	-42.3%
- thereof recurring revenues	385.4	307.0	+25.5 %	+25.8%
- Subscription + SaaS (part of recurring revenues)	230.9	132.0	+74.9 %	+75.3%
EBITDA	129.7	117.1	+10.8 %	+8.3%
EBITDA margin	28.7%	28.4%		
Adjusted EBITDA margin (w/o one-off M&A related costs)	30.0%	28.4%		
EBIT	102.6	87.4	+17.5 %	
EBIT margin	22.7%	21.2%		
Net income (Group shares)	84.5	69.1	+22.3 %	
Earnings per share in EUR	0.73	0.60	+22.3 %	
Net income (Group shares) before amortization of purchase price allocation (PPA)	94.3	80.9	+16.6 %	
Earnings per share before PPA in EUR	0.82	0.70	+16.6 %	

Overview of half-yearly key figures per segment* (H1-24)

In EUR million	H1 2024	H1 2023	Δ in %	Δ in % FX-adj.
Design				
Revenues	228.0	208.1	+9.5%	+10.1%
EBITDA	62.3	50.8	+22.6%	+17.5%
EBITDA margin	27.3%	24.4%		

Build				
Revenues	142.2	129.4	+9.9%	+10.0%
EBITDA	46.4	47,0	-1.3%	-1.8%
EBITDA margin	32.6%	36,3%		
Manage				
Revenues	25.1	24,3	+3.4%	+3.4%
EBITDA	1.9	0,0	-	-
EBITDA margin	7.4%	0,2%		
Media				
Revenues	58.2	54,1	+7.7%	+8.5%
EBITDA	19.2	19,2	-0.1%	+1.9%
EBITDA margin	32.9%	35,5%		

* 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.

For further information about the company, please contact

Nemetschek Group

Stefanie Zimmermann

Investor Relations

+49 89 540459 250

szimmermann@nemetschek.com

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 more than 3,400 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.

Contacts



Stefanie Zimmermann

Press Contact

Investor Relations

szimmermann@nemetschek.com

+49 89 540459 250