

Mensch und Maschine Software SE

Company Presentation Status October 25, 2024 / Q3 Report 2024

man  machine
Software

mensch  machine
Software

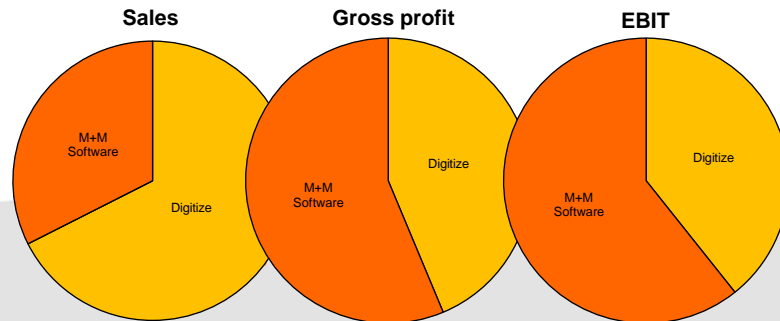
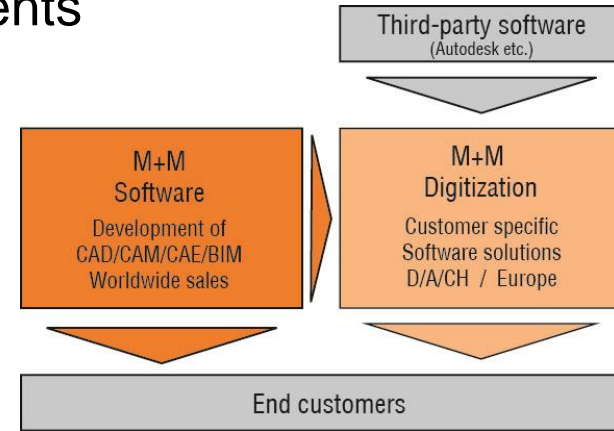
Business model

■ Leading developer of Technical Software Solutions

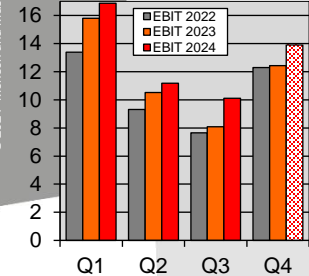
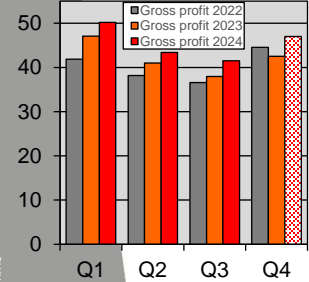
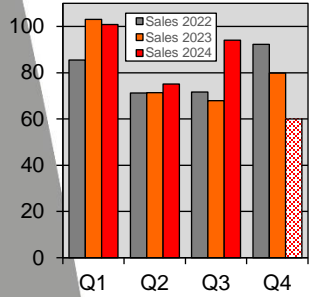
- ◆ CAD/CAM/CAE = Computer Aided Design / Manufacturing / Engineering
PDM/PLM = Product Data/Lifecycle Management / BIM = Building Information Modelling/Management
- ◆ Founded 1984 – 40 years on the market // IPO 1997 – 27 years public // ~1,200 employees

■ Added Value well balanced over 2 Segments

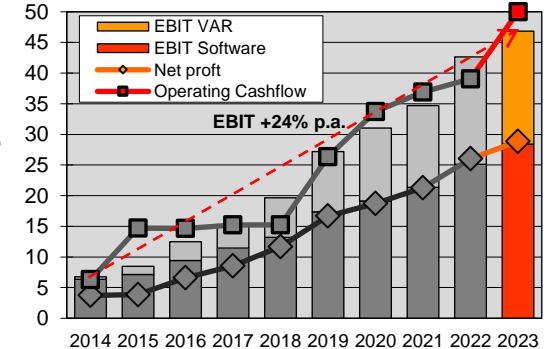
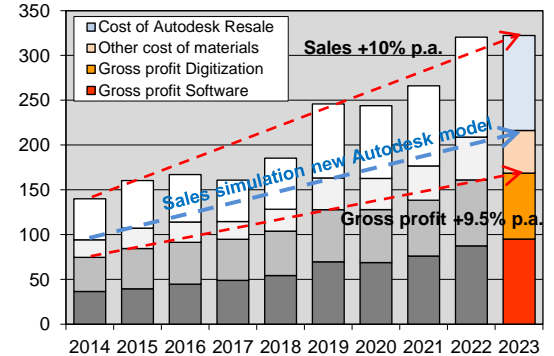
- ◆ **M+M Software: Proprietary Standard Software**
CAD/CAM / BIM/Civil Engineering / Gardening/Landscaping / CAE
- ◆ **Digitization*: Customized Software Solutions**
Proprietary Added Value: Customer Projects / Training / Hotline etc.
Third-party software (Autodesk etc.): Leveraging M+M market share
(*previous segment name: VAR Business)



Sustainable business development



- Record sales 2023: EUR 322.31 mln / +0.5%**
 - 9YR average sales growth 2014-2023: +10% p.a.
 - Sales 2023 pro forma without Autodesk Resale: approx. EUR 216 mln (PY: 209)
 - Record gross profit 2023: EUR 168.53 mln / +4.6%**
 - 9YR growth 2014-2023: +9.5% p.a. / much more steadily than sales development
 - Record EBIT 2023: EUR 46.83 mln / +10%**
 - EBIT margin 14.5% (PY: 13.3%) // without Autodesk Resale: approx. 22% (PY: 20%)
 - EBIT growth 2014-2023: +24% p.a. / highly disproportionate to sales & gross profit
 - Record net profit 2023: EUR 28.87 mln / +11% // EPS 172 Cents**
 - 9YR average net profit growth 2014-2023: +24.5% p.a.
 - Record cash flows 2023: EUR 50.59 mln / +30% // CPS 302 Cents**
 - 9YR average Cashflow growth 2014-2023: +25% p.a.
 - Record Dividend 2023: 165 Cents (PY: 140 / +18%)**
 - 9YR average Dividend growth 2014-2023: +26.4% p.a.
-
- Record sales 9M/2024: EUR 270.08 mln / +11.5%**
 - Record gross profit 9M/2024: EUR 135.05 mln / +7.2%**
 - Record EBIT 9M/2024: EUR 38.10 mln / +11%**
 - Record net 9M/2024: EUR 24.39 mln / +14.6% // EPS 144 Cts (PY: 127)**
 - Record CF 9M/24: EUR 52.78 mln (PY: 48.61) // CPS 312 Cts (PY: 290)**
 - Projection Q4: New Autodesk model – Sales v / GP/EBIT/Margins ^**



9M/2024

Sustainable business development: Outlook

Gross profit +9.5% p.a. / EBIT +24% p.a. – what's the trick?

- Very simple method: Opex increase 2014-2023 just +6.7% p.a.
- Opex development in the M+M Group is controlled continuously & locally (~100 profit centers) at ~2/3 relative to gross profit development
 - Continuous profit gains through strict cost control management
 - ✓ Working well even despite short-term dips in gross profit development (2016/17: Gross profit +3.7% / EBIT +22% // 2YR 19/21: Gross profit +8.2% / EBIT +28%)

Sustainably profitable strategy - also for the future:

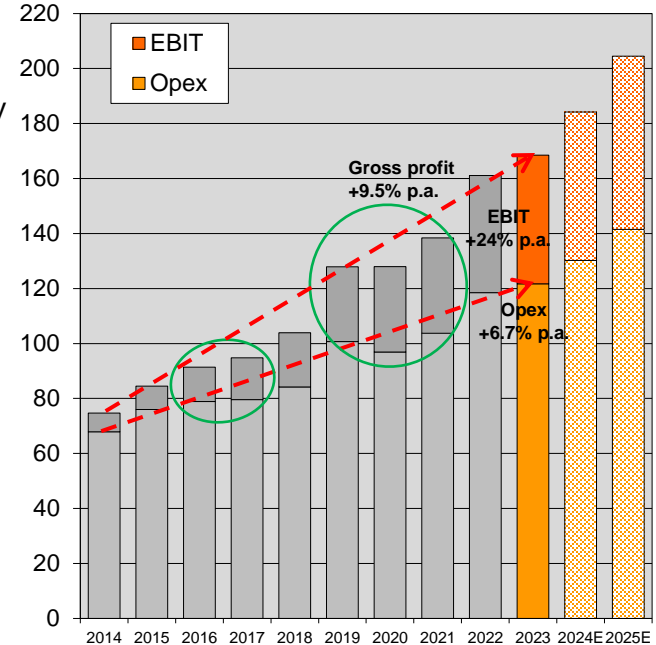
- Organic growth + cost discipline = economy of scale effect

Long-term growth target (organic):

- Profit doubling in 4-5 years: EPS >344 Cents by 2027/28

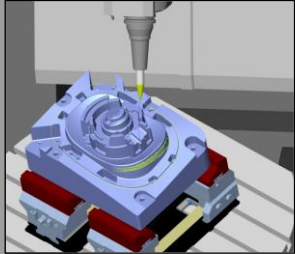
2024P/25E: EBIT/EPS target path still +17% p.a. on average

- ◆ 2024P less steep: Gross profit +8-10% to EUR 182-185 mln
EPS +10-20% to 189-206 Cents / Dividend +20-30 to 185-195 Cents
- ◆ 2025E steeper: Gross profit +10-12%
EBIT/EPS +12-25% / Dividend +25-35 Cents

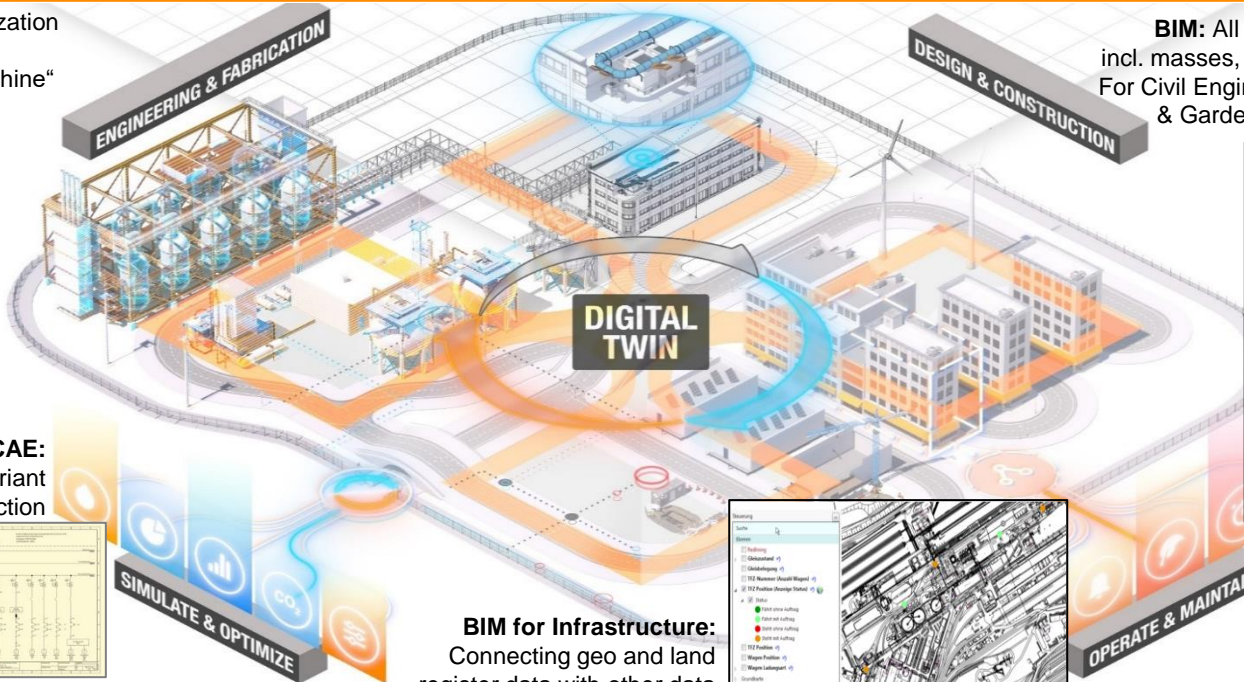
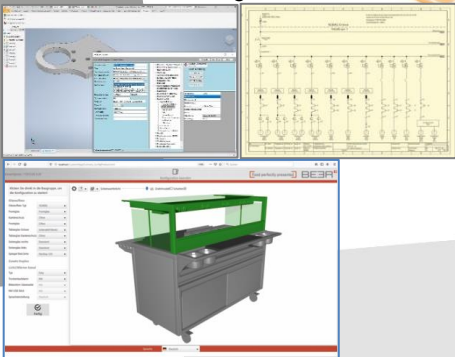


The M+M Portfolio: Various Digital Twins

CAM: Simulation/Optimization of the entire machining process in a „Virtual Machine“



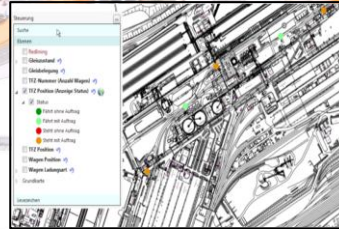
Manufacturing/CAE: PDM, plant or variant design/construction



BIM: All disciplines of a building in 3D, incl. masses, cost dimensions and timeline. For Civil Engineering, Building Construction & Gardening/Landscaping/Earthworks



BIM for Infrastructure: Connecting geo and land register data with other data sources to Digital City or Factory





CAD/CAM in practice (M+M Software)

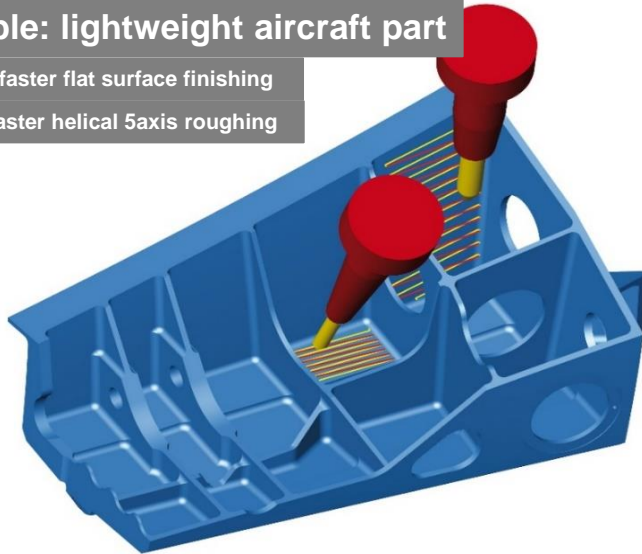


- CAM – Computer Aided Manufacturing
 - 100% Subsidiary Open Mind – Product line *hyperMILL*®
 - High end: Average revenue approx. EUR 30,000 per seat
 - Globally >10,000 customers with >20,000 CAM seats

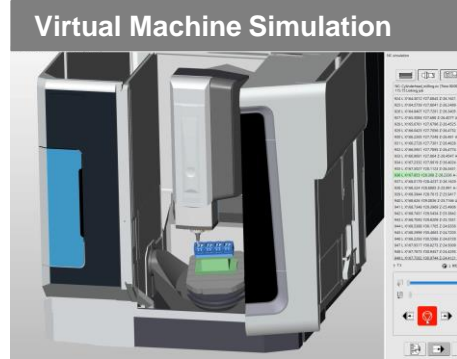
Example: lightweight aircraft part

Up to 10x faster flat surface finishing

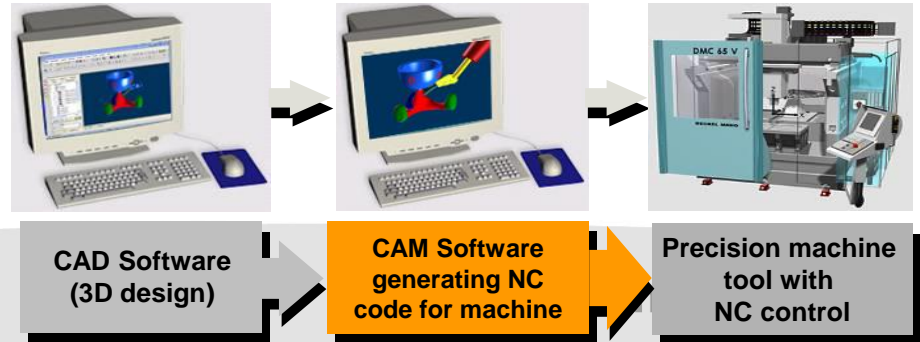
Up to 5x faster helical 5axis roughing



Precision machine tools' purchase prices are in the six or seven digit Euro range. *hyperMILL*® reduces milling times by up to 90% through intelligent machining strategies, pushing return on investment for these expensive machine tools to completely new dimensions.



hyperMILL®



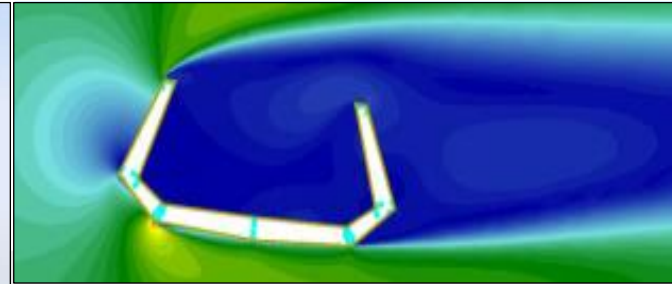
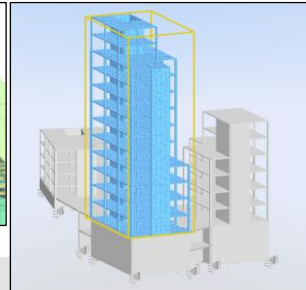
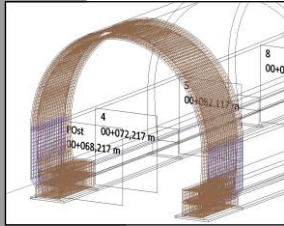
5x faster: Total milling time 2h05 instead of 10h30



BIM in practice (M+M Software)

■ BIM / Civil Engineering: Structural Analysis & Reinforcement Software

- Subsidiary SOFiSTiK AG (est. 1987) / M+M share 51.4%
- Technology leader in bridge, geotech/tunnel and building construction
- Over 3,000 customers in more than 60 countries on all continents
- Impressive References – e.g. Sixth Street Viaduct in Los Angeles, USA (2022)
- Various special modules rounding up the software portfolio e.g.:
 - Bridge + Infrastructure Modeler to design Bridges, Tunnels and other profile buildings like noise barriers
 - CFD (Computational Fluid Dynamics) for wind analysis
 - Seismic analysis of building safety in case of earthquakes etc.

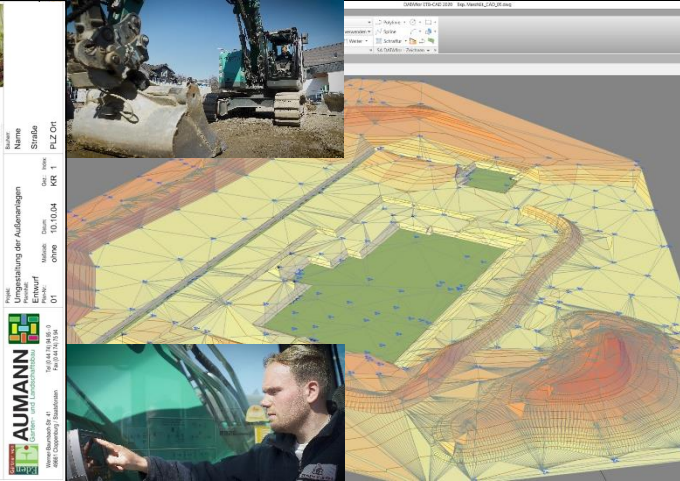




BIM in practice (M+M Software)



- Gardening / Landscaping / Earthworks for Architects and Implementers
 - M+M Subsidiary DATAflor, Goettingen, Germany (est. 1982) / M+M share 67.2%
 - Integrated software solutions not only containing graphical planning but also calculation, tender, quoting, construction site controlling and billing
 - Three examples from the extensive functionality:
 - Garden plan with planting suggestion and 'flowering calendar' across the seasons (left picture)
 - Digital terrain model: Comfortable 3D design / Output to excavator control units (middle picture)
 - GRUENSTUDIO 3D: Live experiencing the future garden e.g. via VR glasses (right picture)





Digitization in practice

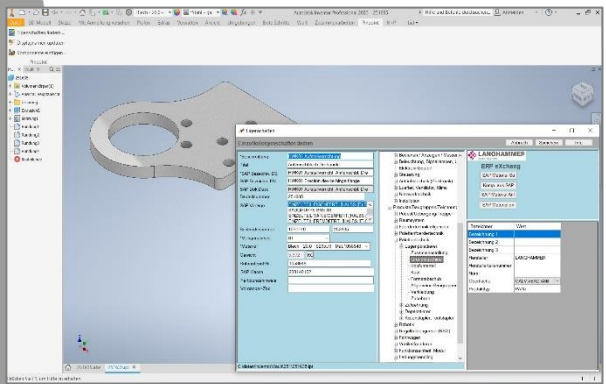


- Solutions for Manufacturing Customers with high savings potential, e.g.:

PDM/PLM: Connecting design and commercial data, e.g. SAP

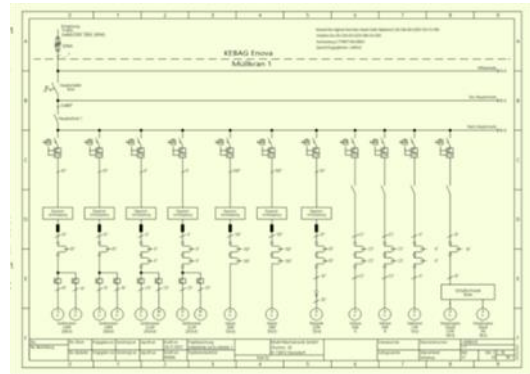
CAE for large plants: electrical, hydraulics, pneumatics as well as building services

Fully automated variant design for profitable production from batch size 1

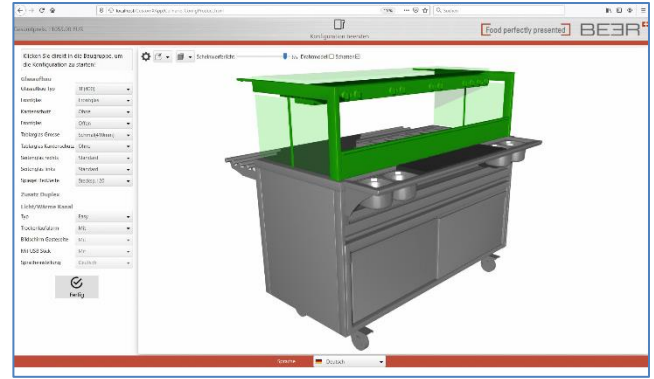


pdm  booster

exs
THE FUTURE OF CAE

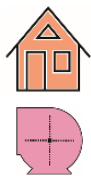


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Software



custom  X

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Software



Digitization in practice

- Architecture: BIM – Building Information Modelling / Management



BIM training series for all stakeholders in construction projects - from draftsman to project manager. Since 2012 more than 10,000 participants have been trained/certified.



Application/Countrification
family adapting Autodesk Revit
to local standards & needs

bim booster
Planning / Model checking
Calculation Module
2D/3D Quantity Take Off



Allocation of Gross Profit (2023: EUR 168.53 mIn)

Manufacturing (~55%):



- CAM Software hyperMILL / proprietary kernel hyperCAD S
Target group: Owners/Buyers of Precision Machine Tools
- Digitization: Projects/Training for Mechanical/Electrical/Process Engineering, Hydraulics, Pneumatics, Automotive/Aerospace/Shipbuilding ...

Architecture/Construction/Engineering (~35%):

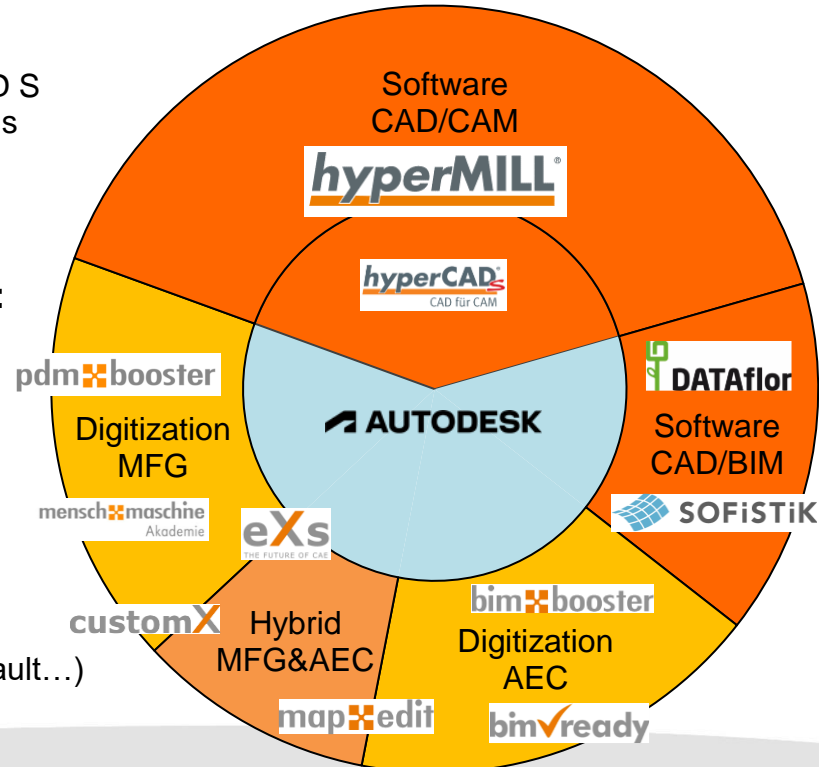


- Software: BIM/Gardening/Landscaping (DATAflor)
BIM/Structural/Civil Engin/Bridge/Tunnel (SOFiSTiK)
- Digitization: Projects/Training for Architecture, Building Services, Facility Management ...

Hybrid MFG & AEC (~10%):



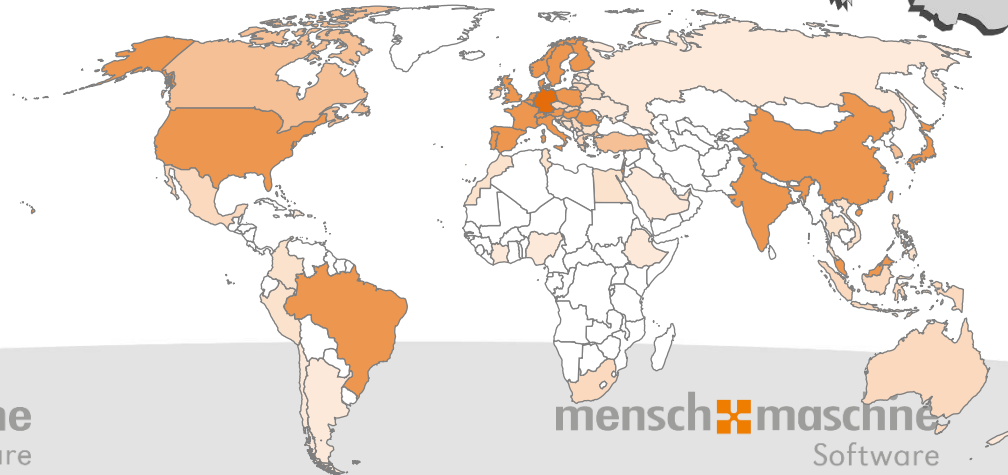
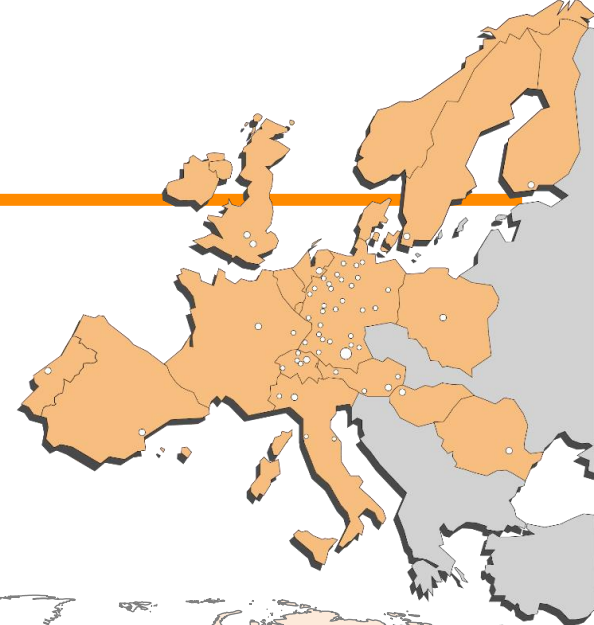
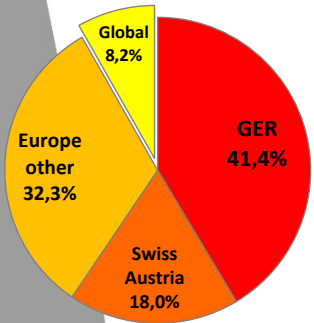
- CAE, Infrastructure (Digital City / Factory), Variant design, iBIM for AEC subcontractors ...
- Common Base (Exception CAM):
Autodesk CAD Standards (AutoCAD, Revit, Inventor, Vault...)
VAR Business: Autodesk Business / Software: OEM Licensing



Global sales / DACH focus

■ Geographical sales contribution: (2023)

- ◆ Germany: EUR 133.5 mln / 41.4%
- ◆ Austria/Switzerland: EUR 58.2 mln / 18.0%
- ◆ Europe (other): EUR 104.1 mln / 32.3%
- ◆ Global: EUR 26.5 mln / 8.2%
- ◆ M+M's own CAM and BIM / Civil Engineering Software is sold to more than 70 countries on all five Continents
- ◆ ~75 Subsidiaries in >20 Countries (Europe, Asia and America)
- ◆ Far over 100,000 active seats @ more than 30,000 customers



Sustainability: Economy & Ecology in harmony

The M+M group is using all suitable roof surfaces in corporate ownership for regenerative power production with a total amount of ~200 MWh solar power p.a.



The M+M business model is based on resource savings for customers ...

- ✓ A precision machine tool that runs two to five times faster consumes correspondingly less electricity
- ✓ The same applies when customers accelerate their technical processes with eXs, customX or PDM Booster
- ✓ Or when BIM Ready training and the use of BIM Booster enable more effective planning and resource-saving construction
- ✓ Or when large infrastructure operators can achieve their ambitious sustainability goals more quickly through MapEdit
- ✓ A structure planned and calculated with SOFiSTiK software uses less steel and concrete or can alternatively be made of a more environmentally friendly material such as wood
- ✓ With the Gardening/Landscaping design software from DATAflor, gardens or parks are created that make a direct contribution to CO₂ reduction

... which should be enough to more than compensate the M+M CO₂ footprint



**Digitalization is
Sustainability**

M+M: Entrepreneurial & Public Company

Listings:

- ◆ scale, Frankfurt (scale30)
- ◆ m:access, Munich

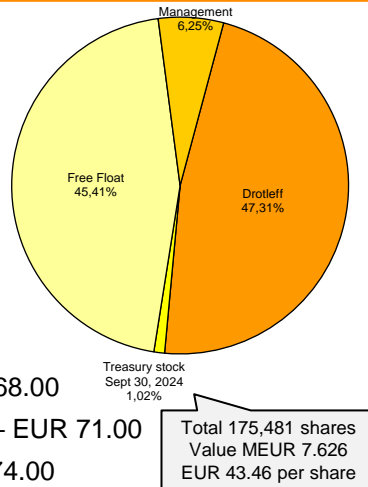
Designated Sponsors:

- ◆ LBBW, Stuttgart
- ◆ Oddo BHF, Frankfurt

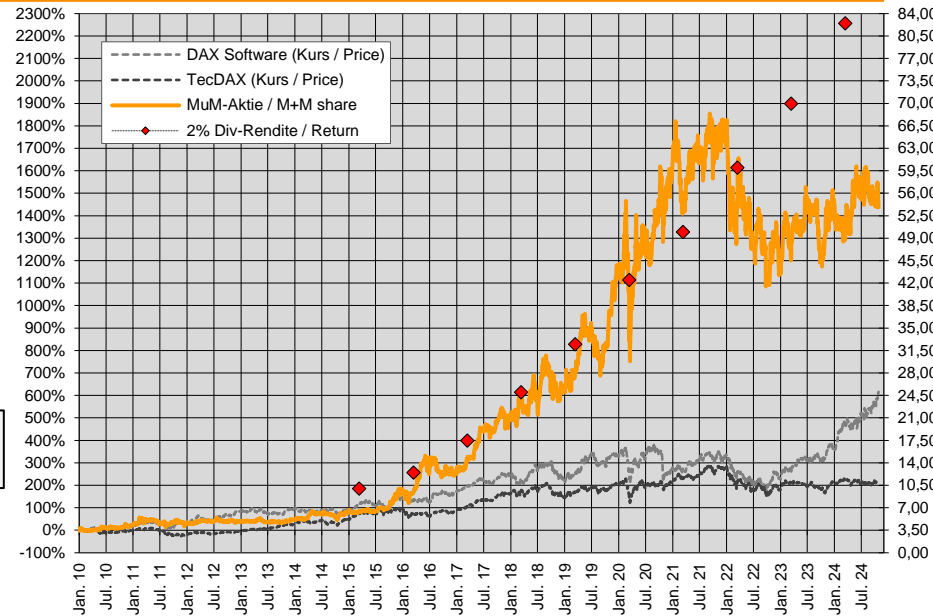
Analyst Coverage:

- ◆ LBBW: „Buy“ – fair value EUR 68.00
- ◆ SMC Research*: „Strong buy“ – EUR 71.00
- ◆ Baader Helvea*: „Buy“ – EUR 74.00
- ◆ Berenberg*: „Buy“ – EUR 68.00
- ◆ DZ Bank: „Buy“ – EUR 67.00

*available in English language



Total 175,481 shares
Value MEUR 7.626
EUR 43.46 per share



Total dividends paid since 2010: EUR 8.75

M+M share correlated with ~2% initial dividend return since 2016. Volatility: 2020/21 down to ~1.5% // 2022/23/24 up to ~3.5%



Why invest in M+M shares ?

- M+M is a leading developer of technical software solutions
 - ◆ Founded 1984 // 40 years of established market position // ~1,200 employees
 - ◆ More than 30,000 active customers with far over 100,000 active seats worldwide
 - ◆ Broad geographical & sectoral allocation allows for flexible change management
 - ◆ Entrepreneurial and 27 years public company
- Highly scalable business model / sustainable profitable growth
 - ◆ Organic growth (CAGR): long-term average approx. 10% p.a.
 - ◆ EPS 2023: 172 Cents – Targeted doubling in 4-5 years: EPS >344 Cents until 2027/28
 - ◆ Profit growth target secured by effective cost management
- Continuously increasing dividend return due to high payout ratio
 - ◆ Reason: Investment in software development (EUR >25 mln p.a.) is not capitalized
 - ◆ That is why M+M can distribute the profit in full without endangering its future

More Information: www.mum.de / Investor Relations