



# Mensch und Maschine Software SE

## Company Presentation

Status October 20, 2023 / Q3 Report 2023



# Business model

## ■ Leading developer of Technical Software Solutions

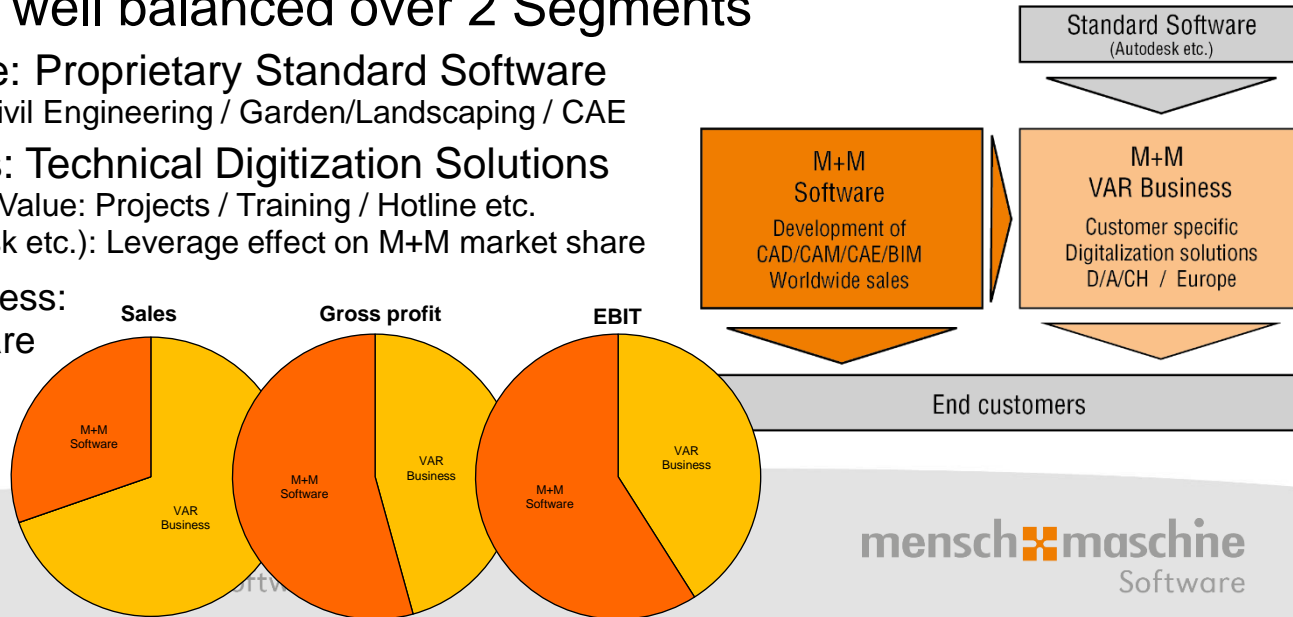
- ◆ CAD/CAM/CAE = Computer Aided Design / Manufacturing / Engineering  
PDM/PLM = Product Data/Lifecycle Management / BIM = Building Information Modeling/Management
- ◆ Founded 1984 – 39 years on the market // IPO 1997 – 26 years public // >1,100 employees

## ■ Added Value well balanced over 2 Segments

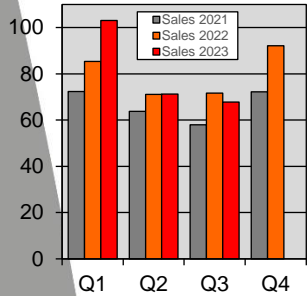
- ◆ **M+M Software: Proprietary Standard Software**  
CAD/CAM / BIM/Civil Engineering / Garden/Landscaping / CAE
- ◆ **VAR Business: Technical Digitization Solutions**  
Proprietary Added Value: Projects / Training / Hotline etc.  
Reselling (Autodesk etc.): Leverage effect on M+M market share

Benefit VAR Business:  
Sales / Market share

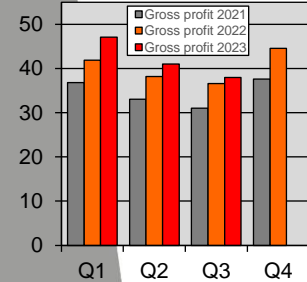
Benefit Software:  
Highly profitable



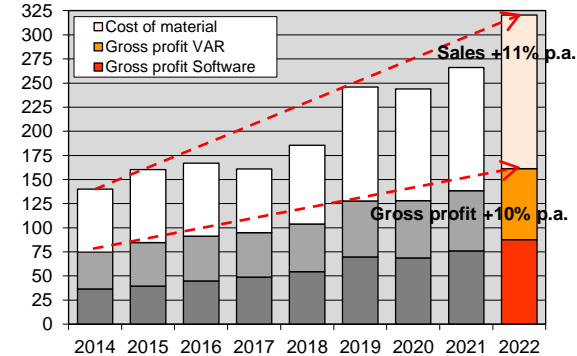
# Sustainable business development



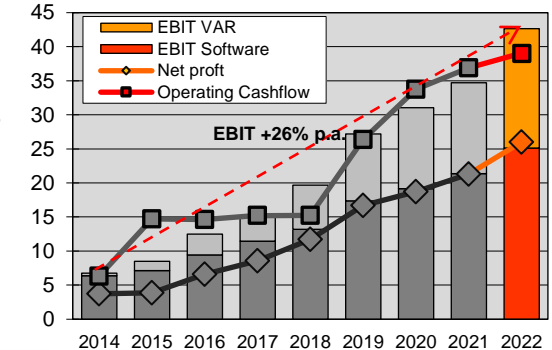
- Record sales 2022: EUR 320.48 mln / +20%
  - Drivers: New sales for M+M Software / Renewals in VAR Business
  - 8YR average sales growth 2014-2022: +11% p.a.
- Record gross profit 2022: EUR 161.14 mln / +16%
  - Gross profit growth 2014-2022: +10% p.a. / more steadily than sales development
- Record EBIT 2022 EUR 42.63 mln / +23%
  - EBIT growth 2014-2022: +26% p.a. / highly disproportionate to sales
- Record net profit 2022: EUR 26.01 mln / +22% // EPS 155 Cents
  - Net profit growth 2014-2022: +26% p.a.
- Record cash flows 2022: EUR 39.05 mln / +5.8% // CPS 233 Cents
  - Cashflow growth 2014-2022: +25% p.a.
- Record Dividend 2022: 140 Cents (PY: 120)
  - Dividend growth 2014-2022: +27.5% p.a.



- Record sales 9M/2023: EUR 242.21 mln / +6.1%
  - Q1 Autodesk 3YR final peak // Q2/Q3 M+M proprietary business dominating
- Record gross profit 9M/2023: EUR 126.00 mln / +8.0%
  - Gross yield jump from proprietary business: Q1 45.7% // Q2/Q3 56.7%
- Record EBIT 9M/2023: EUR 34.41 mln / +13% // Margin 14.2% (PY: 13.3%)
- Record net 9M/2023: EUR 20.95 mln / +14% // EPS 125 Ct (PY: 109)
- Record cash flows 9M/2023: EUR 48.61 mln / +41% // CPS 290 Ct (PY: 205)



9M/2023



# Sustainable business development: Outlook

## Gross profit +10% p.a. / EBIT +26% p.a. – what's the trick?

- Very simple method: Opex increase 2014-2022 just +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:

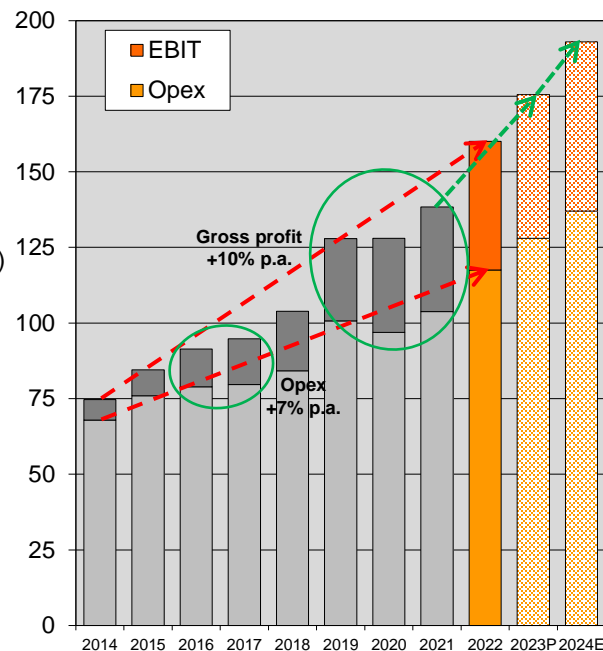
- Organic growth + cost discipline = economy of scale effect

## Long-term growth target (organic):

- Profit doubling in 4-5 years: EPS >300 Cents by 2026/27

## Short-term targets 2023P/24E:

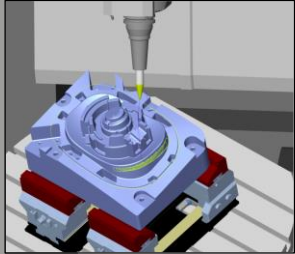
- ◆ 2023P: EPS 164-181 Cents / Dividend 155-165 Cents
- ✓ 2YR Guidance 2022/23E from the Annual report 2021:  
Gross profit +8-12% / EPS +14-20% p.a. (+38-55 Cents 2YR 2021/23P)
- 2024E: EPS +14-20% or +24-34 Cents / Dividend +15-25 Cents



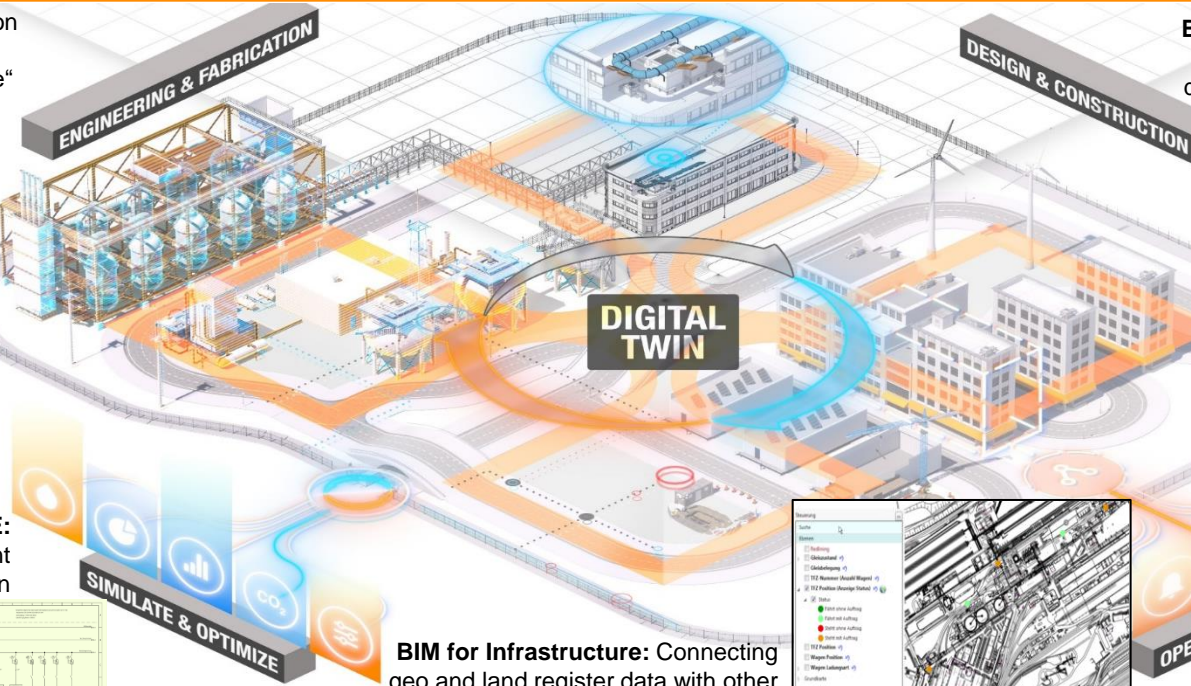
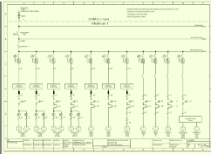
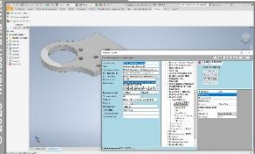


# The M+M Portfolio: Various Digital Twins

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



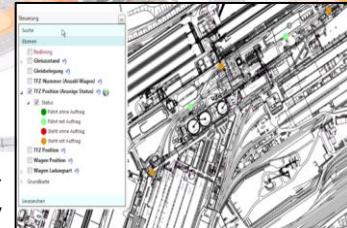
**Manufacturing/CAE:** PDM, plant or variant design/construction



**BIM:** All disciplines of a building in 3D, including masses, cost dimensions and project timeline



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



man machine  
Software

mensh machine  
Software



# CAD/CAM in practice (M+M Software)

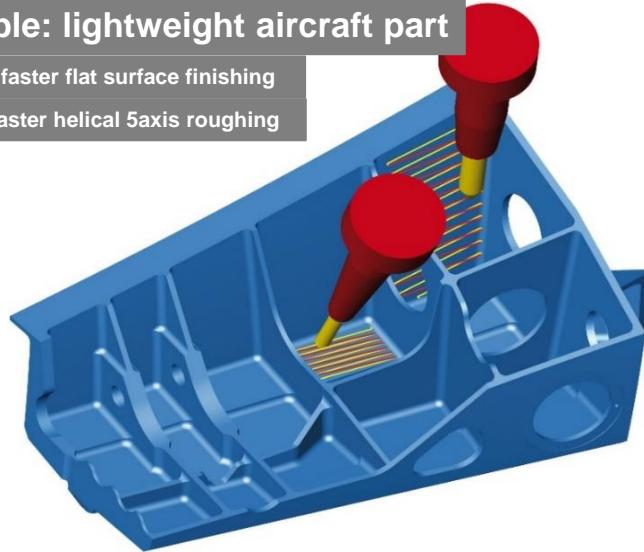


- CAM – Computer Aided Manufacturing
  - 100% Subsidiary Open Mind – Product line *hyperMILL*®
  - High end: Average revenue approx. EUR 30,000 per seat
  - Globally >10,000 customers with >20,000 CAM seats

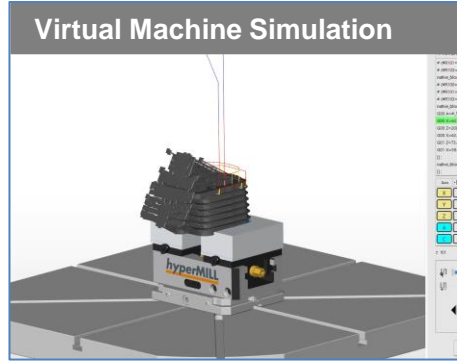
## Example: lightweight aircraft part

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®



CAD Software  
(3D design)



CAM Software  
generating NC  
code for machine



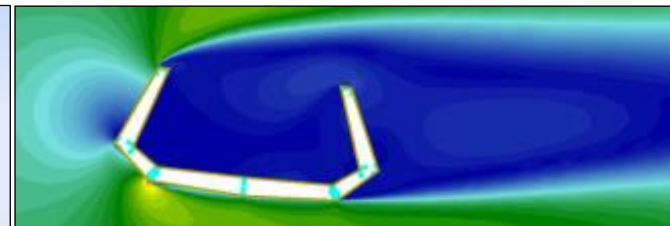
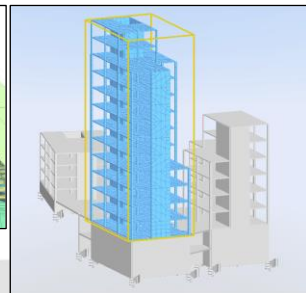
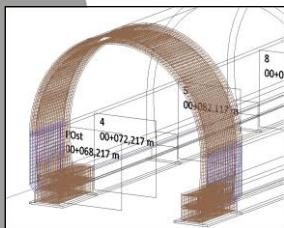
Precision machine  
tool with  
NC control

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
  - Impressing 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.



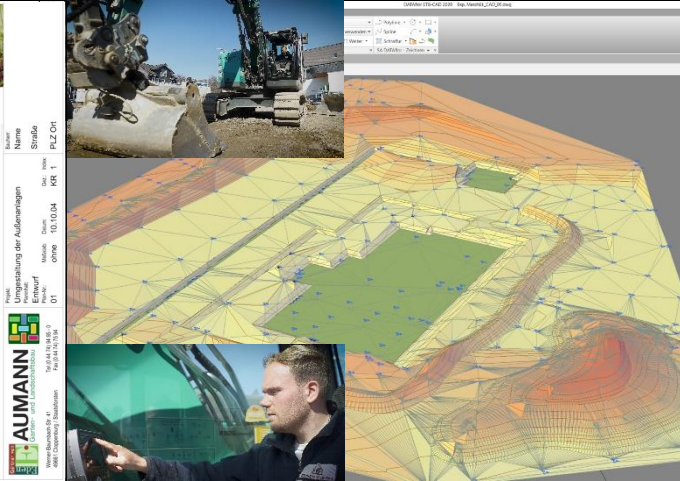




# BIM in practice (M+M Software)



- 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 (VAR Business)

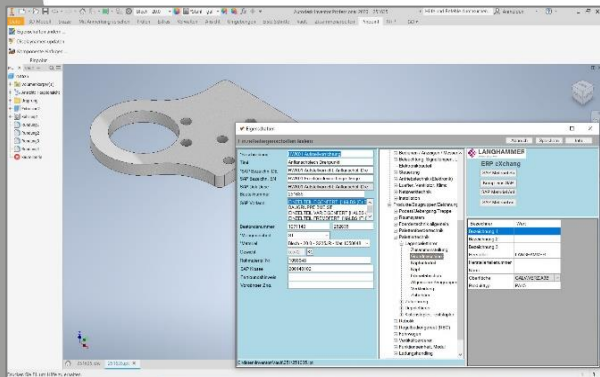


- Solutions for Manufacturing Customers with high savings potential, e.g.:

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

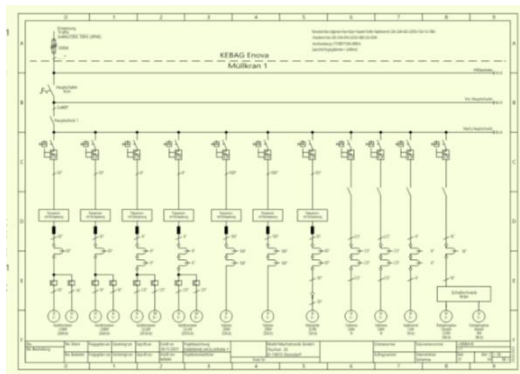
CAE for large plants: electrical, hydraulics, pneumatics as well as building services

Fully automated variant design for profitable production from batch size 1



pdm  booster

exs  
THE FUTURE OF CAE



customX



man  machine  
Software

menschen  maschine  
Software



# Digitization in practice (VAR Business)

## ■ 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

**bimbooster**

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



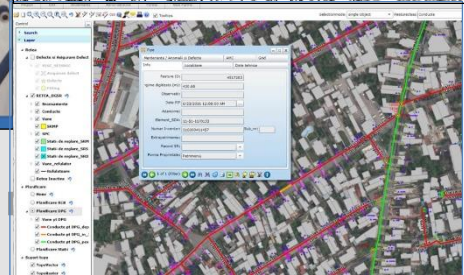
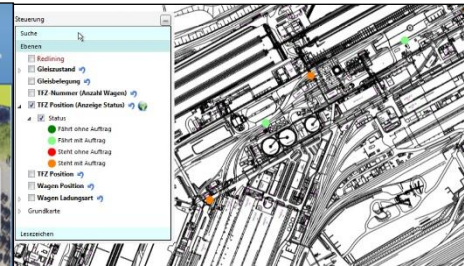
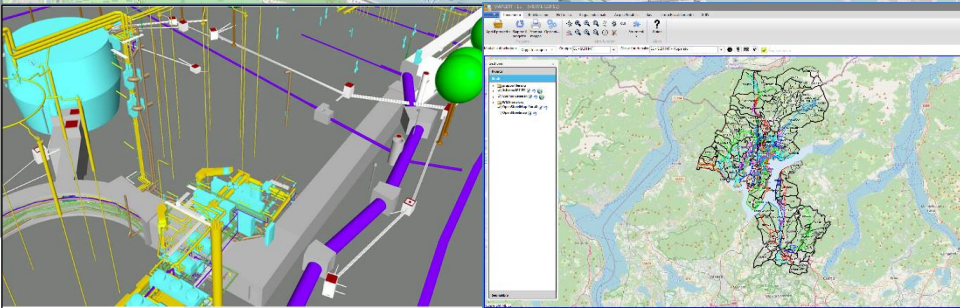


# Digitization in practice (VAR Business)



- Building Information Management / BIM for Infrastructure:  
MuM MapEdit as a data hub for the Digital City or Factory

**Approx. 2,500 seats at nearly 200 customers in D, CH and Europe: Municipalities, Suppliers, Industry, Ports/Airports, Planning Offices...**



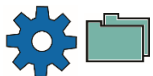
mapedit

# Allocation of Gross Profit (2022: EUR 161 mln)

## Manufacturing (~55%):



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



## Architecture/Construction/Engineering (~35%):



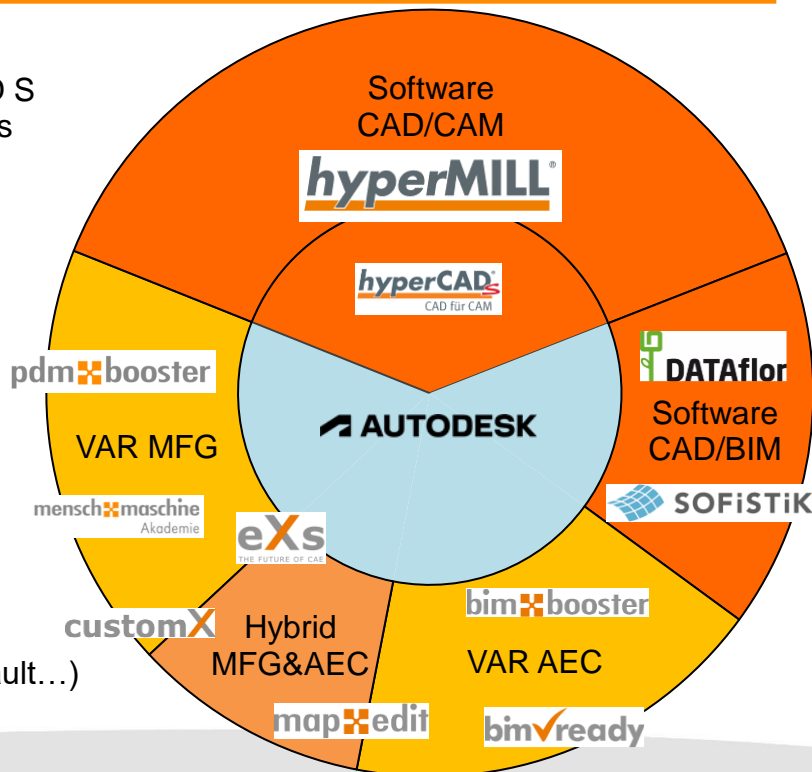
- Software: BIM/Gardening/Landscaping (DATAflor)  
BIM/Structural/Civil Engin/Bridge/Tunnel (SOFiSTiK)
- VAR Business: Digitization/Training for Architecture,  
Building Services, Facility Management ...



## 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: Value Added Reselling / Software: OEM Licensing

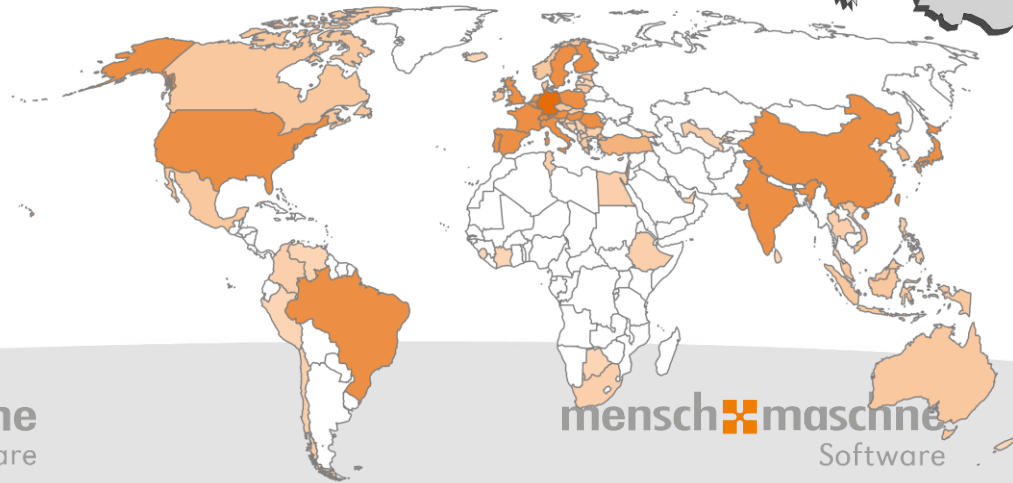
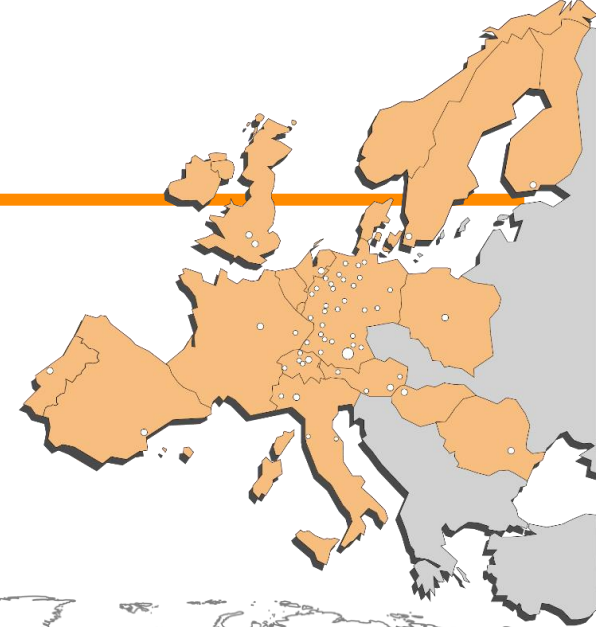
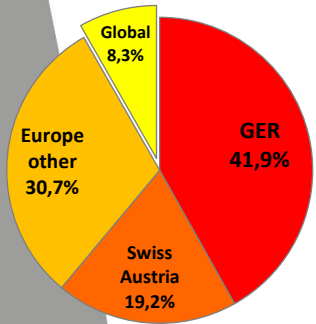




# Global sales / DACH focus

## ■ Geographical sales contribution: (2022)

- ◆ Germany: EUR 134.2 mln / 41.9%
- ◆ Austria/Switzerland: EUR 61.6 mln / 19.2%
- ◆ Europe (other): EUR 98.3 mln / 30.7%
- ◆ Global: EUR 26.5 mln / 8.3%
- ◆ 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 CO<sup>2</sup> reduction

... which should be enough to more than compensate the M+M CO<sup>2</sup> footprint



# M+M: Entrepreneurial & Public Company

## Listings:

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

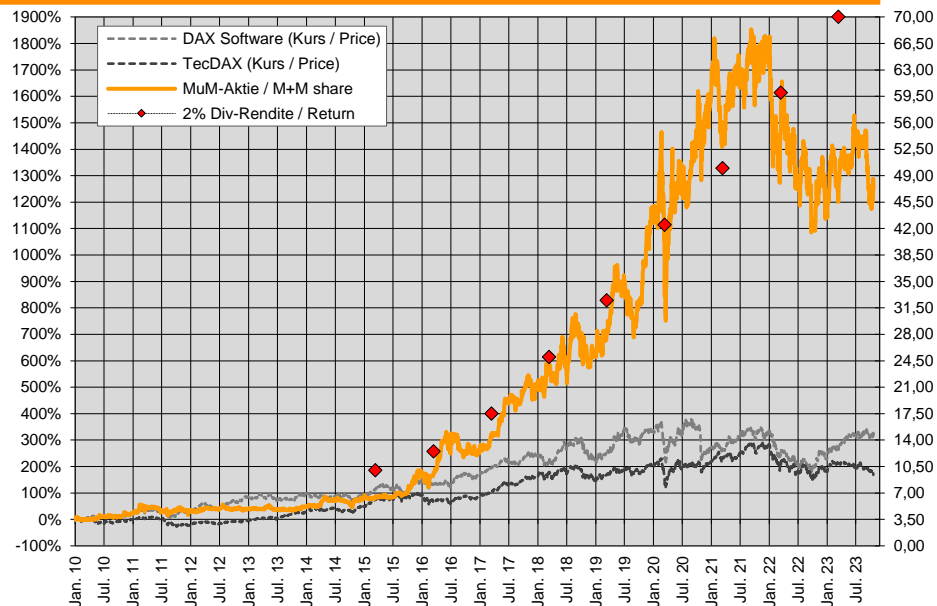
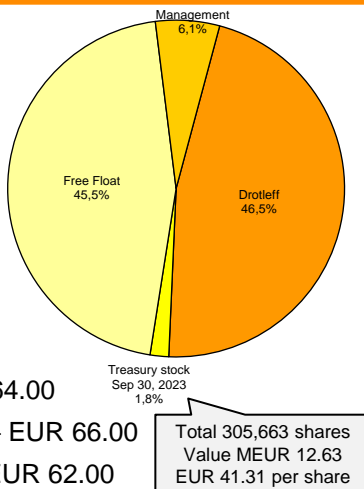
## Designated Sponsors:

- ◆ LBBW, Stuttgart
- ◆ Oddo BHF C&M, Frankfurt

## Analyst Coverage:

- ◆ LBBW: „Buy“ – fair value EUR 64.00
- ◆ SMC Research\*: „Strong buy“ – EUR 66.00
- ◆ Bryan, Garnier & Co\*: „Buy“ – EUR 62.00
- ◆ Baader Helvea\*: „Buy“ – EUR 65.00
- ◆ Berenberg\*: „Buy“ – EUR 72.00

\*available in English language



**Total dividends paid since 2010: EUR 7.10**

**M+M share correlated with ~2% initial dividend return since 2016. Volatility: 2020/21 min. ~1.5% // 2022/23 max. ~3.5%**

# Why invest in M+M shares ?

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- M+M is a leading developer of technical software solutions
  - ◆ Founded 1984 // 39 years of established market position // >1,100 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 26 years public company
- Highly scalable business model / sustainable profitable growth
  - ◆ Organic growth (CAGR): long-term average approx. 10% p.a.
  - ◆ EPS 2022: 155 Cents – Targeted doubling in 4-5 years: EPS >300 Cents until 2026/27
  - ◆ Profit growth target secured by effective cost management
- Continuously increasing dividend return due to high payout ratio
  - ◆ Reason: Investment in software development (EUR >23 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](http://www.mum.de) / Investor Relations**