



Mensch und Maschine Software SE

Company Presentation

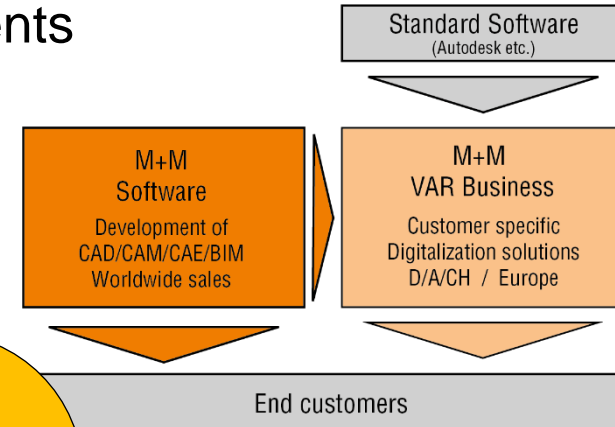
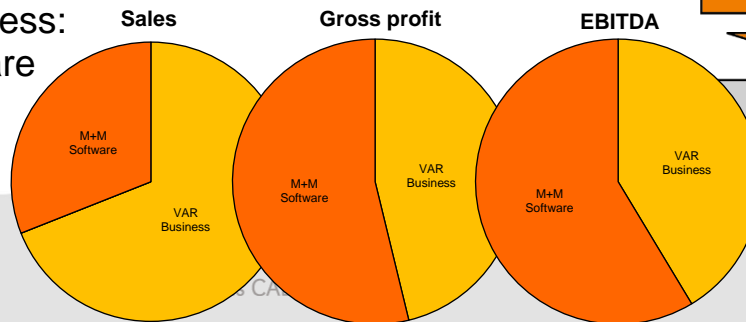
Status April 23, 2021 / Q1 report 2021

Business model

- Leading developer of CAD/CAM/CAE/PDM/BIM solutions
 - ◆ CAD/CAM/CAE = Computer Aided Design / Manufacturing / Engineering
PDM = Product Data Management / BIM = Building Information Management
 - ◆ Founded 1984 – 37 years on market // IPO 1997 – 24 years public
- Added Value well balanced over 2 Segments
 - ◆ M+M Software: Proprietary Standard Software
~65% CAD/CAM // ~35% BIM / Garden/Landscaping / CAE
 - ◆ VAR Business: Technical Digitalization 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



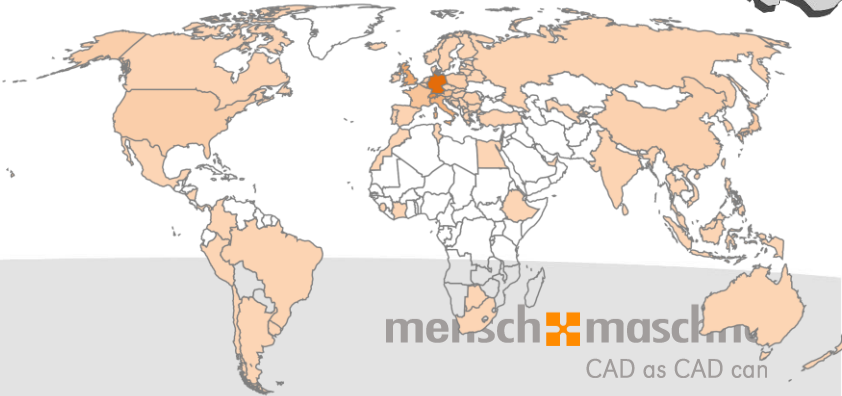
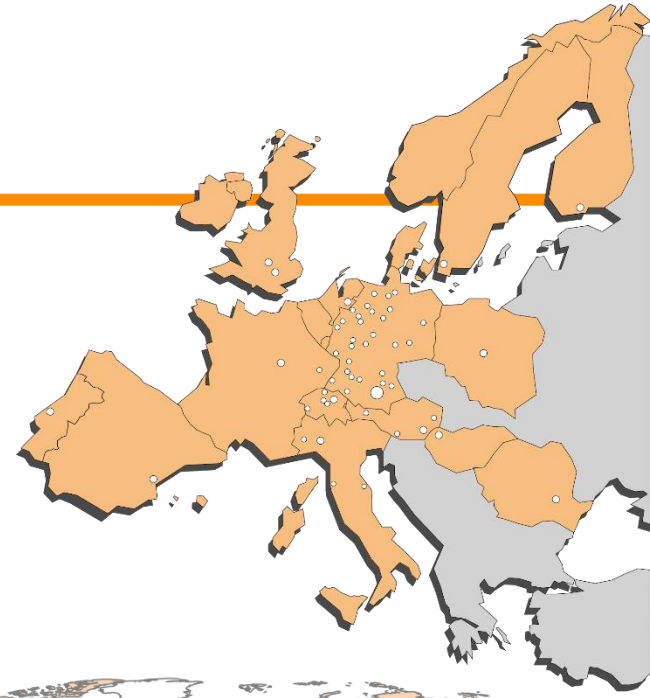
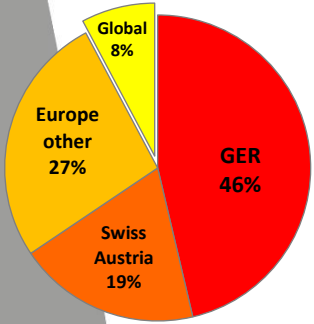
Business model

■ Geographical sales contribution: (2020)

- ◆ Germany: EUR ~113 mln / ~46%
- ◆ Austria/Switzerland: EUR ~47 mln / ~19%
- ◆ Europe (other): EUR ~65 mln / ~27%
- ◆ Global: EUR ~19 mln / ~8%
- ◆ M+M's own CAM and BIM Software is sold to more than 70 countries on all five Continents
- ◆ ~75 Subsidiaries in 22 Countries (Europe, Asia and America)

■ Headcount:

- ◆ Gross at March 31, 2021: 1.049 (PY: 1.015)
- ◆ Full time equivalent Q1/2021: 965 (PY: 958)
 - 491 / 51% (PY: 501 / 52%) M+M Software
 - 474 / 49% (PY: 457 / 48%) VAR Business



Business model

■ Broad industry balance:

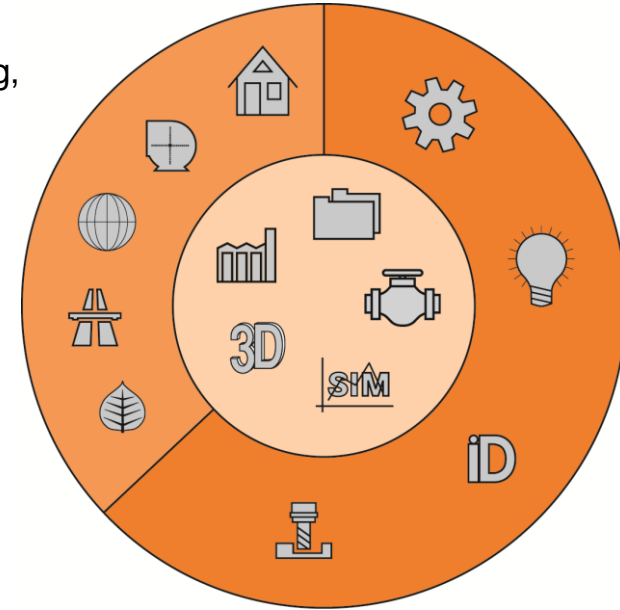
- ~2/3 Industry: e.g. Mechanical/Electrical/Process Engineering, Tool/Mold/Die Making, Automotive/Aerospace/Shipbuilding, Hydraulics, Pneumatics, Industrial design
- ~1/3 BIM: e.g. Architecture, Building Services, Structural/Civil Engineering, Bridge and Tunnel Construction, Infrastructure, Facility Management, Gardening/Landscaping
- Interdisciplinary: e.g. Digital Factory/City, PDM/PLM, Simulation, Plant Design, Visualization/Animation

◆ Extensive installed base:

>100,000 active seats @ more than 30,000 customers

◆ Wide price/performance range:

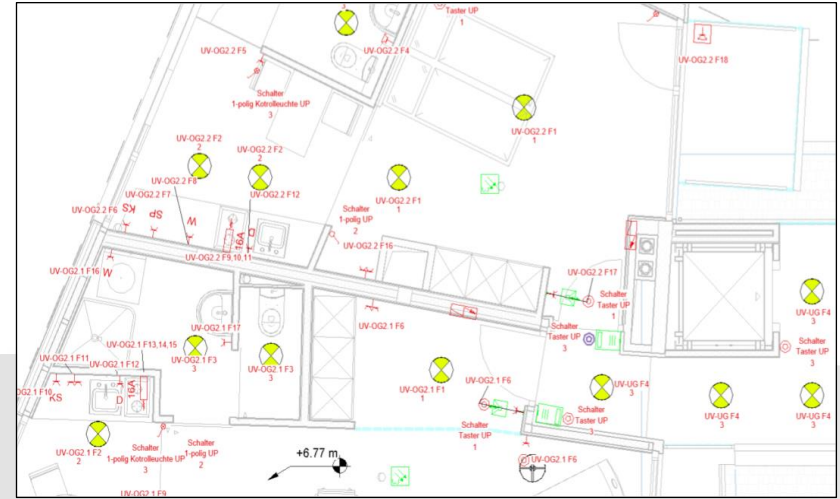
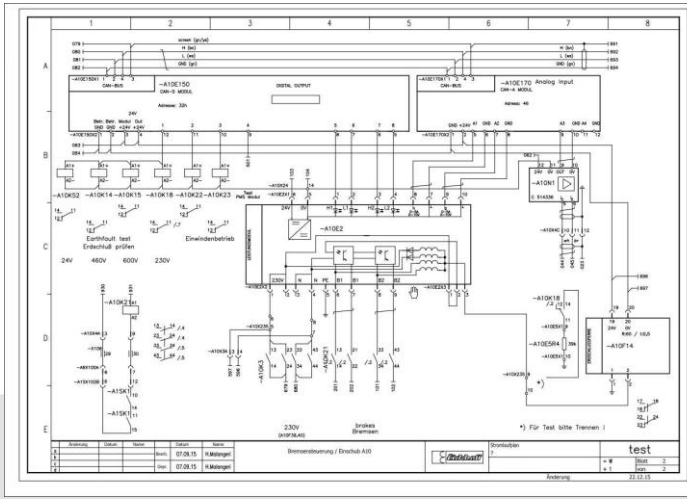
- Software from <1,000 Euro to >100,000 Euro per seat
- Pure B2B Business, only professionals, no consumers



CAD/CAM in practice (M+M Software)

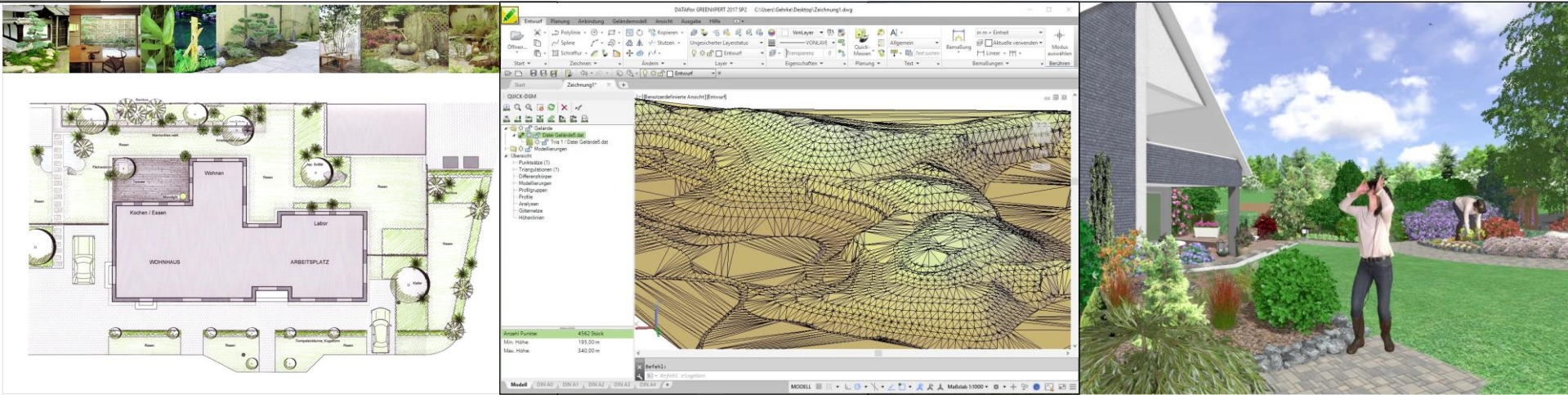
■ CAE – Computer Aided Engineering

- Seat base: ecscad – M+M product since 1993, end of 2008 sold to Autodesk, since 2014 licensed back and M+M maintenance till 2019
- Newly developed: eXs – fully data- and largely user interface compatible
 - High performance database, more functionality, simpler usability, free configurability
 - For Industry disciplines electrical and process engineering, hydraulics and pneumatics
 - As well as for all building services disciplines in BIM projects
 - For ecscad maintenance customers free automatic license transition



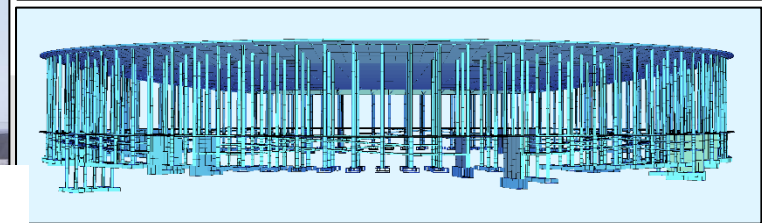
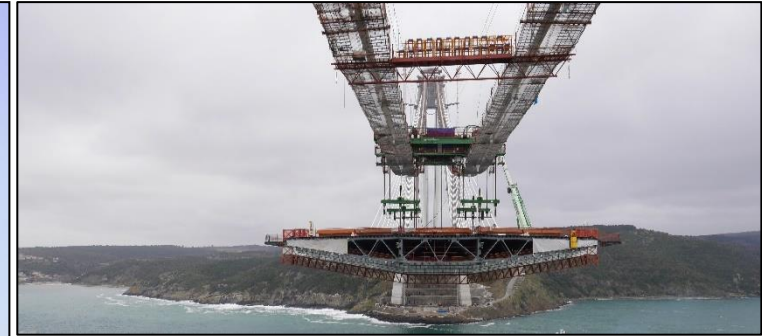
CAD/CAM in practice (M+M Software)

- Gardening / Landscaping / Earthworks for Architects and Implementers
 - M+M Subsidiary DATAflor, Goettingen, Germany
 - Integrated software solutions not only containing graphical planning but also calculation, tender, quoting, construction site controlling and billing
 - Two examples from the extensive functionality:
 - Digital terrain model: Comfortable three-dimensional landscape design (middle picture)
 - GRUENSTUDIO 3D: Live experiencing the future garden via VR glasses (right picture)



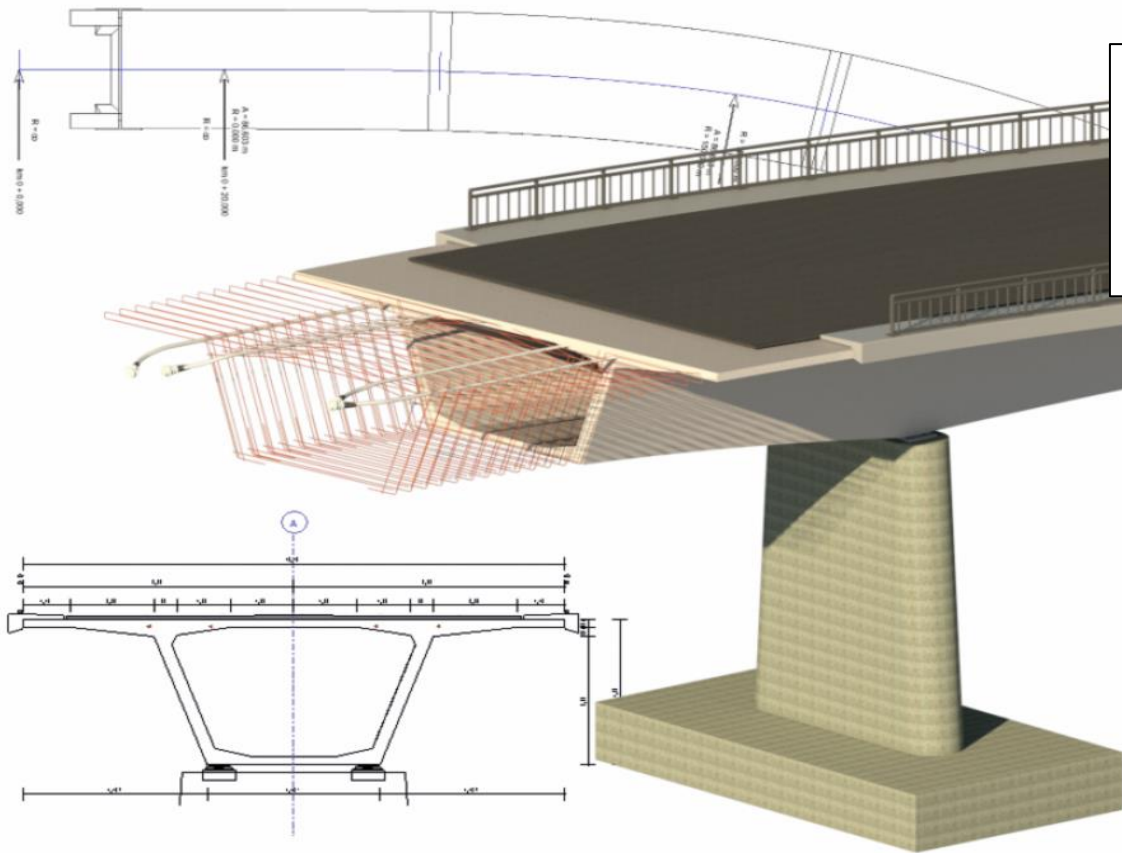
CAD/CAM in practice (M+M Software)

- BIM / Civil Engineering: Structural Analysis & Reinforcement Software
 - Jan 1, 2019: Long-standing shareholding in SOFiSTiK AG increased from 13.3% to 51%
 - Share swap, Founders/Management stayed on board with 49% shareholding
 - SOFiSTiK (est. 1987) is a technology leader in bridge, tunnel and building construction
 - In more than 30 years, thousands of construction projects have been realised and calculated with SOFiSTiK software, e.g. BMW-Welt Munich, new Bosphorus bridge, Brasilia National Stadium...



www.sofistik.com/company/references

CAD/CAM in practice (M+M Software)

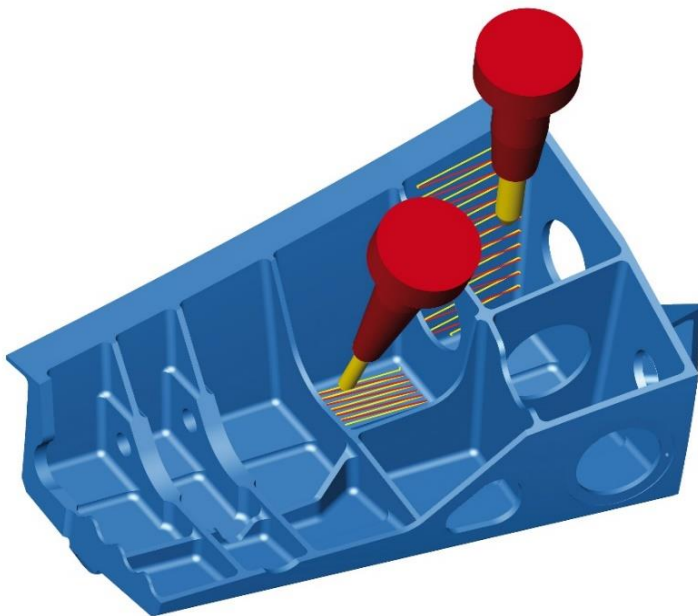


The **SOFiSTiK Bridge + Infrastructure Modeler** supports parametrized 3D bridge, tunnel and other profile building design, detailing and analysis, fully compatible to BIM standards, as it e.g. is mandatory in Germany since 2020 for public projects due to the German Ministry of Transport and Infrastructure.



CAD/CAM in practice (M+M Software)

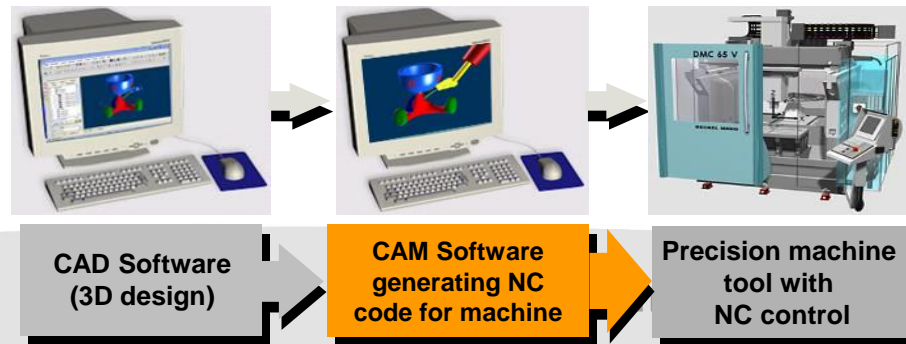
- CAM – Computer Aided Manufacturing
 - Subsidiary Open Mind – Product line *hyperMILL*®
 - High end: Average revenue approx. EUR 30,000 per seat
 - **CAM is contributing more than 1/3 to M+M's Added Value**



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.



 **OPEN MIND**
THE CAM FORCE



CAD/CAM in practice (M+M Software)

Up to 5x faster material removal by 'helical' roughing.

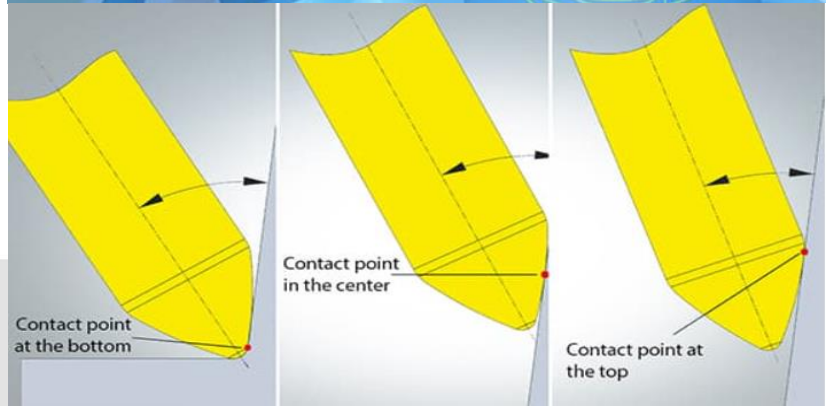
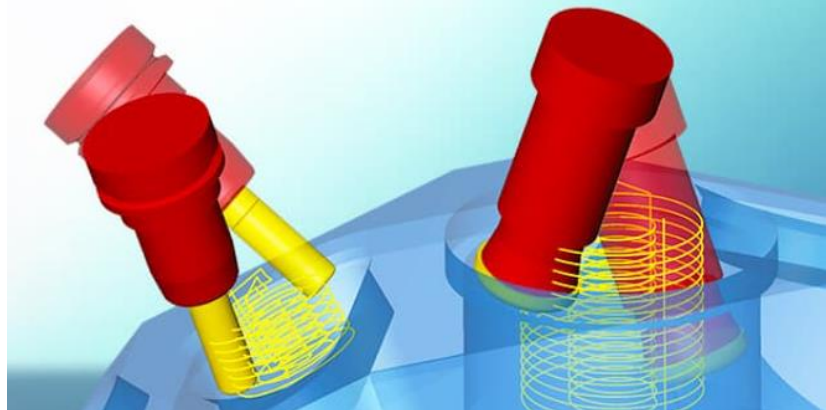
Flat surface finishing up to 10x faster by using special conical cutters with slightly convex curvature.

Milling time for this lightweight aerospace part:
2h05min instead of 10h30min => 80% productivity gain.

Total 80% productivity gain: 2h05 instead of 10h30



78% faster roughing + 90% faster flat surface finishing:

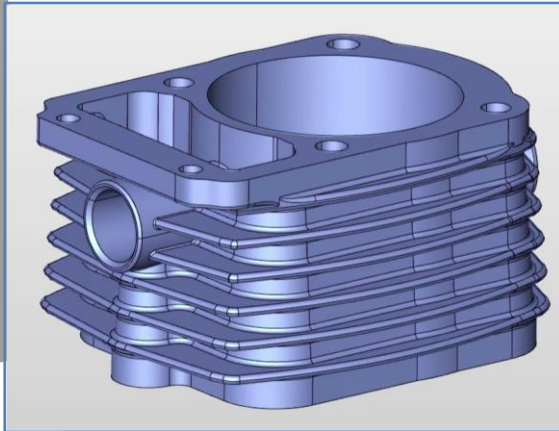


CAD/CAM in practice (M+M Software)

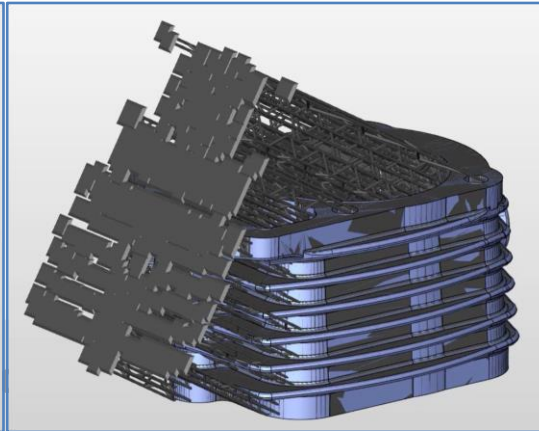
CAM (subtractive) meets 3D printing (additive): Post processing of printed metal parts

- 3D metal printers offer fascinating options for lightweight components with internal honeycomb structures or cooling ducts
- Such parts, though, still carry extensive support structures when leaving the 3D printer - subtractive processing needed
- To finish (and not to destroy instead) such a delicate structure, the part position must be known in the range of 1/100mm
- Manual alignment takes many hours – one of the main productivity barriers for the use of additive production methods
- Automated alignment by hyperMILL® (~100x faster) paves the way for an economic use of 3D metal printing

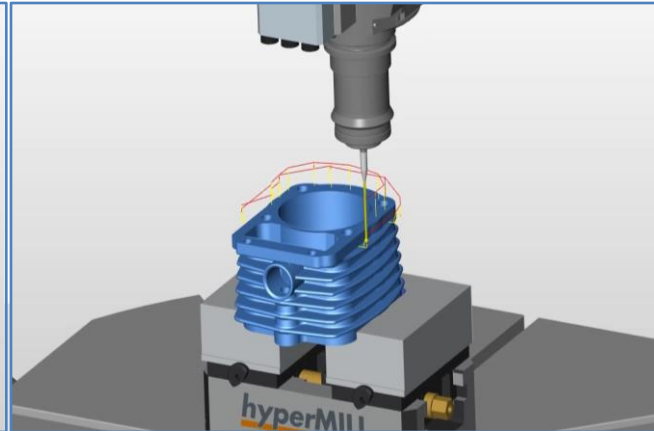
Part with internal cooling ducts ...



... leaving the 3D printer in this shape



Automated alignment by hyperMILL®



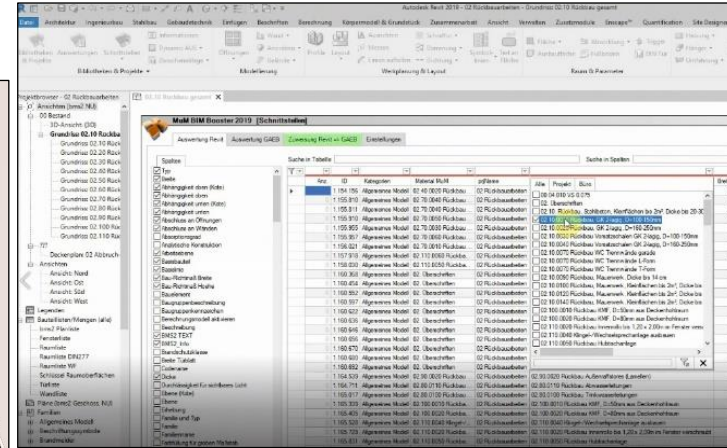
Some CAM Key Customers



Digitalization in practice (VAR Business)

- Example BIM – Building Information Modelling / Management: High efficiency gain in complex interior work projects

Customer: BMS² GmbH, Munich, Germany



bim booster bim ready



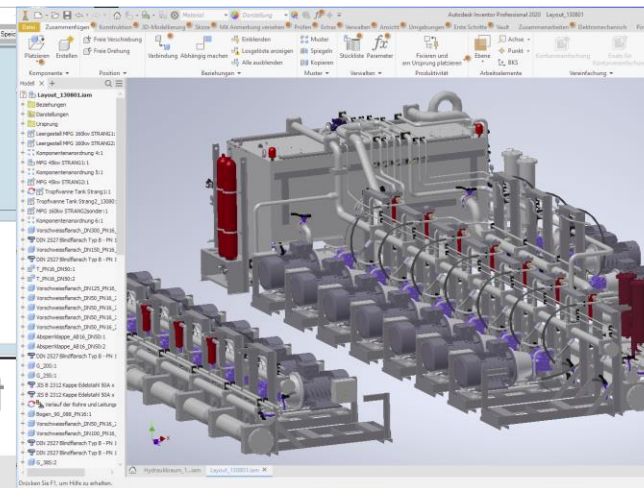
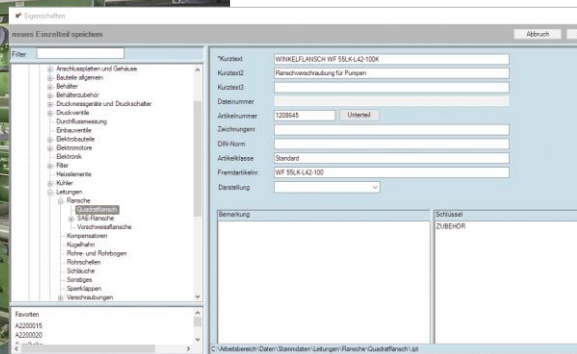
man machine
CAD as CAD can

mensch machine
CAD as CAD can

Digitalization in practice (VAR Business)

- Example: Data Management for Industry customers
Connecting design and commercial data by M+M PDM pinpoint

Customer: Otto Zimmermann GmbH,
Saarbruecken, Germany



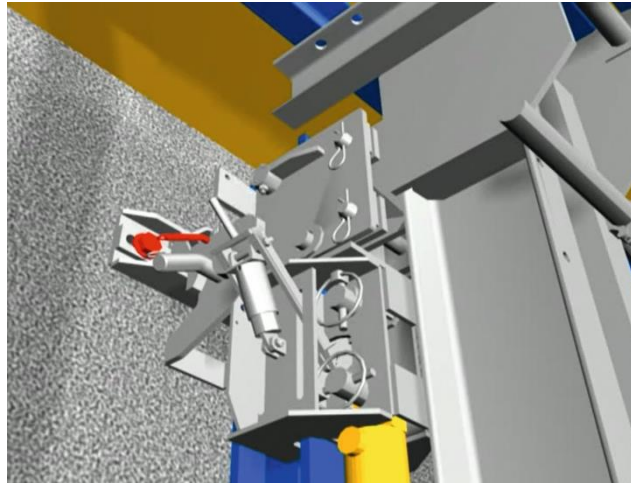
pdm  pinpoint



Digitalization in practice (VAR Business)

- Example Industry 4.0 meets BIM: convert BIM compatible data (here: automatic climbing formwork on Frankfurt high 4 construction site)

Customer: Doka GmbH, Amstetten, Austria



YouTube Video:



Digitalization in practice (VAR Business)

- Example Infrastructure for Municipalities: The ‘Digital City’
M+M MapEdit is the data turntable helping Emden (called „Green City by the sea“) to reach their ambitious sustainability targets

Customer: Stadtwerke Emden, Germany



Entdecken Sie Ihr Sparpotenzial - Emden Solarkataster

Das Emden Solarkataster stellt eine Orientierungshilfe dar, mit der Sie die Eignung Ihres Daches für Fotovoltaik- und / oder Solarthermieanlagen erkennen können. Mit Hilfe von drei einfachen Schritten können Sie auf der Karte einsehen, ob auch in Ihrem Haus ein ungenutztes Sparpotenzial vorhanden ist.

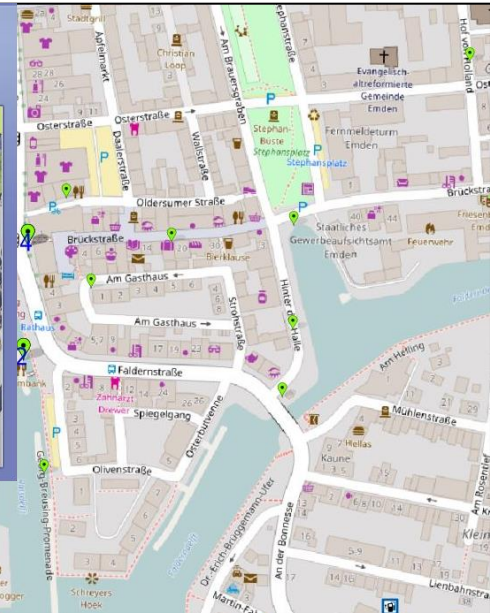
- 1. Produktwahl**
☒ Fotovoltaik
☐ Solarthermie
- 2. Dachfläche suchen**
Finden Sie die von Ihnen gesuchte Dachfläche durch Eingabe der gewünschten Adresse oder suchen Sie direkt in der Karte.
Straße und Hausnummer
- 3. Sparpotenzial erkennen**
Um jetzt auf einen Blick Informationen über die Eignung für den Einsatz von Fotovoltaik- bzw. Solarthermieanlagen zu erhalten, klicken Sie den Mauszeiger auf die gewünschte Dachfläche.

Legende

- sehr gut geeignet
- gut geeignet
- bedingt geeignet

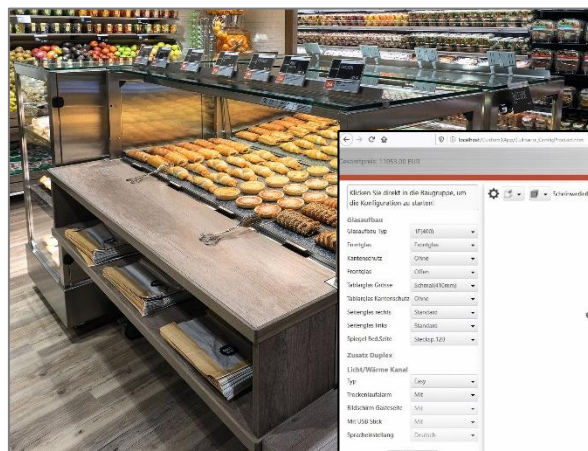
Dachfläche (172,8 m²): sehr gut geeignet
Geplante Fläche für PV-Module: 50,4 m²
Max. CO₂-Einsparung: 5,1 Tonnen pro Jahr
Ich möchte mehr wissen (zum Kontaktformular)

map  edit

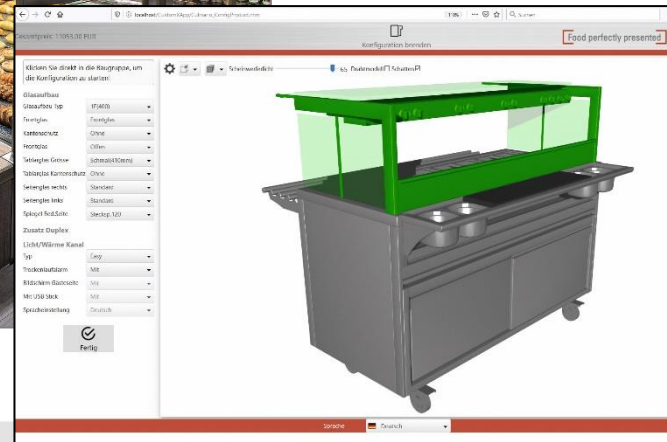


- Fully automated variant design with customX – up to 90% productivity gain
Project examples: Electric distribution boxes & Showcases for gastronomy

Customer:
Beer Grill AG,
Villmergen, Switzerland



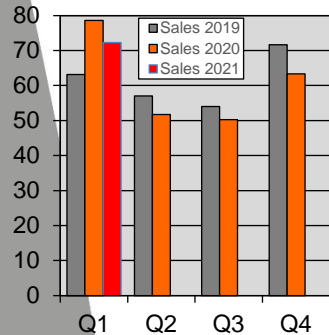
customX



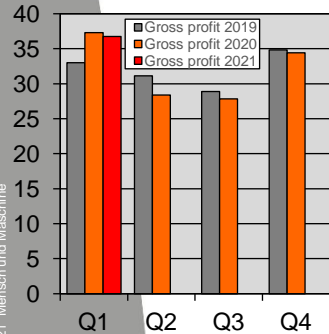
Some VAR Business Key Customers



Sales & gross profit

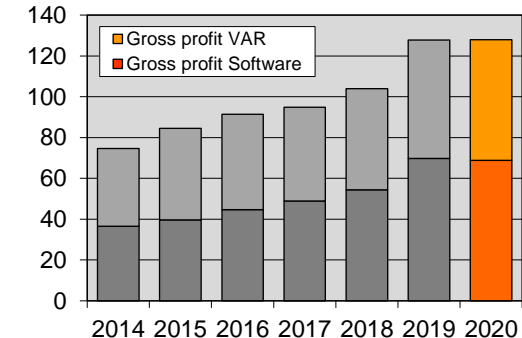
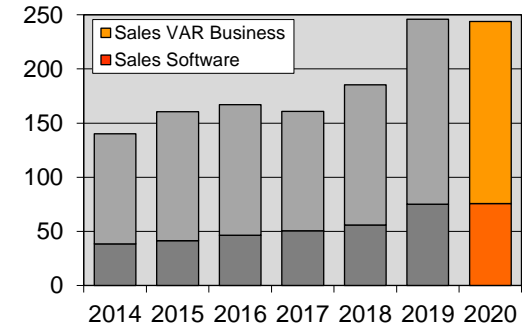


- Sales 2020: EUR 243.98 mln / -0.8%
 - ◆ M+M Software: EUR 75.61 mln / +0.7%
 - ◆ VAR Business: EUR 168.38 mln / -1.5%
 - ◆ Q1: +24.5% / Q2: -9.3% / Q3: -7.1% / Q4: -11.6%
- Record gross profit 2020: EUR 127.96 mln / +0.1%
 - ◆ M+M Software: EUR 68.84 mln / -1.2%
 - ◆ VAR Business: EUR 59.11 mln / +1.6%
 - ◆ Q1: +13% / Q2: -8.8% / Q3: -3.6% / Q4: -1.3%
 - ◆ Gross yield 2020: 52.4% (PY: 52.0%)
 - ◆ Q1: 47.4% / Q2: 54.8% / Q3: 55.5% / Q4: 54.3%



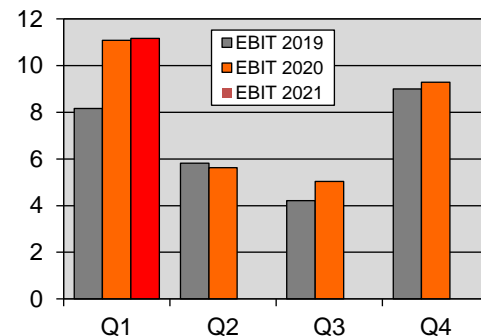
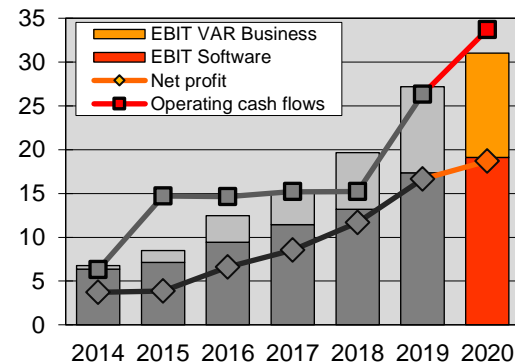
- Sales Q1/2021: EUR 72.34 mln / -8.0%
 - ◆ M+M Software: EUR 22.03 mln / +7.6%
 - ◆ VAR Business: EUR 50.31 mln / -13%
- Gross profit Q1/2021: EUR 36.77 mln / -1.4%
 - ◆ M+M Software: EUR 19.78 mln / +5.7%
 - ◆ VAR Business: EUR 16.99 mln / -8.6%
 - ◆ Gross yield 50.8% (PY: 47.4%)

Q1/2021



Earnings / cash flows / dividend

- Record EBITDA 2020: EUR 40.33 mln / +10%
 - ◆ EBITDA yield 16.5% (PY: 14.9%)
 - Record EBIT 2020: EUR 31.03 mln / +14%
 - ◆ EBIT yield 12.7% (PY: 11.1%)
 - ◆ M+M Software: EUR 19.14 mln / +10% // yield 25.3% (PY: 23.1%)
 - ◆ VAR Business: EUR 11.90 mln / +21% // yield 7.1% (PY: 5.7%)
 - ◆ Q1: +36% / Q2: -3.7% / Q3: +19.6% / Q4: +3.2%
 - Record net profit 2020: EUR 18.71 mln / +12% // EPS 111.5 Cents
 - Record cash flows 2020: EUR 33.73 mln / +28% // CPS 201 Cents
 - Dividend proposal 2020: 100 Cents (PY: 85 / +18%)
 - ◆ Optionally in cash or shares / 87 of 100 Cents paid out tax-free (§27 KStG)
-
- Record EBIT Q1/2021: EUR 11.16 mln / +0.7% **Q1/2021**
 - ◆ M+M Software: EUR 6.42 mln / +17%
 - ◆ VAR Business: EUR 4.74 mln / -16%
 - Net profit Q1/2021: EUR 6.64 mln / -0.5% // EPS 39.4 Cents
 - Record cash flows Q1/2021: EUR 16.59 mln / +22% // CPS 99 Cents



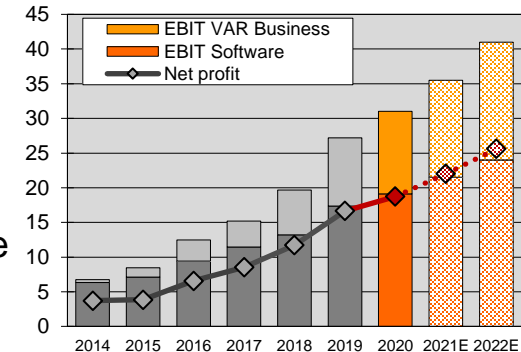
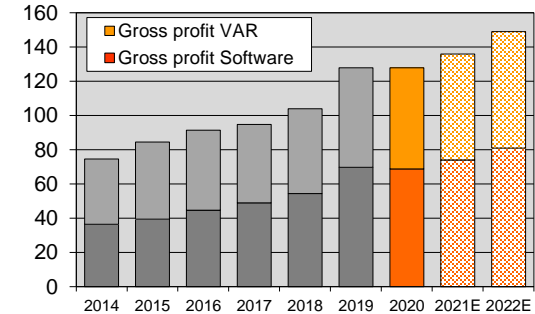
Review & Outlook

Review on profitable growth:

- Gross profit 2014-2020: EUR +53.3 mln / +71%
 - ✓ EUR +8.9 mln / +9.4% average gross profit growth p.a.
- EBIT 2014-2020: EUR +24.3 mln / +359%
 - ✓ EUR +4.05 mln / +29% average EBIT growth p.a.
- Gain 46%: 1 EUR more gross profit >> 46 Cents more EBIT
 - ✓ Profit optimized growth through effective cost control management

Clear target: Continuing sustainable profitable growth

- 2021E: Growth from Q2 onwards (PY retarded by Corona effects)
 - ◆ Gross profit +5-8% to EUR 135-138 mln
 - ◆ **EPS +12-21% to 125-135 Cents / Dividend +15-20% to 115-120 Cents**
- 2022E ff: Organic growth + margin potential = economy of scale
 - ◆ Sales / Gross profit +8-12% p.a.
 - ◆ **EPS +18-24 Cents p.a. / Dividend +15-20 Cents p.a.**



The M+M share

Listings:

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

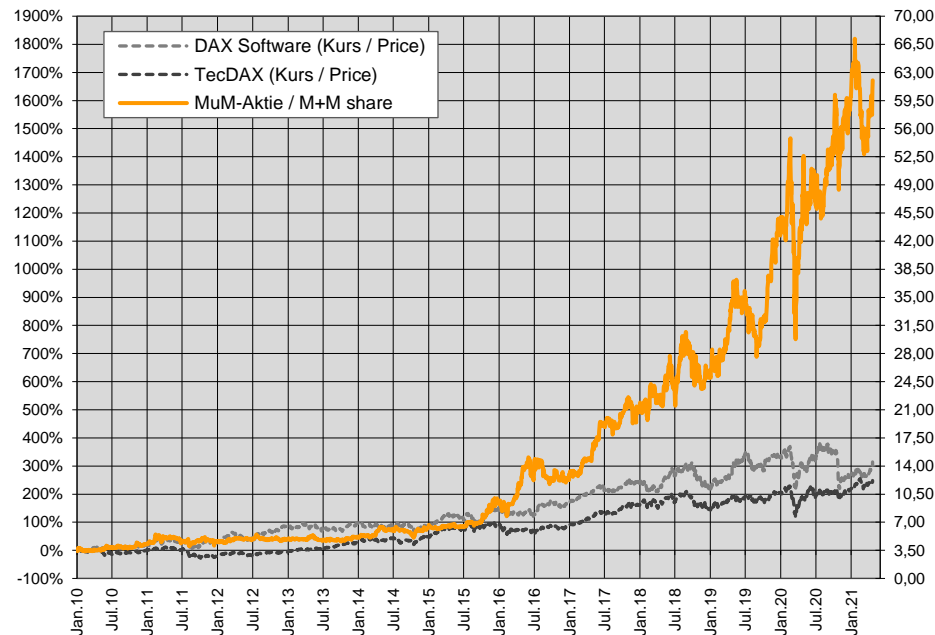
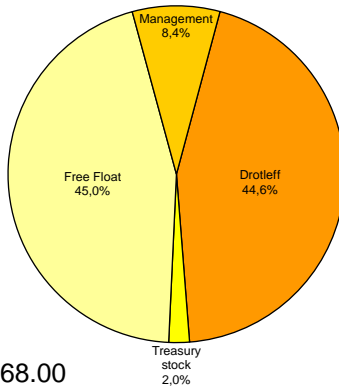
Designated Sponsors:

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

Analyst Coverage:

- ◆ LBBW: „Buy“ – fair value EUR 68.00
- ◆ SMC Research*: „Hold“ – EUR 63.70
- ◆ EDISON*: **scale** research report – no price tag

*available in English language



Total dividends paid since 2010: EUR 3.50

M+M is both a public and private company

Why invest in M+M shares ?

- M+M is a leading vendor of technical software solutions
 - ◆ Founded 1984 – 37 years of established market position
 - ◆ More than 30,000 active customers worldwide
 - ◆ Private and 24 years public company
- Highly scalable business model / sustainable profitable growth
 - ◆ Organic growth (CAGR): long-term average approx. 10% p.a.
 - ◆ EBITDA yield 2020 was 16.5% - mid-term potential >20%
 - ◆ Profit growth target secured by effective cost management
- Good dividend return due to high pay-out ratio
 - ◆ Low CAPEX, as the lion's share of software development is not capitalized
 - ◆ Founder/CEO Adi Drotleff swapping the majority of his dividend rights to shares every year





Thank you for your attention!

For more Information: www.mum.de / Investor Relations