

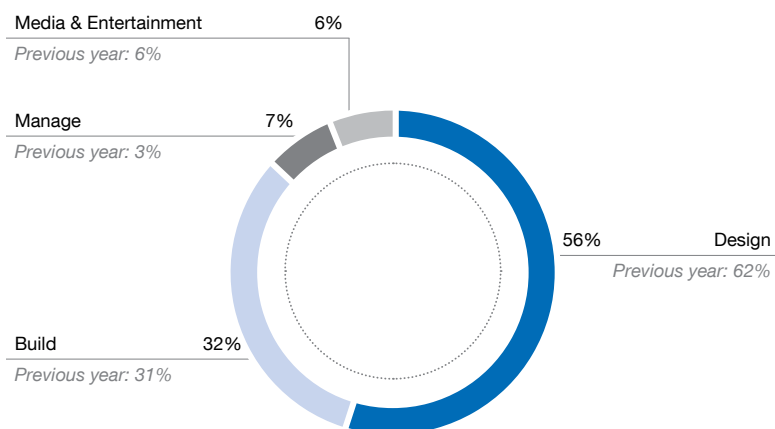
Key Figures

NEMETSCHEK GROUP

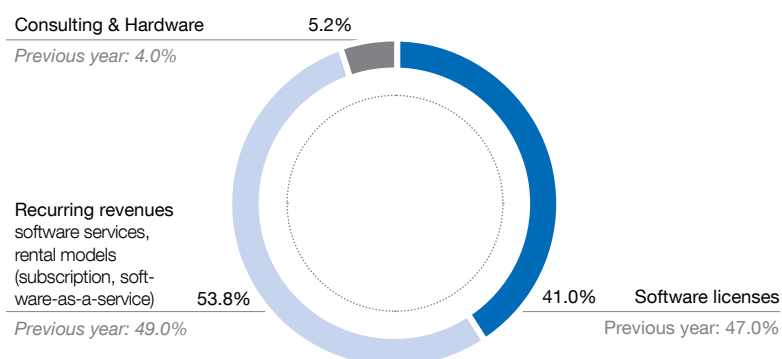
in EUR million	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2016	Dec. 31, 2015
Revenues	556.9	461.3	395.6	337.3	285.3
- thereof software licenses	228.2	216.8	195.0	175.8	150.4
- thereof recurring revenues	299.5	225.8	183.9	146.5	122.4
- subscription (as part of the recurring revenues)	50.3	23.4	13.7	–	–
EBITDA	165.7	121.3	108.0	88.0	69.5
as % of revenue	29.7%	26.3%	27.3%	26.1%	24.4%
EBITA	140.7	112.5	99.9	80.7	62.8
as % of revenue	25.3%	24.4%	25.3%	23.9%	22.0%
EBIT	123.6	97.8	86.4	69.7	52.7
as % of revenue	22.2%	21.2%	21.9%	20.7%	18.5%
Net income (group shares)	127.2	76.5	74.7	46.9	35.9
per share in €	1.10	0.66	0.65	0.41	0.31
Net income (group shares) adjusted for DocuWare effect	97.7	76.5	74.7	46.9	35.9
per share in €	0.85	0.66	0.65	0.41	0.31
Net income (group shares) before purchase price allocation	140.3	88.1	85.2	55.1	42.8
per share in €	1.21	0.76	0.74	0.48	0.37
Cash flow figures					
Cash flow from operating activities	160.4	99.7	97.4	79.7	65.1
Cash flow from investing activities	–83.8	–74.4	–54.6	–47.5	–41.4
Cash flow from financing activities	10.7	–10.4	–44.8	–5.5	0.1
Free cash flow	76.6	25.4	42.8	32.1	23.7
Free cash flow before M&A investments	174.5	88.5	88.2	72.6	58.9
Balance sheet figures					
Cash and cash equivalents	209.1	120.7	104.0	112.5	84.0
Net liquidity/net debt	21.0	–9.9	24.0	16.3	3.3
Balance sheet total	857.2	580.6	460.8	454.7	370.8
Equity ratio in %	40.7%	43.0%	49.5%	44.4%	45.0%
Headcount as of balance sheet date	2,875	2,587	2,142	1,925	1,754
Share figures					
Closing price (Xetra) in €	58.80	31.92	24.95	18.42	15.34
Market Capitalization	6,791.40	3,686.38	2,881.34	2,127.51	1,772.16

The previous year's figures have been adjusted due to the stock splits in 2015 and 2019.

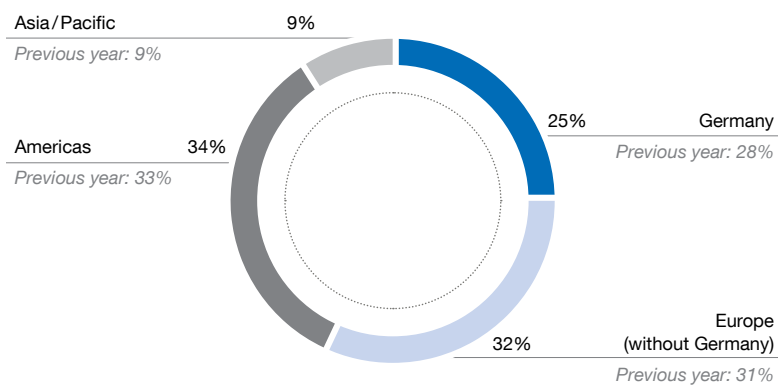
REVENUES BY SEGMENT IN %



REVENUES BY TYPE IN %



REVENUES BY REGION IN %



To our Shareholders

Dear Shareholders,

The Nemetschek Group continued on its successful course from years past in 2019 as well, and even slightly exceeded its set targets with regard to revenue and earnings. Our operating development followed from a strengthening of our global alignment, the further development of our solution portfolio, and the acquisition of new customers. We again undertook strategic acquisitions which reinforce our competitive position and foster further development.

Overview of financial key figures

In 2019, Nemetschek was once again able to achieve double-digit growth and increase profitability over-proportionally compared to revenue:

- » Group revenue rose to EUR 556.9 million, a growth of about 21% compared to the previous year. Currency-adjusted, there was 18% growth. The rise in revenue is attributable to organic growth of around 16% and to the strong business development of the newly acquired Spacewell brand in the Manage segment. All four segments contributed to this favorable development with double-digit rates of growth.
- » Recurring revenues from software service contracts and subscriptions, which rose by some 33% to EUR 299.5 million, continued to be growth drivers, and thus account for 54% of Group revenue.
- » Revenues generated abroad rose by around 24% to EUR 415.7 million in 2019. Thus, Nemetschek meanwhile generates approximately three quarters of revenues outside of Germany in the relevant markets of North America, Europe and Asia – and the tendency is on the rise.
- » Consolidated operating earnings before interest, taxes, depreciation and amortization (EBITDA) increased by 36.6% to EUR 165.7 million, which was over-proportional compared to revenue, also as a result of positive effects arising from foreign currencies and from the initial application of the new IFRS 16 standard for the accounting of leases. Consequently, the EBITDA margin rose from 26.3% in the previous year to 29.7%. But even without the effects mentioned, the EBITDA margin at 27.0% was higher than the previous year's level.

- » The net income for the year increased significantly by about 66% to EUR 127.2 million, which was also the favorable result of the one-off gain arising from the sale of the nonstrategic interest in DocuWare. The earnings per share rose accordingly to EUR 1.10 (previous year: EUR 0.66).
- » The operating cash flow increased significantly by around 61% to EUR 160.4 million. The cash conversion rate was very high, at about 97%.

The sustainably favorable operating development of the Nemetschek Group is based on a very sound foundation of equity and financing: with cash and cash equivalents amounting to more than EUR 200 million and an equity ratio of approximately 41% as of the end of 2019, we pursue our activities on the basis of an unchanged position of financial strength. Our financing power allows us to be independent and gives us room to maneuver – also and especially in times of uncertainty.

Digital transformation driver with focus on benefits to the customer

Our target markets find themselves in a phase of major changes. Digitalization and sustainability are trends that have disruptive potential, and there continues to be an enormous need for the AEC industry to catch up in terms of digitalization and interlinking. Our objective is to contribute considerably to shaping these trends, and to support our customers in their transformation processes. As a result, we have chosen *“Driving digital transformation. Shaping the entire building lifecycle.”* as the title for this annual report.

In all that we do, we have always focused on the wishes and needs of our approximately 6 million users worldwide. It is our objective to consistently create even more added value for them with our products. This can only succeed if our strong growth and the consequent increase in the size of the Nemetschek Group does not come at the cost of proximity to the customer. The leadership structure, which was implemented in 2019 and focuses on our segments, also serves this purpose. In this way, it is possible for us to act with even greater strength in our markets and consolidate our expertise and processes in the individual segments.

Future strategic focuses – clear commitment to sustainability

The subject of sustainability also affects the investment decisions of our customers more and more. The construction sector is one of the most resource-intensive industries; it needs to become more efficient, and it needs to design, build and manage buildings with greater sustainability. The optimized interplay between all those involved in the building project enabled by consistent digitalization and end-to-end workflows offers the entire AEC industry a chance to become more than 20 percent more efficient with regard to reduced construction times, improved quality and cost-savings. This is precisely where our solutions come into play. In this way, the Nemetschek Group is making an important contribution to climate and environmental protection.

Guidance for 2020: securely aligned for the future

The strengths of our Group – an extremely successful and value-generating business model, sound balance sheet ratios and great financial strength – are a very good basis for responding to difficult and challenging market phases. Since March of this year at the latest, the so-called coronavirus crisis has had the world at its mercy. We all know that the consequences of the pandemic are dire for global economic development, but no one is in a position to make a reliable estimate regarding the scope or the duration at the present time.

Today, Nemetschek is better and stronger than ever before. With our strong positioning in many countries with great catch-up potential in the field of digitalization in mind, the Executive Board continues to take a fundamentally positive view of the future even in the currently very uncertain environment due to the worldwide Covid-19 pandemic. The growth trends in our relevant markets continue to remain intact in the long term. The possible direct and indirect effects of Covid-19 on the business activities of the Nemetschek Group cannot currently be reliably estimated in terms of the extent, duration and geographical spread. Nevertheless, the first two months of 2020 went according to plan.

Due to the significantly increasing share of recurring revenues from service contracts and subscriptions, which now account for 54% of group revenues, Nemetschek has a higher degree of planning security than in previous crises such as the financial crisis of 2008/2009. In addition, the international positioning of the group and the targeting of different customer groups across the four segments offer a broader risk diversification resilience than in the past. Added to this is the very solid financial structure of the Nemetschek Group with an equity ratio of around 41% and high cash generation.

Irrespective of the strategic advantages, our expectations for the year 2020 take into account the exceptional global situation with the necessary caution and to be cautious in setting our business targets: Taking into account exchange rate fluctuations and the sharp increase in macroeconomic uncertainties, from today's view, we anticipate at least a stable development or a slight increase in Group revenues. The EBITDA margin is expected to exceed 26% of Group revenue in 2020. The Executive Board will closely monitor the further impact of the Corona pandemic and its consequences on the economy and the business model of the Nemetschek Group.

The absolutely favorable performance of the past year and very good reputation of the company is attributable to the expertise and great dedication of our approximately 2,900 employees. I warmly thank them, also on behalf of my fellow executive board members, for their service in 2019. Our thanks also go out to all customers, business partners and, of course, you, the shareholders of our company. We look forward to the future together with you.

Sincerely yours,



Dr. Axel Kaufmann

Management



From left to right: Koen Matthijs, Jon Elliott, Dr. Axel Kaufmann, Viktor Várkonyi

KOEN MATTHIJS CHIEF DIVISION OFFICER, OPERATE & MANAGE DIVISION

JON ELLIOTT CHIEF DIVISION OFFICER, BUILD & CONSTRUCT DIVISION

DR. AXEL KAUFMANN SPOKESMAN AND CHIEF FINANCIAL & OPERATIONS OFFICER (CFOO)

VIKTOR VÁRKONYI CHIEF DIVISION OFFICER, PLANNING & DESIGN DIVISION

DR. AXEL KAUFMANN

SPOKESMAN OF THE EXECUTIVE BOARD AND
CHIEF FINANCIAL & OPERATIONS OFFICER (CFOO)

*"THE NEW DIVISION STRUCTURE BRINGS US EVEN
CLOSER TO CUSTOMERS AND THE MARKET"*

Dr. Axel Kaufmann has been appointed Spokesman of the Executive Board and Chief Financial & Operations Officer (CFOO) of Nemetschek SE, effective January 1, 2020. In this role, he is responsible for all the main Group functions of the Nemetschek Group and its global operating and strategic positioning including M&A strategy. In addition, he is responsible for the Media & Entertainment division.

Born in 1969 – Nationality: German

VIKTOR VÁRKONYI

CHIEF DIVISION OFFICER, PLANNING & DESIGN DIVISION
MEMBER OF THE EXECUTIVE BOARD

*"WE DRIVE DIGITALIZATION IN THE CONSTRUCTION INDUSTRY
ALONG THE ENTIRE VALUE CHAIN"*

Viktor Várkonyi has been a member of the Executive Board since December 2013, and was appointed as Chief Division Officer, Planning & Design Division in February 2019. In this role, he is responsible for the division's global strategic alignment as well as for positioning the Nemetschek Group as a BIM market leader for connected end-to-end AEC workflows.

Born in 1967 – Nationality: Hungarian

JON ELLIOTT

CHIEF DIVISION OFFICER, BUILD & CONSTRUCT DIVISION
MEMBER OF THE EXECUTIVE BOARD, CEO OF BLUEBEAM, INC.

*"OUR SOLUTIONS EMPOWER OUR CUSTOMERS TO DELIVER
PROJECTS ON TIME AND ON BUDGET"*

Jon Elliott was appointed to the Executive Board as Chief Division Officer, Build & Construct Division in February 2019. In this role, he is responsible for the global cross-brand strategic positioning and international expansion of the brands in his division.

Born in 1976 – Nationality: US American

KOEN MATTHIJS

CHIEF DIVISION OFFICER, OPERATE & MANAGE DIVISION

*"EMPLOYEES, COMPANIES AND THE ENVIRONMENT
BENEFIT FROM SMART BUILDINGS"*

Koen Matthijs was appointed as Chief Division Officer, Operate & Manage Division in February 2019. In this role, he focuses on creating a strong portfolio for his division, including the further development of the software solutions.

Born in 1971 – Nationality: Belgian

Supervisory Board's Report on the 2019 Financial Year of Nemetschek SE

The supervisory board of Nemetschek SE involved itself extensively with the situation and development of the Nemetschek Group during the 2019 financial year. Over the course of the financial year, the committee followed the executive board closely, advised it with regard to important issues and monitored it in addition to carrying out the tasks assigned to the supervisory board by law, the Articles of Incorporation and the Articles of Association with the utmost care.

Constructive deliberations between supervisory board and executive board

The collaboration between the supervisory board and the executive board was always constructive and marked by open and trustful discussions. The executive board instructed the supervisory board regularly, promptly and comprehensively, as well as orally and in writing, about all relevant topics pursuant to corporate development and corporate strategy. Inherent opportunities and risks, corporate planning and the development of revenues, earnings and liquidity were extensively debated. Moreover, the supervisory board obtained information on planned and current investments, the implementation of the planning of the Group, of the segments and of the individual brands as well as on risk management and compliance.

The supervisory board regularly and intensively discussed the developments in the respective months and reporting quarters, the short-term and medium-term prospects and the long-term growth and earnings strategy internally with the executive board. This also included information on deviations in business development vis-à-vis planning. The supervisory board was very involved in all decisions of fundamental importance for the company. Outside the regularly scheduled sessions as well, the supervisory board and the executive board maintained close contact.

On the basis of the executive board's reports, the supervisory board supported the executive board's work in an advisory capacity and made decisions on actions requiring approval. On the basis of the extensive information provided by the executive board as well as independent audits, the supervisory board was able to completely fulfill its monitoring and advisory role at all times.

Meetings, participation and topics of focus

In the fiscal year 2019, the supervisory board met in person at four regular supervisory board meetings (March, July, October and December) at which the executive board informed the supervisory board of the economic situation and business development. The complete supervisory board was in attendance at all meetings. In addition to the meetings, there were further resolutions on current topics, for which the written circular procedure

was used. As a result of its composition with four members, the supervisory board formed no committees.

The deliberations focused in particular on the further internationalization of company business, potential acquisition targets, strategic projects at holding and segment levels and the further development of the Group's solution portfolio. Detailed reports concerning the four segments and the brand companies were received by the supervisory board. Business performance which deviated from the corresponding annual targets was discussed in detail at the supervisory board meetings and analyzed. The executive board presented the strategy for acquisitions and actual projects and decided on them in close collaboration with the supervisory board.

In the meetings, there was debate in particular on the following topics:

- » Annual financial statements and consolidated financial statements for the 2018 financial year
- » Proposal on the appropriation of profits for the 2018 financial year
- » Invitation and agenda items for the regular 2019 annual general meeting with proposed resolutions to the annual general meeting as well as the supervisory board's report for the 2018 financial year
- » Sustainability reporting in the Group
- » Executive board and general managers' specification of targets reached in 2018 and release of payment of variable remuneration shares as well as the definition of target agreements for the 2019 financial year; nominations for participation in the "Long-Term Incentive Plan" (LTIP)
- » Declaration of Conformity in accordance with the "German Corporate Governance Code"
- » Group planning, revenue planning, result planning and investment planning for 2019 as well as ongoing discussion of the current situation
- » Strategic projects at Group and segment levels and alignment of the Nemetschek Group and its internationalization as well as target achievement during implementation
- » Development of market and competition
- » Acquisition strategy and strategic partnerships at holding and segment levels
- » Acquisition in the Manage segment: Acquisition of the Axserion Group based in the Netherlands by the Spacewell umbrella brand

- » Acquisitions in the Media & Entertainment segment: Acquisition of Redshift Rendering Technologies, Inc. as well as of RedGiant based in the USA by Maxon Computer GmbH
- » Sale of 22.4% interest in DocuWare
- » Internal control and early stage risk detection systems, audit and compliance report
- » Capital market, investor development and share price development
- » New executive board structure
- » Group planning and revenue, result and investment projects for the 2020 financial year

Composition of executive board and supervisory board

As in the previous year, the executive board consisted of three members. At the beginning of the 2019 financial year, the supervisory board established a new executive board structure with a stronger focus on the segments. Thus consideration is given to the strategic alignment of the Nemetschek Group which involves even greater consolidation of the competencies of the brand companies in the customer-oriented four segments Design, Build, Manage and Media & Entertainment.

After introduction of the new executive board structure, the executive board consisted of the following three members:

- » Viktor Várkonyi, member of the executive board since December 2013, was appointed to the board for the Design segment to go into effect as of February 1, 2019. Consequently, he stepped down from his previous function as CEO of the Graphisoft brand.
- » Jon Elliott, CEO of the Bluebeam brand, was appointed to the board of the Build segment to go into effect as of February 1, 2019; he remained executive board member and CEO of Bluebeam.
- » As before, Patrik Heider, member of the executive board since March 2014, remained Spokesman of the Executive Board and CFOO in the reporting year. In addition, he was appointed to the board for the Media & Entertainment segment.

Patrik Heider left the company of his own accord at the end of the year. The supervisory board would like to thank Mr. Heider for his outstanding performance and his high level of commitment over the past six years and wish him all the best for the future. As the Spokesman of the Executive Board and CFOO of the Group, he contributed significantly to the successful development of the Nemetschek Group.

At the same time, the supervisory board welcomes Dr. Axel Kaufmann. He was appointed Spokesman of the Executive Board and CFOO of Nemetschek SE as of January 1, 2020. In addition to these roles, he will be responsible for the growth-intensive Media & Entertainment business unit. Dr. Kaufmann takes on these important roles in Nemetschek SE as a very experienced

manager with many years of international industry experience and a great deal of financial expertise. The supervisory board is convinced that, together with the existing, very experienced and international Nemetschek SE executive board team, Dr. Kaufmann will lead the company into the next era of innovation and growth.

In 2019 the composition of the supervisory board remained unchanged in terms of personnel vis-à-vis the previous year; the supervisory board consisted of the following four members:

- » Kurt Dobitsch, Chairman of the supervisory board
- » Prof. Georg Nemetschek, Deputy Chairman
- » Rüdiger Herzog, member of the supervisory board
- » Bill Krouch, member of the supervisory board

Audit of the annual financial statements and consolidated financial statements

On May 28, 2019, the annual general meeting chose auditing firm Ernst & Young GmbH, Munich, for the audit of the individual financial statements and the consolidated financial statements for 2019 as well as the corresponding consolidated management report. The supervisory board was convinced as to the independence of the auditor and obtained a written declaration from the auditor.

The annual financial statements of Nemetschek SE for the 2019 financial year prepared by the executive board according to the German Commercial Code (HGB), as well as the consolidated financial statements prepared according to the International Financial Reporting Standards (IFRS), as applicable in the EU, and also according to § 315a (1) of the German Commercial Code (HGB), and the consolidated management report for Nemetschek SE and the Group for the 2019 financial year were audited and approved without qualification by auditing firm Ernst & Young GmbH, Munich.

The specified final documents of the SE, the Group and the executive board's proposal on the appropriation of profits as well as the auditor's reports were available to the members of the supervisory board sufficiently in advance of the balance sheet meeting on March 27, 2020. The auditor took part in the meeting, reported extensively on his auditing activities and the main audit results, explained the audit report and provided detailed answers to all of the supervisory board members' questions.

Taking the auditor's reports into consideration, the supervisory board has examined the annual financial statements, the consolidated financial statements and the consolidated management report for Nemetschek SE and the Group and is convinced of the correctness and completeness of the actual information. The supervisory board concurs with the result of the audit performed by the auditor and has determined that there are no reservations to be raised. The supervisory board approved the 2019 financial statements and consolidated financial statements of Nemetschek SE at the balance sheet meeting of March 27, 2020. The 2019

annual financial statements are thus final within the scope of § 172 of the German Stock Corporation Act (AktG).

Reporting on sustainability

Nemetschek SE integrated its non-financial declaration into the management report. Auditing firm Ernst & Young GmbH subjected the non-financial Group declaration of the Nemetschek Group to an audit in order to obtain limited assurance. The supervisory board also checked the non-financial declaration and has come to the conclusion that the non-financial declaration provides no grounds for reservations.

Conflicts of interest

In the reporting year, there were no conflicts of interest on the part of the supervisory or executive board members.

Corporate governance

The supervisory board was continuously occupied with the principles of good corporate governance in the 2019 financial year. In March and in December 2019, the supervisory board and executive board submitted an updated Declaration of Conformity as per § 161 of the German Stock Corporation Act (AktG) and made it permanently available to shareholders via the website of the Nemetschek Group. Nemetschek SE conforms to the recommendations of the Government Commission of the German Corporate Governance Code as per the version of the code published in the Federal Gazette in April 2017 with the exception of the justified deviations specified in the Declaration of Conformity. For details on this subject, please refer to the Group Management Report 2019 under the section Report on Enterprise Controlling and Declaration on Corporate Management or visit the website <https://ir.nemetschek.com/websites/nemetschek/English/5100/declaration-of-conformity.html>.

Thanks for dedicated performance

In the 2019 financial year, the Nemetschek Group had another very successful year with revenue growth recorded in the double-digit percentage range together with a simultaneous increase in profitability, and exceeded its set objectives. The supervisory board thanks all employees worldwide for their excellent work and personal commitment. At the same time, the supervisory board would like to express its recognition and high level of appreciation to the executive board and the CEOs of all the brands for their performance.

Munich, March 27, 2020



Kurt Dobitsch
Chairman of the supervisory board

Nemetschek on the Capital Market

Favorable year 2019

In 2019, irrespective of geopolitical risks, such as the prolonged Brexit negotiations and the trade dispute between the USA and China, global stock markets achieved record figures. Impetus came primarily from expansive monetary and fiscal policy. Towards the end of the year, progress made with regard to the US-Chinese trade conflict, the implementation of Brexit and hopes for a continued upward economic trend also had a positive effect on stock markets.

All in all, record levels were reached in stock markets: for the year as a whole, the leading German index DAX rose by about 25% and the MDAX by 31%. The TecDAX, which contains the 30 largest technology values, posted a rise in value of about 23%. The comparative index STOXX Europe Total Market Software & Computer Services posted a positive development and increased by about 32%.

Nemetschek share developed more strongly than comparative indexes

The value of the Nemetschek share was able to rise faster than the comparative indexes.

On January 2, 2019, the share started the new year at a price of EUR 31.83. Right at the start of the year, it dropped to an all-time low of EUR 30.41 (January 3, 2019) in a market environment that was still very volatile. Thereafter, the share developed with considerably more strength than the German indexes. During this time, Nemetschek posted several positive company news, including the acquisition of Axserion by the brand Spacewell on January 11; the preliminary annual figures for 2018 on February 6; the announcement of an increased dividend payout on March 21; and the publishing of the annual financial statements for 2018 on March 29, at which time the Nemetschek Group also published its ambitious forecast for 2019.

The share price continued to rise in the second quarter as well, also supported by the favorable first quarter, the results of which were published on April 30. After a consolidation phase, the share rose considerably yet again. However, in spite of the favorable half-year figures, which were announced on July 26, the Nemetschek share was unable to remain at this level and again posted a move towards consolidation during late summer and autumn. Then, starting in November, the instrument again increased in value in a very favorable market environment and reached its all-time high of EUR 59.25 on December 23. The Nemetschek share closed the 2019 financial year at a price of EUR 58.80. This corresponds to an increase of 84.7% since the beginning of the year.

All share price and yield data in this section are calculated on the basis of the share split resolved by the Annual General Meeting on 28 May, 2019 in order to ensure comparability of the numbers.

Yield, market capitalization and rating

Including the Nemetschek SE dividend in the amount of EUR 0.27 per share paid out in June 2019, a total yield (price performance and dividend) for the share of 85.2% (previous year: 28.9%) is the result for 2019. The pure dividend yield amounted to 0.5% (previous year: 0.8%).

In keeping with the very positive share price development, the market capitalization of Nemetschek SE increased from EUR 3.69 billion as of December 31, 2018 to EUR 6.79 billion as of the end of the reporting year. This corresponds to a rise in value of more than EUR 3.10 billion.

For Nemetschek SE, there is currently no rating issued by a rating agency which assesses creditworthiness or credit rating.

Market development in the current financial year

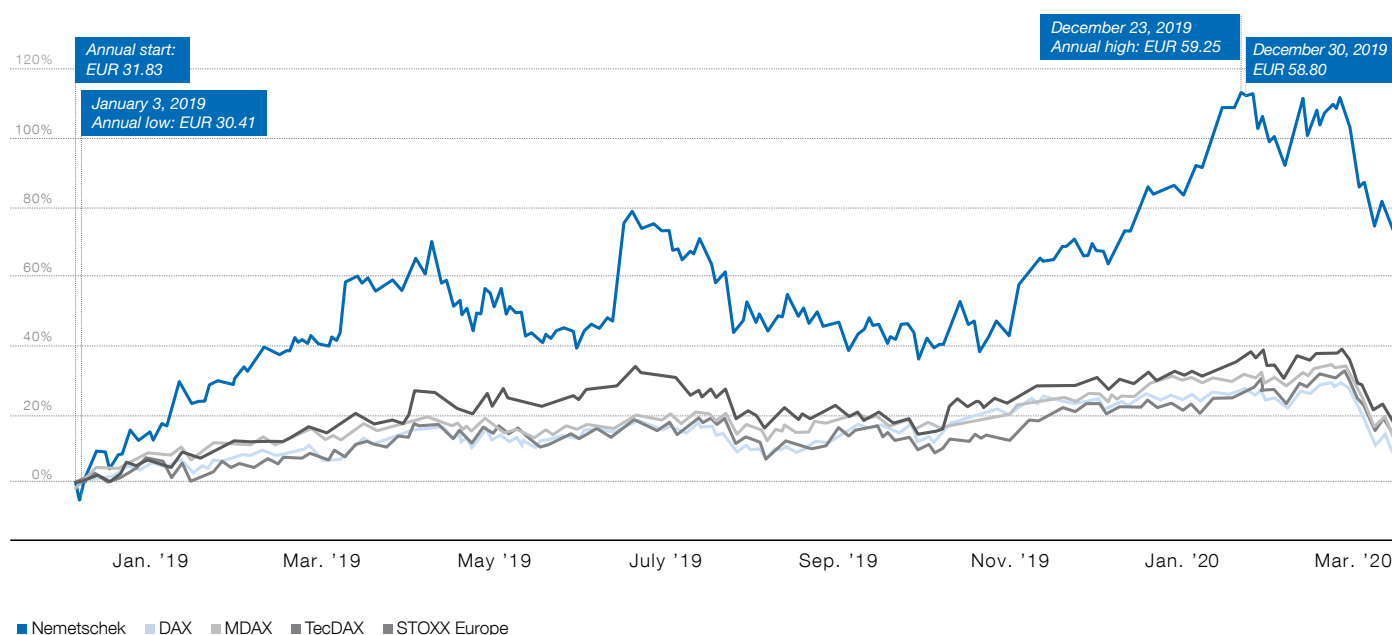
At the beginning of 2020, the Nemetschek share increased considerably in value once again in an as-yet favorable market environment, and on January 22 reached an all-time high to date in

2020 of EUR 68.40. Following this, the increasing spread of the coronavirus worldwide led to great uncertainty and massive declines in share prices on global stock markets. In keeping with the market as a whole, the Nemetschek share also lost considerable value.

Nemetschek's ranking on the MDAX and TecDAX

As of December 31, 2019, the ranking of Deutsche Börse listed Nemetschek 60th (previous year: 78th) for market capitalization (in terms of free float) on the MDAX, and 12th on the TecDAX (previous year's ranking: 16th). During the 2019 financial year, an average of 224,215 shares were traded daily via the electronic trading platform Xetra, which was more than in the previous year (220,922 shares). The average daily volume on Xetra increased accordingly from EUR 7.99 million in 2018 to EUR 10.58 million in 2019. Nemetschek ranked 69th on the MDAX (previous year: 85th) and 17th on the TecDAX (previous year's ranking: 19th) for the volume of shares traded.

PRICE DEVELOPMENT OF NEMETSCHKEK SHARES IN THE YEAR 2019/BEGINNING OF 2020 COMPARED TO SELECTED INDEXES (INDEXED)



Annual general meeting approved all items on the agenda

At the regular annual general meeting of Nemetschek SE held in Munich on May 28, 2019, a large majority of the company's shareholders approved all agenda items.

Dividend

For the 2018 financial year, the shareholders resolved on a dividend in the amount of EUR 0.27 per share, an increase of about 8% compared to the previous year (EUR 0.25 per share). Nemetschek SE thus continued with its sustainable dividend policy and paid out a dividend for the tenth time in a row, this year being the

sixth consecutive increase. The total dividends to be distributed amounted to EUR 31.2 million (previous year: EUR 28.9 million). The dividend payout ratio for the 2018 financial year is therefore approximately 31% – in relation to the operating cash flow.

Stock split

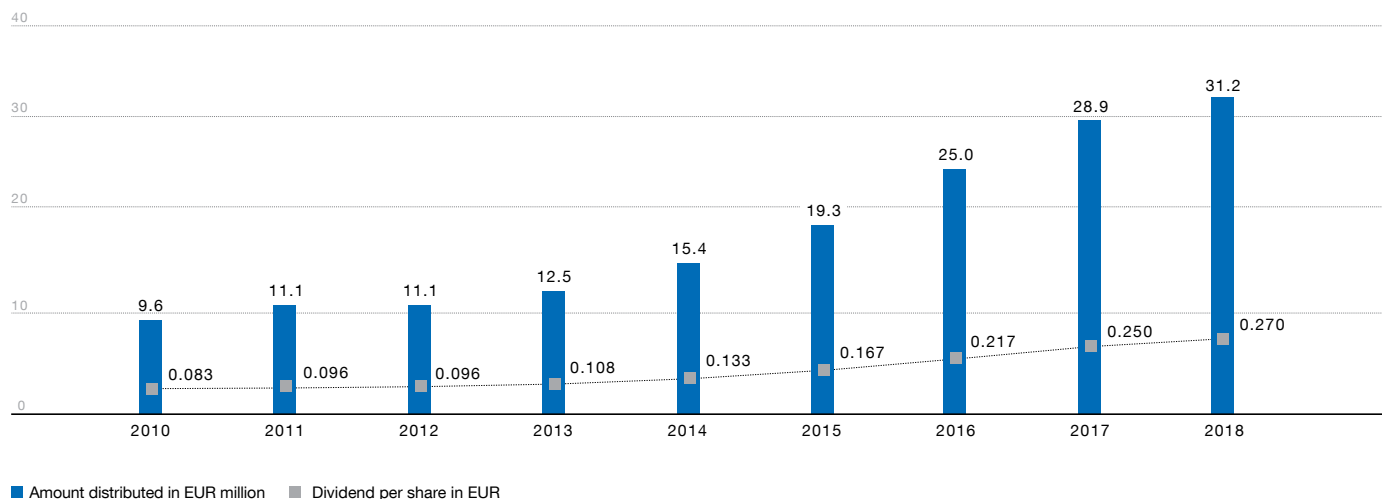
Moreover, the annual general meeting approved the stock split at a ratio of 1:3 proposed by the executive board and the supervisory board, which will be implemented as of June 28, 2019. Every shareholder received two shares for every Nemetschek share

held at no further charge by means of a corresponding depot credit. The stock split was technically carried out by means of a capital increase of the company's funds, as a result of which the nominal capital of Nemetschek SE rose by EUR 77 million from EUR 38.5 million to EUR 115.5 million, divided into 115,500,000 no-par value bearer shares. Given that the overall value remained the same, the estimated price level of the Nemetschek share for the shareholders was accordingly divided by three.

Dividend policy

The Nemetschek Group pursues a sustainable dividend policy that provides for a distribution of around 25% of the operating cash flow. The dividend policy always takes into account the overall economic development and the economic and financial situation of the company.

DIVIDEND PER SHARE AND TOTAL AMOUNT OF DIVIDENDS DISTRIBUTED BASED ON YEAR-OVER-YEAR COMPARISON

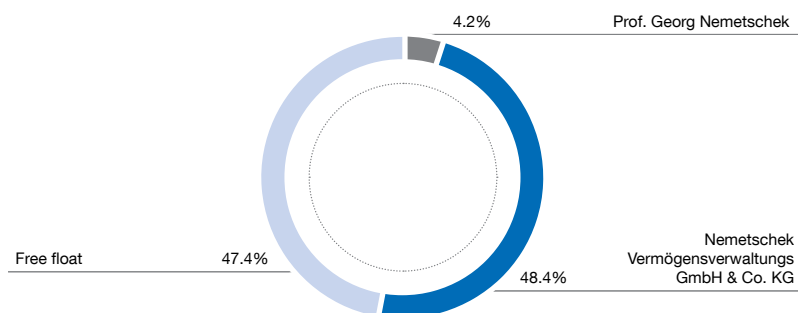


Shareholder structure

The free float amounted to 47.4 percent as of December 31, 2019. It was spread across a regionally widely diversified shareholder structure with a high proportion of international investors, primarily from the USA, France, Great Britain, Switzerland and Scandinavia.

Nemetschek Vermögensverwaltungs GmbH & Co. KG continues to be the biggest shareholder in the company, with a share of 48.4% (55,868,784 shares). Furthermore, 4.2% (4,830,000 shares) are held directly by Prof. Georg Nemetschek. For the shares held by Nemetschek Vermögensverwaltungs GmbH & Co. KG and the shares held directly by Prof. Georg Nemetschek, there continues to be a pooling agreement, which serves to ensure a shareholder structure that is permanently stable.

SHAREHOLDER STRUCTURE*



* Direct shareholdings as of December 31, 2019.

Research coverage

At present, the Nemetschek Group is covered by 14 analysts from various banks and research enterprises that regularly publish studies and commentaries on the current development of the company.

Nemetschek is in regular and constructive communication with all institutes, which in the past financial year was intensified by visits by analysts to company headquarters, various conferences and jointly conducted road shows.

The current price targets of the corresponding analysts can be found on the company website under <https://ir.nemetschek.com/websites/nemetschek/English/1400/analyst-coverage.html>.

Extensive communication with the capital market

The objective of Nemetschek SE is to maintain open and reliable communication with all stakeholders. An ongoing and timely dialog is maintained in order to increase transparency and reinforce trust in the Nemetschek Group.

In the 2019 financial year as well, numerous contacts to existing and potential investors were made. The executive board provided information on the economic situation, corporate strategy and future prospects of the Group within the scope of individual dialogs, road shows and investor conferences, held primarily in financial centers in Europe and North America. Moreover, many investors took advantage of the opportunity to familiarize themselves with the company within the scope of a visit to the Group's headquarters in Munich.

On the occasion of the publication of the statements for the year, half year and quarter, telephone conferences were held during which the board reported on past and future business development and responded to questions from analysts and investors. In addition, Nemetschek SE maintained a close dialog with relevant business media.

KEY FIGURES ON SHARES

	2019	2018
Earnings per share in €	1.10	0.66
Annual performance	84.7	28.1
High in €	59.25	51.13
Low in €	30.41	23.96
Closing price in €	58.80	31.92
Price/earnings ratio	53.45	48.36
Market capitalization in € million	6,791.40	3,686.38
Average number of shares traded per day (Xetra)	224,215	220,922
Average number of outstanding shares	115,500,000	115,500,000

Corporate Governance

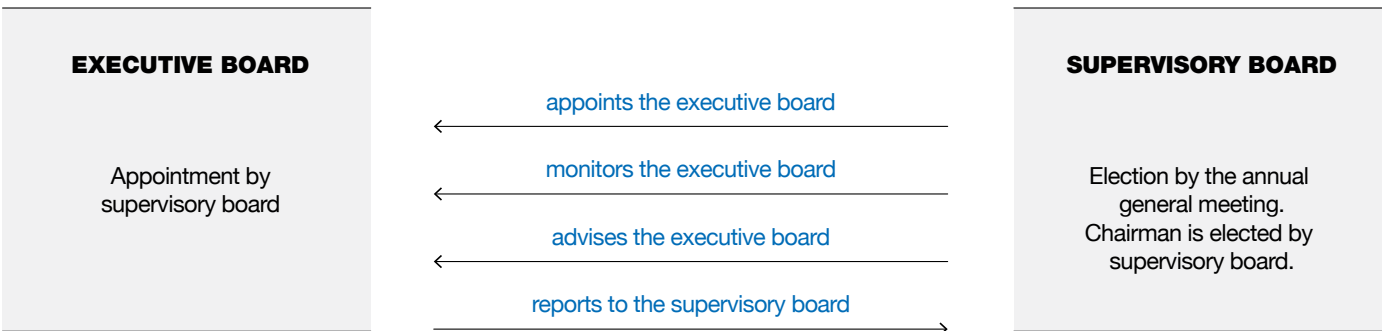
The Nemetschek Group is a globally active corporation with an international shareholder structure. Consequently, the executive and supervisory boards place particular importance on responsible and transparent company leadership and control which is aligned with value creation in the long term. Meaningful and transparent corporate communication, observance of shareholder interests, forward-looking handling of risks and opportunities and efficient and trustful cooperation between the executive board and the supervisory board are the hallmarks of good corporate governance. The latter is conducive to the Nemetschek Group's gaining the trust of shareholders, business partners, employees and the general public. At the same time, these principles are important orientation standards for the management and control of the Group. In the following, the executive board and supervisory

board jointly report on corporate governance at Nemetschek SE as per the German Corporate Governance Code.

Leadership structure and company structure

The Nemetschek Group comprises Nemetschek SE and its Group companies. Nemetschek SE, as a Societas Europaea, has three bodies: the annual general meeting, the supervisory board and the executive board. As owners of the company, the shareholders exercise their rights at the annual general meeting. After conversion of the form of business from a German "Aktiengesellschaft" (AG) to a European SE in 2016, the company retained the dual management and monitoring structure composed of two bodies: the executive board and the supervisory board.

DUAL MANAGEMENT SYSTEM OF NEMETSCHEK SE



Executive board

As in the previous year, the executive board consisted of three members. At the beginning of the 2019 financial year, the supervisory board established a new executive board structure with a stronger focus on the segments. Thus consideration is given to the strategic alignment of the Nemetschek Group, which involves even greater consolidation of the competencies of the brand companies in the four customer-oriented segments: Design, Build, Manage and Media & Entertainment.

After introduction of the new executive board structure, the executive board consisted of the following three members:

- » Viktor Várkonyi, member of the executive board since December 2013, was appointed to the board of the Design segment to go into effect as of February 1, 2019. Consequently, he stepped down from his previous function as CEO of the Graphisoft brand.
- » Jon Elliott, CEO of the Bluebeam brand, was appointed to the board of the Build segment to go into effect as of February 1, 2019; he remained executive board member and CEO of Bluebeam.

- » As before, Patrik Heider, member of the executive board since March 2014, remained Spokesman of the Executive Board and CFOO in 2019. In addition, he was appointed to the board of the Media & Entertainment segment. He left the company of his own accord at the end of the year.

As of January 1, 2020, Dr. Axel Kaufmann was appointed Spokesman of the Executive Board and CFOO of Nemetschek SE by the supervisory board. In addition to these roles, he is responsible for the Media & Entertainment business unit.

The executive board leads the company under its own responsibility. In compliance with corporate interests, the executive board performs its leadership role with the objective of sustainably increasing corporate value. The executive board resolves all matters which are of particular significance and impact for the company or its subsidiaries.

The supervisory board is promptly involved and provided with complete information concerning all decisions which may materially affect the net asset situation, financial situation and earnings situation of the company. The executive board reports to the

supervisory board regularly, quickly and comprehensively in written and verbal form about all relevant topics relating to business development, company planning, strategic alignment, the opportunity and risk situation, risk management and compliance. In the case of acquisition projects, the executive board provides detailed information about project progress and project status at an early stage and coordinates the acquisition and integration processes in close collaboration with the supervisory board.

Supervisory board

In 2019 the composition of the supervisory board, in terms of personnel, remained unchanged vis-à-vis the previous year.

The supervisory board consisted of the following four members:

- » Kurt Dobitsch, Chairman of the supervisory board
- » Prof. Georg Nemetschek, Deputy Chairman
- » Rüdiger Herzog, member of the supervisory board
- » Bill Krouch, member of the supervisory board

The supervisory board serves the executive board in an advisory capacity, monitors the executive board in its management of the company and verifies all significant business transactions for the executive board by examining the documents in question in terms of the Regulation (EC) No. 2157/2001 of the Council on the statute of the European Company (SE-VO), the German SE Implementation Act (SEAG), the German Stock Corporation Act (AktG), the company's Articles of Incorporation and Articles of Association. The supervisory board is also provided with information on the position of segments, including the individual brands and the Group as well as on major developments, by the executive board outside of the regular supervisory board meetings. In this way, it can accompany operating business with advice and recommendations made on an appropriate base of information.

The supervisory board is elected by the annual general meeting. The election of the supervisory board conforms to the recommendations of the German Corporate Governance Code; all supervisory board members are elected individually. The members of the executive board are appointed by the supervisory board. For Nemetschek SE, the appointment of executive board members, like the filling of executive positions, is invariably subject to the relevant criteria of quality and suitability, and is independent of gender. Based on the principle of qualification-based neutrality, Nemetschek SE is assured to best serve the interests of the company.

The supervisory board defines a catalog of business which requires approval as well as a business allocation plan in the Articles of Association for the executive board. The supervisory board acts on the basis of its own rules of procedure. Moreover, together with the executive board, the supervisory board declares the annual financial statements and approves the consolidated financial statements. The chairman of the supervisory board presents the activities of the supervisory board every year in his report to the annual general meeting as part of the annual report.

In accordance with the recommendations of the German Corporate Governance Code, the supervisory board resolved a competence profile for the committee of the Nemetschek SE supervisory board as a whole. Every member of the supervisory board must accordingly meet the prerequisites required by law and the prerequisites as per the Articles of Association for membership in the supervisory board (cf § 100 (1 to 4) of the German Stock Corporation Act – AktG). Every member of the supervisory board must possess the knowledge and skills necessary for due performance of the tasks required of the member by law and by the Articles of Association. The supervisory board must have at least one member who has expertise in the areas of accounting or auditing. The members of the supervisory board as a whole must be familiar with the sector in which the company is active (cf § 100 [5] AktG). Every member of the supervisory board must have sufficient time available and the willingness to dedicate the necessary time and attention to this office. In addition to these general prerequisites, the board as a whole is to meet the following prerequisites in particular:

- » Every member is to have a general understanding of the business of the Nemetschek Group, especially of the worldwide AEC market environment, the individual business segments, the customer requirements, the regions in which the company conducts business, and the strategic alignment of the enterprise.
- » At least one member is to have expertise in the areas of accounting or auditing.
- » At least two members are to fully meet the criterion of internationality or have acquired operational experience in internationally active enterprises.
- » One or more members are to have expertise in the area of business administration.
- » On the board as a whole, one or more members are to have experience in the area of governance, compliance and risk management.
- » All members are to have operational experience in human resources management.

At present, the company's supervisory board considers that the specified targets for the composition of the supervisory board are met.

According to the supervisory board and taking the owner structure of Nemetschek SE into account, all of the members of the supervisory board are independent according to the terms of the German Corporate Governance Code, i.e. none of the members of the supervisory board has a personal or business relationship with Nemetschek SE or with its Group companies, the bodies of Nemetschek SE or a shareholder with controlling interest of Nemetschek SE, which would constitute a major conflict of interest which is not merely temporary.

For the purpose of self-assessment, the supervisory board regularly conducts efficiency evaluations. Additional information on the executive board and the supervisory board, in particular with regard to their working methods and further mandates performed by the members, can be found in the supervisory board's report, in the notes to the consolidated financial statements and in the management report under "Report on enterprise controlling and declaration on corporate management."

Remuneration of executive board and supervisory board

In accordance with the recommendations of the German Corporate Governance Code, Nemetschek SE has been reporting the remuneration of each member of the executive board and supervisory board for some time now. The remuneration of the members of the executive board consists of fixed compensation and the usual additional components such as health and long-term care insurance as well as a company car, and a variable, performance-based compensation. The variable compensation has a current and noncurrent component. The current, performance-based (variable) compensation mainly depends on corporate targets achieved (revenue, EBITA and earnings per share) which are agreed between the supervisory board and executive board at the beginning of each financial year. With a view to corporate management in the long term and in accordance with applicable provisions, the executive board remuneration system also contains a long-term variable component, also referred to as the Long-Term Incentive Plan (LTIP). The amount and payment of this depends on the achievement of specified targets for revenue, operating result and earnings per share as well as previously defined strategic project targets. The period which is relevant for this is always three financial years.

In accordance with the recommendations of the German Corporate Governance Code, the members of the supervisory board receive fixed remuneration. The remuneration report is part of the certified consolidated financial statements. It contains detailed descriptions of the principles of the remuneration systems for the executive board and for the supervisory board as well as an individual declaration of the remuneration.

Compliance and the management of opportunities and risks

Weighing opportunities and risks continuously and responsibly is one of the principles of responsible company leadership. The objective of opportunity and risk management is to develop a strategy and define targets which generate a balanced equilibrium between growth targets and profit targets on the one hand and the risks inherent to such on the other. Please refer to the management report for details on the opportunity and risk management system of the Nemetschek Group.

Compliance

Alignment of the business activities with all relevant laws and standards as well as with the company-internal principles is a basic prerequisite for successful economic activity in the long term. The success of the Nemetschek Group is therefore based not only on a good corporate policy but also on integrity in terms of business ethics, trust and open and fair dealings with employees, customers, business partners, shareholders and other stakeholders.

Compliance culture and targets

Compliance has always been an important component of risk prevention at the Nemetschek Group and is embedded in the company culture. The objective is to act in compliance with all relevant laws, norms, international standards and internal guidelines at all times.

In this context, the Nemetschek Group pursues an approach of preventive compliance and aims for a corporate culture that sensitizes and educates the staff so that potential violations of the rules are avoided from the start. The executive board and executives bear special responsibility in this regard. They are role models and as such are required to ensure adherence to compliance provisions within their area of responsibility, to clearly communicate this expectation to every employee and to consistently set an example for ethical behavior according to the rules within the context of compliance.

Compliance organization

Compliance activities are closely linked to risk management and the internal control system. The business unit Corporate Legal & Compliance controls compliance activities Group-wide. The focus is on creating suitable structures and processes as well as providing support for the efficient implementation of compliance measures. In addition, the business unit Corporate Legal & Compliance is available as a contact partner in the case of individual questions arising from the organization. There is a direct line of reporting to the CFO of the Nemetschek Group.

Compliance program and communication

The compliance structures and measures for ensuring adherence to laws, guidelines and ethical principles are closely aligned with the risk situation of the Nemetschek Group and continuously further developed. The point of departure for compliance activities is the Code of Conduct of the Nemetschek Group, which is binding for all employees. Besides the company website, employees can access the Code of Conduct as well as other company guidelines via the company-internal intranet platform "Nemetschek ONE." Moreover, the Nemetschek Group uses a modern compliance training tool for efficiently and sustainably imparting this subject Group-wide.

Compliance reporting channels, reviews and further development

Reliable reporting channels and the protection of internal information providers against sanctions are major elements in identifying compliance risks.

In addition to directly contacting their supervisor, Nemetschek Group employees can provide information on possible violations of laws or guidelines directly to the Compliance business unit using a specially created separate e-mail account. Furthermore, employees can also report compliance violations to a commissioned international law firm without disclosing their identity. All reported information and violations will be promptly investigated and evaluated; appropriate measures and sanctions will be undertaken as required.

Adherence to internal guidelines and applicable provisions is subject to regular internal audits by the business unit Corporate Audit. The executive and supervisory boards are regularly informed about compliance-relevant issues and the extension of compliance structures as well as planned compliance-related action.

Financial reporting and year-end audit

Nemetschek SE prepares its consolidated financial statements as well as the consolidated interim reports as per the International Financial Reporting Standards (IFRS). The annual financial statements of Nemetschek SE (individual financial statements) are prepared in accordance with the provisions of the German Commercial Code (HGB). The consolidated financial statements are prepared by the executive board, examined by the auditor and approved by the supervisory board. The annual general meeting selected auditing firm Ernst & Young GmbH, Munich, as auditors and Group auditors for the 2019 financial year. The supervisory board commissions the audit and specifies the topics of focus for the audit. It also sets the remuneration for the audit and verifies the independence of the auditor.

Shareholders and the annual general meeting

Shareholders can assert their rights and exercise their voting rights at the annual general meeting. One vote is granted for each Nemetschek SE share. The chairman of the supervisory board chairs the meeting. The executive board presents the consolidated financial statements and annual financial statements, explains the prospects of the company and, together with the supervisory board, answers the shareholders' questions. The invitation to the annual general meeting and the corresponding documents and information are made available on the Nemetschek Group website the day the meeting is called in accordance with stock corporation laws or are made available for viewing in the offices of the company. Nemetschek supports its shareholders in the assertion of their voting rights by appointing voting representatives, who vote according to the instructions of the shareholders.

Transparency and communication

The Nemetschek Group makes open and trustful communication with the shareholders and other stakeholders a priority and maintains a prompt and reliable dialog with them. All capital market-relevant information is published simultaneously in German and English and made accessible on the company's website. This includes annual and quarterly reports, press releases, ad-hoc notifications, information on the annual general meeting and company presentations. The financial calendar with the relevant publication and event dates can also be found there.

Directors' dealings, voting rights and stock option scheme

Nemetschek SE provides information on the trading of company shares by executive board and supervisory board members (directors' dealings) as per Art. 19 of the Market Abuse Regulation (MAR) as well as on reported changes in the shareholdings if the voting thresholds defined in the German Securities Trading Act (WpHG) are reached, surpassed or fallen below. Information on the shares held by the executive board and supervisory board is included in the notes. Nemetschek SE does not have a stock option scheme at the present time.

Declaration of Conformity in accordance with § 161 of the German Stock Corporation Act (AktG) dated December 2019

In December 2019, the supervisory board and executive board submitted an updated Declaration of Conformity as per § 161 of the German Stock Corporation Act (AktG). This is provided in its entirety as a part of the Declaration on Corporate Governance on page 64 of the Consolidated Management Report in addition to being published on the website www.nemetschek.com.

Munich, March 27, 2020

For the Executive Board

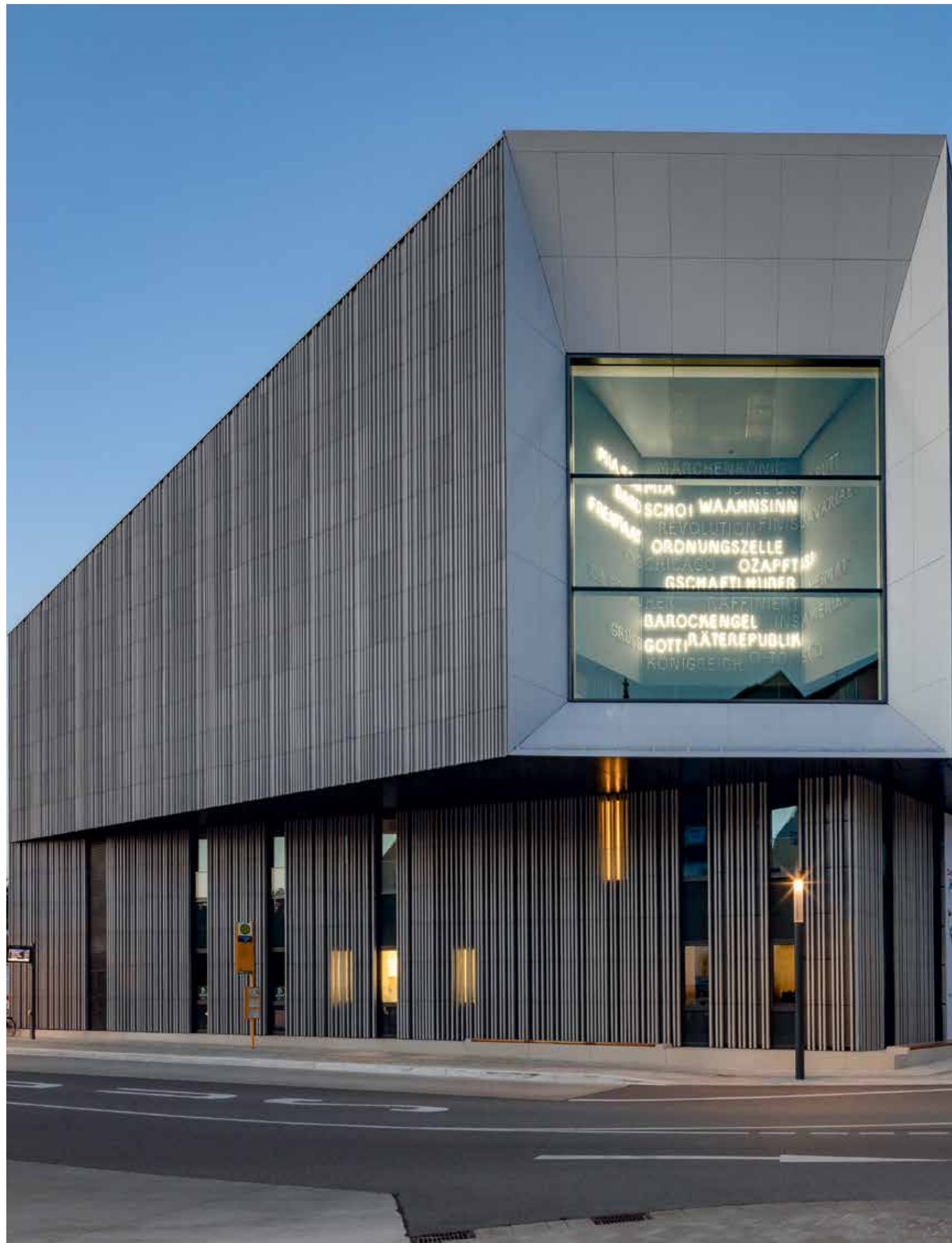
For the Supervisory Board



Dr. Axel Kaufmann
Spokesman of the
Executive Board



Kurt Dobitsch
Chairman of the
Supervisory Board



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