



## 2023 AGM

### Daniel von Stockar, Chairman of the Board of Directors

Dear Shareholders, Dear Ladies and Gentlemen

I am pleased to welcome you all to the Annual General Meeting of SoftwareONE Holding AG.

On behalf of the Board of Directors, I am very pleased that you could join us for our first in-person AGM since becoming a publicly-listed company in 2019. It's also a great pleasure that we could meet at this beautiful location, the KKL in Lucerne, not far from our headquarters in Stans.

Our CEO, Dieter Schlosser, our CFO, Rodolfo Savitzky and the secretary of the Board of Directors, Frank Rossini, are joining me on the podium today.

With the exception of Isabelle Romy and Peter Kurer, the Board of Directors is almost fully represented today.

Also present is the proposed new member of the Board of Directors, Elizabeth Theophille.

Moving on to the financial year 2022. I will start with some remarks on behalf of the Board of Directors. I will then hand over to Dieter Schlosser, who will cover the business developments during the year 2022. Thereafter, we will address the agenda items according to the invitation.

SoftwareOne continued its growth journey in 2022. We did so against a backdrop of inflationary pressures and a worsening economic environment, as well as war in Ukraine. Considering this context, I believe we have much to be proud of. I would like to thank our 9,000 employees around the world for remaining focused on delivering a world-class experience for our clients, and the Executive Board for their leadership and the solid results achieved last year. And, of course, I am grateful to our clients for entrusting SoftwareOne with their technology needs every day.

It is clear that the world continues to change around us, as it has done every year since our IPO, with new geopolitical, macro-economic and financial risks emerging, just as the Covid-19 pandemic has receded. The technology sector has of course not been immune to these developments. But amid this uncertainty, we at SoftwareOne, continue to see opportunity. As a young company founded over 20 years ago, we come from humble roots, but with a strong belief in the power of technology – its ability to break down barriers, create access and make organisations more resilient.

Although we are now a much bigger company, that sense of purpose hasn't changed. And the market opportunity ahead of SoftwareOne is larger than ever. Organisations increasingly prioritise cloud-first digital transformation, even more so in the current climate. Moving to the cloud is also an effective way of mitigating rising energy costs and is therefore also more sustainable compared to on-premise infrastructure. We have invested significantly in our Services business line over the last five years, which puts us in a strong position to not only support clients with their software

purchasing needs, but along their *entire* cloud journeys, helping them deliver business outcomes and optimise the value of their technology spend.

Regarding our financial performance in 2022, we guided for mid-teens gross profit growth and an adjusted EBITDA margin over 25% at the start of the year. The team delivered on these expectations. We also took steps to implement operational excellence across the organisation to drive both effectiveness and efficiency across our commercial, delivery and support functions. In addition, we also increased the level of transparency in our external reporting to allow you to better understand our business and results on a more frequent basis.

From a capital allocation perspective, we have proposed a dividend of 35 rappen per share for 2022, representing the third consecutive increase since our IPO. We will also launch a share buyback programme of up to CHF 70 million after the Q1 Trading update. Naturally, investing in growth remains our priority.

Looking to the future, we have announced important changes to both the Executive Board and the Board of Directors.

Brian Duffy will soon be joining us as new Chief Executive Officer, succeeding Dieter Schlosser. Dieter has been with SoftwareOne for over a decade and CEO for nearly five years. On behalf of the Board, I would like to express our deep gratitude for his contribution. Under his leadership, SoftwareOne has transformed from a reseller into a global software and cloud solutions provider. He led the company through key milestones, including the acquisition of Comparex as well as the IPO. While doing so, he demonstrated unwavering commitment to the company, our people and our core values.

At the same time, we are delighted to welcome Brian to SoftwareOne. A global technology leader, Brian has an impressive track record. He has a proven ability to drive innovation and growth, while forging strong customer relationships. We are confident that he will successfully lead SoftwareOne into its next phase of growth.

We are also proposing important changes to the Board of Directors today, which you will be voting on. They are intended to safeguard the broad and deep expertise represented in the Board while promoting its ongoing renewal. The changes will also further increase its independence, which is favourable from a corporate governance perspective.

That is why, after a decade, I have made the decision to retire as Chairman. I will, however, stand for re-election to the Board and as Chairman of our new Innovation Committee. I also remain a committed shareholder. Current member Adam Warby is proposed as new Chairman. As a highly experienced technology executive and Board Director, he has our full confidence to lead the Board and SoftwareOne going forward. Together with Marie-Pierre Rogers as Vice Chair and new independent Board member Elizabeth Theophille, and four other members standing for re-election, the proposed Board composition would bring the right balance between renewal, continuity and diversity.

As part of the proposed changes, Peter Kurer is not standing for re-election. On behalf of my colleagues, I would like to thank Peter for his great commitment, dedication and valuable contributions over many years. We wish him all the best for the future.

I would also like to say a few words about the new Innovation Committee and its purpose. SoftwareOne operates in highly dynamic markets, where staying at the forefront of innovation and technological change is imperative. We cannot slow down. We must continue to re-imagine how our customers buy, build, and manage their technology in a hybrid cloud environment, by further developing our IP-enabled services portfolio. The Innovation Committee will help us do so and is therefore highly strategic for SoftwareOne, not least as a sounding board for our incoming CEO.

I remain confident that SoftwareOne is well-positioned as a global software and cloud solutions provider in a large and fast-growing market. We have a strong vision for the future, a unique culture and core values, and exceptionally talented teams around the world.

On that basis, SoftwareOne's success story is set to continue.

On behalf of the Board of Directors, dear shareholders, I would like to thank you for your trust and I thank all our employees and entire Executive Board, for having delivered a solid year.

Thank you and I will now hand over to our CEO Dieter Schlosser.

## **Dieter Schlosser, CEO**

Dear ladies and gentlemen, dear shareholders, a warm welcome also from my side.

I would like to start off with an overview of SoftwareOne's achievements and financial results in 2022 and dive into performance by region and business line. Secondly, I will give you an update on what we have achieved last year under our operational excellence programme, an ongoing key initiative making us more effective and efficient. Finally, I will conclude with some personal comments ahead of my handover to Brian Duffy, SoftwareOne's incoming CEO.

### *Key highlights of 2022*

Let's start with SoftwareOne's key achievements in 2022. We delivered a record year, reaching 1 billion Swiss francs in revenues for the first time, along with stable profitability. I wholeheartedly agree with Daniel. This is a result to be proud of. And it wouldn't have been possible without the focus and dedication of the entire SoftwareOne team across our 90 countries, who continued to deliver the right solutions at the highest standards for our clients.

Software & Cloud Services reached a 500 million revenue run-rate by Q4, or close to parity with our Marketplace business line. This shows that our strategy to support clients along their entire cloud journey is the right one, driving share of wallet and recurring revenue.

Furthermore, we continued to attract talent – reaching over 9,000 full-time employees – and made strides in improving gender diversity at all levels. This includes the Executive Board where we welcomed Julia Braun as Chief HR Officer in November.

Lastly, it was great to see the launch of our successful re-brand which is a powerful reflection of our evolution from a reseller into an all-in-one provider.

### *Financial performance*

Moving on to the numbers. We delivered on guidance. Gross profit for the group was up 14% to CHF 940 million in 2022. Adjusted EBITDA was CHF 240 million with a margin of 25.6%, broadly stable compared to prior year.

Overall client demand remained strong in 2022. Organisations continued to push forward with cloud-first digital transformation, achieving greater agility and efficiency. However, they want to move to the cloud in an optimised way, with control over their spend from the beginning. For that, SoftwareOne is the perfect partner. We are a leader in Application Modernisation – building cloud-native applications – and FinOps, or Cloud Financial Management.

On regional performance, all four regions contributed to our growth last year, with each region delivering double-digit growth. EMEA grew by nearly 13%, including the acquisition of Predica, a European leader in Azure cloud transformation. NORAM delivered a strong performance, with gross profit up 15%. Gross profit in APAC increased nearly 14%, while LATAM grew 12%.

With this growth, all regions have now reached scale with gross profit at or above 100 million Swiss francs.

## *Software & Cloud Services*

Moving on to the business lines. Services gross profit grew 27% for the year, driven by our core service lines Cloud Services, Application Services and SAP Services. The adjusted EBITDA margin for 2022 reached 3.4% of gross profit and 9.6% in Q4 – driven partially by seasonality. But we expect this to continue increasing over coming quarters towards the 15% target – as a percentage of revenue – by 2025, or even one year earlier.

## *Software & Cloud Marketplace*

In Marketplace, we saw solid growth of nearly 6% and an adjusted EBITDA margin of 53% of gross profit, a level which we see as being both healthy and sector-leading.

## *Operational excellence*

After a period of accelerated growth, it was important for us to step back and examine the underlying structures of our business and embed an operational excellence programme across the organisation. In this way, we will ensure that we are fit-for-purpose going forward.

The programme is based on three important pillars – commercial effectiveness, optimise our delivery model and right-sized support functions. The initiatives will allow SoftwareOne to drive mid-teens revenue growth in the mid-term, while generating annual cost savings of CHF 50 million. These savings will allow for re-investment into strategic growth areas and innovation.

## *People*

At SoftwareOne we firmly believe that technology does not create impact on its own – it is our people who deliver solutions that work. For that reason, we continued to invest in our talent base last year. We grew to over 9,000 FTEs worldwide, with over 300 new hires to capture the right talent and replace key customer-facing roles.

We look to different ways of closing the talent gap in our industry, while also making a meaningful contribution to society. We tackle this challenge in different ways, including via our Academy. That's why it was great to have 300 Academy apprentices transitioning to full-time hires over the year. The Academy bridges the gap between education and career, by providing talented people educational programs, internships, and employment across the globe.

We also made progress in terms of improving gender diversity at all levels. Senior female leaders now represent 27%, up 5 percentage points compared to 2021.

In addition, we developed our employees by supporting them in gaining certifications – alone in Microsoft and AWS, more than 1,000 new certifications were achieved.

These are not mere statistics. These numbers mean that SoftwareOne has the right people and capabilities to continue driving the business forward.

## *Key takeaways*

To recap, SoftwareOne is well-positioned in large and growing markets, with the cloud opportunity offering long-term sustainable growth.

We have built a 9,000 strong expert team at SoftwareOne – and, as just mentioned, will continue to invest in our talent base.

Thirdly, with our operational excellence programme, we are finding ways to work smarter and reduce complexity in the organisation.

And finally – continuing to innovate and challenge the status quo will be absolutely critical.

I would like to conclude my presentation at this Annual General Meeting on a more personal note. As announced last month, I am stepping down as CEO and will shortly be handing over to Brian Duffy. With Brian, I am convinced that SoftwareOne has found a strong leader to write the next chapter of growth.

Reflecting on the past ten years with SoftwareOne, I could not be prouder of our journey and what we have achieved as a team. We've grown from a reseller into a global software and cloud solutions provider, celebrating many successes along the way, not least our IPO and several large acquisitions. For this, I would like to thank the entire SoftwareOne team– it's been a true privilege and an honour. I would also like to thank the Executive Board for its leadership and dedication and the Board of Directors for our great cooperation over the years.

And of course, I thank our clients for their trust, and on behalf of the Executive Board, I thank you, our valued shareholders, for your support and confidence.