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# Historical quarterly financials

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April 2023

# Changes in revenue recognition due to IFRS 15

- Following a tentative decision by IFRS IC on 'Principal versus Agent', SoftwareOne recognised revenue from Software & Cloud Marketplace on a net basis for FY2021 onwards
- Based on an assessment of additional implications of the final IFRS guidelines, SoftwareOne has further restated revenue for 2021 and 2022 as follows:
  - In *Software & Cloud Marketplace*, net revenue relating to on-premise three-year Microsoft Enterprise Agreements was booked upfront for the entire three-year term, as the performance obligation as an agent is fulfilled at inception of the contract; previously it was booked annually
    - The resulting negative impact on net revenue is reflected in the adjustments to EBITDA
  - In *Software & Cloud Services*, two changes were implemented:
    - Revenue relating to certain service contracts in which SoftwareOne acts as agent has been recognised net of delivery costs, rather than on a gross basis
    - Revenue relating to contracts which include tooling costs (e.g. Flexera) has been recognized net of the related tooling costs
- **Further detail on the changes in accounting policies and restatements can be found under Note 2 in the 2022 Annual Report (page 102 onwards)**

# Quarterly summary by business line (on a restated basis)

CHFm	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022
Revenue Solutions & Cloud Marketplace	123.5	144.2	112.3	153.7	533.6	121.9	152.8	119.4	151.2	545.3
Revenue Software & Cloud Services	80.5	97.6	91.3	114.7	384.1	107.3	121.5	110.8	126.2	465.7
<b>Total revenue</b>	<b>203.9</b>	<b>241.8</b>	<b>203.6</b>	<b>268.4</b>	<b>917.7</b>	<b>229.2</b>	<b>274.2</b>	<b>230.2</b>	<b>277.4</b>	<b>1,011.0</b>
<b>Delivery costs</b>	<b>(70.2)</b>	<b>(83.1)</b>	<b>(75.4)</b>	<b>(93.9)</b>	<b>(322.6)</b>	<b>(92.7)</b>	<b>(95.8)</b>	<b>(88.0)</b>	<b>(98.1)</b>	<b>(374.6)</b>
Contribution margin Solutions & Cloud Marketplace	105.2	125.6	94.5	135.6	460.9	101.9	135.3	102.0	132.0	471.3
Contribution margin Solutions & Cloud Services	28.6	33.1	33.6	38.9	134.2	34.6	43.1	40.2	47.3	165.1
<b>Total contribution margin<sup>(1)</sup></b>	<b>133.8</b>	<b>158.7</b>	<b>128.1</b>	<b>174.5</b>	<b>595.1</b>	<b>136.5</b>	<b>178.4</b>	<b>142.2</b>	<b>179.3</b>	<b>636.4</b>
<i>Contribution margin (% of revenue)</i>	<i>65.6%</i>	<i>65.6%</i>	<i>62.9%</i>	<i>65.0%</i>	<i>64.8%</i>	<i>59.6%</i>	<i>65.1%</i>	<i>61.8%</i>	<i>64.6%</i>	<i>62.9%</i>
<b>SG&amp;A</b>	<b>(92.5)</b>	<b>(90.9)</b>	<b>(93.0)</b>	<b>(99.4)</b>	<b>(375.7)</b>	<b>(94.4)</b>	<b>(102.6)</b>	<b>(97.3)</b>	<b>(101.6)</b>	<b>(396.0)</b>
Adjusted EBITDA Solutions & Cloud Marketplace	60.1	80.5	51.4	89.3	281.4	58.8	87.4	58.1	84.7	289.1
Adjusted EBITDA Software & Cloud Services	(4.2)	(2.0)	(2.8)	3.1	(5.8)	(3.6)	5.9	1.4	9.9	13.6
Corporate costs	(14.6)	(10.7)	(13.5)	(17.3)	(56.2)	(13.1)	(17.5)	(14.7)	(17.0)	(62.2)
<b>Adjusted EBITDA<sup>(2)</sup></b>	<b>41.3</b>	<b>67.8</b>	<b>35.1</b>	<b>75.2</b>	<b>219.4</b>	<b>42.1</b>	<b>75.8</b>	<b>44.9</b>	<b>77.7</b>	<b>240.4</b>
<i>Adjusted EBITDA margin (% of revenue)</i>	<i>20.2%</i>	<i>28.1%</i>	<i>17.3%</i>	<i>28.0%</i>	<i>23.9%</i>	<i>18.4%</i>	<i>27.7%</i>	<i>19.5%</i>	<i>28.0%</i>	<i>23.8%</i>

(1) Total revenue net of third-party service delivery costs and directly attributable internal delivery costs

(2) Includes adjustments for impact of change in revenue recognition of Microsoft Enterprise Agreements, share-based compensation, IPO, M&A & integration-related expenses, restructuring expenses and Russia-related loss

# Quarterly adjusted EBITDA bridge

CHFm	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022
<b>IFRS Reported EBITDA</b>	<b>34.0</b>	<b>57.1</b>	<b>23.1</b>	<b>42.7</b>	<b>156.9</b>	<b>25.0</b>	<b>17.0</b>	<b>31.6</b>	<b>63.3</b>	<b>136.9</b>
Change in revenue recognition of Microsoft Enterprise Agreements	(0.6)	2.1	(0.2)	2.1	<b>3.3</b>	0.5	3.4	1.1	1.7	<b>6.6</b>
Share-based compensation	3.8	4.0	3.9	1.4	<b>13.2</b>	1.8	1.6	1.2	(0.4)	<b>4.3</b>
Integration expenses, M&A and earn-out expenses	4.2	4.6	8.3	19.7	<b>36.7</b>	8.4	15.9	9.9	10.0	<b>44.3</b>
Transformance-related expenses / Restructuring expenses	-	-	-	9.3	<b>9.3</b>	6.4	2.1	1.1	3.6	<b>13.1</b>
Russia related-loss	-	-	-	-	-	-	35.8	0.0	(0.5)	<b>35.2</b>
<b>Adjusted EBITDA</b>	<b>41.3</b>	<b>67.8</b>	<b>35.1</b>	<b>75.2</b>	<b>219.4</b>	<b>42.1</b>	<b>75.8</b>	<b>44.9</b>	<b>77.7</b>	<b>240.4</b>

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