



AGM 2024

Chairman's Letter to Shareholders

To all Shareholders of SoftwareOne

19 March 2024

Call to Action – YOU decide on the future of SoftwareOne

Dear Shareholder

Our company's Annual General Meeting will take place in Lucerne on April 18, 2024.

Your participation is essential to ensure that the company's future can be decided in the interests of as many shareholders as possible. It is precisely this future that is at stake on April 18.

As you know, last year, three block shareholders holding 29% of SoftwareOne shares planned to sell the company to a US private equity investor, Bain Capital. One of them is the current board member and former Chairman of the Board of Directors, Daniel von Stockar. He entered into confidential discussions with Bain Capital without disclosing his conflict of interest to the board and the newly appointed CEO.

The proposed transaction would have allowed the block shareholders to retain their investment in the company, while the remaining shareholders would have been offered only a price for their shares that was significantly lower than the company's fair value as determined by independent experts.

Consistent with its fiduciary duties to all shareholders, the board negotiated in good faith with Bain Capital. However, for the Board of Directors to recommend any transaction, the price should be fair, and all shareholders should benefit from it. The block shareholders and Bain Capital's plan never fulfilled this requirement, and ultimately, no concrete offer was ever made. After comprehensive due diligence, which required significant management attention and active involvement, Bain Capital only made a non-binding and conditional price indication that did not reach the fair enterprise value of SoftwareOne. Bain Capital was also unable or unwilling to show us how it intended to secure the execution and financing of such a transaction.

In the meantime, Bain Capital has dissolved the agreement with the 29% block shareholders and confirmed in writing unequivocally that there is no prospect of a transaction and that a public offer in the near future is unlikely. Thus, the board is confident that no such offer, acceptable or otherwise, will be made by Bain Capital in the foreseeable future.

This does not prevent the 29% block shareholders from continuing to pursue their goal. They now intend to replace the current board at the next AGM to push through a sale of the company even without evidence of a buyer.

A complete replacement of the Board of Directors would be detrimental to SoftwareOne

We believe that the proposal put forward by the 29% block shareholders to completely replace the Board of Directors is detrimental to the company and all stakeholders, as it will create ongoing uncertainty and continued distraction to management from focusing on delivering results and executing Vision 2026. This is highly likely to negatively impact results in the medium term, destroy value in the company and hence be detrimental to shareholders:

SoftwareOne has an independent, highly competent, and diverse Board of Directors. It has been almost a year since the Chair was replaced and a new CEO was appointed. Given the board's international experience and breadth of industry expertise, it meets the standards that apply to a company with a global presence in over 60 countries in the highly dynamic software and cloud solutions business.

This board has focused on operational excellence and created the leadership capability to accelerate SoftwareOne's transformation. Together with a newly appointed professional and experienced management team under the leadership of CEO Brian Duffy, we have laid the foundations for a successful execution of our Vision 2026 strategy, as presented during our recent Capital Market Day.

We firmly believe that SoftwareOne is very well positioned to create value for all shareholders, future investors and employees under this current management and governed by a competent Board.

If the all-new board proposed by the 29% block shareholders is elected at the forthcoming AGM and as publicly stated focuses on a quick sale, it will create another period of uncertainty and instability for the company, its management, employees, and customers - overseen by a board inexperienced in running a global technology company. This is highly likely to negatively impact the focus on results in the short term and harm value creation for shareholders.

As all the proposed board members are nominated by the 29% block shareholders, their independence from these shareholders is questionable. This would create an irreconcilable conflict of interest between them and the other shareholders, make a proposed takeover subject to legal disputes, and, not least, expose it to the risk of adverse scrutiny by the financial market authorities.

The current board is open to consider any fair purchase offer

The Board of Directors emphasizes its loyalty to all SoftwareOne shareholders. We remain open to considering and recommending any purchase offer representing a fair value option for all shareholders and providing adequate transaction certainty. We believe that the company and its shareholders would be better represented and served by an independent Board of Directors, as currently constituted, than a board that is constituted with the sole intended purpose of taking the company into private ownership.

A balanced board is in everyone's interest

However, we do not want to ignore the requests made by the 29% block shareholders and are open to recommending a proportionate number of their nominees for election to the Board of Directors.

The Board of Directors firmly believes that a balanced board would be in the best interests of all stakeholders. This would also help restore calm to the company and allow management to focus on leading it, meeting its growth and profitability objectives, and implementing Vision 2026. Such a board would create continuity and commit to consider a potential future transaction after a period.

However, the nominees collectively declined to engage in any contact with the current Board of Directors. We regret this, as a dialogue with them would have enabled us to assess their qualifications and intentions properly and to publish this to shareholders. In addition, at all relevant times, the board reached out to the 29% block shareholders members to find a joint solution. Regrettably, they were unwilling to compromise and negotiate a mutually agreed solution.

Nevertheless, for the reasons stated above, in addition to the proposed re-election of Chairman Adam Warby and the board members Marie-Pierre Rogers, Elizabeth Theophille, Jim Freeman and José Alberto Duarte, and the election of Till Streichert as a new member, the Board of Directors recommends that the shareholders re-elect Daniel von Stockar and elect Annabella Bassler and Andrea Sieber as representatives of the 29% block shareholders to the Board of Directors. If elected, the Board of Directors intends to appoint Till Streichert as new Chair of the Audit Committee.

Exercise your voting rights at the upcoming AGM!

We ask you to consider your vote carefully based on the corresponding recommendations of the Board of Directors.

To do so, your shares must be entered in the share register by April 10 at the latest. Once registered, you will receive the proxy materials in good time or be admitted to the Annual General Meeting, should you wish to attend in person.

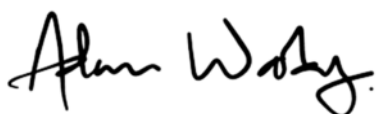
If you have any questions, please do not hesitate to contact our dedicated shareholder hotline on +41 43 550 72 52 or via softwareone@investor.morrowsodali.com. Further documentation is also available in the AGM section of our Website (<https://www.softwareone.com/en/investors/annual-general-meeting>).

Together with the entire Board of Directors, we look forward to welcoming as many of you as possible to our 2024 Annual General Meeting at the KKL in Lucerne on April 18.

Yours sincerely

SoftwareOne Holding AG

For the Board of Directors



Adam Warby, Chairman