



**Additional information for SoftwareOne Shareholders regarding the Strategic Review**

**To all Shareholders of SoftwareOne**

26 March 2024

Dear Shareholder

Ahead of our company's Annual General Meeting on April 18, 2024, we are providing our shareholders with further details on our Board's fulsome strategic review initiated on July 24, 2023 and concluding January 15, 2024.

The announcement of the Board's strategic review on July 24, 2023 came as a response to two unsolicited offers by the shareholder group from May 31, 2023 and July 18, 2023, valuing the company at CHF18.50 per share and CHF19.50-CHF20.50 per share respectively. As communicated on July 24, 2023, the Board unanimously agreed, upon advice from its financial and legal advisors, that the second indicative offer did not adequately value the company and was not in the best interest of SoftwareOne and its shareholders. This decision was also supported by many of our most significant shareholders. As a consequence, a strategic review of all potential options to the benefit of the Company and all shareholders was announced and commenced.

As part of this strategic review, a total of 19 parties were approached upon instruction by the Board, and in consultation with the Company's financial and legal advisors, beginning August 2023, which included both strategic parties and financial sponsors. Of these parties, 7, including Bain Capital, signed a non-disclosure agreement and received a confidential information memorandum on September 19, 2023 and a process letter asking for non-binding offers by October 11, 2023.

On October 11, 2023, the non-binding offer deadline, the Board received only one non-binding, highly conditional offer by Bain Capital, as all other interested parties, both strategic and financial, determined not to put forward a bid to proceed to the next round. The value set forward by Bain Capital remained unchanged at CHF19.50-20.50 per share compared to their last non-binding offer submitted on July 18, 2023. While the reasons for the withdrawals varied amongst the parties, there was a consensus around the fact that Bain Capital had a competitive advantage since all other parties were dependent on the founding shareholders being open to working with other interested parties. Unfortunately we have not received any positive feedback from the founding shareholders that such openness existed. In fact, the founding shareholders emphasized, at their sole discretion, that they were committed to Bain Capital and that they were not considering any alternative absent a Bain offer.

Upon our request, Bain Capital submitted an addendum to the non-binding, highly conditional offer on October 20, 2023, addressing clarifications on target leverage, transaction financing and content of Bain Capital's agreement with the three founding shareholders.

Following the submission of the addendum to the non-binding, highly conditional offer, the second round of the process started on October 26, 2023 with Bain Capital only. We have planned for 5 weeks of customary due diligence which the Board considered to be an accelerated second round process for a transaction of this type. As part of the second process letter, the Board asked Bain Capital to submit a binding offer by December 1, 2023 with customary financing commitments as well as an executable transaction agreement as a prerequisite to launch a public offer. The format of the second round included comprehensive due diligence access through a virtual data room, a weekly structured and extensive Q&A process as well as management presentations and expert sessions. At the request of Bain Capital, we tailored these sessions to the due diligence requirements and key focus areas of Bain Capital. During the due diligence process, the SoftwareOne team worked extensively to address any and all questions and data requests of Bain Capital and their financial and commercial advisors. At no time during the due diligence process were concerns raised by the Bain Capital side around our ability and willingness to deliver all requested information by the Company and/or its advisors.

Towards the end of November 2023, we were informed by Bain Capital that they would not be able to meet the binding offer deadline and requested an extension by 1-2 weeks which the Board promptly accommodated. One week later, a second extension request was communicated to the Company by Bain, aiming to submit a binding offer by mid-December 2023. Also, the second request for extension was accommodated.

Ultimately, **no** binding offer was submitted at any time, but on December 17, 2023 Bain Capital submitted a revised, highly conditional proposal which was subject to additional confirmatory due diligence and other conditions. The revised proposal reflected a downward revision of the value indication from CHF19.50-20.50 per share to CHF18.80 per share and did not include any financing commitment but merely highly confident letters from various financing banks. The revised proposal was below the lower end of the valuation range determined by an independent fairness opinion which we have procured in parallel to the process. Additionally, no markup of the transaction agreement was submitted, and it was also mentioned that internal approvals were yet to be obtained. SoftwareOne acknowledged the receipt of the revised non-binding offer and communicated its disappointment to Bain Capital that no binding offer was submitted. Nevertheless, we were prepared to accommodate any final confirmatory due diligence requirements to support Bain Capital in putting forward a superior, reaching a level to be at least in line with the lower end of the independent fairness opinion valuation range.

Following further discussions with Bain Capital in the early days of 2024, it became evident that Bain Capital would not put forward a binding offer with necessary financing commitments in a reasonable timeframe. Furthermore, the valuation gap vis-à-vis the lower end of the fairness opinion range continued to be meaningful with no indications from Bain Capital that there was a path to even partially close the gap.

As a result, on January 15, 2024 SoftwareOne, concluded the strategic review after actively addressing 19 strategic and financial parties, and as a result the Board made clear its conviction that SoftwareOne is well placed to create shareholder value as a standalone public company with further details to be presented on the capital markets day in February 2024. The key elements of the

strategy set forth in the capital markets day to drive shareholder value regardless of a bid for the company are the following:

- **Highly attractive market opportunity** driven by software & cloud growth, enhanced by growth priorities and bolt-on M&A
- **Solid foundation** for next chapter of growth with new leadership team and strengthened organisation through operational excellence
- **Focus on leveraging “lead” business** of software & cloud and value-added services, along with “expand” offerings in high-growth segments such as data & AI
- **Sharpened execution** across go-to-market, supported by segmentation model, coupled with portfolio innovation, delivery excellence and talent management
- **Vision 2026:** strongly positioned to deliver profitable growth and shareholder value

The Board has taken all reasonable action with respect to approaches, will continue to do so, and in the absence of which has a plan to generate great value for all of our shareholders. The founding shareholders have only provided one plan – a sale of the company (to themselves and a financial partner), and, as we have seen, regardless of all of the interests of all our shareholders. The Board has even sought to resolve this outside of the AGM through reasonable settlement proposals – but Daniel von Stockar, on behalf of the shareholder group has chosen unilaterally to not pursue any such discussions.

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.

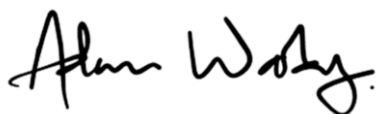
If you have any questions, please do not hesitate to contact our dedicated shareholder hotline on +41 43 550 72 52 or via [softwareone@investor.morrowsodali.com](mailto:softwareone@investor.morrowsodali.com). Further documentation is also available in the AGM section of our Website (<https://www.softwareone.com/en/investors/annual-general-meeting>).

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

A handwritten signature in black ink that reads "Adam Warby". The signature is written in a cursive, flowing style.

Adam Warby, Chairman