Media Release – ad hoc announcement pursuant to Art. 53 LR

SoftwareONE delivers strong growth in Q1 2022 and reiterates full-year guidance

Stans, Switzerland 119 May 2022 – SoftwareONE Holding AG, a leading global provider of end-to-end software and cloud technology solutions, today announced a trading update relating to its Q1 2022 results.

- Gross profit at the group level grew 14.6% YoY ccy to CHF212.9 million in Q1 2022
- Solutions & Services continued its strong growth trajectory with gross profit growth of 39.5% YoY ccy, driven by Xsingles and Cloud Services, as well as strategic acquisitions
- Gross profit in Software & Cloud grew 1.1% YoY ccy, in the context of a strong comparative quarter due to an exceptional vendor payment last year; Underlying gross profit growth for Software & Cloud was higher than in H2 2021
- Adjusted EBITDA margin of 19.8% was down 1.9pp YoY, impacted by the exceptional vendor payment last year; Underlying Adjusted EBITDA margin significantly improved compared to Q1 2021
- Adjusted operating expenses remained broadly flat compared to Q4 2021, reflecting the positive impact of Transformation-related cost savings
- Outlook for full-year 2022 reiterated on the back of continued strong demand environment and focus on driving operational efficiencies

Dieter Schlosser, CEO of SoftwareONE said, “We are pleased with our performance this quarter, in particular the strong underlying growth momentum across the business, which is a testament to the strength of our business model and strategy. While capitalizing on market opportunity, we are also taking concrete steps to drive efficiencies and ensure that operating expenses grow significantly below gross profit in order to deliver profitable growth. Consequently, we remain confident in our full-year outlook as communicated in March.”

Key figures

<table>
<thead>
<tr>
<th>CHFm (unless otherwise indicated)</th>
<th>Q1 2022</th>
<th>Q1 2021</th>
<th>% δ (CCY)</th>
<th>% δ (Reported)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross profit from Solutions &amp; Services</td>
<td>91.0</td>
<td>67.5</td>
<td>39.5%</td>
<td>34.9%</td>
</tr>
<tr>
<td>Gross profit from Software &amp; Cloud</td>
<td>121.9</td>
<td>123.5</td>
<td>1.1%</td>
<td>(1.3)%</td>
</tr>
<tr>
<td>Gross profit</td>
<td>212.9</td>
<td>190.9</td>
<td>14.6%</td>
<td>11.5%</td>
</tr>
<tr>
<td>Adjusted operating expenses</td>
<td>(170.9)</td>
<td>(149.6)</td>
<td>17.7%</td>
<td>14.2%</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>42.1</td>
<td>41.3</td>
<td>3.1%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Adjusted EBITDA margin (%)</td>
<td>19.8%</td>
<td>21.6%</td>
<td>-</td>
<td>(1.9)pp</td>
</tr>
</tbody>
</table>

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Strong growth momentum across business lines and regions

SoftwareONE’s business exhibits strong seasonality driven by promotional activity in conjunction with Microsoft’s financial year-end in June and corporate spending patterns in December. This results in Q2 and Q4 typically being the strongest quarters of the year from both a gross profit and profit margin perspective.

In Q1 2022, gross profit at the group level increased by 14.6% YoY ccy to CHF12.9 million, compared to CHF90.9 million in Q1 2021 which included an exceptional vendor payment in Software & Cloud.

Solutions & Services achieved gross profit growth of 39.5% YoY ccy to CHF91.0 million in Q1 2022, up from CHF67.5 million during the prior year period. This was driven in particular by strong momentum in XSimples – standardized managed solutions for SMEs – and Cloud Services (Azure), as well as strategic acquisitions.

Underlying gross profit growth for Software & Cloud in Q1 2022 was higher than in H2 2021, driven by a sustained recovery in the company’s hyperscaler (Microsoft, AWS, Google) practices and ISV (Independent Software Vendor) portfolio.

By geography, all regions reported double-digit gross profit growth in constant currency, supported by strong structural demand at the global level.

Implementation of Transformance and operational efficiencies

Adjusted EBITDA for Q1 2022 was CHF42.1 million, increasing 3.1% YoY ccy compared to CHF41.3 million during the prior year period, while the Adjusted EBITDA margin was down by 1.9pp YoY. Both metrics were impacted by an exceptional vendor payment in the comparative quarter.

Underlying Adjusted EBITDA growth exceeded gross profit growth in Q1 2022, while the underlying Adjusted EBITDA margin significantly improved compared to Q1 2021.

Total adjusted operating expenses in Q1 2022 amounted to CHF170.9 million, increasing 17.7% YoY ccy compared to Q1 2021, while remaining broadly flat sequentially as a result of Transformance-related cost savings.

During the quarter, SoftwareONE also initiated an evaluation of additional measures to drive increased operational efficiencies going forward.

Update on situation in Ukraine and Russia

In early 2022, SoftwareONE took steps to safeguard its employees and their families in Ukraine and expressed solidarity with all those affected by the unprovoked war initiated by the Russian government.

Following a suspension of a significant part of its sales and business operations in Russia in March, SoftwareONE recently divested its Russian business and transitioned its employees to the new owner.

SoftwareONE’s combined exposure to Ukraine and Russia amounted to approximately 1.5% of gross profit in 2021. As of today, the company has not noted a material impact of the war on the rest of its business.
Outlook for financial year 2022 reiterated

SoftwareONE continues to expect a strong market environment and demand growth as organizations pursue cloud-first digital transformation. In addition, SoftwareONE has increased its focus on driving operational efficiencies, which is expected to benefit its level of profitability.

Based on its Q1 2022 performance, SoftwareONE reiterates its full-year guidance for 2022, assuming no material deterioration in the macroeconomic environment, particularly in the context of the war in Ukraine:

- ‘Mid-teens’ gross profit growth for the group in ccy;
- Adjusted EBITDA margin above 25%;
- Dividend pay-out ratio of 30-50% of adjusted profit for the year.

Increased financial disclosure

SoftwareONE has brought forward its plans to report Adjusted EBITDA by business line to H1 2022 from the previously announced FY2022 timeline. The new financial reporting will include adjusted definitions for the line items ‘cost of goods sold’ and ‘operating expenses’ to better reflect business performance of each business line. These changes will have no impact at the revenue and EBITDA levels.

SoftwareONE will communicate in due course the revised accounting definitions for these line items and restated historical business line financials and guidance to facilitate the transition to the new financial reporting.
RESULTS OVERVIEW

Reconciliation – Reported to Adjusted EBITDA

<table>
<thead>
<tr>
<th>CHFm</th>
<th>Q1 2022</th>
<th>Q1 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported EBITDA</td>
<td>25.5</td>
<td>33.3</td>
</tr>
<tr>
<td>Share-based compensation</td>
<td>1.8</td>
<td>3.8</td>
</tr>
<tr>
<td>IPO, integration and M&amp;A and earn-out expenses</td>
<td>8.4</td>
<td>4.2</td>
</tr>
<tr>
<td>Transformance-related expenses</td>
<td>6.4</td>
<td>-</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>42.1</td>
<td>41.3</td>
</tr>
</tbody>
</table>

Source: Management view

Q1 2022 DOCUMENTS

The Q1 2022 Trading update documents can be found on SoftwareONE’s website in the Results Center.

Please see the 2021 Annual report (page 31 of the PDF version) for the definitions of Alternative Performance Measures used in this media release.

CALL FOR INVESTORS, ANALYSTS AND THE MEDIA

A webcast for investors, analysts and the media with Dieter Schlosser, CEO and Rodolfo Savitzky, CFO will be held today at 9.00 CEST and may be joined via the link Audio webcast.

To actively participate in the Q&A session, please join via telephone instead:

- Switzerland: +41 445807145
- Germany: +49 6922222625
- UK: +44 2071 928338
- US: +1 6467413167

Enter the PIN: 8776945#

Other international numbers are available here. Please join 10-15 minutes before the webcast is due to start.

The webcast will be archived and a digital playback will be available approximately one hour after the event in the Results Center.

CORPORATE CALENDAR

- 2022 Half-year results & Half-year report: 25 August 2022
- 2022 Q3 Trading update: 23 November 2022
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ABOUT SOFTWAREONE
SoftwareONE is a leading global provider of end-to-end software and cloud technology solutions, headquartered in Switzerland. With an IP and technology-driven services portfolio, it enables companies to holistically develop and implement their commercial, technology and digital transformation strategies. This is achieved by modernizing applications and migrating critical workloads to public clouds, while simultaneously managing and optimizing the related software and cloud assets and licensing. SoftwareONE’s offerings are connected by PyraCloud, its proprietary digital platform, which provides customers with data-driven, actionable intelligence. With around 8,700 employees and sales and service delivery capabilities in 90 countries, SoftwareONE provides around 65,000 business customers with software and cloud solutions from over 7,500 publishers. SoftwareONE’s shares (SWON) are listed on SIX Swiss Exchange. For more information, please visit SoftwareONE.com.

SoftwareONE Holding AG, Riedenmatt 4, CH-6370 Stans

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING AND NON-IFRS INFORMATION

This media release may contain certain forward-looking statements relating to SoftwareONE Holding AG (the ‘Company’) and each of its subsidiaries and affiliates (jointly referred to as ‘SoftwareONE’ or the ‘group’) and its future business, development and economic performance. Such statements may be subject to a number of risks, uncertainties and other important factors, such as but not limited to force majeure, competitive pressures, legislative and regulatory developments, global, macroeconomic and political trends, the group’s ability to attract and retain the employees that are necessary to generate revenues and to manage its businesses, fluctuations in currency exchange rates and general financial market conditions, changes in accounting standards or policies, delay or inability in obtaining approvals from authorities, technical developments, litigation or adverse publicity and news coverage, each of which could cause actual development and results to differ materially from the statements made in this media release. SoftwareONE assumes no obligation to update or alter forward-looking statements whether as a result of new information, future events or otherwise.

Certain financial data included in this media release consists of non-IFRS or adjusted financial measures. These non-IFRS or adjusted financial measures may not be comparable to similarly titled measures presented by other companies, nor should they be construed as an alternative to other financial measures determined in accordance with IFRS. You are cautioned not to place undue reliance on any non-IFRS or adjusted financial measures and ratios included herein. In addition, certain financial information contained herein has not been audited, confirmed or otherwise covered by a report by independent accountants and, as such, actual data could vary, possibly significantly, from the data set forth herein.