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Press release

## Axway announces entering into exclusive discussions to acquire most of Sopra Banking Software activities

**Paris, February 21, 2024 – Axway today announces entering into exclusive discussions regarding the potential acquisition of most of Sopra Banking Software (“SBS”) activities, which are currently part of Sopra Steria Group. This acquisition would fit perfectly Axway’s medium-term strategic roadmap, as outlined by the company over the last few years, creating a new enterprise software house with critical scale.**

Axway is constantly analyzing the different strategic options open to the company to ensure the success of its growth and profitability roadmap. In this respect, the acquisition of most of SBS activities would represent a unique opportunity for Axway to expand its product portfolio and continue its development by capitalizing on its recent performance. SBS, a recognized provider of banking and financial software, would benefit from the scale and experience of a global software structure that has already transitioned to a subscription-based business model.

Axway and SBS already share a large part of their DNA. Both companies were born within Sopra Steria Group and have a common set of values, built around an independent enterprise project and a strong commitment to sustainable value creation for their stakeholders. Many mutual customers testify, through their loyalty, to the solidity of this relationship. Axway is also an OEM partner of SBS through its API Management offering, and has for many years enriched the functionalities of SBS applications with its integration solutions.

If completed, the combination would give rise to a new enterprise software house with critical scale, able to meet banking application and integration needs with increased firepower and visibility thanks to the expertise of around 5,000 employees worldwide.

The SBS activities concerned by the operation generated revenue of around €340m in 2023, representing around 80% of the subsidiary’s total revenue. The combined entity would achieve revenue of around €650m, well beyond Axway’s medium-term ambition as the company will be more than doubling its current revenue.

Axway would acquire the SBS activities concerned by the operation for an enterprise value of €330m. This value is subject to confirmatory due diligence and will be reviewed by an independent expert (Cabinet Finexsi<sup>1</sup>). Axway intends to finance the contemplated transaction through the combination of a c.€130m capital increase with preferential subscription rights<sup>2</sup> and new debt facilities for the balance, for which Axway has received a comfort letter from Société Générale and Groupe Crédit Agricole, two of its relationship banks.

As part of the contemplated transaction, in order to secure its financing and guarantee the long-term independence of the new combined entity, Sopra GMT, which is the controlling shareholder of Axway, has informed the company of its intention to:

- Acquire from Sopra Steria Group, as part of a global and indivisible transaction, a block of c.3.6m Axway shares, representing c.16.7% of Axway’s capital, at a price per Axway share equal to 26.5€, and all of Sopra Steria Group’s residual preferential subscription rights;
- Subscribe to Axway’s capital increase on an irreducible basis to the extent of its rights and those acquired from Sopra Steria Group, representing approximately 53% of the planned capital increase;
- Secure the remainder of the rights issue by subscribing any shares that would remain unsubscribed at the end of the allocation process.

<sup>1</sup> Subject to the right of objection of the *Autorité des marchés financiers*, as provided for in Article 261-1-1 of its general regulation.

<sup>2</sup> The subscription price per new Axway share will be determined at the time of launch of the rights issue, according to standard market practice, and will include a customary discount to the Theoretical Ex-Rights Price (TERP). Taking into account the discount to TERP, the subscription price will be not higher than 26.5€.

It is specified that the financing of Sopra GMT undertakings as described above will be carried out with the support of One Equity Partners, which intends to become a minority shareholder of Sopra GMT, advanced discussions with a view to concluding a binding agreement are underway.

Sopra Steria granted exclusive rights to Axway and Sopra GMT to negotiate the envisaged transactions. Conditions to reaching binding agreements relating to the envisaged transactions and, subsequently, for the completion of these transactions, include, *inter alia*, satisfactory confirmatory due diligence, the implementation of the information and consultation procedure with the employee representative bodies of the different entities involved in the transactions, the obtaining of the necessary regulatory approvals, the approval of the Boards of Directors of Sopra GMT, Sopra Steria and Axway on the basis of satisfactory reports from independent experts on the contemplated valuation of SBS and Axway, the satisfactory negotiation of the transaction documents, the obtaining of waivers from the AMF concerning the filing of a mandatory tender offer on Sopra Steria and on Axway<sup>3</sup>, as well as the AMF approval of the prospectus to be submitted by Axway in connection with the aforementioned capital increase.

The objective is to close these operations before the end of Q2 2024 or, at the latest, during Q3 2024.

**Pierre Pasquier, Chairman of Axway, Sopra Steria and Sopra GMT, declared:**

*"Axway's proposed acquisition of most of SBS's activities represents an undeniable strategic opportunity for both companies. Together, they would consolidate values, expertise and organizations that already have a lot in common, and would mutually benefit from each other. The creation of this strong critically-sized enterprise software house would support an independent and successful entrepreneurial project over the long term. Furthermore, by welcoming One Equity Partners to Sopra GMT's capital, we will be in a better position, through our role as reference shareholder, to support the combined entity in its future external growth objectives. In addition to the fact that Sopra Steria would retain a significant stake in Axway's capital, all the operations envisaged would significantly strengthen the strategic partnership between the two Groups, particularly in financial services, and more generally in Europe, where they share a large portfolio of customers."*

**Axway will provide further information to the financial community at its 2023 annual results presentation meetings taking place today, Wednesday, February 21, 2024, at 6:30 p.m.**

**The virtual conference organized by the company on this occasion and its replay will be accessible [here](#).**

Crédit Agricole Corporate and Investment Bank is acting as financial advisor to Axway. Société Générale is acting as financial advisor to Sopra Steria Group. Messier & Associés is acting as financial advisor to Sopra GMT.

**Disclaimer**

This press release contains forward-looking statements that may be subject to various risks and uncertainties concerning Axway's growth and profitability. Activity during the year and/or actual results may differ from those described in this document as a result of a number of risks and uncertainties set out in the 2022 Universal Registration Document filed with the French Financial Markets Authority (*Autorité des Marchés Financiers*, AMF) on March 24, 2023. The distribution of this document in certain countries may be subject to prevailing laws and regulations. Persons present in these countries and in which this document is disseminated, published, or distributed, should obtain information about such restrictions, and comply with them.

**About Sopra Banking Software**

Sopra Banking Software (SBS) is a global financial technology company that's helping banks and the financial services industry to reimagine how to operate in an increasingly digital world. SBS is a trusted partner of more than 650 financial institutions and large-scale lenders in 80 countries worldwide. Its cloud platform offers clients a composable architecture to digitize operations, ranging from banking, lending, compliance, to payments, and consumer and asset finance. SBS is recognized as a Top 10 European Fintech company by IDC and as a leader in Omdia's Universe: Digital Banking Platforms.

**About Axway**

Axway enables enterprises to securely open everything by integrating and moving data across a complex world of new and old technologies. Axway's API-driven B2B integration and MFT software, refined over 20 years, complements Axway Amplify, an open API management platform that makes APIs easier to discover and reuse across multiple teams, vendors, and cloud environments. Axway has helped over 11,000 businesses unlock the full value of their existing digital ecosystems to create brilliant experiences, innovate new services, and reach new markets. Learn more at [axway.com](https://axway.com)

<sup>3</sup> One Equity Partners would, as a result of its acquisition of a stake in Sopra GMT, indirectly in concert, exceeds the thresholds of 30% of Sopra Steria's voting rights and 30% of Axway' share capital and voting rights. In connection with this acquisition, it will be asked to the AMF to grant waivers to the mandatory filing of a tender offer on Sopra Steria and on Axway on the basis of Articles 234-7, 1° and 234-7, 2° of the AMF's general regulation.

Sopra GMT, individually, (i) would, as a result of the acquisition of Axway shares from Sopra Steria, exceed the thresholds of 30% of Axway' share capital and voting rights and (ii) would, as a result of its participation in Axway's capital increase, increase its stake in Axway' share capital and voting rights by more than 1% within a period of less than twelve consecutive months; a waiver to the mandatory filing of a tender offer on Axway will also be requested from the AMF on the basis of article 234-9, 6° of the AMF's general regulation.