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**Press release**

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## Axway Completes Acquisition of Sopra Banking Software

- Birth of a new major player in enterprise software, achieving critical scale with a bold 2025 ambition of c.€700m revenue and c.€100m profit on operating activities<sup>1</sup>;
- A secured leadership position, with unique strengths in banking and financial services, thanks to a diversified product portfolio extending across geographies, clients, and industries, capturing a variety of profitable niche markets;
- A reaffirmed pure-player vision founded on a shared DNA, driven by an experienced management team and backed by a reference shareholding base in support of an independent long-term company project.

Axway announces the successful completion of the acquisition of Sopra Banking Software, establishing one of France's top enterprise software publishers, with leading positions in banking and financial services. This major step in the company's development not only marks a change in dimension, but also initiates a transformative alliance project aimed at delivering substantial value to all its stakeholders.

First announced at the end of February, Axway's proposed acquisition of Sopra Banking Software was made possible by the successful execution of several critical operations in recent months. With strong support from its shareholders and the addition of new investors, over the summer the company carried out a share capital increase with preferential subscription rights for a gross amount of c.€131m, which it combined with the securing of new credit facilities (c.€200m) from partner banks, in order to finance the acquisition for an enterprise value of €330m.

The completion of Axway's acquisition of Sopra Banking Software has received the approval of the relevant regulatory authorities and the integration of the two entities is beginning. The latter part of 2024 and into 2025 will be instrumental in the ramp-up of the new Group and will enable the expected cost optimizations to materialize.

The Group will be headed by Patrick Donovan, as CEO, and Eric Bierry, who will take on the role of Deputy CEO.

**Patrick Donovan, Chief Executive Officer, said:**

*"We are at a pivotal moment in our company's history. The completion of the tie-up between Axway and Sopra Banking Software embodies a unique development opportunity, and the ambitious industrial project we have been working towards can finally come to life. We will be fully committed to this project and I am convinced that, together, our teams will achieve outstanding success. Our brands are strong, our flagship products are recognized among the best in their markets, and our customer-centric business model, refined over several years of transformation, has proven its effectiveness. The operational work begins now, with the unwavering priority for both Axway and Sopra Banking Software remaining, as always, the success of our customers' projects."*

**Eric Bierry, Deputy Chief Executive Officer, added:**

*"We are incredibly excited to be part of creating a new global powerhouse in enterprise software. Our industry-leading technology platforms and business software have a long and successful track record of driving the transformation of some of the world's largest banking and financial institutions, and this alliance significantly strengthens our positions, offerings, technologies and perspectives. This operation provides a major opportunity to accelerate our value creation for all our stakeholders through a new Group of critical size with tenfold capabilities. I am particularly pleased that our 5,000 employees, from 26 countries around the world, are seeing our entrepreneurial culture thrive through a project filled with compelling opportunities."*

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<sup>1</sup> Profit from recurring operations adjusted for the non-cash share-based payment expense, as well as the amortization of allocated intangible assets.

## Targets and Outlook

The consolidation of Sopra Banking Software is effective today and Axway will therefore integrate the acquired activities for the last 4 months of the 2024 financial year. On this basis, the Group is targeting 2024 revenue of around €460m and an operating margin of between 13% and 17%.

By 2025, pursuing its development at an annual organic growth rate of between 2% and 4%, Axway targets revenue of around €700m and a margin on operating activities of between 14% (around €100m) and 16% which will reflect the full materialization of cost optimizations, of the order of €15m, expected on a full-year 2025 basis.

By 2027, Axway ambitions to achieve revenue above €750m and a margin on operating activities of more than 17%. By 2028, the Group is aiming for a margin on operating activities at around 20% of revenue.

At year-end 2024, Axway expects its net debt to EBITDA ratio to exceed 2.5x. By the end of 2025, this ratio should be below 2.0x, and by 2027 it is expected to be below 1.0x.

## Financial Calendar

The Group will detail its medium-term strategic plan at a Capital Markets Meeting to be held in Q1 2025, the date of which has yet to be confirmed.

In the meantime, Q3 2024 revenue will be published on Thursday October 24, 2024, before market opening.

## 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.

## About Sopra Banking Software

Sopra Banking Software (SBS) is a global financial technology company that is 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 1,500 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.

## Forward-looking statements

This document contains certain forward-looking statements about Axway Software and its subsidiaries. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives, intentions and anticipated results as well as events, operations, future services or product development and potential or future performance. Forward-looking statements are generally identified by the words "expects", "anticipates", "believes", "intends," "estimates," "anticipates," "projects," "seeks," "endeavors," "strives," "aims," "hopes," "plans," "may," "goal," "objective," "projection," "outlook" and similar expressions. Although the management of Axway Software believes that these forward-looking statements are reasonably made, investors and holders of the group's securities are cautioned that these forward-looking statements are subject to a number of known and unknown risks, uncertainties and other factors, a large number of which are difficult to predict and generally outside the control of Axway Software, that may cause actual results, performance or achievements to be materially different from any future results, performance or achievement expressed or implied by these forward-looking statements. These risks and uncertainties include those developed or identified in any public documents approved by the French financial markets authority (the Autorité des marchés financiers – the "AMF") made or to be made by the group, in particular those described in Chapter 2.1 "Risk Factors" of the 2023 universal registration document filed with the AMF under number D. 24-0175 on March 25, 2024 and in Chapter 3 of the 2023 universal registration document amendment filed with the AMF under number D. 24-0175-A01 on July 22, 2024. These forward-looking statements are given only as of the date of this document and Axway Software expressly declines any obligation or commitment to publish updates or corrections of the forward-looking statements included in this document in order to reflect any change affecting the forecasts or events, conditions or circumstances on which these forward-looking statements are based. Any information relating to past performance contained herein is not a guarantee of future performance. Nothing herein should be construed as an investment recommendation or as legal, tax, investment or accounting advice.