




# Results 3<sup>rd</sup> Quarter 2021

Preliminary, unaudited

October 21, 2021

 **software**<sup>AG</sup>



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# Product Bookings | ARR | Revenue (Group)

Q3 2021 / 9 months

(in €m)	Q3 2021	Q3 2020	Δ%	Δ% acc	YTD 2021	YTD 2020	Δ%	Δ% acc	
Subscription	73.8	51.3	44%	44%	215.3	158.2	36%	39%	Bookings
SaaS	18.8	21.4	-12%	-13%	50.6	48.2	5%	6%	
Perpetual	14.6	28.8	-49%	-50%	56.7	95.2	-40%	-39%	
<b>Total Bookings</b>	<b>107.2</b>	<b>101.6</b>	<b>6%</b>	<b>5%</b>	<b>322.6</b>	<b>301.5</b>	<b>7%</b>	<b>9%</b>	
<i>thereof Renewals</i>	<i>20.9</i>	<i>8.6</i>	<i>142%</i>	<i>147%</i>	<i>55.3</i>	<i>29.3</i>	<i>89%</i>	<i>96%</i>	
Subscription	193.2	104.4	85%	83%	193.2	104.4	85%	83%	ARR
SaaS	46.4	32.8	42%	40%	46.4	32.8	42%	40%	
Maintenance from Perpetual Licenses	315.4	367.2	-14%	-15%	315.4	367.2	-14%	-15%	
<b>Total ARR (as of quarter end)</b>	<b>555.0</b>	<b>504.3</b>	<b>10%</b>	<b>9%</b>	<b>555.0</b>	<b>504.3</b>	<b>10%</b>	<b>9%</b>	
Subscription	57.6	29.4	95%	94%	165.6	88.4	87%	91%	Revenue
SaaS	11.5	7.9	45%	44%	31.5	22.2	42%	44%	
Maintenance from Perpetual Licenses	82.8	94.5	-12%	-13%	253.5	296.4	-14%	-12%	
<b>Total Recurring Revenue</b>	<b>151.9</b>	<b>131.9</b>	<b>15%</b>	<b>14%</b>	<b>450.7</b>	<b>406.9</b>	<b>11%</b>	<b>13%</b>	
Perpetual Licenses	10.1	18.3	-45%	-46%	38.7	63.2	-39%	-37%	
<b>Total Product Revenue</b>	<b>162.0</b>	<b>150.2</b>	<b>8%</b>	<b>7%</b>	<b>489.4</b>	<b>470.1</b>	<b>4%</b>	<b>7%</b>	

# Digital Business: Bookings and ARR

Segment report Q3 2021 / 9 months

<i>(in €m)</i>	Q3 2021	Q3 2020	Δ%	Δ% acc	YTD 2021	YTD 2020	Δ%	Δ% acc
Subscription	58.6	43.3	35%	35%	162.5	128.7	26%	28%
SaaS	18.8	21.4	-12%	-13%	50.6	48.1	5%	6%
Perpetual	10.4	17.9	-42%	-42%	28.2	45.4	-38%	-36%
<b>Total Bookings</b>	<b>87.8</b>	<b>82.6</b>	<b>6%</b>	<b>6%</b>	<b>241.2</b>	<b>222.2</b>	<b>9%</b>	<b>11%</b>
<i>thereof Renewals</i>	<i>19.4</i>	<i>8.6</i>	<i>126%</i>	<i>125%</i>	<i>51.5</i>	<i>29.2</i>	<i>77%</i>	<i>80%</i>
Subscription	152.0	86.1	76%	74%	152.0	86.1	76%	74%
SaaS	46.4	32.7	42%	40%	46.4	32.7	42%	40%
Maintenance from Perpetual Licenses	194.5	236.2	-18%	-18%	194.5	236.2	-18%	-18%
<b>Total ARR (as of Sep 30, 2021)</b>	<b>392.9</b>	<b>355.1</b>	<b>11%</b>	<b>9%</b>	<b>392.9</b>	<b>355.1</b>	<b>11%</b>	<b>9%</b>

# Digital Business: Segment Result

Segment report Q3 2021 / 9 months

<i>(in €m)</i>	Q3 2021	Q3 2020	Δ%	Δ% acc	YTD 2021	YTD 2020	Δ%	Δ% acc
Subscription	43.6	23.8	83%	81%	118.6	70.0	69%	71%
SaaS	11.5	7.9	45%	44%	31.5	22.1	42%	44%
Maintenance from Perpetual Licenses	51.8	61.2	-15%	-16%	158.4	192.9	-18%	-16%
<b>Total Recurring Revenue</b>	<b>106.9</b>	<b>93.0</b>	<b>15%</b>	<b>14%</b>	<b>308.5</b>	<b>285.1</b>	<b>8%</b>	<b>10%</b>
Perpetual Licenses	6.7	10.1	-34%	-34%	17.7	28.1	-37%	-35%
<b>Total Product Revenue</b>	<b>113.6</b>	<b>103.1</b>	<b>10%</b>	<b>10%</b>	<b>326.2</b>	<b>313.2</b>	<b>4%</b>	<b>6%</b>
Cost of sales	-15.8	-12.5	26%	26%	-44.5	-36.2	23%	24%
<b>Gross profit</b>	<b>97.8</b>	<b>90.6</b>	<b>8%</b>	<b>7%</b>	<b>281.8</b>	<b>277.0</b>	<b>2%</b>	<b>4%</b>
Sales & Marketing	-57.8	-52.2	11%	10%	-160.7	-152.8	5%	7%
Research & Development	-29.9	-27.6	9%	6%	-88.3	-85.1	4%	3%
<b>Segment Result</b>	<b>10.1</b>	<b>10.8</b>	<b>-7%</b>	<b>-4%</b>	<b>32.7</b>	<b>39.1</b>	<b>-16%</b>	<b>-6%</b>
<i>Margin in %</i>	<i>8.9%</i>	<i>10.5%</i>			<i>10.0%</i>	<i>12.5%</i>		

# Adabas & Natural: Bookings and ARR

Segment report Q3 2021 / 9 months

<i>(in €m)</i>	Q3 2021	Q3 2020	Δ%	Δ% acc	YTD 2021	YTD 2020	Δ%	Δ% acc
Subscription	15.2	8.0	89%	92%	52.8	29.5	79%	88%
Perpetual	4.2	11.0	-62%	-63%	28.6	49.7	-43%	-41%
<b>Total Bookings</b>	<b>19.4</b>	<b>19.0</b>	<b>2%</b>	<b>2%</b>	<b>81.4</b>	<b>79.2</b>	<b>3%</b>	<b>7%</b>
Subscription	41.2	18.2	126%	125%	41.2	18.2	126%	125%
Maintenance from Perpetual Licenses	120.9	131.0	-8%	-9%	120.9	131.0	-8%	-9%
<b>Total ARR (as of Sep 30, 2021)</b>	<b>162.1</b>	<b>149.2</b>	<b>9%</b>	<b>7%</b>	<b>162.1</b>	<b>149.2</b>	<b>9%</b>	<b>7%</b>

# Adabas & Natural: Segment Result

Segment report Q3 2021 / 9 months

<i>(in €m)</i>	Q3 2021	Q3 2020	Δ%	Δ% acc	YTD 2021	YTD 2020	Δ%	Δ% acc
Subscription	14.0	5.6	150%	150%	47.0	18.3	156%	164%
Maintenance from Perpetual Licenses	31.0	33.3	-7%	-8%	95.2	103.4	-8%	-5%
<b>Total Recurring Revenue</b>	<b>45.0</b>	<b>38.9</b>	<b>16%</b>	<b>15%</b>	<b>142.2</b>	<b>121.8</b>	<b>17%</b>	<b>20%</b>
Perpetual Licenses	3.5	8.2	-58%	-59%	21.0	35.0	-40%	-39%
<b>Total Product Revenue</b>	<b>48.5</b>	<b>47.1</b>	<b>3%</b>	<b>2%</b>	<b>163.2</b>	<b>156.8</b>	<b>4%</b>	<b>7%</b>
Cost of sales	-1.8	-1.9	-4%	-4%	-6.2	-6.6	-7%	-4%
<b>Gross profit</b>	<b>46.6</b>	<b>45.2</b>	<b>3%</b>	<b>2%</b>	<b>157.0</b>	<b>150.4</b>	<b>4%</b>	<b>7%</b>
Sales & Marketing	-6.3	-6.8	-7%	-8%	-21.5	-25.0	-14%	-12%
Research & Development	-7.6	-7.4	3%	-1%	-23.2	-23.6	-2%	-3%
<b>Segment Result</b>	<b>32.7</b>	<b>31.0</b>	<b>6%</b>	<b>5%</b>	<b>112.3</b>	<b>101.8</b>	<b>10%</b>	<b>14%</b>
<i>Margin in %</i>	<i>67.6%</i>	<i>65.8%</i>			<i>68.8%</i>	<i>64.9%</i>		

# Professional Services

Segment report Q3 2021 / 9 months

<i>(in €m)</i>	Q3 2021	Q3 2020	Δ%	Δ% acc	YTD* 2021	YTD 2020	Δ%	Δ% acc
<b>Total Revenue</b>	<b>35.9</b>	<b>35.2</b>	<b>2%</b>	<b>1%</b>	<b>109.9</b>	<b>126.7</b>	<b>-13%</b>	<b>-12%</b>
Cost of sales	-26.9	-26.8	0%	-1%	-80.6	-101.2	-20%	-19%
<b>Gross profit</b>	<b>9.0</b>	<b>8.4</b>	<b>7%</b>	<b>7%</b>	<b>29.3</b>	<b>25.6</b>	<b>14%</b>	<b>17%</b>
Sales & Marketing	-3.6	-3.3	7%	6%	-9.9	-11.8	-16%	-15%
<b>Segment Result</b>	<b>5.5</b>	<b>5.1</b>	<b>7%</b>	<b>7%</b>	<b>19.4</b>	<b>13.8</b>	<b>40%</b>	<b>45%</b>
<i>Margin in %</i>	<i>15.2%</i>	<i>14.5%</i>			<i>17.6%</i>	<i>10.9%</i>		

\* YTD 2021 results affected by disposal of the Spanish unit on June 30, 2020



# Results (Group)

Q3 2021 / 9 months

<i>(in €m)</i>	Q3 2021	Q3 2020	Δ%	Δ% acc	YTD 2021	YTD 2020	Δ%	Δ% acc
<b>Total Revenue (group)</b>	<b>198.0</b>	<b>185.4</b>	<b>7%</b>	<b>6%</b>	<b>599.3</b>	<b>597.0</b>	<b>0%</b>	<b>3%</b>
Cost of sales	-47.0	-43.2	9%	8%	-138.7	-150.0	-7%	-6%
<b>Gross profit</b>	<b>151.0</b>	<b>142.2</b>	<b>6%</b>	<b>5%</b>	<b>460.5</b>	<b>447.0</b>	<b>3%</b>	<b>6%</b>
<i>Margin in %</i>	<i>76.3%</i>	<i>76.7%</i>			<i>76.8%</i>	<i>74.9%</i>		
Research & Development	-37.5	-34.9	7%	7%	-111.5	-108.7	3%	4%
Sales & Marketing	-69.1	-63.9	8%	8%	-196.4	-194.3	1%	3%
Administration	-20.6	-17.9	15%	15%	-60.8	-56.7	7%	9%
Other income / expense	0.8	-0.6			-1.9	-1.7		
<b>EBIT</b>	<b>24.5</b>	<b>24.9</b>	<b>-2%</b>	<b>-4%</b>	<b>89.9</b>	<b>85.6</b>	<b>5%</b>	<b>12%</b>
<i>Margin in %</i>	<i>12.4%</i>	<i>13.4%</i>			<i>15.0%</i>	<i>14.3%</i>		

# Non-IFRS Earnings

Q3 2021 / 9 months

<i>(in €m)</i>	Q3 2021	Q3 2020	Δ%	YTD 2021	YTD 2020	Δ%
<b>EBIT (before all taxes)</b>	<b>24.5</b>	<b>24.9</b>	<b>-2%</b>	<b>89.9</b>	<b>85.6</b>	<b>5%</b>
Amortization on acquisition-related intangible assets	4.0	3.5	13%	11.9	10.8	10%
Share based payments	2.1	3.1	-31%	5.9	8.4	-29%
Restructuring / severances / legal case	2.5	1.7	52%	4.7	6.7	-30%
Other impacts / impacts from M&A activities	0.2	0.2	0%	6.2	3.2	98%
<b>EBITA (Non-IFRS)</b>	<b>33.3</b>	<b>33.4</b>	<b>-1%</b>	<b>118.6</b>	<b>114.6</b>	<b>3%</b>
<i>in % of revenue (Non-IFRS)</i>	<i>16.8%</i>	<i>18.0%</i>		<i>19.8%</i>	<i>19.2%</i>	
<b>Net Income (Non-IFRS)</b>	<b>22.4</b>	<b>18.7</b>	<b>20%</b>	<b>79.5</b>	<b>74.8</b>	<b>6%</b>
<b>EPS in € (Non-IFRS)*</b>	<b>€0.30</b>	<b>€0.25</b>	<b>20%</b>	<b>€1.07</b>	<b>€1.01</b>	<b>6%</b>

\* Weighted average shares outstanding (basic): 74.0m

# Cash Flow

Q3 2021 / 9 months

<i>(in €m)</i>	Q3 2021	Q3 2020	Δ%	YTD 2021	YTD 2020	Δ%
<b>Operating Cash Flow</b>	<b>20.4</b>	<b>11.2</b>	<b>82%</b>	<b>90.9</b>	<b>98.9</b>	<b>-8%</b>
./. CapEx* (long-term, non-current)	-1.8	-3.3		-7.3	-11.7	
./. Repayment of lease liabilities**	-3.2	-3.8		-9.9	-11.7	
<b>Free Cash Flow</b>	<b>15.4</b>	<b>4.1</b>	<b>276%</b>	<b>73.7</b>	<b>75.5</b>	<b>-2%</b>
<i>in % of revenue</i>	<i>7.8%</i>	<i>2.2%</i>		<i>12.3%</i>	<i>12.6%</i>	
<b>Free Cash Flow per share***</b>	<b>€0.21</b>	<b>€0.06</b>	<b>276%</b>	<b>€1.00</b>	<b>€1.02</b>	<b>-2%</b>

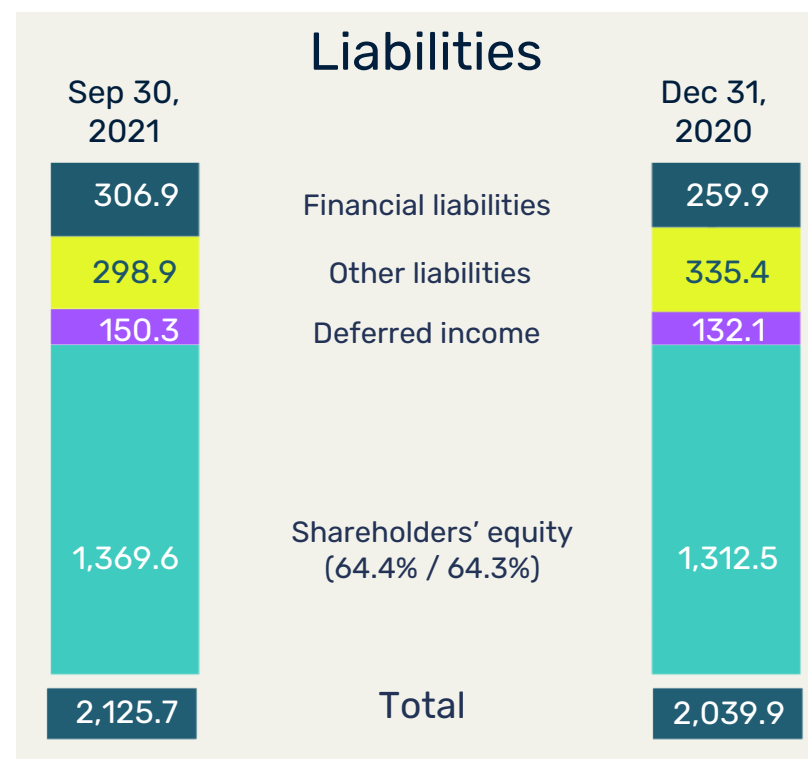
\* Cash flow from investing activities except acquisitions and except investments in debt instruments

\*\* New reporting line due to IFRS 16

\*\*\* Based on weighted average shares outstanding (basic): 74.0m

# Balance Sheet

(in €m)



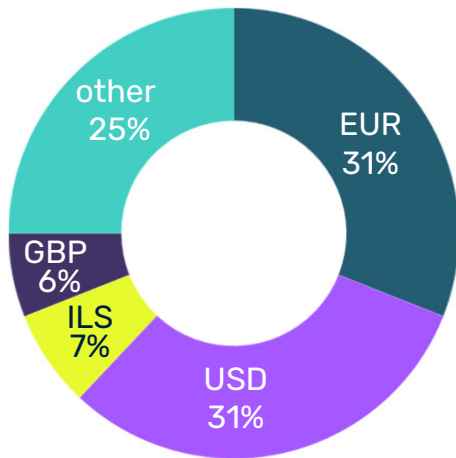
# Appendix

# Currency Impact on Revenue

Q3 2021 / 9 months

⇒ 31% revenue in Euro

⇒ 69% revenue in foreign currency



Currency split Q3 2021

## Currency impact on revenue

<i>(in €m; yoy)</i>	Q3 2021	in %	YTD 2021	in %
Subscription	0.3	1%	-3.0	-2%
SaaS	0.1	1%	-0.5	-1%
Perpetual	0.7	1%	-8.3	-3%
Professional Services & other	0.4	1%	-1.9	-2%
Total	1.6	1%	-13.7	-2%

# IFRS Standard Business Line Revenue Reporting

Q3 2021 / 9 months

(in €m)	Q3 2021	Q3 2020	Δ%	Δ% acc	YTD 2021	YTD 2020	Δ%	Δ% acc
<b>Digital Business</b>								
Licenses	36.5	26.5	38%	37%	99.5	79.3	25%	27%
Maintenance	65.6	68.7	-5%	-5%	195.2	211.8	-8%	-5%
SaaS / Usage-based	11.5	7.9	45%	44%	31.5	22.1	42%	44%
<b>Total Product Revenue</b>	<b>113.6</b>	<b>103.1</b>	<b>10%</b>	<b>10%</b>	<b>326.2</b>	<b>313.2</b>	<b>4%</b>	<b>6%</b>

(in €m)	Q3 2021	Q3 2020	Δ%	Δ% acc	YTD 2021	YTD 2020	Δ%	Δ% acc
<b>Adabas &amp; Natural</b>								
Licenses	14.3	12.4	15%	14%	60.3	50.7	19%	22%
Maintenance	34.2	34.7	-1%	-2%	102.8	106.1	-3%	0%
<b>Total Product Revenue</b>	<b>48.5</b>	<b>47.1</b>	<b>3%</b>	<b>2%</b>	<b>163.2</b>	<b>156.8</b>	<b>4%</b>	<b>7%</b>

# Earnings (IFRS)

Q3 2021 / 9 months

<i>(in €m)</i>	Q3 2021	Q3 2020	Δ%	YTD 2021	YTD 2020	Δ%
<b>EBIT (before all taxes)</b>	<b>24.5</b>	<b>24.9</b>	<b>-2%</b>	<b>89.9</b>	<b>85.6</b>	<b>5%</b>
Financial result	-0.1	0.7		-0.8	2.8	
Profit before taxes	24.4	25.6	-5%	89.1	88.4	1%
Other taxes	-1.1	-1.1	-5%	-3.1	-3.7	-14%
Income taxes	-7.0	-10.6	-33%	-26.3	-29.0	-9%
<i>Tax rate in %</i>	<i>-33.3%</i>	<i>-45.8%</i>		<i>-33.1%</i>	<i>-36.9%</i>	
<b>Net Income</b>	<b>16.3</b>	<b>13.9</b>	<b>17%</b>	<b>59.6</b>	<b>55.8</b>	<b>7%</b>
<b>EPS in €*</b>	<b>€0.22</b>	<b>€0.19</b>	<b>17%</b>	<b>€0.80</b>	<b>€0.75</b>	<b>7%</b>

\* Weighted average shares outstanding (basic): 74.0m



# Headcount

By functional areas\* and geography

<i>(in FTE)</i>	September 30, 2021	December 31, 2020	Δ%	September 30, 2020	Δ% yoy
<b>Total</b>	<b>4,749</b>	<b>4,700</b>	<b>1%</b>	<b>4,642</b>	<b>2%</b>
Professional Services**	1,510	1,490	1%	1,471	3%
Research & Development	1,468	1,494	-2%	1,479	-1%
Sales & Marketing	1,063	1,027	4%	1,025	4%
Administration	708	689	3%	667	6%
Germany	1,355	1,314	3%	1,287	5%
USA	608	629	-3%	626	-3%
India	1,057	1,043	1%	1,022	3%
Rest of World	1,729	1,714	1%	1,706	1%

\* According to P&L structure

\*\* incl. Professional Services, Support and Cloud Operations

# Amortisation / Depreciation Impact

(Preliminary)

(in €m)

	Q1 2021	Q2 2021	Q3 2021		FY 2020	FY 2021*	FY 2022*	FY 2023*
Amortisation	-3.9	-3.9	-4.0		-14.2	-15.9**	-15.6**	-10.8
Depreciation	-6.0	-6.5	-5.8		-25.7	-24.2	-24.0	-24.0

\* Estimated

\*\* incl. €2.2m amortisation for IDS trademark



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