

# Results 4<sup>th</sup> Quarter 2023

Preliminary, unaudited

January 30, 2024



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# ARR

Q4 2023

in €m	Q4 2023	Q4 2022	Δ %	Δ % acc
<b>Digital Business</b>				
Subscription	310.0	266.9	16	18
SaaS	113.6	93.4	22	24
Maintenance from Perpetual Licenses	134.1	156.1	-14	-13
Total ARR (as of quarter-end)	557.7	516.4	8	10
<b>Adabas &amp; Natural</b>				
Subscription	111.7	78.3	43	47
Maintenance from Perpetual Licenses	86.4	105.5	-18	-15
Total ARR (as of quarter-end)	198.0	183.8	8	11
<b>Group</b>				
Subscription	421.7	345.3	22	25
SaaS	113.6	93.4	22	24
Maintenance from Perpetual Licenses	220.5	261.6	-16	-14
Total ARR (as of quarter-end)	755.7	700.2	8	10

# Product Revenue (Group)

Q4 2023

in €m	Q4 2023	Q4 2022	Δ %	Δ % acc	FY 2023	FY 2022	Δ %	Δ % acc
Subscription	164.6	164.6	—	3	446.0	378.2	18	22
SaaS	26.5	22.4	18	22	98.4	75.8	30	33
Maintenance from Perpetual Licenses	61.1	74.3	-18	-14	250.9	302.4	-17	-14
<b>Total Recurring Revenue</b>	<b>252.1</b>	<b>261.3</b>	<b>-4</b>	<b>-1</b>	<b>795.3</b>	<b>756.5</b>	<b>5</b>	<b>8</b>
Perpetual Licenses	20.9	15.1	38	47	48.4	54.5	-11	-5
<b>Total Product Revenue</b>	<b>273.0</b>	<b>276.4</b>	<b>-1</b>	<b>2</b>	<b>843.7</b>	<b>811.0</b>	<b>4</b>	<b>7</b>
thereof Digital Business	203.9	179.6	14	17	597.1	559.9	7	9
thereof Adabas & Natural	69.1	96.8	-29	-25	246.6	251.1	-2	3

Note: In Q4 the Group changed its revenue recognition policy on determining significant financing components. The comparative information and growth rates are presented on a restated basis.

# Results (Group)

Q4 2023

in €m	Q4 2023	Q4 2022	Δ %	Δ % acc	FY 2023	FY 2022	Δ %	Δ % acc
Digital Business	203.9	179.6	14	17	597.1	559.9	7	9
Adabas & Natural	69.1	96.8	-29	-25	246.6	251.1	-2	3
Professional Services	39.6	42.8	-7	-3	156.6	162.6	-4	—
<b>Total Revenue</b>	<b>312.6</b>	<b>319.2</b>	<b>-2</b>	<b>1</b>	<b>1,000.3</b>	<b>973.6</b>	<b>3</b>	<b>6</b>
Cost of sales	-62.4	-74.3	-16	-13	-240.7	-239.9	—	3
<b>Gross profit</b>	<b>250.3</b>	<b>244.9</b>	<b>2</b>	<b>6</b>	<b>759.6</b>	<b>733.7</b>	<b>4</b>	<b>7</b>
<b>Margin as %</b>	<b>80.1</b>	<b>76.7</b>	<b>—</b>	<b>—</b>	<b>75.9</b>	<b>75.4</b>	<b>—</b>	<b>—</b>
Sales & Marketing	-102.1	-106.4	-4	-1	-325.7	-342.0	-5	-3
Research & Development	-53.8	-48.5	11	13	-196.2	-181.4	8	9
Administration	-28.7	-25.8	12	14	-86.9	-94.3	-8	-6
Other income / expense	-53.5	-26.0	—	—	-76.0	-22.5	—	—
<b>EBIT (before all taxes)</b>	<b>12.1</b>	<b>38.2</b>	<b>-68</b>	<b>-72</b>	<b>74.8</b>	<b>93.5</b>	<b>-20</b>	<b>-7</b>
<b>Margin as %</b>	<b>3.9</b>	<b>12.0</b>	<b>—</b>	<b>—</b>	<b>7.5</b>	<b>9.6</b>	<b>—</b>	<b>—</b>

Note: In Q4 the Group changed its revenue recognition policy on determining significant financing components. The comparative information and growth rates are presented on a restated basis.

# Non-IFRS Earnings

Q4 2023

in €m	Q4 2023	Q4 2022	Δ %	FY 2023	FY 2022	Δ %
EBIT (before all taxes)	12.1	38.2	-68	74.8	93.5	-20
Acquisition-related amortization of intangible assets	7.1	10.7	-34	33.2	59.6	-44
Income/expenses resulting from share-based remuneration	3.7	2.9	31	13.7	11.7	17
Restructuring/severance/litigation	12.1	11.0	10	22.9	13.6	68
Acquisition-related deductions in product revenue due to purchase price allocations	—	0.3	-100	0.2	1.3	-82
Other non-operating expenses and acquisition-related effects on earnings	24.8	10.7	132	51.5	14.1	265
Operating EBITA (non-IFRS)	59.8	73.7	-19	196.3	193.9	1
Operating margin (EBITA, non-IFRS) as %	19.1	23.1	—	19.6	19.9	—
Net income (non-IFRS)	17.3	7.0	148	-26.4	64.4	-141
EPS (non-IFRS) in €*	0.23	0.09	148	-0.36	0.87	-141

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

Note: In Q4 the Group changed its revenue recognition policy on determining significant financing components. The comparative information and growth rates are presented on a restated basis.

# Cash Flow

Q4 2023

in €m	Q4 2023	Q4 2022	Δ %	FY 2023	FY 2022	Δ %
Operating Cash Flow	-11.5	-4.0	188	-1.4	18.4	-108
./ CapEx* (long-term, non-operating)	-1.8	-2.5		-1.7	-7.5	
./ Repayment of lease liabilities	-2.6	-3.7		-10.0	-12.0	
Free Cash Flow	-15.9	-10.2	56	-13.1	-1.1	1,091
as % of total revenue	-5	-3		-1	—	
Free Cash Flow per share in €**	-0.21	-0.14	56	-0.18	-0.01	1,091

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

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

Note: In Q4 the Group changed its revenue recognition policy on determining significant financing components. The comparative information and growth rates are presented on a restated basis.

# Appendix



# Digital Business: Segment Result

Q4 2023

in €m	Q4 2023	Q4 2022	Δ %	Δ % acc	FY 2023	FY 2022	Δ %	Δ % acc
Subscription	132.9	104.9	27	30	326.4	272.5	20	23
SaaS	26.5	22.4	18	22	98.4	75.8	30	33
Maintenance from Perpetual Licenses	35.9	44.2	-19	-16	149.8	181.3	-17	-15
<b>Total Recurring Revenue</b>	<b>195.4</b>	<b>171.5</b>	<b>14</b>	<b>17</b>	<b>574.6</b>	<b>529.6</b>	<b>8</b>	<b>11</b>
Perpetual Licenses	8.5	8.2	4	7	22.5	30.3	-26	-22
<b>Total Product Revenue</b>	<b>203.9</b>	<b>179.6</b>	<b>14</b>	<b>17</b>	<b>597.1</b>	<b>559.9</b>	<b>7</b>	<b>9</b>
Cost of sales	-20.4	-23.9	-15	-13	-76.3	-77.8	-2	-1
<b>Gross profit</b>	<b>183.5</b>	<b>155.7</b>	<b>18</b>	<b>21</b>	<b>520.8</b>	<b>482.1</b>	<b>8</b>	<b>11</b>
Sales & Marketing	-88.7	-88.1	1	3	-279.5	-284.3	-2	—
Research & Development	-46.3	-40.5	15	17	-167.9	-149.5	12	14
<b>Segment Result</b>	<b>48.4</b>	<b>27.1</b>	<b>79</b>	<b>85</b>	<b>73.5</b>	<b>48.4</b>	<b>52</b>	<b>64</b>
<b>Margin as %</b>	<b>23.8</b>	<b>15.1</b>	<b>—</b>	<b>—</b>	<b>12.3</b>	<b>8.6</b>	<b>—</b>	<b>—</b>

Note: In Q4 the Group changed its revenue recognition policy on determining significant financing components. The comparative information and growth rates are presented on a restated basis.

# Adabas & Natural: Segment Result

Q4 2023

in €m	Q4 2023	Q4 2022	Δ %	Δ % acc	FY 2023	FY 2022	Δ %	Δ % acc
Subscription	31.6	59.7	-47	-45	119.6	105.8	13	18
Maintenance from Perpetual Licenses	25.1	30.2	-17	-12	101.1	121.1	-16	-13
<b>Total Recurring Revenue</b>	<b>56.7</b>	<b>89.9</b>	<b>-37</b>	<b>-34</b>	<b>220.7</b>	<b>226.8</b>	<b>-3</b>	<b>2</b>
Perpetual Licenses	12.4	6.9	79	94	25.9	24.3	7	17
<b>Total Product Revenue</b>	<b>69.1</b>	<b>96.8</b>	<b>-29</b>	<b>-25</b>	<b>246.6</b>	<b>251.1</b>	<b>-2</b>	<b>3</b>
Cost of sales	-2.1	-2.7	-23	-17	-7.1	-8.5	-16	-12
<b>Gross profit</b>	<b>67.0</b>	<b>94.1</b>	<b>-29</b>	<b>-25</b>	<b>239.5</b>	<b>242.6</b>	<b>-1</b>	<b>4</b>
Sales & Marketing	-9.2	-12.9	-29	-26	-27.7	-36.4	-24	-21
Research & Development	-7.5	-8.1	-8	-8	-28.3	-31.9	-11	-11
<b>Segment Result</b>	<b>50.3</b>	<b>73.1</b>	<b>-31</b>	<b>-27</b>	<b>183.5</b>	<b>174.3</b>	<b>5</b>	<b>12</b>
<b>Margin as %</b>	<b>72.8</b>	<b>75.5</b>	<b>—</b>	<b>—</b>	<b>74.4</b>	<b>69.4</b>	<b>—</b>	<b>—</b>

Note: In Q4 the Group changed its revenue recognition policy on determining significant financing components. The comparative information and growth rates are presented on a restated basis.

# Professional Services: Segment Result

Q4 2023

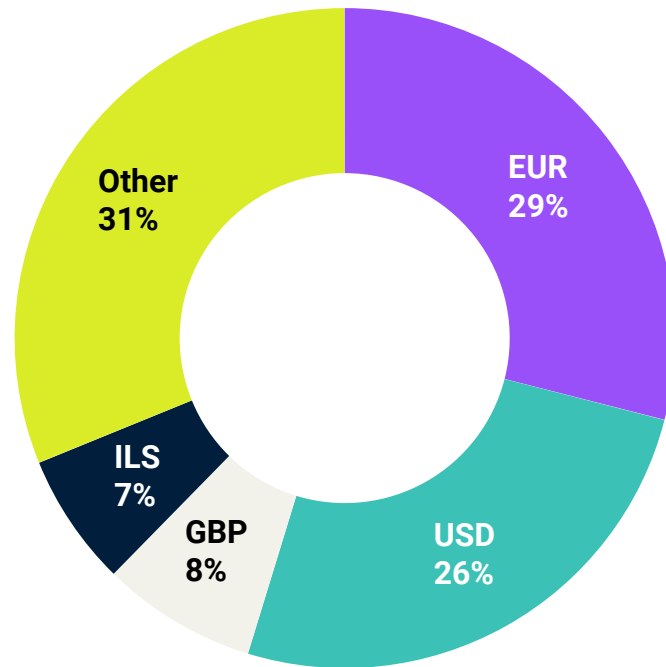
in €m	Q4 2023	Q4 2022	Δ %	Δ % acc	FY 2023	FY 2022	Δ %	Δ % acc
Total Revenue	39.6	42.8	-7	-3	156.6	162.6	-4	—
Cost of sales	-34.3	-39.4	-13	-8	-131.1	-127.9	3	7
<b>Gross profit</b>	<b>5.3</b>	<b>3.5</b>	<b>53</b>	<b>59</b>	<b>25.4</b>	<b>34.7</b>	<b>-27</b>	<b>-23</b>
Sales & Marketing	-2.6	-3.0	-13	-9	-11.5	-12.9	-10	-8
Segment Result	2.7	0.5	431	452	13.9	21.9	-36	-33
Margin as %	6.9	1.2	—	—	8.9	13.4	—	—

# Currency Impact on Revenue

Q4 2023

## Currency split Q4 2023

- 29% of revenue in Euro
- 71% of revenue in foreign currency



## Currency impact on revenue

in €m	Q4 2023	%	FY 2023	%
Subscription	-4.6	-3	-14.0	-3
SaaS	-0.7	-3	-2.3	-2
Perpetual	-3.8	-4	-11.5	-4
Services	-2.1	-5	-6.6	-4
<b>Total</b>	<b>-11.3</b>	<b>-3</b>	<b>-34.4</b>	<b>-3</b>

# IFRS Product Revenue (Group) Reporting

Q4 2023

in €m	Q4 2023	Q4 2022	Δ %	Δ % acc	FY 2023	FY 2022	Δ %	Δ % acc
<b>Digital Business</b>								
Licenses	114.8	89.4	28	31	245.5	219.3	12	15
Maintenance	62.6	67.8	-8	-5	253.2	264.7	-4	-2
SaaS	26.5	22.4	18	22	98.4	75.8	30	33
<b>Total Product Revenue</b>	<b>203.9</b>	<b>179.6</b>	<b>14</b>	<b>17</b>	<b>597.1</b>	<b>559.9</b>	<b>7</b>	<b>9</b>
<b>Adabas &amp; Natural</b>								
Licenses	35.5	61.3	-42	-39	116.1	110.6	5	11
Maintenance	33.6	35.5	-5	-1	130.5	140.5	-7	-3
<b>Total Product Revenue</b>	<b>69.1</b>	<b>96.8</b>	<b>-29</b>	<b>-25</b>	<b>246.6</b>	<b>251.1</b>	<b>-2</b>	<b>3</b>
<b>Group</b>								
Licenses	150.3	150.6	—	3	361.6	329.9	10	14
Maintenance	96.2	103.3	-7	-3	383.7	405.3	-5	-2
SaaS	26.5	22.4	18	22	98.4	75.8	30	33
<b>Total Product Revenue</b>	<b>273.0</b>	<b>276.4</b>	<b>-1</b>	<b>2</b>	<b>843.7</b>	<b>811.0</b>	<b>4</b>	<b>7</b>

Note: In Q4 the Group changed its revenue recognition policy on determining significant financing components. The comparative information and growth rates are presented on a restated basis.

# Earnings (IFRS)

Q4 2023

in €m	Q4 2023	Q4 2022	Δ %	FY 2023	FY 2022	Δ %
EBIT (before all taxes)	12.1	38.2	-68	74.8	93.5	-20
Financial result	-35.6	-5.8	510	-35.6	-14.0	155
Profit before taxes	-23.5	32.4	-173	39.2	79.5	-51
Other taxes	-5.9	1.0	-708	-9.1	-2.5	266
Income taxes	1.6	-30.0	-105	-35.3	-49.1	-28
Tax rate as %	18	-90		-113	-65	
Net income	-27.7	3.4	-922	-5.2	28.0	-119
EPS in €*	-0.37	0.05	-922	-0.07	0.37	-119

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

Note: In Q4 the Group changed its revenue recognition policy on determining significant financing components. The comparative information and growth rates are presented on a restated basis.

# Headcount

## By functional areas\* and geography

in FTE	Dec 31, 2023	Sep 30, 2023	Δ %	Dec 31, 2022	Δ %
Total	4,707	4,699	—	4,996	-6
Support and Services**	1,386	1,379	1	1,477	-6
Research & Development	1,507	1,510	—	1,584	-5
Sales & Marketing	1,066	1,084	-2	1,159	-8
Administration	748	725	3	775	-4
Germany	1,182	1,179	—	1,306	-10
USA	661	680	-3	796	-17
India	1,077	1,078	—	1,103	-2
Rest of World	1,787	1,761	1	1,790	—

\* According to P&L structure

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

# Amortization / Depreciation Impact

Preliminary

in €m

	FY 2023	FY 2022	FY 2024E
Amortization	-33.2	-59.6	-5.7
Depreciation	-26.1	-23.5	-20.4



# Bookings\*

Q4 2023

in €m	Q4 2023	Q4 2022	Δ %	Δ % acc	FY 2023	FY 2022	Δ %	Δ % acc
<b>Digital Business</b>								
Subscription	216.0	164.7	31	34	449.3	381.3	18	21
SaaS	70.0	80.8	-13	-12	182.6	167.9	9	11
Perpetual	11.9	13.3	-11	-8	37.1	45.2	-18	-15
<b>Total Bookings</b>	<b>297.8</b>	<b>258.7</b>	<b>15</b>	<b>18</b>	<b>668.8</b>	<b>594.4</b>	<b>13</b>	<b>15</b>
thereof renewals	154.2	130.5	18	21	367.1	220.5	66	71
<b>Adabas &amp; Natural</b>								
Subscription	64.2	68.9	-7	-5	159.3	115.5	38	44
Perpetual	16.9	10.8	56	69	35.2	35.5	-1	8
<b>Total Bookings</b>	<b>81.0</b>	<b>79.7</b>	<b>2</b>	<b>5</b>	<b>194.5</b>	<b>151.0</b>	<b>29</b>	<b>36</b>
thereof renewals	27.3	14.3	91	95	49.5	17.1	190	213
<b>Group</b>								
Subscription	280.2	233.6	20	23	608.6	496.8	22	26
SaaS	70.0	80.8	-13	-12	182.6	167.9	9	11
Perpetual	28.7	24.1	19	26	72.3	80.7	-10	-5
<b>Total Bookings</b>	<b>378.9</b>	<b>338.4</b>	<b>12</b>	<b>15</b>	<b>863.3</b>	<b>745.4</b>	<b>16</b>	<b>20</b>
thereof renewals	181.5	144.8	25	28	416.6	237.6	75	81

\* Bookings has been replaced internally with Annual Contract Value (ACV) as Order-Entry KPI from 2023 onwards. Therefore the numbers shown for the respective period in 2023 is derived from ACV multiplied by 3.

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