

Recommendation by the Management Board on the use of the non-appropriated balance sheet profits according to § 170 para.2 AktG

The Management Board intends to propose to the company's Annual Shareholders' Meeting on May 12, 2021 that Software AG's net profit for fiscal year 2020 of EUR 113,763,886.95 be used as follows:

Payment of a dividend in the amount of EUR 0.76 per registered share on the registered share capital entitled to dividends. 73,979,889 dividend-entitled shares will result in a distribution to the shareholders of	56,224,715.64 EUR
Profit carried forward	57,539,171.31 EUR
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Non-appropriated balance sheet profits (Dec. 31, 2020)	113,763,886.95 EUR

The recommendation on the use of non-appropriated balance sheet profits takes account of the 20,111 treasury shares, which are held by the Company and are not entitled to dividends, as of the reference date (March 2nd, 2021).

The number of shares entitled to dividends may increase or decrease up until the date of the Annual Shareholders' Meeting in the amount by which the company acquires or uses more of its own shares. In that case, a revised recommendation on the use of the non-appropriated balance sheet profit will be submitted to the Annual Shareholders' Meeting, with the amount of dividend per dividend-entitled share remaining the same.

Darmstadt, March 2nd, 2021

Software AG

The Management Board

This document is a convenience translation of the German original. In the event of any conflict or inconsistency between the English and the German versions and for purposes of interpretation, the German original shall prevail.