

2024 Full-Year Results

Analyst Conference

February 26, 2025

Paris, France – Euronext Studio



Disclaimer

FORWARD LOOKING STATEMENT

This presentation contains forecasts that may be subject to various risks and uncertainties concerning the Company's future growth and profitability. The Company highlights that contract signatures, which represent investments for customers, are historically more significant in the second half of the year and may therefore have a more or less favourable impact on full-year performance.

Furthermore, 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 2023 Universal Registration Document filed with the Autorité des Marchés Financiers (AMF) on March 24, 2024, as well as in its amendment filed with the AMF on July 22, 2024.

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Agenda

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74Software Opening
Remarks

02

Deep-dive on SBS
and update on
Axway activities

03

2024
Financial Results

04

Closing Remarks
and Q&A Session

Meet the Executive Team



Patrick Donovan
Chief Executive Officer



Eric Bierry
Deputy Chief Executive Officer



Tobias Unger
Chief Financial Officer





01

74Software Opening Remarks

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Entering a New Era...



**A LISTED CENTRAL ENTITY SERVING ITS
ENTERPRISE SOFTWARE PORTFOLIO COMPANIES**

74SW
LISTED
EURONEXT

**LEVERAGING A PORTFOLIO OF RECOGNISED
BRANDS AND LEADING PRODUCTS**

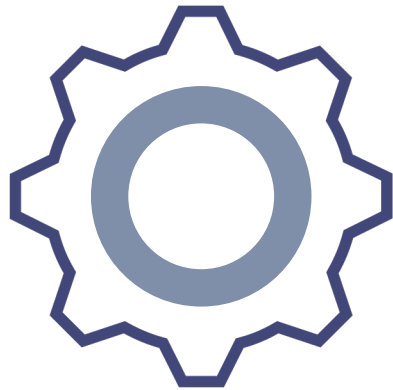


WITH ALWAYS THE SAME PURPOSE:

To be an independent technology provider that sustainably grows enduring value, based upon trust, for our customers, employees and shareholders through its market-leading portfolio of products delivering successful customer outcomes.

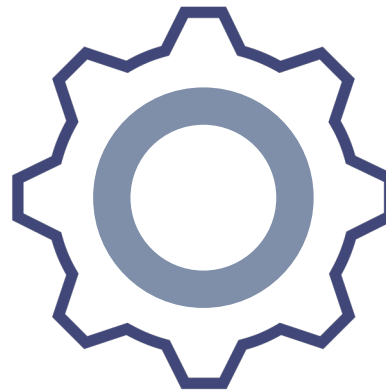
Faithful to our Roots and Culture

OUR EMPLOYEES



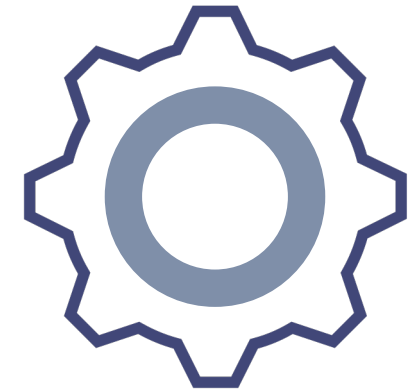
The Place to Be

Delivering Brilliant
Customer Experience



OUR CUSTOMERS

OUR SHAREHOLDERS



Building a Predictable and
Profitable Long-Term Project

With a Strong Start, Together!



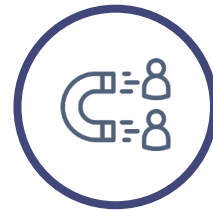
2024 proforma revenue of €690.0m
with **organic growth of 5.6%**



2024 proforma **profit on operating activities of €94.0m or 13.6% of revenue**



Axway at record-high NPS, excellent Employee Engagement, with its most profitable year, at the top of its targets



SBS with strong growth, accelerating transformation and successfully deploying new offers





02

Deep-dive on SBS
& Update on Axway
activities

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2024 Business Highlights

2024 IN A NUTSHELL

- Added 121 new Customers
- Strong North American growth
- Continued Analyst Recognitions
- Growth in both Customer Managed (17,3%) and Axway Managed (9,3%) subscriptions

PRODUCT LINES TRENDS

- MFT: Significant new customer acquisitions
- API Management: Strong growth in usage and bookings
- 15 early adopters on Amplify Fusion
- B2B Integration: Continued strength with customer base



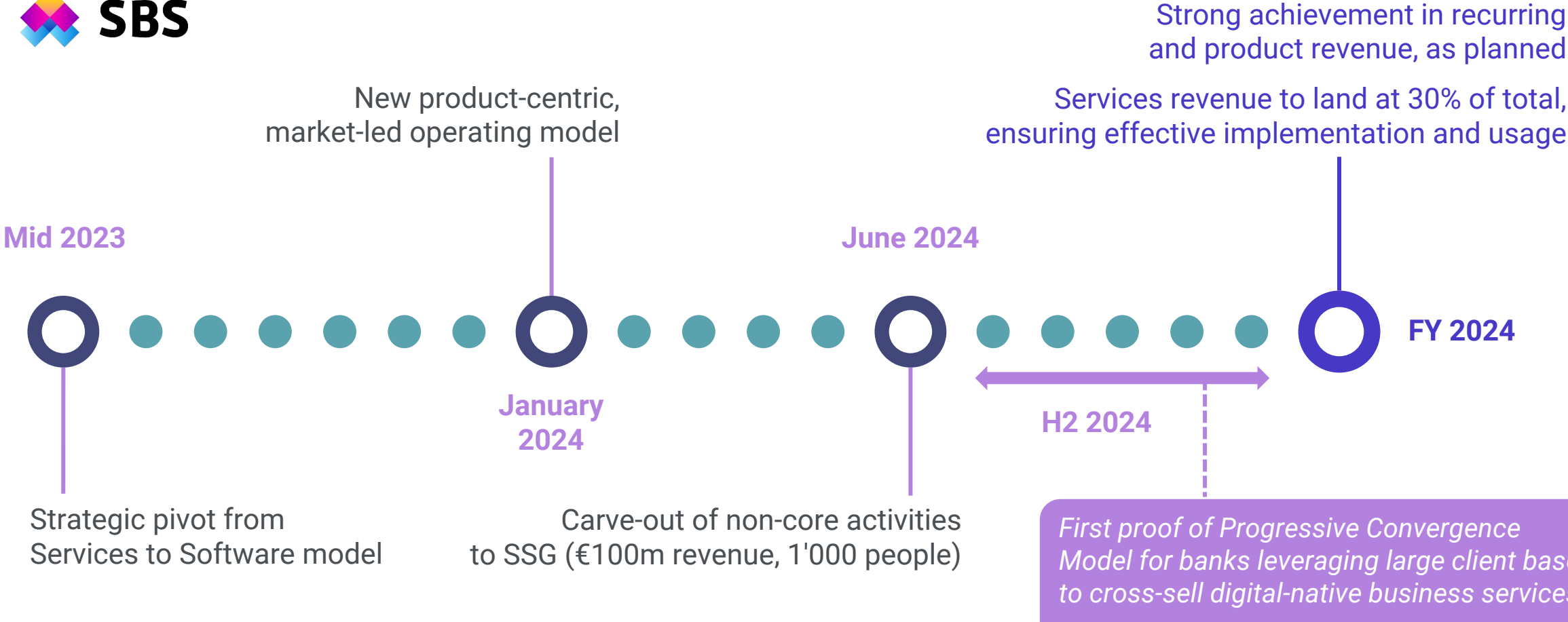


Transformation in the Rear View



	2024	2023	2022	2021	2020	2019	6-Year Average	2011 (IPO) to 2018
Organic Revenue Growth (%)	3.4%	5.8%	5.5%	-2.7%	0.5%	3.3%	2.6%	
<i>Excluding disposed products</i>	3.4%	5.8%	7.4%	0.3%	1.6%	4.9%	3.9%	1.0% avg
Profit on operating activities (€m)	68.4	62.8	46.3	32.9	30.8	25.9		€50.8m peak
<i>As a % of Revenue</i>	20.9%	19.7%	14.7%	11.5%	10.4%	8.6%		16.9% peak
Net Promoter Score	52	37	35	29	25	18		-16 start
Employee Engagement Score	70	69	61	66	69	58		49 start

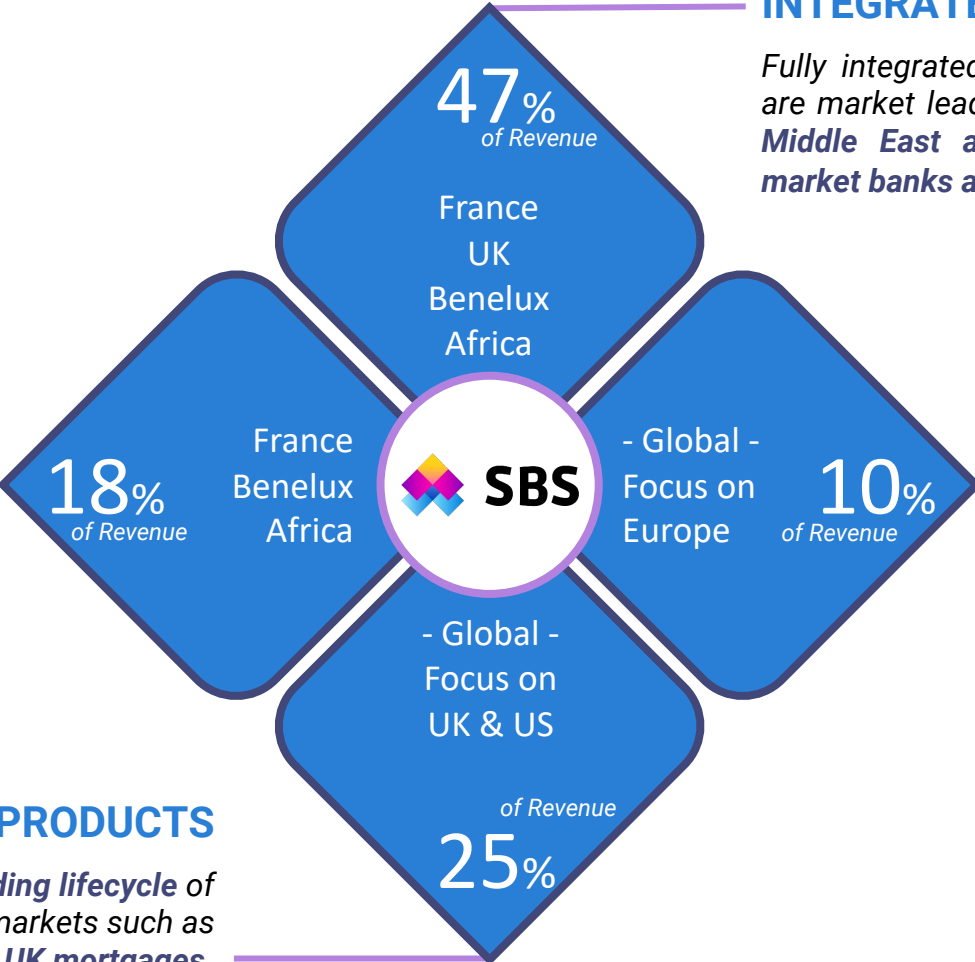
A Year of Strategic Milestones



Zoom on the Product Portfolio

BANKING COMPONENTS

Various components to address the needs of discerning bank customers with **point solutions** across the payments, lending and processing space.



INTEGRATED BANKING PRODUCTS

Fully integrated core banking processing platforms that are market leaders in their chosen markets, most notably Middle East and African retail banking, French mid-market banks and retail banks in the Benelux region.

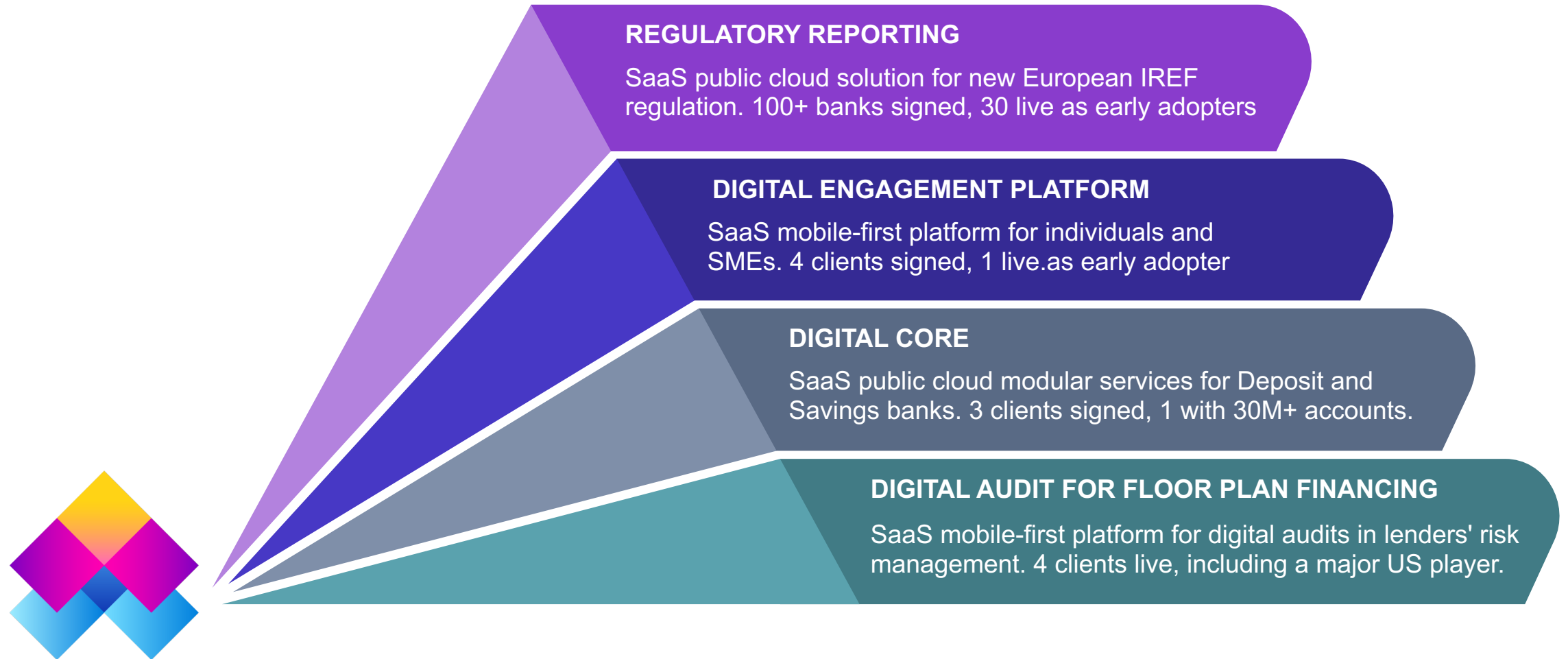
MODULAR BANKING PRODUCTS

Innovative and composable SaaS banking platform to address the needs of Tier 2 to Tier 4 banks with modular solutions covering front-to-back functionality in retail banking.

FINANCING PRODUCTS

Products to support the full lending lifecycle of origination and servicing in niche markets such as wholesale auto financing or UK mortgages.

SBS Incubation Zone





03

2024 Financial Results

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2024 Key Figures

Proforma basis except if otherwise noted

€690m

Annual Revenue

- ARR Axway: €246m
- ARR SBS: €225m

+5.6%

Organic Growth

- ARR Growth Axway: 7.4%
- ARR Growth SBS: 11.8%

13.6%

Margin on Operating Activities

- Axway: 20.9%
- SBS: 6.9%

5.7%

Unlevered FCF

- IFRS consolidated
(12m Axway + 4m SBS)

2.87x

Leverage ratio

- Gearing ratio: 0.47x

€1.67

Earnings per Share

- IFRS consolidated
(12m Axway + 4m SBS)

2024 Proforma Income Statement

	2024 Proforma 12m AXW + 12m SBS		2024 IFRS Consolidated 12m AXW + 4m SBS		2023 Reported Axway Standalone	
	€m	% of Rev.	€m	% of Rev.	€m	% of Rev.
TOTAL REVENUE	690.0		461.9		319.0	
Total costs of revenue	241.3		141.7		87.2	
GROSS PROFIT	448.8	65.0%	320.2	69.3%	231.7	72.6%
Operating expenses	354.7		233.1		168.9	
PROFIT ON OPERATING ACTIVITIES	94.0	13.6%	87.7	19.0%	62.8	19.7%
Share-based expenses	-5.8		-6.1		-4.2	
Amortization of allocated intangibles	-19.6		-8.6		-3.2	
PROFIT FROM RECURRING OPERATIONS	68.7	10.0%	73.0	15.8%	55.4	17.4%
Other operating income and expenses	-17.7		-11.7		-7.9	
OPERATING PROFIT	51.1	7.4%	61.4	13.3%	47.6	14.9%
Cost of financial debt	-18.3		-10.2		-4.6	
Other financial income and expenses	-5.9		-4.6		-0.2	
Income tax expenses	-2.2		-7.4		-7.0	
NET PROFIT	24.6	3.6%	39.3	8.5%	35.8	11.2%
Earnings per share	0.85 €		1.67 €		1.71 €	

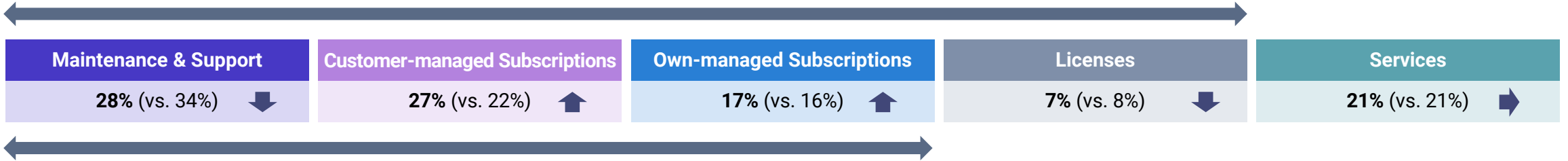
Change in Revenue



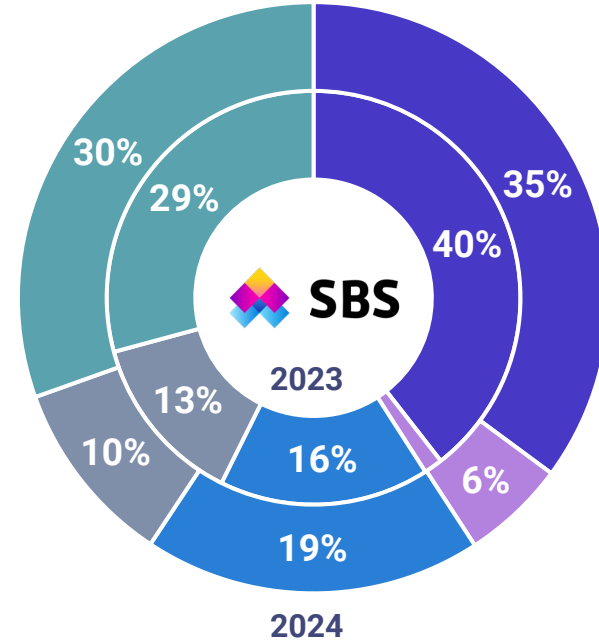
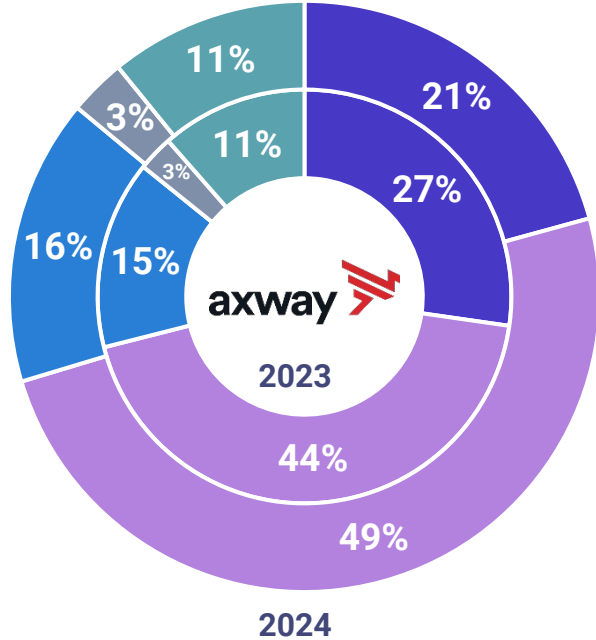
Revenue Breakdown by Type

Reporting structure for revenues explained

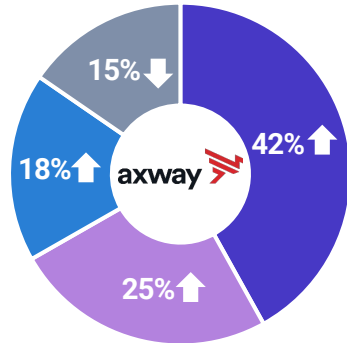
Product revenue 79% (vs. 79%) of total revenue



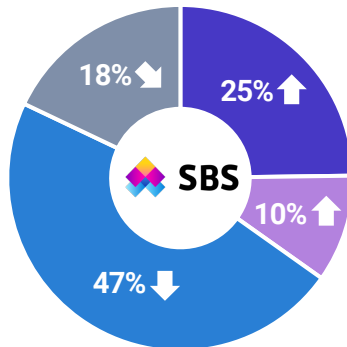
Recurring revenue 72% (vs. 71%) of total revenue



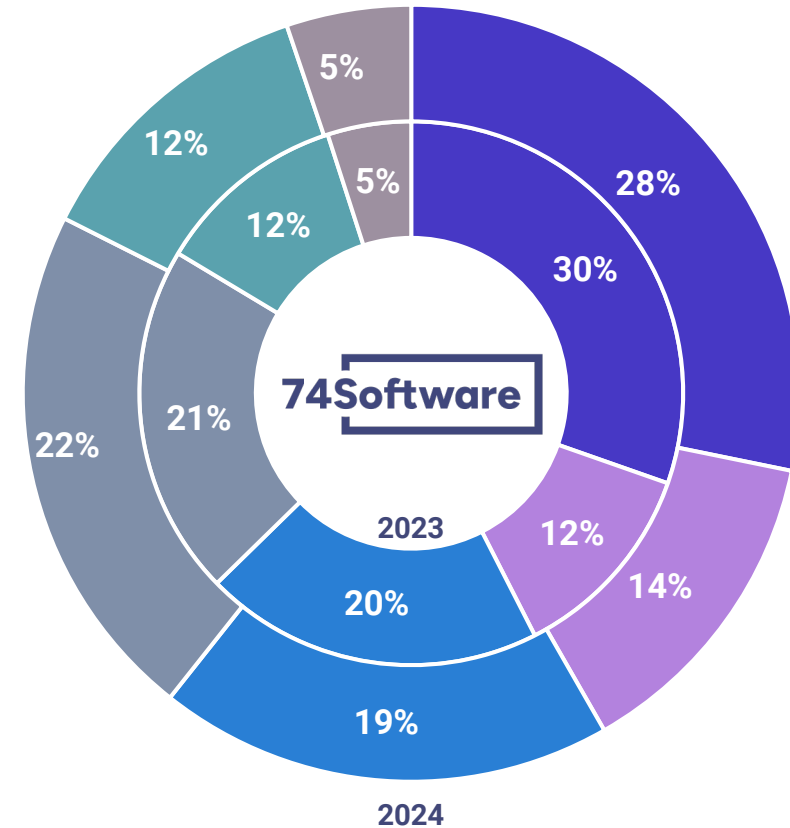
Revenue Breakdown by Product and Region



■ Managed File Transfer ■ B2B Integration ■ API Management ■ Specialised Products



■ Financing Products ■ Modular Products ■ Integrated Products ■ Banking Components



■ France ■ UK
 ■ Rest of Europe ■ Americas
 ■ Middle East & Africa ■ Asia & Pacific

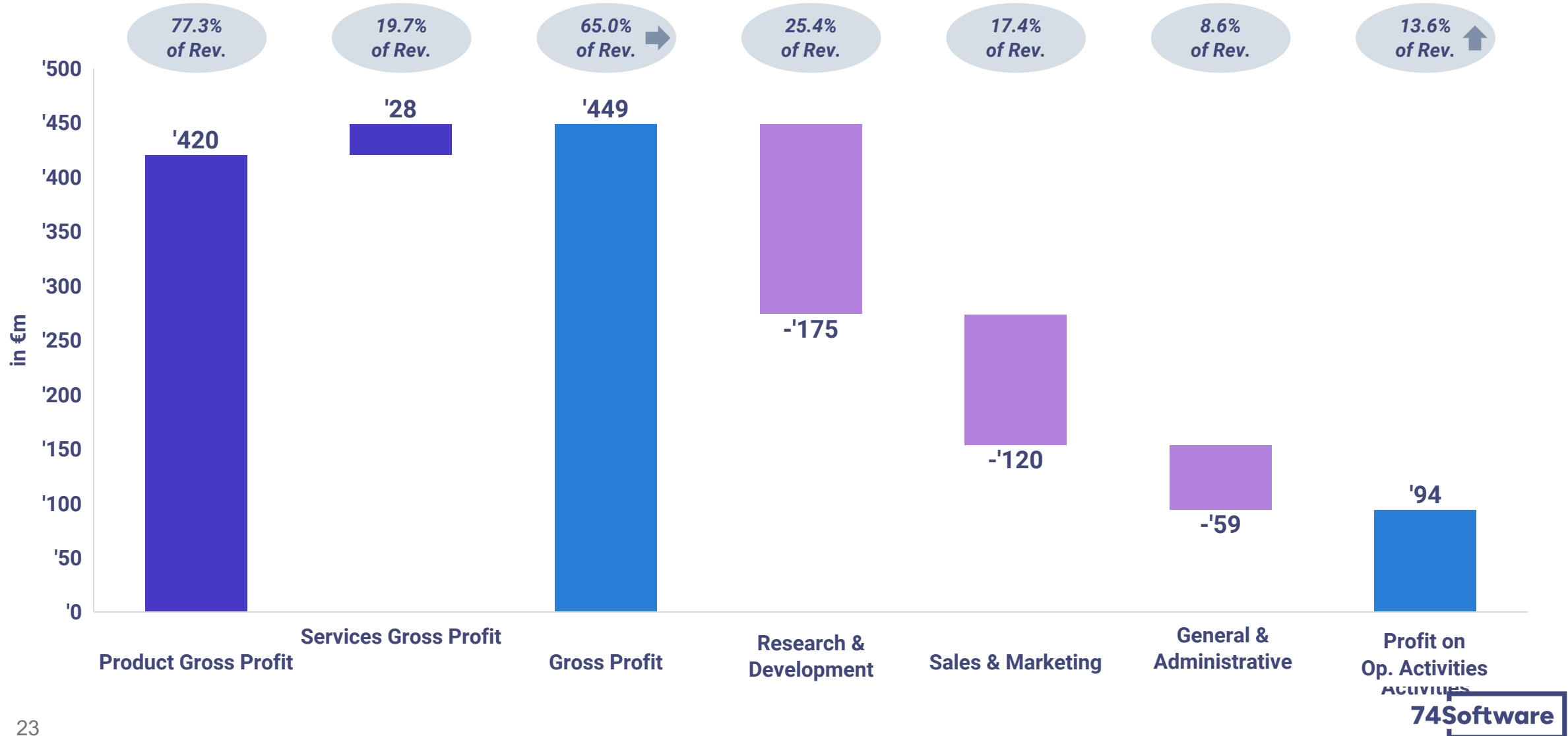
Annual Recurring Revenue (ARR)

Strong ARR growth for both companies



Methodologies differ between Axway and SBS due to differences in business model (time between signature and start of recurring revenue longer for SBS).
Axway recognizes ARR at the time of signature of forward commitment, while **SBS** recognizes ARR from time of invoicing the recurring revenue (MRR) multiplied by 12.
 * Revenues from customer-managed subscriptions recognized upfront under IFRS rules. Assumes an average duration of 4 years for customer-managed subscriptions
 ** Includes full year effect of new business and churn. For Axway it also includes bookings translating into recurring revenues only after the end of the accounting period

Margin on Operating Activities



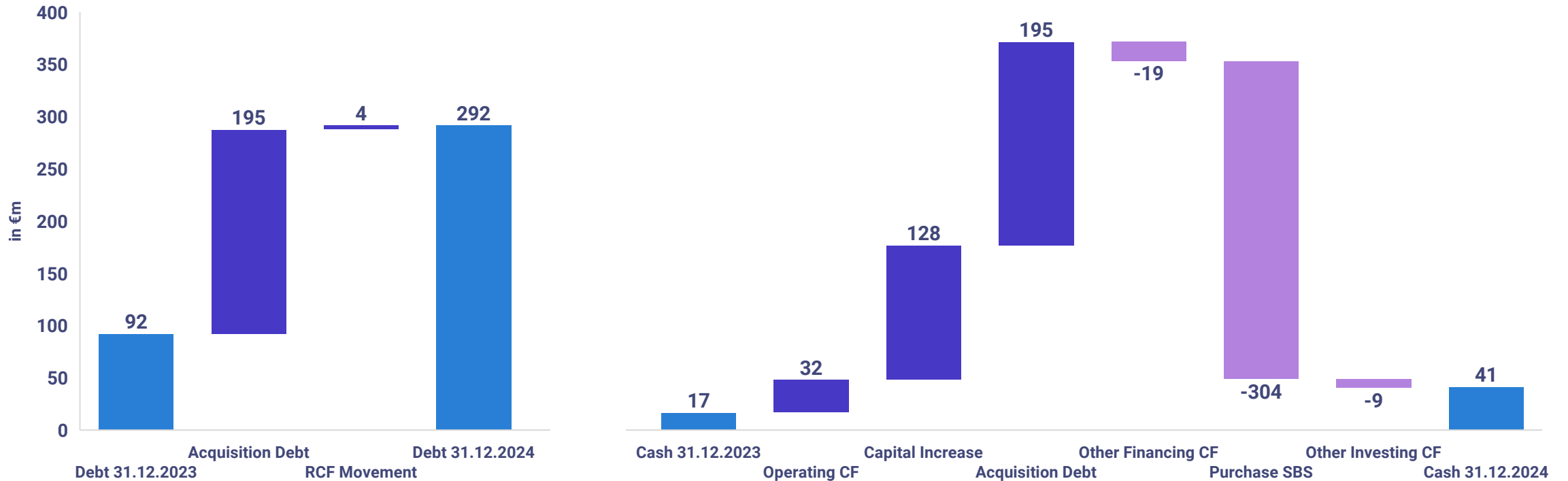
Cashflow

IFRS consolidated basis (12m Axway + 4m SBS) – SBS generates most of its cashflow in first half of the year!

in €m	2024			2023	Delta 2024 vs. 2023
	12m Axway + 4m SBS	4m SBS	12m Axway	Reported Axway	Axway
Operating cashflow	31.7	-7.1	39.0	32.1	6.9
<i>o/w change in NWC</i>	-37.1	-12.6	-24.5	-32.9	8.4
Investing cashflow	-312.9	-0.9	-312.1	-12.6	-299.5
Financing cashflow	304.7	13.7	291.0	-21.1	312.1
NET CHANGE IN CASH	23.9	6.1	17.9	-1.6	19.5
Unlevered free cashflow	26.3	-10.9	37.2	27.1	10.1
<i>as a % of revenue</i>	5.7%	-8.2%	11.3%	8.5%	+2.8%

Balance Sheet

IFRS consolidated



	31/12/2023	31/12/2024
Leverage (Net debt / EBITDA)	1.19x	2.87x
Gearing (Net debt / Equity)	0.22x	0.47x
Net debt / Total Capital	18%	32%

	31/12/2023	31/12/2024
Equity	€346m	€532m
Net debt	€76m	€250m
Capital employed	€422m	€783m



04

Closing Remarks and Q&A Session

Our Software House Mindset

WE KNOW THE KEYS TO OUR SUCCESS...



Customer Centric,
NPS Driven



Agile Portfolio Of
Leading Products

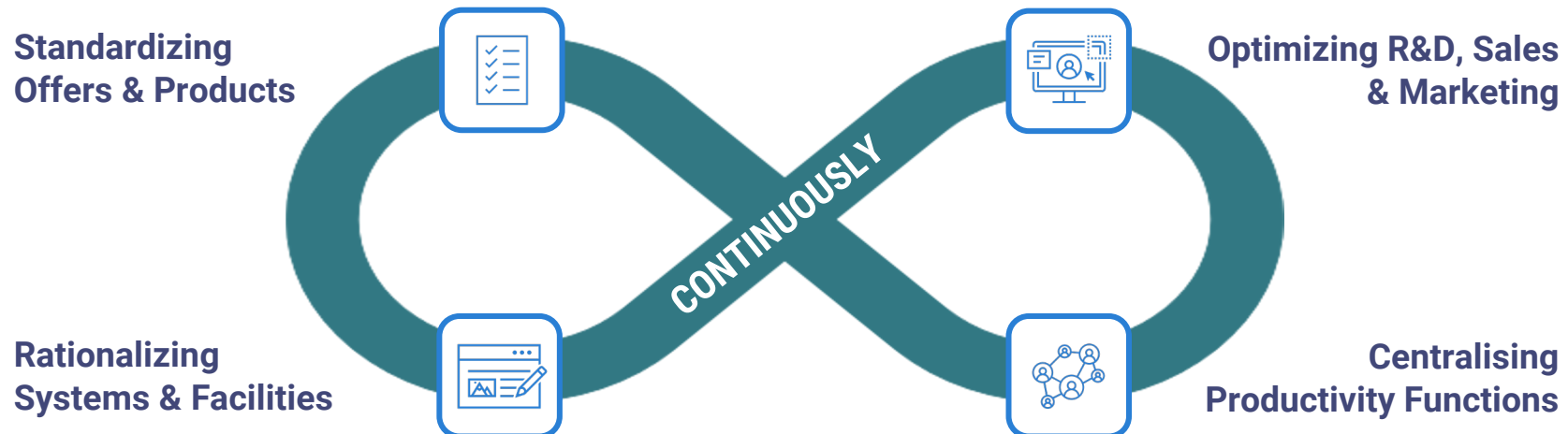


Focused R&D,
Sales And Marketing



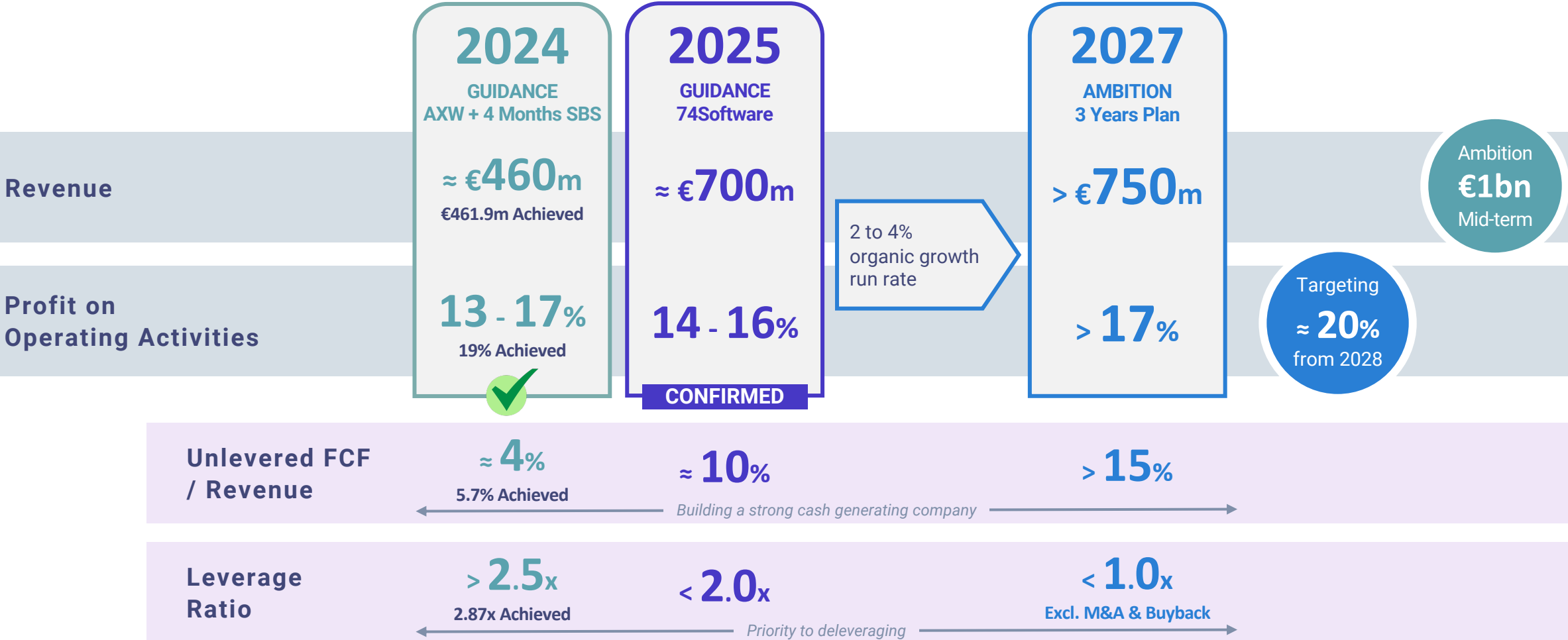
Engaged People,
Efficient Organization

... AND THE DISCIPLINE IT REQUIRES



A Future of Dynamic Growth

Driven by both organic expansion and strategic acquisitions



Capital Allocation Priority

FOCUS ON DELEVERAGING



< 2.0x
by end-2025

RETURN TO DIVIDEND



As soon as
possible and
appropriate

SHARE BUYBACK



Regular activation
of share buyback
authorizations

Thank you

Q&A Session

Call +44 (0) 33 0551 0200

or use the chat to ask a question

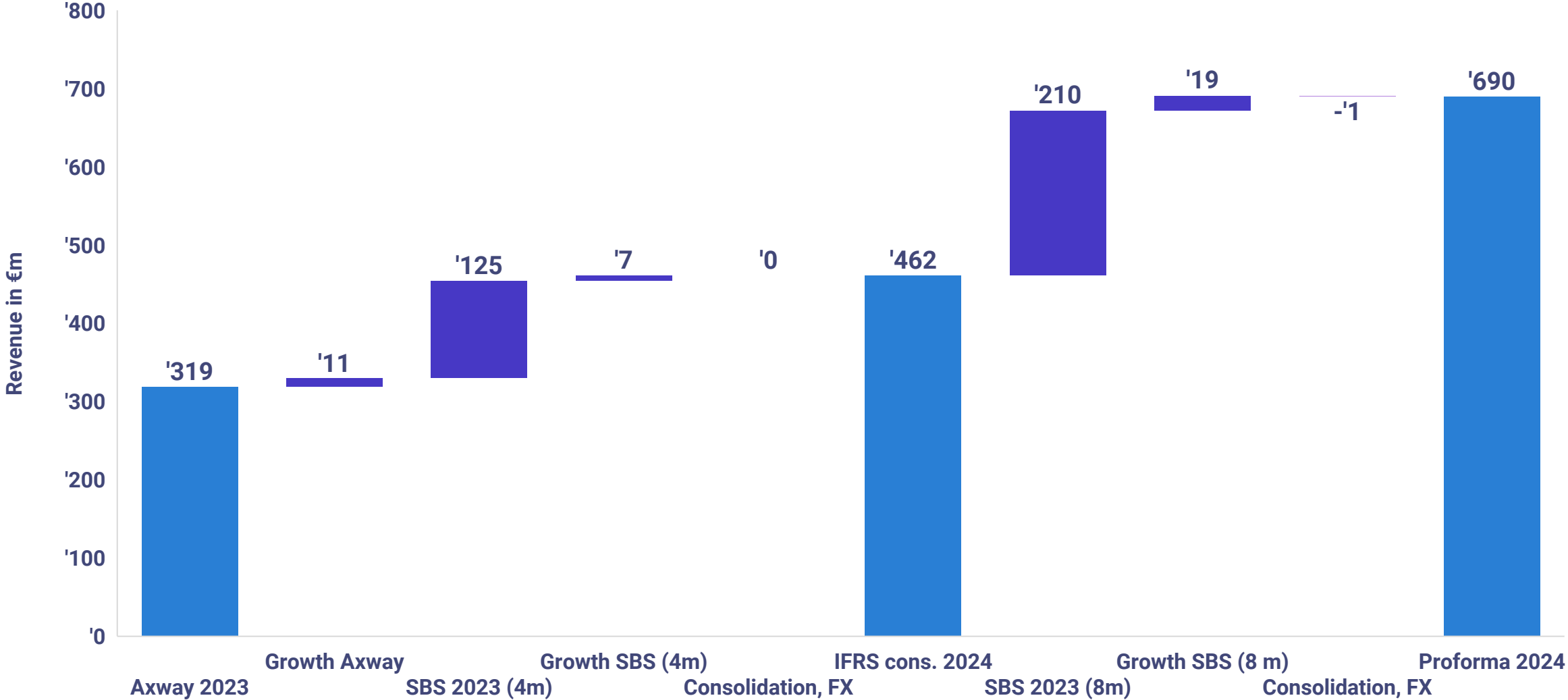
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Appendices

Full-Year Results 2024



Change in Revenue



Revenue Breakdown by Portfolio Company & by Type

€m / %	2024 Proforma Axway	2024 Proforma SBS	2024 Proforma Consolidation	2024 Proforma 74Software
Product revenue	293.9	251.7	-1.6	544.1
Recurring revenue	283.7	214.7	-1.6	496.8
<i>o/w Maintenance & Support</i>	68.4	127.1	-0.8	194.8
<i>o/w Customer-managed Subscription</i>	163.6	20.6	-0.8	183.4
<i>o/w Own-managed Subscription</i>	51.7	66.9	-0.0	118.6
License revenue	10.2	37.1	-0.0	47.3
Services revenue	35.8	110.2	-0.1	146.0
Total revenue	329.8	362.0	-1.7	690.0

€m / %	2023 Proforma Axway	2023 Proforma SBS	2023 Proforma Consolidation	2023 Proforma 74Software
Product revenue	282.4	236.4	-1.5	517.4
Recurring revenue	273.6	191.5	-0.8	464.3
<i>o/w Maintenance & Support</i>	87.0	131.8	-0.4	218.4
<i>o/w Customer-managed Subscription</i>	139.6	4.8	-0.8	143.7
<i>o/w Own-managed Subscription</i>	47.0	54.9	0.3	102.2
License revenue	8.8	44.9	-0.6	53.1
Services revenue	36.5	97.5	-0.0	134.1
Total revenue	319.0	333.9	-1.5	651.4

Revenue Breakdown by Geography

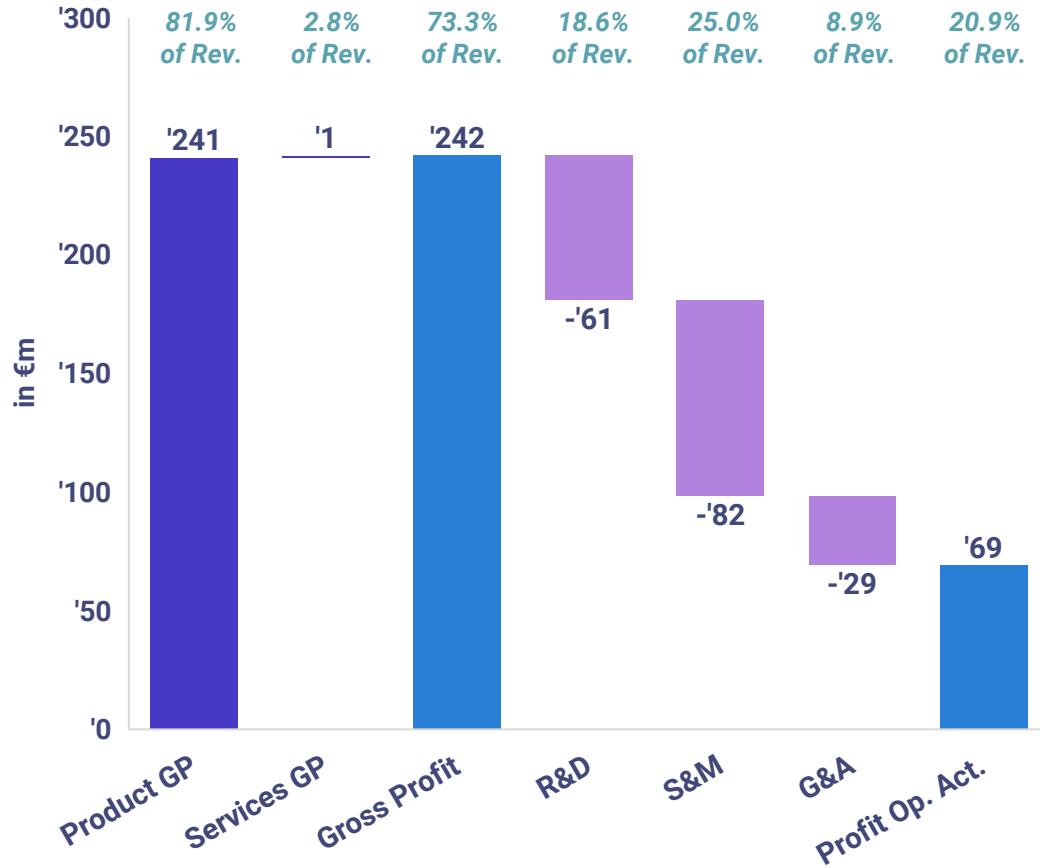
	2024		2023 Proforma	2023 Restated	Total Growth	Organic Growth
	€m	% of Rev.				
Europe	418.6	60.7%	408.2	410.1	2.5%	2.1%
o/w France	194.6	28.2%	197.8	197.8	-1.6%	-1.6%
o/w UK	93.3	13.5%	78.9	80.7	18.2%	15.5%
Americas	150.2	21.8%	136.3	136.3	10.2%	10.2%
Middle East & Africa	85.4	12.4%	74.4	74.4	14.7%	14.7%
Asia & Pacific	35.8	5.2%	32.4	32.4	10.7%	10.7%
74Software	690.0		651.3	653.1	5.9%	5.7%

Margin Analysis – 74Software

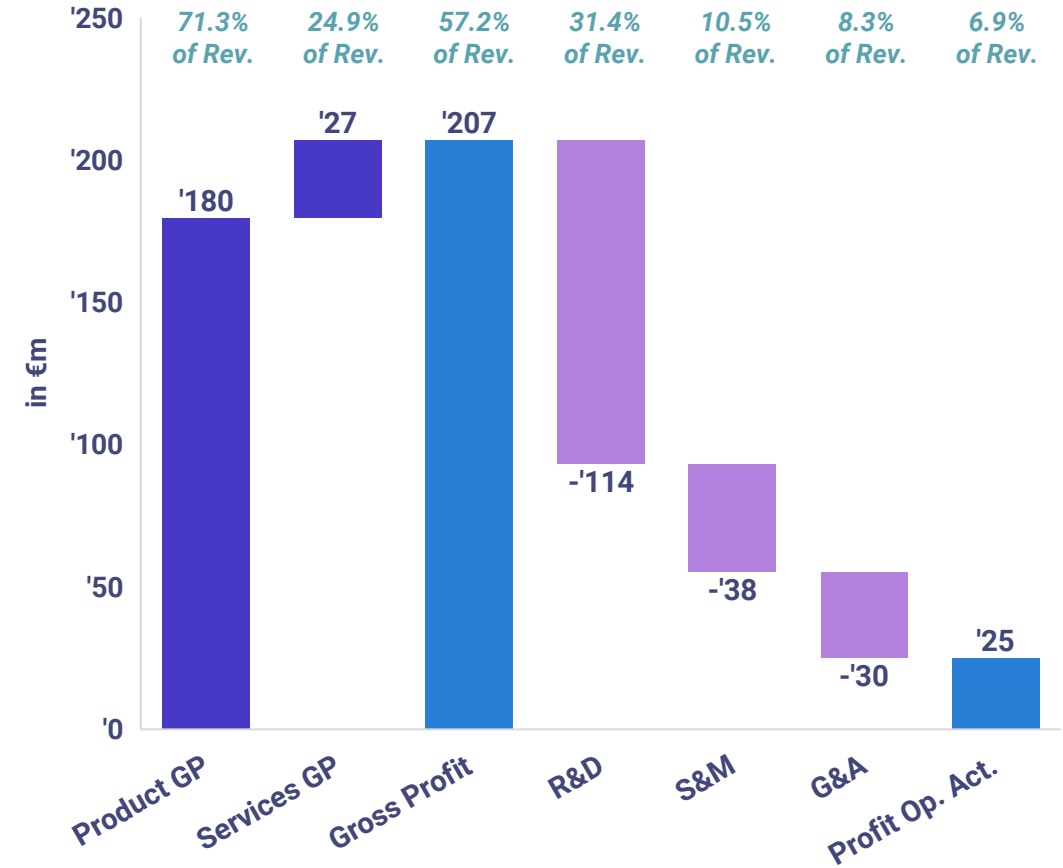
	2024 Proforma 12m AXW + 12m SBS		2023 Proforma 12m AXW + 12m SBS		Change	
	€m	% of Rev.	€m	% of Rev.	€m	Basis Points
Product revenue	544.1	78.8%	517.4	79.4%	+ 26.7	- 58
Services revenue	146.0	21.2%	134.1	20.6%	+ 11.9	+ 58
Total revenue	690.0		651.4		+ 38.6	
Total costs of revenue	241.3		227.2		+ 14.1	
GROSS PROFIT	448.8	65.0%	424.2	65.1%	+ 24.5	- 10
Operating expenses	354.7	51.4%	339.2	52.1%	+ 15.5	- 66
<i>o/w research & development</i>	174.9	25.4%	163.8	25.1%	+ 11.1	+ 20
<i>o/w sales & marketing</i>	120.4	17.4%	118.5	18.2%	+ 1.8	- 75
<i>o/w general & administrative</i>	59.4	8.6%	56.8	8.7%	+ 2.6	- 11
PROFIT ON OPERATING ACTIVITIES	94.0	13.6%	85.1	13.1%	+ 9.0	+ 57
<i>Product gross profit</i>	420.4	77.3%	402.5	77.8%	+ 17.8	- 54
<i>Services gross profit</i>	28.4	19.4%	21.7	16.2%	+ 6.7	+ 324
<i>Net capitalization of R&D</i>	19.4	2.8%	23.2	3.6%	-3.8	-75
<i>in % of gross R&D</i>	10.0%		12.4%		-2.4%	

Margins on Operating Activities

axway 



 SBS



Margin Analysis – Portfolio Companies



	2024 Axway		2023 Reported Axway		Change	
	€m	% of Rev.	€m	% of Rev.	€m	Basis Points
Product revenue	293.9	89.1%	282.4	88.5%	+ 11.5	+ 61
Services revenue	35.8	10.9%	36.5	11.4%	- 0.7	- 58
Total revenue	329.8		319.0		+ 10.8	
Total costs of revenue	88.0		87.2		+ 0.8	
GROSS PROFIT	241.8	73.3%	231.8	72.7%	+ 10.0	+ 66
Operating expenses	172.8	52.4%	168.9	52.9%	+ 3.9	- 54
<i>o/w research & development</i>	61.2	18.6%	60.1	18.8%	+ 1.1	- 29
<i>o/w sales & marketing</i>	82.4	25.0%	81.6	25.6%	+ 0.8	- 59
<i>o/w general & administrative</i>	29.2	8.9%	27.2	8.5%	+ 2.0	+ 33
PROFIT ON OPERATING ACTIVITIES	69.0	20.9%	62.8	19.7%	+ 6.2	+ 123
<i>Product gross profit</i>	240.8	81.9%	230.1	81.5%	+ 10.7	+ 44
<i>Services gross profit</i>	1.0	2.8%	1.6	4.4%	- 0.6	- 163

Margin Analysis – Portfolio Companies



	2024 Proforma 12M SBS		2023 Proforma 12M SBS		Change	
	€m	% of Rev.	€m	% of Rev.	€m	Basis Points
Product revenue	251.7	69.5%	236.4	70.8%	+ 15.4	- 124
Services revenue	110.2	30.5%	97.5	29.2%	+ 12.7	+ 124
Total revenue	362.0		333.9		+ 28.0	
Total costs of revenue	155.0		141.5		+ 13.5	
GROSS PROFIT	207.0	57.2%	192.4	57.6%	+ 14.5	- 45
Operating expenses	181.9	50.3%	170.3	51.0%	+ 11.6	- 74
<i>o/w research & development</i>	<i>113.7</i>	<i>31.4%</i>	<i>103.7</i>	<i>31.1%</i>	<i>+ 10.0</i>	<i>+ 36</i>
<i>o/w sales & marketing</i>	<i>38.0</i>	<i>10.5%</i>	<i>36.9</i>	<i>11.1%</i>	<i>+ 1.0</i>	<i>- 58</i>
<i>o/w general & administrative</i>	<i>30.2</i>	<i>8.3%</i>	<i>29.6</i>	<i>8.9%</i>	<i>+ 0.6</i>	<i>- 53</i>
PROFIT ON OPERATING ACTIVITIES	25.1	6.9%	22.2	6.6%	+ 2.9	+ 29
<i>Product gross profit</i>	<i>179.6</i>	<i>71.3%</i>	<i>172.3</i>	<i>72.9%</i>	<i>+ 7.3</i>	<i>- 156</i>
<i>Services gross profit</i>	<i>27.4</i>	<i>24.9%</i>	<i>20.1</i>	<i>20.6%</i>	<i>+ 7.3</i>	<i>+ 424</i>

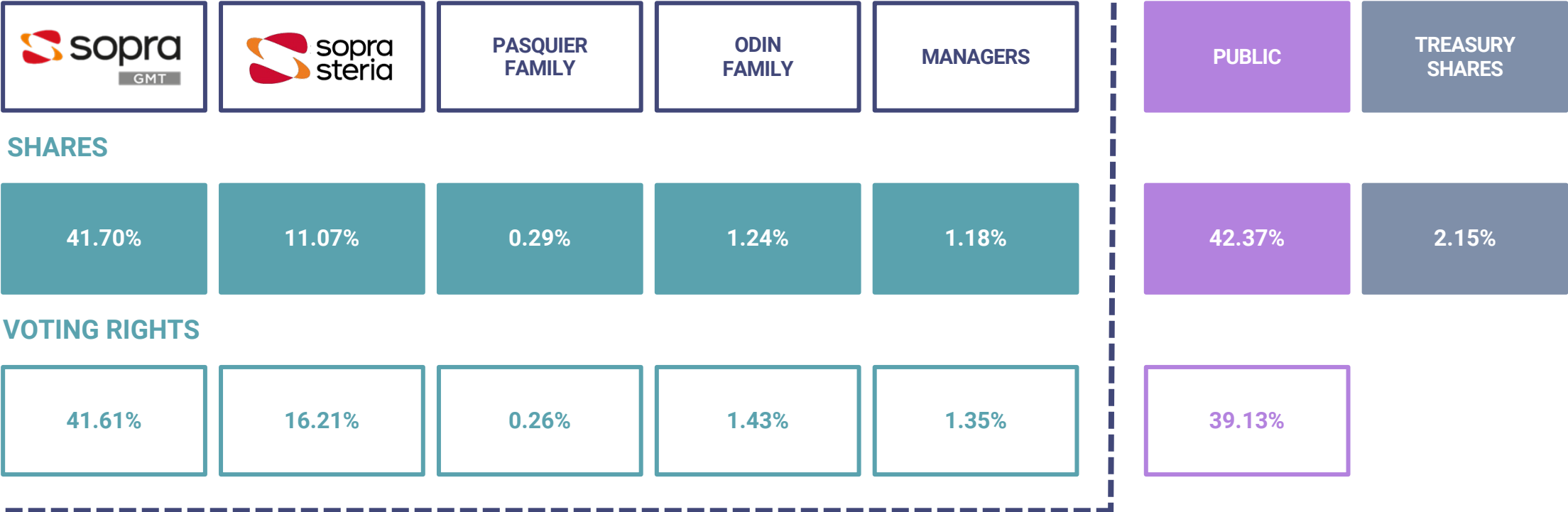
Balance Sheet

in €m	2024 IFRS Consolidated	2023 Reported Axway	Change
Accounts receivables	293.5	178.0	+ 115.5
Other current assets	101.9	32.3	+ 69.6
Accounts payables	-28.7	-11.3	- 17.4
Deferred revenue	-88.6	-49.1	- 39.5
Other current liabilities	-158.0	-55.4	- 102.6
Net working capital	120.1	94.5	+ 25.6
Tangible fixed assets	25.0	9.3	+ 15.7
Goodwill	497.4	302.1	+ 195.3
Other intangibles	192.3	5.1	+ 187.2
Fixed assets	714.7	316.5	+ 398.2
Other assets	78.1	51.0	+ 27.1
Other liabilities	-130.1	-40.2	- 89.9
Other assets - liabilities	-52.0	10.8	- 62.8
INVESTED ASSETS	782.8	421.8	+ 361.1

in €m	2024 IFRS Consolidated	2023 Reported Axway	Change
Cash & cash equivalents	-41.4	-16.7	- 24.7
Financial debt	291.8	92.3	+ 199.5
Net debt	250.4	75.6	+ 174.8
Equity	532.4	346.0	+ 186.4
CAPITAL EMPLOYED	782.8	421.6	+ 361.2

Ratios	2024 IFRS Consolidated	2023 Reported Axway	Change
<i>NWC as a % of revenue</i>	26.0%	29.6%	- 3.6
<i>DSO (days)</i>	145	182	- 37
<i>Net debt / total capital</i>	32.0%	17.9%	+ 14.1
<i>Equity / total capital</i>	68.0%	82.1%	- 14.1

Capital Structure at 31/12/2024



29,746,194 Shares outstanding
40,633,052 Voting rights

SHAREHOLDERS' AGREEMENT
55.5% of shares outstanding / 59.9% of voting rights

Glossary and Alternative Performance Measure

- Axway ARR: Annual Recurring Revenue – Expected annual billing amounts from all active maintenance and subscription agreements.
- SBS ARR: Annual Recurring Revenue – Monthly recurring revenue (MRR) for the last month of the reporting period multiplied by 12. Where contracts are affected by seasonality or contracted volume-based elements, the last 12 months of revenue are aggregated in determining ARR. Expected recurring revenue from contracts signed but not yet active are not included in ARR.
- NPS: Net Promoter Score – Customer satisfaction and recommendation indicator for a company.
- Organic growth: Growth in revenue between the period under review and the prior period, restated for consolidation scope and exchange rate impacts.
- Profit on operating activities: Profit from recurring operations adjusted for the non-cash share-based payment expense, as well as the amortization of allocated intangible assets.
- Proforma: Proforma measures assume the acquisition of SBS happened at the beginning of the respective reporting period.
- Restated revenue: Revenue for the prior year, adjusted for the consolidation scope and exchange rates of the current year.
- Unlevered free cashflow: Free cashflow before exceptional items and before net interest expense.

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