Selected an item [27] May 2024 based on procedures completed on 16 May 2024.

Fairness opinion

Proposed acquisition by AXWAY of SOPRA BANKING SOFTWARE shares from SOPRA STERIA GROUP SA

[27] May 2024 based on procedures completed on 16 May 2024

Free translation of the original « Attestation d'équité - Projet d'acquisition par Axway des actions de Sopra Banking Software auprès de Sopra Steria Group » issued by the Independent Expert, dated April 27, 2024.

In the event of any discrepancies in translation or interpretation, the French version should prevail.
Our procedures and our conclusion were presented to the Special Purpose Committee responsible for their supervision on 15 May 2024, and then to the Board of Directors on 16 May 2024 based on a detailed report.

This public report is the same report submitted to the Board redacted for confidential business information deemed sensitive by Company management.
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1. Presentation of the transaction

1.1 Context and terms of the Transaction

AXWAY SOFTWARE (hereinafter “AXWAY”) is a French software publisher specialising in secure managed file transfer (MFT), B2B integration and API management (APIM Amplify Platform).

It was founded as a subsidiary in 2001 from the merger of the SOPRA group software infrastructure divisions. The company is now 55% owned, directly and indirectly, under a shareholders’ agreement composed mainly of SOPRA GMT (c. 32%) and SOPRA STERIA GROUP (c. 21%).

AXWAY has been listed on the Paris Euronext stock exchange (AXW) since 2011.

SOPRA BANKING SOFTWARE, a wholly-owned subsidiary of SOPRA STERIA, is a provider of financial solutions for retail banks in Europe and Middle East Africa, as well as specialised financial institutions worldwide.

On 21 February 2024, AXWAY and SOPRA STERIA GROUP announced they had entered into exclusive discussions regarding the potential acquisition of most of SOPRA BANKING SOFTWARE’s (“SBS”) activities, which are currently part of SOPRA STERIA GROUP (hereinafter “the Transaction” or “the Acquisition”).

In the context of the proposed Transaction, it is planned to:

- Carve-out SOPRA BANKING SOFTWARE activities remaining within the scope of SOPRA STERIA GROUP. The SBS activities concerned by the transaction represent approximately 80% of the subsidiary’s total revenue. The activities and subsidiaries carved-out will be sold to SOPRA STERIA GROUP;

- The acquisition by SOPRA GMT, AXWAY’s controlling shareholder, of a block of approximately 3.6 million AXWAY shares from SOPRA STERIA GROUP, representing approximately 16.7% of the company’s share capital, at a price per share of €26.5, and, subject to the launch of the share capital increase defined below, the acquisition of all residual preferential subscription rights held by SOPRA STERIA GROUP;

- A share capital increase by AXWAY of €130 million, with retention of preferential subscription rights (hereinafter the “Share capital increase”). SOPRA GMT would subscribe as of right to the AXWAY Share capital increase, in the amount of its rights and those acquired from SOPRA STERIA GROUP, representing approximately 53% of the planned share capital increase; the remaining share capital increase will also be secured by subscribing the shares not subscribed at the end of the allocation process;

- Obtain bank financing of €200 million to finance the remainder of the Acquisition.

This merger was formally documented in an initial draft of the Share Purchase Agreement, dated 13 May 2024 (hereinafter the SPA), to which we refer for this Fairness opinion.
To address any conflicts of interest with SOPRA STERIA GROUP and to demonstrate that the transaction is in AXWAY’s best interests, AXWAY decided to appoint an independent expert pursuant to the provisions of Recommendation no. 2015-05 issued by the Autorité des Marchés Financiers (AMF, French Financial Markets Authority) on disposals and acquisitions of significant assets. As such, FINEXSI was appointed as an Independent Expert by AXWAY’s Board of Directors on 14 February 2024, on the recommendation of the Special Purpose Committee set up the same day. FINEXSI was tasked with valuing the assets acquired, and preparing a Fairness opinion on the financial terms and conditions of the Transaction.

In the performance of our engagement, we used public documents and read a range of accounting and financial information (financial statements, releases, etc.) that were either published or communicated to us by AXWAY. These documents and information were considered to be accurate and complete and we did not perform any specific verification procedures. We did not seek to validate the historical and forecast data used, but merely confirmed its plausibility and consistency. This engagement did not involve an audit of the financial statements, contracts, litigation or any other documents that were communicated to us.

1.2 **FINEXSI engagement**

FINEXSI EXPERT ET CONSEIL FINANCIER (hereinafter “FINEXSI”) was appointed by AXWAY’s Board of Directors on 14 February 2024 as an Independent Expert to assess the fairness of the financial terms and conditions of the Transaction, on the basis of Article 261-3 of the AMF General Regulation.

FINEXSI EXPERT & CONSEIL FINANCIER and its partners,

- Are independent within the meaning of Articles 261-1 *et seq.* of the AMF General Regulation, are in a position as such to issue the declaration of independence provided for in Article 261-4 of this General Regulation, and are not in any of the cases of conflict of interest referred to in Article 1 of AMF Instruction 2006-08;

- Have on a permanent basis the human and material resources necessary to carry out their engagement, as well as insurance or sufficient financial capacity with regard to the potential risks associated with this engagement;

- Are members of the French Professional Association of Independent Experts (APEI), an association recognised by the AMF pursuant to Articles 263-1 *et seq.* of its General Regulation.

FINEXSI EXPERT & CONSEIL FINANCIER attests to the absence of any past, present or future link known to it with the persons concerned by the Transaction and their advisory services, likely to affect its independence and the objectivity of its judgement in the context of the present engagement.

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1 Likely to substantially change the profile of a company.
1.3 Procedures conducted

A detailed breakdown of our procedures is presented in Appendix 1.

Our procedures mainly comprised:

- Understanding the context and the terms and conditions of the Transaction;
- Familiarising ourselves with the report on historical and forecast aggregates for the SBS carve-out, (draft Finance Vendor Due Diligence Report of 2 May 2024);
- Analysing the transferred SOPRA BANKING SOFTWARE activities: analysis of pro forma historical accounts and forecast business plans;
- Implementing a multi-criteria approach to value SOPRA BANKING SOFTWARE post carve-out;
- Analysing the consequences of the Transaction for AXWAY and its shareholders, including, in particular, familiarising ourselves with the strategic interest of the Transaction and analysing possible synergies;
- Analysing any related agreements;
- Preparing a fairness opinion outlining the procedures performed by the independent expert, the valuation of SOPRA BANKING SOFTWARE and the positioning of the envisaged price in relation to these values.

As part of our engagement, we familiarised ourselves with all accounting and financial information (financial statements, releases, etc.) published by SBS in respect of recent financial years.

We conducted procedures on the legal documentation made available, within the strict limit and for the sole purpose of collecting information useful to our engagement.

Regarding comparables valuation methods (transactions and trading multiples), we examined publicly available information on companies and comparable transactions using our financial databases.

We also held discussions with the members of the AXWAY Special Purpose Committee.

A quality review was conducted by Olivier Courau, a partner of the Firm, who did not work on the file.
2. Presentation of SOPRA BANKING SOFTWARE activities and its economic environment

2.1 Presentation of SOPRA BANKING SOFTWARE

SOPRA BANKING SOFTWARE is a subsidiary of the SOPRA STERIA group founded in 2011. It is a global technology solutions provider for financial institutions worldwide.

The company supports more than 650 customers in 80 countries. Its international activity is organised through a network of specialised subsidiaries by geographic area. The company’s employees are located in the following geographic regions: Europe (62%), Asia (23%), Africa and the Middle East (15%) and the Americas (1%).

SOPRA BANKING SOFTWARE customers fall into two categories:

- Banks in Europe and Africa, mainly network and private retail and direct banks, microfinance institutions and payment and credit companies;
• Financial and credit institutions present on all continents, offering services to both individuals and companies and operating in a range of sectors such as the automotive and equipment industry, real and moveable property leasing and market finance.

The company has more than 4,000 experts in nearly 50 offices.

In 2021, SOPRA BANKING SOFTWARE was recognised as one of the top 10 European Fintechs by IDC / Gartner and as the number 1 provider of banking and financial sector solutions in Africa and Europe.

The company’s activities are of two kinds (i) solutions (Software) and (ii) services (Service). 2023 revenue of the Company’s transferred scope breaks down by business segment and product mix as follows:

![Figure 2 - Breakdown of SOPRA BANKING SOFTWARE 2023 pro-forma revenue by activity](image1)

![Figure 3 - Breakdown of SOPRA BANKING SOFTWARE 2023 pro-forma revenue by product mix](image2)

Source: Management

2.1.1 Solutions (Software)

Sopra Banking Platform is a banking sector solution. The platform offers many features for day-to-day bank activities, including:

• **Core Banking**, an essential IT solution that runs in the background and is implemented by financial institutions to centralise all items necessary to managing customer financial transactions. In concrete terms, it is a set of APIs² built on a processing engine. Some banks go even further by integrating advanced data automation processes to optimise transactions and deliver an optimal customer experience.

In short, **Core Banking** supports various everyday banking transactions, such as (i) account opening and management, (ii) deposit and savings management, (iii) payments and cards,

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² Application Programming Interface: allows different software solutions to communicate and integrate.
(iv) interest calculation, (v) customer relationship management (CRM), and (vi) setting criteria, such as the minimum balance, interest rates or the number of authorised withdrawals. In addition, it facilitates loan management, including loan generation and tracking, as well as the recording of all banking transactions and regulatory reporting, through efficient data processing.

- **Digital Banking**: the Digital Banking Suite is a flexible platform for online banking. It offers various functions, such as multi-channel bank access and cloud-hosted software. These solutions integrate seamlessly with existing SBS systems while allowing customers to retain their Core Banking system. They can be implemented gradually, at different levels of the system, from the customer interface to basic banking transactions, whether for a specific aspect or a simple module. It offers comprehensive features such as Quick Checkout, Apple Pay, and Google Pay, and can be used on AWS, taking advantage of the benefits of the AXWAY API. The platform ensures regulatory compliance and produces reports for KYC, AML, PSD2³ and GDPR requirements.

- **Open Banking** offers a compliance budget management service, including:
  - A service that adapts to different banking standards and changes therein;
  - The use of premium APIs, with a transition from PSD2³ to PSD3⁴, considered basic, to premium opportunities proposed by Open Banking;
  - Cost savings including product entry costs and the total cost of ownership, through the implementation of SaaS software;
  - Access to data from more than 3,400 banks, providing customers and employees with crucial information to tailor their offerings.

**Sopra Financing Platform** is a comprehensive solution meeting the financing needs of financial institutions. The platform comprises three business lines:

- **Auto Finance**: The Sopra Financing Platform is an asset-based automotive financing platform offering modular cloud components. These modules can be used individually or in combination to strengthen the commercial capabilities of automotive lenders/lessors and reduce time-to-market. It increases value creation and enables better management of credit risks relating to the financial position of dealers or funded assets. Customers are mainly captives⁵, banks and independent financial institutions.

- **Assets and Equipment Finance**: The equipment and material financing platform facilitates the front-to-back lending cycle for several asset types, including agricultural equipment, heavy or specialty vehicles, precious metals, industrial equipment, medical equipment, etc.

---

³ PSD2 (Payment Services Directive 2) is an EU directive, which came into force in 2015, aimed at regulating payment services to promote innovation, enhance the security of electronic payments and protect consumers. It requires banks to open their interfaces to third-party payment service providers, thereby fostering new and innovative financial services.

⁴ PSD3 updates the previous directives and will gradually replace PSD2. It promises increased transparency, allowing users to actively monitor the consents granted to banks to access their data, as well as better protection against fraud.

⁵ A captive finance company is a financing business that is connected to a parent company whose main activity is not finance related.
SOPRA BANKING SOFTWARE plays a key role as organiser in the partners ecosystem. Cloud-native and fully scalable, the platform is supported by world-class partners and offers significant scope for integration thanks to open APIs.

- **Commercial Finance:** The platform offers tools to optimise the management of commercial loans issued by financial institutions, whether simple or complex. These automation features improve efficiency and reduce the risks associated with these transactions.

**Services**

SOPRA BANKING SOFTWARE also provides consulting, implementation, maintenance and training services. The main customers of this business line are financial institutions seeking to accelerate innovation and the digitalisation of their tools.

2.1.2 Presentation of the activity by product-mix of the transferred scope

The Sopra Banking Platform and Sopra Financing Platform offer features and a wide range of services thanks to their various business units. This structure allows them to offer personalised services tailored to the profiles and challenges facing their customers.

![Figure 4 - New SOPRA BANKING SOFTWARE scope](image)

It is important to note that the SOPRA BANKING SOFTWARE scope transferred to AXWAY does not include Banking Components activities, in addition to the Sopra Solutions and Specialized Market Software activities in Belgium, Germany and Brazil which will remain within SOPRA STERIA GROUP.

We will therefore examine here SBS’s activity through its various business lines, focusing on the product lines that are part of the transferred scope, that is:
**Sopra Financing Platform Divisions**

- **Specialized Finance**: This business line uses primarily an SaaS approach to manage the lifecycle of E2E\(^6\) products. The division addresses both the specialized finance market, as well as the SFP Wholesale (APAK financing platform for dealers), Digital Audit (audit of digital assets) and Credit Risk (portfolio management for lenders) sectors, with services already fully delivered under a subscription model.

**Sopra Banking Platform Divisions**

- **Modular product lines\(^7\)**: This line provides modular products that can be combined to form a cloud-native\(^8\) banking platform delivered using an SaaS approach. It comprises three distinct products:
  
  o **Digital Engagement**: SOPRA BANKING SOFTWARE’S Digital Banking Engagement Platform (DBEP) offers banks a comprehensive solution to meet Open Banking and European Union PSD2 Payment Services Directive requirements. By connecting to a wider ecosystem and sharing data with customer consent, DBEP enables banks to improve their customer service.
  
  o **Next Gen CBS**: This product line offers a next-generation, modular and fully cloud-based core banking solution, enabling banks to modernise their outdated banking infrastructures by adopting a state-of-the-art SaaS solution and to meet new challenges in their Core Banking services.
  
  o **Regulatory**: This product line offers solutions to facilitate and optimise the quality of regulatory reporting by banks through automation, enabling the management of large data volumes to meet the increasing information requirements of banking authorities. In addition, credit risk calculation solutions for internal bank models as well as risk weighting and mitigation solutions for Basel 3 standard methods are also available.

- **Integrated Core product lines\(^9\)**: This line manages integrated products using a traditional approach and will be gradually replaced by modular products. It comprises three main product lines:
  
  o **Amplitude**: Delivers Core Banking products and solutions for banking institutions mainly in Africa.

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\(^6\) Concept that refers to the provision of a service or solution encompassing the entire value chain from end-to-end, without any external intervention.

\(^7\) Modular software comprises separate modules, each of which performs a specific function. The modules are developed separately and then assembled to form a complete system. Each module may be used alone or combined with others as required. This approach offers increased flexibility and scalability, as modules can be reused in various contexts.

\(^8\) Cloud-native computing is a software development approach that capitalises fully on cloud computing to design and deploy scalable applications. These applications are specifically designed to perform optimally in dynamic and modern environments, such as public, private, and hybrid clouds.

\(^9\) Integrated software is a computer program designed to perform a specific task or set of related tasks. All required functionalities are bundled into a single program, often designed to run on a specific hardware system.
FINEXSI EXPERT ET CONSEIL FINANCIER

- **SAB**: Delivers Core Banking products and solutions for Tier 3 and 4 banking institutions, mainly in France.

- **Thaler CBS**: Delivers Core Banking products and solutions for banking institutions in Benelux and the United Kingdom.

- **Banking Components**: This line delivers current banking component offerings for major French banks (Tier 1) and other institutions that wish to retain their licenses. These solutions can be built from their own components and/or those developed by the business divisions mentioned above, then assembled and adjusted to meet the specific needs of key customers.

- **MSS (Mortgage and Savings Suite)**: this line offers solutions through a digital mortgage platform mainly to UK customers.

### 2.2 Presentation of SOPRA BANKING SOFTWARE’S economic and competitive environment

In line with the industry and markets in which SOPRA BANKING SOFTWARE operates, this section will primarily focus on the software publishing markets for banks and finance companies.

#### 2.2.1 Introductory remarks on the software publishing sector

The global market for infrastructure software publishing, which includes software for financial customers (presented below in Section 2.2.2), totalled $350 billion in 2021 and is expected to grow by 12.3% annually until 2026, to reach $623 billion\(^{10}\). Western Europe, SOPRA BANKING SOFTWARE’S main market, grew 9.8% in 2023\(^{11}\).

The digitalisation of the economy is the main growth driver in this sector with, in particular, the increasing adoption by companies of cloud-based technologies, requiring software solutions adapted to their digital transformation needs.

#### 2.2.2 Presentation of the software publishing sector for financial customers

**Global addressable market and trends**

The global software publishing market for financial customers\(^{12}\) was valued at $127.4 billion in 2023 and is expected to grow at a rate of around 13% per year to 2029\(^{13}\).

**Main players in the software publishing sector for financial customers**

The global software market for financial customers (including banks and finance companies) can be divided into three main categories:

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\(^{10}\) Source: AXWAY 2022 URD (GARTNER data)
\(^{11}\) Source: AXWAY 2022 URD (GARTNER data)
\(^{12}\) Including mainly banks, finance companies, asset managers, insurers, investment funds, private wealth managers and fund managers.
\(^{13}\) Source: MORDOR INTELLIGENCE
2.2.3 Presentation of the banking software market (SBS’s primary market)

2.2.3.1 Key features of the banking software market

Global addressable market and trends

The 1st generation of banking software dates back to 1959 with the creation of the programming language “COBOL” (Common Business Oriented Language) based on a monolithic architecture (i.e. composed of a single independent technological block deployed as a single code base) for programming all types of commercial and administrative applications.

Between 1990 and 2005, a 2nd generation of banking software was developed, again based on a monolithic architecture, but far more “product-centric”. It sought to address the specific needs of banks, that evolved with the growth of the global digital market and in particular transaction and payment volumes.

Beginning 2005, banking software underwent a fundamental shift: publishers began developing software built on a modular architecture, where components interact with each other (unlike a monolithic architecture, where components have self-contained functionalities and upgrades are extremely costly, complex and time consuming). This 3rd generation software aimed to be “customer-centric”, delivering, in particular, improved digital graphic interfaces.

Finally, 4th generation banking software has appeared more recently: “process-centric”, it focuses
more on the mobility needs of banking institutions, notably through increased use of cloud solutions to easily migrate from one ecosystem to another.

Currently, many banks still rely on IT systems developed in the 1970s to 1990s and, moreover, with a monolithic architecture, capable of delivering only fairly basic functions (such as opening and configuring bank accounts, transaction processing, deposit and loan processing), while the needs of customers have expanded.

The banking software publishing sector therefore seeks to address this important need to modernise bank technological infrastructures. The market is significant and growing considerably due to the increasing adoption of new solutions by banks: the global addressable market for banking software was $23 billion in 2022 and is expected to grow by around 11% per year between 2022 and 2026, to $34 billion. Banking software is divided into three segments depending on the configuration of the customer's solution, with distinct business models and market dynamics:

- **“On premise” solutions**: physically installed on a bank’s computer servers (with payment of a user subscription licence), these solutions provide the bank with enhanced control (as it manages the entire system itself), but involve high costs for installation, maintenance, updates, backup, and renewal. For these reasons, and while this remains the most common deployment method in banks (86% of the market in 2022), the popularity of these solutions is declining, with an expected annual growth rate of 5% over the period 2022-2026;

- **Non-SaaS cloud solutions**: in this configuration, in return for payment of a subscription the software publisher provides the bank with the solution, either in a public cloud (in which case the bank is responsible for managing its system) or in a hybrid cloud via a partner of the publisher (in which case the publisher manages the system for the bank). These solutions are becoming increasingly popular thanks to the flexibility provided to banks and the lack of physical data storage. They are expected to grow at an average annual rate of 34% over the period 2022-2026;

- **SaaS cloud solutions**: in this configuration, the publisher provides the bank with the software solution and remotely manages all the required operations (development, maintenance, updates) in return for payments by the bank on a per use basis. These solutions are increasingly popular with banks because they allow them to deploy and update their systems faster while predicting costs with greater precision. As for non-SaaS cloud solutions, they are expected to grow at an average annual rate of 34% over the period 2022-2026.

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14 Source: IDC, OVUM, MCKINSEY, S&P CAP IQ, CB INSIGHTS
The following graph summarises the main trends set-out above.

**Figure 6** – Banking software global market trends (in $ billion)

Value chain of the different types of banking software marketed

**Figure 7** - Value chain of the different types of banking software

Core Banking is an IT solution implemented by banks to bundle all the components needed to manage their customers’ financial transactions. Core Banking comprises APIs\(^\text{15}\) built on a central processing unit and can support a wide range of daily banking transactions.

\(^{15}\) An API (Application Programming Interface) is a software interface that “connects” software or services to another software or service in order to exchange data and functionalities.
Banking-as-a-Service (BaaS) is a model where banks provide their banking infrastructure and services to third-party companies for use and integration into their own products and services without them having to build the underlying banking infrastructure. The bank provides the services, while the third party provides the front-end interface and customer experience. Apple Pay is an example of a functionality using the BaaS model.

Finally, Embedded finance refers to the integration of financial services and products into non-financial platforms, such as e-commerce, social media or mobile applications. BaaS and Embedded Finance are closely linked since the second is made possible by the first. Embedded Finance focuses on the integration of financial services in non-financial platforms, while BaaS gives businesses the opportunity to offer banking services by connecting with existing banking systems.

### 2.2.3.2 Main growth drivers and challenges for banking software publishers

The main factors driving growth in IT spending by banks in the coming years, and by extension in banking software sales for publishers, will be:

- **Competitiveness compared to other banks and fintechs**: the adoption of state-of-the-art software is more than ever necessary to enable banks to stand out from fintechs and create an immersive banking experience for customers, which is not possible with a monolithic architecture.

- **Optimisation of costs and processes**: while digital transformation projects represent an investment, this investment is recovered through the increased ability of banks to reduce the risk of errors and flaws inherent in outdated IT architectures.

- **Cybersecurity challenges**: developments in digital technologies and regulatory frameworks have opened up many opportunities and vulnerabilities for the financial sector\(^\text{16}\), and is accompanied by increased investment in cybersecurity.

The main challenges facing banking software publishers are:

- **Legal compliance**: in recent years, regulators have applied restrictions to major European BaaS providers, negatively impacting their business\(^\text{17}\), as increased customer numbers have attracted more attention from regulators.

- **Increasing competitive pressure**: entry barriers have lowered in recent years with more and more entrants into the software publishing sector for financial customers.

- **Sector consolidation**: new market requirements for faster and more flexible products is pushing major players in financial software publishing to innovate on a large scale through buyouts, partnerships and joint ventures\(^\text{18}\).

---

\(^\text{16}\) Financial services are the second sector most compromised by cyber-attacks, with an average cost of $5.7 million per data breach for each institution.

\(^\text{17}\) In October 2023, the UK FINANCIAL CONDUCT AUTHORITY imposed restrictions on MODULR, an embedded finance solutions publisher (provider of the platform used by the fintech Revolut among others) until it complied with the new regulations.

\(^\text{18}\) SOPRA BANKING SOFTWARE acquired CASSIOPAE (in 2017), SWORD APAK (in 2018) and FIDOR SOLUTIONS (in 2020).
2.2.4  Presentation of the financing software market (SBS’s secondary market)

Global addressable market and trends

Financing software refers to software intended for financing entities, in particular leasing companies (mainly automotive and equipment).

The global leasing market, which includes the leasing software segment, was $1,360 billion in 2019 and grew by 6.6% the same year. The largest markets are the United States (36%) followed by Europe (33%), which recorded growth of 4.5% in 2021.\(^{19}\)

In terms of assets financed, over half the global leasing market finances equipment ($535 billion in 2020, with an CAGR estimated at 9% to 2025\(^{19}\)) and the automotive sector ($248 billion in 2020, with an CAGR estimated in the range of 8 to 18% to 2028\(^{19}\)).

Between 2022 and 2025, the global leasing market is expected to grow by around 8% per year, led in particular by Africa, which has the smallest addressed market ($7.5 billion) but is the fastest growing (expected compound annual growth rate of 21.8\(^{19}\)).

The global software market for the asset finance industry (automotive and equipment), in which SBS is positioned, was estimated at $3.4 billion in 2021 and is expected to grow until at least 2026\(^{19}\).

\(^{19}\) Deloitte study – “A Deloitte view of the asset finance software industry”
3. Financial analysis of SOPRA BANKING SOFTWARE

We present below the combined accounts of the SOPRA BANKING SOFTWARE transferred scope for financial years 2022 and 2023 (hereinafter the “SBS pro forma accounts”).

3.1 Pro-forma combined income statement

<table>
<thead>
<tr>
<th>31/12 - In €M</th>
<th>31/12/2022</th>
<th>31/12/2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>334.9</td>
<td>359.2</td>
</tr>
<tr>
<td>Staff costs</td>
<td>(227.2)</td>
<td>(237.8)</td>
</tr>
<tr>
<td>Purchases and external costs</td>
<td>(68.0)</td>
<td>(80.1)</td>
</tr>
<tr>
<td>Taxes</td>
<td>(3.1)</td>
<td>(3.2)</td>
</tr>
<tr>
<td>Depreciation, amortisation and provisions</td>
<td>(7.5)</td>
<td>(7.1)</td>
</tr>
<tr>
<td>Depreciation of right-of-use assets</td>
<td>(8.8)</td>
<td>(8.3)</td>
</tr>
<tr>
<td>Other operating income / expenses</td>
<td>5.4</td>
<td>3.5</td>
</tr>
<tr>
<td><strong>Operating income from activity</strong></td>
<td><strong>25.7</strong></td>
<td><strong>26.3</strong></td>
</tr>
<tr>
<td><strong>as % of sales</strong></td>
<td><strong>7.2 %</strong></td>
<td><strong>7.3 %</strong></td>
</tr>
<tr>
<td>Cost related to stock options</td>
<td>(2.7)</td>
<td>(3.7)</td>
</tr>
<tr>
<td>Amortisation of allocated intangible assets</td>
<td>(9.9)</td>
<td>(9.1)</td>
</tr>
<tr>
<td><strong>Current operating income</strong></td>
<td><strong>13.1</strong></td>
<td><strong>13.5</strong></td>
</tr>
<tr>
<td><strong>as % of sales</strong></td>
<td><strong>3.7 %</strong></td>
<td><strong>3.8 %</strong></td>
</tr>
<tr>
<td>Other operating income and expenses</td>
<td>(8.3)</td>
<td>(59.8)</td>
</tr>
<tr>
<td><strong>Operating income / (loss)</strong></td>
<td><strong>4.8</strong></td>
<td><strong>(46.3)</strong></td>
</tr>
<tr>
<td><strong>as % of sales</strong></td>
<td><strong>1.3 %</strong></td>
<td><strong>(12.9)%</strong></td>
</tr>
<tr>
<td>Cost of net financial debt</td>
<td>(8.5)</td>
<td>(20.1)</td>
</tr>
<tr>
<td>Other financial income and expenses</td>
<td>(2.3)</td>
<td>(2.4)</td>
</tr>
<tr>
<td>Corporate income tax</td>
<td>(13.2)</td>
<td>(7.9)</td>
</tr>
<tr>
<td><strong>Net income / (loss)</strong></td>
<td><strong>(19.2)</strong></td>
<td><strong>(76.6)</strong></td>
</tr>
</tbody>
</table>

Source: Company

SOPRA BANKING SOFTWARE combined revenue increased 7% year-on-year (+€24.3 million) from €334.9 million in 2022 to €359.2 million. This growth is partly due to the payment by BPCE of compensation of €6.5 million, in accordance with the SPA following the acquisition of the fintech Fidor in 2020. Adjusted for this compensation, growth is therefore 4% and can be explained by three factors:

- Higher revenue from maintenance and support services, up 6% over the period, mainly due to sales of additional services for SAB software maintenance and services provided to Société Générale for the DALI license;
- A 7% increase in professional services revenue mainly due to IT migration services carried out for CRELAN following the acquisition of AXA BELGIUM as well as the migration of CO-OPERATIVE BANK to the brokerage platform developed by SOPRA BANKING SOFTWARE;
- The increase in SaaS sales to the business line’s main customers, including SANTANDER, ROYAL BANK OF SCOTLAND and ATOS - NS&I. Major new contracts were also signed with customers such as ORANGE and DAIMLER.
From a business unit perspective, Company growth was driven by the development of the Specialized Finance solution (SaaS revenue +€3.0 million and professional services revenue +€3.3 million), as well as Integrated Core solutions (SAB, Amplitude and CBS V4) and Banking Components, which increased slightly by €1.4 million and €1.3 million, respectively, despite a fall in licensing revenues of €6.2 million.

Staff and subcontracting costs increased in line with revenue. Higher staff costs were partly due to a €3.5 million increase in bonuses, attributable in part to the impact on earnings of the €6.5 million BPCE compensation. The rise in staff costs was however contained by capacity building in India.

**Operating income** therefore remained relatively stable at 7.3% between 2022 and 2023.

**Other operating income and expenses** (-€59.8 million) include the impairment of SBS France goodwill for €53.2 million in 2023. This impairment was determined based on a business outlook consistent with the business plan examined as part of our valuation work.

In 2023, SOPRA BANKING SOFTWARE reported a **net loss** of -€76 million compared to net income of €4.8 million in 2022. This downturn was largely due to the impairment of goodwill in France.
3.2 2022 and 2023 pro-forma combined balance sheet

We present below the combined balance sheet of the Company for the last two financial years.

Table 2 - SOPRA BANKING SOFTWARE 2022 and 2023 combined balance sheet

<table>
<thead>
<tr>
<th>Non-current assets</th>
<th>31/12/2022</th>
<th>31/12/2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goodwill</td>
<td>305.1</td>
<td>254.1</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>53.8</td>
<td>61.3</td>
</tr>
<tr>
<td>Tangible assets</td>
<td>9.1</td>
<td>7.6</td>
</tr>
<tr>
<td>Right-of-use assets</td>
<td>21.1</td>
<td>33.7</td>
</tr>
<tr>
<td>Other non-current financial assets</td>
<td>2.0</td>
<td>1.8</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>2.9</td>
<td>6.0</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td><strong>394.0</strong></td>
<td><strong>364.5</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current assets</th>
<th>31/12/2022</th>
<th>31/12/2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Account receivables</td>
<td>94.3</td>
<td>97.7</td>
</tr>
<tr>
<td>Other current assets</td>
<td>25.1</td>
<td>26.2</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>9.0</td>
<td>4.0</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td><strong>128.4</strong></td>
<td><strong>127.8</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total assets</th>
<th>31/12/2022</th>
<th>31/12/2023</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>522.4</strong></td>
<td><strong>492.3</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Shareholders’ equity</th>
<th>31/12/2022</th>
<th>31/12/2023</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Shareholders’ equity</strong></td>
<td><strong>(45.7)</strong></td>
<td><strong>(85.7)</strong></td>
</tr>
</tbody>
</table>

| Borrowings and financial debt | 398.0 | 387.4 |
| Lease debt                    | 22.3  | 35.4  |
| Provisions                    | 24.5  | 23.6  |
| Trade payables and related accounts | 21.6 | 27.4 |
| Other liabilities             | 101.7 | 104.3 |
| **Total liabilities**         | **522.4** | **492.3** |

Source: Company

These combined balance sheets do not anticipate (i) the impact of the prior restructuring transactions, or (ii) the impact of the planned capitalisation of part of the SOPRA STERIA GROUP current account to restore SBS France’s equity.

We have the following key comments on these balance sheets:

Non-current assets mainly consist of **goodwill** (€254.1 million), notably in France (€143.4 million) and the United Kingdom (€108.6 million). The decrease in this heading between 2022 and 2023 is mainly due to the impairment of goodwill in France (€53.2 million).

**Intangible assets** include €35.9 million of capitalised R&D costs.

**Other current assets** (€26.1 million) mainly consist of tax receivables, including research tax credit receivables in France (€9.3 million), and income tax receivables (€7.2 million).

**Equity** is negative (€87.5 million), but will be restored prior to the Transaction by capitalising part of the SOPRA STERIA GROUP current account in the amount of €150 million.

**Provisions** (€23.6 million) mainly concern retirement benefit and similar commitments (91% in France), which totalled €19.7 million at 31 December 2023, as well as a provision for tax risks relating to research tax credits in France of €1.4 million.
At 31 December 2023, **borrowings and financial debt** amounted to €387.4 million and mainly comprised the current account with SOPRA STERIA GROUP (€339.2 million).

Other current debt (€103.2 million) comprised tax and employee-related payables (€68.6 million) and customer contract liabilities (€25.8 million).

### 3.3 SWOT

#### Strengths
- Fast-growing addressable market, driven by increasing digital spending by banks and financial customers
- Presence in high-growth market segments and geographical areas
- Strong presence in Africa, where 50% of banks use SOPRA BANKING SOFTWARE solutions
- Resilience of sales due to customers’ limited ability to change service providers

#### Weaknesses
- Relatively cyclical business
- Lower historical operating profitability than comparable companies operating in the financial software sector
- Weak presence in the American and Asian markets
- Limited market share gains

#### Opportunities
- Constantly evolving customer needs linked to the digitalisation of the economy, synonymous with new vectors of regular growth for SBS
- Proliferation of cyber attacks, making it increasingly necessary to implement state-of-the-art architectures
- Growth of the BaaS segment linked to the proliferation of fintechs
- Sector consolidation opportunities

#### Threats
- Strong competitive intensity (presence in the sector of diversified technology leaders, multiple software publishers and financial services specialists)
- Increasing regulation of the banking software sector weighing on software publishers
- Risk of new entrants as barriers to entry are lowered
- The rise of SaaS is generating increasingly high costs for software editors
4. Summary of the SPA terms and conditions and presentation of the purchase price calculation

The terms and conditions for the purchase of SBS shares are set out in a draft Share Purchase Agreement (hereinafter SPA). The latest version dated 13 May 2024 should be referred to for further information.

Certain key SPA terms and conditions are summarised hereunder.

4.1 Scope of the Transaction

The Transaction involves the sale by SOPRA STERIA GROUP SA of 100% of the share capital and voting rights of SOPRA BANKING SOFTWARE to AXWAY SOFTWARE SA.

Prior to the Transaction, SOPRA STERIA GROUP will conduct Restructuring Transactions within SOPRA BANKING SOFTWARE to transfer, within the Sopra Group, and exclude from the transferred scope, Services activities as well as certain Specialized Market Solutions and integration activities for SBS’s tier 1 French banks. The transferred scope corresponds to the Software business for SBS’s banks, representing approximately 80% of SBS’s 2023 revenue.

The prior Restructuring Transactions will mainly involve divestments and the proceeds will be recorded in the SOPRA STERIA GROUP current account.

Unless otherwise specified, our valuation work was performed on the transferred scope, i.e. post carve-out.

4.2 Purchase price

The Initial Purchase Price comprises (i) an enterprise value for SOPRA BANKING SOFTWARE of €330 million, less (ii) the Estimated Net Debt Amount, (iii) the Estimated Working Capital Adjustment and (iii) Estimated Other Adjusted Items. The Working Capital Adjustment Amount is equal to estimated working capital at the closing date (determined 10 days prior to closing) minus normative working capital, calculated on a LTM basis at 30 June 2023.

Following completion of the Transaction, the Initial Purchase Price will be adjusted to take account of the final aggregates (net debt and working capital adjustment) at the closing date. These final aggregates should be determined within 70 working days of the closing in order to calculate the final purchase price.

We agree with the principle and definition of the items selected to adjust the enterprise value and determine the purchase price, which are standard and do not call for any specific comments on our part.
In this context, and considering that the amounts of net debt, working capital and other adjusted items cannot be precisely determined as of the date of this report, we will estimate the purchase price by referring to the enterprise value.

At this stage, the potential tax savings arising from tax loss carryforwards have not been taken into account in the purchase price calculation.

4.3 **Conditions precedent and warranties**

The Transaction remains subject to the following conditions precedent:

- Completion of all restructuring transactions as defined in Appendix F (iii) of the SPA;
- Approval of the Transaction by competition authorities in France and Morocco;
- AMF decision regarding exemption from the obligation to file a draft public offer, cleared of any claims;
- Completion of the sale of AXWAY shares by SOPRA STERIA GROUP to SOPRA GMT;
- AMF approval of the prospectus filed by AXWAY;
- Completion of AXWAY’s €130 million share capital increase;
- Securing by AXWAY of bank financing of €200 million.

Furthermore, Article 10 of the SPA provides for vendor warranties covering any damage effectively and directly suffered by AXWAY or the companies whose securities are sold, as a result of any inaccuracies, violations or omissions in representations made by the vendors. AXWAY’s management has confirmed that the warranties provided in connection with the Acquisition are consistent with the results of the various due diligence procedures and its knowledge of the acquired activity.
4.4 Ancillary agreements

The reading of the SPA did not reveal any specific provisions likely to concern a given shareholder, in particular the SOPRA STERIA group, which was also confirmed by AXWAY. Under these circumstances, we did not identify any ancillary agreements within the meaning of the AMF General Regulation.

4.5 Financing of the Transaction

As stated above, the SPA provides for, prior to the Transaction, (i) the completion of AXWAY’s €130 million share capital increase and (ii) the securing by AXWAY of bank financing of €200 million. These two financing sources will cover the SBS enterprise value of €330 million.

The share capital increase will be performed pursuant to the 18th resolution voted by the AXWAY General Shareholders’ Meeting of 11 May 2023, and be open to all shareholders in proportion to their rights (i.e. with retention of preferential subscription rights). It will be proposed with a subscription price per new share determined according to standard market practices, with a discount on the theoretical ex-rights price (TERP) within the limit of a maximum subscription price (including the discount) of €26.50.

SOPRA GMT has agreed to underwrite this share capital increase, without this granting any specific benefit to it which we would have to consider, providing shareholder preferential subscription rights are retained.

The €200 million bank financing will be provided by a banking pool comprising three banks: CA-CIB, Société Générale and LCL. The interest rate will be 3-month Euribor +3%, i.e. higher than the current AXWAY RCF20 financing rate (3-month Euribor + 1.75%).

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20 Revolving Credit Facility
5. Determination of the SOPRA BANKING SOFTWARE enterprise value

The purchase price comprises (i) the enterprise value, (ii) the net debt amount (iii) and (iv) the working capital adjustment.

The net debt amount as defined in the draft SPA corresponds to the standard definition:

“Net debt” means, for all SBS Sold Companies aggregated, Financial Indebtedness less Cash […]

“Financial indebtedness” shall mean, with respect to all SBS companies, the aggregate of the following items:

(i) all obligations for borrowed money, including as evidenced by notes, bonds, debentures, derivatives or similar instruments;
(ii) any current account or any other debt (including, for the avoidance of doubt, the Intercompany Loan and any cash pooling arrangement) made available by any shareholder and/or any of their Affiliates (including, for the avoidance of doubt, the Seller and the Main Shareholder);
(iii) any vendor financed arrangements;
(iv) trapped cash [NTD: deletion to be confirmed];
(v) Income Tax Indebtedness; and;
(vi) If applicable, outstanding fees payable to external advisors listed in Schedule 1(ii).

All of the above items are to include any accrued interest payable as relevant.

[…]

“Cash” shall be equal to aggregate of the following items (if applicable):

(i) currency at hand;
(ii) demand deposits with banks or other financial institutions;
(iii) any cash equivalents such as deposits, cash used as guarantees, money markets and/or marketable securities;
(iv) discounted cash value of R&D tax credits (CIR) [NTD: to be further defined];
(v) Income Tax Receivables;
(vi) The BPCE Receivable; and
(vii) The positive value of any mark to market on foreign exchange hedging.

All of the above items are to include any accrued interest receivable as relevant.

We have no comments on the net debt amount as defined, which will therefore be transferred at its present value.
The other adjustments defined in the draft SPA mainly correspond to provisions (retirement benefits, provisions for restoration, provisions for disputes with customers and/or employees, provisions for taxes, as well as 50% of budgeted annual bonuses for all employees) that are not considered in the business plan flows.

These items are usually included in the enterprise value to equity value bridge in addition to the net debt amount and do not call for any other specific comment on our part.

The working capital adjustment defined in the draft SPA is equal to the difference between the level of working capital as observed at the closing date and the normalised level of working capital corresponding to the LTM average at 30 June 2023. This adjustment with respect to average working capital is standard and does not call for any specific comment on our part, since the analyses performed revealed strong similarities between the reference amount used at 30 June 2023 and the estimate at 30 June 2024.

Given the principles used to determine the net debt amount and the working capital adjustment, the present values of these two price inputs were adopted according to standard definitions. Under these circumstances, the assessment of the purchase price is primarily based on the assessment of the enterprise value.

In accordance with the provisions of Article 262-1 of the AMF General Regulation, we performed our own multi-criteria valuation of SOPRA BANKING SOFTWARE’s enterprise value, the methods and results of which are set out hereunder.

Note that SOPRA BANKING SOFTWARE was valued following the carve-out of the activities that remain within SOPRA STERIA GROUP.

5.1 Discarded valuation methods

5.1.1 Consolidated net asset value

Consolidated net asset value is generally not considered to be representative of a company’s intrinsic value. It does not include growth and profitability outlooks or any capital gains on assets. For information purposes, the consolidated net asset value of SOPRA BANKING SOFTWARE PROFORMA at 31 December 2023 is €85.7 million based on the combined financial statements, it being specified that SOPRA BANKING SOFTWARE is set to be recapitalised in the amount of €150 million following completion of the restructuring transactions.

5.1.2 Adjusted net asset value

The adjusted net asset value method consists in adjusting the net asset value for unrealised capital gains or losses identified in assets, liabilities or off-balance sheet. This method, which is often used to value companies in certain sectors (holding companies, real estate firms), is particularly suitable for companies whose primary assets have market value and whose operating activities involve the purchase and sale of such assets, which is not the case for SOPRA BANKING SOFTWARE.
5.1.3 Net asset value

We did not consider it necessary to adopt this method as it is not relevant in a context where only going concern-based approaches are to be used to value SOPRA BANKING SOFTWARE PROFORMA shares.

5.1.4 Discounting of future dividends

This method, which consists in discounting future dividends, depends on the distribution policy decided by management and tends to provide better valuations for companies with the highest distribution rates, without taking into account the medium-term impact of trade-offs between distribution, self-financing and investment.

Since the Company has not paid out dividends in the last three fiscal years or more, nor has it announced or determined a distribution policy, this method will not be used.

5.1.5 Comparable transactions

The comparable transactions method is based on an analysis of the multiples generated by total or partial takeovers of companies in the business sector of the entity being valued.

This criteria, which generally includes a control premium and/or the consideration of synergies, does not seem appropriate in the context of an intra-group sale in the presence of minority shareholders. We did not therefore adopt this method in this instance.

For information purposes, the analysis of comparable transactions would have resulted in values and therefore premiums on the €330 million price, much higher than those under the other methods considered.

5.2 Adopted valuation methods

We adopted a multi-criteria approach including the following valuation references and methods.

- The intrinsic discounted cash flow (DCF) method based on the Company’s 2023E-2027E business plan;
- The comparables valuation method based on trading multiples.

As part of our analysis, we assessed the relevance of each of these criteria.

5.3 Implementation of the valuation

5.3.1 Discounted cash flows (principal method)

This method consists of determining a company’s intrinsic value by discounting the cash flows resulting from its business plan at a rate that reflects the rate of return required by the market for the company, taking into account an exit value at the end of the plan.

This method takes into account the growth outlook specific to the company, and represents the basic value that can be recovered by the buyer if the plan is successfully implemented.
The projected cash flows were determined using the standalone 2023e-2027e business plan (BP) prepared by SBS management, with the help of some 30 managers, and updated in October 2023.

Presentation of management’s 2023E-2027E business plan

The business plan includes SBS’s strategic plan, which aims for (i) a gradual transition from an integration model to a SaaS model using cloud-based modular software and (ii) the development of new service lines based on standardised and scalable products.

The main defining assumptions are as follows:

- No external growth within the business plan timeframe or major asset divestments expected;
- 2024e-2027e revenue growth mainly driven by the gradual transition of products to an SaaS model and the development of new, more complex products;
- A significant improvement in operating margin between 2023 and 2027, thanks to the development of higher added value modular solutions (Digital Engagement, Next Gen CBS and Regulatory) to gradually replace Integrated Core traditional activities (SAB, Amplitude and Thaller), as well as cost containment at the end of the plan, mainly via the restructuring plan already under way;
- Significant restructuring costs in 2024, already well advanced in the 1st quarter of 2024, which should return to normal in subsequent years at levels consistent with those observed in the past.

As stated above, the BP is a standalone BP, i.e. it does not include any synergies or dis-synergies generated at the end of the Transaction. The forecasts incorporate management fees reflecting the current conditions applied by SOPRA STERIA GROUP. We understand that the management fees will be replaced by service agreements (TSA) with SOPRA STERIA GROUP comprising equivalent financial terms and conditions.

SBS management considers this business plan to be relatively balanced and prudent in terms of revenue, while being realistic in terms of profitability. The success of this plan depends primarily on the ability to effectively roll out the operational strategy within the allotted timeframes.

AXWAY’s management considers the forecasts to be optimistic on a stand-alone basis and without any strategic changes, in light of SBS’s past performance, and that it can undertake the necessary changes to improve SBS’s profitability and align it with its own standards.

This assessment appears to be shared by the controlling shareholder, Pierre Pasquier, who considers that SBS has the potential and ability to enhance its profitability and align it with those of its peers, with the sole uncertainty being the timeframe required to achieve this improvement.

Under these circumstances, the stand-alone business plan is, in our opinion, a solid reference that can be used to value SBS in its current state of development, without taking into account any improvements expected from its merger with AXWAY.
Cash flow calculation

Compared to the BP we received, we made the following adjustments, which have a limited impact on cash flows:

- We factored in the tax effect on the restructuring costs that are presented pre-tax in the business plan;
- We restated the Research Tax Credit in the taxable base;
- We eliminated the impact of IFRS 16 in the cash flows to use pre-IFRS 16 cash flows.

Cash flow extrapolation

We extended the business plan by two additional years (2028e-2029e) to align the plan-end growth rate with a normative growth rate of 2.2% (terminal value) and the operating margin with a normative EBIT margin corresponding to the average operating margin for the last two years of the business plan (2026e and 2027e).

Normative cash flow

A perpetual growth rate of 2.2% was applied to normative cash flow, reflecting the Company’s long-term growth outlook, in line with expected long-term inflation rates in France.

Normative cash flow was calculated using an operating margin rate deemed sustainable in the long term, corresponding to the average of the 2026 and 2027 EBIT margins in the business plan.

Normative cash flow incorporates recurring restructuring costs in line with the costs observed over the historical period.

A normative investment cash flow representing 1.2% of annual revenue was adopted in the terminal cash flow. This reflects the average level observed over the entire business plan timeframe.

Capitalised R&D costs corresponding to the normative level of D&A for capitalised R&D costs were used in the terminal cash flow.

The normative tax rate was 25.0%. We did not take into account any tax savings that could result from the utilisation of loss carryforwards given the uncertainties surrounding their use and the related timing. The fact that these potential savings were not taken into account when performing our calculations and setting the price is beneficial to the buyer AXWAY.

Discount rate

We used the weighted average cost of capital to discount cash flows. This cost was estimated at 10.1% based on:

- A risk-free rate of 3.0% corresponding to the OAT TEC 10 (French government bond rate) average rate (1-year average, calculated at 30 April 2024, source: BANQUE DE FRANCE);
- An equity market risk premium of 5.4% (1-year average for risk premiums under the FINEXSI® model at 30 April 2024);
A deleveraged beta of 1.08 corresponding to the beta observed in the software (system & application) sector (source: DAMODARAN);

A size premium of 1.3%, corresponding to the difference in size between SOPRA BANKING SOFTWARE and the peers selected for the valuation using the trading multiples method (source: KROLL);

A cost of debt before corporate income tax of 7.0%, corresponding to the estimated refinancing rate of the Acquisition;

A gearing of 6.2% corresponding to the average Debt/Equity ratio of the peers;

A normative tax rate of 25.0%.

The valuation was performed at 31 December 2023, and the financial cash flows were updated mid-year.

**Valuation results**

Based on these inputs, the enterprise value of SOPRA BANKING SOFTWARE is €333 million.

A sensitivity analysis of this value to a combined change in the discount rate (from -1 point to +1 point) and the perpetual growth rate (from -0.5 points to +0.5 points), and in the discount rate (from -1 point to +1 point) and the EBIT margin rate (from -2 points to + 2 points), is presented below.

**Table 3 - Analysis of sensitivity to a combined change in the perpetual growth and discount rates**

<table>
<thead>
<tr>
<th>EV</th>
<th>WACC</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9.1%</td>
</tr>
<tr>
<td>1.70%</td>
<td>362</td>
</tr>
<tr>
<td>1.95%</td>
<td>373</td>
</tr>
<tr>
<td>2.20%</td>
<td>385</td>
</tr>
<tr>
<td>2.45%</td>
<td>397</td>
</tr>
<tr>
<td>2.70%</td>
<td>411</td>
</tr>
</tbody>
</table>

**Table 4 - Analysis of sensitivity to a combined change in the margin and discount rates**

<table>
<thead>
<tr>
<th>EV</th>
<th>WACC</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9.1%</td>
</tr>
<tr>
<td>6.91%</td>
<td>312</td>
</tr>
<tr>
<td>7.91%</td>
<td>348</td>
</tr>
<tr>
<td>8.91%</td>
<td>385</td>
</tr>
<tr>
<td>9.91%</td>
<td>421</td>
</tr>
<tr>
<td>10.91%</td>
<td>458</td>
</tr>
</tbody>
</table>

At the end of this analysis, we will select a range of values between **€303 million and €364 million** with a median of €333 million.
5.3.2 Trading multiples (secondary method)

The trading multiples method consists in determining a company’s value by applying multiples observed for a sample of other listed companies in the same sector to aggregates deemed relevant.

The effectiveness of this method is founded mainly on the availability of a representative sample of similar companies, taking into account criteria such as business sector, size, risk profile, geographic distribution and profitability.

We identified six listed companies specialising in software publishing for financial and banking institutions (banking, insurance, asset management), with revenues mostly generated in the EMEA zone.

We selected EBIT. This is the most relevant aggregate as the impact of R&D capitalisation policies can be incorporated and IFRS 16 impacts can be smoothed out.

In our opinion, this method is less relevant as companies may differ in size and product mix, due to the fact that the sample is composed of “self-supporting” companies and not subsidiaries as is the case for SOPRA BANKING SOFTWARE. The companies in our sample are those we consider most comparable to SOPRA BANKING SOFTWARE, although the majority generate higher profit margins. Under these circumstances, this method was only implemented on a secondary basis.

The sample comprises the following six companies:

- **TEMENOS AG**, a Swiss company that develops and markets integrated banking software systems. These services comprise a digital banking platform, payment technology and banking software for the retail industry. The company operates mainly in Europe (30%), America (28%), Middle East and Africa (20%) and Asia (18%). In 2023, TEMENOS reported revenue of €928.9 million and operating income of €291 million, representing an operating margin of 31.3%.

- **ALFA FINANCIAL SOFTWARE HOLDINGS PLC**, a UK software solutions and consulting services company for the automotive financing and equipment industry. The group’s activities are mainly based in Europe (60%) and the United States (33%). In 2023, ALFA FINANCIAL SOFTWARE HOLDINGS PLC reported revenue of €119 million and operating income of €35 million, representing an operating margin of 29.5%.

- **APTITUDE SOFTWARE GROUP PLC**, a UK company specialising in financial scanning and subscription management software. It offers a wide range of services including cloud, delivery, trust-centric security, support and training. The Company is mainly present in the United Kingdom (55%) and the rest of the world (45%). In 2023, APTITUDE SOFTWARE GROUP PLC reported revenue of €86 million and operating income of €11 million, representing an operating margin of 13.0%.

- **IRESS LIMITED**, a New Zealand tech company providing financial services to financial institutions. It provides data on the market, transactions, compliance, order management, portfolio systems and related tools to financial market and wealth management participants. It is also active in the UK mortgage industry, providing mortgage arrangement software and consulting services to banks. The group’s operational activities are mainly based in Asia (56%) and Europe (33%). In 2023, IRESS LIMITED reported revenue of €356 million and an operating loss of -€65 million, representing an operating margin of -18.1%.
- **SAPIENS INTERNATIONAL CORPORATION N.V.** is an Israeli company specialising in software solutions for the property, casualty, corporate and personal insurance, life and pension insurance, and reinsurance sectors. It operates in Europe (50%), the United States (41%) and the rest of the world (9%). In 2023, SAPIENS INTERNATIONAL CORPORATION N.V reported revenue of €466 million and operating income of €71 million, representing an operating margin of 15.3%.

- **LINEDATA SERVICES S.A.** is a SaaS software package publishing company operating in the asset management (67%) and insurance and financing (33%) sectors. It provides software for fund accounting, automobile financing, consumer credit and capital goods financing. The company operates mainly in Europe (49%) and America (46%). In 2023, LINEDATA SERVICES S.A reported revenue of €183 million and operating income of €38 million, representing an operating margin of 20.7%.

### Table 5 - Pre-IFRS 16 operating margins and multiples observed for the peer sample

<table>
<thead>
<tr>
<th>Peers</th>
<th>Revenue 2023 (€m)</th>
<th>EV 2024e (€m)</th>
<th>EBIT Margin 2024e</th>
<th>xEBIT 2024e</th>
<th>EV 2025e (€m)</th>
<th>EBIT Margin 2025e</th>
<th>xEBIT 2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temenos AG</td>
<td>Switzerland</td>
<td>905</td>
<td>5,880</td>
<td>33.1 %</td>
<td>34.0 %</td>
<td>19.6x</td>
<td>17.7x</td>
</tr>
<tr>
<td>Alfa Financial Software Holdings PLC</td>
<td>United Kingdom</td>
<td>118</td>
<td>562</td>
<td>28.0 %</td>
<td>28.0 %</td>
<td>15.9x</td>
<td>14.9x</td>
</tr>
<tr>
<td>Aptitude Software Group plc</td>
<td>United Kingdom</td>
<td>86</td>
<td>179</td>
<td>14.4 %</td>
<td>15.4 %</td>
<td>15.1x</td>
<td>13.3x</td>
</tr>
<tr>
<td>Iress Limited</td>
<td>Australia</td>
<td>386</td>
<td>1,098</td>
<td>13.7 %</td>
<td>17.0 %</td>
<td>21.0x</td>
<td>16.5x</td>
</tr>
<tr>
<td>Sapiens International Corporation N.V.</td>
<td>Israel</td>
<td>466</td>
<td>1,434</td>
<td>18.3 %</td>
<td>18.7 %</td>
<td>15.0x</td>
<td>13.7x</td>
</tr>
<tr>
<td>Linedata Services S.A.</td>
<td>France</td>
<td>183</td>
<td>333</td>
<td>19.9 %</td>
<td>19.9 %</td>
<td>8.7x</td>
<td>8.4x</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td></td>
<td>21.2 %</td>
<td></td>
<td>19.1 %</td>
<td>19.3 %</td>
<td>15.9x</td>
<td>14.1x</td>
</tr>
<tr>
<td><strong>Median</strong></td>
<td></td>
<td>19.1 %</td>
<td></td>
<td>19.3 %</td>
<td>15.5x</td>
<td>14.3x</td>
<td></td>
</tr>
</tbody>
</table>

* Multiples induced by (i) an enterprise value calculated on the basis of the 3-month VWAP and an average number of shares over 3 months

Source: Capital IQ

Sources: Capital IQ, FINEXSI Analyses

We selected pre-IFRS 16 EBIT median multiples for 2024E (15.5x) and 2025E (14.3x). Applied to the SOPRA BANKING SOFTWARE estimated aggregates from the stand-alone business plan, the enterprise value of SOPRA BANKING SOFTWARE ranges from €297.5 million to €371.0 million.
5.4 Summary of our work and assessment of the enterprise value

Figure 8 - Summary of the valuation work performed by FINEXSI

The purchase price therefore reflects a slight premium of 1.2% compared to the median derived from the discounted cash flow method. This method was applied using the business plan drawn up by management based on optimistic assumptions compared to past performance, but which are considered achievable compared to those of its competitors.

The various valuation approaches implemented revealed a valuation range for SBS of between €298 million and €371 million, with a median of €333 million (corresponding to the DCF median).

The adopted enterprise value (€330 million) falls in the mid-range under the discounted cash flow method. This is the principal method used because it reflects the company’s own growth outlook based on the management business plan incorporating the strategic plan and ongoing restructuring.

It also falls within the range of values resulting from the trading multiples method, which generated an enterprise value for the Company of between €297.5 million and €371 million.

On this basis, the enterprise value of SBS adopted in the SPA to determine the Initial Purchase Price, i.e. €330 million, is, in our opinion, representative of the intrinsic enterprise value of SOPRA BANKING SOFTWARE, corroborated by the trading multiples method.
6. Consequences of the Transaction for the Company

According to AXWAY’s press release of 21 February 2024:

“This acquisition would fit perfectly Axway’s medium-term strategic roadmap, as outlined by the company over the last few years, creating a new enterprise software house with critical scale. […] the acquisition of most of SBS activities would represent a unique opportunity for Axway to expand its product portfolio and continue its development by capitalizing on its recent performance. SBS, a recognized provider of banking and financial software, would benefit from the scale and experience of a global software structure that has already transitioned to a subscription-based business model. […] If completed, the combination would give rise to a new enterprise software house with critical scale, able to meet banking application and integration needs with increased firepower and visibility thanks to the expertise of around 5,000 employees worldwide. The SBS activities concerned by the operation generated revenue of around €340m in 2023, representing around 80% of the subsidiary’s total revenue. The combined entity would achieve revenue of around €650m, well beyond Axway’s medium-term ambition as the company will be more than doubling its current revenue.”

For financial purposes, we understand that the three indicators monitored by AXWAY are revenue, operating income and operating cash flow.

In terms of revenue, the acquisition will enable AXWAY to achieve its strategic targets with a combined 2023 revenue of around €650 million, while diversifying its operational risk with a sector in which it does not currently operate.

Regarding operating income and operating cash flow, the company has not, at this stage, conducted any accretion/dilution analyses. However, management has drawn up a combined business plan incorporating expected “operational efficiencies” and the related implementation costs. We conducted simulations of the acquisition’s impact on operating income and operating cash flow per share according to various assumptions, particularly with regard to the number of shares created.

Given the lower operating margins observed for SBS, the combined entity’s operating margin will decline in the coming years, returning to a level close to the AXWAY standalone level at the end of the business plan (i.e. in 2028).

Based on management forecasts and our analyses, the transaction will be dilutive in terms of operating income per share and operating cash flow per share in 2024, primarily due to the estimated restructuring costs.

Overall, these unit aggregates will gradually improve, becoming accretive between 2025 and 2027 according to the current assumptions.
We also simulated net earnings per share, which takes into account the impact of the acquisition’s financing terms and conditions. It will be accretive from fiscal 2027.
7. Summary of our procedures and assessment of the fairness of the financial terms and conditions of the transaction

This Transaction consists of the acquisition by AXWAY of all SBS’s securities.

The purchase price comprises (i) an enterprise value, set at €330 million, and (ii) precisely defined adjustments used to determine the Initial Purchase Price. These adjustments, which involve factoring in SBS’s debt position, other adjusted items and a working capital adjustment, will be calculated on the Transaction completion date to determine the Final Purchase Price on that date.

(i) The enterprise value of €330 million falls within the range of values obtained using our multi-criteria valuation approach for SBS (i.e. between €297.5 million and €371 million) and is very close to the median produced by the DCF method, which is representative of the intrinsic value of the acquired activities.

(ii) The amount of adjustments that will impact the Initial Purchase Price will only become known on the Transaction date. Nevertheless, these adjustments are precisely defined, standard and corroborated in principle and based on the accounting data representative of their value at the Transaction date.

Accordingly, the proposed price is at the mid-range of our enterprise value assessment and incorporates the value on the purchase date of SBS’s remaining assets.

Furthermore, although SBS’s current margin is lower than that of AXWAY and the transaction will initially generate restructuring costs, it is consistent with the roll-out of AXWAY’s growth strategy and should gradually become accretive in terms of operating income, operating cash flow and earnings per share based on management’s combined business plan.

In conclusion, based on our procedures and as of the date of this report, the financial terms and conditions of the Transaction as set-out in the draft Share Purchase Agreement of 13 May 2024 attached to our report to the Board of Directors, are, in our opinion, fair from a financial perspective for AXWAY and its shareholders.

Paris, 24 May 2024

FINEXSI EXPERT ET CONSEIL FINANCIER

Lucas Robin
Partner

Olivier Peronnet
Partner
Appendix 1 - Presentation of FINEXSI and its engagement

Presentation of FINEXSI EXPERT ET CONSEIL FINANCIER:

The activities of FINEXSI EXPERT ET CONSEIL FINANCIER fall within the scope of the professions regulated by the Ordre des Experts Comptables and the Compagnie Nationale des Commissaires aux Comptes. They mainly includes the following activities:

- Company acquisitions and divestments;
- Contributions and mergers;
- Independent valuations and appraisals;
- Assistance with disputes and litigation.

To perform these tasks, most staff members employed by the firm have a high level of experience and expertise in each of these specialities.

Finexsi is independent and does not belong to any group or network.

List of independent appraisals performed by FINEXSI over the past 18 months:

<table>
<thead>
<tr>
<th>Date</th>
<th>Target</th>
<th>Initiator</th>
<th>Presenting bank(s)</th>
<th>Operation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct-22</td>
<td>Blueinea</td>
<td>Apicil</td>
<td>CIC Market Solutions</td>
<td>Simplified Public Tender Offer</td>
</tr>
<tr>
<td>Oct-22</td>
<td>EDF</td>
<td>Etat français</td>
<td>Goldman Sachs, Société Générale</td>
<td>Simplified tender offer followed by a squeeze-out</td>
</tr>
<tr>
<td>Dec-22</td>
<td>Somfy</td>
<td>J.P.J.S., JP3</td>
<td>Rothschild Martin Maurel, Crédit Agricole Corporate and Investment Bank, Natixis, Portzamparc BNP Paribas et Société Générale</td>
<td>Simplified tender offer followed by a squeeze-out</td>
</tr>
<tr>
<td>Dec-22</td>
<td>Groupe Flo</td>
<td>Groupe Bertrand</td>
<td>BNP Paribas</td>
<td>Public buyout offer followed by a squeeze-out</td>
</tr>
<tr>
<td>Dec-22</td>
<td>Manutan International</td>
<td>Spring holding SAS</td>
<td>Degroof Petercam et CIC Market Solutions</td>
<td>Simplified tender offer followed by a squeeze-out</td>
</tr>
<tr>
<td>Feb-23</td>
<td>CS Group</td>
<td>Sopra Steria</td>
<td>Société Générale</td>
<td>Simplified tender offer followed by a squeeze-out</td>
</tr>
<tr>
<td>Mar-23</td>
<td>Lisi</td>
<td>Lisi</td>
<td>Degroof Petercam et BNP Portzamparc</td>
<td>Public buyout offer</td>
</tr>
<tr>
<td>May-23</td>
<td>Vimorin &amp; Cie</td>
<td>Limagrain</td>
<td>Lazard, CIC, Crédit Agricole, Société Générale</td>
<td>Simplified tender offer followed by a squeeze-out</td>
</tr>
<tr>
<td>Jun-23</td>
<td>Olympique Lyonnais Groupe</td>
<td>Eagle Football Holdings Bidco Limited</td>
<td>Natixis</td>
<td>Simplified tender offer</td>
</tr>
<tr>
<td>Jul-23</td>
<td>Rothschild &amp; Co</td>
<td>Concordia</td>
<td>Natixis, Crédit Agricole Ile-de-France</td>
<td>Simplified tender offer</td>
</tr>
<tr>
<td>Aug-23</td>
<td>Paragon ID</td>
<td>Genadier Holdings Plc</td>
<td>Banque Palatine</td>
<td>Simplified tender offer followed by a squeeze-out</td>
</tr>
<tr>
<td>Nov-23</td>
<td>ESI Group</td>
<td>Keysight Technologies</td>
<td>JP Morgan, BNP Paribas</td>
<td>Simplified tender offer followed by a squeeze-out</td>
</tr>
<tr>
<td>Dec-24</td>
<td>Altur Investissement Compagnie Industrielle et Financière d'Entreprises (C.I.F.E)</td>
<td>Suffren Holding</td>
<td>Invest Securities</td>
<td>Simplified tender offer followed by a squeeze-out</td>
</tr>
<tr>
<td>Feb-24</td>
<td>Spie batignolles</td>
<td>Oddo BHF</td>
<td></td>
<td>Simplified tender offer</td>
</tr>
</tbody>
</table>
Membership of a professional association recognised by the Financial Markets Authority (AMF):

FINEXSI EXPERT & CONSEIL FINANCIER is a member of the APEI (Association Professionnelle des Experts Indépendants), a professional association recognised by the Autorité des Marchés Financiers (AMF, French Financial Markets Authority) in application of Article 263-1 of its General Regulation.

In addition, FINEXSI EXPERT & CONSEIL FINANCIER implements procedures intended to protect the firm’s independence, avoid situations of conflict of interest and monitor the quality of the completed work and reports before they are issued for each engagement.

Amount of compensation received

Our compensation for this engagement is €110,000, excluding taxes, costs and disbursements.

Description of completed due diligence procedures:

The following detailed work programme was implemented:

1 - Familiarisation with the transaction and its terms and conditions and acceptance of the engagement;

2 - Identification of risks and coordination of the engagement;

3 - Collection of information and data required for the engagement:
   - Familiarisation with analysis reports on the sector, the Company’s peers and comparable transactions;

4 - Assessment of the context of the Transaction:
   - Understanding of the process leading to the Transaction: discussions with Management and its advisors;
   - Familiarisation with the Company’s market and activity using sectoral analyses;

5 - Analysis of the transaction and related legal documentation, in particular:
   - Draft SPA
   - Three - GMT non-binding agreement

6 - Familiarisation with the accounting and financial documentation of SOPRA BANKING SOFTWARE and AXWAY;

7 – Development and implementation of a multi-criteria valuation approach for SOPRA BANKING SOFTWARE including the following steps:
   - Discussions with Management on the business plan and key assumptions used to model flows.
   - Implementation of a valuation using the discounted cash flow (DCF) method
   - Implementation of comparables methods (trading multiples)
• Analysis of opportunities and risks pertaining to SOPRA BANKING SOFTWARE that may affect the value presented, using a SWOT matrix

8 – Reasoned selection of valuation criteria adopted (primary, secondary or indicative) and excluded;

9 – Progressive reporting on our work to the Special Purpose Committee;

10 – Analysis of the valuation components provided by advisory banks;

11 – Independent review;

12 – Drafting of the report for the AXWAY Board of Directors on the fairness of the financial terms and conditions governing the sale of SOPRA BANKING SOFTWARE to AXWAY.
<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>8 February 2024</td>
<td>First meeting with SOPRA BANKING SOFTWARE Management on the presentation of the Company, its activity and the business plan review</td>
</tr>
<tr>
<td>8 February 2024</td>
<td>Meeting with Mr. Donovan on his view of the SOPRA BANKING SOFTWARE business plan and strategy</td>
</tr>
<tr>
<td>8 February 2024</td>
<td>Meeting presenting the valuation work conducted by SOCIÉTÉ GÉNÉRALE, SOPRA BANKING SOFTWARE’s advisor</td>
</tr>
<tr>
<td>15 February 2024</td>
<td>Work meeting with AXWAY teams</td>
</tr>
<tr>
<td>19 February 2024</td>
<td>1st briefing with the Special Purpose Committee: presentation of our preliminary valuation procedures</td>
</tr>
<tr>
<td>19 February 2024</td>
<td>Discussion of valuation procedures with CRÈDIT AGRICOLE CIB, AXWAY’S advisor</td>
</tr>
<tr>
<td>26 February 2024</td>
<td>2nd briefing with the Special Purpose Committee</td>
</tr>
<tr>
<td>4 March 2024</td>
<td>3rd briefing with the Special Purpose Committee</td>
</tr>
<tr>
<td>25 March 2024</td>
<td>4th briefing with the Special Purpose Committee</td>
</tr>
<tr>
<td>22 April 2024</td>
<td>5th briefing with the Special Purpose Committee</td>
</tr>
<tr>
<td>2 May 2024</td>
<td>Work meeting with Mrs. C. Allmacher</td>
</tr>
<tr>
<td>6 May 2024</td>
<td>6th briefing with the Special Purpose Committee</td>
</tr>
<tr>
<td>6 May 2024</td>
<td>Meeting with Mr. Patrick Donovan and Mrs. C. Allmacher on the combined business plan and the consequences of the transaction for AXWAY</td>
</tr>
<tr>
<td>7 May 2024</td>
<td>Meeting with SOPRA STERIA GROUP (Mr. Etienne du Vignaux) and SBS (Mr. J. Courault) on certain VDD matters</td>
</tr>
<tr>
<td>13 to15 May 2024</td>
<td>Independent review of the FINEXSI report</td>
</tr>
<tr>
<td>15 May 2024</td>
<td>Presentation of our conclusions to the Special Purpose Committee</td>
</tr>
<tr>
<td>16 May 2024</td>
<td>Receipt of representation letters</td>
</tr>
<tr>
<td>16 May 2024</td>
<td>Submission of the valuation report</td>
</tr>
<tr>
<td>24 May 2024</td>
<td>Preparation of this public version of the valuation report</td>
</tr>
</tbody>
</table>
List of individuals met or contacted:

**AXWAY**
- Mr. Patrick Donovan, CEO
- Mrs. Cécile Allmacher, CFO
- Mr. Franck Keloglanian, Corporate Secretary

**SPECIAL PURPOSE COMMITTEE**
- Mrs. Emma Fernandez, independent member
- Mr. Hervé Dechelette

**SOPRA STERIA GROUP**
- Mr. Pierre Pasquier, Chairman
- Mr. Etienne du Vignaux, Group CFO

**SOPRA GMT**
- Mrs. Flora Farges, CFO

**SOPRA BANKING SOFTWARE**:
- Mr. Eric Bierry, CEO
- Mr. Philippe Buisson, Executive Vice-President, Corporate Secretary
- Mr. Jerome Courault, CFO

**CRÉDIT AGRICOLE CIB, AXWAY advisor**
- Benjamin Maufras, Managing Director TMT
- Maxence Desarbres, M&A Vice President TMT

**SOCIÉTÉ GÉNÉRALE CIB, SOPRA STERIA GROUP advisor**
- Mr. Michael Nebot, Managing Director
- Mr. Gatien Poirier, Associate
Main information sources used:

Information communicated:

- Presentation of CRÉDIT AGRICOLE CIB’s THREE project to the Board of Directors on 21 February 2024 “2024 02 19 - P3_BoD Presentation”;
- Three - GMT - SSG - AXWAY non-binding agreement
- Draft Share Purchase Agreement (SPA) of 13 May 2024
- SOPRA BANKING SOFTWARE combined appendices
- SOPRA BANKING SOFTWARE standalone business plan
- AXWAY and SOPRA BANKING SOFTWARE combined business plan
- "Project Three - Financial VDD - Working Draft" - 2 May 2024
- "Project Three - Information pack"
- "SBS investors presentation EN - Dec 2023"
- "Axway Presentation_december2023"
- "2023.12 Axway Valuation Modeling v1 - Audit Committee 2024.01 - SSG version VF"
- SOPRA STERIA GROUP analysis reports

Market information:

- Trading multiples: CAPITAL IQ, MERGERMARKET, EPSILON RESEARCH, annual reports and peers;
- Market data (risk-free rate, risk premium, beta, etc.): CAPITAL IQ, EPSILON RESEARCH, BANQUE DE FRANCE.
- XERFI economic studies, “Software publishing”, January 2024
- Deloitte study – “A Deloitte view of the asset finance software industry”

Database

- CAPITAL IQ;
- MERGERMARKET
- EPSILON RESEARCH
- XERFI

Personnel associated with the completion of the engagement:

The signatories, Messrs. Olivier Péronnet (Partner) and Lucas Robin (Partner), were assisted by Mrs. Adeline Burnand (Associate Director), Mr. Saliou Sylla (Senior Analyst) and Mr. Pierre-Alexandre Ravoire (Analyst).

The independent review was conducted by Mr. Olivier Courau, Partner of the firm.

He was appointed at the beginning of the engagement and was kept informed of key matters or difficulties identified during the engagement up until the report was issued. His role was to ensure that the work was of the appropriate quality and that good valuation practices were applied. His work principally involved:

- Reviewing the engagement acceptance procedure and the assessment of the firm’s independence;
• Reviewing the valuation work performed by the team and the findings resulting from that work;

• Reviewing the documents on which the opinion of the signatory partners is based and assessing the format and findings of the report.

His work was formally documented and discussed with the signatory partners.