

74Software: Double-digit Organic Growth in Q1 2026, with Further Progress Toward Recurring Software Revenue

Paris, April 30, 2026 – **74Software (Euronext Paris: 74SW)** reported Q1 2026 revenue of €182.7 million, representing organic growth of 10.0%. This performance was driven by continued subscription expansion and further improvement in the Group’s revenue mix toward higher-quality recurring software revenue across its portfolio.

Key Financial Indicators – Q1 2026

Metric	Q1 2026 (€m)	Indicator	Change / Ratio
Total revenue	182.7	Organic growth	+ 10.0%
Product revenue	150.8	Organic growth	+ 11.5%
Recurring revenue	137.2	As % of product revenue	90.9%
ARR – Axway	277.0	Year-on-year growth	+ 8.8%
ARR – SBS	248.5	Year-on-year growth	+ 8.9%
Net debt at quarter-end	178.9	—	—

Business Highlights

- **Axway:** solid performance across core integration product lines, notably Managed File Transfer, B2B Integration and API Management, supported by continued cloud momentum and early commercial validation of Amplify Fusion as both a unifying platform and an AI Gateway layer.
- **SBS:** sustained activity across core banking, financing and modular products, contributing to a progressively more product-centric and recurring revenue profile.
- **AI positioning:** the Group continues to address production-oriented AI needs through offerings such as Axway’s Amplify Fusion and AI Gateway, designed to govern, secure and orchestrate critical data flows, alongside the continued embedding of AI capabilities across SBS products. Axway is positioned in the control plane of mission-critical software environments, where AI-enabled capabilities must be governed, secured and controlled as large enterprises deploy agentic AI across their software stacks. At SBS, the data platform serves as the foundation for the gradual integration of AI capabilities across the entire product portfolio, with enhanced versions of all key products expected by early 2027.

Patrick Donovan, Chief Executive Officer, stated:

“We opened 2026 with strong execution and further progress in the quality and predictability of our revenue profile. Recurring product revenue remained the key growth driver at both Axway and SBS, supporting a more consistent, scalable and profitable growth profile across the Group. We also continued to invest selectively in innovation, particularly in the software layers that help customers operate critical, regulated and increasingly AI-enabled environments with greater control, security and resilience.”

Q1 2026 Activity

Revenue by Portfolio Brand					
€m / %	Q1 2026	Q1 2025 Reported	Q1 2025 Restated *	Total Growth	Organic Growth
Axway Scope	89.0	82.5	79.0	7.9%	12.7%
SBS Scope	94.0	88.3	87.6	6.4%	7.4%
Consolidation	-0.4	-0.4	-0.4	-	-
74Software	182.7	170.4	166.1	7.2%	10.0%

* Revenue at 2026 scope and exchange rates

Revenue grew strongly compared with Q1 2025, up 10.0% organically, as commercial activity signed during the last two quarters converted into revenue in Q1 2026. This performance should not, however, be extrapolated to the full year. Both brands contributed to the strong quarter, with organic growth of 12.7% at Axway and 7.4% at SBS.

Revenue by Type					
€m / %	Q1 2026	Q1 2025 Reported	Q1 2025 Restated *	Total Growth	Organic Growth
Product revenue	150.8	139.0	135.2	8.5%	11.5%
Recurring revenue	137.2	129.6	125.7	5.9%	9.1%
o/w Maintenance and support	38.8	46.9	45.8	-17.3%	-15.3%
o/w Customer-managed subscription	60.7	48.1	46.8	26.2%	29.9%
o/w Upfront revenue	35.6	28.2	27.3	26.1%	30.5%
o/w Recurring	25.1	19.9	19.5	25.8%	28.6%
o/w Own-managed subscription	37.7	34.5	33.3	9.3%	13.4%
License revenue	13.7	9.5	9.5	43.5%	44.1%
Services revenue	31.9	31.3	30.9	1.7%	3.1%
Total revenue	182.7	170.3	166.1	7.2%	10.0%

* Revenue at 2026 scope and exchange rates

Axway delivered product revenue of €80.1 million and recurring revenue of €76.3 million, representing 95.2% of product revenue. Performance was broad-based, supported by persistent cloud momentum, key commercial wins and sustained traction around Amplify Fusion. Subscription revenue grew strongly, while maintenance and support revenue declined as the installed base continued to migrate toward subscription models.

SBS delivered product revenue of €71.1 million and recurring revenue of €61.3 million, representing 86.2% of product revenue. Activity remained solid across core banking, financing and modular products, supporting a progressively more recurring revenue profile. Maintenance and support revenue declined as a result of selected churn, but this was more than offset by strong subscription growth, helped by one significant customer-managed contract in Q1 and by continued momentum in own-managed subscriptions.

Services revenue amounted to €31.9 million in Q1 2026, representing 17.5% of Group revenue, compared with 18.4% in Q1 2025. This evolution reflects the continued shift in the Group's revenue mix toward product and recurring revenue.

At the end of March 2026, **ARR** stood at €277.0 million for Axway, up 8.8% year-on-year, and €248.5 million for SBS, up 8.9% year-on-year, supported by continued subscription expansion. At Axway, ARR growth was driven by Managed

File Transfer, up 11.6%, as well as by B2B Integration and API Management, up 8.5% and 9.0%, respectively, while Specialized Products remained affected by softer demand from the US federal government. At SBS, Modular Products ARR grew strongly, up 25.7%, followed by Integrated Products and Financing Products, up 9.5% and 7.8%, respectively. Banking Components were affected by lower maintenance revenue following the renewal, at year-end, of a large customer contract at reduced levels.

Financial position at March 31, 2026

As of March 31, 2026, 74Software reported cash and cash equivalents of €57.1 million and gross bank debt of €236 million, before IFRS 16, resulting in net debt of €178.9 million. Cash generation reflected the usual seasonality of the business, supported by annual subscription and maintenance billings collected at the beginning of the year.

During Q1 2026, the Group also repurchased 234,170 shares at a weighted average price of €32.1 per share under its share buyback program, in order to replenish the Group's long-term incentive plans. As of March 31, 2026, 74Software held 462,120 treasury shares on its balance sheet.

In April 2026, the Group refinanced its syndicated bank facilities through a new €180 million revolving credit facility and a new €230 million amortizing term loan, both maturing in 2031, with extension options for the revolving credit facility. 74Software also aligned the definition of its leverage ratio with market standards. On that basis, the Group's leverage ratio as of December 31, 2025, would have been 1.71x, compared with 1.92x as previously published.

The refinancing reflects the confidence of the banking pool in the resilience and stability of 74Software's business model and financial profile. At a time of increased volatility in the software sector and more selective lender risk appetite, the Group succeeded in extending debt maturities, increasing transaction size and adding a new relationship bank, whilst only marginally increasing interest costs. The transaction was significantly oversubscribed.

Overall, these measures significantly strengthen the Group's liquidity profile and financial flexibility, providing additional headroom to support disciplined capital allocation, continued execution of the Group's roadmap and selective external growth opportunities.

Outlook & Targets

Following a strong Q1 2026 performance, 74Software continues to execute in line with the roadmap outlined at the time of its FY 2025 results. The quarter benefited from favorable phasing effects, particularly in software and customer-managed subscriptions, and should therefore not be read as a simple run-rate for the remainder of the year. More broadly, the Group's activity remains shaped by the usual seasonality of its business, with a stronger contribution typically expected toward year-end.

For 2026 and beyond, 74Software's financial objectives remain unchanged and are set out below:

Guidance and Ambition	
2026 Guidance at constant exchange rates	<ul style="list-style-type: none"> - Organic revenue growth: 3% to 5% - Margin on operating activities: 15% to 17% - Unlevered free cash flow: around 10% of revenue
Medium-term ambition	<ul style="list-style-type: none"> - Revenue close to €800m and margin on operating activities ~ 20% by end-2028 - €1bn revenue ambition over the medium term, including selective acquisitions

Financial Calendar

- Tuesday, May 19, 2026, at 2:30 p.m. (Paris time): Annual Shareholders' Meeting
- Thursday, July 23, 2026, after market close: 2026 Half-Year Results
- Thursday, October 29, 2026, before market opening: Q3 2026 Revenue
- Wednesday, February 24, 2027, after market closing: FY 2026 Results

Glossary and Alternative Performance Measures

Axway ARR: Annual Recurring Revenue – Expected annual billing amounts from all active maintenance and subscription agreements.

Brand Contribution: Contribution to profit on operating activities from the two brands (Axway and SBS) before general & administrative expenses, which will be reported under a Corporate segment in the future.

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 cash flow: Free cash flow before exceptional items and before net interest expense.

About 74Software

74Software is an enterprise software group combining Axway and SBS – independently operated leaders delivering mission-critical software for a data-driven world. A pioneer in enterprise integration solutions for 25 years, Axway supports major corporate and government customers around the globe. SBS empowers banks and financial institutions to reimagine tomorrow's digital experiences with a composable cloud-based architecture that enables deposits, lending, compliance, payments, consumer finance and asset finance services. 74Software serves more than 12,000 companies, including over 1,500 financial services customers. To learn more, visit 74Software.com.

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Appendices (1/2)

Main Exchange Rate Movements			
For €1	Average rate Q1 2026	Average rate Q1 2025	Change
US dollar	1.170	1.052	-10.1%
Pound sterling	0.868	0.836	-3.7%
Indian rupee	107.110	91.138	-14.9%

Impact of Scope and Exchange Rate Changes on Revenue			
€m / %	Q1 2026	Q1 2025	Growth
Revenue	182.7	170.4	+ 7.2%
Changes in exchange rates		-4.3	
Revenue at constant exchange rates	182.7	166.1	+ 10.0%
Changes in scope		+0.0	
Revenue at constant scope and exchange rates	182.7	166.1	+ 10.0%

ARR Breakdown by Type at Constant Exchange Rates as of End-Q1 2026						
	2025				2026	YoY Change at constant FX
	Q1	Q2	Q3	Q4	Q1	
Axway	254.6	259.0	266.5	276.9	277.0	+ 8.8%
Maintenance and support	50.2	46.0	41.0	36.7	34.5	- 31.2%
Customer-managed subscription	149.3	155.7	165.8	179.0	180.7	+ 21.0%
Own-managed subscription	55.1	57.3	59.7	61.2	61.8	+ 12.1%
SBS	228.2	231.5	234.2	244.4	248.5	+ 8.9%
Maintenance and support	142.0	141.8	147.4	142.5	134.0	- 5.6%
Customer-managed subscriptions	15.1	14.3	7.8	18.9	29.5	+ 96.0%
Own-managed subscriptions	71.2	75.5	78.9	83.0	84.9	+ 19.3%

ARR Breakdown by Product Line at Constant Exchange Rates as of End-Q1 2026						
	2025				2026	YoY Change at constant FX
	Q1	Q2	Q3	Q4	Q1	
Axway	254.6	259.0	266.5	276.9	277.0	+ 8.8%
Managed File Transfer	106.7	109.0	111.0	119.8	119.1	+ 11.6%
B2B Integration	59.2	61.7	64.1	64.7	64.2	+ 8.5%
API Management	46.2	47.1	49.3	49.3	50.3	+ 9.0%
Specialized Products	42.5	41.2	42.1	43.1	43.4	+ 2.1%
SBS	228.2	231.5	234.2	244.4	248.5	+ 8.9%
Financing Products	61.0	60.5	63.3	64.9	65.8	+ 7.8%
Modular Products	25.3	28.0	29.6	30.3	31.8	+ 25.7%
Integrated Products	95.2	96.8	95.3	100.3	104.2	+ 9.5%
Banking Components	46.7	46.3	46.0	48.9	46.7	+ 0.0%

Appendices (2/2)

Revenue by Type - Axway					
€m / %	Q1 2026	Q1 2025 Reported	Q1 2025 Restated *	Total Growth	Organic Growth
Product revenue	80.1	73.4	70.2	9.0%	14.0%
Recurring revenue	76.3	72.1	69.0	5.8%	10.6%
o/w Maintenance and support	9.4	14.4	13.4	-34.9%	-29.8%
o/w Customer-managed subscription	51.4	43.7	42.3	17.7%	21.5%
o/w Upfront revenue	31.6	26.7	25.8	18.2%	22.5%
o/w Recurring	19.8	17.0	16.5	16.9%	19.9%
o/w Own-managed subscription	15.5	14.0	13.3	10.4%	16.5%
License revenue	3.8	1.3	1.3	185.7%	198.6%
Services revenue	9.0	9.0	8.7	-0.8%	2.5%
Total revenue - Axway	89.0	82.5	79.0	7.9%	12.7%

* Revenue at 2026 scope and exchange rates

Revenue by Type - SBS					
€m / %	Q1 2026	Q1 2025 Reported	Q1 2025 Restated *	Total Growth	Organic Growth
Product revenue	71.1	66.0	65.4	7.7%	8.7%
Recurring revenue	61.3	57.9	57.2	5.9%	7.1%
o/w Maintenance and support	29.4	32.5	32.4	-9.6%	-9.2%
o/w Customer-managed subscription	9.7	4.9	4.9	98.5%	97.9%
o/w Upfront revenue	4.0	1.5	1.5	169.7%	169.7%
o/w Recurring	5.6	3.4	3.4	66.8%	66.0%
o/w Own-managed subscription	22.2	20.5	20.0	8.5%	11.2%
License revenue	9.9	8.2	8.2	20.4%	20.1%
Services revenue	22.9	22.3	22.2	2.7%	3.3%
Total revenue - Axway	94.0	88.3	87.6	6.4%	7.4%

* Revenue at 2026 scope and exchange rates