

ServiceWare with successful fiscal year 2019/2020

- Increase in sales revenues by 8.8 percent to EUR 72.4 million
- SaaS/Service sales revenues rise clearly disproportionately by 31.5 percent to EUR 31.9 million
- Share of SaaS/Service revenues in total sales revenues at 44.1 percent
- Result noticeably improved
- ServiceWare Financial and ServiceWare Performance as growth drivers – larger deal size and leveraging of cross-selling potentials
- Second product “Solution Assistant“ launched in the field of Artificial Intelligence
- Further improvement of the EBITDA and revenue growth of around 10 percent aimed at

Bad Camberg, 9 March 2021 ServiceWare SE (“ServiceWare“, ISIN DE000A2G8X31) can report about a successful fiscal year 2019/2020 (as at the end of November) despite an economic weakening and uncertainties due to the Covid-19 pandemic. During the past fiscal year ServiceWare made major strategic progress, pushed future-proof projects and set the course for the company’s long-term growth. The altogether positive operating development is also reflected by the financial ratios. According to preliminary, unaudited figures, sales revenues increased during the reporting period by 8.8 percent from EUR 66.6 million to EUR 72.4 million. SaaS (Software as a Service)/Service recorded a disproportionately high growth of 31.5 percent from EUR 24.3 million to EUR 31.9 million. The SaaS/Service share in total sales revenues amounted to 44.1 percent in fiscal 2019/2020. The increase in SaaS revenues transforms the existing one-off license revenues into regularly recurring revenues and results in a significantly improved plannability of the business development.

In fiscal 2019/2020 ServiceWare recorded a higher demand, more particularly, for ServiceWare Financial and ServiceWare Performance, the modules to increase the cost efficiency of service processes. The demand for ServiceWare Financial rose by more than 25 percent compared to the prior year period, and the average order volume for the module has more than doubled versus prior year. ServiceWare has succeeded in leveraging further cross-selling potentials both for portfolio customers and in addressing new customers. Above all the software modules ServiceWare Financial and ServiceWare Performance are combined with one another in this connection. About half of all new ServiceWare Financial customers have also decided in favour of ServiceWare Performance. Moreover, ServiceWare has been successful in cross-selling modules for quality optimisation. Compared to the previous fiscal year, the number of orders for the software module ServiceWare Processes, with which also ServiceWare Knowledge was sold, has doubled.

ServiceWare was likewise successful with its internationalisation strategy and the increasing addressing of large groups as customers. During the reporting period, the company was able to gain a large number of customer projects. A US investment bank decided, for instance, in favour of the software module ServiceWare Performance, and an internationally leading food group in favour of the software module ServiceWare Financial. With a company from the German stock market index DAX, which also decided in favour of ServiceWare Financial, ServiceWare entered into one of the largest license agreements of the company’s history.

Serviceware has supplemented its unique, modular Enterprise Service Management (ESM) platform by adding the chat and messaging service smoope during the reporting period. The chat and messaging services from smoope can be seamlessly integrated into existing websites and apps without the customer having to download additional new apps and chat programmes.

Meanwhile, the Serviceware Competence Centre for AI (Artificial Intelligence), which cooperates closely in research with the Technical University Darmstadt, has launched, after the “Content Creation Assistant”, another Serviceware product, the “Solution Assistant”. The “Solution Assistant” supports companies in service process management and is available as an additional component of Serviceware Processes.

During the past fiscal year the EBITDA amounted to EUR 1.8 million after previously EUR -1.2 million. The EBIT improved from EUR -2.3 million by 30.3 percent to EUR -1.6 million. Compared to the previous year, effects from the first-time application of IFRS 16 have to be taken into account. The EBIT adjusted for the expenses of the programme for the acceleration of growth amounted to EUR 3.6 million after EUR 4.1 million last year. The adjusted EBITDA rose versus prior year by 40.1 percent from EUR 4.6 million to EUR 6.4 million.

The Covid-19 pandemic has once more significantly accentuated the trend towards digitalisation. The radical and sustainable change in the world of work offers Serviceware as well as the IT and telecommunications industries altogether enormous medium to long-term growth opportunities. With the ESM platform, Serviceware has a strong offer for all services and is very well positioned to benefit from market opportunities, to further enlarge its market share and to support customers at the digitalisation of their service processes. Based on the assumption that there will not be any further aggravation of the pandemic, the Managing Directors of Serviceware anticipate during the current fiscal year an increase in earnings of an order of magnitude of 10 percent as well as a further improvement of the EBITDA. The growth drivers remain long-term trends as well as the digitalisation of service processes and the constantly increasing demands on their cost transparency.

About Serviceware

Serviceware is a leading provider of software solutions for the digitalisation and automation of service processes (Enterprise Service Management) with which companies can increase their service quality and manage their service costs efficiently.

The Serviceware Platform includes the software solutions Serviceware Processes, Serviceware Financial, Serviceware Resources, Serviceware Knowledge and Serviceware Performance. All solutions can be used in an integrated manner, but also independently from one another.

Serviceware partners with customers from strategic consulting through the definition of the service strategy to the implementation of the Enterprise Service Platform. Further components of the portfolio are safe and reliable infrastructure solutions as well as Managed Services.

Serviceware has more than 1,000 customers worldwide from various business sectors, including twelve DAX companies and four of the seven largest German companies. The headquarters of Serviceware are in Bad Camberg, Germany. Serviceware employs more than 500 employees at 14 international sites.

For more information visit www.serviceware-se.com.

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