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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM10-Q**

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(MARK ONE)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarter ended June 30, 2022

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 001-40682

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**Software Acquisition Group Inc. III**

(Exact Name of Registrant as Specified in Its Charter)

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Delaware  
(State or other jurisdiction of  
incorporation or organization)

86-1370703  
(I.R.S. Employer  
Identification No.)

1980 Festival Plaza Drive, Ste. 300  
Las Vegas, Nevada 89135  
(Address of principal executive offices)

310-991-4982  
(Issuer's telephone number)

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Securities registered pursuant to Section 12(b) of the Act:

| Title of each class  | Trading<br>Symbol(s) | Name of each exchange<br>on which registered |
|--|----------------------|--|
| Units, each consisting of one share of Class A Common Stock and one-half of one Redeemable Warrant | SWAGU                | The Nasdaq Stock Market LLC                  |
| Class A Common Stock, par value \$0.0001 per share   | SWAG                 | The Nasdaq Stock Market LLC                  |
| Warrants, each exercisable for one share Class A Common Stock for \$11.50 per share                | SWAGW                | The Nasdaq Stock Market LLC                  |

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definitions of "large accelerated filer", "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.

|                         |                                     |                           |                                     |
|-------------------------|-------------------------------------|---------------------------|-------------------------------------|
| Large accelerated filer | <input type="checkbox"/>            | Accelerated filer         | <input type="checkbox"/>            |
| Non-accelerated filer   | <input checked="" type="checkbox"/> | Smaller reporting company | <input checked="" type="checkbox"/> |
|                         |                                     | Emerging growth company   | <input checked="" type="checkbox"/> |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of August 12, 2022, there were 22,807,868 shares of Class A common stock, \$0.0001 par value, and 5,701,967 shares of Class B common stock, \$0.0001 par value, issued and outstanding

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SOFTWARE ACQUISITION GROUP INC. III  
FORM 10-Q FOR THE QUARTER ENDED JUNE 30, 2022

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## PART I – FINANCIAL INFORMATION

## Item 1. Interim Financial Statements.

SOFTWARE ACQUISITION GROUP INC. III  
CONDENSED CONSOLIDATED BALANCE SHEETS

|  | June 30,<br>2022<br>(Unaudited) | December 31,<br>2021         |
|--|---------------------------------|------------------------------|
| <b>ASSETS</b>  |                                 |                              |
| Current assets   |                                 |                              |
| Cash   | \$ 18,159                       | \$ 288,108                   |
| Prepaid expenses   | 346,878                         | 410,111                      |
| Other receivable-related party   | 5,000                           | —                            |
| Total Current Assets   | 370,037                         | 698,219                      |
| Prepaid expenses, non-current  | 22,917                          | 160,417                      |
| Cash and Marketable securities held in Trust Account   | 231,842,586                     | 231,506,662                  |
| <b>TOTAL ASSETS</b>  | <b><u>\$ 232,235,540</u></b>    | <b><u>\$ 232,365,298</u></b> |
| <b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>   |                                 |                              |
| Current Liabilities  |                                 |                              |
| Accrued expenses   | \$ 2,500,875                    | \$ 1,306,281                 |
| Income taxes payable   | 9,909                           | —                            |
| Advances from related parties  | 7,086                           | —                            |
| Promissory note – related party  | 400,000                         | —                            |
| Total Current Liabilities  | 2,917,870                       | 1,306,281                    |
| Deferred underwriting fee payable  | 7,982,754                       | 7,982,754                    |
| <b>Total Liabilities</b>   | <b><u>10,900,624</u></b>        | <b><u>9,289,035</u></b>      |
| <b>Commitments and Contingencies (Note 6)</b>  |                                 |                              |
| Class A common stock subject to possible redemption, 22,807,868 shares at redemption value   | 231,534,776                     | 231,499,860                  |
| <b>Stockholders' Deficit</b>   |                                 |                              |
| Preferred stock, \$0.0001 par value; 1,000,000 shares authorized; none issued or outstanding   | —                               | —                            |
| Class A common stock, \$0.0001 par value; 100,000,000 shares authorized; none shares issued and outstanding, and 22,807,868 subject to possible redemption | —                               | —                            |
| Class B common stock, \$0.0001 par value; 10,000,000 shares authorized; 5,701,967 shares issued and outstanding  | 570                             | 570                          |
| Additional paid-in capital   | —                               | —                            |
| Accumulated deficit  | (10,200,430)                    | (8,424,167)                  |
| <b>Total Stockholders' Deficit</b>   | <b><u>(10,199,860)</u></b>      | <b><u>(8,423,597)</u></b>    |
| <b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT</b>   | <b><u>\$ 232,235,540</u></b>    | <b><u>\$ 232,365,298</u></b> |

The accompanying notes are an integral part of the unaudited condensed consolidated financial statements.

**SOFTWARE ACQUISITION GROUP INC. III**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(UNAUDITED)**

|   | Three Months Ended June 30, |                | Six Months<br>Ended<br>June 30, | For the<br>Period from<br>January 5,<br>2021<br>(Inception)<br>Through<br>June 30, |
|---|-----------------------------|----------------|---------------------------------|--|
|   | 2022                        | 2021           | 2022                            | 2021   |
| Operating and formation costs   | \$ 864,182                  | \$ (1)         | \$ 2,067,362                    | \$ 999   |
| <b>(Loss) Income from operations</b>  | <b>(864,182)</b>            | <b>1</b>       | <b>(2,067,362)</b>              | <b>(999)</b>   |
| Other income:   |                             |                |                                 |  |
| Interest earned on marketable securities held in Trust Account              | 312,612                     | —              | 335,924                         | —  |
| Total other income  | 312,612                     | —              | 335,924                         | —  |
| (Loss) Income before provision for income taxes                             | (551,570)                   | 1              | (1,731,438)                     | (999)  |
| Provision for income taxes  | (9,909)                     | —              | (9,909)                         | —  |
| <b>Net (loss) income</b>  | <b>\$ (561,479)</b>         | <b>\$ 1</b>    | <b>\$ (1,741,347)</b>           | <b>\$ (999)</b>  |
| Basic and diluted weighted average shares outstanding, Class A common stock | 22,807,868                  | —              | 22,807,868                      | —  |
| <b>Basic and diluted net loss per share, Class A</b>                        | <b>\$ (0.02)</b>            | <b>\$ —</b>    | <b>\$ (0.06)</b>                | <b>\$ —</b>  |
| Basic and diluted weighted average shares outstanding, Class B common stock | 5,701,967                   | 5,000,000      | 5,701,967                       | 5,000,000  |
| <b>Basic and diluted net (loss) income per share, Class B</b>               | <b>\$ (0.02)</b>            | <b>\$ 0.00</b> | <b>\$ (0.06)</b>                | <b>\$ (0.00)</b>   |

The accompanying notes are an integral part of the unaudited condensed consolidated financial statements.

**SOFTWARE ACQUISITION GROUP INC. III**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' (DEFICIT) EQUITY**  
**(UNAUDITED)**  
**FOR THREE AND SIX MONTHS ENDED JUNE 30, 2022**

|   | Class A<br>Common Stock |        | Class B<br>Common Stock |        | Additional<br>Paid-in<br>Capital | Accumulated<br>Deficit | Total<br>Stockholders'<br>Deficit |
|---|-------------------------|--------|-------------------------|--------|----------------------------------|------------------------|-----------------------------------|
|   | Shares                  | Amount | Shares                  | Amount |                                  |                        |                                   |
| <b>Balance – January 1, 2022</b>                          | —                       | \$ —   | 5,701,967               | \$ 570 | \$ —                             | \$ (8,424,167)         | \$ (8,423,597)                    |
| Net loss  | —                       | —      | —                       | —      | —                                | (1,179,868)            | (1,179,868)                       |
| <b>Balance – March 31, 2022</b>                           | —                       | —      | 5,701,967               | 570    | —                                | (9,604,035)            | (9,603,465)                       |
| Remeasurement of Class A common stock to redemption value | —                       | —      | —                       | —      | —                                | (34,916)               | (34,916)                          |
| Net loss  | —                       | —      | —                       | —      | —                                | (561,479)              | (561,479)                         |
| <b>Balance – June 30, 2022</b>                            | —                       | \$ —   | 5,701,967               | \$ 570 | \$ —                             | \$ (10,200,430)        | \$ (10,199,860)                   |

**FOR THE THREE MONTHS ENDED JUNE 30, 2021, AND FOR THE PERIOD FROM JANUARY 5, 2021 (INCEPTION) THROUGH  
JUNE 30, 2021**

|  | Class A<br>Common Stock |        | Class B<br>Common Stock |        | Additional<br>Paid-in<br>Capital | Accumulated<br>Deficit | Total<br>Stockholders'<br>Equity |
|--|-------------------------|--------|-------------------------|--------|----------------------------------|------------------------|----------------------------------|
|  | Shares                  | Amount | Shares                  | Amount |                                  |                        |                                  |
| <b>Balance – January 5, 2021 (inception)</b> | —                       | \$ —   | —                       | \$ —   | \$ —                             | \$ —                   | \$ —                             |
| Issuance of Class B common stock to Sponsor  | —                       | —      | 5,750,000               | 575    | 24,425                           | —                      | 25,000                           |
| Net loss                                     | —                       | —      | —                       | —      | —                                | (1,000)                | (1,000)                          |
| <b>Balance – March 31, 2021</b>              | —                       | —      | 5,750,000               | 575    | 24,425                           | (1,000)                | 24,000                           |
| Net income                                   | —                       | —      | —                       | —      | —                                | 1                      | 1                                |
| <b>Balance – June 30, 2021</b>               | —                       | \$ —   | 5,750,000               | \$ 575 | \$ 24,425                        | \$ (999)               | \$ 24,001                        |

The accompanying notes are an integral part of the unaudited condensed consolidated financial statements.

**SOFTWARE ACQUISITION GROUP INC. III**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(UNAUDITED)**

|   | Six Months<br>Ended<br>June 30,<br>2022 | For the<br>Period from<br>January 5,<br>2021<br>(Inception)<br>through<br>June 30,<br>2021 |
|---|---|--|
| <b>Cash Flows from Operating Activities:</b>  |   |  |
| Net loss  | \$(1,741,347)                           | \$ (999)   |
| Adjustments to reconcile net loss to net cash (used in) provided by operating activities: |   |  |
| Interest earned on marketable securities held in Trust Account                            | (335,924)                               | —  |
| Changes in operating assets and liabilities:  |   |  |
| Prepaid expenses  | 200,733                                 | —  |
| Other receivable – related party  | (5,000)                                 | —  |
| Accrued expenses  | 1,194,594                               | 1,000  |
| Income taxes payable  | 9,909                                   | —  |
| <b>Net cash (used in) provided by operating activities</b>                                | <b>(677,035)</b>                        | <b>1</b>   |
| <b>Cash Flows from Financing Activities:</b>  |   |  |
| Proceeds from issuance of Class B common stock to Sponsor                                 | —                                       | 25,000   |
| Advances from related party   | 7,086                                   | —  |
| Proceeds from promissory note – related party   | 400,000                                 | 162,637  |
| Payment of offering costs   | —                                       | (162,637)  |
| <b>Net cash provided by financing activities</b>  | <b>407,086</b>                          | <b>25,000</b>  |
| <b>Net Change in Cash</b>   | <b>(269,949)</b>                        | <b>25,001</b>  |
| Cash – Beginning  | 288,108                                 | —  |
| <b>Cash – Ending</b>  | <b>\$ 18,159</b>                        | <b>\$ 25,001</b>   |
| <b>Non-Cash Investing and Financing Activities:</b>                                       |   |  |
| Offering costs included in accrued offering costs   | \$ —                                    | \$ 169,054   |
| Remeasurement of Class A common stock to redemption value                                 | \$ 34,916                               | \$ —   |

The accompanying notes are an integral part of the unaudited condensed consolidated financial statements.

**SOFTWARE ACQUISITION GROUP INC. III**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(Unaudited)**

**NOTE 1. DESCRIPTION OF ORGANIZATION AND BUSINESS OPERATIONS**

Software Acquisition Group Inc. III (the “Company or SWAG”) is a blank check company incorporated in Delaware on January 5, 2021. The Company was formed for the purpose of effecting a merger, capital stock exchange, asset acquisition, share purchase, reorganization or similar business combination with one or more businesses or entities (a “Business Combination”).

The Company has one wholly owned subsidiary which was formed on December 20, 2021, Nuevo Merger Sub Inc. (the “Merger Sub”), a Delaware corporation.

The Company is not limited to a particular industry or sector for purposes of consummating a Business Combination. The Company is an early stage and emerging growth company and, as such, the Company is subject to all of the risks associated with early stage and emerging growth companies.

As of June 30, 2022, the Company had not commenced any operations. All activity from January 5, 2021 (inception) through June 30, 2022 relates to the Company’s formation and the initial public offering (the “Initial Public Offering”), which is described below, and subsequent to the Initial Public Offering, identifying a target company for a Business Combination. The Company will not generate any operating revenues until after the completion of a Business Combination, at the earliest. The Company generates non-operating income in the form of interest income from the proceeds derived from the Initial Public Offering.

The registration statement for the Company’s Initial Public Offering was declared effective on July 28, 2021. On August 2, 2021, the Company consummated the Initial Public Offering of 20,000,000 Units (the “Units” and, with respect to the shares of Class A common stock included in the Units sold, the “Public Shares”) at \$10.00 per Unit, generating gross proceeds of \$200,000,000 which is described in Note 3.

Simultaneously with the closing of the Initial Public Offering, the Company consummated the sale of 9,000,000 warrants (the “Private Placement Warrants”) at a price of \$1.00 per Private Placement Warrant in a private placement to Software Acquisition Holdings III, LLC (the “Sponsor”), generating gross proceeds of \$9,000,000, which is described in Note 4.

Following the closing of the Initial Public Offering on August 2, 2021 and the close of the over-allotment on August 4, 2021, an amount of \$231,499,860 (\$10.15 per Unit) from the net proceeds of the sale of the Units in the Initial Public Offering and the sale of the Private Placement Warrants was placed in a trust account (the “Trust Account”) which will be invested in U.S. government securities, within the meaning set forth in Section 2(a)(16) of the Investment Company Act of 1940, as amended (the “Investment Company Act”), with a maturity of 180 days or less or in any open-ended investment company that holds itself out as a money market fund meeting the conditions of Rule 2a-7 of the Investment Company Act, as determined by the Company, until the earlier of: (i) the completion of a Business Combination or (ii) the distribution of the funds in the Trust Account to the Company’s stockholders, as described below.

On August 2, 2021, the underwriters notified the Company of their intention to partially exercise their over-allotment option. As such, on August 4, 2021, the Company consummated the sale of an additional 2,807,868 Units, at \$10.00 per Unit, and the sale of an additional 982,754 Private Placement Warrants, at \$1.00 per Private Warrant, generating total gross proceeds of \$29,061,434. A total of \$28,499,860 was deposited into the Trust Account, bringing the aggregate proceeds held in the Trust Account to \$231,499,860.

Transaction costs amounted to \$13,056,080, consisting of \$4,561,574 of underwriting fees, \$7,982,754 of deferred underwriting fees and \$511,752 of other offering costs.

The Company’s management has broad discretion with respect to the specific application of the net proceeds of the Initial Public Offering and the sale of the Private Placement Warrants, although substantially all of the net proceeds are intended to be applied generally toward consummating a Business Combination. NASDAQ rules provide that the Business Combination must be with one or more target businesses that together have a fair market value equal to at least 80% of the balance in the Trust Account (net of amounts disbursed to management for working capital, if permitted, and excluding the amount of any deferred underwriting commissions) at the time of the signing a definitive agreement to enter a Business Combination. The Company will only complete a Business Combination if the post-Business Combination company owns or acquires 50% or more of the outstanding voting securities of the target or otherwise acquires a controlling interest in the target sufficient for it not to be required to register as an investment company under the Investment Company Act. There is no assurance that the Company will be able to successfully effect a Business Combination.

The Company will provide its holders of the outstanding Public Shares (the “public stockholders”) with the opportunity to redeem all or a portion of their Public Shares upon the completion of a Business Combination either (i) in connection with a stockholder meeting called to approve the Business Combination or (ii) by means of a tender offer. In connection with a proposed Business Combination, the Company may seek stockholder approval of a Business Combination at a meeting called for such purpose at which stockholders may seek to redeem their shares, regardless of whether they vote for or against a Business Combination. The Company will proceed with a Business Combination only if the Company has net tangible assets of at least \$5,000,001 either immediately prior to or upon such consummation of a Business Combination and, if the Company seeks stockholder approval, a majority of the outstanding shares voted are voted in favor of the Business Combination.



**SOFTWARE ACQUISITION GROUP INC. III**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(Unaudited)**

If the Company seeks stockholder approval of a Business Combination and it does not conduct redemptions pursuant to the tender offer rules, the Company's Amended and Restated Certificate of Incorporation provides that, a public stockholder, together with any affiliate of such stockholder or any other person with whom such stockholder is acting in concert or as a "group" (as defined under Section 13 of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), will be restricted from seeking redemption rights with respect to 15% or more of the Public Shares without the Company's prior written consent.

The public stockholders will be entitled to redeem their shares for a pro rata portion of the amount then in the Trust Account (initially \$0.15 per share, plus any pro rata interest earned on the funds held in the Trust Account and not previously released to the Company to pay its tax obligations). The per-share amount to be distributed to stockholders who redeem their shares will not be reduced by the deferred underwriting commissions the Company will pay to the underwriter (as discussed in Note 6). There will be no redemption rights upon the completion of a Business Combination with respect to the Company's warrants.

If a stockholder vote is not required and the Company does not decide to hold a stockholder vote for business or other legal reasons, the Company will, pursuant to its Amended and Restated Certificate of Incorporation, offer such redemption pursuant to the tender offer rules of the Securities and Exchange Commission (the "SEC"), and file tender offer documents containing substantially the same information as would be included in a proxy statement with the SEC prior to completing a Business Combination.

The Company's Sponsor has agreed (a) to vote its Founder Shares (as defined in Note 5), the Private Shares and any Public Shares purchased during or after the Initial Public Offering in favor of a Business Combination, (b) not to propose an amendment to the Company's Amended and Restated Certificate of Incorporation with respect to the Company's pre-Business Combination activities prior to the consummation of a Business Combination unless the Company provides dissenting public stockholders with the opportunity to redeem their Public Shares in conjunction with any such amendment; (c) not to redeem any shares (including the Founder Shares) and Private Placement Warrants (including underlying securities) into the right to receive cash from the Trust Account in connection with a stockholder vote to approve a Business Combination (or to sell any shares in a tender offer in connection with a Business Combination if the Company does not seek stockholder approval in connection therewith) or a vote to amend the provisions of the Amended and Restated Certificate of Incorporation relating to stockholders' rights of pre-Business Combination activity and (d) that the Founder Shares and Private Placement Warrants (including underlying securities) shall not participate in any liquidating distributions upon winding up if a Business Combination is not consummated. However, the Sponsor will be entitled to liquidating distributions from the Trust Account with respect to any Public Shares purchased during or after the Initial Public Offering if the Company fails to complete its Business Combination.

If the Company is unable to complete a Business Combination by February 2, 2023 (the "Combination Period"), the Company will (i) cease all operations except for the purpose of winding up, (ii) as promptly as reasonably possible but no more than ten business days thereafter, redeem the public shares, at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account, including interest earned on the funds held in the Trust Account and not previously released to us to pay taxes (less up to \$100,000 of interest to pay dissolution expenses), divided by the number of then outstanding public shares, which redemption will completely extinguish public stockholders' rights as stockholders (including the right to receive further liquidation distributions, if any), subject to applicable law, and (iii) as promptly as reasonably possible following such redemption, subject to the approval of the remaining stockholders and the Company's board of directors, proceed to commence a voluntary liquidation and thereby a formal dissolution of the Company, subject in each case to its obligations under Delaware law to provide for claims of creditors and the requirements of applicable law. The underwriter has agreed to waive its rights to the deferred underwriting commission held in the Trust Account in the event the Company does not complete a Business Combination within the Combination Period, and, in such event, such amounts will be included with the funds held in the Trust Account that will be available to fund the redemption of the Public Shares. In the event of such distribution, it is possible that the per share value of the assets remaining available for distribution will be less than the Initial Public Offering price per Unit (\$10.00).

**SOFTWARE ACQUISITION GROUP INC. III**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(Unaudited)**

The Sponsor has agreed that it will be liable to the Company if and to the extent any claims by a third party for services rendered or products sold to the Company, or a prospective target business with which the Company has entered into a written letter of intent, confidentiality or similar agreement or Business Combination agreement, reduce the amount of funds in the Trust Account to below the lesser of (i) \$10.15 per Public Share and (ii) the actual amount per Public Share held in the Trust Account as of the day of liquidation of the Trust Account, if less than \$10.15 per share due to reductions in the value of the trust assets, less taxes payable, provided that such liability will not apply to any claims by a third party or prospective target business who executed a waiver of any and all rights to monies held in the Trust Account (whether or not such waiver is enforceable) nor will it apply to any claims under the Company's indemnity of the underwriter of Proposed Offering against certain liabilities, including liabilities under the Securities Act of 1933, as amended (the "Securities Act"). However, the Company has not asked the Sponsor to reserve for such indemnification obligations, nor has the Company independently verified whether the Sponsor has sufficient funds to satisfy its indemnity obligations and believe that the Sponsor's only assets are securities of the Company. Therefore, the Company cannot assure its stockholders that the Sponsor would be able to satisfy those obligations. None of the Company's officers or directors will indemnify the Company for claims by third parties including, without limitation, claims by vendors and prospective target businesses. The Company will seek to reduce the possibility that the Sponsor will have to indemnify the Trust Account due to claims of creditors by endeavoring to have all vendors, service providers, prospective target businesses or other entities with which the Company does business, execute agreements with the Company waiving any right, title, interest or claim of any kind in or to monies held in the Trust Account.

***Liquidity and Capital Resources***

As of June 30, 2022, the Company had \$18,159 in its operating bank accounts, \$231,842,586 in securities held in the Trust Account to be used for a Business Combination or to repurchase or redeem its common stock in connection therewith and working capital deficit of \$2,240,023. As of June 30, 2022, approximately \$342,726 of the amount on deposit in the Trust Account represented interest income, which is available to pay the Company's tax obligations.

Until the consummation of a Business Combination, the Company will be using the funds not held in the Trust Account for identifying and evaluating prospective acquisition candidates, performing due diligence on prospective target businesses, paying for travel expenditures, selecting the target business to acquire, and structuring, negotiating and consummating the Business Combination.

The Company will need to raise additional capital through loans or additional investments from its Sponsor, stockholders, officers, directors, or third parties. The Company's officers, directors and Sponsor may, but are not obligated to, loan the Company funds, from time to time or at any time, in whatever amount they deem reasonable in their sole discretion, to meet the Company's working capital needs. Accordingly, the Company may not be able to obtain additional financing. If the Company is unable to raise additional capital, it may be required to take additional measures to conserve liquidity, which could include, but not necessarily be limited to, curtailing operations, suspending the pursuit of a potential transaction, and reducing overhead expenses. The Company cannot provide any assurance that new financing will be available to it on commercially acceptable terms, if at all.

***Going Concern***

In connection with the Company's assessment of going concern considerations in accordance with Financial Accounting Standard Board's Accounting Standards Update ("ASU") 2014-15, "Disclosures of Uncertainties about an Entity's Ability to Continue as a Going Concern," management has determined that if the Company is unable to complete a Business Combination by February 2, 2023, then the Company will cease all operations except for the purpose of liquidating. The liquidity condition and date for mandatory liquidation and subsequent dissolution raise substantial doubt about the Company's ability to continue as a going concern. No adjustments have been made to the carrying amounts of assets or liabilities should the Company be required to liquidate after February 2, 2023.

***Risks and Uncertainties***

Management continues to evaluate the impact of the COVID-19 pandemic and has concluded that while it is reasonably possible that the virus could have a negative effect on the Company's financial position, results of operations and/or search for a target business, the specific impact is not readily determinable as of the date of these condensed consolidated financial statements. The condensed consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

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**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Presentation***

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information and in accordance with the instructions to Form 10-Q and Article 8 of Regulation S-X of the SEC. Certain information or footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted, pursuant to the rules and regulations of the SEC for interim financial reporting. Accordingly, they do not include all the information and footnotes necessary for a complete presentation of financial position, results of operations, or cash flows. In the opinion of management, the accompanying unaudited condensed consolidated financial statements include all adjustments, consisting of a normal recurring nature, which are necessary for a fair presentation of the financial position, operating results and cash flows for the periods presented.

The accompanying unaudited condensed consolidated financial statements should be read in conjunction with the Company’s Annual Report on Form 10-K as filed with the SEC on March 30, 2022. The interim results for the three and six months ended June 30, 2022 is not necessarily indicative of the results to be expected for the period ending December 31, 2022 or for any future periods.

***Principles of Consolidation***

The accompanying condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiary. All significant intercompany balances and transactions have been eliminated in consolidation.

***Emerging Growth Company***

The Company is an “emerging growth company,” as defined in Section 2(a) of the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”), and it may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the independent registered public accounting firm attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in its periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. The Company has elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, the Company, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of the Company’s condensed consolidated financial statements with another public company which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

***Use of Estimates***

The preparation of the condensed consolidated financial statements in conformity with GAAP requires the Company’s management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Making estimates requires management to exercise significant judgment. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the financial statements, which management considered in formulating its estimate, could change in the near term due to one or more future confirming events. One of the more significant accounting estimates included in this financial statement is the determination of the fair value of the warrant liabilities. Such estimates may be subject to change as more current information becomes available and, accordingly, the actual results could differ significantly from those estimates.

***Reclassifications***

Certain reclassifications have been made to the historical financial statements to conform to the current year’s presentation. Such reclassifications have no effect on net income (loss) as previously reported

***Cash and Cash Equivalents***

The Company considers all short-term investments with an original maturity of three months or less when purchased to be cash equivalents. The Company did not have any cash equivalents at June 30, 2022 and December 31, 2021.

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***Marketable Securities Held in Trust Account***

At June 30, 2022 and December 31, 2021, substantially all of the assets held in the Trust Account were held in money market funds, which are invested primarily in U.S. Treasury securities. All of the Company's investments held in the Trust Account are classified as trading securities. Trading securities are presented on the balance sheets at fair value at the end of each reporting period. Gains and losses resulting from the change in fair value of investments held in Trust Account are included in interest earned on marketable securities held in Trust Account in the accompanying condensed consolidated statements of operations. The estimated fair values of investments held in Trust Account are determined using available market information.

***Class A Common Stock Subject to Possible Redemption***

The Company accounts for its Class A common stock subject to possible redemption in accordance with the guidance in Accounting Standards Codification ("ASC") Topic 480 "Distinguishing Liabilities from Equity." Shares of Class A common stock subject to mandatory redemption is classified as a liability instrument and is measured at fair value. Conditionally redeemable common stock (including common stock that features redemption rights that is either within the control of the holder or subject to redemption upon the occurrence of uncertain events not solely within the Company's control) is classified as temporary equity. At all other times, common stock is classified as stockholders' (deficit) equity. The Company's Class A common stock features certain redemption rights that are considered to be outside of the Company's control and subject to occurrence of uncertain future events. Accordingly, at June 30, 2022 and December 31, 2021, Class A common stock subject to possible redemption is presented at redemption value as temporary equity, outside of the stockholders' (deficit) equity section of the Company's condensed consolidated balance sheets.

The Company recognizes changes in redemption value immediately as they occur and adjusts the carrying value of redeemable common stock to equal the redemption value at the end of each reporting period. Increases or decreases in the carrying amount of redeemable common stock are affected by charges against additional paid in capital and accumulated deficit.

At June 30, 2022 and December 31, 2021, the Class A common stock reflected in the balance sheets are reconciled in the following table:

|   |                       |
|---|-----------------------|
| Gross proceeds  | \$ 228,078,680        |
| Less:   |                       |
| Proceeds allocated to Public Warrants   | (12,492,109)          |
| Class A common stock issuance costs   | (12,318,960)          |
| Add:  |                       |
| Adjustment of carrying value to initial redemption value                      | 28,232,249            |
| <b>Class A common stock subject to possible redemption, December 31, 2021</b> | <b>\$ 231,499,860</b> |
| Add:  |                       |
| Adjustment of carrying value to redemption value                              | —                     |
| <b>Class A common stock subject to possible redemption, March 31, 2022</b>    | <b>231,499,860</b>    |
| Add:  |                       |
| Adjustment of carrying value to redemption value                              | 34,916                |
| <b>Class A common stock subject to possible redemption, June 30, 2022</b>     | <b>\$231,534,776</b>  |

***Derivative Liabilities***

The Company accounts for derivative instruments as either equity-classified or liability-classified instruments based on an assessment of the instruments' specific terms and applicable authoritative guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 480, Distinguishing Liabilities from Equity ("ASC 480") and ASC 815, Derivatives and Hedging ("ASC 815"). The assessment considers whether the instruments are freestanding financial instruments pursuant to ASC 480, meet the definition of a liability pursuant to ASC 480, and whether the derivative instruments meet all of the requirements for equity classification under ASC 815, including whether they are indexed to the Company's own common stock, among other conditions for equity classification. This assessment, which requires the use of professional judgment, is conducted at the time of issuance and as of each subsequent quarterly period end date while the instruments are outstanding.

For issued or modified warrants that meet all of the criteria for equity classification, the warrants are required to be recorded as a component of additional paid-in capital at the time of issuance. For issued or modified warrants that do not meet all the criteria for equity classification, the warrants are required to be recorded at their initial fair value on the date of issuance, and each balance sheet date thereafter. Changes in the estimated fair value of the warrants are recognized as a non-cash gain or loss on the statements of operations. The Company's has analyzed the Public Warrants and Private Placement Warrants and determined they are considered to be freestanding instruments and do not exhibit any of the characteristics in ASC 480 and therefore are not classified as liabilities under ASC 480 (See Note 8).

The Company granted the underwriters a 45-day option at the Initial Public Offering date to purchase up to 3,300,000 additional Units to cover over-allotments. The over-allotment option was evaluated under ASC 480 "Distinguishing Liabilities from Equity." The Company concluded that the underlying transaction (Units which include redeemable shares and warrants) of the over-allotment option embodies an obligation to repurchase the issuer's equity shares. Accordingly, the option was fair valued and recorded as a liability at issuance date and applied to the offering cost of the Class A redeemable shares. On August 4, 2021, the underwriters partially exercised their over-allotment option to purchase an additional 2,807,868 Units at \$10.00 per Unit and forfeited the remaining over-allotment option.

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**Offering Costs**

Deferred offering costs consist of underwriting, legal, accounting and other expenses incurred through the balance sheet date that are directly related to the Initial Public Offering. Offering costs are allocated to the separable financial instruments issued in the Initial Public Offering based on a relative fair value basis, compared to total proceeds received. Offering costs allocated to the Public Shares were charged to stockholders' (deficit) equity upon the completion of the Initial Public Offering. Offering costs amounted to \$13,056,080, which were charged to stockholders' (deficit) equity upon the completion of the Initial Public Offering. \$12,318,960 were allocated to public shares and charged to temporary equity, and \$737,120 was allocated to warrants and accounted for as equity.

**Income Taxes**

The Company accounts for income taxes under ASC 740, "Income Taxes" ("ASC 740"), requires the recognition of deferred tax assets and liabilities for both the expected impact of differences between the unaudited condensed financial statements and tax basis of assets and liabilities and for the expected future tax benefit to be derived from tax loss and tax credit carry forwards. ASC 740 additionally requires a valuation allowance to be established when it is more likely than not that all or a portion of deferred tax assets will not be realized. As of June 30, 2022 and December 31, 2021, the Company's deferred tax asset had a full valuation allowance recorded against it. The Company's effective tax rate was 1.8% and 0.0% for the three months ended June 30, 2022 and 2021, respectively, and 0.6% and 0.0% for the six months ended June 30, 2022 and for the period from January 5, 2021 (inception) through June 30, 2021, respectively. The effective tax rate differs from the statutory tax rate of 21% for the three and six months ended June 30, 2022 and 2021, due to changes in fair value of over-allotment option, merger and acquisition expenses, and the valuation allowance on the deferred tax assets.

ASC 740 also clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements and prescribes a recognition threshold and measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. ASC 740 also provides guidance on derecognition, classification, interest and penalties, accounting in interim period, disclosure and transition.

The Company recognizes accrued interest and penalties related to unrecognized tax benefits as income tax expense. There were no unrecognized tax benefits and no amounts accrued for interest and penalties as of June 30, 2022 and December 31, 2021. The Company is currently not aware of any issues under review that could result in significant payments, accruals or material deviation from its position.

The Company has identified the United States as its only "major" tax jurisdiction. The Company is subject to income taxation by major taxing authorities since inception. These examinations may include questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions and compliance with federal and state tax laws. The Company's management does not expect that the total amount of unrecognized tax benefits will materially change over the next twelve months.

**Net Loss per Common Share**

The Company complies with accounting and disclosure requirements of FASB ASC Topic 260, "Earnings Per Share". Net loss per common share is computed by dividing net loss by the weighted average number of common shares outstanding for the period. Remeasurement associated with the redeemable shares of Class A common shares is excluded from earnings per share as the redemption value approximates fair value.

The following table reflects the calculation of basic and diluted net loss per ordinary share (in dollars, except per share amounts):

|  | Three Months Ended |              | Three Months Ended |           | Six Months Ended |              | For the Period from |           |
|--|--------------------|--------------|--------------------|-----------|------------------|--------------|---------------------|-----------|
|  | June 30, 2022      |              | June 30, 2021      |           | June 30, 2022    |              | January 5, 2021     |           |
|  | Class A            | Class B      | Class A            | Class B   | Class A          | Class B      | Class A             | Class B   |
| Basic and diluted net (loss) income per common share   |                    |              |                    |           |                  |              |                     |           |
| Numerator:   |                    |              |                    |           |                  |              |                     |           |
| Allocation of net (loss) income, as adjusted           | \$ (449,183)       | \$ (112,296) | \$ —               | \$ 1      | \$ (1,393,078)   | \$ (348,269) | \$ —                | \$ (999)  |
| Denominator:   |                    |              |                    |           |                  |              |                     |           |
| Basic and diluted weighted average shares outstanding  | 22,807,868         | 5,701,967    | —                  | 5,000,000 | 22,807,868       | 5,701,967    | —                   | 5,000,000 |
| Basic and diluted net (loss) income per ordinary share | \$ (0.02)          | \$ (0.02)    | \$ —               | \$ 0.00   | \$ (0.06)        | \$ (0.06)    | \$ —                | \$ (0.00) |

**Concentration of Credit Risk**

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash accounts in a financial institution, which, at times may exceed the Federal Depository Insurance Corporation coverage limit of \$250,000. The Company has not experienced losses on these accounts and management believes the Company is not exposed to significant risks on such account.

**Fair Value of Financial Instruments**

The fair value of the Company's assets and liabilities, which qualify as financial instruments under ASC Topic 820, "Fair Value Measurement," approximates the carrying amounts represented in the accompanying condensed consolidated balance sheets, primarily due to their short-term nature.

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***Recent Accounting Standards***

In August 2020, the FASB issued ASUNo. 2020-06, “Debt — Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging — Contracts in Entity’s Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity’s Own Equity” (“ASU 2020-06”), which simplifies accounting for convertible instruments by removing major separation models required under current GAAP. ASU2020-06 removes certain settlement conditions that are required for equity contracts to qualify for the derivative scope exception, and it also simplifies the diluted earnings per share calculation in certain areas. ASU 2020-06 is effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years, with early adoption permitted. The Company is currently assessing the impact, if any, that ASU 2020-06 would have on its financial position, results of operations or cash flows.

Management does not believe that any other recently issued, but not yet effective, accounting standards, if currently adopted, would have a material effect on the Company’s condensed consolidated financial statements.

**NOTE 3. INITIAL PUBLIC OFFERING**

Pursuant to the Initial Public Offering, the Company sold 20,000,000 Units at a purchase price of \$10.00 per Unit. Each Unit consists of one share of Class A common stock and one-half of one redeemable warrant (“Public Warrant”). Each whole Public Warrant entitles the holder to purchase one share of Class A common stock at an exercise price of \$11.50, subject to adjustment (see Note 8).

On August 2, 2021, the underwriters notified the Company of their intention to partially exercise their over-allotment option. As such, on August 4, 2021, the Company consummated the sale of an additional 2,807,868 Units, at \$10.00 per Unit, and the sale of an additional 982,754 Private Placement Warrants, at \$1.00 per Private Warrant.

**NOTE 4. PRIVATE PLACEMENT**

Simultaneously with the closing of the Initial Public Offering, the Sponsor purchased an aggregate of 9,000,000 Private Placement Warrants at a price of \$1.00 per Private Placement Warrant, for an aggregate purchase price of \$9,000,000, in a private placement. Each Private Placement Warrant is exercisable to purchase one Class A common stock at a price of \$11.50. A portion of the proceeds from the Private Placement Warrants were added to the proceeds from the Initial Public Offering held in the Trust Account. If the Company does not complete a Business Combination within the Combination Period, the proceeds from the sale of the Private Placement Warrants will be used to fund the redemption of the Public Shares (subject to the requirements of applicable law) and the Private Placement Warrants will expire worthless.

On August 2, 2021, the underwriters notified the Company of their intention to partially exercise their over-allotment option. As such, on August 4, 2021, the Company consummated the sale of an additional 2,807,868 Units, at \$10.00 per Unit, and the sale of an additional 982,754 Private Placement Warrants, at \$1.00 per Private Warrant.

**NOTE 5. RELATED PARTY TRANSACTIONS**

***Founder Shares***

On January 22, 2021, the Sponsor purchased 5,750,000 shares (the “Founder Shares”) of the Company’s Class B common stock for an aggregate price of \$25,000. The Founder Shares include an aggregate of up to 750,000 shares subject to forfeiture by the Sponsor to the extent that the underwriters’ over-allotment is not exercised in full or in part, so that the Sponsor will collectively own, on an as-converted basis, 20% of the Company’s issued and outstanding shares after the Initial Public Offering (assuming the Sponsor does not purchase any Public Shares in the Initial Public Offering). On August 2, 2021, the underwriters notified the Company of their intention to partially exercise their over-allotment option. As such, on August 4, 2021, the Company consummated the sale of an additional 2,807,868 Units. As a result of the underwriters’ election to partially exercise their over-allotment option and the forfeiture of the remaining over-allotment option, 48,033 Founder Shares were forfeited, and 701,967 Founder Shares are no longer subject to forfeiture resulting in an aggregate of 5,701,967 Founder Shares outstanding at August 4, 2021.

The Sponsor has agreed not to transfer, assign or sell any of its Founder Shares until the earlier to occur of: (A) one year after the completion of a Business Combination or (B) the date on which the Company completes a liquidation, merger, capital stock exchange or similar transaction that results in the Company’s stockholders having the right to exchange their shares of common stock for cash, securities or other property. Notwithstanding the foregoing, if the last sale price of the Company’s Class A common stock equals or exceeds \$12.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days with in any 30-trading day period commencing at least 150 days after the Business Combination, the Founder Shares will be released from the lock-up.

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***Executive Officer's role at Nogin***

Jonathan Huberman, the Chairman, CEO and CFO of the Company will become co-CEO and President of Branded Online, Inc. (d/b/a Nogin) ("Nogin") at the close of the transaction.

***Other Receivable – Related Party***

On August 23, 2021, the Company paid a charge in the amount of \$5,541 on behalf of an affiliated entity. This amount is included in other receivable – related party. The Company was reimbursed in full on October 25, 2021.

On April 5, 2022, the Company paid a charge in the amount of \$5,000 on behalf of the affiliated entity. This amount is included in other receivable – related party on the condensed consolidated balance sheet as of June 30, 2022.

***Advances from Related Parties***

As of June 30, 2022, affiliates of the Company have paid for expenses totaling \$7,086 on behalf of the Company. This amount is included in advances from related parties on the condensed consolidated balance sheet as of June 30, 2022.

***Administrative Support Agreement***

The Company agreed, commencing on July 28, 2021, through the earlier of the Company's consummation of a Business Combination and its liquidation, to pay an affiliate of the Sponsor or its designee a total of up to \$15,000 per month for office space, administrative and shared personnel support. For the three and six months ended June 30, 2022, the Company incurred \$45,000 and \$90,000 in fees for these services, of which \$15,000 were included in accrued expenses in the accompanying balance sheet as of June 30, 2022. For the three months ended June 30, 2021 and for the period from January 5, 2021 (inception) through June 30, 2021, the Company did not incur any fees for these services.

***Promissory Note — Related Party***

On January 22, 2021, the Sponsor issued an unsecured promissory note to the Company (the "IPO Promissory Note"), pursuant to which the Company could borrow up to an aggregate principal amount of \$300,000. The IPO Promissory Note was non-interest bearing and as amended effective May 28, 2021, payable on the earlier of (i) December 31, 2021 and (ii) the consummation of the Initial Public Offering. The outstanding balance under the IPO Promissory Note of \$174,060 was repaid at the closing of the Initial Public Offering on August 2, 2021.

On February 9, 2022, the Sponsor agreed to loan the Company \$300,000 pursuant to a new promissory note (the "Promissory Note"). On May 31, 2022, the Sponsor agreed to loan the Company \$100,000 pursuant to a new promissory note (the "New Promissory Note", and together with the Promissory Note, the "Promissory Notes"). Each of the Promissory Notes are non-interest bearing and payable upon consummation of the Company's initial Business Combination. As of June 30, 2022, there was an aggregate of \$400,000 outstanding under the Promissory Notes.

***Related Party Loans***

In order to finance transaction costs in connection with a Business Combination, the Sponsor or an affiliate of the Sponsor or certain of the Company's directors and officers may, but are not obligated to, loan the Company funds as may be required ("Working Capital Loans"). If the Company completes a Business Combination, the Company will repay the Working Capital Loans out of the proceeds of the Trust Account released to the Company. Otherwise, the Working Capital Loans would be repaid only out of funds held outside the Trust Account. In the event that a Business Combination does not close, the Company may use a portion of proceeds held outside the Trust Account to repay the Working Capital Loans, but no proceeds held in the Trust Account would be used to repay the Working Capital Loans. The Working Capital Loans would either be repaid upon consummation of a Business Combination, without interest, or, at the lender's discretion, up to \$1,500,000 of such Working Capital Loans may be convertible into warrants of the post-Business Combination entity at a price of \$1.00 per warrant. The warrants would be identical to the Private Placement Warrants.

On February 9, 2022, the Sponsor agreed to loan the Company \$300,000 pursuant to the IPO Promissory Note, and on May 31, 2022, the Sponsor agreed to loan the Company an additional \$100,000 pursuant to the New Promissory Note.

***Health Insurance — Related Party***

On December 15, 2021, the Company reimbursed the Sponsor \$86,549 of health insurance and other benefits for its officers and administrative staff for the year 2022.

**NOTE 6. COMMITMENTS AND CONTINGENCIES**

On September 15, 2021, the Company entered into an agreement with a vendor for financial advisement services related to the Business Combination. The agreement calls for the vendor to receive a contingent fee at Business Combination in the amount of \$3,000,000. If, following or in connection with the termination, abandonment or failure to occur of any proposed Business Combination in respect of which the Company entered into an agreement during the term of this Agreement or during the 12-month period following the effective date of termination of this Agreement, the Company or any affiliate is entitled to receive a break-up, termination, "topping," expense reimbursement, earnest money payment or similar fee or payment (each and together, "Termination Payments"), the vendor shall be entitled to a cash fee (the "Break-Up Fee"), payable upon the Company's or such affiliate's receipt of such amount, equal to the lesser of (x) 25% of the aggregate amount of all Termination Payments paid to the Company or such affiliate or (y) \$750,000. In addition, the agreement contains an additional contingent fee provision of 4% of the gross proceeds of any equity or equity-linked securities sold in connection with the Business Combination. In addition to any fees that may be payable to the vendor, the Company will reimburse the vendor for all reasonable expenses in connection with the agreement.

On October 11, 2021, the Company entered into an agreement with a vendor for financial advisement services related to the Business Combination. The agreement calls for the vendor to receive a contingent fee at Business Combination in the amount equal to (i) the aggregate principal amount of securities issued at the closing of such transaction, multiplied by (ii) 4%, multiplied by (iii) 50%. In addition to any fees that may be payable to the vendor, the Company will reimburse the vendor for all reasonable expenses in connection with the agreement.

On February 15, 2022, the Company entered into an agreement with a vendor for investment banking services related to the pending Business Combination. Specifically, the agreement relates to assisting in raising the funds as part of the PIPE financing. The agreement calls for the vendor to receive a contingent fee equal to (i) the aggregate principal amount of securities issued at the closing of such transaction as i) 2% if it is a equity or debt security or ii) 1% if it is a convertible debt security. In addition to any fees that may be payable to the vendor, the Company will reimburse the vendor for all reasonable expenses in connection with the agreement.

As of June 30, 2022 and December 31, 2021, the Company's contingent legal fees amounted to approximately \$1,800,000 and \$981,000, respectively. These fees will only become due and payable upon the consummation of an initial Business Combination.



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***Registration Rights***

Pursuant to a registration rights agreement entered into on July 28, 2021, the holders of the Founder Shares, Private Placement Units (including securities contained therein) and units (including securities contained therein) that may be issued upon conversion of Working Capital Loans, and any shares of Class A common stock issuable upon the exercise of the Private Placement Warrants and any shares of Class A common stock and warrants (and underlying Class A common stock) are entitled to registration rights, requiring the Company to register such securities for resale (in the case of the Founder Shares, only after conversion to Class A common stock). The holders of the majority of these securities are entitled to make up to three demands, excluding short form demands, that the Company register such securities. In addition, the holders have certain “piggy-back” registration rights with respect to registration statements filed subsequent to the completion of a Business Combination and rights to require the Company to register for resale such securities pursuant to Rule 415 under the Securities Act. However, the registration rights agreement provides that the Company will not permit any registration statement filed under the Securities Act to become effective until termination of the applicable lock-up period. The registration rights agreement does not contain liquidated damages or other cash settlement provisions resulting from delays in registering the Company’s securities. The Company will bear the expenses incurred in connection with the filing of any such registration statements. This agreement has been subsequently amended and restated.

***IPO Underwriting Agreement***

The Company granted the underwriters a 45-day option from the date of the Initial Public Offering to purchase up to 3,000,000 additional Units to cover over-allotments, if any, at the Initial Public Offering price less the underwriting discounts and commissions. On August 2, 2021, the underwriters notified the Company of their intention to partially exercise their over-allotment option. As such, on August 4, 2021, the Company consummated the sale of an additional 2,807,868 Units.

The underwriters were paid a cash fee of \$0.20 per Unit, or \$4,561,574 in the aggregate. In addition, the underwriters are entitled to a deferred fee of \$7,982,754 in the aggregate. The deferred fee will become payable to the underwriters from the amounts held in the Trust Account solely in the event that the Company completes a Business Combination, subject to the terms of the underwriting agreement.

On June 28, 2022, the IPO Underwriting Agreement and related engagement letters were amended to reflect the agreed upon terms of the closing fee structure.

Pursuant to the terms of the amended IPO Underwriting Agreement, SWAG, Nogin, Jefferies LLC (“Jefferies”), Stifel Nicolaus & Company, Incorporated (“Stifel”) and J.Wood Capital Advisors LLC (“JWCA”) have agreed to a revised proposed structure (the “Closing Fee Structure”) in which Jefferies, Stifel and JWCA will receive cash or a mix of cash and stock payments in satisfaction of their respective transaction fees (including Jefferies’ Deferred Discount) at Closing depending on the rate of redemptions of shares of SWAG Common Stock by stockholders of SWAG prior to the time of Closing (the “Redemption Rate”). If the Redemption Rate is less than 80.00%, then the respective transaction fees (including Jefferies’ Deferred Discount) will be payable in full in cash at Closing. Alternatively, if the Redemption Rate is greater than or equal to 80.0%, then every dollar of the remaining cash funds in the Trust Account will be allocated as follows (the “Trust Account Allocation”): (i) 50.0%, to the Post-Combination Company; (ii) 30.9%, to Jefferies (23.5% attributable to the Deferred Discount (in the event of Redemption Rates greater than or equal to 85.0%) and the remaining 7.4% attributable to fees pursuant to Jefferies’ engagement as financial advisor to SWAG); (iii) 14.7%, to Stifel (12.8% attributable to fees pursuant to Stifel’s engagement as financial advisor to Nogin and 1.9% attributable to fees pursuant to Stifel’s engagement as financial advisor to SWAG); and (iv) 4.4%, to JWCA (provided that no financial advisor would be entitled to receive more than its respective transaction fee, and any remaining amounts would be allocated to the Post-Combination Company). The respective transaction fees (excluding Jefferies’ Deferred Discount) will be payable (A) up to 75% in cash, subject to the Trust Account Allocation (the “Engagement Letter Closing Partial Cash Fees”), and (B) at least 25% in shares of the Post-Combination Company (the “Post-Closing Fee Shares”). If the Redemption Rate is less than 85.0%, then the Deferred Discount will be payable 100% in cash. If the Redemption Rate is greater than or equal to 85.0%, then the Deferred Discount will be payable up to 100% in cash, subject to the Trust Account Allocation (the “Deferred Discount Closing Partial Cash Fee” and, together with the Engagement Letter Closing Partial Cash Fees, the “Closing Partial Cash Fees”). To the extent the Trust Account Allocation does not result in full satisfaction of the respective Closing Partial Cash Fees, the Post-Combination Company will owe a “Deferred Post-Closing Cash Obligation” to such financial advisor. The Deferred Post-Closing Cash Obligations shall be due to the respective financial advisors at the earliest to occur of (x) the maturity date of the Convertible Notes, (y) the date on which all Convertible Notes have been repurchased, redeemed or converted, or (z) the closing of an equity issuance of the Post-Combination Company with net proceeds to the Post-Combination Company of at least \$25 million. In addition, each of the financial advisors will have the right, in its sole discretion, to receive shares of the Post-Combination Company (“Post-Closing Stock Fee Shares”) in satisfaction of all or any portion of such financial advisor’s Deferred Post-Closing Cash Obligation, to be issued at the fair market value of the Post-Combination Company’s common stock as determined by the immediately preceding five-day volume weighted average price. Any portion of such financial advisor’s Post-Closing Cash Obligation that is not converted into the right to receive Post-Closing Stock Fee Shares will remain due and payable in cash. The Post-Combination Company’s payment of the Post-Closing Cash Obligation, including satisfaction of the Post-Closing Cash Obligation through the issuance of Post-Closing Stock Fee Shares, shall be subject in all respects to certain covenants under the Indenture, including the following: (A) the Post-Combination Company shall not pay any financial advisory or similar costs, fees and expenses associated with the Transactions in cash unless the net indebtedness of the Post-Combination Company is less than \$10 million; and (B) regardless of the fair market value of the Post-Combination Company’s common stock, the Post-Combination Company may not issue the Post-Closing Stock Fee Shares for an amount less than \$5.00 per share of common stock. SWAG, Nogin, Jefferies, Stifel and JWCA established the percentages in the Trust Account Allocation based on the relative sizes of their fees.

***Merger Agreement***

On February 14, 2022, Software Acquisition Group Inc. III, a Delaware corporation (“SWAG”), and Nuevo Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of SWAG (“Merger Sub”), entered into an Agreement and Plan of Merger (as it may be amended, supplemented or otherwise modified from time to time in accordance with its terms, the “Merger Agreement”) with Branded Online, Inc. (d/b/a Nogin), a Delaware corporation (“Nogin”). If (i) the Merger Agreement is adopted and the transactions contemplated thereby, including the Merger, are approved by SWAG’s and Nogin’s stockholders and (ii) the Merger is subsequently completed, Merger Sub will merge with and into Nogin, with Nogin surviving the Merger as a wholly owned subsidiary of SWAG (the “Merger” and, along with the transactions contemplated in the Merger Agreement, the “Transactions”).

As part of the Transactions, holders of Nogin’s common stock and vested options will receive aggregate consideration of approximately \$66.0 million, payable in (i) the case of Nogin’s stockholders, newly issued shares of SWAG Class A common stock, par value \$0.0001 per share (“SWAG Class A common stock”), with a value ascribed to each share of SWAG Class A common stock of \$10.00, and, at their election, a portion of \$20.0 million of consideration payable in cash and (ii) the case of Nogin’s option holders, options of SWAG (collectively, the “merger consideration”).

### ***Amendment to Merger Agreement***

On April 20, 2022, SWAG, Merger Sub and Nogin entered into the Amendment to the Merger Agreement (the “MA Amendment”). The MA Amendment reflects the parties’ agreement to lower the cash consideration amount from \$20 million to \$15 million and increase the share consideration in a proportionate amount.

### ***PIPE Subscription Agreements***

On April 19, 2022, SWAG, certain guarantors named therein (the “Notes Guarantors”) and certain investors named therein (each, a “Subscriber” and collectively, the “Subscribers”), entered into subscription agreements (each, a “PIPE Subscription Agreement” and collectively, the “PIPE Subscription Agreements”) pursuant to which SWAG agreed to issue and sell, at the par value of the notes, to the Subscribers immediately prior to the closing of the Merger (i) up to an aggregate principal amount of \$75 million of 7.00% Convertible Senior Notes due 2026 (the “Convertible Notes”) convertible into shares of SWAG Class A common stock, par value \$0.0001 per share (“SWAG Common Stock”), and (ii) an aggregate of 1.5 million warrants (the “PIPE Warrants”) with each whole PIPE Warrant entitling the holder thereof to purchase one share of SWAG Common Stock (the transactions described in clauses (i) and (ii), collectively, the “PIPE Investment”). The Subscribers have agreed to purchase \$65 million aggregate principal amount of the Convertible Notes, with a subsidiary of UBS Hedge Fund Solutions LLC (“UBS”) having the option to purchase up to an additional \$10 million aggregate principal amount of the Convertible Notes (together with additional PIPE Warrants) pursuant to an “accordion feature” included in UBS’s PIPE Subscription Agreement. Jonathan Huberman, Chief Executive Officer of SWAG, has also executed a PIPE Subscription Agreement for \$0.5 million aggregate principal amount of Convertible Notes. Subscribers will also receive a pro rata portion of the PIPE Warrants in connection with their respective commitments to purchase the Convertible Notes.

The PIPE Investment is conditioned on (i) the substantially contemporaneous closing of the Merger and the other Transactions as well as the execution of (x) an indenture governing the Convertible Notes (the “Indenture”) by and among SWAG, as issuer, the Notes Guarantors, as guarantors, and U.S. Bank Trust Company, National Association, as trustee and collateral agent (the “Trustee”) and related agreements securing the payment of the obligations under the Convertible Notes and the Indenture, and (y) a warrant agreement (the “PIPE Warrant Agreement”), by and between SWAG, as issuer, and Continental Stock Transfer & Trust Company, as warrant agent; (ii) certain minimum cash and liquidity requirements; (iii) representations and warranties of the parties to the PIPE Subscription Agreement being true and correct in all material respects as of the closing date of the Transactions (except where qualified as to materiality or otherwise); (iv) absence of material adverse effect with respect to SWAG or the Notes Guarantors, as applicable; and (v) other customary closing conditions. Up to \$15 million of the proceeds from the PIPE Investment will be used to fund the cash consideration for the Merger. The Subscription Agreements provide for certain customary registration rights for the PIPE Investors.

### ***Sponsor Agreement***

In connection with the execution of the Merger Agreement, our sponsor entered into a sponsor agreement (the “Sponsor Agreement”) with SWAG and Nogin, pursuant to which the sponsor agreed to, among other things, (i) vote at the special meeting to be called for approval of the Transactions any SWAG Class A common stock or SWAG Class B common stock, par value \$0.0001 per share (collectively, the “Sponsor Securities”), held of record or thereafter acquired in favor of the proposals presented by SWAG at such meeting, (ii) be bound by certain other covenants and agreements related to the Merger and (iii) be bound by certain transfer restrictions with respect to the Sponsor Securities, in each case, on the terms and subject to the conditions set forth in the Sponsor Agreement. The Sponsor Agreement also provides that the Sponsor has agreed to waive redemption rights in connection with the consummation of the Transactions with respect to any Sponsor Securities they may hold.

The sponsor has also agreed, subject to certain exceptions, not to transfer any of its shares of SWAG Class B common stock (the “Founder Shares”) (or any shares of SWAG common stock issuable upon conversion in connection with the Closing) until the earlier of (i) the date that is the one-year anniversary of the Closing and (ii) the date on which SWAG completes a liquidation, merger, capital stock exchange, reorganization or other similar transaction that results in all of SWAG’s stockholders having the right to exchange their shares of SWAG common stock for cash, securities or other property or (iii) subsequent to the consummation of the Transactions, the date on which the last reported sale price of the common stock equals or exceeds \$12.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30 trading day period commencing at least 150 days after the Closing Date of the Transactions (the “Founder Shares Lock-up Period”).

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The Sponsor Agreement parties have also agreed, subject to certain exceptions, not to transfer any private placement warrants purchased in connection with SWAG's initial public offering (the "Private Placement Warrants") (or any share of SWAG common stock issued or issuable upon the exercise of the Private Placement Warrants), until 30 days after the Closing Date of the Transactions (the "Private Placement Warrants Lock-Up Period" and, together with the Founder Shares Lock-up Period, the "Lock-up Periods").

The Sponsor Agreement provides that as of immediately prior to (but subject to) the Closing, 1,710,590 (or 30%) of the Founder Shares held by the sponsor as of the Closing, or 2,565,885 (or 45%) of the Founders Shares if, immediately prior to the Closing, holders of SWAG Class A common stock have validly elected to redeem a number of shares of SWAG Class A common stock (and have not withdrawn such redemptions) that would result in greater than 40% of the funds in the Trust Account being paid to such redeeming holders for such redemptions, will be subject to certain time and performance-based vesting provisions described below. The sponsor has agreed, subject to exceptions, not to transfer any unvested Founder Shares prior to the date such securities become vested. Pursuant to the Sponsor Agreement, 50% of the unvested Founder Shares (the "First Tranche Shares") will vest on any day following the Closing when the closing price of a share of SWAG Class A common stock on NASDAQ (the "Closing Share Price") equals or exceeds \$12.50 (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) and the remaining 50% will vest (along with any unvested First Tranche Shares) when the Closing Share Price equals or exceeds \$14.50 (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like).

The Sponsor Agreement will terminate on the later of (i) the vesting of all unvested Founder Shares (ii) the end of the Founder Shares Lock-Up Period.

***Company Support Agreement***

In connection with the execution of the Merger Agreement, SWAG, Nogin and certain stockholders of Nogin (collectively, the "Supporting Nogin Stockholders" and each, a "Supporting Nogin Stockholder") entered into the Company Support Agreement. Pursuant to the Company Support Agreement, among other things, each Supporting Nogin Stockholder agreed to (i) vote at any meeting of the stockholders of Nogin all of its Nogin common stock and/or Nogin preferred stock, as applicable (or any securities convertible into or exercisable or exchangeable for Nogin common stock or Nogin preferred stock), held of record or thereafter acquired in favor of the transactions and the adoption of the Merger Agreement; (ii) appoint the chief executive officer of Nogin as such stockholder's proxy in the event such stockholder fails to fulfil its obligations under the Company Support Agreement, (iii) be bound by certain other covenants and agreements related to the Merger and (iv) be bound by certain transfer restrictions with respect to Nogin securities, in each case, on the terms and subject to the conditions set forth in the Company Support Agreement. The shares of Nogin capital stock that are owned by the Supporting Nogin Stockholders and subject to the Company Support Agreement represent approximately 84.8% of the outstanding shares of Nogin common stock and approximately 99.5% of the outstanding shares of Nogin preferred stock. The execution and delivery of written consents by all of the Supporting Nogin Stockholders will constitute the Nogin stockholder approval at the time of such delivery. Additionally, the Supporting Nogin Stockholders have agreed to waive any appraisal rights (including under Section 262 of the DGCL) with respect to the Merger and any rights to dissent with respect to the Merger.

***Registration Rights Agreement***

The Merger Agreement contemplates that, at the Closing, SWAG and certain stockholders of Nogin and SWAG will enter into an Amended and Restated Registration Rights Agreement (the "Registration Rights Agreement"), pursuant to which SWAG will agree to register for resale, pursuant to Rule 415 under the Securities Act, certain shares of SWAG Class A common stock and other equity securities of SWAG that are held by the parties thereto from time to time. Pursuant to the Registration Rights Agreement, SWAG will agree to file a shelf registration statement registering the resale of the SWAG Class A common stock (including those held as of the effective time or issuable upon future exercise of the Private Placement Warrants) and the Private Placement Warrants (the "Registrable Securities") under the Registration Rights Agreement within 15 days of the Closing. Up to four times total and up to twice in any 12-month period, certain legacy Nogin stockholders and legacy SWAG stockholders may request to sell all or any portion of their Registrable Securities in an underwritten offering so long as the total offering price is reasonably expected to exceed \$35 million. SWAG also agreed to provide customary "piggyback" registration rights, subject to certain requirements and customary conditions. The Registration Rights Agreement also provides that SWAG will pay certain expenses relating to such registrations and indemnify the stockholders against certain liabilities.

***Representations and Warranties***

Under the Merger Agreement, Nogin made customary representations and warranties relating to: organization; authorization; capitalization; Nogin's subsidiaries; consents and approvals; consolidated financial statements; absence of undisclosed liabilities; absence of certain changes; real estate; intellectual property; litigation; material contracts; taxes; environmental matters; licenses and permits; employee benefits; labor and employment matters; international trade and anti-corruption matters; certain fees; insurance policies; affiliate transactions; information supplied; customers and suppliers; compliance with laws; PPP loans; and disclaimer of warranties.

Under the Merger Agreement, SWAG and Merger Sub made customary representations and warranties relating to: organization; authorization; capitalization; consents and approvals; consolidated financial statements; business activities and absence of undisclosed liabilities; absence of certain changes; litigation; material contracts; taxes; compliance with laws; certain fees; organization of Merger Sub; Securities and Exchange Commission ("SEC") reports, Nasdaq Stock Market LLC ("NASDAQ") compliance and the Investment Company Act; information supplied; approvals of boards of directors and stockholders; SWAG's Trust Account (the "Trust Account"); affiliate transactions; independent investigation; employee benefits; valid issuance of securities; takeover statutes and charter provisions; and disclaimer of warranties.

***Covenants***

The Merger Agreement includes customary covenants of the parties with respect to business operations prior to the consummation of the Transactions and efforts to satisfy conditions to the consummation of the Transactions. The Merger Agreement also contains additional covenants of the parties, including, among others, covenants providing for SWAG and the Company to cooperate in the preparation of the Registration Statement on Form S-4 required to be prepared in connection with the Transactions (the "Registration Statement").

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**NOTE 7. CLASS A COMMON STOCK SUBJECT TO POSSIBLE REDEMPTION**

**Class A Common Stock** — The Company is authorized to issue 100,000,000 shares of Class A common stock with a par value of \$0.0001 per share. Holders of Class A common stock are entitled to one vote for each share. At June 30, 2022 and December 31, 2021, there were 22,807,868 shares of Class A common stock issued and outstanding, including Class A common stock subject to possible redemption which are presented as temporary equity.

Holders of Class A common stock and holders of Class B common stock will vote together as a single class on all other matters submitted to a vote of our stockholders except as otherwise required by law.

The shares of Class B common stock will automatically convert into shares of Class A common stock at the time of a Business Combination on a one-for-one basis, subject to adjustment. In the case that additional shares of Class A common stock, or equity-linked securities, are issued or deemed issued in excess of the amounts issued in the Initial Public Offering and related to the closing of a Business Combination, the ratio at which the shares of Class B common stock will convert into shares of Class A common stock will be adjusted (unless the holders of a majority of the issued and outstanding shares of our Class B common stock agree to waive such anti-dilution adjustment with respect to any such issuance or deemed issuance) so that the number of shares of Class A common stock issuable upon conversion of all shares of Class B common stock will equal, in the aggregate, on an as-converted basis, 20% of the sum of all shares of common stock issued and outstanding upon the completion of the Initial Public Offering, plus all shares of our Class A common stock and equity-linked securities issued or deemed issued in connection with a Business Combination, excluding any shares or equity-linked securities issued, or to be issued, to any seller in our a Business Combination.

**NOTE 8. SHAREHOLDERS' DEFICIT**

**Preferred Stock** — The Company is authorized to issue 1,000,000 shares of preferred stock with a par value of \$0.0001 per share with such designations, voting and other rights and preferences as may be determined from time to time by the Company's board of directors. At June 30, 2022 and December 31, 2021, there were no shares of preferred stock issued or outstanding.

**Class B Common Stock** — The Company is authorized to issue 10,000,000 shares of Class B common stock with a par value of \$0.0001 per share. Holders of Class B common stock are entitled to one vote for each share. At June 30, 2022 and December 31, 2021, there were 5,701,967 shares of Class B common stock issued and outstanding.

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Prior to the consummation of a Business Combination, only holders of Class B common stock will have the right to vote on the election of directors.

**Warrants**— Public Warrants may only be exercised for a whole number of shares. No fractional shares will be issued upon exercise of the Public Warrants. The Public Warrants will become exercisable 30 days after the consummation of a Business Combination. The Public Warrants will expire five years from the consummation of a Business Combination or earlier upon redemption or liquidation.

The Company will not be obligated to deliver any Class A common stock pursuant to the exercise of a Public Warrant and will have no obligation to settle such Public Warrant exercise unless a registration statement under the Securities Act covering the issuance of the Class A common stock issuable upon exercise of the Public Warrants is then effective and a prospectus relating thereto is current, subject to the Company satisfying its obligations with respect to registration. No Public Warrant will be exercisable for cash or on a cashless basis, and the Company will not be obligated to issue any shares to holders seeking to exercise their Public Warrants, unless the issuance of the shares upon such exercise is registered or qualified under the securities laws of the state of the exercising holder, or an exemption from registration is available.

The Company has agreed that as soon as practicable, but in no event later than 15 business days, after the closing of a Business Combination, it will use its best efforts to file with the SEC a registration statement registering the issuance of the shares of Class A common stock issuable upon exercise of the warrants, to cause such registration statement to become effective and to maintain a current prospectus relating to those shares of Class A common stock until the warrants expire or are redeemed, as specified in the warrant agreement. If a registration statement covering the shares of Class A common stock issuable upon exercise of the warrants is not effective by the 60<sup>th</sup> business day after the closing of a Business Combination or within a specified period following the consummation of a Business Combination, warrant holders may, until such time as there is an effective registration statement and during any period when the Company will have failed to maintain an effective registration statement, exercise warrants on a “cashless basis” pursuant to the exemption provided by Section 3(a)(9) of the Securities Act; provided that such exemption is available. If that exemption, or another exemption, is not available, holders will not be able to exercise their warrants on a cashless basis.

**Redemption of Warrants When the Price per share of Class A common stock Equals or Exceeds \$18.00**— Once the warrants become exercisable, the Company may redeem the outstanding Public Warrants:

- in whole and not in part;
- at a price of \$0.01 per Public Warrant;
- upon not less than 30 days’ prior written notice of redemption to each warrant holder; and
- if, and only if, the reported closing price of the Class A common stock equals or exceeds \$18.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within a 30-trading day period ending three business days before the Company sends the notice of redemption to the warrant holders.

If and when the warrants become redeemable by the Company, the Company may not exercise its redemption right if the issuance of shares of common stock upon exercise of the warrants is not exempt from registration or qualification under applicable state blue sky laws or the Company is unable to effect such registration or qualification.

The exercise price and number of shares of Class A common stock issuable upon exercise of the Public Warrants may be adjusted in certain circumstances including in the event of a share dividend, extraordinary dividend or recapitalization, reorganization, merger or consolidation. However, except as described below, the Public Warrants will not be adjusted for issuances of Class A common stock at a price below its exercise price. Additionally, in no event will the Company be required to net cash settle the Public Warrants. If the Company is unable to complete a Business Combination within the Combination Period and the Company liquidates the funds held in the Trust Account, holders of Public Warrants will not receive any of such funds with respect to their Public Warrants, nor will they receive any distribution from the Company’s assets held outside of the Trust Account with respect to such Public Warrants. Accordingly, the Public Warrants may expire worthless.

In addition if (x) the Company issues additional shares of Class A common stock or equity-linked securities for capital raising purposes in connection with the closing of a Business Combination at an issue price or effective issue price of less than \$9.20 per share of Class A common stock (with such issue price or effective issue price to be determined in good faith by the Company’s board of directors and, in the case of any such issuance to the sponsor or its affiliates, without taking into account any Founder Shares held by the Sponsor or such affiliates, as applicable, prior to such issuance) (the “Newly Issued Price”), (y) the aggregate gross proceeds from such issuances represent more than 60% of the total equity proceeds, and interest thereon, available for the funding of a Business Combination on the date of the consummation of a Business Combination (net of redemptions), and (z) the volume weighted average trading price of the common stock during the 20 trading day period starting on the trading day prior to the day on which the Company consummates a Business Combination (such price, the “Market Value”) is below \$9.20 per share, the exercise price of the warrants will be adjusted (to the nearest cent) to be equal to 115% of the higher of the Market Value and the Newly Issued Price, the \$18.00 per share redemption trigger price described above will be adjusted (to the nearest cent) to be equal to 180% of the higher of the Market Value and the Newly Issued Price.

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The Private Placement Warrants are identical to the Public Warrants underlying the Units sold in the Proposed Public Offering, except that the Private Placement Warrants and the common shares issuable upon the exercise of the Private Placement Warrants will not be transferable, assignable or salable until 30 days after the completion of a Business Combination, subject to certain limited exceptions. Additionally, the Private Placement Warrants will be exercisable on a cashless basis and will be non-redeemable.

**NOTE 9. FAIR VALUE MEASUREMENTS**

The Company follows the guidance in ASC 820 for its financial assets and liabilities that are re-measured and reported at fair value at each reporting period, and non-financial assets and liabilities that are re-measured and reported at fair value at least annually.

The fair value of the Company's financial assets and liabilities reflects management's estimate of amounts that the Company would have received in connection with the sale of the assets or paid in connection with the transfer of the liabilities in an orderly transaction between market participants at the measurement date. In connection with measuring the fair value of its assets and liabilities, the Company seeks to maximize the use of observable inputs (market data obtained from independent sources) and to minimize the use of unobservable inputs (internal assumptions about how market participants would price assets and liabilities). The following fair value hierarchy is used to classify assets and liabilities based on the observable inputs and unobservable inputs used in order to value the assets and liabilities:

- Level 1: Quoted prices in active markets for identical assets or liabilities. An active market for an asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2: Observable inputs other than Level 1 inputs. Examples of Level 2 inputs include quoted prices in active markets for similar assets or liabilities and quoted prices for identical assets or liabilities in markets that are not active.
- Level 3: Unobservable inputs based on our assessment of the assumptions that market participants would use in pricing the asset or liability.

The following table presents information about the Company's assets that are measured at fair value on a recurring basis at June 30, 2022 and December 31, 2021, and indicates the fair value hierarchy of the valuation inputs the Company utilized to determine such fair value:

| Description                                 | Level | June 30,<br>2022 | December 31,<br>2021 |
|---|-------|------------------|----------------------|
| Assets:                                     |       |                  |                      |
| Marketable securities held in Trust Account | 1     | \$231,842,586    | \$231,506,662        |

**NOTE 10. SUBSEQUENT EVENTS**

The Company evaluated subsequent events and transactions that occurred after the balance sheet date up to the date that the condensed consolidated financial statements were issued. Based upon this review, other than described below, the Company did not identify any subsequent events that would have required adjustment or disclosure in the condensed consolidated financial statements.

## **Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations**

References in this report (this “Quarterly Report”) to “we,” “us” or the “Company” refer to Software Acquisition Group Inc. III. References to our “management” or our “management team” refer to our officers and directors, and references to the “Sponsor” refer to Software Acquisition Holdings III, LLC. The following discussion and analysis of the Company’s financial condition and results of operations should be read in conjunction with the financial statements and the notes thereto contained elsewhere in this Quarterly Report. Certain information contained in the discussion and analysis set forth below includes forward-looking statements that involve risks and uncertainties.

### **Special Note Regarding Forward-Looking Statements**

This Quarterly Report includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Exchange Act that are not historical facts and involve risks and uncertainties that could cause actual results to differ materially from those expected and projected. All statements, other than statements of historical fact included in this Quarterly Report including, without limitation, statements in this “Management’s Discussion and Analysis of Financial Condition and Results of Operations” regarding the Company’s financial position, business strategy and the plans and objectives of management for future operations, are forward-looking statements. Words such as “expect,” “believe,” “anticipate,” “intend,” “estimate,” “seek” and variations and similar words and expressions are intended to identify such forward-looking statements. Such forward-looking statements relate to future events or future performance, but reflect management’s current beliefs, based on information currently available. A number of factors could cause actual events, performance or results to differ materially from the events, performance and results discussed in the forward-looking statements, including that the conditions of the Proposed Business Combination are not satisfied. For information identifying important factors that could cause actual results to differ materially from those anticipated in the forward-looking statements, please refer to the Risk Factors section of the Company’s Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (the “SEC”) on March 30, 2022. The Company’s securities filings can be accessed on the EDGAR section of the SEC’s website at [www.sec.gov](http://www.sec.gov). Except as expressly required by applicable securities law, the Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

### **Overview**

We are a blank check company incorporated in Delaware on January 5, 2021, formed for the purpose of effecting a merger, capital stock exchange, asset acquisition, share purchase, reorganization or other similar Business Combination with one or more businesses. We intend to effectuate our Business Combination using cash derived from the proceeds of the Initial Public Offering and the sale of the Private Placement Warrants, our shares, debt or a combination of cash, shares and debt.

We expect to continue to incur significant costs in the pursuit of our acquisition plans. We cannot assure you that our plans to complete a Business Combination will be successful.

On February 15, 2022, the Company entered into an agreement with a vendor for investment banking services related to the pending Business Combination. Specifically, the agreement relates to assisting in raising the funds as part of the PIPE financing. The agreement calls for the vendor to receive a contingent fee equal to (i) the aggregate principal amount of securities issued at the closing of such transaction as i) 2% if it is a equity or debt security or ii) if it is a convertible debt security. In addition to any fees that may be payable to the vendor, the Company will reimburse the vendor for all reasonable expenses in connection with the agreement.

On June 28, 2022, the underwriters executed their respective amendments to their engagement letters with SWAG, Stifel executed its amended engagement letter with Nogin, and Jefferies executed its amended IPO Underwriting Agreement, in each case, reflecting the agreed upon terms of the closing fee structure.

As of June 30, 2022 and December 31, 2021, the Company’s contingent legal fees amounted to approximately \$1,800,000 and \$981,000, respectively. These fees will only become due and payable upon the consummation of an initial Business Combination.

### **Results of Operations**

We have neither engaged in any operations nor generated any revenues to date. Our only activities from January 5, 2021 (inception) through June 30, 2022 were organizational activities, those necessary to prepare for the Initial Public Offering, described below, and subsequent to the Initial Public Offering, identifying a target company for a Business Combination. We do not expect to generate any operating revenues until after the completion of our Business Combination, at the earliest. We will generate non-operating income in the form of interest income on marketable securities held in the Trust Account. We will incur expenses as a result of being a public company (for legal, financial reporting, accounting and auditing compliance), as well as for due diligence expenses.

For the three months ended June 30, 2022, we had a net loss of \$561,479, which consisted of formation and operating costs of \$864,182 and provision for income taxes of \$9,909, offset by interest earned on marketable securities held in Trust Account of \$312,612.

For the six months ended June 30, 2022, we had a net loss of \$1,741,347, which consisted of formation and operating costs of \$2,067,362 and provision for income taxes of \$9,909, offset by interest earned on marketable securities held in Trust Account of \$335,924.

For the three months ended June 30, 2021, we had a net income of \$1.

For the period from January 5, 2021 (inception) through June 30, 2021, we had a net loss of \$999, which consisted of formation and operating costs.

### **Liquidity and Capital Resources**

On August 2, 2021, we consummated the Initial Public Offering of 20,000,000 Units, generating gross proceeds of \$200,000,000. Simultaneously with the closing of the Initial Public Offering, we consummated the sale of 9,000,000 Private Placement Warrants at a price of \$1.00 per Private Placement Unit in a private placement to our Sponsor, generating gross proceeds of \$9,000,000. On August 2, 2021, the underwriters notified the Company of their intention to partially exercise their over-allotment option. As such, on August 4, 2021, the Company consummated the sale of an additional 2,807,868 Units, at \$10.00 per Unit, and the sale of an additional 982,754 Private Placement Warrants, at \$1.00 per Private Warrant, generating total gross proceeds of \$29,061,434.

Following the Initial Public Offering, the sale of the Private Placement Units, and the exercise of the over-allotment option by the underwriters, a total of \$231,499,860 (\$10.15 per Unit) was placed in the Trust Account. We incurred \$13,056,080 in Initial Public Offering related costs, including \$4,561,574 of underwriting fees, \$7,982,754 of deferred underwriting fees and \$511,752 of other costs.

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For the six months ended June 30, 2022, cash used in operating activities was \$677,035. Net loss of \$1,741,347 was affected by the interest earned on marketable securities held in Trust Account of \$335,924 and changes in operating assets and liabilities which provided \$1,400,236 of cash for operating activities.

For the period from January 5, 2021 (inception) through June 30, 2021, cash provided by operating activities was \$1. Net loss of \$999 was affected by changes in operating liabilities which provided \$1,000 of cash for operating activities.

We intend to use the funds held in the Trust Account, including any amounts representing interest earned on the Trust Account (less taxes payable), to complete our Business Combination. To the extent that our share capital or debt is used, in whole or in part, as consideration to complete our Business Combination, the remaining proceeds held in the Trust Account will be used as working capital to finance the operations of the target business or businesses, make other acquisitions and pursue our growth strategies.

We intend to use the funds held outside the Trust Account primarily to identify and evaluate target businesses, perform business due diligence on prospective target businesses, travel to and from the offices, plants or similar locations of prospective target businesses or their representatives or owners, review corporate documents and material agreements of prospective target businesses, and structure, negotiate and complete a Business Combination.

In order to fund working capital deficiencies or finance transaction costs in connection with a Business Combination, the Sponsor, or certain of our officers and directors or their affiliates may, but are not obligated to, loan us funds as may be required. If we complete a Business Combination, we will repay such loaned amounts. In the event that a Business Combination does not close, we may use a portion of the working capital held outside the Trust Account to repay such loaned amounts but no proceeds from our Trust Account would be used for such repayment. Up to \$1,500,000 of such loans may be convertible into warrants upon consummation of the Business Combination at a price of \$1.00 per warrant. The warrants would be identical to the Private Placement Warrants.

On February 9, 2022, the Sponsor agreed to loan the Company \$300,000 pursuant to the IPO Promissory Note, and on May 31, 2022, the Sponsor agreed to loan the Company an additional \$100,000 pursuant to the New Promissory Note.

We do not believe we will need to raise additional funds in order to meet the expenditures required for operating our business. However, if our estimate of the costs of identifying a target business, undertaking in-depth due diligence and negotiating a Business Combination are less than the actual amount necessary to do so, we may have insufficient funds available to operate our business prior to our Business Combination. Moreover, we may need to obtain additional financing either to complete our Business Combination or because we become obligated to redeem a significant number of our Public Shares upon consummation of our Business Combination, in which case we may issue additional securities or incur debt in connection with such Business Combination.

In connection with the Company's assessment of going concern considerations in accordance with FASB's ASU2014-15, "Disclosures of Uncertainties about an Entity's Ability to Continue as a Going Concern," management has determined that if the Company is unable to complete a Business Combination by February 2, 2023, then the Company will cease all operations except for the purpose of liquidating. The liquidity condition and date for mandatory liquidation and subsequent dissolution raise substantial doubt about the Company's ability to continue as a going concern. No adjustments have been made to the carrying amounts of assets or liabilities should the Company be required to liquidate after February 2, 2023.

### **Off-Balance Sheet Financing Arrangements**

We have no obligations, assets or liabilities, which would be considered off-balance sheet arrangements as of June 30, 2022. We do not participate in transactions that create relationships with unconsolidated entities or financial partnerships, often referred to as variable interest entities, which would have been established for the purpose of facilitating off-balance sheet arrangements. We have not entered into any off-balance sheet financing arrangements, established any special purpose entities, guaranteed any debt or commitments of other entities, or purchased any non-financial assets.

### **Contractual obligations**

We do not have any long-term debt, capital lease obligations, operating lease obligations or long-term liabilities, other than an agreement to pay an affiliate of the Sponsor a monthly fee of \$15,000 for office space, utilities and secretarial and administrative support. We began incurring these fees on the date the Public Shares were first listed on NASDAQ and will continue to incur these fees monthly until the earlier of the completion of the Business Combination and our liquidation.

The underwriters are entitled to a deferred fee of \$0.35 per share, or \$7,982,754 in the aggregate. The deferred fee will become payable to the underwriters from the amounts held in the Trust Account solely in the event that we complete a Business Combination, subject to the terms of the underwriting agreement, as amended.

On June 28, 2022, the underwriters executed their respective amendments to their engagement letters with SWAG, Stifel executed its amended engagement letter with Nogin, and Jefferies executed its amended IPO Underwriting Agreement, in each case, reflecting the agreed upon terms of the Closing Fee Structure.

### **Critical Accounting Policies**

The preparation of condensed consolidated financial statements and related disclosures in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and income and expenses during the periods reported. Actual results could materially differ from those estimates.

#### *Class A Common Stock Subject to Possible Redemption*

We account for our common stock subject to possible conversion in accordance with the guidance in Accounting Standards Codification ("ASC") Topic 480 "Distinguishing Liabilities from Equity." Common stock subject to mandatory redemption is classified as a liability instrument and measured at fair value. Conditionally redeemable common stock (including common stock that features redemption rights that are either within the control of the holder or subject to redemption upon the occurrence of uncertain events not solely within our control) is classified as temporary equity. At all other times, common stock is classified as stockholders' equity. Our common stock features certain redemption rights that are considered to be outside of our control and subject to occurrence of uncertain future events. Accordingly, common stock subject to possible redemption is presented at redemption value as temporary equity, outside of the stockholders' (deficit) equity section of our condensed consolidated balance sheets.



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### *Net Loss Per Common Share*

Net loss per common share is computed by dividing net loss by the weighted average number of common shares outstanding during the period. We apply the two-class method in calculating earnings per share. Accretion associated with the redeemable shares of Class A common stock is excluded from net loss per share as the redemption value approximates fair value.

### *Recent Accounting Standards*

In August 2020, the FASB issued ASU No. 2020-06, "Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity" ("ASU 2020-06"), which simplifies accounting for convertible instruments by removing major separation models required under current GAAP. ASU 2020-06 removes certain settlement conditions that are required for equity contracts to qualify for the derivative scope exception, and it also simplifies the diluted earnings per share calculation in certain areas. ASU 2020-06 is effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years, with early adoption permitted. The Company is currently assessing the impact, if any, that ASU 2020-06 would have on its financial position, results of operations or cash flows.

Management does not believe that any other recently issued, but not yet effective, accounting standards, if currently adopted, would have a material effect on our condensed consolidated financial statements.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

Not required for smaller reporting companies.

### **Item 4. Controls and Procedures**

#### **Evaluation of Disclosure Controls and Procedures**

Disclosure controls and procedures are designed to ensure that information required to be disclosed by us in our Exchange Act reports is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

As required by Rules 13a-15 and 15d-15 under the Exchange Act, our Chief Executive Officer and Chief Financial Officer carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of June 30, 2022. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer has concluded that our disclosure controls and procedures were not effective, due solely to the material weakness in our internal control over financial reporting related to the Company's accounting for complex financial instruments. As a result, we performed additional analysis as deemed necessary to ensure that our condensed consolidated financial statements were prepared in accordance with U.S. generally accepted accounting principles. Accordingly, management believes that the condensed consolidated financial statements included in this Form 10-Q present fairly in all material respects our financial position, results of operations and cash flows for the period presented.

Management intends to implement remediation steps to improve our disclosure controls and procedures and our internal control over financial reporting. Specifically, we intend to expand and improve our review process for complex securities and related accounting standards. We have improved this process by enhancing access to accounting literature, identification of third-party professionals with whom to consult regarding complex accounting applications and consideration of additional staff with the requisite experience and training to supplement existing accounting professionals.

#### **Changes in Internal Control over Financial Reporting**

There were no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**PART II—OTHER INFORMATION**

**Item 1. Legal Proceedings**

None

**Item 1A. Risk Factors**

Factors that could cause our actual results to differ materially from those in this report include the risk factors described in our Annual Report on Form 10-K filed with the SEC on March 30, 2022. As of the date of this Report, there have been no material changes to the risk factors disclosed in our Annual Report on Form 10-K filed with the SEC on March 30, 2022. Any of these factors could result in a significant or material adverse effect on our results of operations or financial condition. Additional risk factors not presently known to us or that we currently deem immaterial may also impair our business or results of operations.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.**

None.

**Item 3. Defaults Upon Senior Securities**

None

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**Item 4. Mine Safety Disclosures**

None

**Item 5. Other Information**

None

**Item 6. Exhibits**

The following exhibits are filed as part of, or incorporated by reference into, this Quarterly Report on Form 10-Q.

| No.      | Description of Exhibit   |
|----------|--|
| 1.1*     | <a href="#">Amendment to IPO Underwriting Agreement, dated June 28, 2022, by and between Software Acquisition Group Inc. III and Jefferies LLC.</a>  |
| 31.1*    | <a href="#">Certification of Principal Executive Officer and Principal Financial Officer Pursuant to Securities Exchange Act Rules 13a-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a> |
| 32.1**   | <a href="#">Certification of Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>                  |
| 101.INS* | Inline XBRL Instance Document.   |
| 101.SCH* | Inline XBRL Taxonomy Extension Schema Document.  |
| 101.CAL* | Inline XBRL Taxonomy Extension Calculation Linkbase Document.  |
| 101.DEF* | Inline XBRL Taxonomy Extension Definition Linkbase Document.   |
| 101.LAB* | Inline XBRL Taxonomy Extension Label Linkbase Document.  |
| 101.PRE* | Inline XBRL Taxonomy Extension Presentation Linkbase Document.   |
| 104*     | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).  |

\* Filed herewith.

\*\* Furnished.

**SIGNATURES**

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: August 12, 2022

**SOFTWARE ACQUISITION GROUP INC. III**

By: /s/ Jonathan S. Huberman  
Name: Jonathan S. Huberman  
Title: Chief Executive Officer and Chief Financial Officer  
(Principal Executive and Financial Officer)

## AMENDMENT TO UNDERWRITING AGREEMENT

THIS AMENDMENT TO UNDERWRITING AGREEMENT (this "Amendment") is made and entered into as of June 28, 2022 by and among Software Acquisition Group Inc. III, a Delaware corporation (the "Company"), and Jefferies LLC, ("Jefferies") and amends that certain Underwriting Agreement, dated as of July 28, 2021 (the "Underwriting Agreement"), by and among the Company and Jefferies (collectively, the "Parties"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Underwriting Agreement.

WHEREAS, the Parties desire to amend certain provisions of the Underwriting Agreement pursuant to Section 19 of the Underwriting Agreement;

THEREFORE, in consideration of the covenants and agreements contained herein, and certain other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

1. Amendments to the Underwriting Agreement. Effective as of the execution hereof,

(a) Section 2(e) of the Underwriting Agreement is hereby deleted in its entirety and replaced with the following:

(e) *Delivery and Payment for the Offered Securities*. In addition to the discount from the public offering price represented by the Purchase Price set forth in the last sentence of Section 2(a) of this Agreement, the Company hereby agrees to pay to the Underwriters a deferred discount of \$0.35 per Unit (including both Firm Securities and Optional Securities) purchased hereunder (the "**Deferred Discount**").

(i) Upon consummation of the Business Combination, the Deferred Discount will be payable as follows:

(1) If the percentage of all issued and outstanding Class A Common Stock that is properly submitted for redemption in connection with the closing of a Business Combination (the "**Redemption Rate**") is (A) greater than or equal to 85.00%, then 23.5% of the funds remaining in the Trust Account following the redemption of the shares of Class A Common Stock in connection with the Business Combination shall be immediately due and payable to the Underwriters, solely up to the amount of the Deferred Discount, and (B) less than 85.00%, then 100% of the Deferred Discount shall be immediately due and payable to the Underwriters (such payment pursuant to clause (A) or clause (B), the "**Closing Deferred Cash Payment**"). The Company shall cause CST to pay the Closing Deferred Cash Payment by wire transfer of immediately available funds to the Representative in the same percentages of the total number of Offered Securities such Representative purchased and as set forth in Schedule A hereto. The Underwriters hereby agree that if no Business Combination is consummated within the time period provided in the Trust Agreement and the funds held under the Trust Agreement are distributed to the holders of the shares of Class A Common Stock included in the Offered Securities sold pursuant to this Agreement (the "**Public Stockholders**"), (x) the Underwriters will forfeit any rights or claims to any portion of the Deferred Discount and (y) the trustee under the Trust Agreement is authorized to distribute the funds in the Trust Account otherwise constituting Closing Deferred Cash Payment to the Public Stockholders on a pro rata basis.

(2) To the extent the Closing Deferred Cash Payment from the Trust Account described above in paragraph (1)(A) is less than the full amount of the Deferred Discount, then the difference between the Deferred Discount and such Closing Deferred Cash Payment paid pursuant to paragraph (1)(A) shall be referred to as the “**Post-Closing Deferred Cash Obligation**.” The Post-Closing Deferred Cash Obligation shall be due and payable in cash to the Underwriters upon the earliest to occur of the following:

(A) The earlier of (x) the maturity date of the Company’s (or any successor issuer’s) 7.00% Convertible Senior Notes due 2026 (the “**Convertible Notes**”), and (y) the date on which all of the Convertible Notes have been repurchased, redeemed or converted in accordance with their terms, such that there are no Convertible Notes outstanding; and

(B) The closing of a sale of newly issued equity interests of the Company (or any successor issuer’s) with net proceeds to the Company (or any successor issuer) of at least \$25.0 million; *provided*, that this clause (B) shall not include (w) existing stockholders’ resales of equity interests of the Company; (x) redemptions of outstanding warrants of the Company; (y) any issuance of Company Shares (as defined below) in connection with the conversion of the Convertible Notes or (z) any issuance of Company Shares upon (I) exercise of outstanding warrants of the Company or (II) exercise, vesting or settlement of options, restricted stock units or other securities convertible into Company Shares issued pursuant to an employee incentive plan of the Company, including, in each case, in connection with any “cashless” redemption of such outstanding warrants, options, restricted stock units or other securities.

(3) Notwithstanding the foregoing, however, the Representative may, in its sole discretion, at any time, and from time to time, elect to receive shares of common stock of the post-Transaction combined entity (such shares, “**Company Shares**”) in satisfaction of all or any portion of the Post-Closing Deferred Cash Obligation (the “**Post-Closing Deferred Stock Payment**” and such shares, the “**Post-Closing Deferred Stock Payment Shares**”), *provided, however*, that the Company shall not be required to issue Company Shares pursuant to this Section 2(e)(i)(3) if the issuance of the Post-Closing Deferred Stock Payment Shares would, in the Company’s reasonable opinion, be required to be approved by the stockholders of the Company pursuant to applicable stock exchange listing rules (including, for the avoidance of doubt, Nasdaq Rule 5635(d) or NYSE Rule 312.03(c)). The Company’s obligation to issue the Post-Closing Deferred Stock Payment Shares shall also be contingent upon the Company’s receipt of such certificates, legal opinions or other documents as may be reasonably requested by the Company to ensure that the issuance of the Post-Closing Deferred Stock Payment Shares will not violate any applicable securities laws or securities exchange rules. The Post-Closing Deferred Stock Payment Shares shall be issued at an assumed price (the “**Post-Closing Purchase Price**”) of the arithmetic average of the Daily VWAP (as defined below) for the five VWAP Trading Days (as defined below) ending on the VWAP Trading Day immediately preceding the date on which the Representative provides written notice of its election to receive Post-Closing Deferred Stock Payment Shares in satisfaction of the Post-Closing Deferred Cash Obligation, such notice to include the amount of Post-Closing Deferred Cash Obligation that is the subject of the Representative’s election, the Post-Closing Purchase Price as calculated by the Representative and the number of Post-Closing Deferred Stock Payment Shares to be received. For the avoidance of doubt, any portion of the Post-Closing Deferred Cash Obligation that is not converted into the right to receive Post-Closing Deferred Stock Payment Shares shall remain due and payable in cash in accordance with this section.

“**Daily VWAP**” means, for any VWAP Trading Day, the per share volume-weighted average price of the Company Shares as displayed under the heading “Bloomberg VWAP” on Bloomberg page “NOGN <EQUITY> AQR” (or, if such page is not available, its equivalent successor page) in respect of the period from the scheduled open of trading until the scheduled close of trading of the primary trading session on such VWAP Trading Day (or, if such volume-weighted average price is unavailable, the market value of one Company Share on such VWAP Trading Day, determined, using a volume-weighted average price method, by a nationally recognized independent investment banking firm selected by the Representative). The Daily VWAP will be determined without regard to after-hours trading or any other trading outside of the regular trading session.

“**VWAP Trading Day**” means a day on which trading in the Company Shares generally occurs on the principal U.S. national or regional securities exchange on which the Company Shares is then listed or, if the Company Shares is not then listed on a U.S. national or regional securities exchange, on the principal other market on which the Company Shares are then traded.

(iii) It is understood that the Representative has been authorized, for its own account and the accounts of the several Underwriters, to accept delivery of and receipt for, and make payment by wire transfer payable in same-day funds to an account specified by the Company and to the Trust Account as described below in this Section of the purchase price for, the Firm Securities and any Optional Securities the Underwriters have agreed to purchase. The Representative, individually and not as the Representative of the Underwriters, may (but shall not be obligated to) make payment for any Offered Securities to be purchased by any Underwriter whose funds shall not have been received by the Representative by the First Closing Date or the applicable Option Closing Date, as the case may be, for the account of such Underwriter, but any such payment shall not relieve such Underwriter from any of its obligations under this Agreement.

(iv) Payment for the Firm Securities shall be made as follows: The net proceeds for the Firm Securities (including the Closing Deferred Cash Payment, but excluding the Post-Closing Deferred Cash Payment) shall be deposited in the Trust Account pursuant to the terms of the Trust Agreement along with such portion of the proceeds of the sale of the Private Placement Warrants in order for the Trust Account to equal the product of the number of Units sold and the public offering price per Unit as set forth on the cover of the Prospectus upon delivery to the Representative of the Firm Securities through the facilities of DTC or, if the Representative has otherwise instructed, upon delivery to the Representative of certificates (in form and substance satisfactory to the Representative) representing the Firm Securities, in each case for the account of the Underwriters. The Firm Securities shall be registered in such name or names and in such authorized denominations as the Representative may request in writing at least one business day prior to the First Closing Date. If delivery is not made through the facilities of DTC, the Company will permit the Representative to examine and package the Firm Securities for delivery, at least one business day prior to the First Closing Date at a location in New York City as the Representative may designate. The Company shall not be obligated to sell or deliver the Firm Securities except upon tender of payment by the Representative for all the Firm Securities. At least one business day prior to the First Closing Date, the Company shall deposit proceeds from the sale of the Private Placement Warrants into the Trust Account as provided by the terms of the Warrant Purchase Agreement.

(v) Payment for the Optional Securities shall be made as follows: \$9.80 per Optional Security (including any Closing Deferred Cash Payment attributable to the Optional Securities but excluding any Post-Closing Deferred Cash Payment attributable to the Optional Securities) shall be deposited in the Trust Account pursuant to the terms of the Trust Agreement upon delivery to the Representative of the Optional Securities through the facilities of DTC or, if the Representative has otherwise instructed, upon delivery to the Representative of certificates (in form and substance satisfactory to the Representative) representing the Optional Securities for the account of the Underwriters. The Optional Securities shall be registered in such name or names and in such authorized denominations as the Representative may request in writing at least two business days prior to the Option Closing Date. If delivery is not made through the facilities of DTC, the Company will permit the Representative to examine and package the Optional Securities for delivery, at least one business day prior to the Option Closing Date. The Company shall not be obligated to sell or deliver the Optional Securities except upon tender of payment by the Representative for all the Optional Securities. At least one business day prior to the Option Closing Date, the Company shall deposit the proceeds from the sale of the applicable Private Placement Warrants into the Trust Account.

(b) Section 3(aa) of the Underwriting Agreement is hereby deleted in its entirety and replaced with the following:

**aa) Payment of Deferred Discount.** Upon the consummation of the initial Business Combination, the Company will pay to the Representative, on behalf of the Underwriters, the Closing Deferred Cash Payment. Payment of the Closing Deferred Cash Payment will be made out of the proceeds of the Offering held in the Trust Account, and, concurrent with any transfer of the funds held in the Trust Account to the Company or any other person, the Company will instruct CST to transfer the Closing Deferred Cash Payment to the Representative. The Underwriters shall have no claim to payment of any interest earned on the portion of the proceeds held in the Trust Account representing the Closing Deferred Cash Payment. The Post-Closing Deferred Cash Payment (or, if applicable, the Post-Closing Deferred Stock Payment) shall be paid to the Representative in accordance with the process described in Section 2(c) hereof. If the Company fails to consummate its initial Business Combination within 18 months from the closing of the Offering (or such later date as may be approved by the Company's stockholders), the Deferred Discount will not be paid to the Representative and the Closing Deferred Cash Payment will, instead, be included in the Liquidation distribution of the proceeds held in the Trust Account made to the Public Stockholders. In connection with any such Liquidation, the Underwriters forfeit any rights or claims to any portion of the Deferred Discount.

(a) The following shall be added after the last sentence of Section 4 of the Agreement:

For the avoidance of doubt, the Company agrees to pay all costs, fees and expenses pursuant to the foregoing irrespective of any redemption in connection with the closing of a Business Combination.

(b) Section 5(k) of the Underwriting Agreement is hereby deleted in its entirety and replaced with the following:

**(k) Deposit to the Trust Account.** The Sponsor (at least one business day prior to the First Closing Date and each Option Closing Date), shall have caused proceeds from the sale of the Private Placement Warrants to be deposited into the Trust Account so that together with proceeds for the Firm Securities (including the Closing Deferred Cash Payment), or with respect to the Optional Securities, proceeds from the Optional Securities (including the Closing Deferred Cash Payment), the aggregate amount of money deposited into the Trust Account would equal the product of the number of Units issued and the public offering price per Unit as set forth on the cover of the Prospectus.



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2. No Further Amendment. The Parties agree that, except as provided herein, all other provisions of the Underwriting Agreement shall continue unmodified, in full force and effect and constitute legal and binding obligations of all parties thereto in accordance with its terms. This Amendment forms an integral and inseparable part of the Underwriting Agreement.

3. References.

(a) All references to the "Agreement" (including "hereof," "herein," "hereunder," "hereby" and "this Agreement") in the Underwriting Agreement shall refer to the Underwriting Agreement as amended by this Amendment. Notwithstanding the foregoing, references to the date of the Underwriting Agreement (as amended hereby) and references in the Underwriting Agreement to "the date hereof," "the date of this Agreement" and terms of similar import shall in all instances continue to refer to July 28, 2021.

4. Amendments. This Amendment may be amended or modified in whole or in part only by a duly authorized agreement in writing in the same manner as this Amendment, which makes reference to this Amendment and which shall be executed by all parties hereto.

*[Signature pages follow]*

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the date first written above.

SOFTWARE ACQUISITION GROUP INC. III

By: /s/ Jonathan Huberman

Name: Jonathan Huberman

Title: Chairman, CEO and CFO

*Signature Page to Amendment to Underwriting Agreement*

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JEFFERIES LLC

By: /s/ Evan Osheroff

Name: Evan Osheroff

Title: Managing Director

*Signature Page to Amendment to Underwriting Agreement*

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER  
PURSUANT TO RULE 13A-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934,  
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jonathan S. Huberman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Software Acquisition Group Inc. III;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
  - b) (Paragraph omitted pursuant to SEC Release Nos. 33-8238/34-47986 and 33-8392/34-49313);
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 12, 2022

/s/ Jonathan S. Huberman  
\_\_\_\_\_  
Jonathan S. Huberman  
Chief Executive Officer and Chief Financial Officer  
(Principal Executive Officer and  
Principal Accounting and Financial Officer)

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Software Acquisition Group Inc. III (the "Company") on Form10-Q for the quarterly period ended June 30, 2022, as filed with the Securities and Exchange Commission (the "Report"), I, Jonathan S. Huberman, Chief Executive Officer and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as added by §906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the period covered by the Report.

Dated: August 12, 2022

/s/ Jonathan S. Huberman  
Jonathan S. Huberman  
Chief Executive Officer and Chief Financial Officer  
(Principal Executive Officer and  
Principal Accounting and Financial Officer)