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Appendix to Company Announcement 13/2023

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**STATEMENT OF 7 JUNE 2023 BY THE BOARD OF DIRECTORS OF SIMCORP A/S**

Regarding the voluntary public takeover offer made by Deutsche Börse AG on 25 May 2023

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## STATEMENT OF 7 JUNE 2023 BY THE BOARD OF DIRECTORS OF SIMCORP A/S

pursuant to section 22 of the Danish Financial Supervisory Authority's Executive Order no. 636/2020 in relation to the voluntary public takeover offer made on 25 May 2023 by Deutsche Börse AG

### 1. INTRODUCTION

#### 1.1 Summary of the Offer

On 27 April 2023, Deutsche Börse AG, a company incorporated under the laws of the Federal Republic of Germany, with registration number HRB no. 32232 and having its registered address at Mergenthalerallee 61, 65760 Eschborn, Germany (**Deutsche Börse** or the **Offeror**), announced its decision to make a voluntary public takeover offer (the **Offer**) for the shares (the **Shares**) in SimCorp A/S, a company incorporated under the laws of the Kingdom of Denmark, with company registration number (CVR) 15 50 52 81 and having its registered address at Weidekampsgade 16, 2300 Copenhagen S, Denmark (**SimCorp** or the **Company** and, together with its consolidated subsidiaries, the **Group**). The Shares are admitted to trading and official listing on Nasdaq Copenhagen A/S (**Nasdaq Copenhagen**).

The Offer is made in accordance with Danish law, including section 47 of the Danish Capital Markets Act (in Danish: *Kapitalmarkedsløven*, Consolidated Act no. 41/2023, as amended, the **Capital Markets Act**) and the Danish Executive Order on Takeover Offers (in Danish: *Bekendtgørelse om overtagelsestilbud*, Executive Order no. 636/2020, the **Executive Order**) on the terms and conditions set out in the offer document (the **Offer Document**) as approved by the Danish Financial Supervisory Authority (the **Danish FSA**) and published by the Offeror on 25 May 2023.<sup>1 2</sup>

In the Offer, the Offeror offers the shareholders of the Company (the **Shareholders**) to buy their Shares in consideration for a cash payment of DKK 735.0 per Share of a nominal value of DKK 1 (the **Offer Price**), subject to adjustment (as set out in the Offer Document) for dividends or other distributions, if any, made by the Company to the Shareholders from the date of the publication of the Offer Document and until completion, including settlement, of the Offer (**Completion**, as defined in the Offer Document), subject to the Offeror having waived condition 4.8(I) as set out in the Offer Document.

The Offer is open for acceptance from 25 May 2023 until 13 July 2023 at 11:59 pm (CEST) or until expiry of any extended offer period as may be announced by the Offeror in accordance with the Executive Order and the Offer Document (the **Offer Period**).<sup>3</sup>

The Offer does not extend to (i) any other financial instruments issued by the Company than the Shares, including any depositary receipts or sponsored and unsponsored ADR-programs for the Shares, provided that the Offer does extend to any Shares underlying any such depositary receipts, subject to the terms and conditions of the Offer Document, (ii) Shares held by the Company or other members of the Group as treasury shares or (iii) any Shares held by the Offeror or by any of its subsidiaries, if any.

<sup>1</sup> The Offer Document is, subject to certain restrictions, available on <https://www.simcorp.com/en/news-and-announcements/2023/05/publication-of-offer-document-may-25-2023>, and [www.deutsche-boerse.com/dbq-de/investor-relations/mitteilungen-und-services/simcorp](http://www.deutsche-boerse.com/dbq-de/investor-relations/mitteilungen-und-services/simcorp).

<sup>2</sup> **Note to Shareholders resident or present in the United States:** The Offer is made in the United States in compliance with Section 14(e) of, and applicable provisions of Regulation 14E promulgated under, the U.S. Securities Exchange Act of 1934, as amended (the **Exchange Act**), subject to the "Tier II" exemptions provided by Rule 14d-1(d) under the Exchange Act and otherwise in accordance with the requirements of Danish Law. **Note to Shareholders resident or present in Canada:** The Offer is exempt from the requirements of Part 2 of National Instrument 62-104 – Takeover Bids and Issuer Bids under Canadian securities laws. **Note to Shareholders resident or present in certain jurisdictions other than Denmark, United States or Canada:** Please refer to the Offer Document section 2 for a description of the restrictions applicable to Shareholders resident or present in certain jurisdictions to accept the Offer.

<sup>3</sup> Any reference herein to the 'Offer Period' shall be understood as a reference to the offer period for the Offer as may be extended by the Offeror, from time to time.

Completion of the Offer is subject to certain conditions precedent (the **Conditions**) being (A) (i) satisfied at the time of the expiry of the Offer Period or prior to the expiry of 18 hours after expiration of the Offer Period as set out in section 21(3) of the Executive Order and (ii) satisfied on the date of Completion, provided, however that the Condition set out in 4.8(D) (*No Material Adverse Change*) of the Offer Document shall be considered satisfied if no such Material Adverse Change (as defined in the Offer Document) has happened on or before the date provided for therein or (B) to the extent permitted by the Announcement Agreement (as defined below), waived in full or in part or amended in writing by the Offeror prior to the expiry of 18 hours after expiration of the Offer Period as set out in section 21(3) of the Executive Order. The Conditions are set out in section 4.8 of the Offer Document and include (a) a requirement that the Offeror at the expiry of the Offer Period directly or indirectly owns or has received valid acceptances from the Shareholders (such valid acceptances not subsequently validly withdrawn) with respect to Shares representing at least fifty percent (50.0 per cent) of the voting rights and share capital of SimCorp plus one (1) Share, (b) that necessary approvals and clearances by relevant regulatory authorities are obtained, (c) that SimCorp's board of directors has not withdrawn, conditioned or otherwise modified (or published any proposal to do so) its recommendation to the Shareholders to accept the Offer (see section 2 below), (d) the non-occurrence of Material Adverse Changes, and (e) certain other customary conditions. The Offeror and the Company have, respectively, in the Announcement Agreement made certain undertakings and covenants aimed at securing that the Conditions are fulfilled. Reference is made to section 4 below.

Subject to satisfaction of the Conditions (or the Conditions having been waived) on or prior to the expiry of the Offer Period and through Completion, settlement of the Offer will occur on a business day expectedly no later than five (5) Business Days after the Final Results Date (both as defined in the Offer Document), which is expected to be on 25 July 2023 (assuming a Final Results Date of 18 July 2023).

Reference is made to the Offer Document for a detailed and the binding description of the terms and conditions of the Offer.

## 1.2 Purpose of the Statement

This statement (the **Statement**) is issued by the Company's board of directors (the **Board of Directors**) for the purpose of complying with its obligations set out in section 22 of the Executive Order according to which the board of directors of a Danish listed company for which a public takeover offer is made must issue a statement explaining the board of directors' view on the offer, the reasons for such view, including its view on the consequences of the offer for all of the company's interests and the offeror's strategic plans with the target company and their likely consequences for employment and for the establishments of the company.

## 2. CONCLUSION

Based on the analysis of the Offer set forth in this Statement and taking into consideration the advantages and disadvantages of the Offer to the Shareholders, the Board of Directors has unanimously decided to recommend the Shareholders to accept the Offer.

The Board of Directors' recommendation is supported by an opinion dated 27 April 2023 (the **Fairness Opinion**), which the Board of Directors has obtained from its financial adviser Credit Suisse International to the effect that, as of such date and based upon and subject to the procedures followed, assumptions made, qualifications and limitations on the review undertaken, and other matters considered by Credit Suisse International in preparing the Fairness Opinion, the Offer Price to be received by the Shareholders was, from a financial point of view, fair to such Shareholders.

The conclusion above should be read in conjunction with the full Statement and after the Shareholders having carefully reviewed and assessed the terms and condition of the Offer set out in the Offer Document.

Copenhagen 7 June 2023

The Board of Directors,

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Peter Schütze

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Morten Hübbe

\_\_\_\_\_  
Simon Jeffreys

\_\_\_\_\_  
Adam Warby

\_\_\_\_\_  
Allan Polack

\_\_\_\_\_  
Susan Standiford

\_\_\_\_\_  
Charlotte Søndergaard Klausen

\_\_\_\_\_  
Sven Rinke

\_\_\_\_\_  
Neil Cook

### **3. BASIS FOR THE STATEMENT**

In preparing this Statement, the Board of Directors has considered and taken into account in particular the following documents and information:

- i. The Offer Document;
- ii. The Announcement Agreement;
- iii. The Fairness Opinion;
- iv. The Company's financial guidance for the financial year 2023 (as confirmed in SimCorp's Q1 2023 report published on 17 May 2023);
- v. The Company's mid-term targets published on 8 February 2023;
- vi. The Company's 2023 Q1 Report published on 17 May 2023; and
- vii. Advice rendered by Kromann Reumert, Danish legal adviser to the Board of Directors.

#### 4. ANNOUNCEMENT AGREEMENT

The Offer is made *inter alia* pursuant to an agreement between the Offeror and the Company of 27 April 2023 (the **Announcement Agreement**). Below is a summary of certain terms and conditions of the Announcement Agreement that the Board of Directors finds are of particular importance for the purpose of this Statement.

In the Announcement Agreement, the Offeror has made certain warranties, representations, covenants, and undertakings for the benefit of the Company and the Board of Directors. This includes that the Offeror has warranted and represented to the Company and the Board of Directors that:

- i. the Offer is made for the own account of the Offeror;
- ii. the Offeror has not entered into any agreement etc. with any third party that such third party (a) shall become a co-shareholder, directly or indirectly, in the Company or any Group company, or (b) shall acquire any assets, directly or indirectly, of or from the Group, in each case following Completion;
- iii. the Offeror has obtained all approvals in accordance with its constituent documents, articles of association, and other corporate documentation, as well as any other requirements under applicable law, necessary for the Offeror to enter into the Announcement Agreement and make and (subject only to satisfaction of the Conditions) to Complete the Offer;
- iv. there are no agreements or arrangements to which the Offeror is a party or by which the Offeror or any of its assets are bound which, nor do any of the Offeror's constituent documents, articles of association, other corporate documentation or any law or orders applicable to the Offeror, contain any terms or conditions that would prevent the Offeror from making or Completing the Offer as contemplated by, and subject to the terms and conditions of, the Announcement Agreement and the Offer Document;
- v. as of the date of the Announcement Agreement, the Offeror had and will throughout the period until and including Completion have access to, and at Completion shall have, all available funds needed to pay the Offer Price required to purchase and pay for any and all Shares validly tendered in the Offer and not subsequently validly withdrawn in accordance with the terms set out in the Announcement Agreement and the terms of the Offer Document;<sup>4</sup> and
- vi. subject to Completion occurring, the Offeror will then have sufficient funds to pay the cash consideration required to acquire any remaining Shares through a Compulsory Acquisition (as defined in the Offer Document).

In the Announcement Agreement, the Company has made certain customary and limited warranties and representations regarding its and the Group's business, it being specifically provided that a breach of such warranties and representations shall not entitle the Offeror to recourse in the form of damages except where such breach is the result of the Company's wilful misconduct. Furthermore, the Company has in the Announcement Agreement made certain customary covenants and undertakings concerning, *inter alia*, (a) distribution of the Offer Document to the Shareholders, (b) provision of certain information to the Offeror and its advisers regarding the Company's base of Shareholders with a view to assist the Offeror's efforts to solicit acceptances of the Offer, (c) not to cause or resolve to cause any acceleration of vesting of financial instruments which are issued or awarded under the Company's incentive and share remuneration programs to members of the Board of Directors and the Company's

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<sup>4</sup> Please see section 8.8 of the Offer Document for a presentation of certain financing arrangements entered into by the Offeror for the purpose of financing its acquisition of the Shares in the Offer.



Executive Committee<sup>5</sup> due to the making or Completion of the Offer (see section 6 below), and (d) running of the business of the Group in the ordinary course until Completion. Furthermore, the Company has undertaken not to take, or omit to take, any action which would render any of the Conditions other than the Regulatory Conditions<sup>6</sup> impossible of satisfaction or which would reasonably be expected to prevent, hinder, or materially delay the satisfaction of any of the Regulatory Conditions. It is specified in the Announcement Agreement that, subject to the undertakings concerning satisfaction of the Conditions, nothing in the Announcement Agreement shall hinder or restrict the Company and the Board of Directors from conducting the Group's businesses as the Board of Directors and the Executive Management<sup>7</sup> deem fit and appropriate and in accordance with their duties, however, in doing this taking the existence of the Offer and the Announcement Agreement into due consideration.

In the Announcement Agreement, Deutsche Börse has, subject to the terms and conditions of the Announcement Agreement, undertaken for the benefit of SimCorp to take all steps necessary to obtain the clearances and approvals from Competition Authorities (as defined in the Offer Document) needed to satisfy the Condition set out in section 4.8(B) of the Offer Document and to use its best efforts to obtain the clearances and approvals from FDI Authorities (as defined in the Offer Document) needed to satisfy the Condition set out in section 4.8(C) of the Offer Document. SimCorp has, for the benefit of Deutsche Börse, undertaken to assist, subject to applicable Law, Deutsche Börse with the applicable filings and submissions necessary to satisfy the Regulatory Conditions.

In the Announcement Agreement, the Company has further undertaken that it shall, and it will procure that the Board of Directors shall, recommend the Shareholders to accept the Offer and not withdraw or amend or publish any proposal to withdraw or amend such recommendation, including with reference to a competing offer or certain other alternative transactions, provided, however that such and certain other undertakings and covenants set out in the Announcement Agreement shall not apply if any event has occurred after the date of the Announcement Agreement, which under applicable law would in the reasonable assessment of the Board of Directors make it illegal or contrary to the Board of Director's fiduciary or similar duties under applicable laws to issue or maintain the recommendation to the Shareholders to accept the Offer. Pursuant to the Announcement Agreement, the Board of Directors has undertaken not to actively solicit competing offers etc, however the Board of Directors is under the terms of the Announcement Agreement, as it deems appropriate and consistent with its fiduciary duties, entitled to consider, and engage in dialogues in response to unsolicited approaches from *bona fide* third parties that may lead to the making of a superior competing offer or certain other alternative transactions.

Termination of the Announcement Agreement may occur in certain circumstances, including:

- i. by mutual written consent of SimCorp and Deutsche Börse;
- ii. by either of SimCorp or Deutsche Börse, in the event, prior to Completion, (a) Deutsche Börse withdraws the Offer in accordance with and subject to the terms and conditions of the Announcement Agreement and the Offer Document, (b) due to SimCorp withdrawing the Board of Directors' recommendation to the Shareholders to accept the Offer and/or (c) due to the other party's material breach of the Announcement Agreement; or

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<sup>5</sup> Please refer to SimCorp website, [www.simcorp.com](http://www.simcorp.com), for a list of the members of the Company's Executive Committee.

<sup>6</sup> The Conditions set out in sections 4.8(B) and 4.8(C) of the Offer Document relate, respectively, of the Offeror's obtainment of approvals etc. under applicable antitrust laws and foreign direct investment laws in certain jurisdictions. These Conditions are collectively referred to as the **Regulatory Conditions** (as such term is defined in the Offer Document, including with reference to the wording of the Conditions set out in sections 4.8(B) and 4.8(C) of the Offer Document).

<sup>7</sup> As used in this Statement, SimCorp's **Executive Management** means the executive officers of SimCorp registered as such with the Danish Business Authority. As of the date of this Statement, the Executive Management consists of Christian Kromann (CEO), Michael Bjergby (CFO), and Georg Hetrodt (COO).

- iii. by SimCorp, if (i) Deutsche Börse has not published within three (3) Business Days after the expiry of the Offer Period that the Offer will be Completed, or (ii) Deutsche Börse breaches its obligation to make payment to settle the Offer in accordance with the Offer Document.

The Announcement Agreement shall terminate automatically with immediate effect upon the date falling 11 months from the date of the Announcement Agreement, provided Completion has not occurred prior thereto.

The Announcement Agreement provides that except for any costs incurred by the Company related to the distribution of the Offer Document and other material related to the Offer, each party shall carry and pay for its own costs and expenses in connection with the entering into and carrying out of the transactions (including the Offer) contemplated by the Announcement Agreement. The Announcement Agreement does not oblige either of the parties to pay any "break fees", penalties or liquidated damages if, for any reason, Completion does not occur.

## **5. THE BACKGROUND FOR THE BOARD OF DIRECTORS' ANALYSIS OF THE OFFER**

### **5.1 SimCorp's Activities**

SimCorp offers an industry-leading front-to-back, all asset-classes investment management platform and ecosystem comprising partners, services, and third-party connectivity. SimCorp offers clients the operating efficiency and flexibility they need to succeed in an increasingly complex and changing world either as a software as a service (SaaS) platform, as an on-premise solution, as a business process as a service (BPaaS) solution, or as a combination of these.

### **5.2 SimCorp's Strategy**

As SimCorp's transformation accelerates, the Company remains fully committed to its strategic ambition of offering everything as a service. The principal objective remains to provide the investment industry with market-leading operating model optionality through a superior SaaS platform and services offering. This strategy was first launched in 2019 and, since then, SimCorp has continuously progressed on its priorities, achieving several milestones over the past years. With the implementation of a new operating model program well underway, the Company has reached new maturity levels for its SaaS and BPaaS offerings and are optimising its ways of executing and prioritising.

Over the last couple of years, SimCorp has accelerated its SaaS transformation, making significant progress in the ways it works and deliver value to clients. Looking to build on this momentum and further ensure the continuous crystallisation of its strategy into outcomes, the Company has revisited its strategic imperatives during 2022. Having entered a full SaaS paradigm, the overall imperatives have thus been further calibrated to cater for the rapidly changing client needs and an operating environment that is changing at an ever-increasing pace. Continuing the growth journey towards 2025, SimCorp will be guided by three strategic growth levers, designed to deliver the best possible business outcomes for clients:

- Platform leadership
- SaaS acceleration
- Ecosystem scaling

Delivery of these three core priorities will allow SimCorp to provide the optimal platform for supporting its clients' evolving operating models, enabling them to seize business opportunities and scale their businesses cost effectively.

### **5.3 SimCorp's Structure, Share Capital, and Base of Shareholders**

The Company is the parent company of the Group.<sup>8</sup>

The Company's total share capital is DKK 40,500,000 divided into 40,500,000 Shares of a nominal value of DKK 1 each. The Shares are admitted to trading and official listing on Nasdaq Copenhagen under the symbol "SIM" with ISIN code DK0060495240.

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<sup>8</sup> For an overview of the Group, please see pg. 101 of the 2022 Annual Report.

The Company's base of Shareholders, which includes Danish and international institutional investors as well as Danish retail investors and employees of the Group, consisted of more than 12,000 Shareholders as of 6 June 2023.

As of the date of this Statement, the following Shareholders have notified the Company of their holding of Shares of 5 per cent or more of the total number of shares and/or voting rights in SimCorp as required by the Capital Markets Act:

<u>Shareholder</u>	<u>Share of SimCorp's share capital (%)</u>	<u>Share of SimCorp's voting rights (%)</u>	<u>Date of latest notification</u>
UBS Group AG	5.29	5.29	9 May 2023
Mawer Investment Management Ltd.	5.08	5.08	24 January 2023

No other Shareholder had as of 6 June 2023 informed the Company that it holds 5% or more of the share capital and/or voting rights in the Company.

The Company has as of the date of this Statement a holding of 1,101,474 treasury shares, corresponding to 2.72 per cent of the Company's total share capital.

## 5.4 Financial Information

### 5.4.1 2022 Annual Report

The Company announced its annual report for the financial year 2022 (the **2022 Annual Report**) on 9 February 2023.<sup>9</sup>

SimCorp delivered solid performance and progress on its strategic priorities in 2022. The Company achieved its financial guidance for the year, added 11 new clients, and strengthened existing client relations. SimCorp generated revenue of EUR 561.0 million in 2022, an increase of 13.0 per cent compared with 2021 and Annual Recurring Revenue (ARR) (backward-looking) of EUR 321.9 million, a growth of 16.1 per cent. The order intake was EUR 190.6 million, an increase of EUR 53.0 million or 38.5 per cent compared with 2021, and the order book increased in 2022 by EUR 36.5 million to EUR 109.5 million, contributing to positive business growth. SimCorp generated EBIT of EUR 125.9 million. The EBIT margin was 22.4 per cent.

### 5.4.2 2023 Q1 Report

The Company announced its 2023 Q1 Report for the first quarter of 2023 on 17 May 2023.

In Q1 2023, SimCorp accelerated its growth momentum across all revenue metrics. The growth was driven by the signing of two new customers as well as expansions with current customers, including signed conversions from on-premise to SaaS for two clients. SimCorp generated reported revenue of EUR 136.3 million in Q1 2023 (Q1

<sup>9</sup> The 2022 Annual Report can be found on [www.simcorp.com](http://www.simcorp.com). The 2022 Annual Report does not form part of this Statement, except for the specific content thereof included in the Statement.

2022: EUR 114.7 million), equivalent to an increase of 18.8 per cent in reported terms and 18.6 per cent when measured in local currencies. The reported growth was driven by 84 per cent SaaS revenue growth. Rateable revenue amounted to EUR 142.3 million in Q1 2023, reflecting local currency growth of 11.8 per cent. Forward-looking Annual Recurring Revenue (ARR) grew by approximately 12.6 per cent in local currency compared to the ARR by the end of Q1 2022.

In Q1 2023, EBIT excluding special items was EUR 28.3 million (EUR 16.3 million in Q1 2022), corresponding to an EBIT-margin of 20.8 per cent. The execution of the cost efficiency program FuEL was on track, and restructuring costs related to the execution (special items) amounted to EUR 5.4 million (special items of EUR 0.8 million in Q1 2022).

### 5.4.3 Financial Outlook for 2023

In the 2022 Annual Report, as confirmed in the Q1 2023 Report, the Company announced its financial outlook for the financial year 2023. Reference is made to the 2022 Annual Report and the Q1 2023 Report for full overview of the Company's financial outlook for 2023.

<b>Financial outlook for 2023</b>		
<b>All numbers in local currencies, excluding special items</b>	<b>2022 Achieved (per cent)</b>	<b>2023 Financial Outlook (per cent)</b>
Forward-looking ARR growth	11.7	12 - 17
Rateable revenue growth	5.3	6 - 11
Total cost growth (incl. investments)	14.3	7 - 15
EBIT-margin	24.2	21 - 24

### 5.4.4 Mid-term Targets

On 8 February 2023, SimCorp announced its mid-term targets as follows:

The current transformation of SimCorp to a full-scale SaaS provider is materially changing the revenue, cost, and profitability structure of the Company. The mid-term financial target is to generate double-digit average growth rates and return to record-high profitability (above 28 per cent EBIT-margin).

The growth potential stems from the development of the core platform combined with expansion opportunities in SaaS and BPaaS offerings. SaaS and BPaaS clients initially require higher costs to serve while building capabilities and scale. The larger share of revenue from SaaS and BPaaS combined with accelerated investments to build scale are drivers of the current profitability development.

These negative margin drivers are targeted to be more than offset by future scale and efficiency in the SaaS and BPaaS offerings combined with an acceleration of revenue growth. Founded in these drivers, SimCorp targets to return to record-high profitability at a significantly higher revenue level.

#### **The five key profitability drivers of the current transformation can be summarised as follows:**

- **1)** Higher share of revenue from SaaS and BPaaS offerings (unfavourable gross margin mix)
- **2)** Accelerated investments in the transformation (building automation and scalability)
- + **3)** Introduction of cost efficiency program

- + 4) Increasing scale and automation of SaaS and BPaaS offerings
- + 5) Revenue acceleration (and operating leverage)

For a further description of SimCorp's mid-term targets reference is made to <https://www.simcorp.com/en/investor/financial-reports>.

#### 5.4.5 Risk Factors

The above financial outlook for 2023 and mid-term targets for the Company should be seen in the light of the risks associated with its business. Below is a non-exhaustive list of key risks that may affect the Company:

- o Cyber attack
- o People and corporate culture
- o Markets and clients
- o Political and pandemic risks
- o Regulatory issues and fiscal policies
- o Software implementation and services
- o Product innovation and quality
- o Security breaches in products supported by SimCorp
- o Business Processes as a Service
- o Strategy execution

The key risks are explained in further detail, along with mitigation initiatives, on pages 31-35 of the 2022 Annual Report.

#### 5.5 Change of Control

Some of the agreements, including financing arrangements, to which the Group is a party, contain provisions that will or may take effect in case of a change of control over the Company, as would occur upon Completion of the Offer. For current Shareholders, change of control provisions in existing agreements to which the Group is a party are relevant primarily, if such Shareholders do not accept the Offer and if the Offeror, after Completion of the Offer, will not be able or obliged to carry out a Compulsory Acquisition of the remaining Shares. See section 8.3.1.4 below. It cannot be ruled out that other contracting parties, including the Group's strategic business partners, may want to terminate agreements made with the Group if the Offer is Completed.

The members of the Company's Executive Management have certain rights under their employment contracts that are triggered if there is a change of control over the Company, as would occur upon Completion of the Offer:

Each member of the Executive Management may terminate his employment by giving SimCorp six (6) months' notice. SimCorp may terminate employment of a member of the Executive Management by giving any such member 12 months' notice. In the event that any person acquires more than 50 per cent of the voting rights in SimCorp (e.g. the Offeror through Completion of the Offer), or if SimCorp is dissolved by merger, the notice of termination to be given by SimCorp vis-à-vis the members of the Executive Management shall be extended to 24 months (the 24 months is inclusive of any months of severance pay) for CEO Christian Kromann and CFO Michael Bjergby, and 36 months for COO Georg Hetrodt. The extended notice period is gradually reduced by one month per whole calendar month after the date of change of control until the notice period is equivalent to the notice period in case of ordinary termination. In addition to the notice period, members of the Executive Management are entitled to severance payments of up to nine (9) months' base salary.

The RSUs (as defined below) granted to members of the Board of Directors, the Executive Management as well as other employees of the Group are also affected by a Completion of the Offer as described in section 6 below.

## 6. INCENTIVE AND SHARE REMUNERATION PROGRAMS

SimCorp has a number of different equity-based incentive programs for employees and management of the Company and in other Group companies under the following acronyms:

- LTIP RSU 2021 - 2023;
- LTIP RSU 2022 - 2024;
- LTIP RSU 2023 - 2025;
- LTIP RSU Accelerator;
- CB RSU 2020;
- CB RSU 2021;
- CB RSU 2022; and
- Other RSUs.

The LTIP RSU 2021 - 2023, the LTIP RSU 2022 - 2024, the LTIP RSU 2023 - 2025, and the LTIP RSU Accelerator are collectively referred to as the **LTIP RSU Programs**, and any restricted share units granted under the LTIP RSU Programs are collectively referred to as the **LTIP RSUs**. The CB RSU 2020, the CB RSU 2021, and the CB RSU 2022 are collectively referred to as the **CB RSU Programs** and any restricted share units granted under the CB RSU Programs are collectively referred to as the **CB RSUs**. Any restricted share units granted under the Other RSUs are collectively referred to as the **Other RSUs** and the LTIP RSUs, the CB RSUs, and the Other RSUs are collectively referred to as the **RSUs**.

Pursuant to the terms of the RSUs, the Completion of the Offer will not bring forward (accelerate) any right of holders of the RSUs to be allocated Shares in SimCorp nor result in the lapse of any RSUs which have not vested as at Completion. This applies regardless of whether Deutsche Börse in the Offer will acquire sufficient Shares to initiate a Compulsory Acquisition of any remaining Shares following Completion, and regardless of whether a delisting of the Shares from Nasdaq Copenhagen following Completion of the Offer will be undertaken. Reference is made to sections 8.3.1.4 and 8.3.1.5 below regarding the Offeror's intentions in this regard.

However, it is noted that in respect of certain RSUs, i.e. (i) up to 67,665 RSUs granted under the LTIP RSU 2023 - 2025, (ii) up to 167,161 RSUs granted under the LTIP RSU Accelerator, and (iii) up to 128,030 RSUs granted under the CB RSU 2022, then in the event of a change of control over the Company or a delisting of the Shares from Nasdaq Copenhagen following Completion of the Offer, SimCorp may elect to cash-settle such RSUs. A possible cash settlement of such RSUs does not imply an acceleration of the vesting of the relevant RSUs, meaning that cash payments will follow the original RSU vesting schedule. As at the date of this Statement, no decision has been made with respect to potentially cash-settling the relevant RSUs due to Completion of the Offer.

Further, in the event that SimCorp as a consequence of a change of ownership ceases to be a publicly listed company, e.g. by way of a delisting of the Shares from Nasdaq Copenhagen following Completion of the Offer, the following shall apply to certain RSUs that were granted to, respectively, (i) CEO Christian Kromann as a special sign-on bonus (i.e. 6,216 RSUs (of which 3,729 RSUs have already vested) and 11,413 Other RSUs) and (ii) CFO Michael Bjergby as a special sign-on bonus (i.e. 9,515 RSUs) (of which none have vested as of the date hereof):

- Such RSUs which have not yet vested at the relevant date shall be converted into a cash amount at the price per Share paid by the acquirer(s) because of the change of ownership (i.e., the Offer Price), which cash amount shall be deposited at an interest-bearing escrow account at a reputable bank. Furthermore, the investment requirement provided for in the Company's remuneration policy of the CEO and the CFO under these RSUs shall no longer apply.



- At each vesting date following the date on which the change of control occurred, the proportionate part of the deposited cash amount corresponding to such RSUs, which at such date would have vested, shall be released to the CEO and the CFO, respectively, conditional upon that the CEO and the CFO on such vesting date being employed as CEO and CFO, respectively of SimCorp and subject to certain good leaver / bad leaver regulations.

## 7. EVENTS AND PROCESS LEADING UP TO THE OFFER

During a period prior to 24 March 2023, the Offeror and the Company had certain informal and preliminary discussions concerning *inter alia* Deutsche Börse potentially making a voluntary recommended takeover offer. In this context, the Offeror indicated on a non-binding basis certain potential offer prices to representatives of the Board of Directors and the Company, which were deemed as being insufficient for the Board of Directors to open any formal dialogue.

On 24 March 2023, the Offeror submitted a written non-binding offer to the Board of Directors to make a voluntary takeover offer for the Shares at a price of DKK 735.0 per Share. The non-binding offer was subject to certain terms and conditions and a request for the Offeror to obtain access to conduct a limited number of sessions with the Company's management and key employees in advance of making an offer. The indicated offer price of DKK 735.0 per Share was meaningfully higher than the prices indicated by the Offeror in connection with earlier preliminary discussions between the Offeror and the Company.

Following further clarifications between the Offeror and the Board of Directors concerning the terms and condition of such offer, if made, the Board of Directors resolved to grant the Offeror access to conduct a limited set of meetings with the Company's management and certain key employees to verify a number of key assumptions in respect of the business conducted by the Group and a confidentiality, stand-still and non-solicitation agreement was entered into on 4 April 2023.

During this process, SimCorp engaged Credit Suisse International as its lead financial adviser, Kromann Reumert as its lead legal adviser, Covington as its US legal adviser, and Point Communication as its communication adviser.

Over the following period, the parties exchanged and negotiated several drafts of the Announcement Agreement and other documents between them and SimCorp sought clarifications on Deutsche Börse's intentions with the Offer and its strategy of the Group following Completion, including in relation to Deutsche Börse's commitment to the Company's current strategy and its plans with regard to *inter alia* continued employment of the Group's employees, protection of the interests of customers and clients, and R&D investments, etc. Furthermore, the parties and their advisers analysed the regulatory approvals and clearances that Deutsche Börse would need to obtain to complete the Offer, if made.

On 27 April 2023, Deutsche Börse and SimCorp entered into the Announcement Agreement and the members of the Board of Directors and the Executive Management entered into certain Irrevocable Undertakings (as defined below) with the Offeror to accept the Offer or otherwise sell their Shares to the Offeror at the Offer Price and on the terms and conditions applicable to the Offer, subject to certain customary conditions and any restrictions applicable under SimCorp's Remuneration Policy or SimCorp's existing incentive programs (see section 9 below).

Following the execution of the Announcement Agreement, the Company published company announcement 6/2023 concerning the Company's performance in Q1 of 2023 and each of the Offeror and the Company published announcements concerning the entering into of the Announcement Agreement and the decision by the Offeror to make the Offer.

On 25 May 2023, the Danish FSA approved the Offer Document, which was subsequently published by the Offeror.

## 8. THE BOARD OF DIRECTOR'S VIEW ON CERTAIN FACTORS RELATING TO THE OFFER

### 8.1 Introduction

The Board of Directors has had - and continues to have - full confidence in SimCorp's strategy and a continuation thereof on a stand-alone basis. As such, the Board of Directors has not actively solicited approaches from potential third-party pursuers of transformational transactions. However, upon receipt of the Offeror's non-binding offer of 24 March 2023, the Board of Directors considered its duty, acting in the best interest of the Company and the Shareholders, to explore whether the approach could lead to the making of a takeover offer that would, if accepted by the Shareholders, create superior value for the Shareholders and be in the interest of the Company and its stakeholders.

On this basis and taking into consideration the commitments, covenants, and undertakings made by the Offeror in the Announcement Agreement for the benefit of the Company and its stakeholders, the Board of Directors has, assisted by the Executive Management as well as Credit Suisse International as financial adviser and Kromann Reumert as legal adviser, analysed the Offer.

### 8.2 The Offer Price

The table below shows the Offer Price compared to the market price of the Shares on certain relevant historical dates and in relevant historical periods:<sup>10</sup>

Period	Share price (DKK)	The difference between the relevant historical price and the Offer Price (premium) (per cent)
Closing price on Nasdaq Copenhagen on 26 April 2023 (last trading day before the announcement of the Offeror's decision to make the Offer)	529	38.9
Volume weighted average price during the last three months prior to 26 April 2023	505.7	45.3
Volume weighted average price during the last twelve months prior to 26 April 2023	497.4	47.8

### 8.3 The Offer's Impact on the Interests of the Shareholders and the Company, including on Employment

The Board of Directors has assessed a number of matters related to the Offer that have or may have an impact on the Group, the Shareholders, and other stakeholders, including the Group's employees, and which may be of importance to the Shareholders' position on the Offer. The following is non-exhaustive description of certain short-term and long-term potential consequences of the Offer on the Group, the Shareholders, and other stakeholders,

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<sup>10</sup> All prices are in DKK for each Share of a nominal value of DKK 1. The average price has been calculated based on the daily volume-weighted closing prices of the Shares as listed on Nasdaq Copenhagen in the relevant period.

including employees, considered by the Board of Directors to be of particular importance to the Shareholders' position on the Offer.<sup>11</sup>

### 8.3.1 The Offeror's Intentions Expressed in the Offer Document

In the Offer Document, the Offeror has made certain statements regarding its intentions following Completion of the Offer.

In its assessment, the Board of Directors have relied on and assumed, without any independent verification, that the statements made by the Offeror in the Offer Document on the matters set out below are true, correct, and not misleading representations of the Offeror's intentions.

#### 8.3.1.1 The Offeror's Strategic Intentions regarding the Group

In the Offer Document, the Offeror has made the following statements regarding the Offeror's strategic intentions for the Group following Completion of the Offer:

*"Having followed the SimCorp Group's development and result delivery over several years, Deutsche Börse firmly believes that the SimCorp Group will benefit from becoming an integral part of and centre of competence for Investment Management SaaS (Software-as-a-Service) services at scale within Deutsche Börse's Group of companies and thereby be uniquely positioned as leading front-to-back investment management services platform. By joining forces with the Deutsche Börse Group, Deutsche Börse believes that SimCorp Group and Deutsche Börse Group together will be able to create significant value for clients, employees and all other stakeholders involved.*

*Since the start of the initial discussions regarding the Qontigo partnership, the SimCorp Group has continued to develop and progress, and Deutsche Börse intends to support SimCorp's plans for transforming and further investing in innovation to becoming a leading SaaS as well as BPaaS (Business-Process-as-a-Service) player for global asset owners, asset managers and custodians operated as an open platform delivering both flexibility and operational efficiency under the brand name of SimCorp.*

*For purposes of realising joint upside potential associated with the Offer and the contemplated transaction, Deutsche Börse may, following Completion, irrespective of whether a Compulsory Acquisition of any remaining Minority SimCorp Shares will be completed, propose and implement transactions and/or measures deemed necessary to further develop and support the SimCorp Group. While the exact nature and scope of such potential transactions and/or measures, as well as the method of implementation of how the SimCorp Group is best developed further as part of the Deutsche Börse Group, will be decided after thorough analysis following Completion. Deutsche Börse intends to facilitate and implement potential cooperation, partnerships and/or other arms' length agreements and arrangements, as well as potential corporate transactions between Deutsche Börse Group companies and SimCorp in order to realise and maximise the joint potential of both groups. Such transactions may result in Deutsche Börse increasing its ownership interests in SimCorp."*

The Board of Directors expresses the following in regard of the Offeror's so stated intentions:

Deutsche Börse is well-positioned to contribute to the realisation of SimCorp's long-term potential, and the Offer is a clear testament to the strong position and prospects of SimCorp in a global investment industry undergoing fundamental changes and seeing rising demand for integrated technology platforms.

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<sup>11</sup> The parts of the text below which are derived from the Offer Document use certain terms that are defined in the Offer Document. Reference is made to the Offer Document for the applicable definitions of such terms.

### 8.3.1.2 The Offeror's Intentions regarding Governance of the Company

In the Offer Document, the Offeror has made the following statements regarding the Offeror's intentions regarding the governance of the Company following Completion of the Offer:

*"Deutsche Börse appreciates and highly values that SimCorp Management has built a very successful business with an excellent track record. As of the date of this Offer Document, Deutsche Börse expects to continue to work closely with the existing SimCorp Management team in developing the business."*

*Deutsche Börse intends to seek representation on the SimCorp Board at a level, which appropriately reflects the ownership ultimately obtained by Deutsche Börse following Completion of the Offer. Following confirmation by Deutsche Börse that the Conditions have been fulfilled and the Offer will be Completed, SimCorp and Deutsche Börse shall jointly decide upon an appropriate date whereby an extraordinary general meeting of SimCorp shall be held for the purpose, inter alia, of electing new and/or additional members to the SimCorp Board."*

The Board of Directors expresses the following in regard of the so stated intentions:

The Board of Directors notes that there are no agreements or understandings between of the Offeror and any of the current members of the Board of Directors elected by the Company's general meeting about continuation of such membership after Completion.

The Board of Directors finds it natural that the Offeror, following Completion, will seek representation on the Board of Directors. It is noted that if the Offeror after Completion holds more than 50 per cent of the Shares (excluding treasury shares), the Offeror will, in accordance with the Danish Companies Act (the **Danish Companies Act**)<sup>12</sup> and the Company's articles of association, be able to elect all (and in any event a majority of) the members of the Board of Directors elected by the general meeting of the Company. This would not be in accordance with the Recommendations on Corporate Governance issued by the Danish Committee on Corporate Governance (in Danish: *Anbefalinger for god selskabsledelse*; the **Recommendations**),<sup>13</sup> however the Recommendations are best practice guidelines for the management of companies admitted to trading on Nasdaq Copenhagen, such as the Company, and are, thus, not legally binding on the Company.

The Board of Directors further notes that members of the board of directors of a Danish limited company are obliged to properly safeguard the interests of the company and all shareholders and are disqualified from taking part in any decision to be made by the board of directors, if such member (or a third party to which the member is affiliated) has a material interest therein that conflicts with the interests of the company. The Board of Directors has no reason to believe that any member of the Board of Directors who would be elected at a general meeting of the Company following Completion of the Offer at the proposal of the Offeror would not comply with these and other requirements under applicable Danish law.

### 8.3.1.3 The Offeror's Intentions regarding Distribution of Funds

In the Offer Document, the Offeror has made the following statements regarding distribution of funds from the Company following Completion of the Offer:

*"Deutsche Börse expects as part of its general group capital allocation priorities that Deutsche Börse, when SimCorp following Completion becomes part of Deutsche Börse Group, may propose, vote in favour of and/or otherwise procure that SimCorp distributes funds to Deutsche Börse, as well as any other Minority SimCorp Shareholders."*

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<sup>12</sup> Consolidated Act No. 1451/2022 as amended (in Danish: *Lovbekendtgørelse om aktie- og anpartsselskaber*).

<sup>13</sup> The Recommendations are available on <https://corporategovernance.dk/recommendations-corporate-governance>.

To avoid any unintended restrictions in the possibilities for letting SimCorp distribute funds to Deutsche Börse as well as any other SimCorp Shareholders after the Completion of the Offer as a result of the requirements in the Danish Companies Act and the information requirements in the Danish Takeover Order, SimCorp Shareholders should be aware that Deutsche Börse reserves the right to propose, vote for and/or otherwise procure

- (i) that SimCorp declares or distributes funds by way of payment of dividends (ordinary and/or interim) within the first 12 months after Completion, including in a situation where no Compulsory Acquisition has been made within 12 months after Completion, in an aggregate amount up to EUR 333,279,000 equivalent to SimCorp's free distributable reserves as per 31 December 2022 as set out in SimCorp's 2022 annual report and otherwise with respect for the limitations for distribution of dividends set out in the Danish Companies Act, and
- (ii) that SimCorp in any other lawful way makes distributions through capital reduction to distribution, at any time within the first 12 months after Completion, including in a situation where no Compulsory Acquisition has been made within 12 months after Completion with in an aggregate amount up to EUR 333,279,000 equivalent to SimCorp's free distributable reserves as per 31 December 2022 as set out in SimCorp's 2022 annual report and otherwise with respect for the limitations for such distribution as set out in the Danish Companies Act.

The exact timing - and the exact size of - a potential distribution of funds to Deutsche Börse as well as any other Minority SimCorp Shareholders by SimCorp following Completion, if any, will depend on a number of factors, including whether or not SimCorp will become a wholly-owned Subsidiary of Deutsche Börse at or following Completion, the interests of SimCorp, the interests of Deutsche Börse Group and any distributions will be made with due respect for the limitations for distribution as set out in the Danish Companies Act. The actual amount of such distributions described in (i) and (ii) above within the first 12 months after Completion may, therefore, ultimately, be lower than as set out in (i) and (ii) above, and it is a possibility that such distributions may not be completed at all.

Any distribution will be made in accordance with SimCorp's articles of association as in effect from time to time, including the existing authorisation in section 22 concerning distribution of extraordinary dividends and otherwise with due respect for the rules set out in the Danish Company Act."

The Board of Directors expresses the following in regard of the so stated intentions:

The Board of Directors has no further insights into the Offeror's specific intentions regarding distribution of funds from the Company following Completion. The Board of Directors has no reason to believe that such distributions, if any, will be made in violation of applicable Danish laws or in a manner adverse to SimCorp's business, including its strategy.

#### **8.3.1.4 The Offeror's Intentions regarding Compulsory Redemption of Minority Shareholders**

In the Offer Document, the Offeror has made the following statement regarding a compulsory redemption of the Company's minority Shareholders following Completion of the Offer:

*"If, after Completion, Deutsche Börse holds the requisite number of SimCorp Shares under the Danish Companies Act (more than 90 per cent of the SimCorp Shares and the attaching voting rights, not including any SimCorp Treasury Shares), Deutsche Börse intends to initiate and complete a compulsory acquisition of any remaining minority SimCorp Shares held by SimCorp Shareholders other than Deutsche Börse and SimCorp upon Completion (the "Minority SimCorp Shares") in accordance with the Danish Companies Act and the VP Rule Book (a "Compulsory Acquisition")."*

The Board of Directors expresses the following in regard of the so stated intentions:

The Board of Directors acknowledges and finds it to be expected and natural that the Offeror carries out a compulsory redemption of the minority Shares following Completion of the Offer, if the conditions set out in the Danish Companies Act are fulfilled.

#### **8.3.1.5 The Offeror's Intentions regarding Delisting of the Shares from Nasdaq Copenhagen**

In the Offer Document, the Offeror has made the following statement regarding a delisting of the Shares from Nasdaq Copenhagen following Completion of the Offer:

*"If, after Completion, Deutsche Börse holds the requisite number of SimCorp Shares required pursuant to Danish Law (Deutsche Börse either having the option of securing full ownership of SimCorp by way of a Compulsory Acquisition or holding at least 90 per cent of the SimCorp Shares and the attaching voting rights, not including any SimCorp Treasury Shares, present or represented at a general meeting resolving on the proposal to remove SimCorp from trading and official listing on Nasdaq Copenhagen), Deutsche Börse intends to seek to have the SimCorp Shares removed from trading and official listing on Nasdaq Copenhagen at an appropriate time following Completion."*

The Board of Directors expresses the following in regard of the so stated intentions:

The Board of Directors acknowledges and finds it to be expected and natural that the Offeror will seek to have the Shares removed from trading and official listing on Nasdaq Copenhagen if the requirements provided for under Nasdaq Copenhagen's rules and regulations are fulfilled.

#### **8.3.1.6 Consequences for Employment**

In the Offer Document, the Offeror has made the following statement regarding employees and employment conditions in the Group following Completion of the Offer:

*"Deutsche Börse views the management team and the employees of SimCorp as a key cornerstone for SimCorp's future success. As of the date of this Offer Document, Deutsche Börse intends to preserve SimCorp's current corporate structure and operational presence, including maintaining the headquarters of the SimCorp Group as well as the registered office in Denmark. This will be based on Deutsche Börse Group's successful, decentralised management approach emphasising an entrepreneurial culture, combined with a focus on realisation of group benefits. Before Completion, it is too early to conclude which measures will be deemed appropriate and necessary to realise the joint upside potential associated with the Offer and the contemplated transaction and what effects such measures would have. Deutsche Börse will after Completion of the Offer work with the SimCorp Management to consider how SimCorp and Deutsche Börse are best developed together in the future."*

*Other than (i) Deutsche Börse's intentions stated above to preserve SimCorp's current corporate structure and operational presence, including maintaining the headquarters of the SimCorp Group as well as the registered office in Denmark, and (ii) Deutsche Börse's support of the cost efficiency programme to fund SimCorp's increased investments announced by SimCorp in February 2023, no decisions have been made with respect to SimCorp's operations and current organisation, including terms of employment, as of the date of this Offer Document."*



The Board of Directors expresses the following in regard of the so stated intentions:

The Board of Directors appreciates that Deutsche Börse finds the Group's competent and skilled employees to be crucial to SimCorp's continued success and endorses the view so expressed. The Board of Directors further express the view that it finds it of the highest importance that SimCorp also after Completion of the Offer continues actively to support the Group's Ukrainian employees and their families.

#### **8.4 Certainty of Completion of the Offer**

In the process leading up to the Offer, including during negotiations with the Offeror, the Board of Directors has, besides focusing on securing the making of an offer to the Shareholders on attractive financial terms, also focused on the Offer, if made, being made on terms that ensures, as much as possible, that the Offer will, subject to the Shareholders' acceptance of the Offer, proceed to Completion. This includes that in the Announcement Agreement, the Board of Directors has made the Offeror make certain undertakings and covenants for the purpose of ensuring that the Regulatory Conditions will be satisfied.

Of the other Conditions, the Board of Directors notes that the Condition set out in 4.8 (D) of the Offer Document (*No Material Adverse Changes*) generally relates to SimCorp specific matters only, and not to matters generally affecting the financial markets, global or regional economies etc. other than in a manner materially disproportionate to the Group taken as a whole.

#### **8.5 Advantages and Disadvantages to the Shareholders Accepting the Offer**

As the Board of Directors encourages the Shareholders to (i) analyse the Offer Document and consider all advantages and disadvantages thereof to each individual Shareholder before deciding whether to accept the Offer or not and (ii) take into consideration all of the other matters, circumstances and assessment described in this Statement when deciding whether to accept the Offer or not, an acceptance of the Offer entails in the opinion of the Board of Directors in particular the following advantages and disadvantages to the Shareholders:

##### **8.5.1 Advantages to the Shareholders**

- The Offer Price represents an attractive price and premium as compared to the trading prices of the Shares during the past year, see section 8.2 above.
- The Offer Price represent an attractive multiple of 29x 2022 IFRS adjusted EBIT, based on the Company's 2022 IFRS adjusted EBIT (excl. special items) of EUR 135.7 million.
- The Offer Price compares favourably to the broker average target price on the date of the Announcement Agreement (27 April 2023) of DKK 580, based on research reports released post SimCorp's 2022 Q4 results.
- The Offer Price gives the Shareholders an opportunity to sell their Shares at a price, which cannot necessarily be obtained if the price for the Shares declines after the expiry of the Offer Period, because of events related or unrelated to the Group, including the Offeror's plans regarding the Group and any steps that the Offeror may take, directly or indirectly, in that respect.
- The Offer Price will be paid in cash.
- Completion of the Offer is subject only to satisfaction of the Conditions, including satisfaction of the Regulatory Conditions and the absence of any Material Adverse Changes (each as defined in the Offer Document).
- Completion of the Offer is not conditional on other conditions, including any due diligence investigations, the Offeror obtaining any financing or any approval of the Offeror's shareholders.
- Accepting the Offer will not restrict the Shareholders from accepting (subject to the restrictions set out in the Offer Document) a competing superior offer, if made.



### 8.5.2 Disadvantages to the Shareholders

- Shareholders accepting the Offer will with effect from Completion not take part in any future value creation in the Company.
- The Shareholders will normally have to pay tax on the gain realised if they decide to sell their Shares. Acceptance of the Offer may expedite the taxation. Since the tax consequences of accepting the Offer depends on the tax affairs of each individual Shareholder, the Board of Directors recommends that the Shareholders assess their own tax affairs and, if necessary, consult their own professional advisors.

### 8.6 Potential Consequences for Shareholders not Accepting the Offer

Shareholders not accepting the Offer could encounter materially changed terms of their investment in the Company, if, following Completion, the Offeror is neither entitled nor obliged under applicable Danish law to redeem any remaining Shares. Under the Danish Companies Act, only a shareholder holding more than 90 per cent of the shares and voting rights in the company is entitled and obliged to redeem the remaining shares.<sup>14</sup>

The Board of Directors further advise Shareholders that any increase of the Offeror's relative shareholding in the Company following Completion would not oblige the Offeror to make a new takeover offer to the remaining Shareholders to acquire their Shares, assuming the Offeror after Completion holds more than 50 per cent of the Shares.

Reference is further made to section 8.11 of the Offer Document, in which the Offeror has stated certain potential consequences for Shareholders that do not accept the Offer, including (in summary and not exhaustive):

- Completion of the Offer will likely result in a significant reduction of the free float of the Shares and may significantly impact the liquidity of the Shares on Nasdaq Copenhagen.
- Deutsche Börse may, following Completion, irrespective of whether a compulsory redemption under the Danish Companies Act of any remaining Shareholders has been completed, propose, and implement transactions deemed necessary and prudent by the Offeror to further develop and support SimCorp. Such transactions may result in Deutsche Börse increasing its ownership interest in SimCorp.
- Upon Completion, Deutsche Börse will at least have the simple voting majority at SimCorp's general meetings and could, depending on the acceptance rate and attendance ratio at such meetings, further have the necessary voting majority under the Danish Companies Act to adopt decisions in respect of SimCorp on all important structural and other measures.

The Board of Directors advises the Shareholders to take the statements made by the Offeror in the Offer Document, including the abovementioned potential consequences, into due consideration when deciding on whether to accept the Offer as well as the further observations made below. In making these observations, the Board of Directors emphasises that it has no actual knowledge or expectations that the Offeror would seek to exploit its control over the Company following Completion in a manner adverse to the minority Shareholders. Against this background, the description set out below is intended to make the Shareholders aware of certain fundamental principles of applicable Danish law:

While the Danish Companies Act offers the minority shareholders of a company certain protective rights, and while (i) the board of directors of the company is under Danish law obliged to safeguard the interests of the com-

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<sup>14</sup> See section 70ff of the Danish Companies Act (in Danish: *Selskabsloven*), consolidated act no. 1451/2022 as amended.

pany and of all shareholders, (ii) the individual members of the board of directors being excluded from participating in any decision where such member has or represents a third party that has or may have a material interest in the decision that conflicts with those of the company,<sup>15</sup> and (iii) neither the general meeting nor the board of directors are allowed to take or implement any decision that may grant a third party (including a shareholder) an undue advantage to the detriment of the company or any of its shareholders,<sup>16</sup> there can be no assurance that such rights will give the minority shareholders adequate protection, and in any event, enforcement of such rights may be costly and time-consuming. Under general principles of Danish law, a shareholder does not owe any fiduciary or similar duties to the company or the other shareholders.

The Recommendations for Corporate Governance are best practice guidelines for the management of companies admitted to trading on Nasdaq Copenhagen, such as the Company. The Recommendations are considered soft law and are, thus, not legally binding on the Company.

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<sup>15</sup> See section 131 of the Danish Companies Act.

<sup>16</sup> See sections 108 and 127 of the Danish Companies Act.

## **9. INFORMATION ABOUT CERTAIN OWNERSHIP INTERESTS ETC.**

### **9.1 Ownership Interests held by the Board of Directors and the Executive Management**

The members of the Board of Directors and the Executive Management hold Shares in the Company as set out in Appendix 1 to this Statement. Each member of the Board of Directors and of the Executive Management has, subject to certain conditions, undertaken towards to Offeror to accept the Offer as made and as further described in section 9.5 below.

### **9.2 RSUs**

The members of the Executive Management and certain members of the Board of Directors hold RSUs in the Company. The number of RSUs held by the members of the Executive Management and the Board of Directors are set out in Appendix 2 to this Statement.

Please refer to section 6 above for a summary of the consequences of the Offer on RSUs, including RSUs held by members of the Executive Management and the Board of Directors.

### **9.3 Bonus Payments**

None of the members of the Board of Directors and the Executive Management will receive any bonus payments due to the making or Completion of the Offer.

### **9.4 Other Interests**

The Completion of the Offer will result in the notice periods to be given by SimCorp vis-à-vis the members of Executive Management under their respective executive service agreements being prolonged as further set out in section 5.5.

### **9.5 Irrevocable Undertakings**

Each of the members of the Board of Directors and the Executive Management, in each case as existing as of publication of this Offer Document, has entered into an irrevocable undertaking (collectively, the **Irrevocable Undertakings**), pursuant to which, among other things, the members of the Board of Directors and the Executive Management have agreed, subject to the terms and conditions set forth in their respective Irrevocable Undertakings, to tender all of their Shares into the Offer or otherwise sell their Shares to Deutsche Börse at the Offer Price on the terms and conditions applicable to the Offer, subject to certain customary conditions and any restrictions applicable under SimCorp's remuneration policy or SimCorp's existing incentive and share remuneration programs as further described below.

The Irrevocable Undertakings collectively account for a total of Shares representing below one (1) per cent of the share capital and voting rights in SimCorp as of the date of this Statement (excluding treasury shares).

The Irrevocable Undertakings are conditional upon the occurrence of Completion and therefore subject to the Conditions of the Offer.

The Irrevocable Undertakings are subject to the restrictions set out in SimCorp's remuneration policy which restrictions are set out below:

- On page 4 of SimCorp's 2022 remuneration policy, it is stated that:

*"Unless the Executive Management Board member already holds SimCorp shares with a market value exceeding the member's annual base salary, it is furthermore a requirement that shares to which the individual has acquired full ownership rights on the vesting date in respect of RSUs shall be held in trust for at least three years following the vesting date. Notwithstanding the foregoing, a member of the company's Executive Management Board shall be entitled to sell shares allocated under the LTIP corresponding to the income tax arising from the allocated shares in any year such shares vest."*

- o Further, on page 5 of SimCorp's 2022 remuneration report the following is stated:

*"Shares are allotted to [members of the Board of Directors] by applying the average share price of the SimCorp shares in the three-day period following the release of the annual report for the previous financial year. The shares are transferred on an annual basis in arrears. [Members of the Board of Directors] who have opted for cash and reinvestment are required to invest the cash amount (before tax) in SimCorp shares, such investment to be carried out during the first open trading window after the Annual General Meeting.*

*These shares must be held by [members of the Board of Directors] for a minimum period of one year after the shares are transferred to or bought by the [members of the Board of Directors]. This condition only applies to [members of the Board of Directors] continuing as [members of the Board of Directors] after the annual general meeting."*

Finally, the Irrevocable Undertakings entered into by members of the Executive Management are subject to any acceptance of the Offer not resulting in any conditions relating to granting or vesting of RSUs granted to such member of the Executive Management not being satisfied, as, pursuant to the terms of certain grants of RSUs awarded to CEO Christian Kromann and CFO Michael Bjergby, the granting or vesting of such RSUs are conditional upon the member of Executive Management maintaining a minimum investment in SimCorp which requires the relevant member of Executive Management to hold a certain value of Shares.

## **10. MISCELLANEOUS**

### **10.1 Applicable Law**

This Statement is subject to and governed by Danish law.

### **10.2 Versions and Governing Language**

This Statement has been prepared in both a Danish and an English language version. In case of any inconsistency between the two versions, the Danish language version will prevail.

### **10.3 Forward Looking Statements**

Certain matters addressed in this Statement may constitute forward-looking statements. Forward-looking statements are statements which are not historical facts and which are characterised by words such as "assesses", "believes", "expects", "assumes", "anticipates", "contemplates", "intends", "estimates", "will", "may", "continues to", "should" and similar expressions. In this Statement forward-looking statements are based on several assumptions, many of which are based on further assumptions. While the Company believes these assumptions to be reasonable at the time they are made, they are by their nature associated with significant known and unknown risks, uncertainties, unforeseen events, and other material matters which are difficult or impossible to predict or which are outside the Company's control. Such risks, uncertainties, unforeseen events, and other material matters may cause actual events to differ significantly from the expectations expressed or implied in relation to the forward-looking statements.

### **10.4 Addressees of the Statement**

The Statement is addressed solely to those of the Shareholders to whom the Offer is made and who are, by the terms of the Offer Document, not excluded from accepting the Offer. Reference is made to section 1.1 above. No other person is entitled to rely on the Statement.

### **10.5 Disclaimer**

Credit Suisse International (**Credit Suisse**), is acting as financial adviser for SimCorp and no one else in connection with the transaction only and will not regard any other person as its client in relation to the transaction or any other matter referred to in this Statement and will not be responsible to anyone other than SimCorp for providing the protections afforded to clients of Credit Suisse, nor for providing advice to any other person in relation to the content of this Statement or any other matter referenced herein. Neither Credit Suisse nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability, or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Credit Suisse in connection with this Statement, any statement contained herein or otherwise.

### **10.6 Sources of Information and References**

The information in this Statement relating to the Offeror has been obtained from sources which are accessible to the public, including the Offer Document. The Statement also includes references to or quotations from the Offer Document. The Company and the Board of Directors accept no responsibility or liability whatsoever for: 1) the accuracy or completeness of such information or quotations, and 2) any failure by the Offeror to disclose information about events which may have occurred or which may affect the meaning or accuracy of such information.

The Statement includes certain references to information, etc. which is available on the Company's website [www.simcorp.com](http://www.simcorp.com). The content of the Company's website is not an integral part of this Statement and is not incorporated herein by reference.

The Statement includes certain references to the 2022 Annual Report and the Q1 2023 Report. The specific sections of such documents referred to in the Statement are incorporated into this Statement by such references.

The Offer Document is not an integral part of this Statement and is not incorporated herein by reference or otherwise. The Company and the Board of Directors accept no responsibility for the correctness, completeness, or adequacy of the Offer Document, which is the sole responsibility of the Offeror. Deutsche Börse accepts no responsibility for the correctness, completeness, or adequacy of this Statement, which is the sole responsibility of the Company.

The Company and the Board of Directors accept no liability for any statements or opinions expressed by anyone in relation to the Offer other than the statements and opinions expressed in this Statement.

## Appendix 1: Shares held by the Board of Directors and the Executive Management

Board of Directors:

<b>Name</b>	<b>Number of Shares</b>
Peter Schütze	14,172
Morten Hübbe	8,434
Simon Jeffreys	12,952
Adam Warby	2,245
Allan Polack	0
Susan Standiford	521
Charlotte Søndergaard Klausen	424
Sven Rinke	1,662
Neil Cook	1,869

Executive Management:

<b>Name</b>	<b>Number of Shares</b>
Christian Kromann	16,253
Michael Bjergby	4,758
Georg Hetrodt	119,513

## Appendix 2: RSUs held by the Board of Directors and the Executive Management

Board of Directors:

<b>Name</b>	<b>Number of RSUs</b>
Peter Schütze	0
Morten Hübbe	0
Simon Jeffreys	0
Adam Warby	0
Allan Polack	0
Susan Standiford	0
Charlotte Søndergaard Klausen	286
Sven Rinke	274
Neil Cook	5,402

Executive Management:

<b>Name</b>	<b>Number of RSUs</b>
Christian Kromann	59,514
Michael Bjergby	20,977
Georg Hetrodt	21,041