

SimCorp A/S

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Company announcement

SimCorp receives takeover offer

SimCorp A/S (**SimCorp** or the **Company**) and Deutsche Börse AG (**Deutsche Börse** or the **Offeror**) have today entered into an announcement agreement (the **Announcement Agreement**) pursuant to which Deutsche Börse will make an all-cash voluntary recommended public takeover offer to acquire all of the issued and outstanding shares (except treasury shares) in SimCorp (the **Offer**). Deutsche Börse is a German stock corporation (in German: "*Aktiengesellschaft*") under registration number HRB 32232 with the registry court (in German: "*Amtsgericht*") Frankfurt/Main. The shares in Deutsche Börse are admitted to trading on the regulated market of the Frankfurt Stock Exchange (in German: "*Frankfurter Wertpapierbörse*").

Highlights of the Offer

- The price of the Offer is DKK 735.0 in cash for each share of nominally DKK 1.0 in SimCorp (the **Offer Price**), subject to adjustment on a DKK-for-DKK basis for any dividends or other distributions paid out to shareholders prior to completion of the Offer, valuing the entire share capital of SimCorp¹ at approximately DKK 29.0 billion.
- The Offer Price of DKK 735.0 represents:
 - a premium of 38.9% compared to the closing share price of DKK 529.0 on Nasdaq Copenhagen on 26 April 2023, being the last trading date prior to this announcement
 - a premium of 45.3% compared to the three-month volume weighted average share price of DKK 505.7 for the period of 26 January 2023 to 26 April 2023
 - a multiple of 29x 2022 IFRS adjusted EBIT, based on 2022 IFRS adjusted EBIT (excl. special items) of EUR 135.7 million
- The Board of Directors of SimCorp has unanimously decided that it intends, in the statement to be issued in accordance with section 22 of the Danish Executive Order on Takeover Offers following Deutsche Börse's publication of the offer document pertaining to the Offer, to recommend that the shareholders of SimCorp accept the Offer. The Board of Directors'

¹ Exclusive of SimCorp's holding of 1,102,180 treasury shares

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decision is supported by a fairness opinion issued to the Board of Directors by Credit Suisse, acting as financial adviser to SimCorp in connection with the Offer.

- Members of SimCorp's Executive Management Board and Board of Directors have irrevocably undertaken 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 program.
- The Offer will be made subject to a number of conditions, including a requirement that the Offeror at the expiry of the offer period owns or has received valid acceptances with respect to shares representing at least fifty percent (50.0%) of the voting rights and share capital of SimCorp plus 1 share, that necessary approvals and clearances by relevant regulatory authorities are obtained, that the Board of Directors has not withdrawn or adversely amended its recommendation to the shareholders to accept the Offer, the non-occurrence of certain material adverse changes, and certain other customary conditions.
- The Offeror will, as soon as possible and no later than four weeks from today, publish an offer document approved by the Danish Financial Supervisory Authority with detailed information about the Offer. The offer period is expected to be approximately seven weeks from announcement of the offer document, subject to any extension of the offer period by the Offeror in accordance with the terms and conditions of the Offer.
- The consideration in the Offer will be paid in cash at completion.
- Deutsche Börse expects completion of the Offer in Q3 2023.

Peter Schütze, Chair of the Board of Directors of SimCorp, said: "The Board of Directors finds that the Offer from Deutsche Börse represents attractive value for SimCorp's shareholders as the Company accelerates its transformation to a full-scale SaaS and BPaaS provider to deliver sustained long-term profitable growth. Deutsche Börse is well-positioned to contribute to the realization 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. In considering the Offer, the Board of Directors also appreciated that Deutsche Börse finds our competent and skilled employees to be crucial to SimCorp's continued success. Following several rounds of intense negotiations, where we managed to increase the offer price meaningfully and improve other terms and conditions of the Offer for our shareholders, the Board of Directors has unanimously agreed that it intends to recommend our shareholders to accept the Offer when it is formally submitted on the agreed terms and conditions."

Background and Reasons for the Offer

Deutsche Börse is an international exchange organisation and market infrastructure provider. With its wide range of products, services and technologies, Deutsche Börse aims to ensure capital markets characterized by integrity, transparency, and stability and to organize safe and efficient markets for sustainable economies. Deutsche Börse's business areas cover the entire financial market transaction process chain and includes provision of indices, data and analytical solutions as well as admission, trading, and clearing. Additionally, it comprises services for funds, the settlement and custody of financial instruments as well as the management of collateral and liquidity. With more than 10,000 employees, the Deutsche Börse group has its headquarters in the financial center of Frankfurt/Rhine-Main, as well as presence at 38 other locations such as Luxembourg, Prague, London, New York, Chicago, Hong Kong, Singapore, Beijing, Tokyo and Sydney.

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Deutsche Börse has followed SimCorp's development and result delivery over several years, and the Deutsche Börse group's business unit Quartz entered into a partnership with SimCorp in 2021 to offer SimCorp's clients a fully managed portfolio optimization and risk management and modelling service within SimCorp's product 'SimCorp Dimension'. Deutsche Börse has expressed its firm belief that SimCorp will be well-positioned and significantly benefit from becoming part of the Deutsche Börse group as an independent leading front-to-back investment management solutions platform providing state-of-the-art investment management SaaS (Software-as-a-Service) and BPaaS (Business-Process-as-a-Service) solutions at scale. Deutsche Börse believes that SimCorp and the Deutsche Börse group together will be able to create significant value for clients, employees, and all other stakeholders involved.

Deutsche Börse agrees with the strategy that has been set out and pursued by the Board of Directors and the management of SimCorp. Deutsche Börse intends to support the management team and invest further in innovations with a view to strengthen SimCorp's ability to transform its business model to become a leading SaaS and BPaaS player for global asset owners, asset managers, and asset servicers, operating as an open platform delivering flexibility and operational efficiency under the brand name of SimCorp. Deutsche Börse views the management and employees of SimCorp as a key cornerstone for future success and has stated its intentions to preserve SimCorp's current global operational presence, including maintaining the headquarters of the SimCorp group in Denmark.

The Board of Directors' Recommendation

Taking into consideration the value creation offered to the SimCorp shareholders, the other terms of the Offer agreed as well as certain undertakings and commitments made by Deutsche Börse in the Announcement Agreement, the Board of Directors has unanimously confirmed that it intends to recommend the shareholders of SimCorp to accept the Offer, when made in the form of an offer document approved by the Danish Financial Supervisory Authority. The Board of Directors will in accordance with Section 22 of the Danish Executive Order on Takeover Offers (in Danish: "*bekendtgørelse nr. 636 af 15. maj 2020 om overtagelsestilbud*") publish a statement in respect of the Offer upon publication of the offer document, which will include the Board of Directors' considered statement on the Offer.

To support its assessment of the financial merits of the Offer, the Board of Directors has received a fairness opinion dated 27 April 2023 from SimCorp's financial advisor, Credit Suisse, confirming 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 in preparing its opinion, the Offer Price to be received by the shareholders of SimCorp is, from a financial point of view, fair to the shareholders of SimCorp.

Conditions to Completion

The Offer will be made subject to a number of conditions, including a requirement that the Offeror at the expiry of the Offer period owns or has received valid acceptances with respect to Shares representing at least fifty percent (50.0%) of the voting rights and share capital of SimCorp plus 1 share, that necessary approvals by relevant regulatory authorities are obtained, that the Board of Directors has not withdrawn or adversely amended its recommendation to the shareholders to accept the Offer, the non-occurrence of certain material adverse changes, and certain other customary conditions.

According to Deutsche Börse's assessment, completion of the Offer will require customary merger control approval in the European Union, approval under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 in the United States and foreign direct investment approval in a limited number of EU jurisdictions. Deutsche Börse has initiated the work on filings relevant for the Offer.

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Deutsche Börse has in the Announcement Agreement made certain undertakings and commitments to SimCorp for the purpose of ensuring that the regulatory conditions are fulfilled. Similarly, SimCorp has made certain undertakings and commitments to support Deutsche Börse in its pursuance of satisfying such conditions and otherwise in respect of the Offer. Neither SimCorp nor Deutsche Börse will be obliged to pay any "break-fees" or penalties if the conditions to completion of the Offer are not satisfied and the Offer is not completed.

Offer Process and Terms

The announcement of the Offeror's decision to make the Offer is attached.

The Offer will be conducted in accordance with Danish law and the terms and conditions of the Offer will be set out in an offer document, which will be published by the Offeror upon approval by the Danish Financial Supervisory Authority no later than four weeks from the date of this announcement.

The Offer is expected to be made in the U.S. 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. Deutsche Börse also expects to take steps to meet the conditions required for the Offer to be exempt from the requirements of Part 2 of National Instrument 62-104 – *Takeover Bids and Issuer Bids* under Canadian securities laws.

Once the offer document is published, all shareholders in SimCorp (except shareholders who are resident in certain restricted jurisdictions) will have the possibility to tender their Shares to the Offeror. The offer period is expected to be approximately seven weeks from announcement of the offer document but can be extended, including in order to satisfy the regulatory conditions. No later than three days after expiry of the offer period (as may be extended), the Offeror will publish the final result of the Offer.

Deutsche Börse expects completion of the Offer in Q3 2023.

Advisors

Credit Suisse International is acting as financial advisor to SimCorp. Kromann Reumert is acting as legal advisor to SimCorp on the transaction and Covington & Burling LLP is acting as U.S. legal advisor to SimCorp on the transaction.

Enquiries regarding this announcement should be addressed to*Investor contacts*

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Attachments:

Deutsche Börse AG announces all-cash voluntary recommended public takeover offer for SimCorp A/S at an offer price of DKK 735.0 per SimCorp share

About SimCorp

SimCorp offers an industry-leading front-to-back investment management platform and ecosystem used by 40% of the world's top 100 asset owners and managers. The Company's proprietary technology and its ecosystem comprising partners, services, and third-party connectivity empowers SimCorp's customers to manage over USD 30 trillion of assets with the efficiency and flexibility needed to succeed. With over 25 offices around the world, and more than 2,200 employees, SimCorp is a truly global, collaborative team with a track record of more than 50 years of innovation.

DISCLAIMERS

This announcement is not directed at shareholders of SimCorp resident in any jurisdiction in which the submission of the Offer, or acceptance thereof, or this announcement would contravene the law of such jurisdiction. Accordingly, neither this announcement nor any other material regarding the Offer may be distributed in any jurisdiction outside of Denmark United States or Canada, if such distribution would require any registration, qualification, or other requirement in respect of any offer to purchase or sell securities or distribute documents or advertisements in respect thereof. Any person acquiring possession of this announcement or any other document referring to the Offer is expected and assumed to obtain on his or her own accord any necessary information on any applicable restrictions and to comply with such restrictions.

This announcement does not constitute an offer or invitation to purchase any securities in SimCorp or a solicitation of an offer to buy any securities, pursuant to the Offer or otherwise. The Offer will be made solely by means of an offer document approved by the Danish Financial Supervisory Authority, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted. Shareholders in SimCorp are advised to read the offer document and the related documents when published as they will contain important information.

The Offer is subject to the laws of Denmark. The offer document and this announcement have been drawn up in the Danish and English languages. In the event of any discrepancy between the two language versions of this Announcement, the Danish language version will prevail. The Offer relates to the securities of a Danish company and is subject to the disclosure requirements applicable under Danish law, which may be different in material aspects from those applicable in the U.S.

For shareholders residing or precedent in the United States of America, please see notice below.

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 announcement 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 announcement 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 announcement, any statement contained herein or otherwise.

Forward looking statements

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and that can be identified by words such as "believe", "expect", "anticipate", "intends", "estimate", "will", "may", "continue", "should", and similar expressions. The forward-looking statements in this announcement are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although SimCorp

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believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies, and other important factors that are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The information, opinions and forward-looking statements contained in this announcement speak only as at its date and are subject to change without notice.

Restricted jurisdictions

The Offer will not be made, and the SimCorp shares will not be accepted by the Offeror for purchase from or on behalf of persons, in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities or other laws or regulations of such jurisdiction. Persons obtaining this announcement and/or into whose possession this announcement comes are required to take due note and observe all such restrictions and obtain any necessary authorizations, approvals or consents. Neither SimCorp nor any of its advisors accepts any liability for any violation by any person of any such restriction. Any person (including, without limitation, custodians, nominees and trustees) who intends to forward this announcement to any jurisdiction outside Denmark should inform themselves of the laws of the relevant jurisdiction, before taking any action. The distribution of this announcement in jurisdictions other than Denmark may be restricted by law, and, therefore, persons who come into possession of this announcement should inform themselves about and observe such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws and regulations of any such jurisdiction.

Notice to SimCorp shareholders in the United States of America

The Offer will be subject to the laws of Denmark. The Offer will relate to the securities of a Danish company and will be subject to the disclosure requirements applicable under Danish law, which may be different in material respects from those applicable in the U.S.

The Offer is expected to be made in the U.S. in compliance with Section 14(e) of, and applicable provisions of Regulation 14E promulgated under, 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. In this case, the Offer would not be subject to Section 14(d)(1) of, or Regulation 14D promulgated under, the Exchange Act. Accordingly, the Offer would be subject to disclosure requirements that may be different than those applicable under U.S. law, procedures and practice. In addition, the financial information contained in this announcement has not been prepared in accordance with generally accepted accounting principles in the U.S. and thus may not be comparable to financial information relating to U.S. companies.

The Offer, when made, will be made to SimCorp shareholders residing in the U.S. on the same terms and conditions as those made to all other shareholders to whom the Offer will be made. Any information documents, including this announcement are expected to be disseminated to SimCorp shareholders whose place of residence, seat or habitual residence is in the U.S. (the **U.S. SimCorp Shareholders**) on a basis reasonably comparable to the method that such documents are provided to other shareholders.

U.S. SimCorp Shareholders must be aware that this announcement and the offer document and any other documents regarding the Offer will be prepared in accordance with Danish laws and standards, which laws and standards may differ from U.S. laws and standards. In addition, the procedures for the tender of SimCorp shares and settlement of the consideration due to each SimCorp shareholder who accepts the Offer will be carried out in accordance with the rules applicable in Denmark, which may differ in material aspects from the rules and procedures applicable to a tender offer for the securities of a domestic U.S. company, in particular with respect to withdrawal rights, offer timetable, settlement procedures and the payment date of the securities.

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It may be difficult for U.S. SimCorp Shareholders to enforce certain rights and claims they may have arising in connection with the Offer under U.S. securities laws, since Deutsche Börse and SimCorp are located in non-U.S. jurisdictions, and some or all of their respective officers and directors are residents of non-U.S. jurisdictions. U.S. SimCorp Shareholders may not be able to sue Deutsche Börse or SimCorp and/or their respective officers or directors in a non-U.S. court for violations of U.S. securities laws. Further, it may not be possible to compel Deutsche Börse and SimCorp or their respective affiliates, as applicable, to subject themselves to the judgment of a U.S. court.

In accordance with customary Danish practice and to the extent permitted by applicable law, including Rule 14e-5(b) of the Exchange Act, Deutsche Börse or any affiliate of Deutsche Börse or nominees or brokers of the foregoing (acting as agents or in a similar capacity), may from time to time make certain purchases of, or arrangements to purchase, SimCorp shares outside of the U.S., other than pursuant to the Offer, before or during the period in which the Offer remains open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. If, prior to the completion of the Offer, Deutsche Börse or any affiliate of Deutsche Börse or any nominee or broker of the foregoing acquires SimCorp shares at a higher price than the Offer Price, Deutsche Börse will increase the Offer Price correspondingly as required by applicable law. Any information about such purchases will be announced through relevant electronic media if, and to the extent, such announcement is required under applicable law. In addition, in the ordinary course of business, Morgan Stanley and Morgan Stanley's affiliates may make or hold a broad array of investments including serving as counterparties to certain derivative and hedging arrangements and actively trade debt and equity financial instruments (or related derivative financial instruments) and other types of financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and financial instrument activities may involve securities and/or instruments of SimCorp.