



Report of the Management Board to the General Meeting Pursuant to §§ 221 (4) Sentence 2, 186 (4) Sentence 2 AktG on Agenda Item 7:

Pursuant to § 221 (4) sentence 2 and § 186 (4) sentence 2 AktG, the Management Board has submitted a written report on the reasons for the authorization proposed under agenda item 7 to exclude subscription rights and on the proposed issue price. The report will be available for inspection by the shareholders in the company's premises from the time of convening the Annual General Meeting and can also be accessed in the internet under www.datagroup.de/hauptversammlung. Upon request, the report will be sent to every shareholder without delay and free of charge. It will also be available for inspection by the shareholders at the General Meeting. The report will be published as follows:

I. General

The proposed authorization to issue warrant and/or convertible bonds, profit participation rights or participating bonds, or a combination of these instruments ("bonds") up to a total nominal value of EUR 560,000,000.00 and the creation of the related contingent capital 2023 up to a nominal amount of EUR 4,174,500.00 are intended to expand the options, which are described in more detail below, available to DATAGROUP SE to finance its activities and to grant the Management Board access, subject to the consent of the Supervisory Board, to a flexible and timely financing, which is in the best interest of the company, in particular if favorable capital market conditions exist.

The shareholders shall in principle have the legal right to subscribe bonds (§ 221 (4) in conjunction with § 186 (1) AktG). To facilitate processing, the Management Board may make use, according to standard practice, of the option to issue the bonds to a bank or a syndicate of banks, with the obligation to offer the bonds to the shareholders according to their subscription rights (indirect subscription right pursuant to § 186 (5) AktG). The subscription right of the shareholders can be excluded in the following cases.

The stipulation of a minimum issue price in the resolution allows the Management Board to produce an attractive offer for the bonds even in times of negative price expectations. As this is only a minimum price, however, the Management Board has the flexibility to apply a higher issue price when price expectations are positive. A narrow definition of the option or conversion price for all cases mentioned in the resolution would impact the options of the Management Board to place the financing instruments permitted under the authorization at the best possible financing conditions for DATAGROUP SE. In any case, the Management Board shall take account of the interests of the shareholders in the smallest possible dilution of their participation when the issue price is determined. This is also reflected in the differentiated design of the regulations for the option and/or conversion price.

II. Reasons for an Exclusion of Subscription Rights

1. Fractional amounts

The authorization to exclude subscription rights for fractional amounts enables the use of the requested authorization by means of round amounts. This facilitates the settlement of the shareholders' subscription rights.

2. For the holders of previously issued option or conversion rights

The authorization to exclude subscription rights in favor of the holders of previously issued option or conversion rights or obligations has the advantage that the conversion and/or option price for previously issued conversion or option rights does not need to be reduced and as a result generates higher cash inflow.

For this reason, both of the above cases where subscription rights have been excluded are in the interest of DATAGROUP SE and its shareholders.

3. Market value is not significantly undercut

The Management Board is also authorized, subject to the consent of the Supervisory Board, to fully exclude the subscription right of the shareholders, if the bonds are issued against cash payment at a price which does not significantly undercut the market price. This enables DATAGROUP SE to quickly seize favorable market opportunities on a short-term basis and, by determining the conditions in accordance with prevailing market terms, to achieve better terms regarding the determination of interest rates, option and/or conversion price and issue price of the bonds. A determination of conditions in accordance with prevailing market terms and smooth placement would only be possible to a limited extent without exclusion of subscription rights. § 186 (2) AktG allows publication of the issue price (along with the terms and conditions of the bonds) by the third to the last day of the subscription period. In view of the volatility in the stock markets that can frequently be seen, however, this also involves a market risk over several days, which could lead to safety margins in determining the terms and conditions of bonds, and thus to conditions which are not close to those in the market.

In addition, the existence of subscription rights may jeopardize successful placement with third parties or may involve additional expenses due to the uncertainty of its exercise (subscription behavior).

Finally, if a subscription right is granted, DATAGROUP SE cannot respond at short notice to favorable or unfavorable market conditions due to the length of the subscription period but would be exposed to declining share prices during the subscription period, which could lead to less favorable opportunities for DATAGROUP SE to procure capital.

In this case of a full exclusion of the subscription right, § 186 (3) sentence 4 AktG shall apply accordingly pursuant to § 221 (4) sentence 2 AktG. The limit for the exclusion of subscription rights of 10% of the share capital stipulated therein must be observed according to the resolution proposal. The amount of the contingent capital which in this case may only be made available to secure option or conversion rights or obligations may not exceed 10 % of the share capital existing at the time the authorization to exclude the subscription right pursuant to Section 186 (3) sentence 4 AktG comes into force. The resolution on the authorization contains a corresponding provision which also ensures that, even in case of a capital reduction, the limit of 10 % of the share capital is not exceeded, since the authorization to exclude the subscription right explicitly requires that



the 10 % limit may not be exceeded neither at the time at which the authorization becomes effective or – if such value is lower – at the time at which is exercised. In this context, treasury shares that are sold under exclusion of the subscription right pursuant to §186 (3) sentence 4 AktG as well as those shares issued from authorized capital under exclusion of the subscription right pursuant to § 186 (3) sentence 4 AktG shall be taken into account, provided that such sale or issue takes place during the term of this authorization up until the issue of bonds with option and/or conversion rights or obligations under exclusion of subscription rights pursuant to § 186 (3) sentence 4 AktG; the above amount is thus reduced accordingly.

§ 186 (3) sentence 4 AktG also stipulates that the issue price must not significantly undercut the market price. This serves to ensure that no significant economic dilution of the value of the shares occurs.

Whether or not such dilutive effect will occur in connection with the issue of bonds under exclusion of subscription rights can be determined by calculating the hypothetical market value of the convertible or warrant bonds in accordance with recognized calculation methods, particularly financial mathematical methods, and comparing such price with the issue price. If after careful examination the issue price is only insignificantly lower than the hypothetical stock market price at the time the convertible or warrant bond is issued, the subscription right may be excluded pursuant to the intention and purpose of the regulation contained in § 186 (3) sentence 4 AktG because the deduction is insignificant. The calculated market value of a subscription right would thus tend toward close to nil so no significant financial disadvantage can arise for the shareholders from the exclusion of their subscription right. The resolution therefore provides that prior to issuing the bonds with option or conversion rights or obligations, the Management Board, after careful examination, must arrive at the conclusion that the envisaged issue price will not lead to a significant dilution of the value of the shares, as the issue price of the bond is not materially lower than their hypothetical market value calculated in accordance with recognized calculation methods, in particular, methods of financial mathematics. Should the Management Board consider it appropriate in the respective situation to obtain professional advice, it may call upon support by third parties. For example, syndicate banks supervising the issue can assure the Management Board in an appropriate manner that there should be no significant dilution of the value of the shares. This can also be confirmed by an independent bank or an expert consultant.

All of the above ensures that the exclusion of the subscription right does not lead to a significant dilution of the value of the shares. Furthermore, the shareholders have the opportunity to maintain their ratio in the share capital of DATAGROUP SE at any time, even after exercise of conversion or option rights, or after the conversion obligation becomes effective, by acquiring additional shares on the stock exchange. On the other hand, the authorization to exclude subscription rights enables DATAGROUP SE to determine the conditions in accordance with prevailing market terms, and to obtain the highest possible degree of certainty that the bonds can be placed with third parties and that favorable short-term market opportunities can be seized.



4. Contributions in kind

The subscription right can also be excluded, if the bond are issued against contributions in kind. Amongst others, this is meant to enable the Management Board to use the bonds as an “acquisition currency” when the opportunity arises, for instance in the context of business combinations or to acquire (also directly) companies, parts of companies, shareholdings or other assets or entitlements to acquire assets, including receivables from DATAGROUP SE or one of its group companies, in order to acquire such contributions in kind in exchange for the transfer of such financing instruments. Company expansions resulting from the acquisition of a company or of shareholdings generally require fast decisions. The proposed authorization is intended to enable the Management Board to react quickly and flexibly when advantageous offers or other opportunities arise on national and international markets and to seize the opportunities to expand the company by acquiring companies or shareholdings in the companies in exchange for issuing bonds in the interest of DATAGROUP SE and its shareholders. The Management Board will assess in each individual case whether or not it will make use of the authorization to issue bonds under exclusion of subscription rights, if opportunities arise for the acquisition of assets, particularly companies or participations. The subscription right of the shareholders will only be excluded if it is in the best interest of DATAGROUP SE.

5. Profit participation rights or participating bonds with bond-like features

To the extent that profit participation rights or participating bonds are issued without conversion or option rights or obligations, the Management Board is authorized, subject to the consent of the Supervisory Board, to exclude the subscription right of shareholders, if these profit participation rights or participating bonds are structured in the same way as bonds, i.e. they do not establish membership rights in DATAGROUP SE, or grant participation in liquidation proceeds, and the level of interest is not linked to the net income for the year, the distributable profit or the dividend. Additionally, the interest rate and the issue price of the profit participation rights or participating bonds must correspond to current market conditions at the time of the issue.

If the aforementioned requirements are fulfilled the exclusion of subscription rights does not result in a disadvantage for the shareholders, since the profit participation rights or participating bonds do not establish membership rights nor a participation in liquidation proceeds or in the profit of DATAGROUP SE.

Pliezhausen, January 2023

DATAGROUP SE

Management Board