



Management Report Pursuant to § 71 (1) No. 8 sentence 5 in Conjunction with § 186 (4), Sentence 2 AktG, § 185 (3) Sentence 4 (Exclusion of Subscription Right in Certain Cases when Treasury Shares are sold) on Agenda Item 8:

In reference to item 8 of the agenda pursuant to §§ 71 (1) (8) sentence 5, half-sentence 2, 186 (4) sentence 2 AktG, the Management Board has drawn up a written report on the reasons for the exclusion. 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 on the internet under www.datagroup.de/hauptversammlung. Upon request, the report will be sent to the shareholders 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:

Agenda item 8 contains the proposal to authorize the company to acquire treasury shares until 8 March 2028 to the value of up to 10 % of the share capital at that time. This serves to renew the authorization dated 22 March 2017.

This authorization is meant to enable the Management Board to acquire treasury shares which in aggregate account for 10 % of the current share capital of the company in the interest of the company and its shareholders. The treasury shares acquired by the company may be resold on the stock exchange or by means of a public offer to all shareholders. These possibilities preserve the principle of equal treatment.

For this purpose, the company may acquire shares not only on the stock exchange but also through a public offer or by granting rights to tender shares to the shareholders.

In the case of a public purchase offer it may be the case that the quantity of shares in the company offered by the shareholders exceeds the number of shares required by the company. In such a case, allocation shall be based on quotas. It shall be possible to provide for the preferred acceptance of small tenders or small parts of tenders up to a maximum of 100 shares. This option aims at preventing fractions and small remainders when the acceptance ratio is determined and thus facilitates technical processing of the share buy-back. This also helps to prevent the de facto discrimination of small shareholders. Furthermore, the shares can be allocated in proportion to the shares tendered rather than the interest ratio because technically this allows the purchase process to be handled on an economically acceptable scale. The Management Board considers any resultant exclusion of a more extensive shareholders' right to tender shares to be objectively justified and appropriate from a shareholder's perspective.

In addition to acquiring shares on the stock exchange, or by public purchase offer made to all shareholders, the authorization also allows the company to acquire shares by means of rights to tender shares offered to the shareholders. Such rights to tender shares shall be defined in such a way that the company is obliged to only acquire whole shares. If rights to tender shares cannot be exercised, they will expire automatically. This procedure ensures equal treatment for shareholders and facilitates technical processing of the share buy-back.

The proposed authorization is intended to give the company the opportunity to acquire treasury shares and to offer them to third parties in connection with business combinations or as part of the acquisition of companies, parts of companies or shareholdings in companies. As a strategic holding, DATAGROUP SE is focused on



the acquisition, restructuring and efficient administration of IT service companies which support the entire lifecycle of IT infrastructures. DATAGROUP is actively participating in the IT service market's consolidation process with its "buy and turn around" and its "buy and build" strategy.

The authorization is intended to provide the company with the necessary scope to respond in a fast, flexible and cost-efficient way in the context of corporate strategy and without having to take recourse to the stock markets and, on suitable occasions, to use treasury shares, in whole or in part, as a consideration for the acquisition of companies or parts of and/or shareholdings in such companies or for business combinations.

Having the possibility of using treasury shares in the cases above may turn out to be a more favorable form of financing for the company as opposed to payment in cash – as it conserves liquidity – and thus is also in the interest of the shareholders. For this reason, advantages may arise in the competition for attractive acquisition if the company can offer shares as a consideration. The subscription right of the shareholders shall be excluded.

The acquisitions above usually require quick decision-making so that a resolution of the Annual General Meeting would take too long when acquisition opportunities arise. The company can also make use of the authorized capital for the acquisition of companies or shareholdings therein. The decision on the nature of procurement of shares shall be made by the Management Board with the consent of the Supervisory Board but it will be guided solely by the interests of the company and the shareholders.

The company has the possibility to issue bonds with conversion or option rights against contribution in cash or in kind. In order to service rights arising under these bonds for subscription of shares in the company, it may be expedient from time to time to use treasury shares, in whole or in part, rather than increasing capital. The authorization also provides for these options. The subscription right of the shareholders shares shall be excluded.

Finally, the authorization allows the possibility to partially exclude the subscription right of shareholders in favor of the holders of bonds with option or convertible rights in the event that treasury shares are sold by means of an offer to all shareholders. In so doing, the company can grant the holders of bonds with option and/or conversion rights a subscription right as a protection against dilution, instead of reducing the option or conversion price.

Furthermore, the company should be in the position to issue shares to employees of the company or any of its consolidated subsidiaries as well as to Board members of any of the company's consolidated subsidiaries. The issue of shares to this category of persons promotes their integration into the company and a sense of shared responsibility. For this reason, the issue of shares to employees and managers is in the interest of the company and its shareholders. Again, to this extent, the subscription right of shareholders must be excluded.

The transfer of treasury shares instead of using authorized capital which may or may not be available can be an economically viable alternative as it helps to prevent the effort associated with a capital increase and the admission of new shares as well as dilution effects which might otherwise occur to a certain degree.

Furthermore, this is to create the foundations to ensure that the company's members of the Management Board can be offered shares in the company, in whole or in part, as a variable component of remuneration instead of or in addition to cash payment (bonus). Part of the remuneration is deferred by offering share-based instruments to the Management Board members, which increases the loyalty to the company as the Management Board participates in a sustainable increase in the value of the company. Variable components of remuneration can be created which give an incentive for a long-term and sustainable corporate management. The details for the remuneration of the Management Board members shall be determined by the Supervisory Board. Again, to this extent, the subscription right of shareholders must be excluded.



Treasury shares acquired on the basis of a resolution taken to authorize the buy-back may be retired without requiring a new resolution of the Annual General Meeting. To this end, the Annual general meeting refers the decision regarding the retirement of shares to the Management Board.

This is intended to enable the company, subject to the consent of the Supervisory Board, to sell acquired treasury shares, under exclusion of the subscription right, to individual shareholders or third parties also against cash contribution. Under these terms, it is also possible to sell shares over the counter. Such a sale requires that the price obtained is not materially lower than the stock market price of a share on the date of such sale. With this authorization, which is equivalent to an exclusion of subscription rights, the company makes use of the possibility permitted under § 71 (1) No. 8 AktG in corresponding application of § 186 (3) sentence 4 AktG of the simplified exclusion of subscription rights. Above all, this is intended to enable the company to offer shares in the company to institutional investors and to expand the range of shareholders in the interest of the company. The possibility to sell reacquired treasury shares against cash contribution under exclusion of the shareholders' subscription right is in the interest of the company in generating the best possible price when selling treasury shares. This places the company in the position to use the options provided by the respective stock market opportunities quickly, flexibly and inexpensively.

The interests of the shareholders are taken into account because the shares may be sold only at a price that is not substantially lower than the market price of shares of the same class at the time the commitment to sell is made.

This does not only include the shares acquired under this authorization resolution. The authorization shall also include shares which were acquired earlier. It is advantageous and creates further flexibility if these treasury shares can be used in the same way as the shares acquired under the new authorization resolution.

The proposed authorization ensures that the number of treasury shares issued pursuant to agenda item 8 d) point (4) and (5) together with other treasury shares with simplified exclusion of subscription rights in corresponding application of § 186 (3) sentence 4 AktG, together with other treasury shares, which were issued or sold in direct or corresponding application of this provision during the effective period of this authorization, does not exceed the limit of 10 % of the share capital at the time the treasury shares are used. This limit also includes those shares that were issued or are to be issued on the basis of bonds issued with conversion and/or option rights up to this point in time, to the extent that these bonds were issued during the effective period of the authorization under agenda item 8 pursuant to § 186 (3) sentence 4 AktG under exclusion of subscription rights.

The Management Board will report to the General Meeting on any exercise of the authorization to acquire own shares and about the exclusion of the subscription right pursuant to § 71 (3) sentence 1 AktG.

Pliezhausen, January 2023

DATAGROUP SE

Management Board