

Press release, 23 August 2022

Statement from the Board of Directors of Semcon in response to Etteplan's public takeover bid

Background

This statement is made by the Board of Directors of Semcon AB (publ) ("Semcon" or the "Company") pursuant to section II.19 of Nasdaq Stockholm's Takeover Rules (the "Takeover Rules").

Etteplan Oyj ("Etteplan") has today, on 23 August 2022, submitted a public cash takeover bid to the shareholders of Semcon to transfer all of their respective shares in Semcon to Etteplan (the "Offer"). According to the terms of the Offer, Etteplan offers a cash consideration of SEK 149 per share in Semcon (the "Offer Price") corresponding to a total value of approximately SEK 2.7 billion¹. The Offer Price corresponds to a premium of approximately:

- 31.6 percent in relation to the closing price of SEK 113.2 for Semcon's shares on Nasdaq Stockholm on 22 August 2022, which was the last trading day before the Offer's publication,
- 32.0 percent in relation to the volume-weighted average price paid on Nasdaq Stockholm during the last 30 trading days prior to the announcement of the Offer, and
- 27.6 percent in relation to the volume-weighted average price paid on Nasdaq Stockholm during the last 180 trading days prior to the announcement of the Offer.

The acceptance period for the Offer is expected to commence around 1 September 2022 and end around 6 October 2022. Etteplan reserves the right to extend the acceptance period for the Offer and to postpone the settlement date.

The completion of the Offer is conditional upon, among other things, the Offer being accepted to such extent that Etteplan becomes the owner of shares representing more than 90 per cent of the outstanding shares in Semcon on a fully diluted basis and receipt of all necessary regulatory, governmental or similar clearances, approvals and decisions, including from competition authorities, in each case on terms which, in Etteplan's

¹ Based on all 18,112,534 outstanding shares in Semcon.

opinion, are acceptable. Etteplan reserves the right to waive, in whole or in part, one, several or all of the completion conditions set out for the Offer.

The Board of Directors of Semcon has, upon written request from Etteplan, allowed Etteplan to conduct a limited confirmatory due diligence investigation in connection with the preparations for the Offer. Etteplan has in connection therewith also met with Semcon's management. Etteplan has not received any inside information in connection with the due diligence investigation.

Prior to the publication of the Offer, Etteplan has received a commitment from Semcon's largest owner JCE Group AB [**"JCE"**] to accept the Offer with certain reservations. As a result of JCE's commitment, board member Carl Backman, due to a conflict of interest, did not participate in the Board of Director's preparations and resolution regarding the recommendation of the Offer. All other board members in Semcon have participated in the evaluation of the Offer.

Further information concerning the Offer is available in Etteplan's bid press release from 23 August 2022 and the offer document that Etteplan will publish shortly before the beginning of the acceptance period. These documents will be available through a link at Etteplan's website.

On 9 September 2021, Semcon published a press release where the Board of Directors of Semcon had resolved to undertake an internal separation of the Product Information business area and to explore possibilities for a potential separate public listing of the business area [Lex Asea]. The measures aimed to strengthen conditions for each business to accelerate long-term growth and further develop the offering, employees and shareholder value. In the evaluation of the Offer, the Board of Directors has therefore also taken a potential separate public listing of Product Information into consideration.

The Board of Directors of Semcon has engaged Danske Bank A/S, Danmark, Sverige Filial [**"Danske Bank"**] as financial advisor and Advokatbyrån Vinge KB [**"Vinge"**] as legal advisor in connection with the Offer and in the evaluation of the Offer in relation to a separate public listing of Product Information.

As a part of the Board of Director's assessment of the Offer, the Board of Directors has engaged Öhrlings PricewaterhouseCoopers AB [**"PwC"**] for a statement regarding the valuation of the Offer [a so-called **"Fairness Opinion"**]. In the Fairness Opinion, which is attached as an appendix to this press release, PwC deems the Offer made to shareholders to be fair from a financial perspective, based on the assumptions and considerations

included in the statement. For the Fairness Opinion, PwC receives a fixed fee regardless of the size of the offer consideration, the degree of participation in the Offer and the completion of the Offer.

The Board of Director's recommendation

The Board of Directors bases its opinion on the Offer on an overall assessment of a number of factors that the Board of Directors has deemed to be relevant when evaluating the Offer. An important factor in this assessment has been to evaluate the Offer in relation to the ongoing internal separation of Product Information and its possible separate public listing as well as other strategic alternatives. These alternatives have been evaluated based on their attractiveness from a financial, operational and employee perspective as well as from the options' possible risks and opportunities. Other factors also include, but are not limited to, Semcon's current standing and Semcon's expected future development and potential. After careful evaluation of the Offer separately and in relation to the internal separation of Product Information and its possible separate listing, the Board of Directors has concluded that it considers the Offer as the most attractive option for the shareholders of Semcon. In addition to an attractive bid per share of SEK 149, this assessment is based on, among other things, that Etteplan and Semcon are similar in many respects, for example, the companies have similar business models and service offerings including engineering services, digital services and services within product information. The companies have a similar culture and values with a focus on employees as well as a complementary geographic exposure, which facilitate a smooth integration between the companies and for Semcon's employees.

In the assessment of the Offer, the Board of Directors has considered the Fairness Opinion by PwC, according to which the Offer is deemed fair for Semcon's shareholders from a financial perspective, based on the assumptions and considerations included in the statement.

According to the Takeover Rules, the Board of Directors shall, based on what Etteplan has stated in the announcement of the Offer, provide its understanding of the effect that the execution of the Offer will have on Semcon, particularly with regards to employment, and its understanding of Etteplan's strategic plans for Semcon and the subsequent effects these could have on employment and the locations in which Semcon operates.

Etteplan has expressed the following concerning the employees and management group in Semcon:

"Realizing the full potential of the combined company is expected to require close cooperation and the mutual integration of Etteplan and Semcon. The planned combination is first and foremost a growth effort, aiming to cherish and grow the talent and expertise within the combined company. Therefore, employee reductions are not sought. However, there are some overlapping operations in the management and administration of the two companies and there will be some personnel effects. The future structure and operating model of the new company will be planned together and the appointments to key roles will be made from both companies. Some of the offices of the two companies are located in the same areas and going forward, combining offices in those locations will be considered."

The Board of Directors assumes that this description is correct and therefore does not see any reason to have a different perception in the relevant matters.

Against this background, the Board of Directors unanimously recommends the shareholders of Semcon to accept the Offer.

This statement shall, in all respects, be subject to and interpreted in accordance with Swedish law. Disputes in connection with this statement shall exclusively be decided in a Swedish court of law.

Göteborg, 23 August 2022

Semcon AB [publ]
The Board of Directors

For more information, please contact:

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This is information that Semcon AB [publ] is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the above listed contact person, on 23 August 2022 at 08.05 CEST.



To the Independent Bid Committee of Semcon AB (publ)
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Sweden

Att: Eva Elmstedt
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August 22, 2022

To the Independent Bid Committee of Semcon AB (publ)

On August 23, 2022, Etteplan Oyj (“Etteplan”) announces a public tender offer to the shareholders of Semcon AB (publ) (“Semcon”) to tender all their shares in Semcon to Etteplan for a value equivalent to SEK 149 per share (the “Offer”).

The total value of the Offer, based on all 18,112,534 outstanding shares in Semcon, amounts to approximately SEK 2,699 million. Adjusted for the shares held by Semcon (474,542), the value of the Offer amounts to approximately SEK 2,628 million. Semcon’s shares are listed on Nasdaq Stockholm.

Öhrlings PricewaterhouseCoopers AB (“PwC”, “we” or “us”) has been assigned by the Independent Bid Committee of Semcon, in the capacity as an independent expert, to assess the fairness of the Offer from a financial perspective for the shareholders in Semcon (our “Opinion”).

Our independent assessment of the market value of the share capital in Semcon has included market approach valuation based on comparable transactions, listed comparable companies and historical bid premiums. Our analysis has also included income approach value calculations based on various scenarios. We have gathered the information and performed the analysis deemed necessary and relevant for our assessment of the fairness of the Offer.

As a basis for our assessment, we have reviewed, *inter alia*, the following information:

- a) publicly available information about Semcon such as:
 - the annual report for 2021 and prior financial years, and
 - quarterly reports up until the second quarter of 2022.
- b) Semcon’s budget and business plan between 2022 and 2024,
- c) information retrieved through interviews with the management of Semcon,
- d) draft of the press releases issued in connection to the Offer,
- e) financial analyst reports covering the Semcon share,
- f) publicly available information on the price and turnover of the Semcon share,
- g) information from financial databases, such as Capital IQ, Refinitiv Eikon and Mergermarket, and
- h) other information available that PwC has deemed relevant for this Opinion.



Our Opinion is based on the financial, economic, market and other conditions, as well as the information provided to us, as at the date of this report. Changes in the circumstances mentioned may affect the assumptions that have formed the basis of our value assessment, and we do not assume any responsibility for updating, revising or confirming our Opinion.

We have relied upon the accuracy and the completeness, in all relevant aspects, of the information provided and otherwise made available to us by representatives of Semcon.

We have not acted as a financial advisor to Semcon in connection with the Offer. Our fee for this assignment is not dependent on a decision of the completion of the Offer.

This Opinion is addressed to the Independent Bid Committee of Semcon for the purpose of serving as a basis for the current shareholders' standpoint regarding the Offer and we do not accept any responsibility for its use for other purposes than this.

Subject to the foregoing conditions and limitations, it is PwC's Opinion that the Offer as at this date, from a financial point of view, is fair to the owners of shares in Semcon.

PwC

A handwritten signature in blue ink, appearing to read 'Jon Walberg'.

Jon Walberg
Partner

A handwritten signature in blue ink, appearing to read 'Sofia Lönnkvist'.

Sofia Lönnkvist
Partner