



DEUTSCHE BÖRSE
CASH MARKET

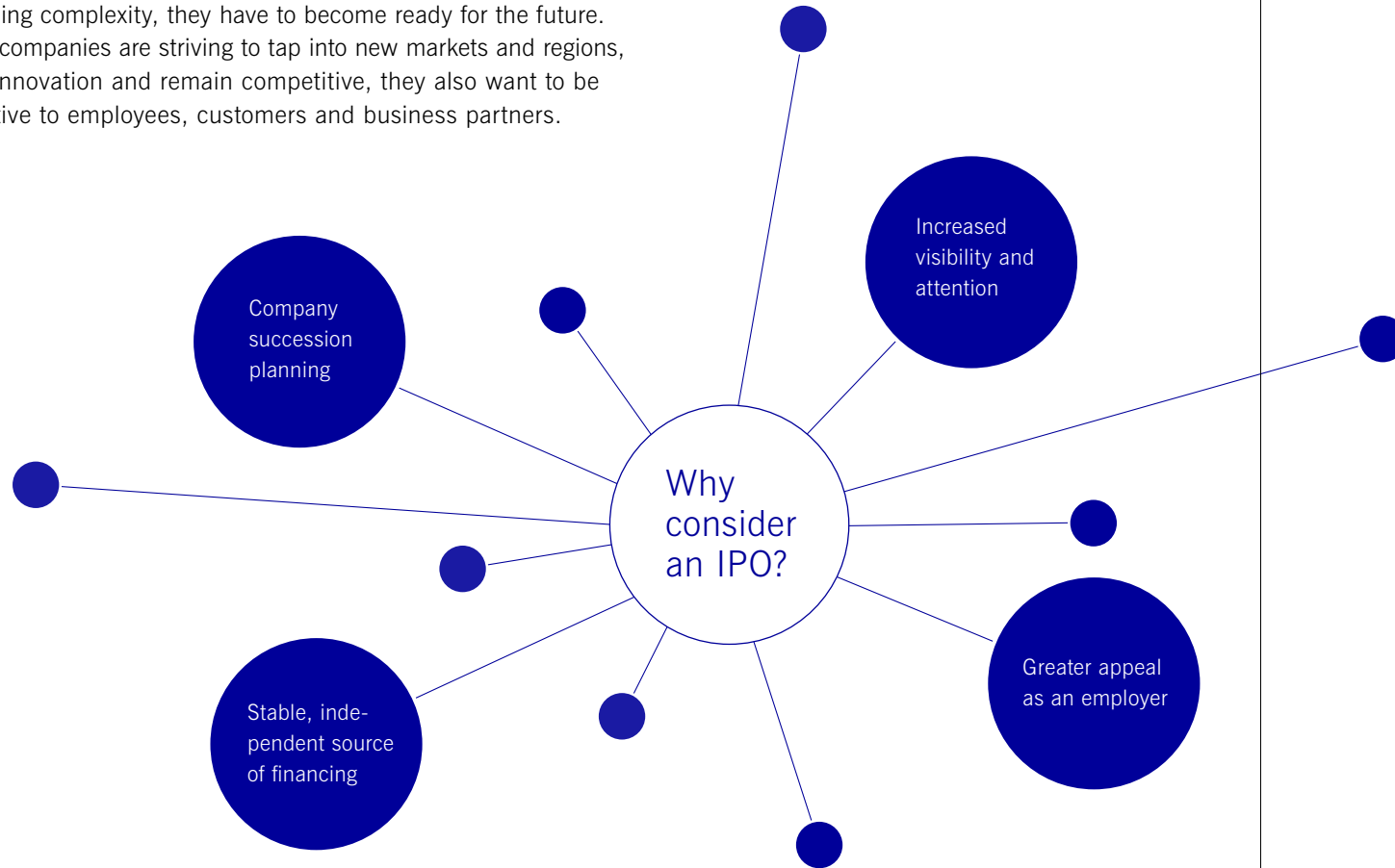
Finance your future. Made in Germany

Capital market – a perspective for your future

Creating opportunities. Shaping growth.

Creating new perspectives

Companies increasingly deal with the question of how to adapt their products and processes to the digital age, how to recruit qualified talents or how to approach succession planning. World-famous brands, hidden champions and up-and-coming start-ups all have one thing in common: in a rapidly changing world that is gaining complexity, they have to become ready for the future. While companies are striving to tap into new markets and regions, drive innovation and remain competitive, they also want to be attractive to employees, customers and business partners.



To transform challenges into opportunities, companies need to be open to change. The implementation of growth and transformation plans calls for a long-term strategy and strong internal resources, but usually also requires external financial resources. Going public provides companies – also small and medium-sized ones - with sustainable new development opportunities. More important than a company’s size are its focus and quality: an attractive IPO candidate has competitive products, a sustainable business model and an experienced management team.

Financing via the stock exchange enables companies to realise their growth and transformation plans.



Focus on the future



A long-term, bank-independent source of financing is a key component of a business strategy that is orientated towards the future. While bank loans are linked to maturities and require regular interest payments, an IPO provides companies with large-volume financing, which is repeatable through capital increases.

Going public also attracts considerable attention, both from the media and from investors, which in turn increases the company's brand and product awareness both in the domestic market and internationally. A stronger equity base and more transparency in communication and financial reporting can also improve creditworthiness and even serve as a competitive advantage, as it strengthens the trust of customers, business partners and banks in the long term.



Increased visibility
and attention

Actively shaping change

The intelligent networking of people, machines and processes, also known as industry 4.0, is considered to be one of the most fundamental changes in the economy, with an impact far beyond work processes and business procedures. New products and services emerge due to technologies such as artificial intelligence, virtual reality and cloud computing. Entering the capital market enables companies to make the necessary investments.

Shaping digital transformation within the company and recruiting qualified personnel are challenges faced by companies across all sectors. The structural shortage of skilled workers affects small and medium-sized enterprises in particular, as they are often struggling with the fact

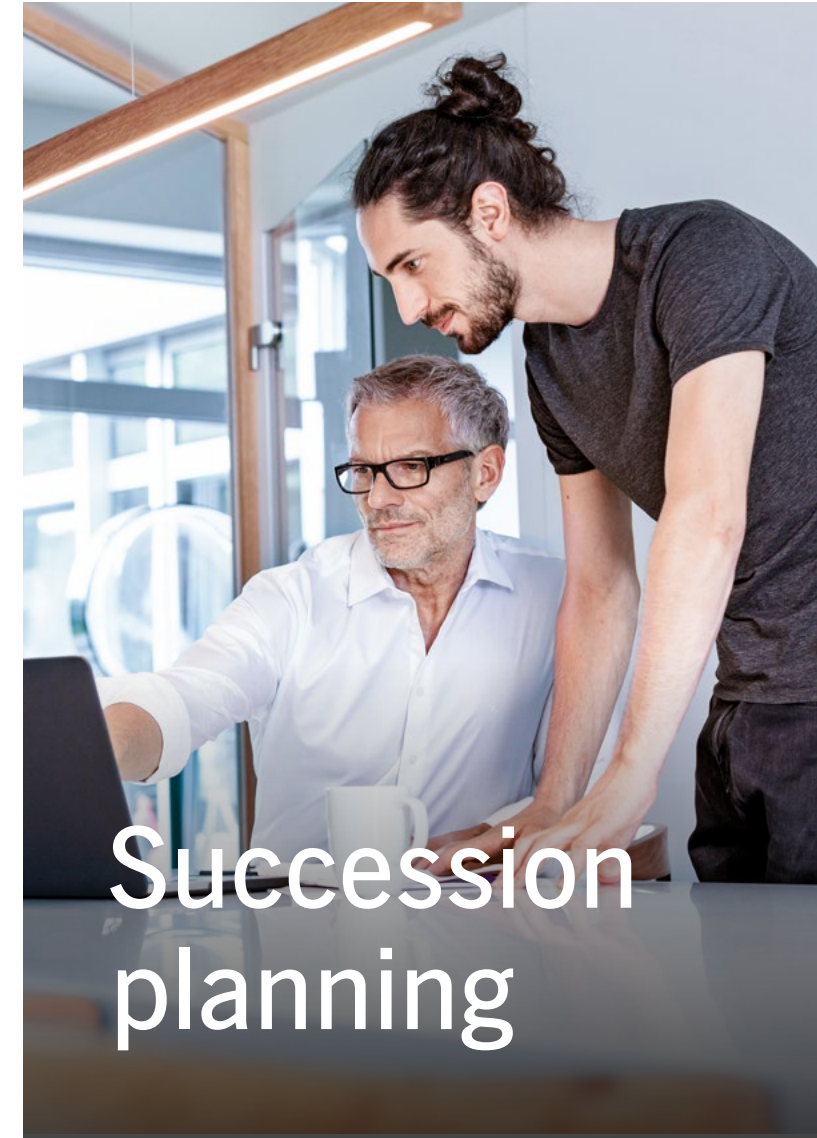


Attracting specialists

that they do not have enough visibility to attract highly qualified staff. An IPO boosts public awareness of a company, thus also increasing its appeal to potential employees who are interested in participating directly in their employer's business success or in working for a listed company.

Designing digital transformation, attracting specialists or arranging for succession – an IPO offers a variety of opportunities.

Moreover, family businesses often face another challenge – in particular the succession issues which are often the result of a generational change. An IPO provides family-owned companies with the opportunity of financing via the capital market. At the same time, the German legal form of a partnership limited by shares (Kommanditgesellschaft auf Aktien, KGaA) enables them to retain control.



Succession planning

A stable, independent source of financing



New opportunities for growth

Venture capital or private equity financing, for example to enable growth for start-ups or company restructuring, is typically limited to a certain period, usually with terms of three to ten years. The next major step is an IPO as an attractive option for private divestments. When selling a stake at the end of the investment phase, the intention is to generate a profit for the seller and optimise the company's future prospects. In case of residual stake, the owner continues to participate in the future business development and can exercise influence through the control mechanisms of listed companies.

An IPO also benefits large companies, for instance in terms of outsourcing business areas. The resulting independent companies gain a higher degree of freedom, thanks to the opportunity for strategic reorientation and access to an independent source of financing. At the same time the parent company can use proceeds from the complete or partial sale for new projects.

Deutsche Börse – a strong partner

Due to our own history and years of experience in working together with many issuers, we know and understand the needs of companies of all sizes and from all sectors, as well as the opportunities and challenges they face. Based on this experience we have created an ecosystem for growth in order to offer a network and provide support to companies throughout the various stages of their development.

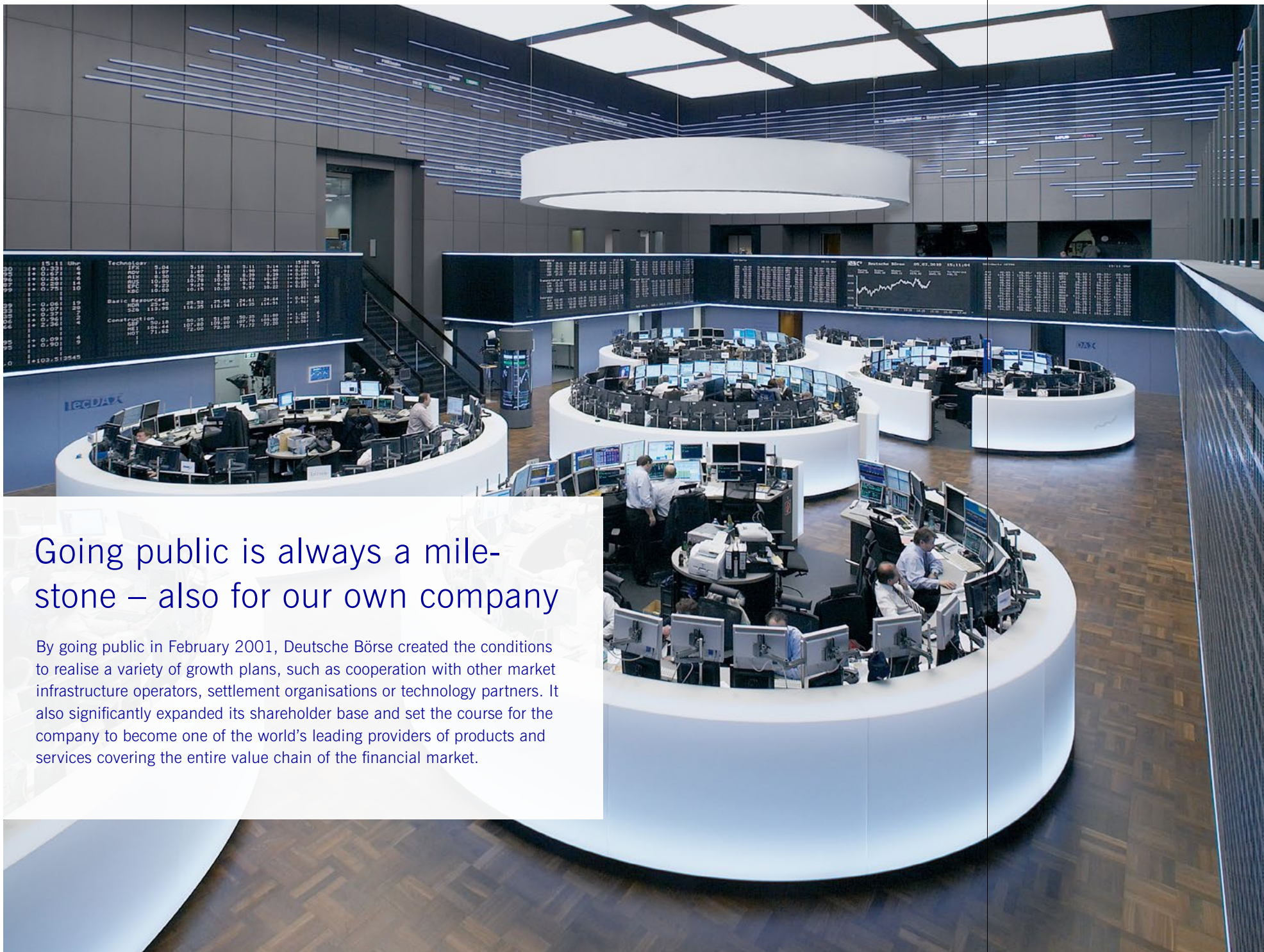
**We connect people, markets
and opportunities.**

Our core mission is to bring companies and investors together within a transparent and regulated environment. Our expertise ranges from pre-IPO, where we support start-ups with knowledge, experience and a strong network for venture capital financing, all the way to stock market segments tailored to companies' individual needs.

We pay particular attention to personal and comprehensive support before, during and after an IPO. Additionally, companies receive competent assistance from banks and consultants, among them members of the Deutsche Börse Capital Market Partner® network.

Going public is always a milestone – also for our own company

By going public in February 2001, Deutsche Börse created the conditions to realise a variety of growth plans, such as cooperation with other market infrastructure operators, settlement organisations or technology partners. It also significantly expanded its shareholder base and set the course for the company to become one of the world's leading providers of products and services covering the entire value chain of the financial market.



By facilitating access to capital for companies of all sizes and from all sectors, we contribute to economic growth and stability in Germany and Europe.

Like many of our partners, we are active in Frankfurt, the financial centre of undisputed importance in Europe. International financial institutions and investors are represented here, alongside various supervisory authorities and the European Central Bank. Due to our proximity to all players – and our role as a link between markets – we pave the way for companies to step onto the international stage while at the same time connecting the global financial and business environment with Germany.



Highest standards for issuers and investors

We operate one of the leading trading venues for securities in Europe and are one of the largest and best-known stock exchange organisations worldwide. By using the most modern and fully electronic trading, settlement and information systems, Deutsche Börse meets the highest standards in terms of reliability, security, speed and innovation. We assist companies on the capital market with meeting regulatory requirements and cross-border exchange trading. The result is that directly linked investors represent around one third of the world's institutional capital. Deutsche Börse offers liquidity, integrity and stability for all trading participants.

Rooted in Frankfurt, at home in Europe, connected to the world.

Furthermore, companies listed with us also benefit from the positive perception and awareness of the Deutsche Börse brand, which stands as much for tradition as it does for innovation. In addition, we offer issuers a diverse index landscape in the focus of international investors, covering companies of all sizes, stock market segments and sectors. For more than 30 years, DAX® has been the leading German index for listed companies and today it is one of the most prominent stock indices worldwide.





Finance your future – raising equity and debt capital via the stock exchange

The IPO experience

Going public is a historic step for every company – and each IPO has its own history. The following pages therefore focus on companies from various sectors that are already listed on the stock exchange. Our examples show how diverse the reasons for an IPO can be, ranging from raising capital for growth and expansion projects, reorganising the shareholding structure or increasing awareness of a company, to providing employees and managers with the attractive option of acquiring shares in the respective company. The examples also illustrate how the companies prepared themselves for their IPOs – and why they opted for us as their listing venue.



The following company examples only describe past events and contain no statements on future economic developments of the respective companies. They do not constitute an explicit or implicit recommendation or invitation to buy or sell with regard to issuers or financial instruments.



Siemens Healthineers AG

For Siemens Healthineers, one of the world's leading medical technology companies, the IPO was an important step in the process of becoming established as an active player within the healthcare sector, which is a promising global growth market.

The process of creating a separate corporate entity and the subsequent IPO occurred against the backdrop of far-reaching transformation across the entire healthcare industry. Demographic change is causing a steady increase in the demand for high-quality healthcare. This, however, is leading to a fundamental paradigm shift within the industry, benefiting patients most of all. Medical care is increasingly individualised and precise. Information is freely available at all times via the Internet, educating patients and enabling them to communicate with doctors on an equal footing. At the same time, digitalisation and artificial intelligence are revolutionising treatment paths in clinics. The need for sustainable financing and service quality control ultimately leads to the industrialisation of medical treatment and care processes. Healthcare providers thus find themselves in a phase of consolidation. Considering these “tectonic” shifts in global healthcare, the creation of an independent medical technology company was the right step.

Going public opened up greater entrepreneurial freedom, more flexibility in building a company that focuses exclusively on the particularities of the healthcare market, and direct access to the capital market. Michael Sen, Chairman of the Supervisory Board of Siemens Healthineers AG, says:

“The IPO has raised our profile within the relevant healthcare technology market and provides us with valuable feedback from investors and analysts. At the same time, our visibility and attractiveness as an employer have increased.”

The proceeds of the multi-billion IPO in 2018 went to Siemens AG. Siemens Healthineers received attractive and growth-orientated capital resources to pursue further strategic options.

As a long-term oriented owner, Siemens AG holds 85 percent of the shares in Siemens Healthineers.



For many investors with a focus on long-term commitment, this sign of stability was additionally convincing. The ownership structure played an important part in communication prior to the IPO and is also a core component of sustainable corporate development, driven by growth and shareholder return.

As early as 2014, plans for greater autonomy for the company's health care business were laid out as part of Siemens Vision 2020. This marked the start of the journey to legal and entrepreneurial independence, followed by the announcement of the IPO in Frankfurt in November 2017 – a decision based on the exchange venue's size, liquidity and attractiveness for international investors.

In addition to industry expertise, the focus was on global reach and long-term orientation. In their com-

munications strategy, Siemens and Siemens Healthineers went beyond the well-proven: in addition to the usual, closed-circle analyst day, the company held a public “Capital Market Day”, which was also broadcasted on the Internet.

In total, the marketing of the IPO included around 140 meetings with over 500 investors in nearly 30 roadshow days across the world's major financial centres. Precise planning of all steps and an appropriate timeline contributed significantly to the success of the Siemens Healthineers IPO. Michael Sen says:

“Starting preparations early was good and important. We informed investors and the media about the business, the strategy and the associated opportunities at an early stage. As in a puzzle, all the pieces had to fit precisely together, and they did.”

BEFESA

Befesa S.A.

At Befesa, the safe handling and recycling of hazardous residues from the steel and aluminium industries are what daily business is all about – an IPO rather not. Thanks to the support of the Deutsche Börse Capital Market Partner® network, Befesa was able to position itself for sustainable success through financing via the capital market.

Befesa's business model specialises in environmental services and innovative solutions for the recycling of residual materials from the steel and aluminium industries. After five years of eight-digit profit growth and investments of €120 million, the company wanted to ensure that it had the necessary financial resources to drive its growth further. A private equity firm's upcoming divestment was a major trigger in this context.

More than 100 exploratory talks later and backed up by encouraging feedback, it became clear that an IPO in Frankfurt could provide Befesa with the necessary visibility and access to the global capital markets.

The path to success was not an easy one. As a player in a niche market, Befesa first had to convince potential investors of its business model and prospective earnings, as well as of the sustainability and environmental compatibility of its services. An experienced team of banks and consultants supported the company in this process. The preparatory phase was

decisive for Befesa, as Chief Financial Officer Wolf Lehmann explains:

“It is vital to listen carefully to potential investors and reflect on their feedback and recommendations. The earlier their questions and concerns are dealt with, the easier the process of going public becomes.”

In connection with the IPO, Befesa implemented a new capital structure with moderate debt, also securing attractive interest rates. The company's annual financing costs were cut by more than half. In return it has already implemented various growth projects, such as entering the Chinese market, modernising and expanding its facilities in Turkey and increasing capacities in Germany.

Befesa's sustainable business model has always been well received by customers and employees. Thus it was even more pleasant for the company to see that the capital market shares this assessment and is

open to investing in a more environmentally friendly future. Investors' confidence in the business model and growth potential is also reflected in share performance: less than a year after its IPO, Befesa was included in the SDAX® selection index for small and medium-sized companies. In other words: stepping onto the trading floor has paid off for the company from Ratingen. Wolf Lehmann says:

“We've been very well received on the Frankfurt Stock Exchange. Overall, access to the capital market has facilitated the financing of our growth plans – and we are now visible to a much broader audience.”





VARTA AG

It is gratifying for companies to see strong global demand for their products. If, however, a large-scale expansion of production capacities is needed to meet this demand, considerable investments become necessary. VARTA, a German company looking back on a history of over 130 years, was faced with this challenge.



Today, VARTA products include hearing aid batteries and rechargeable lithium-ion micro batteries. The two segments have seen strong growth in recent years and therefore required increased production capacities. The company went public in October 2017 to finance the largest investment programme in its history and further expand the company's market position.

Besides the right timing for the IPO, VARTA's focus was also on active involvement in the process and on cooperating with banks and consultants as efficiently as possible. Internally as well as externally, the company considers small teams and clearly defined responsibilities as a key factor for success. When communicating with potential investors, VARTA sought direct and personal contact and relied on clear language, knowing that the success of a company listed on a stock exchange largely depends on a well-communicated equity story in order to convey the potential of both the company and its shares. The choice of trading venue was identified as another important aspect. Michael Pistauer, Member of the Executive Board, VARTA AG, explains:

"Transparency and the stock exchange's attractiveness in the global context are key for our very

international investors. Deutsche Börse fulfils these requirements and we are highly satisfied with our decision."

Today VARTA, headquartered in Ellwangen, Germany, is a global company. With five production and manufacturing facilities across Europe and Asia and distribution centres in Asia, Europe and the US, the group's operating subsidiaries are currently active in over 75 countries worldwide. Thanks to the investment programme, research and development are moving ahead, just like the expansion of production sites, for example in Germany and Romania. This synergy of innovation and tradition is of great importance to VARTA.

The IPO has also benefited VARTA's corporate culture, as regular and targeted communication with investors and customers also has a positive impact on employees. Michael Pistauer says:

"Our transparent communication places employees in a new position, enabling them to track decisions and drive them forward. The company's strategy and goals are conveyed right through to production line employees, which results in less secrecy."



AKASOL AG

The Darmstadt-based company AKASOL went public with concrete plans for expansion, both internationally and regarding its research and development activities. The ringing of the bell at the start of trading was also the symbolic starting signal for its entry into new markets.

AKASOL's IPO in June 2018 was received with great interest by the market, as the company's products serve the growing and forward-looking e-mobility segment. Going public thus expanded the spectrum of innovative companies listed in Frankfurt even further.

AKASOL develops and produces battery systems for a wide range of applications, including buses, commercial, rail and industrial vehicles, ships and stationary applications. The IPO was the next big step in the development of the company, which was originally founded as a non-profit association within a university project, dedicated to advancing the efficient, environmentally friendly supply of energy. Access to the international capital market now provides AKASOL with completely new possibilities – primarily thanks to proceeds from the IPO. CEO Sven Schulz says:

“The funds will enable us to make the necessary investments – in terms of capacity, development of

new locations and, of course, the further development of our technological leadership.”

Shortly after the IPO, AKASOL announced the appointment of a managing director for its US subsidiary, a strategically important location, which is set to start series production by the end of 2019. In addition, the company received a major order from a leading German automobile and commercial vehicle manufacturer to install battery-powered rapid-charging stations for e-mobility as part of a pioneering pilot project.

Although AKASOL also considered venture capital financing and the participation of a strategic investor, the company ultimately decided to go public. When it came to choosing an exchange venue, Frankfurt was the first choice - the access to an attractive capital market, which is offered in Frankfurt, provides sustainable financing opportunities. Thanks to the supporting transaction banks and consultants, the

company was able to successfully meet the requirements for listed companies. Sven Schulz sums up the situation:

“In preparing for the IPO, we relied on our dedicated advisors and banks in the Frankfurt financial centre and were thus able to limit the project duration to a minimum, which was really important to us.”



Going public

A company does not go public on its own: it is accompanied by banks, lawyers, auditors and advisors along the way – and by Deutsche Börse. With Deutsche Börse it can rely on an experienced and competent partner to provide personal assistance, from the very first meeting all the way to the first price determination on the Frankfurt Stock Exchange, followed by close support after the IPO. The entire process can be completed within less than twelve months.



1. Sound planning

The first step on the path to going public is all about preparation. In this phase, discussions are held, partners are selected and structures to ensure legal framework compliance are set up.

- Initial meeting with Deutsche Börse
- Formation of the IPO team
- Selection of IPO advisors
- Preparation of the equity story, including business plan
- Selection of the syndicate bank (beauty contest)
- Selection of the legal advisor
- Involvement of the auditor
- Set-up of legal pre-requisites
- Establishment of an investor relations function (selection of an agency)



2. Careful structuring

The project's implementation phase is based on a detailed project plan, always focusing on the next milestone: the EU securities prospectus.

- Strengthening of the equity story
- Preparation of a schedule
- Preparation of the issuing concept
- Carrying out of due diligence
- Preparation of the securities prospectus



3. Targeted marketing

The next step: together with the banks the company approaches various stakeholders, such as analysts and potential investors, and places its security, which has already entered the approval process. The application is usually submitted ten days prior to the scheduled IPO date.

- Preparation of IR activities
- Publication of the securities prospectus
- Publication of research material
- Application for admission to the exchange
- Pre-marketing
- Setting of the price range
- Subscription period and roadshow



4. Successful IPO

Just a few more steps to the finish line – after the first price is determined, continuous trading starts.

- Determination of issue price and share allocation
- IPO ceremony with first price determination
- Continuous trading on the stock exchange



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CASH MARKET**

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