

Company Announcement

SimCorp reports revenue growth of 6.9% and EBIT margin of 21.8% in Q1 2021

Q1 2021 highlights:

- Reported revenue was EUR 110.0m, an increase of 6.9% when compared with Q1 2020, and an organic increase of 9.4% when measured in local currencies.
- EBIT was EUR 23.9m compared with EUR 17.5m in Q1 2020.
- EBIT margin was 21.8% compared with 17.0% in Q1 2020. The EBIT margin measured in local currencies was 22.5%.
- Net profit was EUR 20.2m compared with EUR 13.4m in Q1 2020.
- Total order intake from initial and additional licenses of EUR 12.6m was as expected lower than the EUR 19.9m signed in the same period last year.
- Since the closing of Q1 2021, one initial SimCorp Dimension contract and one new SimCorp Coric contract have been signed in North America.
- At March 31, 2021, the order book amounted to EUR 49.1m, an increase of EUR 8.0m when compared with the order book at March 31, 2020, but a decrease of EUR 7.0m when compared with the order book at December 31, 2020, primarily due to license sales signed in 2020 being recognized in Q1 2021, once conditions were met.
- Annual Recurring Revenue (ARR) for the last twelve months covering the period Q2 2020-Q1 2021 was EUR 256.6m, an increase of 10.7% when compared with the period Q2 2019-Q1 2020, and an organic increase of 13.0% when measured in local currencies.
- Free cash flow was EUR 39.4m, an increase of 22% when compared with Q1 2020.

Financial guidance 2021:

- SimCorp maintains its expectations for 2021 as announced in its Annual Report 2020, i.e the expectations for 2021 are to grow revenue in local currencies by between 6% and 11%, and to generate an EBIT margin measured in local currencies of between 24.5% and 27.5%.

SimCorp CEO, Klaus Hulse, comments: *“An organic revenue growth of more than 9% in a quarter still impacted by Covid-19 restrictions demonstrates the strength of our client base and the resilience of our business model. Together with appropriate cost measures, this has ensured a higher EBIT margin in Q1 2021 compared with Q1 2020, despite the fact that Q1 2020 was only partly impacted by Covid-19 challenges.”*

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Investor presentation

SimCorp's Executive Management Board will present the report on a conference call Wednesday, May 19, 2021 at 11.00 am (CEST). Please use any of the following phone numbers to dial in to the conference call:

From Denmark:	+45 3272 0417
From USA:	+1 646 741 3167
From other countries:	+44 (0) 2071 928338
Pin code to access the call:	2465159

At the end of the presentation there will be a Q&A session. It will also be possible to follow the presentation via this link: <https://edge.media-server.com/mmc/p/opkieg2q>

The presentation will be available prior to the conference call via SimCorp's website <http://www.simcorp.com/en/about/investor/presentations-and-events/quarterly-and-annual-investor-meetings>.

Enquiries regarding this announcement should be addressed to:

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Financial highlights and key ratios for the SimCorp Group

EUR '000	2021 Q1	2020 Q1	2020 FY
INCOME STATEMENT			
Revenue	109,977	102,924	455,970
Earnings before interest, tax, depreciation, and amortization (EBITDA)	27,870	21,644	140,390
Operating profit (EBIT)	23,926	17,528	124,296
Financial items, net	2,869	491	-8,200
Profit before tax	26,795	18,019	116,096
Profit for the period	20,228	13,406	88,258
BALANCE SHEET			
Share capital	5,441	5,441	5,441
Total equity	254,066	203,298	278,250
Bank loan / revolving credit facility	-	40,131	-
Intangible assets	95,183	98,285	95,725
Property, plant, and equipment	46,053	52,901	47,650
Receivables	97,198	86,169	82,513
Contract assets	176,031	143,884	175,928
Cash and cash equivalents	51,732	49,252	53,051
Total assets	487,880	452,537	470,842
CASH FLOW			
Net cash from operating activities	42,441	35,914	104,565
Net cash used in investing activities	-477	-1,262	-2,681
Net cash used in financing activities	-43,518	-16,990	-80,242
Free cash flow	39,352	32,424	91,809
Investment in property, plant, and equipment	412	864	2,399
Change in cash and cash equivalents	-1,554	17,662	21,642
EMPLOYEES			
Number of employees at the end of the period	1,904	1,913	1,901
Average number of employees - FTE	1,854	1,833	1,840
FINANCIAL RATIOS			
EBIT margin (%)	21.8	17.0	27.3
ROIC (return on invested capital) (%)	37.6	29.6	46.6
Receivables turnover ratio	6.3	7.1	8.7
Equity ratio (%)	52.1	44.9	59.1
Return on equity (%)	28.3	22.7	33.4
SHARE PERFORMANCE			
Earnings per share - EPS (EUR)	0.51	0.34	2.22
Diluted earnings per share - EPS-D (EUR)	0.51	0.33	2.20
Cash flow per share - CFPS (EUR)	1.06	0.90	2.64
NUMBER OF SHARES			
Average number of shares (m)	39.7	39.7	39.7
Average number of shares - diluted (m)	40.1	40.1	40.0
EUR/DKK rate of exchange at end of period	7.4373	7.4674	7.4393

Please refer to the definition of ratios on page 51 of the Annual Report 2020. The interim report is unaudited and has not been reviewed by external auditors.

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Management's report for the three months ended March 31, 2021**Development in sales and orders**

Total order intake in Q1 2021 of EUR 12.6m was as expected lower than the EUR 19.9m signed in the same period last year, as Q1 2020 was only partly impacted by Covid-19 challenges.

A number of additional SimCorp Dimension license contracts were signed in Q1 2021, and a number of SimCorp Coric subscription agreements, as well as most of the SimCorp Sofia agreements, were renewed at the beginning of the year. The annual renewal of SimCorp Italiana's subscription-based agreements is predominantly in the first quarter of a year, and accounted for EUR 2.7m compared with EUR 4.6m in same period last year.

Datacare and SFTR subscription services order intake accounted for EUR 1.0m in Q1 2021 compared with EUR 3.7m in Q1 2020.

In both Q1 2021 and Q1 2020, there were no conversions from perpetual to subscription licenses that impacted order intake and additional license sales.

Income recognized from initial and additional licenses totaled EUR 18.4m, an increase of EUR 1.7m compared with Q1 2020.

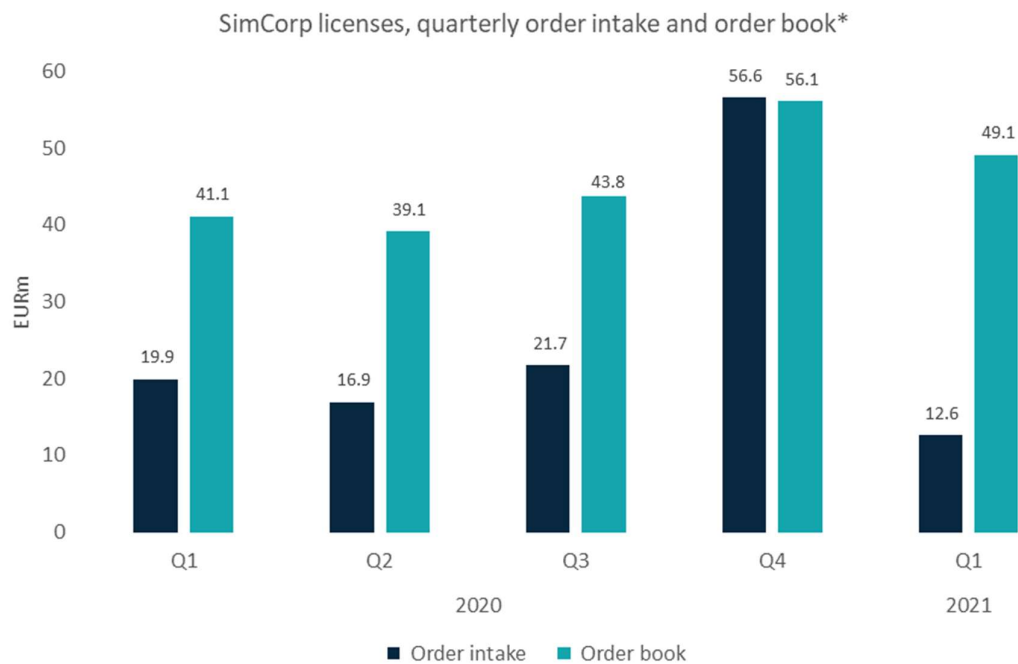
Total order book was EUR 49.1m at March 31, 2021, which is an increase of EUR 8.0m compared with the order book at March 31, 2020. Compared with December 31, 2020, the order book decreased by EUR 7.0m.

Two SimCorp Dimension subscription order renewals made in North America in 2020 were revenue recognized in Q1 2021.

Included in the order book is SimCorp Dimension Client-Driven Development (CDD) of EUR 12.6m (March 31, 2020: EUR 15.3m) related to orders where income will be recognized when the software is delivered, and subscription services orders of EUR 17.4m (March 31, 2020: EUR 5.6m) where the income will be recognized over the term of the agreement commencing with the start of service delivery.

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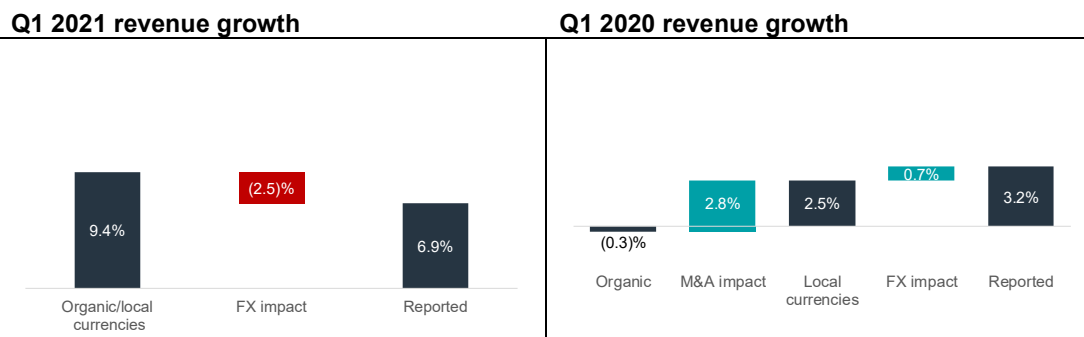


* Order intake and order book include initial licenses to new clients as well as additional licenses to existing clients. The order book is the total license value of signed license agreements, including Client-Driven Development (CDD) orders, that have not yet been recognized in income, and the order book includes subscription services such as Digital Engagement Portal, Datacare, and SFTR that are recognized over the term of the subscription service.

Revenue

Q1 2021 reported revenue of EUR 110.0m was an increase of 6.9% relative to Q1 2020. Measured in local currencies, the organic increase was 9.4%.

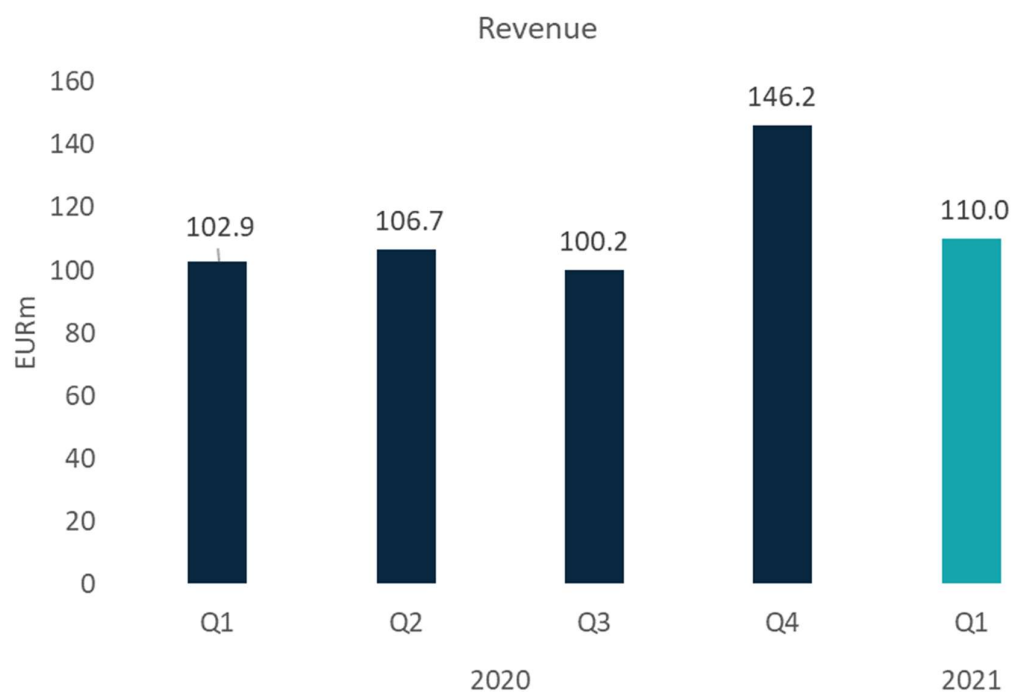
The currency impact and revenue growth is shown below:



The development and distribution of quarterly revenue is shown below:

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EURm	Revenue Q1 2021	Share of revenue Q1 2021	Revenue Q1 2020	Share of revenue Q1 2020	Revenue growth	Organic revenue growth in local currencies
Licenses - initial sales	3.6	3.2%	2.5	2.4%	43.8%	52.6%
Licenses - additional sales	14.8	13.4%	14.2	13.8%	4.0%	7.7%
Software updates and support	44.8	40.8%	44.9	43.6%	-0.2%	1.1%
Professional services	40.3	36.7%	36.8	35.8%	9.5%	12.5%
Hosting and other fees	6.5	5.9%	4.5	4.4%	43.7%	47.8%
Total revenue	110.0	100.0%	102.9	100.0%	6.9%	9.4%

In Q1 2021, revenue recognized from initial and additional license sales was EUR 18.4m, an increase of EUR 1.7m, or 10.2% compared with Q1 2020. Currency fluctuations impacted total license fee negatively by 4.2%-points, leading to organic license revenue growth of 14.4%.

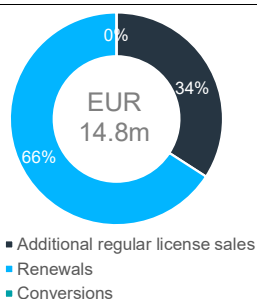
Initial license sales increased by 43.8%, as in Q1 2020 a significant portion of revenue for initial license deals had been deferred until certain conditions were fulfilled, while in Q1 2021 initial license sales signed in 2020 were recognized, as conditions were met.

Reported additional license sales increased by 4.0%, and 7.7% measured in local currencies. The split of additional license sales is shown below:

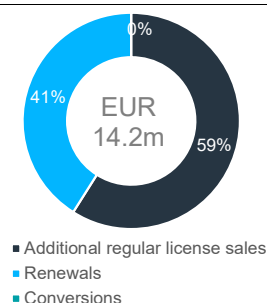
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Q1 2021 additional license sales split



Q1 2020 additional license sales split



Revenue from renewals increased from EUR 5.8m in Q1 2020 to EUR 9.8m, primarily due to more SimCorp Dimension and SimCorp Coric renewals in North America. Additional regular license revenue decreased from EUR 8.4m in Q1 2020 to EUR 5.0m.

In Q1 2021, software updates and support revenue decreased by 0.2% from EUR 44.9m in Q1 2020 to EUR 44.8m. Currency fluctuations impacted the software updates and support revenue negatively by 1.3%-points, so organic growth in local currencies was 1.1%.

Fees from professional services amounted to EUR 40.3m in Q1 2021, against EUR 36.8m in Q1 2020. Currency fluctuations impacted revenue negatively by EUR 1.1m (3%-points). Organic professional services growth in local currencies was 12.5%.

Hosting and other fees amounted to EUR 6.5m compared with EUR 4.5m in Q1 2020. The reported growth of 43.7% was primarily due to growth in fees from clients on a hosted as a service solution.

Annual Recurring Revenue (ARR) for the last twelve months covering the period Q2 2020-Q1 2021 was EUR 256.6m, an increase of 10.7% when compared with the period Q2 2019-Q1 2020, and an organic increase of 13.0% when measured in local currencies.

EURm	Q1 2021 LTM	Share of total revenue		Growth	Organic/local currencies growth
		Q1 2021 LTM	Q1 2020 LTM		
Annual Recurring Revenue	256.6	55.4%	231.8	10.7%	13.0%

LTM - Last Twelve Months

ARR of EUR 256.6m was equivalent to 55.4% of revenue for the period Q2 2020-Q1 2021 compared with ARR of EUR 250.9m, equivalent to 55.0% of revenue for the period Q1 2020 to Q4 2020, and ARR of EUR 231.8m, equivalent to 50.6% of revenue for the period Q2 2019 to Q1 2020.

Operating costs

SimCorp's total operating cost (including depreciation and amortization) was EUR 86.2m in Q1 2021 compared with EUR 85.5m in Q1 2020, an increase of 0.8% in reported currency, and 2.1% in local currencies.

As we continued to invest in our products, people, and strategic priorities, including cloud lift and product development priorities, research and development costs increased in Q1 2021. Cost of sales also increased in Q1 2021 due to a higher level of business activity for professional services and

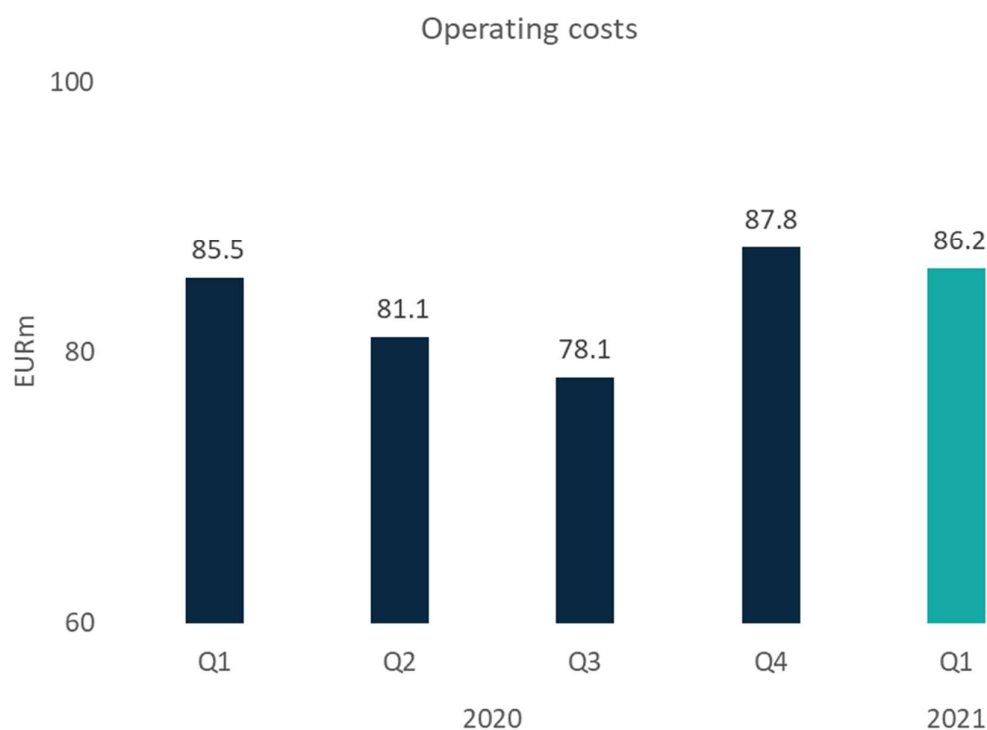
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hosting. On the other hand, administrative expenses decreased due to continuation of the appropriate cost measures initiated in 2020.

Salaries and staff related costs accounted for 72% of total costs, compared with 73% in Q1 2020.

The development and distribution of quarterly operating costs is shown below:



EURm	Costs	Share of costs	Share of Revenue	Costs	Share of costs	Share of revenue	Growth	Organic growth in local currencies
	Q1 2021	Q1 2021	Q1 2021	Q1 2020	Q1 2020	Q1 2020		
Cost of sales	45.4	52.7%	41.3%	43.6	51.0%	42.4%	4.1%	6.3%
Research and development costs	23.3	27.0%	21.2%	22.2	26.0%	21.6%	5.0%	5.1%
Sales and marketing costs	10.9	12.6%	9.9%	12.4	14.5%	12.0%	-12.1%	-10.4%
Administrative expenses	6.6	7.7%	6.0%	7.3	8.5%	7.1%	-9.6%	-10.7%
Total operating cost	86.2	100.0%	78.4%	85.5	100.0%	83.1%	0.8%	2.1%

Cost of sales, including costs for implementation consultants, increased by 4.1% to EUR 45.4m compared with EUR 43.6m in Q1 2020 as a consequence of a higher level of business activity for professional services and hosting. In local currencies, the increase was 6.3%. Costs of sales in Q1 2021 represented 41.3% of revenue compared with 42.4% in the same period last year.

Compared with Q1 last year, research and development costs increased by 5.0% in reported currency and 5.1% in local currencies as we continue to invest in the future. R&D costs in Q1 2021 represented 21.2% of revenue compared with 21.6% in Q1 2020.

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Sales and marketing costs were EUR 10.9m in reported currency, a decrease of 12.1% compared with Q1 2020 and a decrease of 10.4% in local currencies. The costs decrease related to limited travel and meeting activities due to Covid-19 restrictions and lower sales commission fees due to lower order intake in the quarter. Sales and marketing costs in Q1 2021 represented 9.9% of revenue compared with 12.0% in same period last year.

Administrative expenses decreased by 9.6% to EUR 6.6m. The decrease is mainly related to limited travel and meeting activities due to Covid-19 restrictions. Administrative expenses in Q1 2021 represented 6.0% of revenue compared with 7.1% in Q1 2020.

Employees

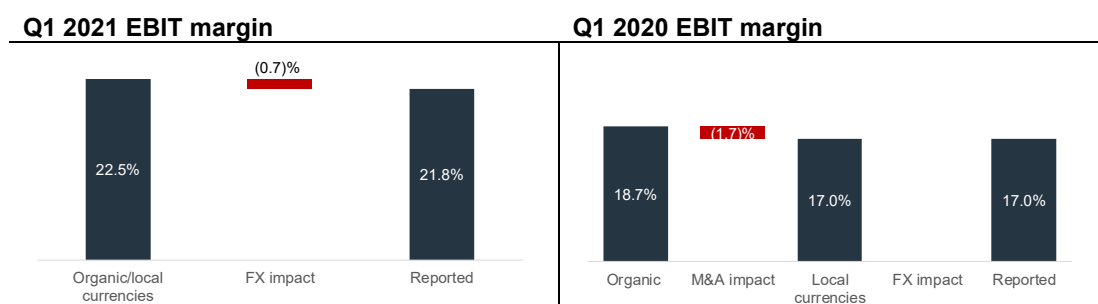
At March 31, 2021, the Group had 1,904 employees, 9 (0.5%) employees fewer than at March 31, 2020.

The Group had on average 1,854 FTEs in the first three months of 2021 compared with 1,833 FTEs in the same period last year.

Group performance

For the first three months of 2021, the Group posted EBIT of EUR 23.9m compared with EUR 17.5m in Q1 2020. The reported EBIT margin was therefore 21.8% compared with the EBIT margin of 17.0% in Q1 2020. Currency rate fluctuations had a negative impact on the EBIT margin of 0.7%-points in Q1 2021, and the EBIT margin measured in local currencies was 22.5%.

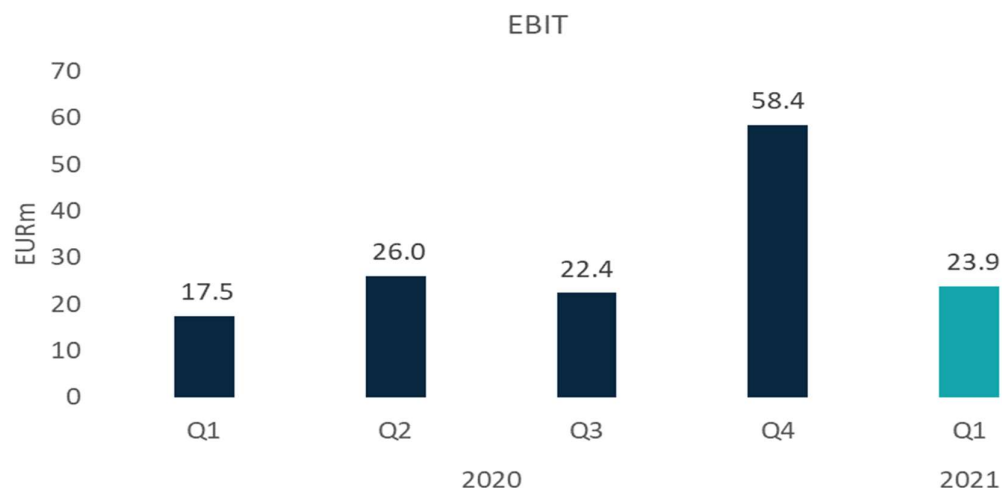
The currency impact on EBIT margin is shown below:



The development in quarterly EBIT is shown below:

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Profit and comprehensive income

Financial items for Q1 2021 comprised a net income of EUR 2.9m compared with a net income of EUR 0.5m in same period last year. Financial income and expenses are primarily related to foreign exchange adjustments.

The Group posted pre-tax profit of EUR 26.8m against pre-tax profit of EUR 18.0m in Q1 2020. The estimated tax charge of EUR 6.6m is equivalent to a tax rate of 24.5% compared with estimated taxes of EUR 4.6m or 25.6% in Q1 2020. Thus, the Group's net profit for Q1 2021 amounted to EUR 20.2m against a profit of EUR 13.4m for the same period last year.

Exchange rate adjustments on translation of foreign assets and liabilities amounted to a net income of EUR 1.9m in Q1 2021, which is included in other comprehensive income.

Total comprehensive income for Q1 2021 was thus EUR 22.1m against EUR 12.1m in Q1 of last year.

Balance sheet

SimCorp's total assets were EUR 487.9m at March 31, 2021 compared with EUR 452.5m a year earlier, an increase of EUR 35.4m.

Cash holdings amounted to EUR 51.7m compared with EUR 49.3m a year earlier. The net cash position was EUR 51.7m at the end of March 2021 compared with EUR 9.1m at the end of March 2020, due to strong cash generation.

Receivables amounted to EUR 97.2m at March 31, 2021, representing an increase of EUR 11.0m compared with March 31, 2020, and EUR 14.7m higher than at December 31, 2020.

Contract assets increased by EUR 0.1m compared with December 31, 2020. New and additional subscription-based licenses added EUR 9.7m to contract assets in Q1 2021, finance income recognized added EUR 0.3m, foreign exchange adjustments added EUR 0.9m, and reversal of expected credit loss provision added EUR 0.1m. Reductions stem from invoiced subscription-based license fees of EUR 10.9m in Q1 2021.

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The Group's total non-current assets were EUR 148.6m compared with EUR 159.8m at December 31, 2020.

Goodwill was EUR 61.6m at March 31, 2021 compared with EUR 61.4m at the end of 2020. No impairment to goodwill was made in Q1 2021.

The carrying amount of acquired software was EUR 11.1m compared with EUR 11.5m at the end of 2020 and the value of client relationships was EUR 22.5m compared with EUR 22.9m at the end of 2020. The decreases were due to amortization.

The carrying amount of leasehold assets was EUR 42.2m compared with EUR 43.7m at the end of 2020. The decrease was due to amortization.

Other property, plant, and equipment amounted to EUR 3.9m against EUR 4.0m at the end of 2020.

Other financial assets of EUR 0.4m includes an investment in Alkymi.

The deferred tax asset was EUR 4.0m compared with EUR 4.2m at the end of 2020.

SimCorp's total liabilities were EUR 233.8m at March 31, 2021, compared with EUR 249.2m at March 31, 2020.

Cash flow

Operating activities generated a cash inflow of EUR 42.4m in Q1 2021 compared with EUR 35.9m in Q1 last year. Payment of income taxes amounted to EUR 6.3m, against EUR 4.6m in Q1 2020.

EUR 0.5m was spent on investing activities, compared with EUR 1.3m in Q1 2020.

Free cash flow (cash flow from operations reduced by CAPEX and reduced by the principal element of lease payments) was EUR 39.4m compared with EUR 32.4m in first three months of 2020, an increase of 22%.

Cash used in financing activities of EUR 43.5m related to the payment of dividends of EUR 30.3m, net of withholding tax, purchase of treasury shares of EUR 10.5m, and the repayment of lease liabilities of EUR 2.7m. In Q1 2020, cash used in financing activities of EUR 17.0m related to the payment of dividends of EUR 30.6m, net of withholding tax, purchase of treasury shares of EUR 3.9m, and the repayment of lease liabilities of EUR 2.6m. Furthermore, in Q1 2020 SimCorp had utilized EUR 20.1m from its credit facilities as part of financing the acquisition of AIM Software.

Changes in equity

The company's equity amounted to EUR 254.1m at March 31, 2021. This was a decrease of EUR 24.2m from December 31, 2020. Equity was reduced by the purchase of treasury shares of EUR 10.5m and by the declared dividends of EUR 40.1m. The payment of dividends was approved by the shareholders at the AGM on March 24, 2021.

Equity was increased by comprehensive income for Q1 2021 of EUR 22.1m as well as the effects of share-based remuneration of EUR 4.3m, net of tax.

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Outlook for the financial year 2021*)

SimCorp generated a financial result during the first three months of 2021 in line with SimCorp's expectations. SimCorp's intake of license contract orders and revenue recognition varies considerably from one period to the next.

The Q1 2021 intake of orders was EUR 12.6m compared with EUR 19.9m Q1 2020. SimCorp enters Q2 2021 with signed revenue of EUR 341m for 2021, compared with EUR 322m at the same time in 2020. So far in Q2, one initial SimCorp Dimension contract and one new SimCorp Coric contract have been signed.

SimCorp maintains its expectations for 2021 as announced in its Annual Report 2020, i.e the expectations for 2021 are to grow revenue in local currencies by between 6% and 11%, and to generate an EBIT margin measured in local currencies of between 24.5% and 27.5%.

Conversions from perpetual to subscription-based licenses are expected to be lower in 2021 compared with 2020, having an estimated 2%-points negative impact on revenue growth. Partially offsetting the impact of fewer conversions, renewals of existing contracts are expected to be higher in 2021 compared with 2020, having an estimated 1%-point positive impact on revenue growth. In total, conversions and renewals are expected to have an estimated negative impact on the revenue growth of 1%-point and an estimated 0.7%-points negative impact on EBIT margin, which is included in the guidance.

Software updates and support revenue is estimated to be at the same level in 2021 as in 2020 as growth from new agreements with initial and existing clients, and small price increases due to low inflation, are expected to be offset by conversions and cancellations of existing contracts.

On a macroeconomic level, SimCorp regards the underlying trends for 2021 as slightly negative to its business, due to the continued challenges caused by the COVID-19 pandemic. SimCorp expects COVID-19 restrictions to be maintained until planned vaccine programs have been successfully implemented across its markets. In the short term, this is expected to lead to some hesitancy in clients' decision making, thereby causing longer sales processes. Hence, it is assumed that H1 2021 will be impacted by COVID-19 restrictions, while H2 2021 is expected to be less impacted as the world returns to more normal working conditions.

Based on the exchange rates prevailing at April 30, 2021, SimCorp estimates reported revenue to be negatively impacted from currency fluctuations by around 1.0% (previously negative 1.2%) and reported EBIT margin to be negatively impacted from currency fluctuations by around 0.3%-points (previously negative 0.1%-points).

*) This announcement contains certain forward-looking statements and expectations in respect of the 2021 financial year. Such forward-looking statements are not guarantees of future performance, and involve risk and uncertainty, and actual performance may deviate materially from that expressed in such forward-looking statements due to a variety of factors. Readers are warned not to rely unduly on such forward-looking statements which apply only as at the date of this announcement. The Group's revenue will continue to be impacted by relatively few but large system orders, and such orders are expected to be won at relatively irregular intervals. The terms agreed in the individual license agreements will determine the impact on the order book and on license income for any specific financial reporting period. Accordingly, license revenue is likely to vary considerably from one quarter to the next. Unless required by law or corresponding obligations SimCorp A/S is under no duty and undertakes no obligation to update or revise any forward-looking statement after the distribution of this document, whether as a result of new information, future events or otherwise.

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Other information

Significant risk and uncertainty factors

SimCorp operates in a dynamic and complex business environment, where performance relies heavily on the ongoing achievement of a number of success criteria. Pages 24-26 of SimCorp's Annual Report 2020 describe the most important general risk factors and the risk management measures applied in everyday operations. Management believes that the description of these potential risks still pertains to the current situation.

Shareholder information

Transferred shares in relation to restricted stock units programs

Long-term restricted stock units incentive plan allotted in 2018

46,174 shares vested in Q1 2021 and are being transferred to the Executive Management Board and key employees, who participated in the long-term incentive program in 2018 and who have fulfilled the program's criteria. The transfer included 30,127 shares to the Executive Management Board and 267 shares to employee elected members of the Board of Directors. The actual number of shares transferred was determined based on the achieved average annual business growth and annual average net operating profit after tax for the financial years 2018 to 2020. 96.4% of the maximum number of shares under the program were allotted.

Sign-on and incentive programs

556 shares vested in Q1 2021 and are being transferred to the Group's employees, with sign-on and incentive programs, who have fulfilled the programs' criteria.

Corporate bonus restricted stock units programs 2017, 2018 and 2019

51,121 shares vested in Q1 2021 and are being transferred to the Group's employees relating to the corporate bonus restricted stock units programs for 2017, 2018 and 2019, including 5,363 shares to the Executive Management Board and 669 shares to employee-elected members of the Board of Directors.

Allotment of restricted stock units

In accordance with the remuneration policy approved by the shareholders at the AGM, the Board of Directors have granted restricted stock units for the year 2021. A total of 41,678 restricted stock units was granted, including 21,459 restricted stock units to the Executive Management Board and 228 restricted stock units to employee-elected members of the Board of Directors. The fair value of these restricted stock units amounted to EUR 4.3m at the time of allotment. The value adjusted for dividends will be included in the income statement over the vesting period of three years. The restricted stock units will vest after three years, subject to continued employment. Furthermore, the restricted stock units are subject to conditions with respect to average annual minimum business growth and annual average net operating profit after tax for the financial years 2021 to 2023. If the two last conditions are only partially satisfied, the number of shares transferred after three years will be reduced, and may possibly lapse completely.

In addition, 61,609 restricted stock units related to the corporate bonus program for 2020 were granted to Group employees, including 461 restricted stock units to employee-elected members of

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the Board of Directors. The fair value of these restricted stock units amounted to EUR 6.7m at the time of allotment. The value, adjusted for waived group bonus and dividends, will be included in the income statement over the vesting periods. These restricted stock units will vest one third after one year, a further one third after two years and the last third after three years subject to continued employment.

301,499 restricted stock units are outstanding at the time of reporting, including 41,678 restricted stock units that were granted after the AGM. The restricted stock units will be transferred in whole or in part between 2021 and 2024 to program participants still employed when the restricted stock units vest, some subject to performance conditions.

Holding of treasury shares

In Q1 2021, 146,723 treasury shares vested and the Company has or will be transferring the treasury shares in relation to the restricted stock unit programs in accordance with the approved remuneration policy for the Board of Directors, Executive Management and employees. In addition, the Company transferred 2,587 treasury shares to members of the Board of Directors equivalent to one third of their total remuneration for 2020.

The Company has purchased 101,400 treasury shares in Q1 2021 at an average price of DKK 772.69 per share, totaling EUR 10.5m. In comparison, SimCorp purchased 45,474 treasury shares at an average price of DKK 638.39 per share, totaling EUR 3.9m, in Q1 2020. At March 31, 2021, the Company's holding of treasury shares amounted to 800,701 treasury shares, equal to 2.0% of the Company's issued share capital.

In addition to the purchases in Q1 2021, the Company has in the period from April 1 to May 16, 2021 acquired 39,600 treasury shares at a total price of EUR 4.3m under the EUR 20.0m "Safe Harbour" program that runs to July 31, 2021.

The Company has up until May 17, 2021 acquired shares amounting to EUR 14.8m. At May 17, 2021, the Company's holding of treasury shares amounted to 840,098 treasury shares, equal to 2.1% of the Company's issued share capital. Purchases for an amount of EUR 5.2m remain to be executed under the program.

Simcorp's intention is to buy back shares for EUR 40.0m in 2021 and SimCorp expects to initiate another buy back program of EUR 20.0m in the second half of 2021.

Company Announcement

SimCorp reports revenue growth of 6.9% and EBIT margin of 21.8% in Q1 2021

Signatures

The Board of Directors and the Executive Management Board have today considered and adopted the interim report for the period January 1 - March 31, 2021.

The interim report, which is unaudited and has not been reviewed by the Company's auditors is presented in accordance with IAS 34 "Interim financial reporting" as adopted by the EU and Danish disclosure requirements for interim reports for listed companies.

In our opinion, the interim financial statements give a true and fair view of the Group's assets, liabilities and financial position as at March 31, 2021 and of the profit of the Group's operations and cash flow for the period January 1 - March 31, 2021.

Besides what has been disclosed in the interim report, there are no significant changes to the Group's risks and uncertainties, as disclosed in the Annual Report 2020.

Furthermore, in our opinion the management's report gives a true and fair view of developments in the activities and financial position of the Group, the results for the period and of the Group's financial position in general, and outlines the significant risk and uncertainty factors that may affect the Group.

Copenhagen, May 19, 2021

Executive Management Board:

Klaus Hølse
Chief Executive Officer

Michael Rosenvold
Chief Financial Officer

Georg Hetrodt
Chief Product Officer

Christian Kromann
Chief Operating Officer

Board of Directors:

Peter Schütze
Chairman

Morten Hübbe
Vice Chairman

Hervé Couturier

Simon Jeffreys

Adam Warby

Joan A. Binstock

Susan Standiford

Else Braathen

Vera Bergforth

Hugues Chabanis

Company Announcement

SimCorp reports revenue growth of 6.9% and EBIT margin of 21.8% in Q1 2021

Consolidated income statement

EUR '000	2021 Q1	2020 Q1	2020 FY
Revenue	109,977	102,924	455,970
Cost of sales	45,426	43,606	167,415
Gross profit	64,551	59,318	288,555
Other operating income	140	139	846
Research and development costs	23,331	22,186	91,830
Sales and marketing costs	10,860	12,395	50,198
Administrative expenses	6,574	7,348	23,077
Operating profit (EBIT)	23,926	17,528	124,296
Share of profit after tax in associates	38	38	104
Financial income/expenses, net	2,831	453	-8,304
Profit before tax	26,795	18,019	116,096
Tax on the profit for the period	6,567	4,613	27,838
Profit for the period	20,228	13,406	88,258
EARNINGS PER SHARE			
Earnings per share - EPS (EUR)	0.51	0.34	2.22
Diluted earnings per share - EPS-D (EUR)	0.51	0.33	2.20

Statement of comprehensive income

EUR '000	2021 Q1	2020 Q1	2020 FY
Profit for the period	20,228	13,406	88,258
Other comprehensive income			
Items that will not be reclassified subsequently to the income statement:			
Remeasurements of defined benefit plans	-	-	47
Tax, remeasurement of defined benefit plans	-	-	-1
Items that may be reclassified subsequently to the income statement, when specific conditions are met:			
Foreign currency translation differences for foreign operations	1,871	-1,258	-2,742
Other comprehensive income after tax	1,871	-1,258	-2,696
Total comprehensive income	22,099	12,148	85,562

Company Announcement

SimCorp reports revenue growth of 6.9% and EBIT margin of 21.8% in Q1 2021

Consolidated balance sheet

EUR '000	Mar. 31 2021	Mar. 31 2020	Dec. 31 2020
ASSETS			
Goodwill	61,589	61,012	61,367
Software	11,091	12,835	11,471
Client relationships	22,503	24,438	22,887
Total intangible assets	95,183	98,285	95,725
Leasehold	42,173	48,582	43,684
Technical equipment	976	1,280	1,063
Other equipment, fixtures, fittings and prepayments	2,904	3,039	2,903
Total property, plant, and equipment	46,053	52,901	47,650
Investments in associates	857	829	881
Deposits	2,108	2,072	2,031
Deferred tax	3,965	5,267	4,173
Other financial assets	405	403	404
Total other non-current assets	7,335	8,571	7,489
Total non-current assets	148,571	159,757	150,864
Receivables	97,198	86,169	82,513
Contract assets	176,031	143,884	175,928
Income tax receivables	2,732	4,630	1,194
Prepayments	11,616	8,845	7,292
Cash and cash equivalents	51,732	49,252	53,051
Total current assets	339,309	292,780	319,978
Total assets	487,880	452,537	470,842
LIABILITIES AND EQUITY			
Share capital	5,441	5,441	5,441
Exchange adjustment reserve	-2,854	-3,241	-4,725
Retained earnings	251,479	201,098	237,409
Proposed dividend	-	-	40,125
Total equity	254,066	203,298	278,250
Lease liabilities	32,888	39,027	34,547
Deferred tax	30,845	27,782	28,323
Provisions	11,064	15,657	11,119
Total non-current liabilities	74,797	82,466	73,989
Bank loan / revolving credit facility	-	40,131	-
Lease liabilities	9,697	9,746	9,630
Prepayments from clients	61,945	47,771	26,231
Trade payables	22,110	15,612	17,747
Other payables	50,306	38,756	59,158
Income tax payables	4,652	5,040	5,118
Provisions	488	405	719
Dividends and related taxes	9,819	9,312	-
Total current liabilities	159,017	166,773	118,603
Total liabilities	233,814	249,239	192,592
Total liabilities and equity	487,880	452,537	470,842

Company Announcement

SimCorp reports revenue growth of 6.9% and EBIT margin of 21.8% in Q1 2021

Consolidated cash flow statement

EUR '000	2021 Q1	2020 Q1	2020 FY
Profit for the period	20,228	13,406	88,258
Depreciation/amortization	3,944	4,116	16,094
Share of profit after tax in associates	-38	-38	-104
Financial income/expenses, net	-2,831	-453	8,304
Tax on the profit for the period	6,567	4,613	27,838
Other non-cash	3,595	214	-7,037
Adjustment share based remuneration	2,295	5,088	10,997
Change in provisions	-286	2,241	-2,055
Changes in contract assets	46	7,890	-24,558
Changes in working capital	15,306	3,500	9,302
Financial income received	-	7	101
Financial expenses paid	-97	-76	-1,901
Income tax paid	-6,288	-4,594	-20,674
Net cash from operating activities	42,441	35,914	104,565
Purchase of property, plant, and equipment, net	-412	-864	-2,399
Sale and purchase of financial assets, net	-65	-398	-361
Dividends from associates	-	-	79
Net cash used in investing activities	-477	-1,262	-2,681
Dividends paid	-30,306	-30,607	-39,879
Purchase of treasury shares	-10,535	-3,888	-10,006
Repayment of lease liability	-2,677	-2,626	-10,357
Proceeds, credit facilities / loans	-	30,131	-
Repayments credit facilities / loans	-	-10,000	-20,000
Net cash used in financing activities	-43,518	-16,990	-80,242
Change in cash and cash equivalents	-1,554	17,662	21,642
Cash and cash equivalents at beginning of period	53,051	31,851	31,851
Foreign exchange adjustment of cash and cash equivalents	235	-261	-442
Cash and cash equivalents end of period	51,732	49,252	53,051

Company Announcement

SimCorp reports revenue growth of 6.9% and EBIT margin of 21.8% in Q1 2021

Statement of changes in equity

EUR '000	Share capital	Exchange adjustment reserve	Retained earnings	Dividends for the year	Total
2021 Q1					
Equity at January 1	5,441	-4,725	237,409	40,125	278,250
Net profit for the period	-	-	20,228	-	20,228
Total other comprehensive income	-	1,871	-	-	1,871
Total comprehensive income for the period	-	1,871	20,228	-	22,099
Transactions with owners					
Declared dividends to shareholders	-	-	39	-40,125	-40,086
Share-based payment	-	-	4,692	-	4,692
Tax, share-based payment	-	-	-354	-	-354
Purchase of treasury shares	-	-	-10,535	-	-10,535
Equity at March 31	5,441	-2,854	251,479	-	254,066
2020					
Equity at January 1	5,441	-1,983	186,643	39,919	230,020
Net profit for the period	-	-	13,406	-	13,406
Total other comprehensive income	-	-1,258	-	-	-1,258
Total comprehensive income for the period	-	-1,258	13,406	-	12,148
Transactions with owners					
Declared dividends to shareholders	-	-	40	-39,919	-39,879
Share-based payment	-	-	5,088	-	5,088
Tax, share-based payment	-	-	-191	-	-191
Purchase of treasury shares	-	-	-3,888	-	-3,888
Equity at March 31	5,441	-3,241	201,098	-	203,298
Net profit for the period	-	-	74,852	-	74,852
Total other comprehensive income	-	-1,484	46	-	-1,438
Total comprehensive income for the period	-	-1,484	74,898	-	73,414
Transactions with owners					
Share-based payment	-	-	5,909	-	5,909
Tax, share-based payment	-	-	1,747	-	1,747
Purchase of treasury shares	-	-	-6,118	-	-6,118
Proposed dividends to shareholders	-	-	-40,125	40,125	-
Equity at December 31	5,441	-4,725	237,409	40,125	278,250

Company Announcement

SimCorp reports revenue growth of 6.9% and EBIT margin of 21.8% in Q1 2021

Notes**Accounting policies**

The interim report is presented in accordance with IAS 34 "Interim financial reporting" as adopted by the EU and Danish disclosure requirements for interim reports of listed companies.

The accounting policies applied are consistent with those of the Annual Report 2020. See the Annual Report 2020 for a comprehensive description of the accounting policies applied.

Change in accounting policies

Effective 1 January 2021, a number of new accounting standards and interpretations have been implemented which do not have any monetary effect on the SimCorp Group's result, assets, liabilities or equity.

Judgments and estimates

The preparation of interim reports requires management to make accounting judgments and estimates that affect the use of accounting policies and recognized assets, liabilities, income and expenses. Actual results may differ from these estimates.

The most significant estimates made by management when using the Group's accounting policies and the most significant judgment uncertainties attached hereto are the same for the preparation of the interim report as for the preparation of the Annual Report 2020.

Segment information

Revenue disclosures are based on SimCorp's market units and development activities, while asset allocation is based on the physical location of the assets. Unallocated assets relate to headquarter assets, cash, and investments in associates.

Company Announcement

SimCorp reports revenue growth of 6.9% and EBIT margin of 21.8% in Q1 2021

2021 EUR'000	EMEA	Asia and Australia	North America	SimCorp Sofia	Research and development	Corporate functions	Eliminati on/ Not allocated	Group
January 1 - March 31								
External revenue	64,609	9,499	29,069	6,607	145	48		109,977
Revenue between segments	8,041	675	1,965	412	46,492	8,386	-65,971	-
Total segment revenue	72,650	10,174	31,034	7,019	46,637	8,434	-65,971	109,977
EBITDA	7,776	1,255	2,976	3,956	23,450	-11,543	-	27,870
Depreciation and amortization	1,144	172	313	413	790	1,112	-	3,944
Segment operating profit (EBIT)	6,632	1,083	2,663	3,543	22,660	-12,655	-	23,926
Financial items, net								2,869
Profit for the period before tax								26,795
Total assets	181,254	45,658	91,649	49,873	77,366	19,795	22,285	487,880
2020 EUR'000								
January 1 - March 31								
External revenue	68,141	6,795	19,746	7,509	640	93		102,924
Revenue between segments	7,553	393	1,116	329	35,337	8,757	-53,485	-
Total segment revenue	75,694	7,188	20,862	7,838	35,977	8,850	-53,485	102,924
EBITDA	8,345	797	1,602	4,228	13,928	-7,256	-	21,644
Depreciation and amortization	851	172	343	408	779	1,563	-	4,116
Segment operating profit (EBIT)	6,897	625	1,259	3,820	13,149	-8,819	-	17,528
Financial items, net								491
Profit for the period before tax								18,019
Total assets	150,706	41,157	84,875	50,384	81,099	19,872	24,444	452,537

Board of Directors and Executive Management Board

The Group has prepared general guidelines for incentive pay to members of the company's Board of Directors and Executive Management Board, which were approved by the shareholders at the AGM and posted on the company's website.

The shareholders approved the total remuneration to the Board of Directors for 2021 of DKK 5.4m, comprising DKK 4.3m in cash and DKK 1.1m in SimCorp shares. In addition, the audit and risk committee receives separate remuneration for 2021 for a total of DKK 0.8m comprising DKK 0.6m in cash and DKK 0.2m in SimCorp shares, and the nomination and remuneration committee receives separate remuneration for 2021 for a total of DKK 0.4m comprising DKK 0.3m in cash and DKK 0.1m in SimCorp shares. Note that five Board and committee members residing outside of Denmark have opted for full payment in cash with an obligation to invest in SimCorp shares in accordance with the Remuneration Policy.

Contingent liabilities

No material changes have occurred to the contingent liabilities referred to in the Annual Report 2020.

Events after March 31, 2021

No significant events have occurred after the balance sheet date that affect the interim report other than described separately in this interim report.