

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB

T + 44 (0)20 7986 4000  
F + 44 (0)20 7986 2266



Schneider Electric SE (the "**Offeror**")  
35 rue Joseph Monier  
92500 Rueil Malmaison  
France

Ascot Acquisition Holdings Limited ("**Bidco**")  
Schneider Electric  
Stafford Park 5  
Telford  
England  
TF3 EBL

21 September 2022

Dear Sir / Madam

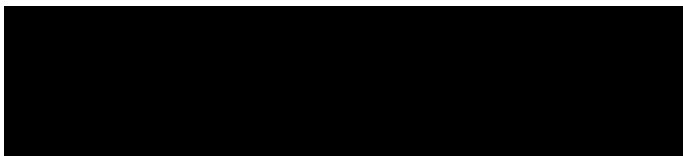
**Recommended Acquisition of AVEVA Group plc (the "Target")**

We refer to the announcement to be issued by the Offeror and Bidco on or around the date of this letter pursuant to Rule 2.7 of the City Code on Takeovers and Mergers (the "**Announcement**") and to be released on RNS in connection with the recommended offer for the entire issued, and to be issued, ordinary share capital of AVEVA Group plc (the "**Offer**").

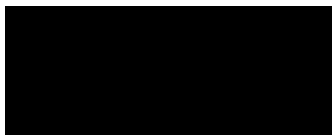
We hereby consent to the issue of the Announcement in the form attached with the inclusion therein of our name and the references to it in the form and context in which they appear.

This letter is for your information only and should not be relied upon by any other person.

Yours faithfully



For and on behalf of  
**CITIGROUP GLOBAL MARKETS LIMITED**



## **APPENDIX**

### **2.7 ANNOUNCEMENT**

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.

FOR IMMEDIATE RELEASE.

21 September 2022

**RECOMMENDED CASH ACQUISITION**

of

**AVEVA GROUP PLC**  
**("AVEVA")**

by

**ASCOT ACQUISITION HOLDINGS LIMITED**  
**("Bidco")**

**(an indirect subsidiary of Schneider Electric SE ("Schneider Electric"))**

**to be effected by means of a Scheme of Arrangement**  
**under Part 26 of the Companies Act 2006**

**Summary**

- The boards of Schneider Electric and Bidco and the AVEVA Independent Committee are pleased to announce that they have reached agreement on the terms of a recommended cash acquisition by which the entire issued and to be issued share capital of AVEVA (excluding AVEVA Shares held by Samos Acquisition Company Limited ("**Samos**"), an indirect wholly owned subsidiary of Schneider Electric) will be acquired by Bidco. Samos has a majority stake in AVEVA, holding 178,573,525 AVEVA Shares, representing approximately 59.14 per cent. of the issued ordinary share capital of AVEVA (as at the close of business on 20 September 2022, being the last Business Day prior to the date of this Announcement).

- Under the terms of the Acquisition, AVEVA Shareholders (other than Samos or any other member of the Schneider Electric Group) will be entitled to receive:

**for each AVEVA Share: 3,100 pence in cash**

- The Acquisition values the entire issued and to be issued share capital of AVEVA at approximately £9,482 million on a fully diluted basis, implying an enterprise value of £10,154 million, equivalent to a multiple of 13.2x enterprise value to ARR, 8.2x enterprise value to pro forma revenue, and 27.8x enterprise value to pro forma Adjusted EBIT.
- The price of 3,100 pence per AVEVA Share represents a premium of approximately:
  - 41 per cent. to the Closing Price of 2,192 pence per AVEVA Share on 23 August 2022 (being the last Business Day before the commencement of the Offer Period);
  - 33 per cent. to the volume-weighted average Closing Price of 2,339 pence per AVEVA Share for the three-month period ended 23 August 2022 (being the last Business Day before the commencement of the Offer Period); and

- 32 per cent. to the volume-weighted average Closing Price of 2,347 pence per AVEVA Share for the six-month period ended 23 August 2022 (being the last Business Day before the commencement of the Offer Period).
- In addition, any interim dividend of up to 13 pence per AVEVA Share which is declared by the board of AVEVA and paid in respect of the six-month period ending 30 September 2022 (the "**Permitted Dividend**") will be paid to AVEVA Shareholders without any reduction in the Consideration. It is anticipated that any Permitted Dividend would be declared before the Effective Date and paid to those AVEVA Shareholders who are on AVEVA's register of members on a date which is on or prior to the Effective Date.
- If, on or after the date of this Announcement and on or prior to the Effective Date, any dividend, distribution, or other return of value is announced, declared, made, or paid or becomes payable by AVEVA (other than, or in excess of, any Permitted Dividend) Bidco reserves the right to reduce the Consideration accordingly (save to the extent any such dividend, distribution or other return of value is or is to be received by or on behalf of any member of the Schneider Electric Group). In such circumstances, AVEVA Shareholders shall be entitled to retain any such dividend, distribution, or other return of value declared, made, or paid.

### **Background to and reasons for the Acquisition**

For over eight years, Schneider Electric has built a full portfolio of agnostic software offerings, with those focused on process and data owned by AVEVA and those focused on energy owned by Schneider Electric. Schneider Electric considers that the acquisition of a majority stake in AVEVA in 2018 created the global leader in engineering and operations industrial software. In 2021, AVEVA enhanced its capability through the acquisition of OSIssoft, the leading platform for data acquisition and structuring for industrial customers.

Schneider Electric further believes that customers see a clear need for digital solutions across both industrial operations and energy management. Schneider Electric believes that the Acquisition will enable it to take a holistic approach to digitisation across a customer's operations and step-change improvements through a reduction in energy, carbon and resource intensity, accelerating customer journeys of efficiency and sustainability.

Schneider Electric considers that the Acquisition:

- offers a unique proposition to combine energy and process data and software for the benefit of customers;
- will enable faster execution of Schneider Electric's software growth strategy;
- will accelerate AVEVA's transition to a hybrid cloud-based subscription model with a full focus on customer value; and
- is aligned with Schneider Electric's ambition to be a "Company of 25" across the economic cycle.

The UK is one of the most important strategic markets for both Schneider Electric and AVEVA. Schneider Electric's business in the UK has a sizeable footprint, with around 4,000 employees (excluding around 1,000 AVEVA employees based in the UK) in multiple functions, including manufacturing, research and development, sales and service at 14 sites (excluding 6 AVEVA

sites) across the country. Schneider Electric serves customers in many mission-critical sectors including data centres, power grids, hospitals, critical buildings, industry, infrastructure and energy. Schneider Electric will continue to invest in, and develop, innovative solutions for digital transformation, sustainability and energy transition for communities across the UK and around the world.

#### **Intentions regarding the AVEVA business, directors, management, employees, pension schemes, locations, research and development and trading facilities**

- Schneider Electric intends to, among other matters:
  - accelerate the transition to a subscription and cloud-based industrial SaaS model at AVEVA, allowing AVEVA to fully focus on the business model transition, on its customers and its technology;
  - maintain AVEVA's software as fully agnostic and to preserve its business autonomy;
  - maintain AVEVA's existing corporate headquarters in Cambridge;
  - maintain and develop AVEVA's R&D presence in the UK and accelerate investments in R&D; and
  - support AVEVA's existing plans to enhance its operations in Cambridge and also remains committed both to offering apprenticeships and maintaining active research links with universities in the UK, including Cambridge.
- Schneider Electric has agreed that AVEVA may implement certain retention arrangements to assist with the retention of employees in connection with the Acquisition. In addition, after the Acquisition has become Effective, Schneider Electric intends to introduce a fair and attractive long-term incentive system that recognises the vesting and/or lapse of entitlements under AVEVA's current incentivisation system that will be triggered upon the Acquisition becoming Effective.
- Schneider Electric does not intend to make any material change to the number of AVEVA employees or the balance of skills and functions of AVEVA's employees and management.

#### **Recommendation of the AVEVA Independent Committee and Irrevocable Undertakings**

- The AVEVA Independent Committee, which has been so advised by Lazard, J.P. Morgan Cazenove and Numis as to the financial terms of the Acquisition, considers the terms of the Acquisition to be fair and reasonable. In providing its advice, Lazard, J.P. Morgan Cazenove and Numis have taken into account the commercial assessments of the AVEVA Independent Committee. Lazard is providing independent financial advice to the AVEVA Independent Committee for the purposes of Rule 3 of the Code.
- **Accordingly, the AVEVA Independent Committee intends to recommend unanimously that AVEVA Shareholders vote in favour of the Scheme at the Court Meeting and the Resolutions at the General Meeting (or, in the event that the Acquisition is implemented by way of an Agreed Offer, to accept or procure acceptance of such Agreed Offer) as the AVEVA Independent Directors who hold AVEVA Shares have irrevocably undertaken to do in respect of their own beneficial holdings of 157,559 AVEVA Shares in aggregate representing approximately 0.05 per cent. of AVEVA's total issued share capital and 0.13 per cent. of AVEVA's issued share capital not currently held by Samos,**

**or any other member of the Schneider Electric Group, in each case, on 20 September 2022 (being the last Business Day before this Announcement).**

- Further details of these irrevocable undertakings are set out in Appendix 3 to this Announcement.

### **Timetable and Conditions**

- The Acquisition is currently intended to be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act and is conditional on the approval of the requisite majority of Scheme Shareholders at the Court Meeting and the requisite majority of AVEVA Shareholders at the General Meeting. In order to become Effective, the Scheme must be approved by a majority in number, representing not less than 75 per cent. in value, of Scheme Shareholders (or the relevant class or classes thereof) who are present and voting (and who are entitled to vote), either in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court (or, in each case, at any adjournment thereof). In addition, the Resolutions implementing the Scheme must be duly passed by 75 per cent. or more of the votes cast in person or by proxy at the General Meeting or at any adjournment thereof. It is expected that the Court Meeting and the General Meeting will take place in mid-November 2022. Following the Court Meeting and General Meeting, the Scheme must also be sanctioned by the Court.
- The Acquisition will be on the terms and will also be subject to the other Conditions set out at Appendix 1 to this Announcement, including the receipt of foreign investment and regulatory approvals in the UK, Germany, France, and Denmark.
- It is expected that the Scheme Document containing further information about the Acquisition and notices of the Court Meeting and General Meeting, together with the Forms of Proxy, will be published and sent to AVEVA Shareholders and (for information only) participants in the AVEVA Share Plans as soon as practicable and, in any event, within 28 days of the date of this Announcement (unless otherwise agreed between Schneider Electric, Bidco and AVEVA with the consent of the Panel).
- The Acquisition is expected to become Effective in the first quarter of 2023, subject to satisfaction (or, where applicable, waiver) of the Conditions and further terms set out in Appendix 1. An expected timetable of principal events will be included in the Scheme Document.

### **Comments on the Acquisition**

- Commenting on this Announcement, Jean-Pascal Tricoire, the CEO of Schneider Electric said:

*“Since Schneider Electric and AVEVA agreed to combine our software businesses five years ago, we have recognised the growing opportunity for our technology to address three of the highest priorities of our industrial customers today: full digitisation, energy security and efficiency and sustainability. The acquisition of OSIsoft has added to our platform the industry reference of an open and agnostic data hub, opening the capability for our customers to consolidate their assets, operations, energy and carbon data, and enabling them to connect all of their systems. On this data hub, they can develop their own software and analytics and deploy the ready-made application portfolio of AVEVA. By combining our agnostic software companies, our customers can access all their data optimised for industrial applications, and a comprehensive toolbox of*

*applications to rapidly build their industrial metaverse based on the industrial, energy and data twins.*

*By taking 100 per cent. ownership of AVEVA, we will be able to grow the business faster by simplifying decision-making, enabling seamless interactions between teams, accelerating our investments in R&D and enabling a more coordinated sales strategy, while respecting the companies' particular strengths, and accelerating the transition to a subscription business model under private ownership.*

*We are proud of AVEVA's track record in the UK, one of Schneider Electric's most important and strategic markets, and will maintain its headquarters in Cambridge, allowing us to continue to benefit from the region's thriving technology community. We are fully committed to AVEVA's hardware agnostic and autonomous business model, and to maintaining the software culture that is the source of its innovation and success. The strong combination of AVEVA's data platform and specialised applications with Schneider Electric's energy expertise will offer customers tangible gains in all aspects of safety, reliability, efficiency and sustainability."*

- Commenting on this Announcement, Philip Aiken, the Chairman of AVEVA said:

*"AVEVA has been on a remarkable journey, undergoing significant transformation and growth – most recently through the combination with Schneider Electric Software and the acquisition of OSIsoft – generating substantial shareholder value and creating a world leader in its field.*

*The unanimous recommendation of the Acquisition by the Committee of Independent Directors took into consideration the value proposition for our minority shareholders as well as the interests of other stakeholders in the business. We are currently pursuing a strategy which will deliver further value to shareholders over the long-term. However we believe that the Acquisition represents attractive certain cash value and an accelerated, de-risked opportunity for shareholders to realise their investment in AVEVA in the near-term.*

*Given the intentions of Schneider Electric to retain AVEVA's agnostic business model, standalone global operations, and headquarters in Cambridge, and to accelerate investments in R&D and the SaaS transition, the AVEVA Independent Committee believes that AVEVA will continue to play a key role in engineering and industrial software innovation both in the UK and globally. Customers are increasingly turning to industrial software to find greater efficiency and sustainability, and the combination with Schneider Electric will enable AVEVA to execute its strategy faster and further enhance its customer proposition.*

*Schneider Electric has been a supportive shareholder and partner in the strategic development of AVEVA since 2018, most recently in the acquisition of OSIsoft, and I am confident that Schneider Electric will continue to build on that legacy in the future."*

**This summary should be read in conjunction with, and is subject to, the full text of this Announcement (including the Appendices). The Acquisition will be subject to the Conditions and other terms set out in Appendix 1 and to the full terms and conditions to be set out in the Scheme Document. Appendix 2 of this Announcement contains the sources and bases of certain information contained in this summary and this Announcement. Details of irrevocable undertakings received by Schneider Electric and Bidco are set out in Appendix 3. Certain terms used in this summary and this Announcement are defined in Appendix 4.**

**Enquiries:**

**Schneider Electric**

Amit Bhalla

Tel: +44 20 7592 8216

**Citi (Financial Adviser to Schneider Electric)**

Robin Rousseau

Tel: +44 20 7986 4000

Sian Evans

Rob Jurd

Chris Wren (Corporate Broking)

**Brunswick Group LLP (Public Relations Adviser to Schneider Electric)**

Simon Sporborg

Tel: +44 20 7404 5959

Paul Durman

Pip Green

**AVEVA**

Matt Springett

Tel: +44 7789 818 684

Kira Popper

+44 7787 220 464

**Lazard (Lead Financial Adviser and Rule 3 Adviser to AVEVA)**

Cyrus Kapadia

Tel: +44 20 7187 2000

Keiran Wilson

Alexander Fiallos

**J.P. Morgan Cazenove (Joint Financial Adviser and Corporate Broker to AVEVA)**

Bill Hutchings

Tel: +44 20 7742 4000

James Robinson

Jonty Edwards

**Numis (Joint Financial Adviser and Corporate Broker to AVEVA)**

Simon Willis

Tel: +44 20 7260 1000

Joshua Hughes

Jamie Loughborough

**FTI Consulting LLP (Public Relations Adviser to AVEVA)**

Edward Bridges

Tel: +44 203 727 1017

Dwight Burden

Slaughter and May is acting as legal adviser to Schneider Electric and Bidco in connection with the Acquisition. Freshfields Bruckhaus Deringer is acting as legal adviser to AVEVA in connection with the Acquisition.

**Further information**

*This Announcement is for information purposes only and is not intended to, and does not, constitute or form part of an offer, invitation or the solicitation of an offer to purchase or subscribe, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities in AVEVA in any jurisdiction in contravention of applicable law. The Acquisition will be made solely pursuant to the terms of the Scheme Document (or, in the event that the Acquisition is to be implemented by way of an Offer, the Offer Document)*



*which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote or other decision in respect of, or other response to, the Acquisition, should be made only on the basis of information contained in the Scheme Document (or, in the event that the Acquisition is to be implemented by way of an Offer, the Offer Document). This Announcement does not constitute a prospectus, prospectus equivalent document or an exempted document.*

*If you are in any doubt about the contents of this Announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or from an independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended).*

## **Disclaimers**

*Citigroup Global Markets Limited ("**Citi**"), which is authorised by the Prudential Regulation Authority and regulated in the UK by the Financial Conduct Authority and the Prudential Regulation Authority is acting exclusively as financial adviser to Schneider Electric and Bidco and for no one else in relation to the Acquisition, and any other matters described in this Announcement, and will not be responsible to anyone other than Schneider Electric and Bidco for providing the protections afforded to its clients nor for providing advice in connection with the Acquisition, or any other matters described in this Announcement. Neither Citi nor any of its affiliates, directors or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, tort, in delict, under statute or otherwise) to any person who is not a client of Citi in connection with this Announcement, any statement contained herein, the Acquisition or otherwise.*

*Lazard & Co., Limited ("**Lazard**"), which is authorised and regulated in the UK by the Financial Conduct Authority, is acting as financial adviser to AVEVA, and no one else, in connection with the matters set out in this Announcement, and will not be responsible to anyone other than the board of AVEVA for providing the protections afforded to clients of Lazard nor for providing advice in relation to the contents of this Announcement or any other matter or arrangement referred to herein. Neither Lazard nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Lazard in connection with this Announcement, any matter, arrangement or statement contained or referred to herein or otherwise.*

*J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove ("**J.P. Morgan Cazenove**"), is authorised in the UK by the PRA and regulated by the PRA and the Financial Conduct Authority. J.P. Morgan Cazenove is acting as financial adviser exclusively for AVEVA and no one else in connection with the matters set out in this Announcement and will not regard any other person as its client in relation to the matters in this Announcement and will not be responsible to anyone other than AVEVA for providing the protections afforded to clients of J.P. Morgan Cazenove, or for providing advice in relation to any matter referred to herein.*

*Numis Securities Limited ("**Numis**"), which is authorised and regulated in the UK by the Financial Conduct Authority, is acting as financial adviser and broker to AVEVA, and no one else, in connection with the matters set out in this Announcement, and will not be responsible to anyone other than the board of AVEVA for providing the protections afforded to clients of Numis nor for providing advice in relation to the contents of this Announcement or any other matter or arrangement referred to herein. Neither Numis nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under*

statute or otherwise) to any person who is not a client of Numis in connection with this Announcement, any matter, arrangement or statement contained or referred to herein or otherwise.

### **Overseas jurisdictions**

*The release, publication or distribution of this Announcement in jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the UK should inform themselves about, and observe, any applicable requirements. In particular, the ability of persons who are not resident in the UK to vote their Scheme Shares with respect to the Scheme at the Court Meeting, or to execute and deliver Forms of Proxy appointing another to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This Announcement has been prepared for the purposes of complying with English law and the Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside of England.*

*Copies of this Announcement and any formal documentation relating to the Scheme and the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction (or any jurisdiction where to do so would violate the laws of that jurisdiction) and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented by way of an Offer (unless otherwise permitted by applicable law and regulation), the Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.*

*Further details in relation to overseas shareholders will be included in the Scheme Document.*

### **Additional information for US investors**

*The Acquisition relates to the shares of an English company and is being made by means of a scheme of arrangement provided for under English company law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act. Accordingly, the Acquisition and the Scheme will be subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement which differ from the disclosure requirements of US tender offer and proxy solicitation rules.*

*If, in the future, Bidco exercises its right to implement the Acquisition by way of an Offer, the Acquisition will be made in compliance with applicable US tender offer and securities laws and regulations.*

*The receipt of cash pursuant to the Acquisition by a US holder of AVEVA Shares as consideration for the transfer of its Scheme Shares pursuant to the Scheme will likely be a taxable transaction for United States federal income tax purposes and under applicable United States state and local,*

as well as foreign and other, tax laws. AVEVA Shareholders are urged to consult with legal, tax and financial advisers in connection with making a decision regarding the Acquisition.

Financial information included in this Announcement and the Scheme Document has been or will have been prepared in accordance with accounting standards applicable in the UK that may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US.

To the extent permitted by applicable law and in accordance with normal UK market practice, Schneider Electric, Bidco or their nominees, or their brokers (acting as agents) may from time to time make certain purchases of, or arrangements to purchase, AVEVA Shares outside of the US other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes Effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases or arrangements to purchase shall be disclosed as required in the UK, shall be reported to a Regulatory Information Service and shall be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).

It may be difficult for US holders of AVEVA Shares to enforce their rights and any claim arising out of the US federal laws, since Schneider Electric, Bidco and AVEVA are located in a non-US jurisdiction, and some or all of their officers and directors may be residents of a non-US jurisdiction. US holders of AVEVA Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

### **Forward-Looking Statements**

This Announcement contains certain forward-looking statements with respect to the financial condition, results of operations and business of AVEVA and certain plans and objectives of Schneider Electric and/or Bidco and with respect thereto.

These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. These statements are based on assumptions and assessments made by Schneider Electric, Bidco and AVEVA in light of their experience and their perception of historical trends, current conditions, future developments and other factors they believe appropriate, and therefore are subject to risks and uncertainties which could cause actual results to differ materially from those expressed or implied by those forward-looking statements.

The forward-looking statements contained in this Announcement include statements relating to the expected effects of the Acquisition on Schneider Electric, Bidco and AVEVA, the expected timing and scope of the Acquisition and other statements other than historical facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "hope", "aims", "continue", "will", "may", "should", "would", "could", or other words of similar meaning. By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future and the factors described in the context of such forward-looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. Forward-looking statements may include statements in relation to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Schneider Electric, Bidco, the Bidco Group or AVEVA's operations and potential synergies resulting from the Acquisition;

and (iii) the effects of global economic conditions and governmental regulation on Schneider Electric, Bidco, the Bidco Group or AVEVA's business.

Although it is believed that the expectations reflected in such forward-looking statements are reasonable, neither Schneider Electric nor Bidco, nor AVEVA, nor any of their representatives, associates or directors, officers or advisers provides any assurance that such expectations will prove to have been correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this document. None of AVEVA, Schneider Electric nor Bidco assumes any obligation to update or correct the information contained in this document (whether as a result of new information, future events or otherwise), except as required by applicable law.

### **Dealing and Opening Position Disclosure requirements**

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the Announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10<sup>th</sup> Business Day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 p.m. (London time) on the tenth 10<sup>th</sup> Business Day following the Announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the Offer Period commenced and when any offeror was first

identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

### **Electronic communications**

Please be aware that addresses, electronic addresses and certain information provided by AVEVA Shareholders, persons with information rights and other relevant persons for the receipt of communications from AVEVA may be provided to Bidco during the Offer Period as requested under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) of the Code.

### **Publication on website**

In accordance with Rule 26.1 of the Code, a copy of this Announcement shall be made available subject to certain restrictions relating to persons resident in Restricted Jurisdictions on Schneider Electric's website at <https://www.se.com/ww/en/about-us/investor-relations/disclaimer.jsp> and AVEVA's website at <https://investors.aveva.com/offer-for-aveva-group-plc/> and by no later than 12 noon (London time) on the Business Day following publication of this Announcement. For the avoidance of doubt, the contents of these websites are not incorporated into and do not form part of this Announcement.

### **Requesting hard copy documents**

In accordance with Rule 30.3 of the Code, AVEVA Shareholders, persons with information rights and participants in AVEVA Share Plans may request a hard copy of this Announcement (and any information incorporated by reference in this Announcement) by contacting AVEVA's registrars, Link Group, during business hours on 0371 664 0300 (or if calling from outside the UK +44 371 664 0300) or by submitting a request in writing at 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL.

For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. Such persons may also request that all future documents, Announcements and information be sent to them in relation to the Acquisition should be in hard copy form.

### **Rounding**

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

### **Rule 2.9 Disclosure**

For the purposes of Rule 2.9 of the Code, AVEVA confirms that, as at the date of this Announcement, it has in issue 301,966,438 ordinary shares of 3<sup>5</sup>/<sub>9</sub> pence each. The International Securities Identification Number (ISIN) for the shares is GB00BBG9VN75.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.

FOR IMMEDIATE RELEASE

21 September 2022

**RECOMMENDED CASH ACQUISITION**

of

**AVEVA GROUP PLC**  
**("AVEVA")**

by

**ASCOT ACQUISITION HOLDINGS LIMITED**  
**("Bidco")**

**(an indirect subsidiary of Schneider Electric SE ("Schneider Electric"))**

**to be effected by means of a Scheme of Arrangement**  
**under Part 26 of the Companies Act 2006**

**1. Introduction**

The boards of Schneider Electric and Bidco and the AVEVA Independent Committee are pleased to announce that they have reached agreement on the terms of a recommended cash acquisition by which the entire issued and to be issued share capital of AVEVA (excluding AVEVA Shares held by Samos, an indirect wholly-owned subsidiary of Schneider Electric) will be acquired by Bidco. Samos has a majority stake in AVEVA, holding 178,573,525 AVEVA Shares, representing approximately 59.14 per cent. of the issued ordinary share capital of AVEVA (as at the close of business on 20 September 2022, being the last Business Day prior to the date of this Announcement).

The Acquisition is currently intended to be effected by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

**2. The Acquisition**

Under the terms of the Acquisition, which will be subject to the Conditions and other terms set out in this Announcement and to further terms to be set out in the Scheme Document, AVEVA Shareholders (other than Samos or any other member of the Schneider Electric Group) will be entitled to receive:

**for each AVEVA Share:                    3,100 pence in cash**

The Acquisition values the entire issued and to be issued share capital of AVEVA at approximately £9,482 million on a fully diluted basis, implying an enterprise value of £10,154 million, equivalent to a multiple of 13.2x enterprise value to ARR, 8.2x enterprise value to pro forma revenue, and 27.8x enterprise value to pro forma Adjusted EBIT.

The price of 3,100 pence per AVEVA Share represents a premium of approximately:

- 41 per cent. to the Closing Price of 2,192 pence per AVEVA Share on 23 August 2022 (being the last Business Day before the commencement of the Offer Period);
- 33 per cent. to the volume-weighted average Closing Price of 2,339 pence per AVEVA Share for the three-month period ended 23 August 2022 (being the last Business Day before commencement of the Offer Period); and
- 32 per cent. to the volume-weighted average Closing Price of 2,347 pence per AVEVA Share for the six-month period ended 23 August 2022 (being the last Business Day before commencement of the Offer Period).

In addition, any Permitted Dividend may be paid to AVEVA Shareholders without any reduction in the Consideration. It is anticipated that any Permitted Dividend would be declared before the Effective Date and paid to those AVEVA Shareholders who are on AVEVA's register of members on a date which is on or prior to the Effective Date.

If, on or after the date of this Announcement and on or prior to the Effective Date, any dividend, distribution, or other return of value is announced, declared, made, or paid or becomes payable by AVEVA (other than, or in excess of, any Permitted Dividend) Bidco reserves the right to reduce the Consideration accordingly (save to the extent any such dividend, distribution or other return of value is or is to be received by or on behalf of any member of the Schneider Electric Group). In such circumstances, AVEVA Shareholders shall be entitled to retain any such dividend, distribution, or other return of value declared, made, or paid.

It is expected that the Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and the General Meeting, together with the Forms of Proxy, will be published and sent to AVEVA Shareholders and (for information only) participants in the AVEVA Share Plans as soon as practicable and, in any event, within 28 days of this Announcement (unless otherwise agreed between Schneider Electric, Bidco and AVEVA with the consent of the Panel). It is expected that the Court Meeting and the General Meeting will take place in mid-November 2022. The Acquisition is currently expected to become Effective in the first quarter of 2023, subject to the satisfaction (or, where applicable, waiver) of the Conditions. An expected timetable of key events relating to the Acquisition will be provided in the Scheme Document.

### **3. Background to Schneider Electric's Strategy**

Schneider Electric is focused on supporting customers to transition to a net-zero world. Schneider Electric combines its complementary offers for energy, automation and software across its four targeted end-markets. Schneider Electric's end-markets are at an inflection point driven by the macro-trends of digitisation, sustainability and electrification. These trends are further accentuated in the present economic and geopolitical context with the ongoing energy crisis enabling a renewed level of urgency for customers to deploy combined process and energy efficiency solutions. With its comprehensive portfolio, and with strong structural demand for its offers, Schneider Electric is set to benefit from incremental growth in the coming years and remains focused on its longer-term ambition of organic growth of over five per cent., on average, across the economic cycle. Guided by an aspiration to consistently be a "Company of 25", Schneider Electric is focused on delivering highly differentiated technology to its customers and value to its stakeholders.

Customers are today facing unprecedented challenges in the field of energy, digitisation and sustainability resulting in an accelerated need for energy security, energy and process efficiency, digital transformation and carbon reduction. Schneider Electric considers that it has positioned itself to be a natural partner for customers in addressing these challenges across the lifecycle of their assets, by developing a unique and comprehensive portfolio of products, edge control, agnostic software and services.

#### *Evolution of Schneider Electric's digital strategy*

Over the past years, Schneider Electric has strategically built the toolbox for customers to digitise their enterprise and build its full digital twin, allowing customers to harness insights through data to deliver greater efficiency and savings. Schneider Electric started by building EcoStruxure, an 'internet of things' enabled, plug-and-play open architecture and platform which empowers customers to connect seamlessly their energy and automation systems and drive operational efficiency from that convergence and transparency. Schneider Electric's digital flywheel of connected products, edge control, agnostic software and field services comprises about 50 per cent. of revenues, and Schneider Electric expects this to increase to about 60 per cent. of revenues by 2025.

On the top of our EcoStruxure 'internet of things' Platform, we have built an agnostic software portfolio, meaning software that is not tied to any particular hardware device or technology platform, with those focused on Process and Data owned under the umbrella of AVEVA and with those focused on Energy owned within Schneider Electric, including IGE+XAO, ALPI, ETAP and RIB Software. Together, the Group has assembled a compelling suite of agnostic software offers across both Industrial Automation and Energy Management (totalling €2.4 billion of revenues in 2021 on a pro forma basis).

Schneider Electric believes that this this comprehensive portfolio of data and applications enables customers to build their Enterprise Metaverse, combining the industrial digital twin and the energy digital twin of their facilities. At the core of it, AVEVA has built an open and agnostic data platform which allows the same customers to integrate all their data (assets, operations, energy and carbon) into one contextualised, industry optimised data hub. This data hub allows customers to integrate controls and software of all origins, to develop their own applications or run their own artificial intelligence or to deploy AVEVA's ready-made portfolio of applications.

In the current context, with priority on energy security and the resultant rise in energy costs, Schneider Electric considers that the only way forward is to strive for greater energy efficiency. Schneider Electric believes that the portfolio of software will allow customers to converge their enterprise data, across domains of process, power and build, and provide contextualised data-driven insights across the lifecycle of their assets.

#### *Industrial Automation agnostic software*

Schneider Electric considers that the acquisition of a majority stake in AVEVA in 2018 (through contribution of Schneider Electric's Industrial Software to partner with AVEVA's engineering software), created the global leader in industrial software for engineering and operations. In 2021 AVEVA, enhanced its capability through the acquisition of OSIsoft, the leading platform for data acquisition and structuring for industrial customers.

AVEVA offers an end-to-end industrial digital twin to customers for their installations and processes across the lifecycle. The multiple applications comprised within the AVEVA offer suite are market references, including Simulation, Engineering and Design, Asset Information



Management, 3D Asset Visualization, Enterprise Asset Management, Unified Supply Chain, System Platform and Manufacturing Execution System (both formerly Wonderware), Plant SCADA, Production Management, Predictive Analytics and PI system.

With a single user industrial cloud user experience based around the AVEVA Connect cloud platform, accessing applications through the AVEVA Flex subscription program, customers can unlock flexible access to any amount and any mix of AVEVA's offers at a lower Total Cost of Ownership.

In the first half of Schneider Electric's financial year ending 31 December 2022 AVEVA represented about 60 per cent. of Schneider Electric's agnostic software revenue.

#### *Energy Management agnostic software*

In recent years, Schneider Electric has built an agnostic software portfolio in the field of energy management from design and build to operations and maintenance, allowing them to manage precisely their energy resilience and efficiency. Schneider Electric believes that it can propose significant value to customers at a time when energy is the biggest challenge for many industries, with digitisation enabling full transparency and optimised management to face these challenges. This need is further reinforced by the mid-term objective of all industries to define the trajectory to carbon neutrality and net-zero, in full alignment with the United Nations Sustainable Development Goals. Schneider Electric believes that the majority of companies today have a priority agenda on digitisation, energy and sustainability and Schneider Electric's considers that the agnostic software portfolio brings together all the data and functionalities for Schneider Electric customers to manage efficiently and with precision.

In the first half of Schneider Electric's financial year ending 31 December 2022 Energy Management software represented about 40 per cent. of Schneider Electric's agnostic software revenue.

#### *Capital allocation priorities*

Schneider Electric has the following capital allocation priorities:

- committed to maintaining a strong investment grade credit rating;
- continued progressive dividend policy (maintained for the last twelve years);
- completion of existing portfolio optimization program of €1.5 - €2.0 billion of revenues;
- completion of existing share buyback program of €1.5 - €2.0 billion;
- primary focus on organic growth and successful integration of past acquisitions; and
- potential for smaller and earlier stage bolt-on acquisitions linked to long-term incremental growth.

#### **4. Background to and reasons for the Acquisition**

For over eight years, Schneider Electric has built a full portfolio of agnostic software offerings, with those focused on process and data owned under the umbrella of AVEVA and those focused

on energy owned fully within Schneider Electric. As noted above, Schneider Electric considers that the acquisition of a majority stake in AVEVA in 2018 created the global leader in engineering and operations industrial software.

An increased focus on climate change, coupled with the recent energy crisis, has forced governments and corporations to re-think their energy consumption with a renewed and urgent need for energy efficiency and electrification. Schneider Electric believes that the path to energy efficiency lies in the ability to digitise existing installations across industries with a particular focus on mission-critical and energy-intensive applications.

Schneider Electric further believes that customers see a clear need for digital solutions across the lifecycle covering both the industrial digital twin as well as the energy digital twin across the enterprise. Schneider Electric believes that the success of a digital transformation lies in bringing together one single-source of data across the enterprise. Schneider Electric aspires to be the reference in the industrial world for contextualised asset data in a hybrid industrial cloud setting. Schneider Electric believes that customers can benefit when data from their multiple enterprise installations feeds into a single data hub, accessible by specialised software applications applied to such data for tangible efficiency gains and sustainability advancements.

Schneider Electric considers that the Acquisition:

- offers a unique proposition to more effectively combine energy and process data and software for the benefit of customers;
- will enable faster execution of Schneider Electric's software growth strategy;
- will accelerate AVEVA's transition to a hybrid cloud-based subscription model with a full focus on customer value proposition; and
- is aligned with Schneider Electric's ambition of "Company of 25" across the economic cycle.

Schneider Electric considers that the Acquisition will ensure creation of customer value through bringing together energy and process data and creating an unparalleled enterprise data hub augmented by a suite of specialised industrial software. This will bring together a holistic view of digitisation across a customer's operations and step-change improvements through a reduction in energy, carbon and resource intensity, accelerating customer journeys of efficiency and sustainability.

Schneider Electric considers that the Acquisition will further enable:

- the acceleration of subscription and SaaS;
- combined process and energy efficiency for industrial and infrastructure customers;
- one data hub, converging process and energy data;
- complete Enterprise Metaverse toolbox; and
- frictionless customer experience.

Schneider Electric also considers that the Acquisition will accelerate growth through:

- simplified and coordinated agnostic software;
- operational flexibility and simplification;
- more technology convergence through closer co-operation in R&D; and
- coordinated go-to-market and greater customer coverage.

Schneider Electric also believes that the Acquisition will enable the transition to a subscription and SaaS model at AVEVA to be accelerated, allowing management to focus fully on the delivery of solutions for customers.

The UK is one of the most important strategic markets for both Schneider Electric and AVEVA. Schneider Electric's business in the UK) has a sizeable footprint, with around 4,000 employees (excluding around 1,000 AVEVA employees based in the UK) in multiple functions, including manufacturing, research and development, sales and service at 14 sites (excluding 6 AVEVA sites) across the country. Schneider Electric serves customers in many mission-critical sectors including data centres, power grids, hospitals, critical buildings, industry, infrastructure and energy. Schneider Electric will continue to invest in, and develop, innovative solutions for digital transformation, sustainability and energy transition for communities across the UK and around the world.

## **5. Background to and reasons for the Recommendation**

Over the past five years AVEVA has undergone a period of significant transformation and rapid growth. Between March 2017 and March 2022, AVEVA's revenues have grown from approximately £216 million to over £1.2 billion on a pro forma basis, driven by strong organic growth and supported by two transformative and value-enhancing acquisitions, the combination with Schneider Electric Software in 2018 and the acquisition of OSIsoft in 2021.

Pursuant to the combination of Schneider Electric Software and AVEVA in 2018, AVEVA shareholders received a return of value, equivalent to 1,015 pence in cash per share (equivalent to 53 per cent. of the undisturbed share price at the time), of which 859 pence per share was contributed by Schneider Electric in consideration of it acquiring a controlling equity stake of approximately 60 per cent. in the combined AVEVA Group.

AVEVA is now a global leader in engineering and industrial software and is recognised as one of the world's leading engineering, operations and data software companies. AVEVA's current strategic focus is on becoming the leading SaaS provider of software and industrial information and evolving its commercial business model to a subscription and hybrid cloud-based SaaS model to deliver ARR growth.

The transition is expected to drive improvements in the predictability of longer-term revenue growth through a compounding increase in ARR and longer-term margin benefit through cost leverage as SaaS and subscription deployments increase in scale.

The AVEVA Independent Committee believes that the value-enhancing acquisitions and ongoing strategic business model changes provide a strong foundation for the continued development of

the business. However, notwithstanding the progress that has been made in delivering AVEVA's strategy and the strong track record that AVEVA has built as a public company, the AVEVA Independent Committee recognises the increasingly challenging external environment, including: ongoing economic, regulatory and geopolitical risks; the multi-year transition to a SaaS operating model and investment needed to successfully transition (particularly in the public markets); the impact of inflation on our cost base; and the current trading performance of AVEVA. Such factors have impacted current trading, and share price performance, in the year-to-date.

After careful consideration of the value and deliverability of the offer and following a period of detailed negotiations with Schneider Electric and improvements to the terms since its initial non-binding proposal submitted in August 2022, the AVEVA Independent Committee believes that Schneider Electric's offer of 3,100 pence per AVEVA Share represents a fair and reasonable value given the balance of future opportunities and risks facing AVEVA.

In considering the recommendation of the Acquisition to AVEVA's shareholders, the AVEVA Independent Committee has given due consideration to the intentions set out by Schneider Electric (as described further below), in particular in relation to preserving AVEVA's business autonomy, future R&D, and the safeguarding of management / employees' rights, as well as the potential benefits for AVEVA's customers, meeting their needs faster with a stronger portfolio of solutions.

Furthermore, the AVEVA Independent Committee notes that the Acquisition represents:

- an opportunity for AVEVA shareholders to realise and crystallise their investment in AVEVA in cash in the near-term at a significant premium to the prevailing market price prior to the commencement of the Offer Period;
- a premium of approximately 41 per cent. to the Closing Price per AVEVA Share of 2,192 pence on 23 August 2022 (being the last Business Day prior to the announcement of a possible offer by Schneider Electric);
- a premium of approximately 33 per cent. to the volume-weighted average Closing Price of 2,339 pence per AVEVA Share for the three months ended 23 August 2022 (being the last Business Day prior to the announcement of a possible offer by Schneider Electric);
- a premium of approximately 32 per cent. to the volume-weighted average Closing Price of 2,347 pence per AVEVA Share for the six months ended 23 August 2022 (being the last Business Day prior to the announcement of a possible offer by Schneider Electric); and
- an enterprise value of £10,154 million, equivalent to a multiple of 13.2x enterprise value to ARR, 8.2x enterprise value to pro forma revenue, and 27.8x enterprise value to pro forma Adjusted EBIT.

Accordingly, following careful consideration of the above factors, the AVEVA Independent Committee intends to recommend unanimously the Acquisition to AVEVA shareholders.

## 6. Recommendation of the AVEVA Independent Committee

The AVEVA Independent Committee, which has been so advised by Lazard, J.P. Morgan Cazenove and Numis as to the financial terms of the Acquisition, considers the terms of the Acquisition to be fair and reasonable. In providing its advice, Lazard, J.P. Morgan Cazenove and Numis have taken into account the commercial assessments of the AVEVA Independent Committee. Lazard is providing independent financial advice to the AVEVA Independent Committee for the purposes of Rule 3 of the Code.

**Accordingly, the AVEVA Independent Committee intends to recommend unanimously that AVEVA Shareholders vote in favour of the Scheme at the Court Meeting and the Resolutions at the General Meeting (or, in the event that the Acquisition is implemented by way of an Agreed Offer, to accept or procure acceptance of such Agreed Offer) as the AVEVA Independent Directors who hold AVEVA Shares have irrevocably undertaken to do in respect of their own beneficial holdings of 157,559 AVEVA Shares in aggregate representing approximately 0.05 per cent. of AVEVA's total issued share capital and 0.13 per cent. of AVEVA's issued share capital not currently held by Samos, or any other member of the Schneider Electric Group, in each case on 20 September 2022 (being the last Business Day before this Announcement).**

The following AVEVA directors are not considered by AVEVA to be independent for the purposes of the Acquisition by virtue of their respective relationships with Schneider Electric and do not form part of the AVEVA Independent Committee:

- Peter Herweck, Chief Executive Officer of AVEVA, was a Schneider Electric nominee on the board of AVEVA, having been appointed in 2018, until he was seconded from Schneider Electric, at the request of AVEVA, to fulfil the role of AVEVA CEO, with effect from 1 May 2021;
- Hilary Maxson, a non-executive director of AVEVA, was appointed to the board of AVEVA on 1 August 2021 as a Schneider Electric nominee director; and
- Olivier Blum, a non-executive director of AVEVA, was appointed to the board of AVEVA on 30 April 2020 as a Schneider Electric nominee director.

The Non-Independent AVEVA Directors have not participated in the consideration of the Offer by the AVEVA Independent Committee or the decision of the AVEVA Independent Committee to recommend the Acquisition as set out above.

In addition to the irrevocable undertakings described in the recommendation above, Schneider Electric and Bidco have received an irrevocable undertaking to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolutions at the General Meeting (or, in the event that the Acquisition is implemented by way of an Agreed Offer, to accept or procure the acceptance of such Agreed Offer) from Peter Herweck, Chief Executive Officer of AVEVA, in respect of a total of 13,500 AVEVA Shares in aggregate and representing approximately 0.004 per cent. of AVEVA's total issued share capital and 0.011 per cent. of AVEVA's issued share capital not currently held by Samos, or any other member of the Schneider Electric Group, on 20 September 2022 (being the last Business Day before this Announcement). Hilary Maxson and Olivier Blum, being the other directors of AVEVA who do not form part of the AVEVA Independent Committee, do not hold any shares in AVEVA.

In total, therefore, Schneider Electric and Bidco have received irrevocable undertakings in respect of, in aggregate, 171,059 AVEVA Shares representing approximately 0.06 per cent. of AVEVA's total issued share capital and 0.14 per cent. of AVEVA's issued share capital not currently held by Samos, or any other member of the Schneider Electric Group, in each case, on 20 September 2022 (being the last Business Day before this Announcement).

## **7. Information relating to Schneider Electric and Bidco**

### *Schneider Electric*

Schneider Electric is the global leader in the digital transformation of energy and automation digital solutions for sustainability and efficiency with operations in more than 100 countries. Schneider Electric's mission is to be the digital partner for sustainability and efficiency combining world-leading process and energy technologies, real-time automation, software and services, enabling remote everywhere integrated solutions that are built with safety, reliability, and cybersecurity across its end-markets: buildings, data centres, infrastructure, and industries.

Schneider Electric had revenue of €28.9 billion in 2021 and €25.2 billion in 2020.

Electrification and digitisation are key drivers in all Schneider Electric's end-markets. They fuel both of Schneider Electric's businesses: Energy Management for energy transition and Industrial Automation for Industry 4.0:

- Energy Management - representing 77 per cent. of Schneider Electric's revenues in the year ended 31 December 2021 and leveraging a comprehensive technology offering enabled by EcoStruxure Energy Management comprises three operating segments, Low Voltage, Medium Voltage and Secure Power that all share the same objective of managing energy efficiently and reliably. Schneider Electric's go-to-market is oriented to address customer needs across its four end-markets of buildings, data centres, industry and infrastructure, supported by a worldwide partner network.
- Industrial Automation - representing 23 per cent. of Schneider Electric's revenues in the year ended 31 December 2021, Schneider Electric's Industrial Automation business includes software centric Industrial Automation and Industrial Control solutions, across discrete, process and hybrid industries. With a network of smart factories and distribution centres, Schneider Electric is on a mission to make industries of the future eco-efficient, agile and resilient through open, software-centric industrial automation.

Schneider Electric's operations are divided into four geographic regions: North America (29 per cent. of Schneider Electric Group revenue for the year ended 31 December 2021), Western Europe (26 per cent. of Schneider Electric Group revenue for the year ended 31 December 2021), Asia-Pacific (31 per cent. of Schneider Electric Group revenue for the year ended 31 December 2021) and the Rest of the World (14 per cent. of Schneider Electric Group revenue for the year ended 31 December 2021).

### *Bidco*

Bidco is a newly incorporated vehicle and is an indirect, wholly owned subsidiary of Schneider Electric that has been incorporated for the purpose of the Offer. Bidco is incorporated under the laws of England and Wales, with company registration number 14356414.

## 8. Information relating to AVEVA

AVEVA Group plc is a global leader in engineering and industrial software, founded more than 50 years ago with offices across 40 countries and approximately 6,500 employees. AVEVA is recognised as one of the world's leading engineering, operations and data software companies, providing key software solutions to many of the world's largest companies in industry and infrastructure. AVEVA has over 20,000 customers and helps them collaborate and thrive in an increasingly connected industrial economy.

In March 2018, AVEVA combined with Schneider Electric Software to create a global leader in engineering and operations industrial software. The combination brought together two complementary offerings to create a complete end-to-end asset lifecycle management software solution and significantly diversified AVEVA's end-markets and geographic scale. It also established a strategically important relationship with Schneider Electric, both as a business partner and as a majority shareholder in AVEVA.

In March 2021, AVEVA completed the acquisition of OSIsoft, a pioneer and global leader in real-time industrial data software, strengthening AVEVA's position as a global leader in engineering and industrial information management.

AVEVA is headquartered in Cambridge, UK. The UK is one of AVEVA's three R&D hubs, employing over 300 people in the UK. Out of a total annual R&D spend of £178m for 2022, approximately £30m was in the UK, up from approximately £14m in 2017. AVEVA is listed on the London Stock Exchange and is a member of the FTSE 100 index. Schneider Electric is a "controlling shareholder" of AVEVA for the purposes of the Listing Rules. Schneider Electric and AVEVA are party to a relationship agreement dated 1 March 2018 (the "**Relationship Agreement**") which records the understanding of the parties regarding the terms of their relationship.

## 9. AVEVA trading update

AVEVA has a track record of organic revenue growth and high levels of recurring revenue. In the financial year ended 31 March 2022, AVEVA reported pro forma revenue of approximately £1,236 million and Adjusted EBIT of approximately £365 million. ARR on a pro forma constant currency basis was approximately £769 million. Net debt on 31 March 2022 was £405 million.

In the first five months of AVEVA's financial year 2022-23 revenue declined by a mid-single digit rate year-on-year on a constant currency basis and ARR grew by around 11 per cent., excluding the impact of Russia (consistent with that reported in the AVEVA Group's Q1 trading update, published on 28 July 2022).

On a reported currency basis, revenue grew at a low single-digit rate, supported by the strengthening of the US dollar (which accounts for the majority of AVEVA's revenue). As previously indicated, costs have increased significantly on a constant currency and reported basis. Net debt

on 31 August was £581 million. This increase included the negative impact of currency translation on AVEVA's US dollar term loan.

## **10. Intentions regarding the AVEVA business, directors, management, employees, pension schemes, locations, research and development and trading facilities**

### *Strategic plans*

Schneider Electric is seeking to build enhanced co-operation and links between its multiple agnostic software businesses, including AVEVA, to create more value for customers and to accelerate growth.

Schneider Electric considers that successful digital transformation requires well-architected data across the enterprise, and Schneider Electric is positioning to be the reference for contextualised asset data across its end markets of building, industry, infrastructure and data centre and networks. Schneider Electric believes that customers will benefit when data from multiple systems feeds into a single agnostic data hub, accessible by specialised software applications for tangible gains in all aspects of safety, reliability, efficiency and sustainability.

The Acquisition will accelerate AVEVA's transition to a hybrid cloud-based subscription model, allowing AVEVA management to fully focus on its business model transition, on its customers and its technology. The Acquisition is also expected to allow more seamless co-operation between AVEVA and Schneider Electric's other agnostic software businesses and a more coordinated sales approach for the benefit of customers. Following the Acquisition, Schneider Electric expects further convergence between AVEVA and its other agnostic software businesses to accelerate the journey toward a holistic view of digitisation across customers' industrial and energy operations, leading to significant reduction in energy, carbon and resources, and accelerating customer journeys towards efficiency and sustainability.

### *Governance*

Schneider Electric intends to apply its fundamental principles of business autonomy and technological agnosticity to the governance of AVEVA by ensuring three "software governance principles", which are:

- First, to maintain AVEVA's software as fully agnostic. This means that AVEVA will continue to rely on open architectures and interoperable standards providing the equal ability to work with or without Schneider Electric hardware.
- Second, to preserve AVEVA's business autonomy. This means that the AVEVA name and brand will continue and AVEVA will have its own, dedicated go-to-market, marketing and R&D capabilities, as well as its own P&L.
- Third, to keep AVEVA's specific culture as a software company. This means that the AVEVA teams will not be merged or integrated with existing Schneider Electric's hardware businesses, or country operations.

The autonomous and agnostic software model is well established within Schneider Electric, and its recent software acquisitions, including IGE+XAO, ALPI, ETAP and RIB Software, have successfully implemented this model.



Schneider Electric intends for AVEVA to remain as a distinct legal group with its own board of directors (including independent non-executive directors) that would ensure the above governance principles are respected.

Schneider Electric has asked Dr. J. Patrick Kennedy (“**PK**”), founder of OSIsoft and Chairman Emeritus of AVEVA, and PK has indicated his willingness, following completion of the Acquisition, to continue to perform services under the employment agreement PK entered into on 25 August 2020 with AVEVA and OSIsoft, including by continuing to remain as Chairman Emeritus of AVEVA. Further, Schneider Electric has asked PK, and PK has indicated his willingness, to become an independent director on the board of AVEVA following completion of the Acquisition, subject to PK and Schneider Electric agreeing acceptable terms.

### *Research & Development*

As part of its own strategy, Schneider Electric has announced plans to increase the level of R&D spending for the entire Schneider Electric Group in the near and medium-term. The focus of this increase will be on digital offerings and software. Consequently, Schneider Electric expects its R&D spending on agnostic software to increase.

Schneider Electric understands the critical importance of R&D to AVEVA and to the success of the AVEVA business. Schneider Electric highly values the AVEVA R&D organisation and accomplishments, which have been fundamental in building a broad portfolio of successful process software offers for AVEVA customers and establishing AVEVA as a global industrial software leader.

Schneider Electric intends to maintain and develop AVEVA’s R&D presence in the UK and accelerate investments in R&D. Schneider Electric is supportive of AVEVA’s existing plans to enhance its operations in Cambridge and Schneider Electric also remains committed both to apprenticeships and maintaining active research links with universities in the UK, including Cambridge University.

### *Management and employees*

The ability to attract and retain software talents remains top of mind for Schneider Electric as we undertake the Acquisition. Schneider Electric considers that AVEVA’s teams across the world represent the very best of software talent and are pivotal for its future success. Schneider Electric believes that it has been successful in preserving the software culture of other recently acquired companies including IGE+XAO, ALPI, ETAP and RIB Software by implementing the agnostic and autonomous software model described above, and Schneider Electric fully intends to maintain this philosophy after the Acquisition has become Effective. Schneider Electric does not intend to make any material change to the number of AVEVA employees or the balance of skills and functions of AVEVA’s employees and management.

It is intended that, upon completion of the Acquisition, each of the non-executive members of the board of AVEVA shall resign from their office as a director of AVEVA.

### *Conditions of employment*

Schneider Electric confirms that, following completion of the Acquisition, the existing contractual and statutory rights and terms and conditions of employment, including pension rights and obligations, of the management and employees of the AVEVA Group will be fully safeguarded in

accordance with applicable law. Schneider Electric does not intend to make any material change to the terms and conditions of employment of AVEVA employees.

#### *Management incentivisation arrangements*

Schneider Electric holds the AVEVA management team in high regard. Accordingly, Schneider Electric has agreed that AVEVA may implement certain retention arrangements which are outlined in paragraph 14 below to assist with the retention of employees in connection with the Acquisition. In addition, after the Acquisition has become Effective, Schneider Electric intends to introduce a fair and attractive long-term incentive system that recognises the vesting and/or lapse of entitlements under AVEVA's current incentivisation system that will be triggered upon the Acquisition becoming Effective. The transition will be facilitated by reflecting key principles of AVEVA's current incentive system, such as a mix of performance-based awards and time-based awards and taking account of the retention arrangements implemented by AVEVA. Schneider Electric intends that the AVEVA management incentive structures will remain competitive with software peers.

Save as set out elsewhere in this Announcement, Schneider Electric has not entered into incentivisation or other arrangements with members of AVEVA's management and has not yet had discussions about the form these might take. Schneider Electric intends for such discussions to take place after the Effective Date to ensure ongoing retention and appropriate incentivisation of AVEVA's management team and employees.

#### *Pensions*

AVEVA operates defined benefit and defined contribution pension schemes in the UK and in other jurisdictions (the "**Pension Schemes**").

Schneider Electric intends for AVEVA to continue and complete existing projects it has under way, and implement existing plans, in each case, to harmonise over time certain aspects of its pensions arrangements where differences exist as a result of recent acquisitions. That aside, Schneider Electric does not intend to make any changes to the Pension Schemes with regard to the accrual of benefits for existing members and the admission of new members, and confirms its intentions for employer contributions to the Pension Schemes to continue in line with current arrangements.

One of the Pension Schemes is the Cadcentre Limited Pension Scheme, which is a defined benefit arrangement in the UK. Schneider Electric intends to constructively engage with the trustee of the Cadcentre Limited Pension Scheme before the Acquisition has become Effective, and to work collaboratively with the trustee to support the best outcomes for the scheme.

#### *Locations (including headquarters) and fixed assets*

The UK is one of the most important strategic markets for both Schneider Electric and AVEVA. Schneider Electric's business in the UK has a sizeable footprint, with around 4,000 employees (excluding around 1,000 AVEVA employees based in the UK) in multiple functions, including manufacturing, research and development, sales and service at 14 sites (excluding 6 AVEVA sites) across the country. Schneider Electric serves customers in many mission-critical sectors including data centres, power grids, hospitals, critical buildings, industry, infrastructure and energy. Schneider Electric will continue to invest in, and develop, innovative solutions for digital

transformation, sustainability and energy transition for communities across the UK and around the world.

Since the combination of AVEVA with Schneider Electric's industrial software business in 2018, Schneider Electric has made substantial further investments in the UK, including through the provision to AVEVA of a 900 million US dollar term facility and the subscription for new AVEVA Shares for approximately £1.7 billion to fund AVEVA's acquisition of OSIsoft in 2020. During this period the number of AVEVA employees in the UK has increased by more than 85 per cent.

Schneider Electric intends to maintain AVEVA's existing corporate headquarters in Cambridge, UK, with no redeployment of fixed assets, and does not envisage any material change to AVEVA's other locations of business.

#### *Trading facilities*

The AVEVA Shares are currently listed on the premium listing segment of the Official List and are admitted to trading on the London Stock Exchange's Main Market for listed securities. Subject to the Scheme becoming Effective, applications will be made to the FCA and the London Stock Exchange to cancel the listing of the AVEVA Shares on the Official List and the trading of AVEVA Shares on the Main Market, following which AVEVA will be re-registered as a private limited company. Upon said cancellation, the Relationship Agreement will terminate automatically in accordance with its terms.

#### *No post-offer undertakings*

No statement in this paragraph 10 constitutes or is intended to become a "post-offer undertaking" for the purposes of Rule 19.5 of the Code.

### **11. Irrevocable undertakings in relation to AVEVA**

As noted above, (1) the AVEVA Independent Directors who hold AVEVA Shares, and (2) Peter Herweck, Chief Executive Officer of AVEVA have irrevocably undertaken to vote, or to procure votes, in favour of the resolutions relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Agreed Offer, to accept or procure the acceptance of such Agreed Offer) in respect of their own beneficial holdings of AVEVA Shares in each case, on 20 September 2022 (being the last Business Day before this Announcement). In total, Schneider Electric and Bidco have received irrevocable undertakings in respect of, in aggregate, 171,059 AVEVA Shares representing approximately 0.06 per cent. of AVEVA's total issued share capital and 0.14 per cent. of AVEVA's issued share capital not currently held by Samos, or any other member of the Schneider Electric Group, in each case, on 20 September 2022 (being the last Business Day before this Announcement).

Further details of these irrevocable undertakings are set out in Appendix 3 to this Announcement.

### **12. AVEVA Share Plans**

Participants in the AVEVA Share Plans will be contacted regarding the effect of the Acquisition on their rights under the AVEVA Share Plans and, where required, appropriate proposals shall be made to such participants pursuant to Rule 15 of the Code in due course. Details of the proposals will be set out in the Scheme Document (or, if Bidco has elected (with the consent of the Panel, and subject to the terms of the Co-operation Agreement) to exercise its right to implement the

Acquisition by way of an Offer, the Offer Document) and in separate letters to be sent to participants in the AVEVA Share Plans. Further details of the impact of the Acquisition on each of the AVEVA Share Plans will be set out in the Scheme Document.

### **13. Financing of the Acquisition**

The Consideration payable by Bidco pursuant to the Acquisition will be fully funded through a new term debt facility arranged by Citibank, N.A. London Branch and Société Générale, underwritten by Citibank Europe and Société Générale and documented by way of a £4.1 billion Bridge Facility Agreement entered into on 20 September 2022 between, among others, Schneider Electric and Société Générale (as facility agent). The proceeds of the Bridge Facility Agreement will, once drawn, be made available to Bidco.

Citi, in its capacity as financial adviser to Schneider Electric and Bidco, is satisfied that sufficient resources are available to Bidco to satisfy in full the Consideration payable to the AVEVA Shareholders pursuant to the Acquisition.

Further information on the financing of the Acquisition will be set out in the Scheme Document.

### **14. Offer-related Arrangements**

#### ***Confidentiality Agreement***

On 12 September 2022, Schneider Electric and AVEVA entered into a confidentiality agreement (the “**Confidentiality Agreement**”) pursuant to which Schneider Electric undertook, among other things, to: (i) keep certain information relating to AVEVA and the Acquisition confidential and not to disclose it to third parties (other than permitted parties) unless required by law or regulation, among other exceptions; and (ii) use such confidential information for the sole purpose of evaluating, negotiating, advising or implementing the Acquisition. These confidentiality obligations will remain in force until the date of completion of the Acquisition.

#### ***Co-operation Agreement***

Schneider Electric, Bidco and AVEVA have entered into a co-operation agreement dated on or around the date of this Announcement (the “**Co-operation Agreement**”) pursuant to which (amongst other things):

- Bidco has agreed to (and Schneider Electric has agreed to procure that Bidco shall) take all necessary steps to obtain such clearances as are required in connection with the Acquisition, including to satisfy the Regulatory Conditions set out in Appendix 1 as soon as reasonably practicable and in any event in sufficient time to enable the Effective Date to occur prior to the Long-Stop Date, including accepting the imposition of any remedies required as a condition to obtaining such clearances;
- Bidco and AVEVA have each agreed to certain undertakings to co-operate and provide each other with reasonable information and assistance in respect of the filings, submissions and notifications to be made in relation to such clearances; and
- Bidco and AVEVA intend (and, where applicable, have agreed) to implement certain arrangements with respect to the AVEVA Share Plans and certain employee-related matters.

The Co-operation Agreement records the parties' intention to implement the Offer by way of the Scheme, subject to the ability of Bidco in certain circumstances to elect to implement the Offer by way of a Takeover Offer, with the consent of the Panel. The Co-operation Agreement may be terminated by Bidco in certain situations, including if the AVEVA Independent Committee withdraws, adversely modifies or qualifies its recommendation of the Acquisition.

The Co-operation Agreement may also be terminated by either Bidco or AVEVA in certain situations, including if: (i) prior to the Long-Stop Date, any Condition has been invoked by Bidco (where the invocation is permitted by the Panel) or becomes incapable of satisfaction by the Long-Stop Date; (ii) subject to certain exceptions, the Acquisition (whether implemented by way of the Scheme or an Offer) is withdrawn, terminated or lapses in accordance with its terms and (where required) with the permission of the Panel; (iii) other than where a Switch (as defined in the Co-operation Agreement) has occurred, the Scheme is not approved at the Court Meeting and/or the General Meeting; (iv) subject to certain exceptions, the Effective Date has not occurred on or before the Long-Stop Date; or (v) otherwise as agreed between Bidco and AVEVA in writing at any time prior to the Effective Date.

Pursuant to the terms of the Co-operation Agreement, Bidco undertakes that, where the Acquisition is being implemented by way of the Scheme, it will deliver a notice in writing to AVEVA by no later than 11.59 p.m. on the Business Day prior to the Court Sanction Hearing confirming either: (i) the satisfaction or waiver of the Conditions (other than the Conditions set out in paragraph 2(C) of Appendix 1 to this Announcement); or (ii) to the extent permitted under the Code and by the Panel, that it intends to invoke one or more Conditions.

### ***Retention Arrangements***

In recognition of the importance of the skills and expertise of AVEVA employees to the future success of the business, Schneider Electric has agreed that AVEVA may implement certain employee retention arrangements described below.

For the current financial year, annual bonus payments under the ABP and sales incentive payments under the Sales Plans will be calculated by reference to the existing performance conditions in the usual way and paid on the normal payment date, but participants will be entitled to a guaranteed minimum payment of (i) 80 per cent. of the aggregate annual target under the ABP provided performance against the ARR target for the bonus payment is at least at an agreed threshold and (ii) at AVEVA's discretion, 60 per cent. of annual on-target earnings or base salary, as applicable, under the relevant Sales Plan provided performance against the ARR target for the AVEVA Group is at least at an agreed threshold.

Unvested awards under the LTIPs and RSPs will, in accordance with the terms of the relevant plan, vest early on the Court Sanction Date, subject to time pro-rating reduction and, in the case of awards under the LTIPs, to the extent applicable performance targets have been satisfied, and the balance of such awards will lapse. AVEVA employees whose awards lapse in that way will be granted cash awards ("**Replacement Awards**") that will be paid when the original awards under the relevant LTIP or RSP would have vested but for the Acquisition, conditional only upon continued employment (without performance conditions). The value of a Replacement Award will be:

- for an RSP award, the value (at the Offer Price) of any portion of the award that lapses as a result of time pro rating; and

- for an LTIP award, the value (at the Offer Price) of 50 per cent. (for 2020 and 2021 grants) or 100 per cent. (for 2022 grants) of the unvested lapsed award less the value of the award that vests pursuant to the Acquisition.

The guaranteed annual bonus, guaranteed sales incentives and the Replacement Awards (together the “**Retention Arrangements**”) will remain or be granted subject to the leaver provisions of the bonus or sales incentive plan, RSP and/or LTIP that applied to the original award.

As required by, and solely for the purposes of, Rule 16.2 of the Code, Lazard has (in its capacity as independent advisers to AVEVA for the purposes of Rule 3 of the Code) reviewed the terms of the Retention Arrangements and advised AVEVA that the Retention Arrangements are fair and reasonable so far as AVEVA Shareholders are concerned. In providing its advice, Lazard has taken into account the commercial assessments of the AVEVA Independent Directors.

## **15. Structure of and Conditions to the Acquisition**

It is intended that the Acquisition will be implemented by a Court-sanctioned scheme of arrangement between AVEVA and the Scheme Shareholders under Part 26 of the Companies Act (although Bidco reserves the right to implement the Acquisition by means of an Offer, subject to the consent of the Panel and the terms of the Co-operation Agreement).

The purpose of the Scheme is to provide for Schneider Electric to become ultimate owner of the entire issued, and to be issued, share capital of AVEVA which it does not already own. Under the Scheme, the Acquisition will be achieved by the transfer of the Scheme Shares held by Scheme Shareholders to Bidco in consideration for which Scheme Shareholders will receive cash on the basis set out in paragraph 2 of this Announcement. The transfer to Bidco of the AVEVA Shares will result in Bidco owning approximately 40.86 per cent. of the shares in AVEVA and AVEVA becoming an indirectly wholly-owned subsidiary of Schneider Electric.

The Acquisition is subject to the Conditions and further terms set out in Appendix 1 to this Announcement and to be set out in the Scheme Document and will only become Effective if, among other things, the following events occur on or before the Long-Stop Date:

- the approval of the Scheme being granted by a majority in number representing not less than 75 per cent. in value of Scheme Shareholders (or the relevant class or classes thereof) who are present and voting (and who are entitled to vote), either in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court (or, in each case, at any adjournment thereof);
- the Resolutions required to approve and implement the Scheme being duly passed by 75 per cent. or more of the votes cast in person or by proxy at the General Meeting or at any adjournment thereof;
- certain regulatory approvals as described in Appendix 1 (including a national security clearance in the UK and foreign direct investment approvals, insofar as a filing is deemed necessary, in Germany, France, and Denmark being obtained);
- following the Court Meeting and the General Meeting and receipt of the required regulatory approvals set out in Appendix 1 and as described above, the Scheme being sanctioned by the Court (with or without modification, but subject to any modification being on terms acceptable to Bidco and AVEVA) at the Court Sanction Hearing; and

- following the sanction of the Scheme by the Court, a copy of the Scheme Court Order being delivered to the Registrar of Companies for registration.

The Acquisition shall lapse and shall not proceed (unless the Panel otherwise consents) if:

- the Court Meeting and the General Meeting are not held on or before the 22nd day after the expected date of such Meetings, as set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and AVEVA);
- the Court Sanction Hearing is not held on or before the 22nd day after the expected date of such hearing, as set out in either (i) the Scheme Document in due course or (ii) in the event that such expected date remains unknown at the time of publication of the Scheme Document and the Scheme Document identifies any date as indicative only, any update announcement issued through a Regulatory Information Service pursuant to paragraph 6(a) of Appendix 7 of the Code (or, in each case, such later date as may be agreed between Bidco and AVEVA); or
- the Scheme does not become Effective on or before the Long-Stop Date.

Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting and/or General Meeting (and, if they attended and voted, whether or not they voted in favour) and share certificates in respect of AVEVA Shares will cease to be valid and entitlements to AVEVA Shares held within the CREST system will be cancelled. In accordance with the applicable provisions of the Code, the Consideration for the transfer of the Scheme Shares to Bidco will be despatched by Bidco to Scheme Shareholders no later than 14 days after the Effective Date.

It is expected that the Scheme Document containing further information about the Acquisition and notices of the Court Meeting and General Meeting, together with the Forms of Proxy, will be published and sent to AVEVA Shareholders and (for information only) participants in the AVEVA Share Plans as soon as possible and, in any event, within 28 days of the date of this Announcement (unless otherwise agreed between Schneider Electric, Bidco and AVEVA with the consent of the Panel). It is expected that the Court Meeting and the General Meeting will take place in mid-November 2022. Subject, among other things, to the satisfaction or waiver of the Conditions, it is expected that the Scheme will become Effective during the first quarter of 2023.

The Scheme will be governed by English law. The Scheme will be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange and the FCA. The bases and sources of certain information contained in this Announcement are set out in Appendix 2. Certain terms used in this Announcement are defined in Appendix 3.

## **16. Disclosure of Interests**

Samos currently owns 178,573,525 AVEVA Shares, representing approximately 59.14 per cent. of the issued ordinary share capital of AVEVA (as at the close of business on 20 September 2022, being the last Business Day prior to the date of this Announcement).

Except for this interest and the irrevocable commitments referred to in paragraph 7 above, as at the close of business on 20 September 2022 (being the last Business Day prior to the date of this Announcement), neither Bidco, nor any of its directors, nor, so far as Bidco is aware, any person acting in concert (within the meaning of the Code) with Bidco:

- has any interest in, or right to subscribe for, any AVEVA Shares; nor
- has any short position in AVEVA Shares, including any short position under a derivative, any agreement to sell, any delivery obligation or right to require another person to purchase or take delivery of AVEVA Shares; nor
- has borrowed or lent any AVEVA Shares or entered into any financial collateral arrangements relating to AVEVA Shares; nor
- is party to any dealing arrangement of the kind referred to in Note 11 on the definition of acting in concert in the Code in relation to relevant securities of AVEVA.

## **17. Delisting and re-registration**

Prior to the Scheme becoming Effective, it is intended that applications will be made to the London Stock Exchange to cancel trading in AVEVA Shares on its Main Market for listed securities and to the FCA to cancel the listing of the AVEVA Shares from the Official List, in each case, to take effect from or shortly following the Effective Date.

The last day of dealings in, and registration of transfers of, AVEVA Shares on the Main Market of the London Stock Exchange is expected to be the Business Day immediately prior to the Effective Date and no transfers will be registered after 6.00 p.m. (London time) on that date.

On the Effective Date, entitlements held within the CREST system to the AVEVA Shares will be cancelled, and share certificates in respect of the AVEVA Shares will cease to be valid.

As soon as possible after the Effective Date, it is intended that AVEVA will be re-registered as a private limited company.

## **18. Consent**

Citi, Lazard, J.P. Morgan Cazenove and Numis have each given and not withdrawn their consent to the publication of this Announcement with the inclusion herein of the reference to their names in the form and context in which they appear.

## **19. Documents available for inspection**

Copies of the following documents will, by no later than 12 noon (London time) on 22 September 2022, be published on Schneider Electric's website at <https://www.se.com/ww/en/about-us/investor-relations/disclaimer.jsp> and AVEVA's website at <https://investors.aveva.com/offer-for-aveva-group-plc/> (as applicable) until the Effective Date:

- this Announcement;
- the irrevocable commitments referred to in paragraph 7 above;
- the documents relating to the financing of the Acquisition referred to in paragraph 13 above;
- the Confidentiality Agreement referred to in paragraph 14 above;



- the Co-operation Agreement referred to in paragraph 14 above; and
- the consent letters from each of Citi, Lazard, J.P. Morgan Cazenove and Numis referred to in paragraph 18 above.

## **20. General**

Bidco reserves the right to elect (with the consent of the Panel, and subject to the terms of the Co-operation Agreement) to implement the Acquisition by way of an Offer for the entire issued and to be issued share capital of AVEVA (excluding AVEVA Shares held by Samos) as an alternative to the Scheme. In such event, the Acquisition will be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments to reflect, among other things, the change in method of effecting the Acquisition (including, without limitation, other than where there has been a change in recommendation by the board of AVEVA, the inclusion of an acceptance condition set at 90 per cent. of the AVEVA Shares to which such Offer relates (or such lesser percentage as Bidco may decide after, to the extent necessary, consultation with the Panel, being in any case more than 50 per cent. of the AVEVA Shares to which the Offer relates), the inclusion of a long-stop date on which the Offer will cease to proceed, will lapse or will be withdrawn in certain circumstances, and those amendments required by, or deemed appropriate by, Bidco under applicable law, including US securities law, further details of which are included in paragraph 7 of Part B of Appendix 1 of this Announcement).

The Acquisition will be subject to the Conditions and certain further terms set out in Appendix 1 and to the full terms and conditions to be set out in the Scheme Document. Appendix 2 contains the sources and bases of certain information contained in Announcement. Appendix 3 contains details of the irrevocable undertakings received by Schneider Electric and Bidco. Appendix 4 contains the definitions of certain terms used in this Announcement.

### **Enquiries:**

#### **Schneider Electric**

Amit Bhalla

Tel: +44 20 7592 8216

#### **Citi (Financial Adviser to Schneider Electric)**

Robin Rousseau

Tel: +44 20 7986 4000

Sian Evans

Rob Jurd

Chris Wren (Corporate Broking)

#### **Brunswick Group LLP (Public Relations Adviser to Schneider Electric)**

Simon Sporborg

Tel: +44 20 7404 5959

Paul Durman

Pip Green

#### **AVEVA**

Matt Springett

Tel: +44 7789 818 684

Kira Popper

+44 7787 220 464

#### **Lazard (Lead Financial Adviser and Rule 3 Adviser to AVEVA)**

Cyrus Kapadia

Tel: +44 20 7187 2000

Keiran Wilson

Alexander Fiallos

**J.P. Morgan Cazenove (Joint Financial Adviser and Corporate Broker to AVEVA)**

Bill Hutchings

Tel: +44 20 7742 4000

James Robinson

Jonty Edwards

**Numis (Joint Financial Adviser and Corporate Broker to AVEVA)**

Simon Willis

Tel: +44 20 7260 1000

Joshua Hughes

Jamie Loughborough

**FTI Consulting LLP (Public Relations Adviser to AVEVA)**

Edward Bridges

Tel: +44 203 727 1017

Dwight Burden

Slaughter and May is acting as legal adviser to Schneider Electric and Bidco in connection with the Acquisition. Freshfields Bruckhaus Deringer is acting as legal adviser to AVEVA in connection with the Acquisition.

**Further information**

*This Announcement is not intended to, and does not, constitute or form part of an offer, invitation or the solicitation of an offer to purchase or subscribe, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to this Announcement or otherwise. The Acquisition will be made solely pursuant to the terms of the Scheme Document which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any decision in respect of, or other response to, the Acquisition, should be made only on the basis of information contained in the Scheme Document.*

*This Announcement does not constitute a prospectus or prospectus equivalent document.*

*If you are in any doubt about the contents of this Announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or from an independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended).*

**Disclaimers**

*Citigroup Global Markets Limited ("Citi"), which is authorised by the Prudential Regulation Authority and regulated in the UK by the Financial Conduct Authority and the Prudential Regulation Authority is acting exclusively as financial adviser to Schneider Electric and Bidco and for no one else in relation to the Acquisition, and any other matters described in this Announcement, and will not be responsible to anyone other than Schneider Electric and Bidco for providing the protections afforded to its clients nor for providing advice in connection with the Acquisition, or any other matters described in this Announcement. Neither Citi nor any of its affiliates, directors or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, tort, in delict, under statute or otherwise) to any person who is not a client of Citi in connection with this Announcement, any statement contained herein, the Acquisition or otherwise.*

Lazard & Co., Limited ("**Lazard**"), which is authorised and regulated in the UK by the Financial Conduct Authority, is acting as financial adviser to AVEVA, and no one else, in connection with the matters set out in this Announcement, and will not be responsible to anyone other than the board of AVEVA for providing the protections afforded to clients of Lazard nor for providing advice in relation to the contents of this Announcement or any other matter or arrangement referred to herein. Neither Lazard nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Lazard in connection with this Announcement, any matter, arrangement or statement contained or referred to herein or otherwise.

J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove ("**J.P. Morgan Cazenove**"), is authorised in the UK by the PRA and regulated by the PRA and the Financial Conduct Authority. J.P. Morgan Cazenove is acting as financial adviser exclusively for AVEVA and no one else in connection with the matters set out in this Announcement and will not regard any other person as its client in relation to the matters in this Announcement and will not be responsible to anyone other than AVEVA for providing the protections afforded to clients of J.P. Morgan, or for providing advice in relation to any matter referred to herein.

Numis Securities Limited ("**Numis**"), which is authorised and regulated in the UK by the Financial Conduct Authority, is acting as financial adviser and broker to AVEVA, and no one else, in connection with the matters set out in this Announcement, and will not be responsible to anyone other than the board of AVEVA for providing the protections afforded to clients of Numis nor for providing advice in relation to the contents of this Announcement or any other matter or arrangement referred to herein. Neither Numis nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Numis in connection with this Announcement, any matter, arrangement or statement contained or referred to herein or otherwise.

### **Overseas jurisdictions**

This Announcement has been prepared for the purpose of complying with English law and the Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside the UK.

The release, publication or distribution of this Announcement in jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the UK should inform themselves about, and observe any applicable requirements. In particular, the ability of persons who are not resident in the UK to vote their Scheme Shares with respect to the Scheme at the Court Meeting, or to execute and deliver Forms of Proxy appointing another to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.

Copies of this Announcement and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction (or any jurisdiction where to do so would violate the laws of that jurisdiction) and persons receiving such documents (including custodians, nominees

and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented by way of an Offer (unless otherwise permitted by applicable law and regulation), the Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

#### **Additional information for US investors**

*The Acquisition relates to the shares of an English company and is being made by means of a scheme of arrangement provided for under English company law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act. Accordingly, the Acquisition is subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement which differ from the disclosure requirements of US tender offer and proxy solicitation rules.*

*If, in the future, Bidco exercises the right to implement the Acquisition by way of an Offer and determines to extend the offer into the US, the Acquisition will be made in compliance with applicable US laws and regulations.*

*The receipt of cash pursuant to the Acquisition by a US holder of AVEVA Shares as consideration for the transfer of its Scheme Shares pursuant to the Scheme will likely be a taxable transaction for United States federal income tax purposes and under applicable United States state and local, as well as foreign and other, tax laws. AVEVA Shareholders are urged to consult with their independent professional advisers immediately regarding the tax consequences of the Acquisition.*

*Financial information included in this Announcement and the Scheme Document has been or will have been prepared in accordance with accounting standards applicable in the UK that may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US.*

*In accordance with normal UK practice, Schneider Electric, Bidco or their nominees, or their brokers (acting as agents) may from time to time make certain purchases of, or arrangements to purchase, AVEVA Shares outside of the US other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes Effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases or arrangements to purchase shall be disclosed as required in the UK, shall be reported to a Regulatory Information Service and shall be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).*

*It may be difficult for US holders of AVEVA Shares to enforce their rights and any claim arising out of the US federal laws, since Schneider Electric, Bidco and AVEVA are located in a non-US jurisdiction, and some or all of their officers and directors may be residents of a non-US jurisdiction. US holders of AVEVA Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.*

## **Forward-Looking Statements**

*This Announcement contains certain forward-looking statements with respect to the financial condition, results of operations and business of AVEVA and certain plans and objectives of Schneider Electric and/or Bidco and with respect thereto.*

*These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. These statements are based on assumptions and assessments made by Schneider Electric, Bidco and/or AVEVA in light of their experience and their perception of historical trends, current conditions, future developments and other factors they believe appropriate, and therefore are subject to risks and uncertainties which could cause actual results to differ materially from those expressed or implied by those forward-looking statements.*

*The forward-looking statements contained in this Announcement include statements relating to the expected effects of the Acquisition on Schneider Electric, Bidco and/or AVEVA, the expected timing and scope of the Acquisition and other statements other than historical facts. Forward-looking statements often use words such as “anticipate”, “target”, “expect”, “estimate”, “intend”, “plan”, “goal”, “believe”, “hope”, “aims”, “continue”, “will”, “may”, “should”, “would”, “could”, or other words of similar meaning. By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future and the factors described in the context of such forward-looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. Forward-looking statements may include statements in relation to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Schneider Electric, Bidco, the Bidco Group or AVEVA’s operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on Schneider Electric, Bidco, the Bidco Group or AVEVA’s business.*

*Although it is believed that the expectations reflected in such forward-looking statements are reasonable, neither Schneider Electric, Bidco, nor AVEVA nor any of their representatives, associates or directors, officers or advisers provides any assurance that such expectations will prove to have been correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this document. None of AVEVA, Schneider Electric nor Bidco assumes any obligation to update or correct the information contained in this document (whether as a result of new information, future events or otherwise), except as required by applicable law.*

## **Dealing and Opening Position Disclosure requirements**

*Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the Announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person’s interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10<sup>th</sup> Business Day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10<sup>th</sup> Business Day following the Announcement in which any*

securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the Offer Period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

### **Electronic communications**

Please be aware that addresses, electronic addresses and certain information provided by AVEVA Shareholders, persons with information rights and other relevant persons for the receipt of communications from AVEVA may be provided to Bidco during the Offer Period as requested under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) of the Code.

### **Publication on website**

In accordance with Rule 26.1 of the Code, a copy of this Announcement shall be made available subject to certain restrictions relating to persons resident in Restricted Jurisdictions on Schneider Electric's website at <https://www.se.com/ww/en/about-us/investor-relations/disclaimer.jsp> and AVEVA's website at <https://investors.aveva.com/offer-for-aveva-group-plc/> by no later than 12 noon (London time) on the Business Day following publication of this Announcement. For the avoidance of doubt, the contents of these websites are not incorporated into and do not form part of this Announcement.

### **Requesting hard copy documents**

In accordance with Rule 30.3 of the Code, AVEVA Shareholders, persons with information rights and participants in AVEVA Share Plans may request a hard copy of this Announcement (and any

information incorporated by reference in this Announcement) by contacting AVEVA's registrars, Link Group, during business hours on 0371 664 0300 (or if calling from outside the UK +44 371 664 0300) or by submitting a request in writing at 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL.

For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information be sent to them in relation to the Acquisition should be in hard copy form.

### **Rounding**

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

### **Rule 2.9 Disclosure**

For the purposes of Rule 2.9 of the Code, AVEVA confirms that, as at the date of this Announcement, it has in issue 301,966,438 ordinary shares of 3 <sup>5</sup>/<sub>9</sub> pence each. The International Securities Identification Number (ISIN) for the shares is GB00BBG9VN75.

## APPENDIX 1

### CONDITIONS TO AND CERTAIN FURTHER TERMS OF THE ACQUISITION

#### Part A: CONDITIONS TO THE SCHEME AND ACQUISITION

1. The Acquisition will be conditional upon the Scheme becoming unconditional and becoming Effective, subject to the provisions of the Code, by no later than 11.59 p.m. on the Long-Stop Date.

#### Scheme approval

2. The Scheme will be conditional upon:
  - (A) (i) its approval by a majority in number, representing not less than 75 per cent. in value, of Scheme Shareholders (or the relevant class or classes thereof) who are present and voting (and who are entitled to vote), either in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court (or, in each case, at any adjournment thereof); and (ii) the Court Meeting (and any separate class meeting which may be required by the Court) being held on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date (if any) as Bidco and AVEVA may agree, with the consent of the Panel (and that the Court may allow, if required));
  - (B) (i) the Resolutions being duly passed by 75 per cent. or more of the votes cast in person or by proxy at the General Meeting or at any adjournment thereof; and (ii) the General Meeting being held on or before the 22nd day after the expected date of the General Meeting to be set out in the Scheme Document in due course (or such later date (if any) as Bidco and AVEVA may agree, with the consent of the Panel (and that the Court may allow, if required)); and
  - (C) (i) the sanction of the Scheme by the Court (without modification, or with modification on terms acceptable to Bidco and AVEVA) and the delivery of the Scheme Court Order to the Registrar of Companies for registration; and (ii) the Court Sanction Hearing being held on or before the 22nd day after the expected date of the Court Sanction Hearing to be set out in either: (x) the Scheme Document in due course; or (y) in the event that such expected date remains unknown at the time of publication of the Scheme Document and the Scheme Document identifies any date as indicative only, any update announcement issued through a Regulatory Information Service pursuant to paragraph 6(a) of Appendix 7 of the Code (or such later date (if any) as Bidco and AVEVA may agree, with the consent of the Panel (and that the Court may allow, if required)).

#### Other conditions

In addition, subject as stated in Part B below and to the requirements of the Panel, Bidco and AVEVA have agreed that the Acquisition will be conditional upon the following Conditions and,



accordingly, the necessary actions to make the Scheme Effective will not be taken unless the following Conditions (as amended if appropriate) have been satisfied or, where relevant, waived.

#### Regulatory clearances

##### *UK*

3. A notification having been made and accepted under the NS&I Act and one of the following having occurred:
  - (A) the Secretary of State for Business, Energy and Industrial Strategy confirming before the end of the review period that no further action will be taken in relation to the Acquisition; or
  - (B) if the Secretary of State for Business, Energy and Industrial Strategy issues a call-in notice in relation to the Acquisition, the parties receiving a final notification pursuant to section 26(1)(b) of the NS&I Act containing confirmation that the Secretary of State for Business, Energy and Industrial Strategy will take no further action in relation to the call-in notice and the Acquisition under the NS&I Act; or
  - (C) the Secretary of State for Business, Energy and Industrial Strategy making a final order pursuant to section 26(1)(a) of the NS&I Act in relation to the Acquisition, save to the extent that such an order prohibits the Acquisition.

##### *Germany*

4. Insofar as a filing under the German Foreign Trade Act (*Außenwirtschaftsgesetz* (“**AWG**”)) is necessary or considered appropriate, the Acquisition not having been prohibited according to sec. 4 para. 1 no. 4 and/or no. 4a, sec. 5 para. 2 AWG in conjunction with sec. 59 or sec. 62 of the German Foreign Trade Ordinance (*Außenwirtschaftsverordnung* (“**AWV**”)). This condition shall be deemed satisfied if the German Federal Ministry for Economic Affairs and Energy (*Bundeswirtschaftsministerium* – “**BMWi**”) has:
  - (A) granted a Certificate of non-objection (*Unbedenklichkeitsbescheinigung*) in accordance with sec. 58 para. 1 sentence 1 AWV or issued a clearance decision (*Freigabe*) in accordance with sec. 58a or sec. 61 AWV or otherwise informed a member of the Schneider Electric Group that it will not initiate formal proceedings (*Prüfverfahren*) within the two months’ time period specified in sec 14a para. 1 no. 1 AWG; or
  - (B) informed a member of the Schneider Electric Group in writing, after initiating formal proceedings (*Prüfverfahren*), that the Acquisition will not be prohibited or does not meet the requirements for a prohibition; or
  - (C) not prohibited the Acquisition, after initiating formal proceedings (*Prüfverfahren*), within the four months’ time period specified in sec. 14a para. 1 no. 2 AWG, as possibly extended pursuant to sec. 14a paras. 4, 5 and 6 AWG; or

- (D) declared in writing that the Acquisition can be closed without having obtained prior approval from the German Federal Ministry for Economic Affairs and Energy (*Bundesministerium für Wirtschaft und Klimaschutz*).

#### *Denmark*

- 5. Insofar as a filing is considered necessary (as determined by Schneider Electric acting reasonably), obtaining approval from the Danish Business Authority or the Danish Ministry of Industry, Business and Financial Affairs in accordance with the Danish Investment Screening Act (Danish Act no. 842 of 10 May 2021 (in Danish: "*Investeringsscreeningsloven*"), as amended from time to time), with or without any requirements, measures and/or conditions.

#### *France*

- 6. Insofar as a filing is considered necessary (as determined by Schneider Electric acting reasonably), obtaining French foreign investment clearance for the Acquisition pursuant to Articles L. 151-3 and R. 151-1 et seq. of the French Monetary and Financial Code, by means of the French Ministry of the Economy having:
  - (A) issued a decision stating that the Acquisition does not fall within the scope of the French foreign investment regulation; or
  - (B) expressly approved the Acquisition without any requirements, measures and/or conditions to be complied with; or
  - (C) expressly approved the Acquisition with the imposition of requirements and conditions.

#### General regulatory clearances and Third Party clearances

- 7. Save in respect of the Conditions set out in paragraphs 3 to 6 above, all necessary filings or applications having been made (whether in response to any requests or order or otherwise) in connection with the Acquisition and all statutory or regulatory obligations in any jurisdiction having been complied with in connection with the Acquisition or the Acquisition by any member of the Bidco Group of any shares or other securities in, or control of, AVEVA, in each case where these are material in the context of the Schneider Electric Group or the Wider AVEVA Group, and all necessary authorisations, orders, recognitions, grants, consents, licences, confirmations, clearances, permissions and approvals for the proposed Acquisition of any shares or other securities in, or control of, AVEVA by any member of the Bidco Group having been obtained from all relevant Third Parties or persons with whom any member of the Wider AVEVA Group has entered into contractual arrangements which are material in the context of the Wider AVEVA Group as a whole and all such authorisations, orders, recognitions, grants, consents, licences, confirmations, clearances, permissions and approvals together with all material authorisations, orders, recognitions, grants, licences, confirmations, clearances, permissions and approvals necessary to carry on the business of any member of the Wider AVEVA Group which are material in the context of the Schneider Electric Group or the AVEVA Group as a whole remaining in full force and effect and all filings necessary for such purpose have been made and there being no notice or intimation of any intention

to revoke or not to renew any of the same at the time at which the Acquisition becomes otherwise unconditional.

8. Save in respect of the Conditions set out in paragraphs 3 to 6 above, no Third Party having given notice, in connection with the Acquisition, of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or enacted, made or proposed any statute, regulation, decision or order, or having taken any other steps, in each case which is likely to be material in the context of the Bidco Group or the Wider AVEVA Group or the Acquisition and which would reasonably be expected to:
- (A) require, prevent or materially delay the divestiture, or materially alter the terms envisaged for any proposed divestiture by any member of the Bidco Group or any member of the Wider AVEVA Group of all or any portion of their respective businesses, assets or property or impose any limitation on the ability of any of them to conduct their respective businesses (or any of them) or to own any of their respective assets or properties or any part thereof which, in any such case, is material in the context of the Bidco Group or the Wider AVEVA Group in either case taken as a whole;
  - (B) require, prevent or materially delay the divestiture by any member of the Bidco Group of any shares or other securities in AVEVA;
  - (C) impose any material limitation on, or result in a material delay in, the ability of any member of the Bidco Group directly or indirectly to acquire or to hold or to exercise effectively any rights of ownership in respect of shares or loans or securities convertible into shares or any other securities (or the equivalent) in any member of the Wider AVEVA Group or the Bidco Group or to exercise management control over any such member;
  - (D) otherwise adversely affect the business, assets, profits or prospects of any member of the Bidco Group or of any member of the Wider AVEVA Group in a manner which is adverse to and material in the context of the Schneider Electric Group or the Wider AVEVA Group in either case taken as a whole;
  - (E) make the Acquisition or its implementation or the acquisition or proposed acquisition by Bidco or any member of the Bidco Group of any shares or other securities in, or control of AVEVA void, illegal, and/or unenforceable under the laws of any jurisdiction, or otherwise, directly or indirectly, materially restrain, restrict, prohibit, delay or otherwise materially interfere with the same, or impose additional material conditions or obligations with respect thereto, or otherwise materially challenge or interfere therewith;
  - (F) except as pursuant to the Scheme or, if applicable Chapter 3 of Part 28 of the Companies Act, require any member of the Bidco Group or the Wider AVEVA Group to offer to acquire any shares or other securities (or the equivalent) or interest in any member of the Wider AVEVA Group or the Bidco Group owned by any Third Party;

- (G) impose any limitation on the ability of any member of the Wider AVEVA Group to co-ordinate its business, or any part of it, with the businesses of any other members which is adverse to and material in the context of the group concerned taken as a whole; or
- (H) result in any member of the Wider AVEVA Group ceasing to be able to carry on business under any name under which it presently does so,

and all applicable waiting and other time periods during which any such Third Party could institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or any other necessary step under the laws of any jurisdiction in respect of the Acquisition or the acquisition or proposed acquisition of any AVEVA Shares (excluding AVEVA Shares held by Samos or any other member of the Schneider Electric Group) having expired, lapsed or been terminated.

Certain matters arising as a result of any arrangement, agreement etc.

9. Save as Disclosed, there being no provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider AVEVA Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, which in each case in consequence of the Acquisition or the proposed acquisition of any shares or other securities in AVEVA or because of a change in the control or management of AVEVA or otherwise would reasonably be expected to result in, in each case to an extent which is material in the context of the Wider AVEVA Group as a whole:
- (A) any monies borrowed by or any other indebtedness (actual or contingent) of, or grant available to any member of the Wider AVEVA Group, being or becoming repayable or capable of being declared repayable immediately or earlier than their or its stated maturity date or repayment date or the ability of any member of the Wider AVEVA Group to borrow moneys or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
  - (B) any such agreement, arrangement, licence, permit or instrument or the rights, liabilities, obligations or interests of any member of the Wider AVEVA Group thereunder being terminated or materially adversely modified or affected or any material obligation or liability arising or any action being taken or arising thereunder;
  - (C) any assets or interests of any member of the Wider AVEVA Group being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged, otherwise than in the ordinary course of business;
  - (D) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider AVEVA Group, otherwise than in the ordinary course of business;
  - (E) the rights, liabilities, obligations or interests of any member of the Wider AVEVA Group, or the business of any member of the Wider AVEVA Group with, any

person, firm or body (or any arrangement or arrangements relating to any such interest or business) being terminated, or materially adversely modified or affected;

- (F) the value of any member of the Wider AVEVA Group or its financial or trading position or prospects being prejudiced or adversely affected;
- (G) any member of the Wider AVEVA Group ceasing to be able to carry on business under any name under which it presently does so; or
- (H) the creation of any material liability, actual or contingent, by any member of the Wider AVEVA Group (other than in the ordinary course of business),

and, save as Disclosed no event having occurred which, under any provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider AVEVA Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, would be reasonably likely to result in any of the events or circumstances as are referred to in sub-paragraphs (A) to (H) of this Condition, in any case to an extent which is or would be material in the context of the Wider AVEVA Group as a whole.

#### Certain events occurring since 31 March 2022

**10.** Except as Disclosed prior to the date of this Announcement, no member of the Wider AVEVA Group having, since 31 March 2022:

- (A) save as between AVEVA and wholly-owned subsidiaries of AVEVA or for AVEVA Shares issued pursuant to the exercise of options granted under the AVEVA Share Plans, issued, authorised or proposed the issue of additional shares of any class;
- (B) save as between AVEVA and wholly-owned subsidiaries of AVEVA or for the grant or issuance of options under the AVEVA Share Plans, issued or agreed to issue, authorised or proposed the issue of securities convertible into shares of any class or rights, warrants or options to subscribe for, or acquire, any such shares or convertible securities;
- (C) other than to another member of the AVEVA Group, recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution whether payable in cash or otherwise, save for: (i) the net final dividend of 24.5 pence per AVEVA Share in respect of the year ended 31 March 2022 which the AVEVA Directors have recommended should be paid, and (ii) any Permitted Dividend;
- (D) save for intra-AVEVA Group transactions, merged or demerged with any body corporate or acquired or disposed of or transferred, mortgaged or charged or created any security interest over any assets or any right, title or interest in any asset (including shares and trade investments) or authorised or proposed or announced any intention to propose any merger, demerger, acquisition or disposal, transfer, mortgage, charge or security interest, in each case, other than

in the ordinary course of business, and in each case, to an extent which is material in the context of the Wider AVEVA Group as a whole;

- (E) save for intra-AVEVA Group transactions, made or authorised or proposed or announced an intention to propose any change in its loan capital;
- (F) save for intra-AVEVA Group transactions, or in the ordinary course of business, issued, authorised or proposed the issue of any debentures or, save in the ordinary course of business, incurred or increased any indebtedness or become subject to any contingent liability, which, in any case, is material in the context of the Wider AVEVA Group as a whole;
- (G) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect to the matters mentioned in sub-paragraph (A) above, made any other change to any part of its share capital, to an extent which is material in the context of the Wider AVEVA Group as a whole;
- (H) save for intra-AVEVA Group transactions and the Acquisition, implemented, or authorised, proposed or announced its intention to implement, any reconstruction, amalgamation, scheme, commitment or other transaction or arrangement otherwise than in the ordinary course of business or entered into or changed in a material way the terms of any contract with any director or senior executive and which, in each case, is material in the context of the Wider AVEVA Group as a whole;
- (I) entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, onerous or unusual nature or magnitude or which is reasonably likely to be materially restrictive on the businesses of any member of the Wider AVEVA Group or the Bidco Group or which involves or is reasonably likely to involve an obligation of such a nature or magnitude or which is other than in the ordinary course of business and which in each case is material in the context of the Wider AVEVA Group as a whole;
- (J) (other than in respect of a member of the Wider AVEVA Group which is dormant and was solvent at the relevant time) taken any corporate action or had any legal proceedings started or threatened against it for its winding-up, dissolution or reorganisation or for the appointment of a receiver, administrative receiver, administrator, trustee or similar officer of all or any material part of its assets or revenues or any analogous proceedings in any jurisdiction or had any such person appointed which, in each case, is material in the context of the Wider AVEVA Group as a whole;
- (K) entered into any contract, transaction or arrangement which would be restrictive on the business of any member of the Wider AVEVA Group or the Bidco Group other than to a nature and extent which is normal in the context of the business concerned and which, in each case, is material in the context of the Wider AVEVA Group as a whole;

- (L) waived or compromised any claim otherwise than in the ordinary course of business, which is material in the context of the Wider AVEVA Group as a whole;
- (M) entered into any contract, commitment, arrangement or agreement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to, or announced any intention to, or proposed to, effect, any of the transactions, matters or events referred to in this condition which, in each case, is material in the context of the Wider AVEVA Group as a whole;
- (N) except in relation to changes made or agreed as a result of, or arising from applicable law or changes to applicable law, having made or agreed or consented to any change to:
  - (i) the terms of the trust deeds constituting the pension scheme(s) established by any member of the Wider AVEVA Group for its directors, employees or their dependents;
  - (ii) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder;
  - (iii) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
  - (iv) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued or made;

in each case, which has an effect that is material in the context of the Wider AVEVA Group as a whole.

- (O) other than with the consent of Bidco, proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any person employed by the Wider AVEVA Group in a manner which is material in the context of the Wider AVEVA Group as a whole; or
- (P) other than with the consent of Bidco, having taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of AVEVA Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Code;

*No adverse change, litigation or regulatory enquiry*

**11.** Except as Disclosed, or where not material in the context of the Wider AVEVA Group as a whole, since 31 March 2022:

- (A) no adverse change or deterioration having occurred in the business, assets, financial or trading position or profits or prospects of any member of the Wider AVEVA Group, which is material in the context of the Wider AVEVA Group as a whole, save in consequence of the proposed Acquisition;

- (B) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider AVEVA Group is or may become a party (whether as a plaintiff, defendant or otherwise) and (other than as a result of the Acquisition) no investigation by any Third Party against or in respect of any member of the Wider AVEVA Group having been instituted announced or threatened by or against or remaining outstanding in respect of any member of the Wider AVEVA Group which in each case might reasonably be expected to have a material adverse effect in the context of the Wider AVEVA Group;
- (C) no contingent or other liability having arisen or become apparent to Schneider Electric or Bidco which in any case is material in the context of the Wider AVEVA Group as a whole; and
- (D) no steps having been taken which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider AVEVA Group which is necessary for the proper carrying on of its business, and which is or would be material in the context of the Wider AVEVA Group as a whole.

*No discovery of certain matters*

**12.** Except as Disclosed, Schneider Electric and/or Bidco not having discovered:

- (A) that any financial, business or other information concerning the Wider AVEVA Group as contained in the information publicly disclosed at any time by or on behalf of any member of the Wider AVEVA Group is materially misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not materially misleading, and which was not subsequently corrected before the date of this Announcement by disclosure either publicly or otherwise to Bidco or its professional advisers to an extent which in each case is material in the context of the Wider AVEVA Group as a whole;
- (B) that any member of the Wider AVEVA Group or any partnership, company or other entity in which any member of the Wider AVEVA Group holds an interest of more than 20 per cent. of the equity capital (or equivalent) and which is not a subsidiary undertaking of AVEVA is subject to any liability (contingent or actual) which in each case is material in the context of the Wider AVEVA Group as a whole; or
- (C) any information which affects the import of any information disclosed at any time by or on behalf of any member of the Wider AVEVA Group and which is material in the context of the Wider AVEVA Group as a whole.

*Environmental liabilities*

**13.** Except as Disclosed, Schneider Electric and/or Bidco not having discovered:

- (A) that any past or present member of the Wider AVEVA Group has failed to comply with any and/or all applicable legislation or regulation, of any jurisdiction with regard to the use, treatment, handling, storage, carriage, disposal, spillage, release, discharge, leak or emission of any waste or hazardous substance or any



substance likely to impair the environment or harm human health or animal health or otherwise relating to environmental matters or the health and safety of humans, or that there has otherwise been any such use, treatment, handling, storage, carriage, disposal, spillage, release, discharge, leak or emission (whether or not the same constituted a non-compliance by any person with any such legislation or regulations, and wherever the same may have taken place) any of which use, treatment, handling, storage, carriage, disposal, spillage, release, discharge, leak or emission would be likely to give rise to any liability (actual or contingent) or cost on the part of any member of the Wider AVEVA Group and which in each case is material in the context of the Wider AVEVA Group as a whole;

- (B) there is, or is likely to be, any material liability (actual or contingent) of any past or present member of the Wider AVEVA Group to make good, remediate, repair, reinstate or clean up any property or any controlled waters now or previously owned, occupied, operated or made use of or controlled by any such past or present member of the Wider AVEVA Group (or on its behalf) or by any person for which a member of the Wider AVEVA Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest, under any environmental legislation, regulation, notice, circular or order of any Third Party and which in each case is material in the context of the Wider AVEVA Group as a whole; or
- (C) circumstances exist whereby a person or class of persons would be likely to have any claim or claims in respect of any product or process of manufacture or materials used therein currently or previously manufactured, sold or carried out by any past or present member of the Wider AVEVA Group which claim or claims would be likely, materially and adversely, to affect any member of the Wider AVEVA Group and which in each case is material in the context of the Wider AVEVA Group as a whole or in the context of the Acquisition.

*Anti-corruption, economic sanctions, criminal property and money laundering*

**14.** Except as Disclosed, Schneider Electric and/or Bidco not having discovered:

- (A)
  - (i) any past or present member, director, officer or employee of the Wider AVEVA Group is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption or anti-bribery law, rule or regulation or any other applicable law, rule, or regulation concerning improper payments or kickbacks; or
  - (ii) any person that performs or has performed services for or on behalf of the Wider AVEVA Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption or anti-bribery law, rule or regulation or any other applicable law, rule, or regulation concerning improper payments or kickbacks;

- (B) any asset of any member of the Wider AVEVA Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition) or proceeds of crime under any other applicable law, rule, or regulation concerning money laundering or proceeds of crime or any member of the Wider AVEVA Group is found to have engaged in activities constituting money laundering under any applicable law, rule, or regulation concerning money laundering;
- (C) any past or present member, director, officer or employee of the Wider AVEVA Group, or any other person for whom any such person may be liable or responsible, is or has engaged in any conduct which would violate applicable economic sanctions or dealt with, made any investments in, made any funds or assets available to or received any funds or assets from:
- (i) any government, entity or individual in respect of which US, UK or EU persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by US, UK or EU laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control, or the UK Office of Financial Sanctions Implementation; or
  - (ii) any government, entity or individual targeted by any of the economic sanctions of the United Nations, the US, the UK, the EU or any of its member states, save that this shall not apply if and to the extent that it is or would be unenforceable by reason of breach of any applicable Blocking Law;
- (D) any past or present member, director, officer or employee of the Wider AVEVA Group, or any other person for whom any such person may be liable or responsible:
- (i) has engaged in conduct which would violate any relevant anti-terrorism laws, rules, or regulations, including but not limited to the US Anti-Terrorism Act;
  - (ii) has engaged in conduct which would violate any relevant anti-boycott law, rule, or regulation or any applicable export controls, including but not limited to the Export Administration Regulations administered and enforced by the U.S. Department of Commerce or the International Traffic in Arms Regulations administered and enforced by the U.S. Department of State;
  - (iii) has engaged in conduct which would violate any relevant laws, rules, or regulations concerning human rights, including but not limited to any law, rule, or regulation concerning false imprisonment, torture or other cruel and unusual punishment, or child labour; or
  - (iv) is debarred or otherwise rendered ineligible to bid for or to perform contracts for or with any government, governmental instrumentality, or

international organisation or found to have violated any applicable law, rule, or regulation concerning government contracting or public procurement; or

- (E) any member of the Wider AVEVA Group is or has been engaged in any transaction which would cause Bidco to be in breach of any law or regulation upon its Acquisition of AVEVA, including but not limited to the economic sanctions of the United States Office of Foreign Assets Control, or UK Office of Financial Sanctions Implementation, or any other relevant government authority, and which in each case is material in the context of the Wider AVEVA Group as a whole.

## PART B: FURTHER TERMS OF THE ACQUISITION

1. Conditions 2(A)(i), 2(B)(i) and 3 to 14 (inclusive) must each be fulfilled, be determined by Bidco to be or remain satisfied or (if capable of waiver) be waived prior to 11.59 p.m. on the date immediately preceding the date of the Court Sanction Hearing, failing which the Scheme will lapse.
2. Notwithstanding paragraph 1 of this Part B of this Appendix 1 above, and subject to paragraph 7 of this Part B of this Appendix 1 below and subject to the requirements of the Panel, Bidco reserves the right in its sole discretion to waive, in whole or in part, all or any of the Conditions set out in Part A of this Appendix 1 above and to proceed with the Court Sanction Hearing prior to the fulfilment, satisfaction or waiver of any of the Conditions, except that Conditions 1, 2(A)(i), 2(B)(i) and 2(C)(i) cannot be waived. If any of Conditions 2(A)(ii), 2(B)(ii) and 2(C)(ii) is not satisfied by the relevant deadline specified in the relevant Condition, Bidco shall make an announcement by 8.00 a.m. on the Business Day following such deadline confirming whether it has invoked the relevant Condition, waived the relevant deadlines or agreed with AVEVA to extend the relevant deadline.
3. Bidco shall be under no obligation to waive (if capable of waiver), or to treat as satisfied or fulfilled any of Conditions 3 to 14 (inclusive) by a date earlier than the latest date specified in paragraph 1 of this Part B of this Appendix 1 above for the fulfilment of the relevant Condition, notwithstanding that the other Conditions may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any Condition may not be capable of satisfaction or fulfilment.
4. Under Rule 13.5(a) of the Code and subject to paragraph 6 of this Part B of this Appendix 1 below, Bidco may only invoke a Condition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn with the consent of the Panel. The Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Bidco in the context of the Acquisition. This will be judged by reference to the facts of each case at the time that the relevant circumstances arise.
5. The Conditions set out in paragraphs 1 and 2 of Part A of this Appendix 1 above and, if applicable, any acceptance condition (if the Acquisition is implemented by means of an Offer) are not subject to Rule 13.5(a) of the Code.
6. Any Condition that is subject to Rule 13.5(a) of the Code may be waived by Bidco.
7. Bidco reserves the right to elect to implement the Acquisition by way of an Offer as an alternative to the Scheme (with the consent of the Panel, and subject to the terms of the Co-operation Agreement for so long as it is continuing). In such event, the Acquisition will be implemented on the same terms, as those which would apply to the Scheme, subject to appropriate amendments to reflect the change in method of effecting the Acquisition, including (without limitation and for so long as the Co-operation Agreement is continuing, and subject to the terms of the Co-operation Agreement for so long as it is continuing): (i) other than where there has been a change in recommendation by the board of AVEVA, the inclusion of an acceptance condition set at 90 per cent. of the AVEVA Shares to which such Offer relates (or such lesser percentage as Bidco may decide after, to the extent necessary, consultation with the Panel, being in any case more than 50 per cent. of the

AVEVA Shares to which the Offer relates; (ii) the inclusion of a long-stop date on which the Offer will cease to proceed, will lapse or will be withdrawn in certain circumstances; and (iii) those amendments required by, or deemed appropriate by, Bidco under applicable law, including US securities law).

8. AVEVA Shares which will be acquired under the Acquisition will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other Third Party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the Acquisition becomes Effective.
9. Any Permitted Dividend may be paid to AVEVA Shareholders without any reduction in the Consideration. It is anticipated that any Permitted Dividend would be declared before the Effective Date and paid to those AVEVA Shareholders who are on AVEVA's register of members on a date which is on or prior to the Effective Date.
10. If, on or after the date of this Announcement and on or prior to the Effective Date, any dividend, distribution, or other return of value is declared, made, or paid or becomes payable by AVEVA (other than, or in excess of, any Permitted Dividend), Bidco reserves the right to reduce the Consideration accordingly (save to the extent any such dividend, distribution or other return of value is or is to be received by or on behalf of any member of the Schneider Electric Group). In such circumstances, AVEVA Shareholders shall be entitled to retain any such dividend, distribution, or other return of value declared, made, or paid.
11. Except with the Panel's consent, settlement of the Consideration to which any Scheme Shareholders are entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme without regard to any lien, right of set-off, counterclaim or other analogous right to which Bidco may otherwise be, or claim to be, entitled as against such Scheme Shareholders (as applicable) and will be effected in the manner described in this document.
12. The availability of the Acquisition to persons not resident in the UK may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the UK should inform themselves about and observe any applicable requirements. Further information in relation to overseas shareholders will be contained in the Scheme Document.
13. The Acquisition will not be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone, internet or e-mail) of interstate or foreign commerce of, or of any facility of a national securities exchange of any Restricted Jurisdiction and the Acquisition will not be capable of acceptance by any such use, means, instrumentality or facility or from within any Restricted Jurisdiction.
14. The Acquisition will be governed by English law and be subject to the jurisdiction of the English courts, to the conditions set out below and in the Scheme Document. The

Acquisition will comply with the applicable rules and regulations of the FCA and the London Stock Exchange and the Code.

- 15.** The Acquisition will be subject to the Conditions and certain further terms set out in Appendix 1 and to the full terms and conditions to be set out in the Scheme Document.
- 16.** Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

## APPENDIX 2

### SOURCES OF INFORMATION AND BASES OF CALCULATION

1. As at 20 September 2022 (being the last practicable date prior to publication of this announcement), there were 301,966,438 AVEVA Shares in issue. The international securities identification number for the AVEVA Shares is GB00BBG9VN75.
2. Any references to the issued and to be issued ordinary share capital of AVEVA are based on:
  - a. The 301,966,438 AVEVA Shares referred to in paragraph (1) above; and
  - b. 3,996,888 AVEVA Shares which may be issued on or after the date of this announcement to satisfy the exercise of options or vesting of awards pursuant to the AVEVA Share Plans.
3. The value of the Acquisition based on the Acquisition Price of 3,100 pence per AVEVA Share is calculated on the basis of the issued and to be issued share capital of AVEVA (as set out in paragraph (2) above), applying the treasury stock method to AVEVA Shares which may be issued on or after the date of this Announcement on the exercise of options or vesting of awards under the AVEVA Share Plans, resulting in dilutive AVEVA Shares of 3,908,801.
4. All Closing Prices and volume weighted average prices for AVEVA Shares referred to in this Announcement have been derived from Bloomberg.
5. Unless otherwise stated, the financial information relating to AVEVA is extracted from the audited consolidated financial statements of AVEVA for the financial year to 31 March 2022, prepared in accordance with IFRS. References to pro forma revenues and Adjusted EBIT include results for both AVEVA and OSIsoft for the 12 months to 31 March 2022. The figures comprising the net debt as at 31 August 2022 are unaudited and extracted from AVEVA's internal reporting prepared in accordance with IFRS.
6. Unless otherwise stated, the financial information relating to Schneider is extracted from the audited consolidated financial statements of Schneider for the financial year to 31 December 2021, prepared in accordance with IFRS.
7. The enterprise value of AVEVA implied by the Acquisition Price is calculated on the basis of:
  - a. the issued and to be issued share capital of AVEVA (as set out in paragraph (2) above, applying the treasury stock method to AVEVA Shares which may be issued on or after the date of this Announcement on the exercise of options or vesting of awards under the AVEVA Share Plan) multiplied by the Acquisition Price of 3,100 pence per AVEVA Share; plus
  - b. a total enterprise value-to-equity bridge of £671.6 million, comprised of net financial debt of £580.8 million, investments of £2.2 million, and lease liabilities of £93.0 million as at 31 August 2022.
8. The multiples of enterprise value to ARR, pro forma revenue, and Adjusted EBIT are calculated on the basis of the enterprise value (as set out in paragraph (7)) divided by the ARR, pro forma revenue, and Adjusted EBIT as at 31 March 2022.

9. The acquisition of a majority stake in AVEVA in 2018 was funded through the contribution, at software multiples, of the industrial software assets that Schneider Electric had earlier acquired from Invensys in 2014.
10. On 19 March 2021, the AVEVA Group announced the completion of the Acquisition of OSIsoft, LLC (OSIsoft). Pro forma results include results for both AVEVA and OSIsoft for the 12 months to 31 March 2022 and the 12 months to 31 March 2021. In addition to this, the results have been adjusted to exclude the effect of the deferred revenue haircut under IFRS 3 (Business Combinations), which reduces statutory revenue.
11. Adjusted EBIT is calculated before amortisation of intangible assets, share-based payments and exceptional items. It also excludes the effect of the deferred revenue haircut under IFRS 3 (Business Combinations), which reduces statutory revenue and therefore EBIT.
12. Net debt is defined as loans and borrowings minus cash and cash equivalents.
13. ARR is used as a metric as it makes it easier to track recurring revenue progression by annualising revenue associated with subscription, cloud and Maintenance contracts. It removes timing differences caused by revenue recognition standards by annualising the revenue associated with contracts at a point in time. It is calculated on a constant currency basis.
14. Agnostic software meaning software that is not tied to or reliant upon any particular hardware device or technology platform.



### APPENDIX 3

#### DETAILS OF IRREVOCABLE UNDERTAKINGS

<b>Name of AVEVA Shareholder</b>	<b>Number of AVEVA Shares</b>	<b>Percentage of AVEVA issued share capital</b>
James Kidd	140,962	0.047%
Peter Herweck	13,500	0.004%
Christopher Humphrey	7,110	0.002%
Ron Mobed	5,333	0.002%
Philip Aiken	4,154	0.001%

## APPENDIX 4

### DEFINITIONS

<b>“ABP”</b>	the AVEVA Annual Bonus Plan;
<b>“Acquisition”</b>	the proposed acquisition by Bidco of the entire issued and to be issued share capital of AVEVA (excluding AVEVA Shares held by Samos or any other member of the Schneider Electric Group) to be implemented by means of the Scheme or, if Bidco so elects (with the consent of the Panel, and subject to the terms of the Co-operation Agreement), by way of the Offer and, where the context admits, any subsequent revision, variation, extension or renewal thereof;
<b>“Acquisition Price”</b>	3,100 pence per AVEVA share;
<b>“Agreed Offer”</b>	any takeover offer made pursuant to an Agreed Switch (as defined in the Co-operation Agreement);
<b>“Announcement”</b>	this announcement made pursuant to Rule 2.7 of the Code;
<b>“ARR”</b>	annualised recurring revenue;
<b>“Articles”</b>	the articles of association of AVEVA from time to time;
<b>“AVEVA”</b>	AVEVA Group plc, a company incorporated in England and Wales with registered number 02937296 and with its registered address at High Cross, Madingley Road, Cambridge, CB3, 0HB;
<b>“AVEVA Directors”</b>	the directors of AVEVA at the time of this Announcement or, where the context so requires, the directors of AVEVA from time to time;
<b>“AVEVA Group”</b>	AVEVA and its subsidiaries and subsidiary undertakings from time to time;
<b>“AVEVA Independent Committee”</b>	the committee of the board of directors of AVEVA comprising the AVEVA Independent Directors and constituted for the purposes of considering the Acquisition;
<b>“AVEVA Independent Directors”</b>	the directors of AVEVA at the time of this Announcement other than Peter Herweck, Hilary Maxson and Oliver Blum;
<b>“AVEVA Share Plans”</b>	the AVEVA Group plc Long-Term Incentive Plan 2021; the AVEVA Group Long-Term Incentive Plan 2014; the AVEVA Group plc Deferred Share Bonus Plan; the AVEVA Group plc Restricted Share Plan 2021; the AVEVA Group plc Senior Employee Restricted Share Plan 2015; and the AVEVA Group plc Global Employee Share Purchase Plan and its sub-plans, the AVEVA Group plc International Employee Share Purchase Plan 2020, AVEVA Group plc UK Share Incentive Plan 2020

	and AVEVA Group plc US Employee Stock Purchase Plan 2020;
<b>“AVEVA Shareholders”</b>	the registered holders of AVEVA Shares from time to time;
<b>“AVEVA Shares”</b>	the ordinary shares of 3.56 pence each in the capital of AVEVA;
<b>“AWG”</b>	the German Foreign Trade Act ( <i>Außenwirtschaftsgesetz</i> );
<b>“AWV”</b>	the German Foreign Trade Ordinance ( <i>Außenwirtschaftsverordnung</i> );
<b>“Bidco”</b>	Ascot Acquisition Holdings Limited, a company incorporated in England and Wales, with company registration number 14356414;
<b>“Bidco Group”</b>	(i) Bidco; (ii) Schneider Electric; (iii) the respective subsidiary undertakings of Bidco and Schneider Electric (excluding each member of the AVEVA Group) and <b>“member of the Bidco Group”</b> shall be construed accordingly;
<b>“Blocking Law”</b>	(i) any provision of Council Regulation (EC) No 2271/1996 of 22 November 1996 (or any law or regulation implementing such Regulation in any member state of the European Union); or (ii) any provision of Council Regulation (EC) No 2271/1996 of 22 November 1996, as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018;
<b>“BMW i”</b>	the German Federal Ministry for Economic Affairs and Energy ( <i>Bundeswirtschaftsministerium</i> );
<b>“Bridge Facility Agreement”</b>	the bridge facility agreement between among others, Schneider Electric and Société Générale (as facility agent) dated on or around the date of this Announcement, details of which are contained in paragraph 13 of this Announcement;
<b>“Business Day”</b>	any day (excluding any Saturday or Sunday or any public holiday in England and/or France) on which banks in London and Paris are generally open for business;
<b>“Citi”</b>	Citigroup Global Markets Limited;
<b>“Citibank Europe”</b>	Citibank Europe Plc, as an underwriter in connection with the Bridge Facility Agreement;
<b>“Citibank, N.A. London Branch”</b>	Citibank, N.A. London Branch, as an arranger and bookrunner under the Bridge Facility Agreement;
<b>“Closing Price”</b>	the closing middle market quotations of a share derived from the Daily Official List of the London Stock Exchange on any particular date;
<b>“Code”</b>	the UK City Code on Takeovers and Mergers as issued, and as from time to time amended and interpreted by, the Panel;

<b>“Companies Act”</b>	the Companies Act 2006, as amended from time to time;
<b>“Company of 25”</b>	the sum of the organic revenue growth percentage and the adjusted EBITA margin percentage;
<b>“Conditions”</b>	the conditions to the Acquisition, set out in Appendix 1 to this Announcement and to be set out in the Scheme Document;
<b>“Confidentiality Agreement”</b>	the confidentiality agreement entered into between Bidco and AVEVA dated 12 September 2022, details of which are contained at paragraph 14 of this Announcement;
<b>“Consideration”</b>	the consideration payable by Bidco to AVEVA Shareholders pursuant to the Acquisition, comprising 3,100 pence in cash for each AVEVA Share;
<b>“Co-operation Agreement”</b>	the co-operation agreement between Schneider Electric, Bidco, and AVEVA dated 21 September 2022, details of which are contained at paragraph 14 of this Announcement;
<b>“Court”</b>	the High Court of Justice in England and Wales;
<b>“Court Meeting”</b>	the meeting of the Scheme Shareholders convened by order of the Court pursuant to section 896 of the Companies Act 2006 for the purpose of considering and, and, if thought fit, approving (with or without modification) the Scheme, including any adjournment of such meeting;
<b>“Court Sanction Date”</b>	means the date in which the Scheme Document is sanctioned by the Court following the Court Sanction Hearing;
<b>“Court Sanction Hearing”</b>	the hearing of the Court to sanction the Scheme under section 899 of the Companies Act;
<b>“CREST”</b>	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the Regulations));
<b>“Dealing Disclosure”</b>	has the same meaning as in Rule 8 of the Code;
<b>“Disclosed”</b>	the information disclosed by, or on behalf of AVEVA: (i) in the annual report and accounts of AVEVA for the financial year ended 31 March 2022; (ii) in the trading update made by AVEVA on 28 July 2022; (iii) in this Announcement; (iv) in any other announcement to a Regulatory Information Service by, or on behalf of AVEVA in the two years prior to the publication of this Announcement; (v) in relation to information which has been provided pursuant to ordinary course information flows between AVEVA and Schneider Electric or any member of the Schneider Electric Group, any information which has been: (i) reported directly into Schneider Electric’s Oracle Hyperion Financial Management system; (ii) sent by email to the appropriate Schneider Electric team member; or (iii) disclosed in any quarterly business review presentation delivered to

members of the executive committee of Schneider Electric; (vi) as otherwise fairly disclosed in writing to Schneider Electric or Bidco (or their respective officers, employees, agents or advisers), including via the virtual data room operated by or on behalf of AVEVA in respect of the Acquisition or via e-mail, in each case, prior to the date of this Announcement;

<b>“Effective”</b>	(i) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to and in accordance with its terms; or (ii) if the Acquisition is implemented by way of the Offer (with the consent of the Panel, and subject to the terms of the Co-operation Agreement), the Offer having been declared or having become unconditional in accordance with the requirements of the Code;
<b>“Effective Date”</b>	the date on which the Acquisition becomes Effective;
<b>“EU”</b>	European Union;
<b>“Excluded Shares”</b>	any AVEVA Shares: (a) registered in the name of, or beneficially owned by Samos, Schneider Electric or other any member of the Bidco Group or which are controlled by Samos, Schneider Electric or any other member of the Bidco Group or their respective nominees; or (b) held by AVEVA in treasury;
<b>“FCA”</b>	the Financial Conduct Authority;
<b>“Forms of Proxy”</b>	the forms of proxy in connection with each of the Court Meeting and the General Meeting, which shall accompany the Scheme Document;
<b>“General Meeting”</b>	the general meeting of holders of AVEVA Shares which are in issue as at the Voting Record Time, to be convened in connection with the Scheme to consider and if thought fit pass the Resolutions (with or without amendment), including any adjournment, postponement or reconvening thereof;
<b>“J.P. Morgan Cazenove”</b>	J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove;
<b>“Lazard”</b>	Lazard & Co., Limited;
<b>“London Stock Exchange”</b>	London Stock Exchange plc;
<b>“Long-Stop Date”</b>	21 September 2023, or such later date as may be agreed by Bidco and AVEVA (with the consent of the Panel and as the Court may approve (if such approval(s) are required));
<b>“LTIPs”</b>	the AVEVA Long Term Incentive Plan 2014 and AVEVA Long Term Incentive Plan 2021;
<b>“Meetings”</b>	the Court Meeting and the General Meeting;

<b>“Non-Independent AVEVA Directors”</b>	Peter Herweck, Olivier Blum and Hilary Maxson;
<b>“NS&amp;I Act”</b>	the National Security and Investment Act 2021;
<b>“Numis”</b>	Numis Securities Limited;
<b>“Offer”</b>	if (with the consent of the Panel and subject to the terms of the Co-operation Agreement) Bidco elects to implement the Acquisition by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the offer to be made by or on behalf of Bidco to acquire the entire issued and to be issued share capital of AVEVA (excluding AVEVA Shares held by Samos or any other member of the Schneider Electric Group), and, where the context admits, any subsequent revision, variation, extension or renewal of such offer;
<b>“Offer Document”</b>	if (with the consent of the Panel and subject to the terms of the Co-operation Agreement) Bidco elects to implement the Acquisition by way of the Offer, the document to be sent to AVEVA Shareholders which will contain, inter alia, the terms and conditions of the Offer;
<b>“Offer Period”</b>	the period which commenced on 24 August 2022 and ending on the earlier of the date on which the Scheme becomes Effective and/or the date on which the Scheme lapses or is withdrawn (or such other date as the Panel may decide);
<b>“Official List”</b>	the official list maintained by the FCA;
<b>“Opening Position Disclosure”</b>	an announcement containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to the offer if the person concerned has such a position;
<b>“Panel”</b>	the UK Panel on Takeovers and Mergers;
<b>“Pension Schemes”</b>	The Ascot operated defined benefit and defined contribution pension schemes in the UK and in other jurisdictions;
<b>“Permitted Dividend”</b>	any interim dividend of up to 13 pence per AVEVA Share which is declared by the board of AVEVA and paid in respect of the six-month period ending 30 September 2022;
<b>“PRA”</b>	the Prudential Regulation Authority;
<b>“R&amp;D”</b>	research and development;
<b>“Registrar of Companies”</b>	the Registrar of Companies in England and Wales;
<b>“Relationship Agreement”</b>	the relationship agreement between Schneider Electric and AVEVA dated 1 March 2018;
<b>“Resolutions”</b>	the special resolutions to be proposed at the General Meeting necessary to facilitate the implementation of the Scheme,

	including (without limitation) a resolution to implement certain amendments to be made to the Articles;
<b>“Restricted Jurisdiction”</b>	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available to AVEVA Shareholders in that jurisdiction;
<b>“RSPs”</b>	the AVEVA Senior Employee Restricted Share Plan 2015 and AVEVA Restricted Share Plan 2021;
<b>“Sales Plans”</b>	the AVEVA Sales Incentive Plans;
<b>“Samos”</b>	Samos Acquisition Company Limited, a company incorporated in England and Wales with registered number 08626813 and with its registered address at Stafford Part 5, Telford, England, TF3 3BL;
<b>“Scheme”</b>	the proposed scheme of arrangement under Part 26 of the Companies Act 2006 between AVEVA and Scheme Shareholders to implement the Acquisition;
<b>“Scheme Court Order”</b>	the order of the Court sanctioning the Scheme under section 899 of the Companies Act;
<b>“Scheme Document”</b>	the document to be dispatched to AVEVA Shareholders including the particulars required by section 897 of the Companies Act;
<b>“Scheme Record Time”</b>	the time and date specified as such in the Scheme Document, expected to be 6.00 p.m. on the Business Day immediately after the date of the Court Sanction Hearing, or such later time as Bidco and AVEVA may agree;
<b>“Scheme Shareholders”</b>	holders of Scheme Shares;
<b>“Scheme Shares”</b>	all AVEVA Shares: (i) in issue at the date of the Scheme Document; (ii) (if any) issued after the date of the Scheme Document and prior to the Voting Record Time; and (iii) (if any) issued at or after the Voting Record Time and prior to the Scheme Record Time in respect of which the original or any subsequent holder thereof is bound by the Scheme, or shall by such time have agreed in writing to be bound by the Scheme, but, in each case, excluding the Excluded Shares;
<b>“Schneider Electric”</b>	Schneider Electric SE, a <i>societas Europaea</i> incorporated in France with sole identification number 542 048 574 R.C.S. Nanterre and with its registered address at 35, rue Joseph Monier, 92506 Rueil-Malmaison (France);
<b>“Schneider Electric Group”</b>	Schneider Electric and its subsidiaries and subsidiary undertakings from time to time (excluding AVEVA and its subsidiaries and subsidiary undertakings);

<b>“Significant Interest”</b>	a direct or indirect interest in 20 per cent. or more of the voting equity share capital of an undertaking;
<b>“Société Générale”</b>	Société Générale, as an arranger, and bookrunner, an underwriter and as facility agent under the Bridge Facility Agreement;
<b>“Third Party”</b>	means any central bank, government, government department or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, authority, court, trade agency, association, institution or professional or environmental body in any relevant jurisdiction, including, for the avoidance of doubt, the Panel;
<b>“UK”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“US” or “United States”</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
<b>“US Exchange Act”</b>	the United States Securities Exchange Act 1934, as amended from time to time;
<b>“Voting Record Time”</b>	the date and time specified in the Scheme Document by reference to which entitlements to vote on the Scheme will be determined, expected to be 6.00 p.m. on the day two days prior to the Court Meeting or any adjournment thereof (as the case may be); and
<b>“Wider AVEVA Group”</b>	AVEVA and its subsidiary undertakings, associated undertakings and any other undertaking in which AVEVA and/or such undertakings (aggregating their interests) have a Significant Interest.