

## PRESS RELEASE

### Wolters Kluwer to Acquire XCM Solutions

**September 14, 2020 – Wolters Kluwer Tax & Accounting announces today that it has entered into an agreement to acquire XCM Solutions, a cloud-based workflow solutions provider for professional tax and accounting firms. The acquisition offers integration opportunities with CCH® Access™, our cloud-based software suite for professional firms in North America.**

Wolters Kluwer Tax & Accounting North America has had a longstanding strategic partnership with XCM Solutions since 2006, enabling firms to integrate XCM workflow tools with CCH® ProSystem fx® on-premise software and, since 2012, with CCH Access, our cloud-based, modular software platform. Wolters Kluwer and XCM share a common approach to providing innovative, cloud-based solutions that drive productivity for customers.

Founded in 2002, XCM today serves professional tax & accounting firms of all sizes across the U.S. and Canada. XCM solutions help firms control their workflow processes and allocate their resources in order to achieve greater efficiency, productivity and profitability. The company's main product is XCMworkflow, a cloud-based system that aligns with a firm's existing systems and helps them manage all types of work across multiple clients, projects, and offices, streamlining workflows between systems and facilitating a more open and collaborative way of working.

XCM recorded revenues of €19 million in calendar year 2019 (un-audited). Approximately 75% of XCM 2019 revenues were from cloud-based software, of which the majority was subscription-driven. XCM also provides outsourcing and technology-enabled services to support clients during the tax season. The transaction values XCM Solutions at €136 million. With revenue and cost synergies anticipated over the medium to long term, we expect the acquisition to achieve a return on invested capital above our after-tax weighted average cost of capital (8%) within 3 to 5 years. The near-term impact on Wolters Kluwer adjusted net profit is positive but immaterial. Headquartered in Quincy, Massachusetts, XCM has approximately 440 employees located in the U.S. and India. The transaction is expected to close in the next few weeks once customary closing conditions have been met.

“Our longstanding business relationship make this combination a natural evolution. Firms are seeking solutions that will allow them to modernize their workflows to remain profitable, to attract talent, and to better meet clients' expectations beyond tax compliance work. With this acquisition and our CCH Access Platform, we can even better serve their needs,” said Jason Marx, President & CEO, Wolters Kluwer Tax & Accounting North America. “XCM also offers technology-enabled accounting and tax outsourcing services, which will be a great complement to the services we provide Wolters Kluwer customers today.”

“We are very excited by the opportunity to join Wolters Kluwer,” said Glen Keenan, CPA, President & COO XCM Solutions. “XCM customers will benefit not just from the leadership and domain expertise of Wolters Kluwer but also from their demonstrated commitment to serve customer needs through sustained investment in product enhancement and innovation.”

#### **About Wolters Kluwer**

Wolters Kluwer (WKL) is a global leader in professional information, software solutions, and services for the healthcare; tax and accounting; governance, risk and compliance; and legal and regulatory sectors. We help our customers make critical decisions every day by providing expert solutions that combine deep domain knowledge with specialized technology and services. Wolters Kluwer reported

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2019 annual revenues of €4.6 billion. The group serves customers in over 180 countries, maintains operations in over 40 countries, and employs approximately 19,000 people worldwide. The company is headquartered in Alphen aan den Rijn, the Netherlands. Wolters Kluwer shares are listed on Euronext Amsterdam (WKL) and are included in the AEX and Euronext 100 indices. Wolters Kluwer has a sponsored Level 1 American Depositary Receipt (ADR) program. The ADRs are traded on the over-the-counter market in the U.S. (WTKWY).

For more information, visit [www.wolterskluwer.com](http://www.wolterskluwer.com), follow us on [Twitter](#), [Facebook](#), [LinkedIn](#), and [YouTube](#).

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### Forward-looking Statements and Other Important Legal Information

This report contains forward-looking statements. These statements may be identified by words such as “expect”, “should”, “could”, “shall” and similar expressions. Wolters Kluwer cautions that such forward-looking statements are qualified by certain risks and uncertainties that could cause actual results and events to differ materially from what is contemplated by the forward-looking statements. Factors which could cause actual results to differ from these forward-looking statements may include, without limitation, general economic conditions; conditions in the markets in which Wolters Kluwer is engaged; behavior of customers, suppliers, and competitors; technological developments; the implementation and execution of new ICT systems or outsourcing; and legal, tax, and regulatory rules affecting Wolters Kluwer’s businesses, as well as risks related to mergers, acquisitions, and divestments. In addition, financial risks such as currency movements, interest rate fluctuations, liquidity, and credit risks could influence future results. The foregoing list of factors should not be construed as exhaustive. Wolters Kluwer disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Elements of this press release contain or may contain inside information about Wolters Kluwer within the meaning of Article 7(1) of the Market Abuse Regulation (596/2014/EU).