



24SevenOffice

Announcement from extra general meeting in 24SevenOffice Group AB

Today on 29 November 2024 in Stockholm the extra general meeting (the "EGM") of 24SevenOffice Group AB ("24SevenOffice" or the "Company") was held and the following resolutions were passed by the meeting.

Approval of the sale of certain subsidiaries and assets to Abacus Bidco Oy

The EGM resolved, in accordance with the board of directors' proposal, to approve the sale of certain subsidiaries and assets (the "**Target Business**") of the Company (the "**Transaction**") to Abacus Bidco Oy, reg. no. 3459129-1 (the "**Buyer**"), in accordance with a purchase agreement entered into on 12 November 2024 (the "**Purchase Agreement**"). As part of the Transaction, the Company's largest shareholder, R-Venture AS, will reinvest a substantial part of its proceeds into the Buyer group (100 per cent of the net proceeds less approximately SEK 300 million). Pursuant to the terms of the Purchase Agreement, completion of the Transaction is conditional upon the approval of the Transaction by the general meeting, the receipt of necessary clearances or approval from the relevant competition authorities and the separation of the Target Business from the Remaining Business (as defined below).

The Target Business consists mainly of the ERP related subsidiaries and assets, including among others 24SevenOffice Norway AS, 24SevenOffice Scandinavia Systems AS and 24SevenOffice Sweden AB. The purchase price for the Target Business equals its enterprise value of approximately SEK 2.4 billion, subject to customary closing balance sheet adjustments. The Transaction will be fully settled in cash. Conditional upon satisfaction of the closing conditions mentioned above, Completion is expected to take place by the end of 2024.

The board of directors intends to, as soon as practically possible following the completion of the Transaction, return value to shareholders by proposing a dividend of approximately SEK 23 per share, after settling debt and other obligations that could impact the final amount. As part of the Transaction, the board of directors intends to propose retaining SEK 200 million in cash to amongst other things invest in the Company's remaining business areas of fintech, CRM, MRP and others.

The Company will retain the following companies and business units (the "**Remaining Business**"):

- the Company's US business, consisting of 24SevenOffice US Inc., Masterplan ERP Inc., the MRP business (including the holding company 24SevenOffice MRP AS), and a licensing right to CRM software from the Target Business and an intended forking of the CRM software, but excluding the US intellectual property rights in respect of ERP and CRM (which, for clarity, will be transferred to the Target Business);
- the Company's fintech business, consisting of (i) 24SevenOffice AI AS, (ii) 24SevenFinans AS, (iii) the Pay by 24SevenOffice software (previously Optin Pay), and (iv) the strategic partnership with Storebrand;
- the Company's Danish business, consisting of 24SevenOffice Danmark A/S (formerly Innomate A/S) and its HCM SaaS business; and
- the debt collection business of Oflow AS (formerly Inkassopartner AS), excluding the Oflow debt collection software and license held by Oflow Group AS (which will, for clarity, remain part of the Target Business, but the software will be licensed to Oflow AS

pursuant to a software licensing agreement).

Approval of the earn-out payment to R-Venture AS

The EGM resolved, in accordance with the board of directors' proposal, to approve a cash payment of the earn-out payment to R-Venture AS of SEK 306,000,000 (the "**Earn-Out Payment**") pursuant to the share purchase agreement entered into on 3 May 2024 regarding the Company's acquisition of all shares (incl. the intellectual property rights) in IMS Venture AS from R-Venture AS (the "**Share Purchase Agreement**"). As R-Venture AS owns 58.68 percent of the shares in the Company, the acquisition of the shares in IMS Venture AS from R-Venture AS constituted a related party transaction, which required approval from the general meeting. The extra general meeting held on 10 June 2024 approved the acquisition and its terms as set out in the Share Purchase Agreement.

As set out in the board of directors' proposal to the extra general meeting on 10 June 2024, the purchase price for the shares, according to the Share Purchase Agreement, consisted of a cash payment, and of synthetic options issued by the Company (the "**Synthetic Options**"). The Synthetic Options entail that the Company shall pay the Earn-Out Payment of between USD 15,000,000 and USD 45,000,000 if the following occurs in the future: (i) the Company carries out an exit, which in the Share Purchase Agreement is defined as an IPO or sale of the Company ("**Exit**"), and (ii) the share price of the Company is between SEK 17.5 and SEK 45 per share. The size of the Earn-Out Payment follows the share price linearly from USD 15,000,000 in case of an Exit at a share price of SEK 17.5 to USD 45,000,000 at a share price of SEK 45.

The intention of the Company and R-Venture AS was that a sale such as the Transaction, proposed by the board of directors before this extra general meeting, shall constitute a sale of the Company and consequently an Exit for the purpose of the Share Purchase Agreement. As this intention was not apparent from the wording of the boards' proposal of the Share Purchase Agreement before the extra general meeting on 10 June 2024, the EGM resolved, in accordance with the board of directors' proposal, to approve such interpretation of the Share Purchase Agreement and ratify such Earn-Out Payment being made by the Company to R-Venture AS on the basis of the completion of the Transaction.

The Earn-Out Payment has been calculated based on a share price of SEK 31, and the estimated total amount is SEK 306 million.

For further details regarding the resolutions set out above, refer to the notice, press releases and complete proposals available at the Company's website, www.24sevenoffice.com.

For further information please contact:

Eirik Aalvik Stranden, CEO

Tel: +47 247 00 030, eas@24sevenoffice.com

24SevenOffice in brief

At 24SevenOffice, we are passionate about delivering modular and flow-focused business systems tailored to meet the unique needs of companies of all sizes.

We understand that businesses require flexibility and scalability, which is why we provide a module-based solution that enables you to create the perfect workflow, adapting to your evolving requirements.