

Press Release

Stockholm, Sweden, 1 October 2021

Hexagon completes the acquisition of Infor's EAM business and has resolved on an issue in kind

Hexagon AB, a global leader in digital reality solutions, today announced the completion of the [previously announced](#) acquisition of Infor's global EAM (enterprise asset management) business and has resolved on an issue in kind of consideration shares. Completion of the transaction was subject to regulatory approvals and other customary closing conditions, which have now been obtained.

The best-in-class, SaaS-based asset management solution, Infor EAM, is used to track assets, digitalise maintenance operations and enable customers in nearly any industry to reach optimum operational efficiency. Infor's EAM business is expected to generate 2021 revenues of 184 MUSD, of which over 70 per cent is recurring, with an adjusted operating margin of over 40 per cent after integration. Infor's EAM business is driving a transition of its customer base to SaaS, which is expected to be over 40 per cent of revenue in 2021 (over half of software revenues) and has been growing at a trailing 3-year Compound Annual Growth Rate (CAGR) of approximately 35 per cent. Given the strong fit of Infor EAM across Hexagon's businesses, the transaction is expected to generate significant sales synergies, growing to approximately 100 MUSD by 2026.

Transaction details

Under the terms of the agreement, Hexagon AB has paid 792 MUSD in cash and issued 132.6M series B shares to Infor, a Koch Industries, Inc. subsidiary, in accordance with the mandate granted by the Annual General Meeting 2021. The total purchase price amounted to 2,820 MUSD based on a closing price of 133.85 SEK per share, on a cash and debt free basis. Infor thereby now owns 4.9 per cent of the equity and 3.6 per cent of the votes in Hexagon AB. Hexagon's main shareholder, MSAB, has the intention of suggesting Brett Watson, President of Koch Equity Development, LLC, to the Hexagon nomination committee for nomination to the Board of Directors as soon as feasible.

After the non-cash issue, Hexagon's share capital now amounts to 85,761,451 EUR, the number of shares amounts to 2,705,477,888 and votes amounts to 3,697,727,888. Including the new shares, the acquisition is expected to be accretive to Hexagon's adjusted earnings per share (before Purchase Price Allocation (PPA) and other non-cash purchase accounting adjustments).

Key facts:

- Total purchase price of 2,820 MUSD on a cash and debt free basis of which:
 - 792 MUSD in cash
 - 132.6M Hexagon AB series B shares corresponding to approximately 2,028 MUSD, based on a share price of 133.85 SEK per share
- The cash consideration is fully financed via existing and new debt facilities and the proforma net debt to EBITDA ratio for the second quarter 2021, including the transaction, amounted to 1.66
- Non-recurring transaction and integration costs, including non-cash impairments related to overlapping technologies, of 161 MEUR will impact the income statement in the fourth quarter 2021

- Revenue recognition adjustment of deferred revenue of 14 MEUR will negatively impact the income statement during the coming 12 months
- Surplus values in the purchase price allocation (PPA) are estimated to 600 MEUR and will be amortised over 15 years

For further information, please contact:

Maria Luthström, Head of Sustainability and Investor Relations, Hexagon AB, +46 8 601 26 27,

ir@hexagon.com

[Kristin Christensen](#), Chief Marketing Officer, Hexagon AB, +1 404 554 0972, media@hexagon.com

Hexagon is a global leader in digital reality solutions, combining sensor, software and autonomous technologies. We are putting data to work to boost efficiency, productivity, quality and safety across industrial, manufacturing, infrastructure, public sector, and mobility applications.

Our technologies are shaping production and people related ecosystems to become increasingly connected and autonomous – ensuring a scalable, sustainable future.

Hexagon (Nasdaq Stockholm: HEXA B) has approximately 21,000 employees in 50 countries and net sales of approximately 3.8bn EUR. Learn more at [hexagon.com](https://www.hexagon.com) and follow us [@HexagonAB](https://twitter.com/HexagonAB).