



HEXAGON

empowering an autonomous future

Agreement to acquire Infor's EAM business

Press and capital markets webcast and
telephone conference

06 July, 10:00 CET





Ola Rollén, Hexagon President and CEO

Overview

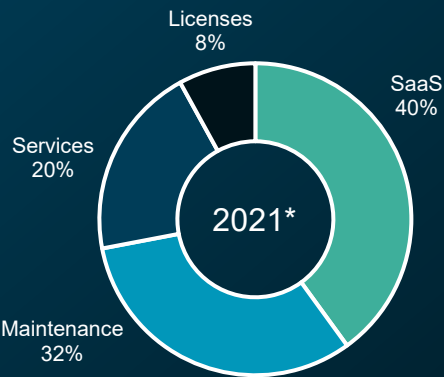
Infor's EAM business at-a-glance

Market leader in EAM

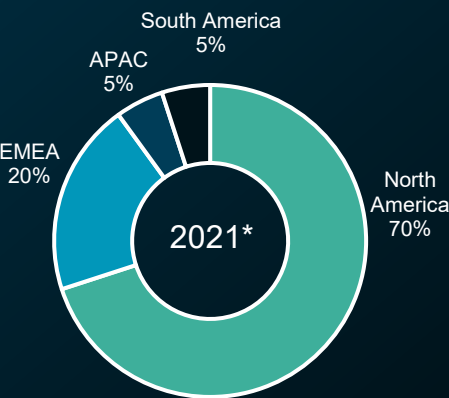
EAM (enterprise asset management) is a core business application used by companies in industrial and asset-intensive industries to optimize maintenance and repair of plants and equipment.

SaaS revenue CAGR 2018-2021*	Total revenue 2021*	Cash conversion 2020	Adjusted operating margin 2021*
~35%	\$184M	110%+	40%+
			

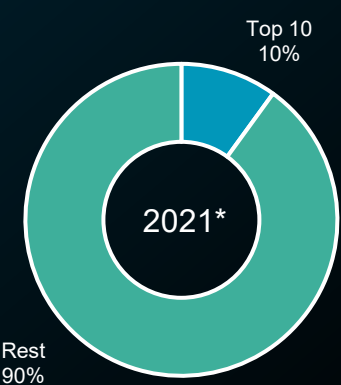
Revenue split



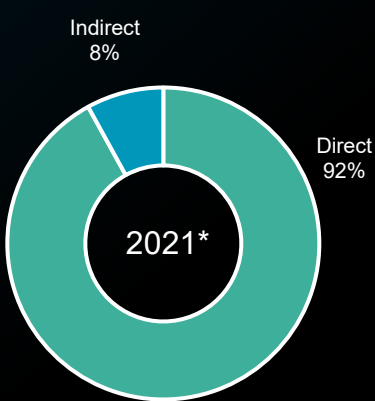
Geographical split



Customer revenue



Sales channels



*Estimated
Adjusted operating margin excludes PPA and other purchase accounting adjustments

Infor EAM

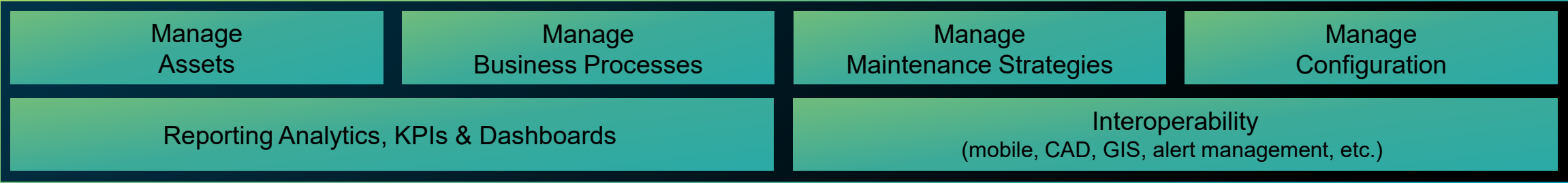
Best-in-class SaaS-based EAM solution

Manages critical assets, digitalises maintenance ops and enables customers in nearly any industry to reach optimum operational efficiency.

Foundation of digital innovation in asset-intensive industries – where digital realities, or digital operational twins, are leveraged to provide a single source of truth and complete line-of-sight to ever-changing situations.



Available in 16 languages (including Chinese) with special configurations for specific verticals



EAM Market

TAM, growth and competitive edge

EAM is a sticky and mature business

- EAM Software market estimated at \$3.76 billion in 2023

SaaS EAM business growing quick

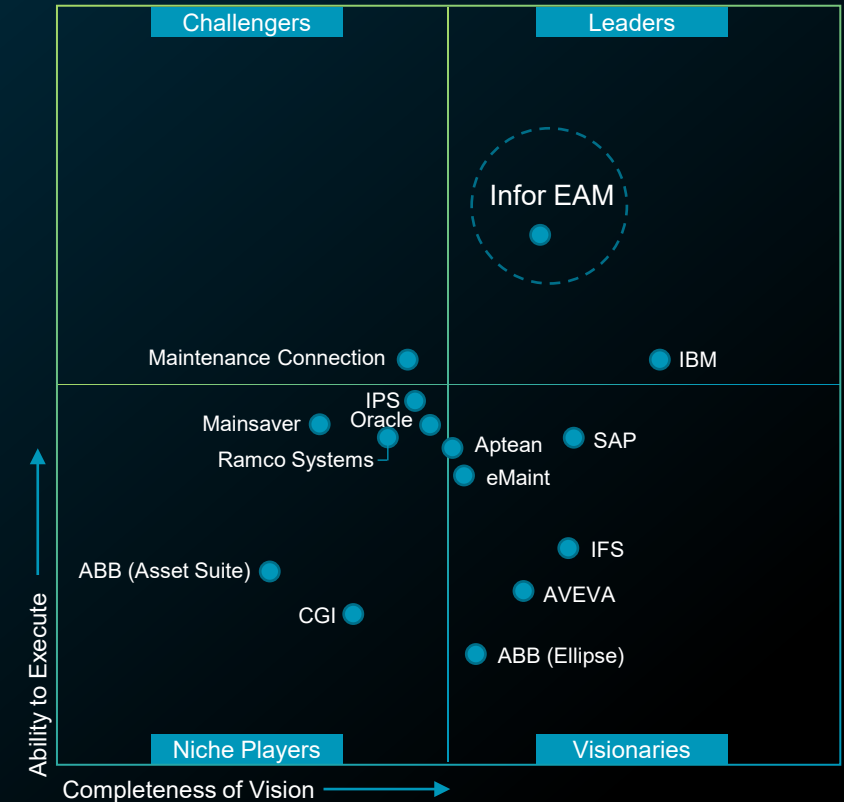
- EAM SaaS market estimated to grow at a 5-year CAGR of 20% between 2018-2023
- Infor's EAM SaaS business has grown at a 3-year trailing CAGR of ~35%

Market leader

- Infor's EAM business is recognised as a market leader and “best-of-breed” in the market*

*Source:
IDC EAM Marketspace 2020-2021

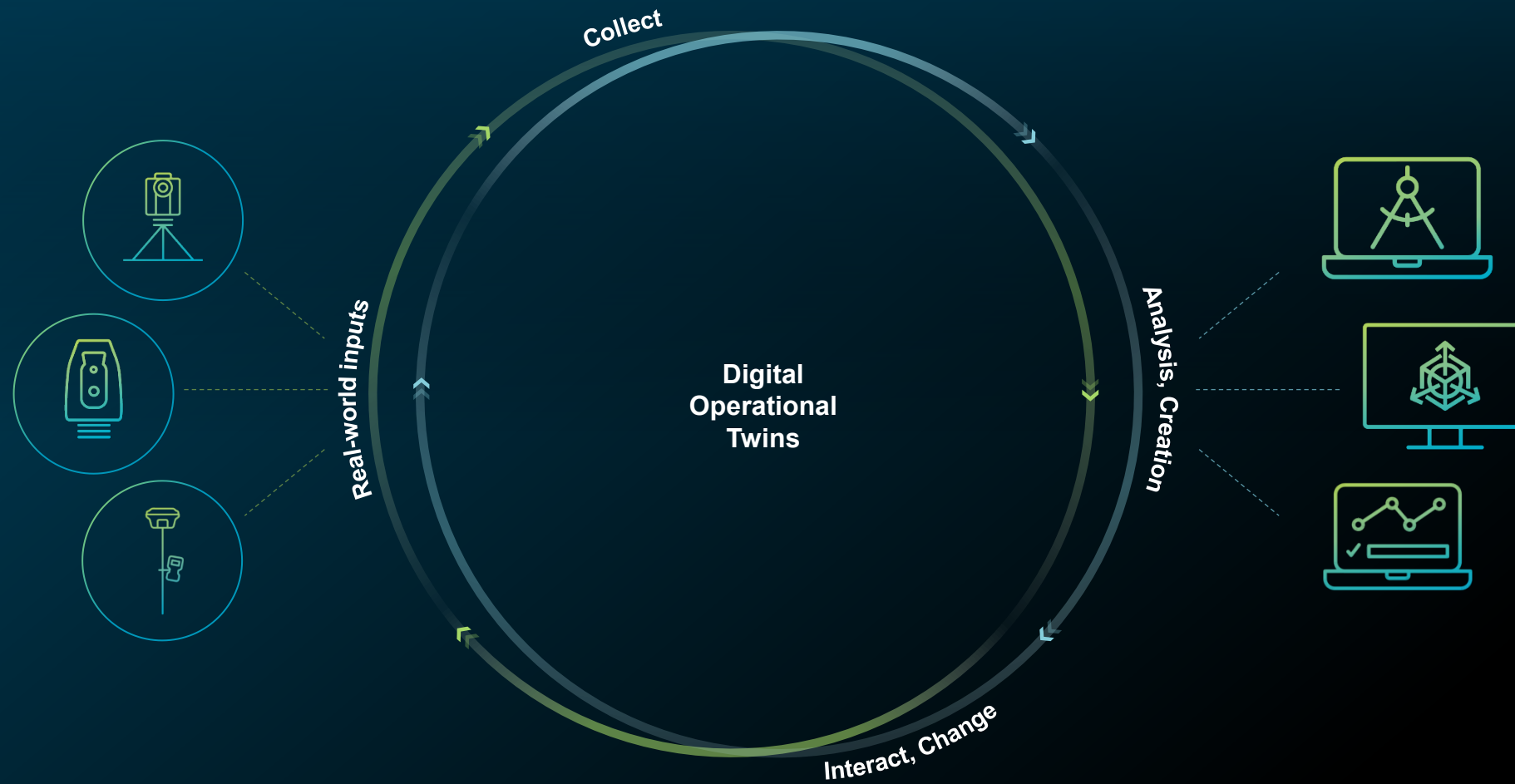
MAGIC QUADRANT LEADER



Source:
Gartner Magic Quadrant for Enterprise Asset Management Software, IDC EAM Marketspace 2020-2021

Strategic rationale

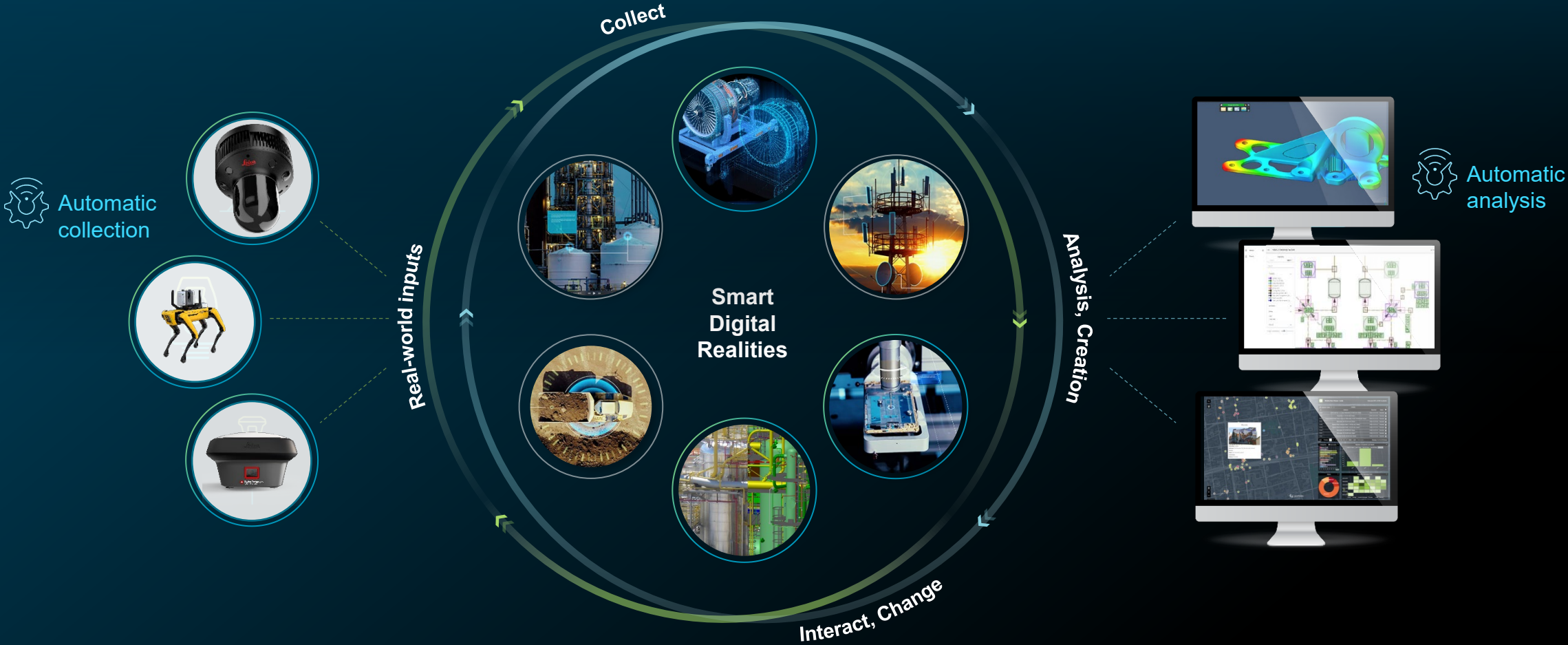
Hexagon's "feedback loop"



Strategic rationale

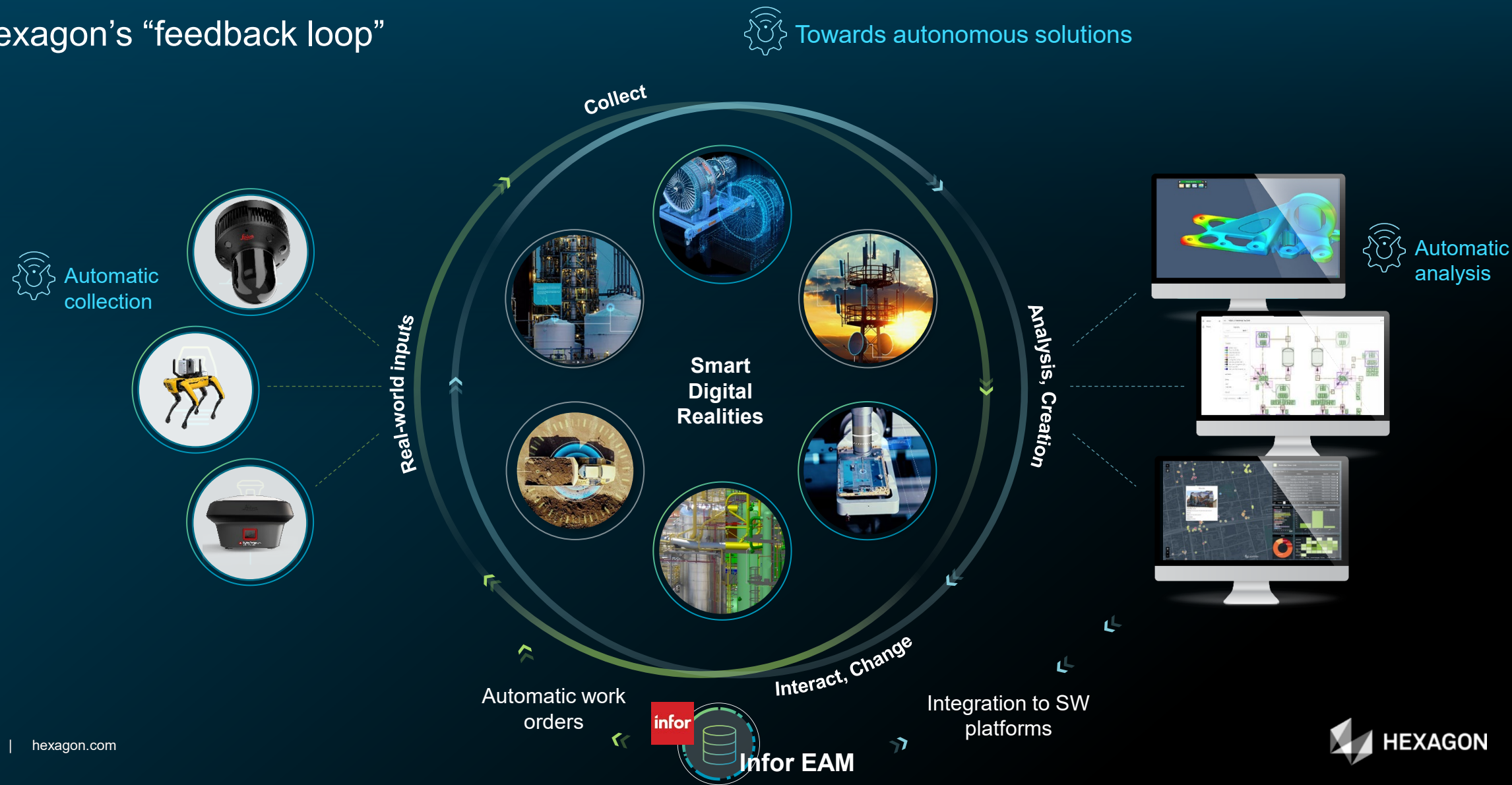
Hexagon's "feedback loop"

 Towards autonomous solutions



Strategic rationale

Hexagon's "feedback loop"



Company-wide synergies

Driving further digital transformation across our customer base



Solutions for Industrial Facilities Ecosystem

Portfolio expansion with additional EAM and asset performance management capabilities



Solutions for Manufacturing Ecosystem

Up-selling and cross-selling opportunities in key markets



Solutions for Infrastructure Ecosystem

Added capabilities of asset performance management



Solutions for Buildings Ecosystem

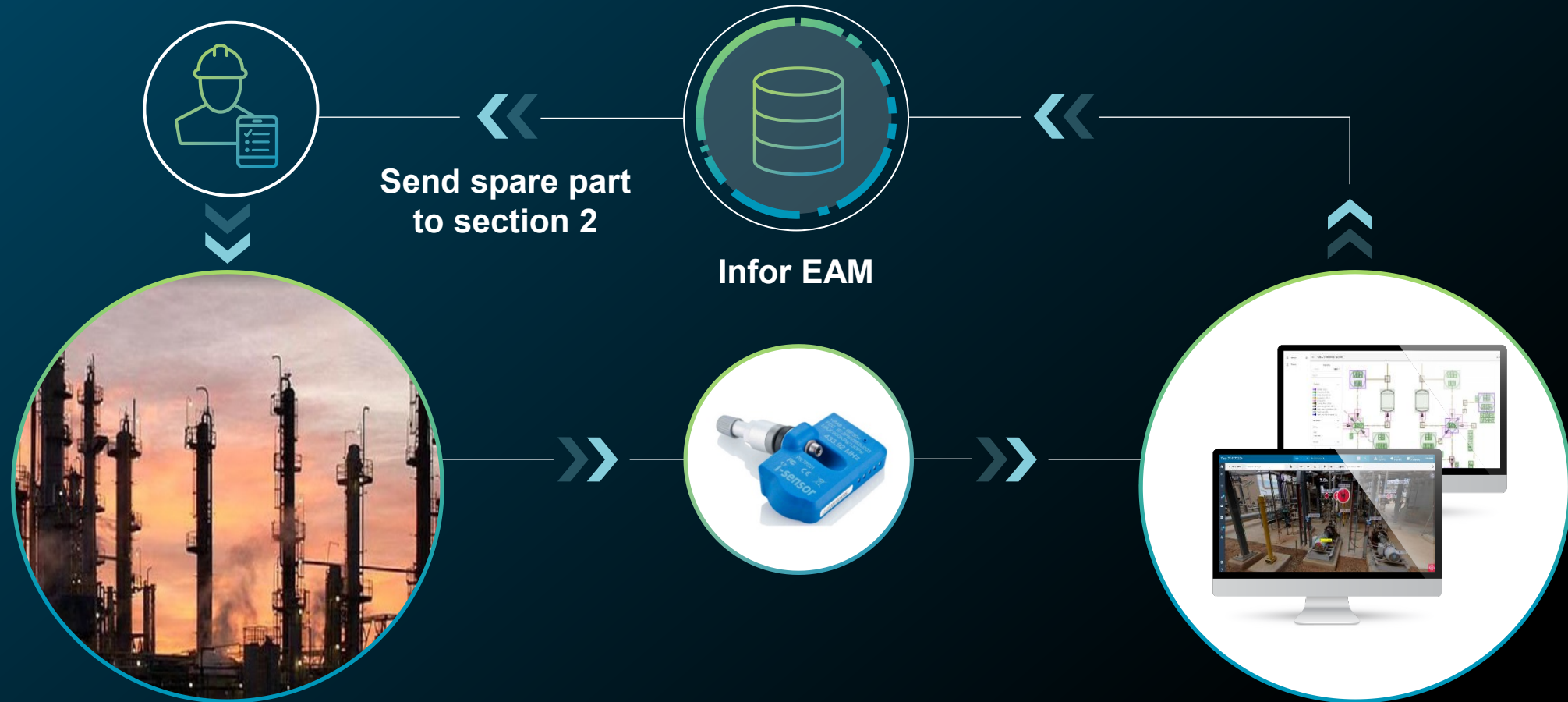
Expanded offering within facilities management



100 MUSD revenue
synergy opportunity
by 2026

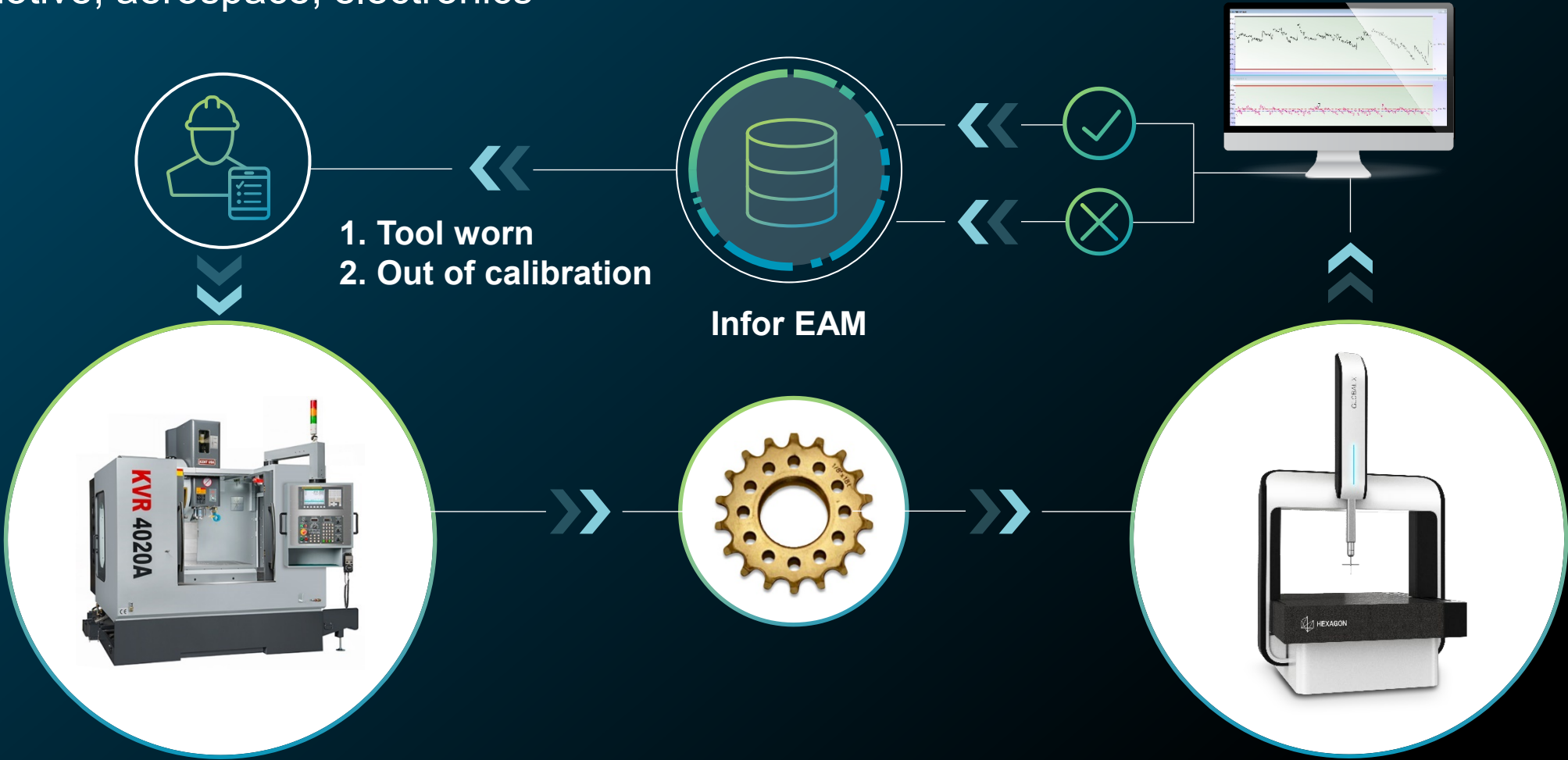
Synergies: Industrial Facilities Ecosystem

Petrochemical, beverage, pharmaceutical



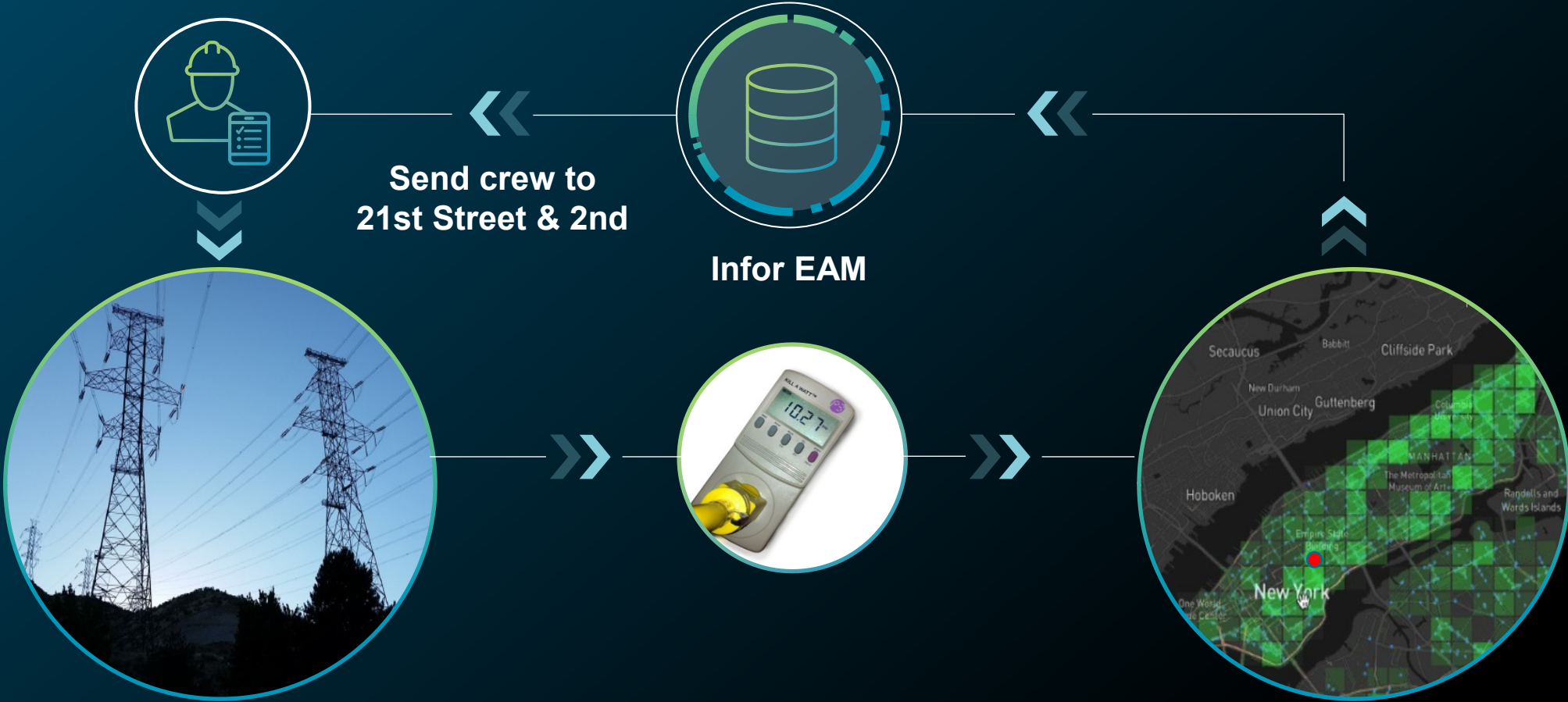
Synergies: Manufacturing Ecosystem

Automotive, aerospace, electronics



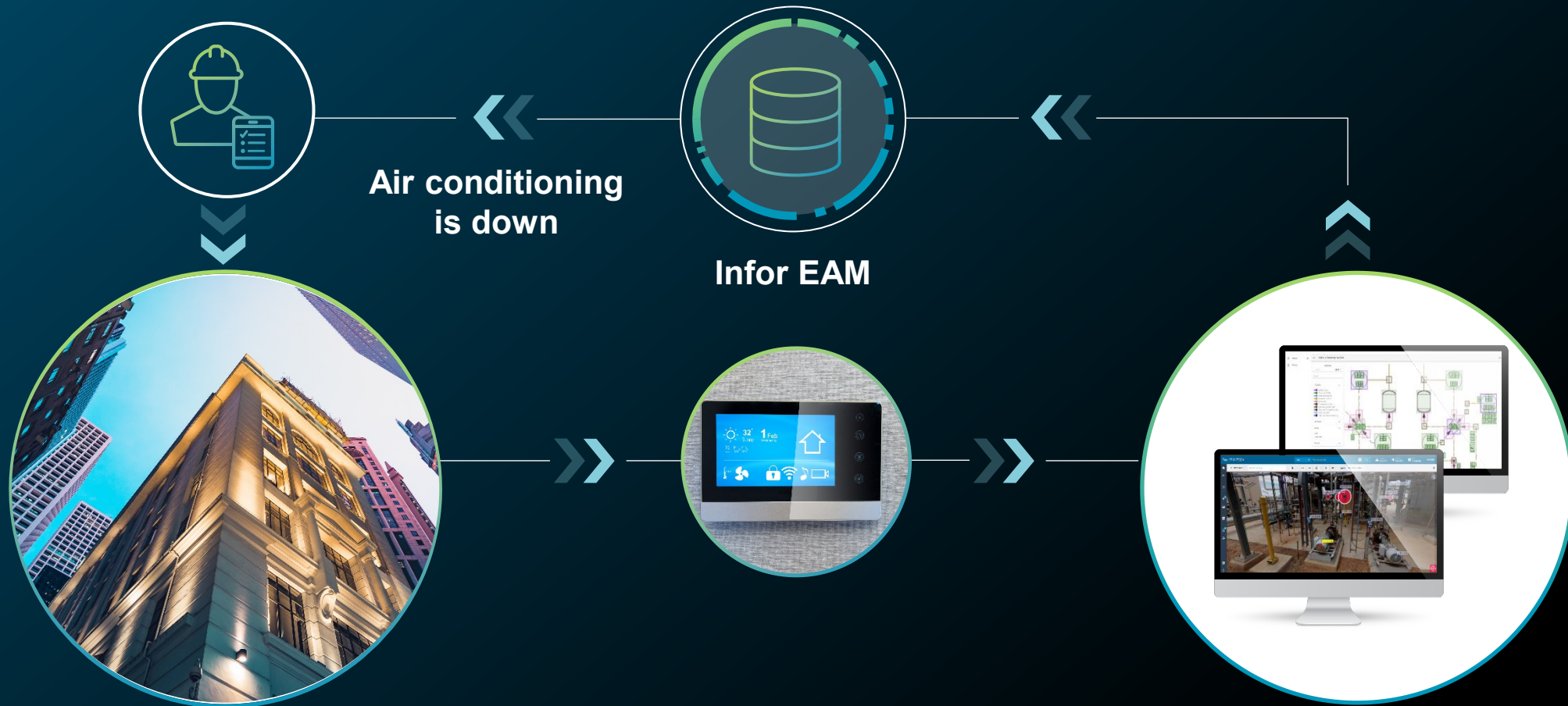
Synergies: Infrastructure Ecosystem

Utilities, road, rail



Synergies: Buildings Ecosystem

Facilities management



Long-term commitments



Strategic partnership

Reseller agreements and opportunities to accelerate cross-selling of complementary solutions across common customers in markets such as automotive, discrete manufacturing, and public safety



Strategic alliance

Plans to unlock additional value for Koch companies which are already valued customers by further expanding the use of Infor EAM and Hexagon's solutions across the entire lifecycle of Koch's manufacturing assets – from initial design to day-to-day operations

Long-term active shareholder

Hexagon's main shareholder, MSAB, has the intention of suggesting Brett Watson, President of Koch Equity Development, to the Hexagon nomination committee for nomination to the Board of Directors as soon as feasible post closing

Transaction details and financials

Transaction details

Hexagon to acquire Infor's EAM business from Koch Industries at a transaction value of 2,750 MUSD

Purchase price

2,750* MUSD on a cash and debt free basis:

- of which 800 MUSD in cash
- 132.6M Hexagon AB series B shares corresponding to approximately 1,950 MUSD, based on an agreed share price of 125.73 SEK

Non-cash issue

Hexagon will issue 132.6M series B shares to an affiliate of Koch Industries, in accordance with the mandate granted by the Annual General Meeting 2021

Ownership

After the completion of the transaction, an affiliate of Koch will own 4.9 per cent of the equity in Hexagon AB

Net debt to EBITDA

After the transaction, Hexagon's proforma net debt to EBITDA will be approximately 1.75

*The exact total purchase price is dependent on the share price at the closing of the transaction

Infor's EAM business overview

Recurring
revenues 2021*

70%+



SaaS Net retention
rate

~110-115%



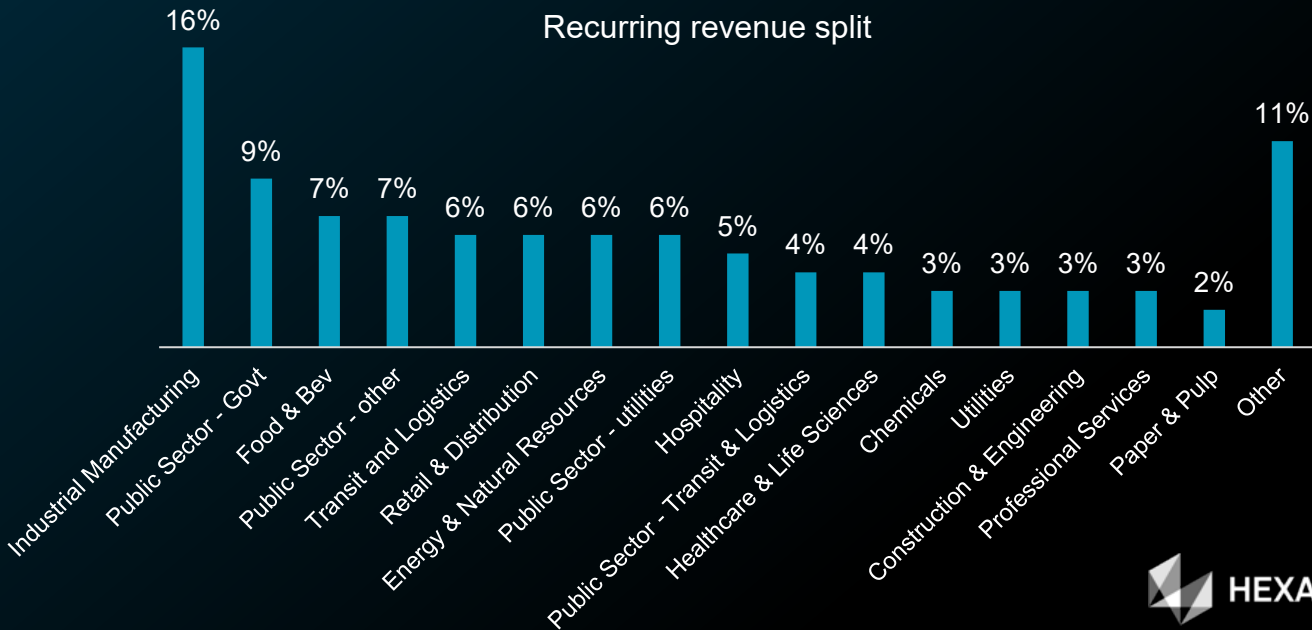
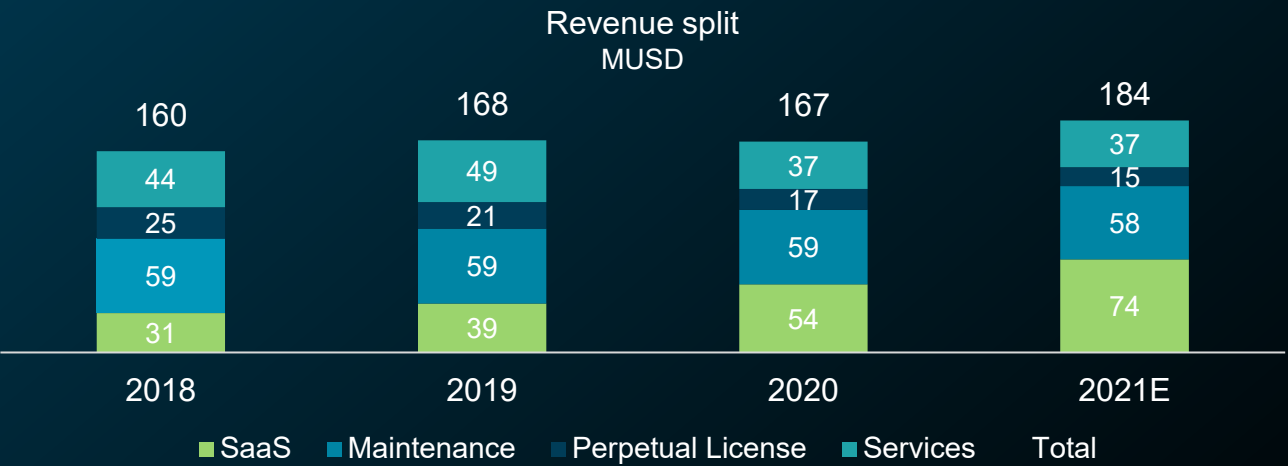
SaaS
revenues 2021*

40%



SaaS bookings
CAGR 2018-2021*

60%+



*Estimated

Summary



Best-in-class, SaaS-based EAM

- Market leading solution
- Purpose-built to scale and highly configurable
- Modern architecture that works on all device types
- Evolution of EAM to APM



Partnerships

- Partnerships with Infor and Koch Equity Development, LLC
- Koch to become long-term and active shareholder



Company-wide synergies

- Estimated 100 MUSD revenue synergies by 2026
- Portfolio and TAM expansion
- Diversification into new verticals
- Serves all of Hexagon's businesses



Enhanced profitability

- Accretive to Hexagon's adjusted operating margin and adjusted EPS as of closing (before PPA and other purchase accounting adjustments)
- Increases recurring revenue and software mix
- Accelerates SaaS transition across Hexagon



Q&A

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Ola Rollén, Hexagon President and CEO

Robert Belkic, Chief Financial Officer

Ben Maslen, Chief Strategy Officer