

# Merzell acquires Cloudia, the leading e-Procurement platform in Finland

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Oslo, Norway, 1 June 2021

Merzell Holding ASA (“Merzell” or the “Company”) has signed an agreement to acquire 100% of the shares in the leading Finnish e-Tendering provider Cloudia Oy (“Cloudia”) for EUR 102.5 million on a cash and debt free basis. EUR 89.6 million will be paid in cash on closing, reflecting a net debt adjustment of EUR 2.9 million, and the remaining EUR 10 million will be paid in Merzell shares during 2022 subject to satisfaction of retention and performance targets (based on the share price at the time of issue).

Cloudia is the leading Finnish e-Procurement platform, focusing primarily on public buyers. The Cloudia SaaS platform covers the entire procurement lifecycle with modules for sourcing, planning, contract and supplier management, meeting all the digital needs of the private and public sector. The customer base includes 95 of the 100 largest Finnish municipalities and 10 of the largest cities. In 2020, Cloudia had revenues of EUR 9.2 million and ARR base of EUR 8.8 million. The EBITDA margin was 30%. At the end of Q1 2021, Cloudia’s ARR base had grown to EUR 9.3 million.

Merzell has carried out a private placement raising gross proceeds of approximately NOK 400 million (the “Private Placement”), and conducted a tap issue of SEK 500 million of the existing SEK 1,100 million bond issue, which has a framework amount of SEK 2,000 million (the “Tap Issue”). Parts of the net proceeds from the Private Placement and Tap Issue will be used to finance the acquisition. The parties expect to complete the transaction during June 2021.

- The acquisition of Cloudia represents another milestone in our consolidation of the Nordic market. Cloudia's strong position with public buyers in Finland offers an ideal fundament to expand the supplier side of the market and cross-sell our post-award solutions. Further, the company has an experienced and strong management team and highly skilled employees, underpinning the impressive performance and results Cloudia has achieved. We look forward to including them in the Mercell family, says CEO Terje Wibe in Mercell.

Cloudia was founded in 2008 and is headquartered in Helsinki. The employee base counts 54 FTEs across three offices in Finland and one in Dubai. The SaaS product portfolio consists of planning, sourcing, and contract and supplier management. This adds to Mercell's market leading supply-side business in Finland consisting of 10 FTEs.

- Joining forces with Mercell gives Cloudia the opportunity to become part of a pan-Nordic constellation, broadening our products and service offerings. This will not only cement our foothold in the Finnish market, but also provide significant opportunities in the Nordic and European markets. Our combined position will prove to be highly beneficial for the company, our employees, and our large and growing customer base, says CEO Are Saarinen in Cloudia

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This is Mercell

Mercell is a leading digital platform for public eTendering and entered the eProcurement market in 2020. The company has approximately 3,000 buyers and some 26,000 suppliers as customers. Mercell's unique marketplace simplifies the tender and procurement process and makes it easy and secure for buyers to find relevant suppliers for their tenders and purchasing needs, and enables suppliers to find relevant business opportunities and receive and handle purchases from public and

private buyers. Mercell delivers services to public and private buyers in 13 European countries with the goal of becoming the leading software-as-a-service (SaaS)-platform for eTendering and eProcurement in Europe. Through the acquisition of Negometrix in February 2021, Mercell also became market leader in the Netherlands and established a foothold in the US market.

This information is considered to be inside information pursuant to the EU Market Abuse Regulation and is subject to the disclosure requirements pursuant to section 5-12 the Norwegian Securities Trading Act.

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