

Company announcement

Columbus enters into agreement regarding divestment of To-Increase

Today, Columbus A/S entered into an agreement to divest its software subsidiary To-Increase to Gilde Buy Out Partners and the management of To-Increase for a price (Enterprise Value) of EUR 113m. The agreement has been entered into following a binding offer which Columbus received from Gilde Buy Out Partners today. The transaction is subject to Works Council consultation procedures being finalized in accordance with Dutch law. The transaction is expected to be completed during January 2021.

The agreement is part of the strategic review of Columbus' portfolio and follows the decision made by Columbus' Board of Directors to initiate a structured sales process to explore the possibility of divesting the software company To-Increase as part of Columbus' new strategic direction to become a global consultancy. This decision was announced in Company Release no. 16/2020 of 28 October 2020.

Columbus' decision of becoming a true global consultancy entails a more focused and simplified operation with increased customer centricity and a more digital advisory approach. The decision led Columbus to explore the opportunities to identify a buyer of To-Increase with a more aligned strategy and in a better position to realize the full potential of To-Increase.

Chairman of the Board in Columbus, Ib Kunøe, says: *"I am very pleased to announce Gilde Buy Out Partners as the new owner of To-Increase. I am convinced that Gilde Buy Out Partners will be a great owner of To-Increase which is a global SaaS leader of Azure based business applications. The divestment of To-Increase is a major step in Columbus' strategic journey to become a true global consultancy. Columbus can now focus its business on becoming a digital trusted advisor for our larger customers"*.

Maurits Boomsma, Partner at Gilde Buy-Out Partners says: *"We look forward to partnering with the management team led by Luciano Cunha and to supporting their growth plans. To-Increase is an established leader in the fast-growing Microsoft Dynamics based business applications software market with innovative software solutions for their customers. With the right backing, we believe To-increase is well positioned for a phase of organic growth acceleration, continuing its track record of double-digit recurring revenue growth and further bolt-on M&A"*.

Luciano Cunha, CEO in To-Increase, says: *"I want to thank Columbus for an exciting journey during the past 14 years contributing to positioning To-Increase as a global SaaS leader, and I look forward to continuing our close partnership in the years to come. We firmly believe Gilde Buy Out Partners is the right partner to help us accelerate the growth of our business and realize the full potential of To-Increase. Gilde Buy Out Partners understands and believes in our business plans and can provide the support needed to realize our ambitions. This new partnership will enable us to scale through the Microsoft Dynamics 365 channel by using technology to help our customers reach their goals. Our growth plans include scaling up our Go-To-Market teams and executing on high quality M&A to make a bigger impact on our combined customers and our focus markets."*

Columbus is committed to support and resell To-Increase Software as a global strategic A-Partner and To-Increase is continuing to enable Columbus as a successful strategic partner.

The proceeds will be paid in cash upon closing of the transaction.

The sale of To-Increase will impact the corporate equity by approximately EUR 98m.

Financial implications and outlook

The divestment will not affect the announced expectations for revenue and EBITDA for 2020 for the continued business.

The outlook for 2021 will be presented in the Annual Report 2020, which will be published on 16 March 2021. The estimated impact of the transaction will be part of the announced outlook for 2021.

Ib Kunøe
Chairman of the Board

Hans Henrik Thrane
Interim CEO & Corporate CFO

About Columbus

Columbus is a listed international IT service and consultancy headquartered in Denmark and more than 2,000 employees worldwide. Columbus helps ambitious companies transform, maximize and futureproof their business digitally. We are specialized within the industries food, manufacturing, distribution and retail and we have more than 29 years of experience in the industry. Columbus has offices and partners all over the world and we can therefore deliver our solutions and services locally – on a global scale.

About Gilde Buy Out Partners

Gilde Buy Out Partners is a leading European private equity investor in mid-market transactions with operations in the Benelux and the DACH region. Gilde manages funds in excess of EUR 3 billion and has offices in Frankfurt, Zurich, Utrecht, and Brussels. Since its inception in 1982, Gilde has supported more than 250 companies to realize their growth ambitions.

For further information, please contact:

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