

STATEMENT FROM THE BOARD OF DIRECTORS OF EDGEWARE IN RELATION TO THE PUBLIC TENDER OFFER BY AGILE CONTENT

This statement is made by the Board of Directors of Edgeware (publ) (the "Board" or the "Company") pursuant to Section II.19 of Nasdaq Stockholm's Takeover Rules (the "Takeover Rules").

Conclusion

The Board[1] of Edgeware unanimously recommends the shareholders of Edgeware to accept Agile Content's public tender offer.

Background

On October 30, 2020, a public tender offer was made by Agile Content, S.A. ("Agile Content") to the shareholders of Edgeware to tender all their shares in Edgeware to Agile Content (the "Offer"). Agile Content offers SEK 9.70 cash for each share in Edgeware, corresponding to a total value for all shares in Edgeware to approximately SEK 291 million[2].

The Offer entails a premium of approximately:

- 34.7 per cent compared to the closing price of SEK 7.20 for the Edgeware share on October 29, 2020 (being the last day of trading prior to the announcement of the Offer);
- 38.7 per cent compared to the volume-weighted average price of SEK 6.99 for the Edgeware share during the last 30 trading days prior to the announcement of the Offer; and
- 57.9 per cent compared to the volume-weighted average price of SEK 6.14 for the Edgeware share during the last 180 trading days prior to the announcement of the Offer.

The acceptance period for the Offer is estimated to run from approximately November 2, 2020, until November 23, 2020, with reservations for possible extensions.

Edgeware has, following a written request from Agile Content, given Agile Content the opportunity to conduct a limited due diligence investigation of confirmatory nature regarding Edgeware in connection with the preparations for the Offer, and Agile Content has in connection therewith also met with the Company's management. Except for some limited information from the quarterly report that Edgeware subsequently published on October 23, 2020, Agile Content has not been provided with any undisclosed inside information during the due diligence investigation.

The completion of the Offer is conditional on customary conditions, e.g. that Agile Content becomes the owner of shares representing more than 90 per cent of the total number of outstanding shares in Edgeware (after full dilution). Agile Content has reserved the right to waive these and other conditions in accordance with the Offer.

For further information regarding the Offer, see the press release published by Agile Content on October 30, 2020, and the offer document regarding the Offer that will be published before the acceptance period commences.

The Company's three largest shareholders whose total shareholding in Edgeware corresponds to approximately 48.3 per cent of the total number of outstanding shares and votes, including Amadeus Capital Partners Ltd who is represented in the Board by the chairman Michael Ruffolo and board member Rickard Blomqvist, via the company Volador AB, has unconditionally undertaken to accept the Offer.

As part of the Board's evaluation of the Offer, the Board has obtained a fairness opinion from Lenner & Partners Corporate Finance AB. The fairness opinion, which is attached as an appendix to this press release, states that Lenner & Partners Corporate Finance AB considers the Offer to be regarded as reasonable from a financial perspective for the shareholders in Edgeware.

The Board has appointed Carnegie Investment Bank as financial advisor and KANTER Advokatbyrå as legal advisor in connection with the Offer.

Edgeware Board of Director's assessment of the Offer

Process

The Board's opinion of the Offer is based on an evaluation of a number of different factors the Board has determined to be relevant when evaluating the Offer. These factors include, but are not limited to, the Company's current position, the expected future development of the Company and thereto related possibilities and risks. Also, the assessment is based on Lenner & Partner Corporate Finance AB's valuation statement regarding the fairness from a financial perspective for the shareholders of Edgeware.

Additionally, in assessing the Offer the Board has analysed the Offer using methods normally used when evaluating public offers for listed companies, *inter alia*, Edgeware's valuation relative to comparable listed companies and comparable acquisitions, offer premiums in previous tender offers on Nasdaq Stockholm, the stock market's expectations in respect of the Company, and the Board's view of the Company's long term value based on expected dividend payments and cash flows.

Considerations

The Board has a positive view of the value-creating potential of the merged company but has not taken part of detailed integration plans or risk analyzes and thus cannot comment on the future value potential of the Agile Content share. It can also be noted that full realization of synergies typically requires that all shares in a company are acquired. Agile Content has reserved the right to complete the Offer, even if Agile Content does not become the owner of shares representing more than 90 per cent of the total number of outstanding shares and votes in Edgeware, which may entail that Agile Content completes the Offer without having the opportunity to acquire all shares.

Conclusion

Based on its assessment, the Board concludes that the terms of the Offer correspond to Edgeware's future growth opportunities, as well as the risks associated with these opportunities.

In light of the above the Board unanimously recommends the shareholders of Edgeware to accept the Offer.

Effect on Edgeware

Under the Takeover Rules the Board is required, on the basis of Agile Content's statements in its Offer announcement, to make public its opinion of the effects the implementation of the Offer may have on Edgeware, specifically employment, and its views on Agile Content's strategic plans for Edgeware and the effect these may be expected to have on employment and the places where Edgeware conducts its operations. Agile Content has in the offer announcement stated the following:

"Agile Content greatly values Edgeware's management and employees and is expecting that the Offer will support the company's growth strategy and create long-term positive synergy effects for Edgeware and its employees. Based on Agile Content's knowledge about Edgeware, its strategy and the current market conditions it is currently Agile Content's intent that the completion of the Offer will not result in any changes regarding Edgeware's or Agile Content's organizations, management and employees, including their employment contracts, or the places where Edgeware and Agile Content respectively has their offices and runs their businesses."

The Board assumes that this description is accurate and has in relevant aspects no reason to take a different view.

This statement shall in all respects be governed by and construed in accordance with substantive Swedish law. Disputes arising from this statement shall be settled exclusively by Swedish courts. This statement has been made in a Swedish and English version. In case of any discrepancies between the Swedish and the English text, the Swedish text shall prevail.

Stockholm, October 30, 2020

The Board of Directors of Edgeware AB (publ)

[1] The chairman of the board, Michael Ruffolo, and the board member, Rickard Blomqvist, did not, due to conflict of interest, participate in the Board's assessment or resolution regarding the Offer.

[2] Based on the total number of shares of 30,043,008.

For further information on the Board of Director's statement, please contact:

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About Edgeware

Edgeware supplies operators and content providers with systems to deliver modern TV services over the Internet at a huge scale. Edgeware's unique technology provides an outstanding viewing experience that allows its customers to retain control of their content. Edgeware has more than 200 customers and is headquartered in Stockholm, Sweden, with staff across Europe, Asia and the Americas. For more information, please visit <https://corporate.edgeware.tv>

This information is information that Edgeware AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2020-10-30 08:00 CET.

Attachments

[Statement from the Board of Directors of Edgeware in relation to the public tender offer by Agile Content](#)
[Fairness Letter ENG](#)