
Simplified notification of a concentration

Acquisition of control of

Calculus HOLDCO AS

by

ABACUS BIDCO OY

12 November 2024

CONTAINS BUSINESS SECRETS

1 THE PARTIES TO THE CONCENTRATION**1.1 The acquiring party**

Name: Abacus Bidco Oy
Reg. no. 3459129-1
Address: Kansakoulukuja 1, 00100 Helsinki

1.2 Representative for the acquiring party

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1.3 Target

Name: Calculus HoldCo AS
Reg. no.: 934 159 462
Address: Inkognitogata 33A, 0256 OSLO

2 THE NATURE OF THE CONCENTRATION

This notification relates to the acquisition by Abacus Bidco Oy (hereafter referred to as "**Buyer**" or the "**Notifying Party**") of 100% of the shares in Calculus HoldCo AS (hereafter referred to as "**Holdco**" or the "**Target**") through a master transfer agreement ("**MTA**") signed on 12 November 2024 between Abacus Bidco and 24SevenOffice Group AB (the "**Seller**"), (the "**Transaction**") (Buyer and Holdco together are hereafter referred to as the "**Parties**").

Prior to the Transaction, the Seller will conduct a carve-out, whereby Holdco, wholly owned by the Seller, will acquire certain companies, assets, rights, and businesses directly or indirectly owned and/or operated by the Seller's group (the "**Target Business**"). The purpose of the carve-out is to separate the Target Business from the Seller's remaining business, thereby enabling the Buyer to indirectly acquire the Target Business through the acquisition of 100 per cent of the shares in Holdco. The Target Business is described in section 3.2 below.

The Buyer is a special purpose vehicle ("**SPV**") indirectly solely owned by investment funds, vehicles and/or accounts advised and managed by various subsidiaries of KKR & Co. Inc. ("**KKR & Co.**" and together with its subsidiaries, "**KKR**"). Accordingly, post Transaction,

Holdco will be indirectly solely controlled by KKR within the meaning of Section 17 of the Competition Act.¹

Closing of the Transaction is subject to approval from the Norwegian Competition Authority (Konkurransetilsynet). The Transaction is not subject to notification to other competition authorities.

3 THE UNDERTAKINGS CONCERNED

3.1 The Notifying Party

The Buyer is a SPV indirectly solely owned by investment funds, vehicles and/or accounts advised and managed by KKR.

KKR is a global investment firm that offers alternative asset management as well as capital markets and insurance solutions. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds.

An list of the portfolio companies controlled by KKR that generated turnover in Norway (from customers located in Norway) in 2023 is provided in:

Exhibit 1: Portfolio companies controlled by KKR in Norway

One of the portfolio companies controlled by KKR, Exact Group B.V. ("**Exact**"), is active in Norway to a limited extent in the same IT software sector where the Target is active.² Exact is a provider of business and accounting software headquartered in the Netherlands which offers business, enterprise resource planning, inventory control, purchase planning, work scheduling software solutions and solutions for taxes, financial statements and audits. In 2023, Exact reported marginal revenue in Norway of approx. [REDACTED]

For further information regarding KKR, please refer to www.kkr.com.

See also the annual report (Form 10-K) for KKR & Co., attached as:

Exhibit 2: Annual report for KKR & Co. for 2023

3.2 The Target

Holdco is a special purpose vehicle incorporated for the purpose of the Transaction, to purchase and own the Target Business through another company incorporated for the purpose of the Transaction, Calculus Newco AS.

¹ Throughout the filing, "control" and "controlled" are within the meaning of Section 17 of the Competition Act and the Commission Jurisdictional Notice.

² For completeness regarding some of the portfolio companies controlled by KKR active in Norway, the Notifying Party notes that [REDACTED]

The Seller is a supplier of enterprise resource planning (“ERP”) systems to small, medium and large companies via cloud-based services, so called Software as a Service (SaaS). Its ERP software comprises financial management system software and human capital management software which offer an integrated range of functions that streamline the administration of small, medium and large companies. The company also offers a project management tool that allows businesses to connect both internal and external partners to make it easier to work across companies and individuals.

The Target Business is comprised of all of the companies, assets, rights and businesses directly or indirectly owned and/or operated by the Seller, excluding the RemainCo Business (as this term is defined in the MTA).³ The Target Business operates in Norway and Sweden and reported revenue of approx. NOK 297.5 million in 2023, ██████% of which is attributable to Norway.

An overview and description of the subsidiaries in the Target Business that generated turnover in Norway (from customers located in Norway) in 2023 is provided in

Exhibit 3: Subsidiaries in the Target Business

As a newly incorporated company, Holdco does not have consolidated financial statements. For the purpose of this notification, Holdco has prepared consolidated financial statements for 2023, based on the financial statements of the subsidiaries involved in the Transaction, attached hereto as:

Exhibit 4: Consolidated financial statement for the Holdco group for 2023

4 TURNOVER IN NORWAY

The table below sets out the Parties' turnover in Norway for the financial year 2023.

Table 1: The parties' turnover in Norway in 2023

Entity	Turnover (MNOK)
Abacus Bidco	██████████ ⁴
Target ⁵	██████████

5 THE RELEVANT MARKETS

5.1 Product markets

³ The RemainCo Business includes in particular the Danish and US businesses of the Seller, the Seller's Fintech Business and Oflow AS and its debt collection business.

⁴ KKR has provided turnover figures for the 2023 fiscal year that include turnover for each of the portfolio companies currently controlled by KKR, in accordance with the European Merger Control Regulation and practice of the EU Commission. KKR does not have aligned financial year end data for its controlled portfolio companies. The data provided reflects KKR's understanding of the consolidated revenues of its controlled portfolio companies in their most recent financial years for which KKR has data and has been converted into EUR using applicable exchange rates.

⁵ The revenue and operating profit for Target has been calculated based on the annual financial statements of the companies involved in the Transaction, see Exhibit 3 and Exhibit 4 respectively.

The Target is active in the supply of ERP software primarily in Norway and, to a lesser extent, in Sweden. ERP is a type of software system that helps organizations automate and manage core business processes for optimal performance.

The Notifying Party is not aware of any decisions from the Norwegian Competition Authority relating to ERP software. In its previous decisional practice, the European Commission ("**EC**") has considered that the IT market can be divided into (i) IT software, and (ii) IT services.

With respect to IT software, the EC has considered, but ultimately left open, a segmentation based on (i) the functionalities of the software; (ii) the end-users; (iii) the specific sector in which the software is used; and (iv) customer size.⁶ With regards to software intended for businesses, which is the relevant segment with respect to this notification, the EC has categorised software into (i) infrastructure software; and (ii) application software, with the latter having been further segmented into (i) personal productivity applications; and (ii) enterprise application software ("**EAS**"). Within EAS, the EC has considered a narrower segmentation into (i) ERP; (ii) customer relationship management ("**CRM**"); (iii) supplier relationship management "**SRM**"; (iv) supply chain management ("**SCM**"); (v) product lifecycle management ("**PLM**"); and (vi) business analytics ("**BA**") software.⁷

Within ERP, the EC has further considered, but ultimately left open, segments based on a specific functionality, these being (i) financial management software ("**FMS**"), (ii) human capital management software (i.e. HR) ("**HCM**"), and enterprise project management ("**EPM**") software.⁸

Within ERP software, the Target is active in the market segments FMS and HR.

5.2 Geographic markets

In its previous decisional practice, the EC has considered that the geographic scope of the markets for IT software are possibly global or at least the European Economic Area (the "**EEA**").

With respect to ERP software (and any subsegments of the market), the EC has also assessed if this product market could be national in scope, but the market investigation has in general not provided any new elements that would justify a departure from its conclusion that the scope of the market would be at least EEA-wide and possible world-wide. Ultimately, however, the exact geographic market definition has been left open.

The Notifying Party considers that for the purposes of this Transaction, the exact market definition can in any case be left open, as the Transaction will not cause any adverse effects on competition regardless of the market definition.

⁶ COMP/M.6237 – CSG / iSOFT Group; COMP/M.7458 – IBM / INF business of Deutsche Lufthansa; COMP/M.8223 – Micro Focus / HPE software business; COMP/M.5128 – Nordic Capital / TietoEnator.

⁷ COMP/M.10709 – Partners Group / Forterro; COMP/M.10060 – Francisco Partners / Marlin Equity Partners / Conan Holdco; COMP/M.8274 – Cinven / Permira / Allegro / Ceneo.

⁸ COMP/M.10709 - Partners Group / Forterro; COMP/M.9447 Hitachi / ABB (Power Grid Division); COMP/M.8984 HG / Vista / Allocate.

5.3 Conclusion on market definition.

As set out above, the activities of the Target marginally overlap in Norway with one portfolio company controlled by KKR, Exact within the ERP market (in the segments FMS and HR). For the sake of good order, the Notifying Party will also provide the parties' share of sales in the market segments for FMS and HR, in addition to market shares in the ERP market.

The Target's activities outside of Norway are limited and the Target estimates that its share at the EEA or worldwide levels remains below █% under any plausible market segmentation. The Notifying Party will therefore submit information on the Parties' activities at a national level in Norway.

6 NO HORIZONTALLY AFFECTED MARKETS NOR ANY VERTICALLY RELATED MARKETS

The Notifying Party provides below the estimated share of the Target and the portfolio companies controlled by KKR active in ERP and potential segments of the overall ERP market in Norway. These estimated shares have been calculated on the basis of International Data Group Corporation ("IDC") data for 2022⁹ and the Parties' actual revenues for 2023.

Table 2: The Parties' estimated share in the ERP markets in Norway

The ERP Market in Norway				
Market/market segment	Market size (EURm) (IDC adjusted total market)	Target's estimated share (%)	Portfolio companies controlled by KKR's estimated share (%) ¹⁰	The Parties' combined estimated share (%)
Enterprise Resource Planning (ERP)	█	█	█	█
FMS	█	█	█	█
HR ¹¹	█	█	█	█

⁹ Source: IDC semi-annual software tracker, 2023HA Final historical, October 2023. Data for H1 2022-H2 2022. The Parties have provided data for 2022 since the IDC Semiannual Software Tracker (published on October 2023) on which they have relied to provide market sizes only contains information for half of 2023. For completeness, please note that the relevant secondary and functional markets taken into account were: Enterprise Resource Management (ERP), Financial Applications (FMS), Payroll Management and Human Capital Management (together, HR). Market size: IDC data adjusted to take into account portfolio companies controlled by KKR's actual sales. For purposes of this calculation, the Parties have assumed that Target's revenues are reflected in the "Others" entry of the IDC report.

¹⁰ Combined revenue of Exact and Onestream in ERP in Norway. On a conservative basis, the Parties have allocated OneStream and Exact's total revenues to each of the ERP, FMS and HR markets (OneStream is only included in the ERP market), meaning that the estimated shares presented here are overstated.

¹¹ IDC does not report on an overall "HR" market: as such, the Parties added the market sizes provided by IDC for "payroll management software" and "human capital management software" to reach a total HR market size.

As per the above, the combined share of the Target and the portfolio companies controlled by KKR in the Norwegian markets for ERP software (including within its potential segments for FMS and HR) remain well below 20% and the increase in market concentration resulting from the Transaction is negligible.

On this basis, the Transaction does not give rise to any antitrust concerns as the Transaction effectively will not change the market structure and conditions.

The Notifying Party further points out that there are no vertical relationships between the Target and the portfolio companies controlled by KKR operating in Norway within the meaning of the Non-Horizontal Merger Guidelines.¹²

7 COMPETITORS, SUPPLIERS AND CUSTOMERS

7.1 The Parties' five most important competitors, customers and suppliers in markets with horizontal overlap, cf. Section 18a (1)(d) of the Competition Act.

The Notifying Party provides below a list of the Parties' top 5 competitors, suppliers and customers in Norway in ERP.

Table 3: Parties' most important competitors in the market for ERP in Norway

Competitors [source: IDC] ¹³	Competitors [source: Target]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

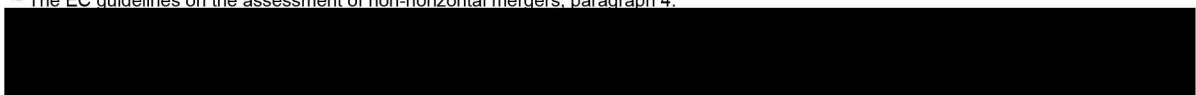
Table 4: KKR portfolio companies' most important suppliers and customers in Norway

Suppliers	Customers
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

Table 4: Target's most important customers and suppliers in the market for ERP in Norway.

Suppliers	Customers
[REDACTED]	[REDACTED]

¹² The EC guidelines on the assessment of non-horizontal mergers, paragraph 4.



8 THE CONDITIONS FOR SUBMISSION OF A SIMPLIFIED NOTIFICATION ARE MET

As evidenced by sections 5 and 6 above, the Parties to the Transaction have only limited overlapping activities, with a combined market share far below 20 per cent in any potential segmentation of the Norwegian ERP market. As such, the Transaction does not give rise to horizontally affected markets. Moreover, the Transaction does not give rise vertically overlapping markets. The conditions for submitting a simplified notification pursuant to Section 3(3)(b) and (c) of the Regulation on notification of concentrations between undertakings are therefore fulfilled.

9 CONFIDENTIALITY

This notification contains information which constitutes business secrets. A proposal for a public version of the notification, as well as the grounds for the proposal, are attached as:

Exhibit 5: Grounds for the proposed public version of the notification

Exhibit 6: Non-confidential version of the notification

Oslo, 12 November 2024

WIKBORG REIN ADVOKATFIRMA AS

Preben Milde Thorbjørnsen