

Syndigate AB

Sale in bankruptcy

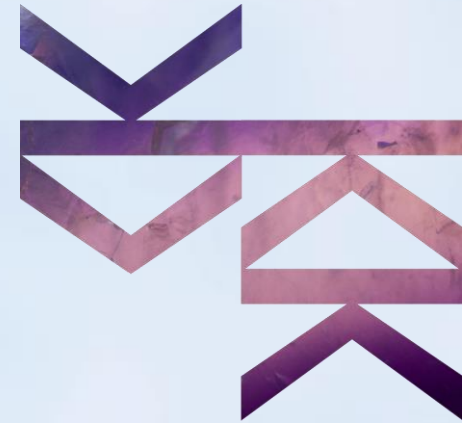


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KAIDING

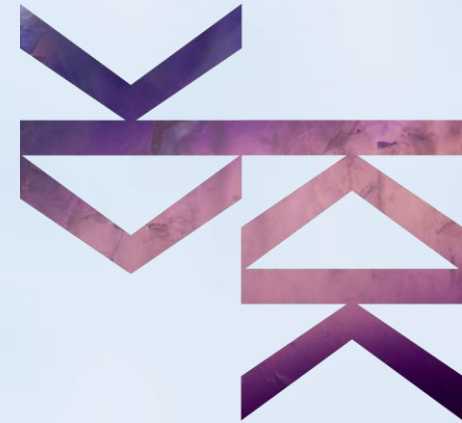
Table of contents

• Introduction.....	3
• Syndigate AB.....	4
• Financial information.....	5
• Employees.....	6
• Assets for sale.....	7
• The sale process.....	8
• Appendices.....	12



Introduction

- Syndigate AB (hereinafter "SAB") was placed into voluntary bankruptcy by the Umeå District Court (Sw: Umeå tingsrätt) on 27 may 2019, in conjunction with which Hans Andersson, a member of the Swedish Bar Association, working at Kaiding law firm in Piteå, Sweden, was appointed administrator.
- The administrator hereby distributes this information memorandum (the "IM") with the purpose to provide interested parties with the opportunity, by way of controlled auction process, to evaluate and potentially submit a non-binding indicative bid on all/parts of the assets of SAB in bankruptcy. An acquisition will not include the shares of the SAB, since the company is placed into bankruptcy.

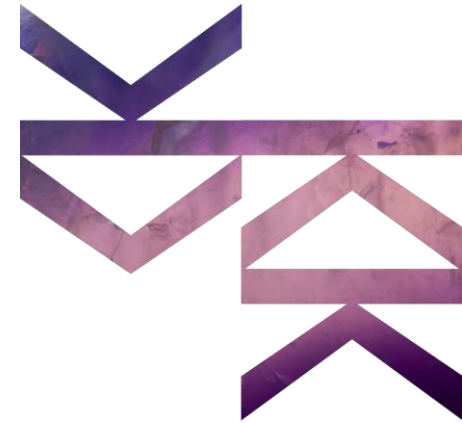


Syndigate AB

- SAB has developed, operated and sold technical solutions for the media industry with a focus on editorial content for newspapers, television, radio and digital media. SAB has produced, refined and distributed editorial and commercial information such as text, images and video under the trademark Content Central. The business was mainly focused on reselling editorial content from freelance journalists and writers to publishers.
- At the time of the bankruptcy, SAB had invested approximately SEK 7 993 546 in two digital platforms (hereinafter “**Platform I**” and “**Platform II**”). The investments correspond to approximately 20 000 man-hours of development measures. The core business was supposed to be the Platform II, called Wryter, that was launched in February 2019.
- The main shareholders in SAB are Joachim Ljungquist with 38,65 %, Digitala Tillväxtkassan with 18,59 %, Almi Invest with 16,57 % and Fort Knox with 11,91 %.



Financial information



- The annual audited accounts of SAB for the financial years 2016 and 2017 are attached as **Appendix 1-2.**
- Balance sheets and progress reports for SAB as per 2018-12-31 and 2019-05-17 is attached as **Appendix 3-4.**
- SAB has under the period 2017-2019 been in a development phase regarding Platform II and has not been able to commercialize Platform II in time. The financial information must be read in the light of the foregoing.

Employees

- SAB did not have any employees at the time of the bankruptcy. However part of the management and key personal have worked for the estate on a short time basis, for the purpose of facilitate the administrator in the selling process.

Assets for sale

- The assets of SAB are listed and described in **Appendix 5**.
- A demonstration video of the platforms will be able on the link **www.contentcentral.se/kaiding** no later than 11 June 2019.
- Information regarding third party products, programs and services assignable to the platforms are listed in **Appendix 6**.
- It should be noted that the agreements for third party products, programs and services assignable to the platforms cannot be transferred to the final buyer without the prior consent of counter parties, since SAB is placed into bankruptcy.

The sale process (1/4)

- The administrator intends to sell off some or all assets by means of so-called controlled auction.
- Interested parties are requested to submit indicative bids no later than **17 June 2019**.
- Indicative bids must be submitted in writing by email to **hans.andersson@kaiding.se** and **christoffer.lundmark@kaiding.se**; or by ordinary mail to Syndigate AB:s konkursbo, c/o Advokatbyrån Kaiding, Box 114, 941 23 PITEÅ, **together** with a completed and signed version of the Non-Disclosure Undertaking (hereinafter the “**NDU**”), which will be found in **Appendix 8**.
- It should be noted that the NDU will not enter into force until, and if, the estate offers the bidder the possibility to continue to the next stage in the sale process and the bidder wants to proceed (see furthermore under slide “The Sale process (3/4)”).

The sale process (2/4)

- The indicative bids must pertain to an acquisition on the terms and conditions set forth in the appended draft asset transfer agreement (see **Appendix 7**) and, in any event, contain the following information:
- The interested party's name, company name or similar and personal ID number or company registration number and contact information for the person who represents the interested party in the continued sales process. If the interested party is represented by a consortium of companies, this should also be stated in the bid.
- An indicative bid stated in SEK, EUR, GBP or USD .
- A summary description of the manner in which an acquisition for a purchase price equal to the bid will be financed.
- Conditions and/or prerequisites material to the indicative bid.

The sale process (3/4)

- After the estate has reviewed and evaluated the indicative bids, the estate will offer a limited number of interested parties the possibility to continue to the next stage in the sale process. The interested parties will then have access to a virtual data room, in order to carry out a customary due diligence. The estate can also provide interested parties an interactive demo of the platforms.
- Interested parties will be requested to submit a final and binding bid not later than **27 June 2019**.
- It should be noted that the sale of the assets is subject to: (i) the due execution of a binding asset transfer agreement by the estate and the final buyer, and (ii) the approval of the creditors of the estate and other relevant authorities.



The sale process (4/4)

- The administrator reserves the right to decline individual or all proposals and to negotiate in his sole discretion with interested parties or third parties for the purpose of concluding the sale of the assets during the sale process.
- Any questions regarding the sale process shall be answered by:
- **Hans Andersson**, e-mail: **hans.andersson@kaiding.se** or phone **+4610 199 07 50** or
- **Christoffer Lundmark**, email: **christoffer.lundmark@kaiding.se**, the same phone number
- For questions with regard of technical, market or business issues please contact :
- **Joachim Ljungquist**, email **joachim@contentcentral.se** or phone +46 (0)738-47 98 01

Appendices

- Appendix 1 The annual audited accounts of SAB for the financial year 2016
- Appendix 2 The annual audited accounts of SAB for the financial year 2017
- Appendix 3 Balance sheet and progress report as per 2018-12-31
- Appendix 4 Balance sheet and progress report as per 2019-05-17
- Appendix 5 List and description of the Assets for sale
- Appendix 6 Main third party products, programs and services
- Appendix 7 Asset Transfer Agreement
- Appendix 8 Non-Disclosure Agreement

