



Pluribus Technologies Corp. Announces Sale of POWR Inc., Assured Software Ltd., Rowanwood Professional Services Limited and Cranham Haig Limited

TORONTO, Oct. 11, 2024 /CNW/ - Pluribus Technologies Corp. (TSXV: PLRB) ("**Pluribus**" or the "**Company**") is pleased to announce the closing of the sale (the "**Transaction**") of all of the issued and outstanding fully-diluted shares of its wholly-owned subsidiaries, POWR Inc., Assured Software Ltd. and Pluribus Technologies Limited (which includes its wholly-owned subsidiaries, Rowanwood Professional Services Limited ("**Rowanwood**") and Cranham Haig Limited) (collectively, the "**Target Companies**"), for an aggregate purchase price of C\$17,000,000, payable in cash (the "**Purchase Price**"), on a cash-free, debt-free basis and subject to a working capital adjustment, and deductions for closing income tax payable, transaction expenses, and holdbacks, where applicable (the "**Closing Payment**"). The sale was executed pursuant to the terms of a share purchase agreement dated October 11, 2024, among holding companies jointly held by Acorn Partners Inc. and Pender Growth Fund Inc., as buyers, the Company, and Pluribus Technologies Canada Inc., as sellers, and Acorn Partners Inc. and Pender Growth Fund Inc., as guarantors.

"The sale of these subsidiaries represents a meaningful step in optimizing our portfolio and unlocking value for our shareholders," said Diane Pedreira, Chief Operating Officer of Pluribus. "This transaction allows us to sharpen our focus on our core assets, reduce debt, and strengthen our financial foundation, in order to position Pluribus for long-term success. We would also like to acknowledge the employees of these subsidiaries for their hard work and contributions. Their efforts have been key to the success of these businesses, and we wish them all the best in the next phase of their journey."

The Purchase Price was payable to the Company in cash on the closing, subject to (i) a working capital holdback of C\$500,000, (ii) an indemnification holdback in the amount of C\$250,000, (iii) a performance holdback in the amount of C\$1,800,000, and (iv) applicable deductions for indebtedness, closing income tax payable, transaction expenses and an estimated working capital adjustment. In connection with the previous acquisition of Rowanwood in May 2022, an aggregate of £210,264.06 is expected to be paid from the Company to certain former shareholders of Rowanwood.

Upon closing of the Transaction, the Company paid to National Bank of Canada ("**National Bank**") from the Closing Payment, a total of C\$9,049,000 pursuant to the terms of the previously-announced forbearance agreement dated January 18, 2024, as amended, between the Company and National Bank, relating to the secured credit agreement dated April 27, 2022, as amended, among the Company, certain of its subsidiaries and National Bank.

The Transaction was completed pursuant to the Company's previously-announced strategic review process, involving a review and evaluation of strategic alternatives that may be available to the Company to further enhance the Company's growth, development and prosperity in the short and long terms. The Company will continue its strategic review process following the Transaction with the goal of further maximizing shareholder value.

Canaccord Genuity Corp. acted as financial advisor to the Company in connection with the Transaction.

Board of Director Changes

The Company also announces the retirement of Mr. Bill Kostenko and that he is stepping down from the board of directors of the Company. The Company extends its gratitude to Mr. Kostenko for his valuable contributions and dedicated service to the Company and wishes him well with all of his future endeavours. At this time the Company has not replaced Mr. Kostenko and will look for a suitable replacement in the future.

About Pluribus Technologies Corp.

Pluribus is a technology company that is a value-based acquirer, operator, and divestor of small, profitable business-to-business technology companies in a range of verticals and industries. Pluribus provides its acquisitions access to experienced sales and marketing resources, strategic partnership opportunities, a diverse portfolio of customers in different geographical markets, and enabling technologies to create new revenue streams and drive growth. When market conditions are conducive to raising capital at reasonable costs, Pluribus focuses on rapidly acquiring and integrating new companies to accelerate growth. In less favorable environments, Pluribus implements strategies to maximize organic growth, increase cash flow, and selectively divest portfolio companies to optimize value. For more information, please visit: pluribustechnologies.com.

Forward-Looking Information

Certain information in this press release constitutes forward-looking statements under applicable securities laws. Any statements that are contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking information in this press release includes, but is not limited to, statements with respect to future payments due to the Company in connection with the Transaction, the Company's expectation on the growth, profitability and performance of its portfolio companies, the Company's ability to acquire business-to-business technology companies in the future, the Company's ability to grow and increase the value of its portfolio companies, the Company's ability to achieve a positive return on invested capital in the future and the Company achieving additional transactions as a result of its strategic review process and whether such transaction is positive. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "potential", "believe", "intend" or negatives of these terms and similar expressions.

All such forward-looking statements are subject to important risk factors and uncertainties, many of which are beyond the Company's ability to control or predict. Forward-looking statements are based on certain assumptions, including the Company's ability to manage a complex portfolio of companies effectively; and the Company's ability to raise sufficient financing to continue its acquisition strategy. Other assumptions include industry trends, the availability of growth opportunities, and that general business, economic, competitive, political, regulatory and social uncertainties will not prevent the Company from conducting its business. While the Company considers these assumptions to be reasonable based on information currently available, they are inherently subject to significant business, economic and competitive uncertainties and contingencies and they may prove to be incorrect. Forward-looking information speaks only to such assumptions as of the date of this press release.


Readers are cautioned that the foregoing is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ from those anticipated. Forward-looking statements are not guarantees of future performance. The purpose of forward-looking information is to provide the reader with a description of management's expectations, and such forward-looking information may not be appropriate for any other purpose. Except as required by law, the Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, events or otherwise. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this press release.

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