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Press Release
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TagMaster intends to acquire Kapsch TrafficCom's North American 915MHz components business

TagMaster, a leading supplier of data solutions and advanced sensor systems for Smart Cities within Traffic and Rail, has entered into an agreement to acquire the RFID-focused North American components business of Austrian traffic technology company Kapsch TrafficCom. The acquisition, which will be carried out through TagMaster's US subsidiary Sensys Networks, strengthens the company's position in sensor systems for intelligent transportation systems (ITS), significantly expands its customer base and will more than double its revenue in North America. The purchase price for the acquisition amounts to approximately SEK 195 million and is expected to be financed through a combination of an increased credit facility and bridge financing. As a condition of the bridge financing, TagMaster has undertaken to repay the bridge financing using the proceeds from a rights issue of approximately SEK 70 million by the end of the second quarter of 2027.

Kapsch North American Components business (KNAMC) employs approximately 65 people and is based out of Mississauga, Ontario where manufacturing operation date back to 1977. The business develops, designs, manufactures and services industry-leading transponders and multi-protocol readers (RFID products). Its first transponder came off the production line in 1992 and since then, more than 117 million transponders developed and manufactured in Mississauga have been delivered to customers across North America.

Kapsch TrafficCom is listed on the Vienna Stock Exchange and is headquartered in Vienna, with subsidiaries in 25 countries. The Group reported revenue of EUR 431 million for the 2025/2026 financial year and employs approximately 2,700 people.

The North American components business (KNAMC) generated sales of approximately SEK 250 million during the 2025/26 financial year, with a solid EBITDA margin. With profitability, including synergies, expected to be in line with TagMaster's long-term target of a 15 percent adjusted EBITDA margin, the acquisition is expected to make a positive contribution to the TagMaster Group's profitability in the latter part of 2027.

KNAMC´s product portfolio covers the tolling transponder and reader requirements for the entire North American market. The business's TDMA transponders are regarded as the gold standard within the E-ZPass Group. E-ZPass is a consortium of tolling agencies across 20 states in the eastern United States who promote seamless interoperability across their system utilizing Kapsch's TDM-protocol transponder. Kapsch's Mutli-Protocol readers are widely deployed across the US and Canada and provide the ability to accurately and reliably read at highway speeds any and all tolling transponders in North America and has been an E-ZPass supplier continuously since 1994. TDMA Transponders also service the commercial trucking (Heavy Goods Vehicles) and allow enrolled trucks to by-pass state operated weigh stations allowing for a more efficient and environmentally friendly journey. Sensys Networks, as part of this deal, will be the preferred provider of 915MHz components to Kapsch in support of their current and future tolling integration projects.

The addition of KNAMC's RFID-based tolling products to Sensys Networks' existing portfolio of products and services represents an important step in the company's continued focus on growth in the US market. Over the past 20 years, Sensys Networks has established itself as a leader in accuracy and reliability in vehicle detection and traffic data solutions. The acquisition will further strengthen Sensys Networks' position by expanding its offering with a well-established product portfolio commanding a significant market share, while also providing access to an extensive customer network of toll operators across the United States and Canada.

The acquisition will more than double TagMaster's sales in the North American market, further strengthening its position to meet growing demand for ITS solutions based on multi-sensor systems that combine multiple technologies.

"We are very pleased to take this transformative step in our growth strategy, as Kapsch's tolling products strengthen our position in the US ITS market. The acquisition adds a complementary customer network in key states across the US, including some customers that already have indirect relationships with Sensys Networks. These new products will enable us to establish additional customer relationships and create opportunities to offer our broader portfolio of ITS solutions. Our background and expertise in RFID technology, which dates back to the founding of our business in 1994, put us in a strong position to further develop and grow the business in the North American market," said Jonas Svensson, CEO, TagMaster.

The Transaction

The acquisition will be carried out by TagMaster's US subsidiary, Sensys Networks Inc., through the acquisition of shares and assets, whereby Sensys Networks Inc. will acquire all shares and assets relating to Kapsch's North American components business. The acquired business will be fully integrated, and Sensys Networks' existing nationwide sales force will market KNAMC's entire product portfolio and integrate its offerings into Sensys Networks' existing and new solutions.

The purchase price for the acquisition amounts to approximately SEK 195 million and will be paid upon closing, financed through a combination of an increased credit facility and bridge financing provided by Nordea Bank.

The acquisition is subject to customary closing conditions and is expected to be completed during the first quarter of 2027. The business will be consolidated into TagMaster's financial statements as of the closing date.

The TagMaster Group's pro forma sales for 2027, including the new business, are expected to amount to approximately SEK 725 million, with adjusted EBITDA of approximately SEK 95 million.

As a condition of the bridge financing, TagMaster has undertaken to Nordea Bank to repay the bridge financing using the proceeds from a rights issue of approximately SEK 70 million by the end of the second quarter of 2027. The rights issue will be announced at a later date. In connection with the announcement of the rights issue, TagMaster's shareholders will be convened to an Extraordinary General Meeting to resolve on the approval of the rights issue.

Advisers

Mayer Brown LLP (USA) and McCarthy Tétrault LLP (Canada) are acting as legal advisors to TagMaster in connection with the acquisition, while Cirio Advokatbyrå AB is acting as legal advisor to TagMaster in connection with the financing.

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About Us
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This information is information that TagMaster 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 2026-11-10 21:24 CET.