

## W5 Solutions AB (publ) enters into an agreement regarding the acquisition of all shares in MR Targets AB subject to approval by the Extraordinary General Meeting.

**W5 Solutions AB (publ) (the "Company") has today, in accordance with the previous letter of intent, entered into a share purchase agreement regarding the acquisition of all shares in MR Targets AB, Reg. No. 556434-8976 (the "Target Company"), for an initial purchase price of 20 MSEK and an additional purchase price based on the results in the Target Company during Q1 2022. The acquisition is, among other things, subject to the approval of an Extraordinary General Meeting of the Company.**

As communicated on 4 March 2022, the Company has entered into a letter of intent regarding the purchase of all shares in the Target Company. Today, the Company has entered into a share purchase agreement relating to the Company's acquisition of all 4,168 shares in the Target Company from DT2W Invest AB, Sjölands Data AB, and Cajory AB. The total initial purchase price for the acquisition amounts to Twenty Million SEK (20 MSEK) and an additional purchase price based on the financial position after the Target Company Q1 2022. The Target Company manufactures and sells moving and shooting targets.

The Target Company's historical financial performance and financial position are presented below.

SEK Thousands				
Profit & Loss	2018	2019	2020	2021
Operating income	8,474	14,705	17,884	19,744
EBIT	462	1,440	2,361	5,473
Profit after taxation	331	1,296	1,377	4,638

SEK Thousands				
Balance Sheet	2018	2019	2020	2021
Assets	5,663	9,019	9,987	17,528
Liabilities	3,863	5,952	5,154	7,423
Equity	1,770	3,067	4,833	10,105



*"This is an important acquisition due to the increased customer demand in this business area. Live Fire training is one of the ways we work towards creating a safer tomorrow. Together with Mr Targets, we can make an even greater impact," says Daniel Hopstadius, CEO W5 Solutions, and continues: "There are many opportunities synergies between the two companies through this acquisition. We foresee an even greater interest in our combined solutions for training."*

*"MR Targets looks forward to joining the W5 Solutions family. We have been partners for several years and look forward to developing and growing together. In Junsele, we have good opportunities for expansion and can contribute to the Group's continued growth journey," says Michael Åleberg, CEO of MR Targets.*

Within W5 solutions, Live fire training is part of the most extensive business unit, Training and Simulation, making up approximately 65% of turnover. With this acquisition, W5 Solutions will expand its Live fire training product range, increase production capacity, and strengthen the Company's position within the shooting target equipment market.

Based in Junsele, Sweden, MR Targets is a leading shooting equipment manufacturer founded in 1991, focused on the design, development, and manufacturing of shooting targets for professional, sporting, and hunting customers. With a full range of Turning, moving, and pop-up targets, which can be arranged to create different training scenarios. MR Targets has been a long-term supplier to W5 Solutions delivering key components and systems to our Live fire product range on the Swedish and international market.

Prior to the contemplated acquisition, 50 per cent of the shares in the Target Company were held by Robert Dahlquist via DT2W Invest AB, 25 per cent were held by Jonas Rydin via Cajory AB, and the remaining 25 per cent were held by Magnus Sjöland via Sjölands Data AB. In their roles as members of the board of directors and owners with a decisive influence on the Company. Robert Dahlquist and Jonas Rydin are seen as closely-related parties to the Company according to the Swedish Securities Council's ruling 2019:25. According to the said ruling, closely-related transactions of a significant nature shall be made subject to the approval of the general meeting. As such, the transaction is conditional upon the approval of the Company's general meeting and is intended to be completed no later than 1 May 2022. The Company plans to issue a notice for an Extraordinary General Meeting.

The Company has had a valuations prepared with regard to the market value of the Target Company. Of the total initial purchase price, Five Million SEK (5MSEK) shall be paid in cash to Sjölands Data AB, Five Million SEK (5MSEK) shall be paid in cash to DT2W Invest AB, and Ten Million SEK (10MSEK) shall be paid through promissory notes to DT2W Invest AB and Cajory AB, respectively. The promissory notes proposed to be made to DT2W Invest AB and Cajory AB will be subject to customary terms with an annual interest rate amounting to five (5) per cent. The last day for repayment will be determined as the day that falls 18 months after the acquisition, i.e. not later than 1 November 2023. The board of directors assesses that the acquisition is of a commercial nature and subject to market terms and conditions.



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**For more information, please contact:**

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**About W5 Solutions**

W5 Solutions supplies high-technology systems and solutions to Swedish and international defense contractors and government agencies. We are experts in training and simulation, mission systems, communication, integration and power supply. W5 Solutions' support & services team ensures high reliability through the longevity of the system.

Learn more at [www.w5solutions.com](http://www.w5solutions.com).

The company is listed on the Nasdaq First North Growth Market Stockholm. Redeye AB is the company's Certified Advisor, e-mail: [certifiedadviser@redeye.se](mailto:certifiedadviser@redeye.se), phone: +46 (0) 8 121 57 69

*This information is information that W5 Solutions AB 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 2022-04-07 19:00 CEST.*

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**Image Attachments**

[Moving Target Track Targets Pek 1](#)  
[W5 DANIEL Hopstadius CEO](#)

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**Attachments**

[W5 Solutions AB \(publ\) enters into an agreement regarding the acquisition of all shares in MR Targets AB subject to approval by the Extraordinary General Meeting.](#)