

Mashup Ireland announces subsidiary Kollect has acquired Irish Recycling Group for €4.8m

Mashup Ireland AB (publ) Announces Strategic Acquisition of the Pink Recycling Group by Subsidiary Kollect

Dublin, Ireland, 10 September 2024 – Mashup Ireland AB (publ) ("Mashup"), the only listed group in the world that focuses on investing in Irish small and medium sized enterprises, is pleased to announce that its subsidiary, Kollect, has successfully acquired the Pink Recycling Group, by way of an assets purchase.

The acquisition of the Pink Recycling Group represents a significant strategic development for Kollect. Previously focused on online operations, Kollect is now advancing via vertical integration with this acquisition, expanding its capabilities in the physical collection and treatment of waste. With greater control over the supply chain, Kollect will also be able to improve its recycling levels, and will be able to provide its customers with more robust reporting on the treatment of waste.

Included in the acquisition are a number of skips, trucks, recycling plant and machinery, and the long term lease of two waste-permitted sites in Ireland.

Kollect anticipates that the successful integration of this strategic acquisition will enable the enlarged Kollect group to generate combined revenues in excess of €15m in 2025, whilst improving its blended gross margin. The enlarged Kollect group includes its existing online and technology operations in Ireland and the UK, its BIGbin operations and the newly acquired businesses.

The combined twelve month EBITDA of the businesses which has been acquired the Pink Recycling Group is approximately €767k for the last filed accounts.

The total consideration for the acquisition amounts to €4.8 million, comprising a combination of an upfront payment of €2.6m, seller financing of €1.3m paid over 36 months and the taking on of vehicle leases totalling €0.9m.

Once depreciation and interest expense is taken into account, we expect this acquisition will have a small, positive effect on Mashup's earnings in 2024.

Mashup provided support to this transaction through comprehensive advisory services, including transaction structuring, as well as an equity injection of up to €400,000 to facilitate the deal. The main acquisition funding was provided by Beach Point Capital, who provided Kollect with an acquisition facility, as part of the financing agreement in September 2023.

This acquisition aligns with Mashup's commitment to investing in Irish SMEs and underscores the dedication to fostering the success of our portfolio companies through strategic and transactional guidance, whilst providing capital support where needed.

Comment from the CEO, Andy Byrne

"Huge congratulations to the Kollect management team led by CEO John O'Connor for completing this strategic acquisition. It has been a massive team effort to get it over the line. Thank you, Beach Point Capital, for your continued support of Kollect's acquisitive and organic growth strategy. This transaction marks a significant step forward in Kollect's skip business, transitioning from a customer-centric skip brokerage model into one which can provide waste services as a principal, which Mashup is delighted to support."

For additional information, please contact

Jamie Walsh, CFO

Phone: [+353] 85 871 9756

E-mail: investors@mashupireland.com

Mashup Ireland AB's Certified Adviser is Mangold

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MASHUP

This information is information that Mashup Ireland 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 2024-09-10 17:14 CEST.

Attachments

[Mashup Ireland announces subsidiary Kollect has acquired Irish Recycling Group for €4.8m](#)