

Stockholm, Sweden
July 15, 2021

Enea Acquires AdaptiveMobile Security

Enea has signed an agreement to acquire AdaptiveMobile Security Ltd, a leading provider of security solutions for mobile networks. The enterprise value of AdaptiveMobile Security amounts to approximately EUR 45 million on a cash and debt free basis. Enea estimates that AdaptiveMobile Security will have sales of approximately EUR 17 million for the full year 2021, with an EBIT margin in 2022 that will be close to Enea's operating margin target. Closing is expected in July 2021.

AdaptiveMobile Security delivers software and services for messaging and signaling security in mobile core networks. The company's products protect mobile networks, their subscribers, and their data from all types of network-borne attacks. Messaging security prevents unwanted traffic which can be linked to security threats, service abuse, or revenue loss. The purpose of signaling security is to prevent cyberattacks exploiting signaling traffic. The offering is a combination of carrier-grade signaling firewalls, reporting, and advanced monitoring.

AdaptiveMobile Security's products and services have been deployed by more than 80 mobile operators globally. The two main customer segments are mobile operators and providers of communication platforms. More than half of its revenue is recurring, and the solutions are sold as software licenses, managed services, or cloud services.

"I am proud to announce an acquisition that significantly strengthens our cybersecurity portfolio," says Jan Häglund, President and CEO of Enea. "As the global leader in mobile network security, AdaptiveMobile Security expands our market presence and broadens our offering to operators, creating interesting opportunities in areas such as 5G security."

"We are thrilled to become part of Enea, a well-respected leader in the telecommunications and security markets. We are aligned on market strategy and can leverage product synergies that will drive market and customer penetration. Our unique offering of security products will enhance Enea's product offerings, especially in the area of 5G." says Brian Collins, CEO of AdaptiveMobile Security. "It is critical to protect mobile networks against an ever-increasing threat landscape to maintain the integrity of national and international communications. Together with Enea, we can now serve a wider range of customers and offer an unrivalled combination of networking and security expertise."

AdaptiveMobile Security will continue to operate under its current brand as a new business unit within Enea and will be headed by Brian Collins.

PwC has acted as financial advisor and Pinsent Masons as legal advisor to Enea on this acquisition. Pegasus Capital acted as financial advisor and Byrne Wallace as legal advisor to AdaptiveMobile Security.

Facts about AdaptiveMobile Security

- Privately held company with Intel Capital and Doughty Hanson & Co as majority shareholders
- Founded in 2006
- 135 employees
- Headquarters located in Dublin, Ireland
- Regional offices in Dallas, Brno, Dubai, and Hyderabad
- Revenue 2020: EUR 15.5 million

Further financial information

The enterprise value of AdaptiveMobile Security is EUR 45 million on a cash and debt free basis.

The acquisition, which will be financed through cash and a bank loan, will be consolidated during Q3 2021 as part of product group Network Solutions.

Enea estimates that the acquisition will be EPS accretive from the fourth quarter of 2021. Enea expects to further improve the operating margin of the acquired business to near Enea's overall profitability target by the end of 2022.

Estimated transaction cost is approximately SEK 13 million, which will be booked during the third quarter 2021. The transaction cost includes stamp duty estimated at SEK 4.6 million.

Contacts

Jan Häglund, President and Chief Executive Officer

E-mail: jan.haglund@enea.com

Björn Westberg, Chief Financial Officer

E-mail: bjorn.westberg@enea.com

Lotta Trulsson, Executive Assistant

Telephone: +46 8 507 140 00

E-mail: lotta.trulsson@enea.com

About Enea

Enea is one of the world's leading specialists in software for telecommunications and cybersecurity. The company's cloud-native products are used to enable services for mobile subscribers, enterprise customers, and the Internet of Things. More than 3 billion people rely on Enea technologies in their daily lives.

Enea is headquartered in Stockholm, Sweden, and is listed on Nasdaq Stockholm.

For more information: www.enea.com

Enea is obliged to make the information in this press release 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 6:15 p.m. on July 15, 2021.