

Netel expands into power projects for railways and tunnels through the acquisition of Elektrotjänst i Katrineholm in Sweden

Netel has signed an agreement to acquire all of the shares in Elektrotjänst i Katrineholm in Sweden. The company's main business is power projects for railways, subways and tunnels. With the acquisition, Netel both enters a new attractive customer segment and broadens its geographic presence within power.

The acquired business had a turnover of approximately SEK 69 million in the fiscal year September 2021-August 2022. The company has 34 employees and a strong order book for the coming year. Elektrotjänst has historically had a higher EBITA margin than Netel Group. Consolidation is expected in February 2023 and Elektrotjänst will be part of segment Sweden, business area Power. The purchase price is paid in cash and through the offset issue of 303,294 shares in Netel Holding.

Netel is a leading player in critical infrastructure in Northern Europe. For many years now, the group has a strong position in power and telecoms. Since 2021, Netel has a clear strategy to broaden operations to new customer segments and geographical areas. With the acquisition of Elektrotjänst, Netel expands its power business to railways and subways, which are markets that are expected to be interesting in the coming years. In addition, Netel is strengthening its presence in south and central Sweden within power.

"We are very pleased to welcome Elektrotjänst to Netel," says Ove Bergkvist, President and CEO of Netel. "With Elektrotjänst, we are taking the step into a new exciting and attractive customer segment with good future prospects."

"We are looking forward to become part of Netel Group and take advantage of being part of a large group", says Agne Carlsson, CEO of Elektrotjänst i Katrineholm. "We see good opportunities to continue growing through new and existing customers as well as geographic expansion."

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About Us

Netel is a leading specialist in critical infrastructures in Northern Europe. We have over 20 years of experience in carrying out projects as well as services and maintenance for the industry's largest players in power, telecommunications, heating as well as water and sewage. We have a clear strategy for organic growth and acquisitions based on an efficient business model that is characterized by decentralization, low capital tied up and high cash conversion. Our business is based on a solid sustainability approach with intense responsibility for the environment and work safety. Netel had sales of more than SEK 2.4 billion in 2021 and has approximately 820 employees. Read more at www.netelgroup.com.

Attachments

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