

Netel acquires Karlskoga Mark AB and strengthens its position in water and sewage, district heating and associated civil engineering works in Sweden

Netel has signed an agreement to acquire all of the shares in Karlskoga Mark AB (KMAB) of Sweden. The agreement is part of Netel's acquisition strategy. The deal entails that Netel strengthens its position in water and sewage, district heating as well as associated civil engineering works, and broadens its geographical presence in Sweden.

KMAB reported net sales of about SEK 63 million in 2021 with twelve employees. KMAB had a higher EBITA margin in 2021 than Netel Group. Consolidation is expected in May 2022 and KMAB will be part of segment Sweden, business area Infraservice. The purchase price is paid in cash and through the offset issue of 141,522 shares in Netel Holding.

Netel has a clear growth strategy where acquisitions are an important part. Through the acquisitions, Netel strengthens its existing position and expands into new market segments and countries. In 2022, Netel has ambitions to make acquisitions in Sweden, Norway and Germany and the UK. So far this year, Netel has consolidated three acquisitions that together with KMAB have a total turnover of over SEK 320 million. All acquisitions relate to operations in Sweden.

"The acquisition of KMAB is a further geographical broadening of our operations in water and sewage, district heating as well as associated civil engineering works," says Ove Bergkvist, CEO of Netel. "KMAB is a well-established company with high competence, historically good growth and stable profitability, which we look forward to welcoming in the Netel Group."

"We continue to see good growth opportunities and look forward to being part of the Netel Group, which gives us additional strength to develop further", says Mikael Andersson, CEO of KMAB.

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About Us

Netel is a leading specialist in critical infrastructure 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 660 employees. Read more at www.netelgroup.com.

Attachments

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