

# Netel enters the growing UK infrastructure market by acquiring Border Civils & Utilities Ltd

**Netel has signed an agreement to acquire all of the shares in Border Civils & Utilities Ltd, based in Dumfries, Scotland. The deal entails that Netel broadens its geographical presence to the growing UK infrastructure market. Border's main business is within fiber and the company is also active in water and sewage as well as gas.**

Border reported net sales of about SEK 36 million in 2021 with 50 employees and a strong order backlog for coming years. Border has historically had a higher EBITA margin than Netel Group. Consolidation is expected in July 2022 and Border will be part of the new segment UK, business area Fixed Networks. The purchase price is paid in cash and through the offset issue of 293,365 shares in Netel Holding.

The UK has a low fiber penetration and there is a rapidly growing demand for extended coverage. The market situation for fiber in the UK is similar to the one in Germany which Netel entered as a greenfielder in 2019. Netel has over the years experienced fast growth with good profitability in Germany. There is a nationwide need also in the UK to modernize and improve the old infrastructure for water and sewage as well as gas and power.

"Border is a well-positioned company in the attractive UK market with tier one contractors and network owners as customers", says Ove Bergkvist, President and CEO of Netel. "We are happy to make this quick entry in the UK market through such a strong player as Border. Our long-term plan for the UK is to become as broad in critical infrastructure as we are in the Nordics."

"We see good opportunities to continue to grow with both new and existing customers", says James Hair, CEO of Borders Civils & Utilities. "We look forward to being part of the Netel Group which gives us further possibilities to win larger contracts as a preferred supplier."

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 four acquisitions that together with Border have a total turnover of over SEK 356 million. The previous four acquisitions relate to operations in Sweden.

## Attachments

[Netel enters the growing UK infrastructure market by acquiring Border Civils & Utilities Ltd](#)