

Netel acquires JR Markteknik and Täby Maskin & Uthyrning with aggregated sales of approximately MSEK 199 and EBITA of approximately MSEK 23

The Swedish operations of Netel Holding AB (publ) ("Netel") have signed an agreement to acquire 100 per cent of JR Markteknik AB and Täby Maskin & Uthyrning AB ("JR"). In 2020, JR generated sales of approximately MSEK 199 with EBITDA of approximately MSEK 25 and EBITA of approximately MSEK 23. The acquisition represents a key building block in Netel's continued investment in the field of infrastructure contracts that include water & sewage, pipe laying and associated groundwork. Netel already operates on this market through its acquisition of Brogrund Mark AB and Brogrund Entreprenad AB ("Brogrund") in March 2021.

"Expanding in infrastructure contracts is one of our strategic areas of growth. JR is an additional key building block in Netel's continued investment in this area. With the acquisition of JR, we are expanding both our expertise and capacity and it provides us with a number of attractive framework agreement customers. Netel now has significant operations in infrastructure contracts in Sweden, which makes us an increasingly attractive acquirer, and we are also looking for acquisition opportunities in this area in other countries in which we operate," says Ove Bergkvist, President and CEO of Netel.

"It is very exciting for JR's future to become part of the Netel Group, while also being allowed to develop further as a medium-size local company in infrastructure contracts. With Netel's decentralised business model under which JR will continue to operate as it did previously, we have every possibility of continuing to develop the operations with profitable growth," says Andreas Lindi, CEO of JR.

The initial purchase consideration for 100 per cent of the shares on a debt-free basis amounts to MSEK 113. The initial purchase consideration will partly be financed through payment with a promissory note amounting to MSEK 30, which is then intended to be offset against 637,852 shares in Netel ("the Consideration Shares"). Through the offset issue of the Consideration Shares, the number of shares and votes will increase by 637,852, implying a dilution of approximately 1.3%.

Furthermore, the seller may, under certain circumstances, receive a cash earnout.

The Consideration Shares will be issued at a price of SEK 47.03 per share, which corresponds to a fifteen-day volume-weighted average price ("VWAP") in Netel's share during the period 25 November 2021 to 15 December 2021.

The seller has undertaken not to divest the subscribed shares for an 18-month period (known as a lock-up undertaking).

The acquisition is expected to be completed in early January 2022. When the acquisition is completed, the Board will decide on issuing shares in an offset issue, based on the authorisation of the general meeting.

Evli Corporate Finance served as financial advisor and EY Law as legal advisor to Netel in connection with the acquisition.

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About Us

Netel is a full-service specialist in Infranet Services in Sweden, Norway, Finland and Germany. We provide Infranet services within mobile telecom networks, fixed networks and power networks. Our customers include telecom operators, network owners, system suppliers, property owners, construction companies, housing companies and tenant-owner associations.

Our business is run decentralized, with a strong local presence via 18 offices and, as of 30 June 2021, had 610 employees. In 2020, Netel had revenues of SEK 1,847 million and pro forma revenues of SEK 2,303 million.

Attachments

[Netel acquires JR Markteknik and Täby Maskin & Uthyrning with aggregated sales of approximately MSEK 199 and EBITA of approximately MSEK 23](#)