

HAKI SAFETY ACQUIRES SUPPLIER OF AIRCRAFT AND TRAIN MAINTENANCE SAFE ACCESS PLATFORMS

HAKI Safety has signed and finalised the acquisition of Semmco Group, a privately owned UK-based leading manufacturer and supplier of aircraft and train maintenance access platforms and steps. With the acquisition, HAKI Safety obtains an expanded product range within the growing market for work zone safety and also broadens the Group's exposure to more sectors and geographies.

Semmco Group designs and manufactures products that enable safe and efficient maintenance of aircraft, helicopters and trains. The product range includes specially developed access platforms, steps and docking systems. The offering includes training and service contracts for maintenance controls and spare parts. The customer base primarily consists of international aviation and train companies. Semmco's headquarters and main manufacturing operation are in Woking, Surrey, England, with a manufacturing and sales operation also in Arlington, Texas, USA. The Middle East and Asian markets are served through a sales office in Dubai, UAE. Semmco has shown healthy growth in recent years, and its turnover over the last twelve months amounted to approximately SEK 100 M (GBP 7 M). The company was founded in 1993 and currently has around 50 employees.

Sverker Lindberg, President and CEO of HAKI Safety, says: "We continue the Group's growth journey with a focus on products and solutions that create safe working conditions in complex environments. The acquisition of Semmco aligns with our acquisition strategy to grow geographically and within sectors with complex needs. This acquisition allows HAKI Safety to expand into the aviation and rail sectors, which is very exciting. The company's culture and way of working are similar to ours. Like us, Semmco works closely with its customers, from design to delivery and beyond. We see a healthy growth potential in the company, as well as opportunities for sales and production synergies in the future."

Stuart McOnie, Semmco's Founder, says: "I started Semmco over 31 years ago with the ambition of building a reputable and successful business. We have now reached a point where new investment is needed to take the business to the next level. We took our time to find the right partner with the same focus on manufacturing excellence and business integrity. I believe that HAKI Safety is the right business to take Semmco forward to continued success."

The global aviation industry is growing strongly, not least in the Middle East and Asia. Correspondingly, the use of trains as a means of transport is expected to grow with the ongoing green transition. This development is expected to increase demand for access platforms and steps in the coming decade.

Semmco's EBITDA for the most recent 12-month period amounts to approximately GBP 1.0 M. The purchase price amounts to a maximum of GBP 8.5 M on a debt-free basis, including working capital adjustments, of which GBP 5.6 M is a fixed purchase price and a maximum of GBP 2.9 M is an additional purchase price. The additional purchase price will be based on Semmco's performance during 2025. The acquisition is paid in cash and financed

within the framework of existing credit facilities. The acquisition implies that the Group's debt ratio, measured as financial net debt/adjusted EBITDA, will temporarily exceed the Group's financial target of a ratio of 2.5 times but is assessed to decrease over time in connection with Semco's profit generation. HAKI Safety does not expect any material integration costs. The acquisition is estimated to have a marginally positive impact on the Group's results for the current year.

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About HAKI Safety AB (publ)

HAKI Safety (formerly Midway Holding) is an international industrial group, focusing on safety products and solutions that create safe working conditions at temporary workplaces. The group has annual sales of about SEK 1.2 billion and has since 1989 been listed on the Nasdaq Stockholm Small Cap. HAKI Safety offers a wide range of products and solutions within system scaffold and work zone safety, and digital and technical solutions that help customers achieve safety and efficiency in their environments.

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Attachments

HAKI Safety acquires supplier of aircraft and train maintenance safe access platforms