

Press release 10 April 2024 at 18:15 CEST

Eltel divests its High Voltage business in Poland

Eltel has today signed an agreement to divest its Polish High Voltage business to Mutares SE & Co. KGaA, a listed private equity investor headquartered in Munich, Germany. The total value of the transaction for Eltel, including Mutares' replacement of Eltel guarantees for the business, is about EUR 25 million. The transaction is expected to close during Q2, 2024 and is subject to customary regulatory approval.

The transaction is estimated to have a negative cash flow effect of EUR 3.75 million and have a net negative result of approximately EUR 23.5 million on Group EBIT.

In 2023, the net sales in High Voltage Poland amounted to about EUR 36 million, adjusted EBITA amounted to EUR -4.9 million and the business consisted of about 410 employees.

– We are satisfied to find a new owner in Mutares, who can continue to develop the Polish business. The transaction creates value for us and our shareholders by minimizing complexity and risks associated with project business outside Nordics. The Eltel Group Management team will focus on executing on our new strategy by developing new service offerings and broadening our customer base in our core markets, says Håkan Dahlström, President and CEO of Eltel.

With the divestment, Eltel will narrow its geographical footprint to areas where the company has established market leadership and a robust business model.

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This information is information that Eltel AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on 10 April 2023 at 18:15 CEST.

About Eltel

Eltel is the leading service provider for critical infrastructure that enables renewable energy and high-performing communication networks. Eltel designs, plans, builds and secures the operation of networks for a more sustainable and connected world today and for future generations. In total, we have about 5,000 employees and in 2023 the annual sales was EUR 850.1 million. The head office is located in Sweden and Eltel's shares have been listed on Nasdaq Stockholm since 2015. Read more at www.eltelnetworks.com.