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Divestment of High Voltage Poland finalized

The previously announced divestment of Eltel's High Voltage business in Poland was finalised in the evening of June 6, following receipt of customary regulatory approval. With that, Eltel has now discontinued its business area High Voltage in Poland in full.

On April 10, 2024, Eltel announced an agreement to divest its Polish High Voltage business to Mutares SE & Co. KGaA, a listed private equity investor headquartered in Munich, Germany. The transaction has been approved by the competition authorities in Poland and has now been finalized, which means that Mutares from June 6, 2024 has taken over the ownership of the High Voltage Business in Poland.

“I want to thank our colleagues in Poland for their great work and engagement. I feel confident that Mutares will continue to develop the business and create value for both employees and customers”, says Håkan Dahlström, President and CEO of Eltel.

As previously communicated, the total value of the transaction for Eltel, including Mutares' replacement of Eltel guarantees for the business, is about EUR 25 million. As also previously communicated, 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.

The transaction is expected to create value for Eltel and its shareholders by minimizing complexity and risks associated with project business outside Nordics.

“After finalizing this divestment, we will be able to fully focus on executing on our new strategy by developing new service offerings and broadening our customer base in our core markets”, concludes Håkan Dahlström.

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About Eltel

Eltel is the leading service provider for critical infrastructure that enables renewable energy and high-performing communication networks. 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.