



Prevas acquire Enmac and establish a strong strategic platform in Finland.

Prevas has signed an agreement to acquire approximately 92 percent of the shares in the Finnish company NMAC Group Oy, the parent company of Enmac Oy ("Enmac"). Enmac has a strong position in the Finnish market within growth areas such as energy, industrial automation, and process industry, with approximately 200 employees and a turnover of EUR 23 million in 2023. Through the acquisition, which is Prevas' first in Finland, a Nordic group is established, with operations across Sweden, Norway, Denmark and Finland. The acquisition will enable future market synergies and is in line with Prevas' growth strategy. The purchase price for the acquired shares amounts to EUR 19 million and the acquisition is subject to regulatory approval, which may take up to 4 months. The integration of Enmac will commence once the approval has been received.

Enmac's turnover amounted to EUR 23 million in 2023 with an EBITDA margin of 14 percent. Enmac has extensive experience of identifying and executing on successful acquisitions, and Prevas' ambition is that the new Finnish platform will continue to drive both organic as well as acquired growth in the Finnish market.

Enmac was founded in 1983 and operates across 8 locations in Finland. The company offers advanced services in production process development and has an especially strong capability in managing turnkey solutions for leading industrial companies. Enmac will contribute with cutting-edge expertise in several areas such as advanced technical calculations, industrial automation, product development, as well as process and piping design. Enmac's largest customers include Valmet, Andritz, Kemira, Metsä Group and Fortum.

The purchase price for the acquired shares amounts to EUR 19 million (approximately SEK 223 million), which corresponds to a valuation of EUR 25 million (approximately SEK 292 million) for 100 percent of the company on a cash and debt free basis. In addition, a possible contingent consideration, amounting to a maximum of EUR 2 million, may be paid depending on Enmac's profitability development during the 2024 financial year. The acquisition is expected to be completed during the third quarter 2024.

"Finland and Sweden have strong standings within industry and technology," says Magnus Welén, CEO of Prevas. "Enmac is an excellent complement to Prevas' operations, and we see significant mutual market synergies in jointly offering premium services throughout the Nordic region. We look forward to welcoming both the company and all its employees into the Prevas family."

"The combination with Prevas is perfect for Enmac and opens up for accelerated growth as well as a broader Nordic presence," says Juha Ritala, CEO of Enmac. "Prevas will strengthen Enmac's offering in areas such as industrial IT, embedded systems and Internet of Things. It will also provide exciting new development opportunities for our employees."

Enmac's successful management team retains ownership in NMAC Group Oy and will continue to develop the company under the leadership of CEO Juha Ritala, who in turn will report to Magnus Welén, CEO of Prevas.

Financing and financial impact

The purchase price will be paid in cash. The acquisition will be financed through existing cash and a new credit facility amounting to SEK 200 million.

Seen as a combined entity, Prevas and Enmac collectively generated an annual turnover of approximately SEK 1.7 billion, for the 12-month period ending on 31 December 2023, with an EBITA margin¹ of approximately 12 percent.²

Prevas remains fully committed to previously communicated financial targets, including a long-term EBITA margin in excess of 12 percent, a long-term annual revenue growth exceeding 10 percent, including acquisitions, and a Net Debt/EBITDA below 2.

Prevas has retained TCG Corporate Finance as financial adviser and Advokatfirman Lindahl as legal adviser in connection to the acquisition. Deloitte has been appointed as an advisor for financial and tax due diligence.

¹ EBITA margin is calculated by dividing earnings before interest, taxes and amortisation by net sales.

² The provided information reflects the reported financial data from each respective entity, without accounting for variations in applied accounting standards. All figures are preliminary and unaudited.

The information in this press release is such information that Prevas AB (publ) is required to disclose in accordance with the EU Market Abuse Regulation. The information was submitted, by virtue of the contact persons listed above, for publication on 23 April 2024 at 08:30(CEST).

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About Prevas

Prevas is a development hub with ingenuity at its core. With high technical expertise and deep business understanding, we help customers from a wide variety of industries to benefit through continuous technological innovation. Good for people, the planet and profits. Prevas was established in 1985 and currently has 900 employees in Sweden, Denmark and Norway. Prevas has been listed on NASDAQ Stockholm since 1998. For more information about Prevas, go to www.prevas.com.

About Enmac

Enmac Oy offers expert solutions focusing on technical engineering and product development. The company serves its clients by creating innovative solutions incorporating mechanical assemblies, automation, hydraulics, and pneumatics. We offer services related to design, consulting and project management, and product development that are not tied to a specific branch of industry. Our company was founded in 1983, and we have offices in Tampere, Kotka, Pori, Rauma, Oulu, Raahе, Vaasa and Kemi. We employ 200 engineering and product development experts and have an annual turnover of 23 million euros. For more information about Enmac, go to www.enmac.fi.