

**Hexatronic Group AB (publ)**  
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**Press Release October 25, 2018**

## **Hexatronic signs agreement to acquire German fiber optic company Opternus GmbH**

Hexatronic Group AB (publ) ("Hexatronic") has on 25 October 2018 entered into an agreement to acquire all shares in German fiber optic company Opternus GmbH ("Opternus"). The purchase price is MEUR 10 on a debt-free basis and a further maximum of MEUR 2.5 in additional purchase price.

### **Opternus GmbH**

Opternus was founded in 2002 and operates in sales, training and service of fiber optic fusion splicing and measuring equipment for fiber optic communication networks. The head office is in Bargteheide, northern Germany. Opternus also has sales offices and training premises outside of Stuttgart. The company has 44 employees in all.

Opternus is a market leader in sales and service of fiber optic fusion splicing and measuring equipment on the fast-growing German market for fiber optic communication. The company has distribution rights in Germany and Austria for world-leading manufacturers Fujikura and EXFO. Hexatronic already holds distribution rights for both EXFO and Fujikura on the Swedish market.

The selling principal owners are the company's two Chief Executives, who will continue in their current positions.

### **Purchase price and financing**

Over the last 12 months, Opternus has generated sales of approximately MEUR 15 with an EBITDA of around MEUR 2.2. The purchase price is MEUR 10 with an additional purchase price of a maximum of MEUR 2.5 based on the EBITDA for the coming three years; 90% will be paid in cash and the remaining 10% through a non-cash issue. The purchase sum equates to a valuation multiple of 4.5 to 5.7 based on EBITDA for the last 12 months.

The acquisition is expected to increase profits for the current year by approximately SEK 0.55 per share in Hexatronic (based on a hypothetical consolidation of Opternus from January 1, 2018).

The acquisition is being financed by a combination of a senior bank loan and utilization of a revolving credit facility with Danske Bank. The net debt/EBITDA factor for Hexatronic after the completed acquisition is expected to amount to approximately 2.0.

The acquisition is subject to the standard conditions and is expected to be finalized in the near future.

### **Comments from the CEO**

*"Opternus is strategically a very important acquisition for Hexatronic in our vision of becoming a reliable, long-term player on the rapidly growing German market. Opternus has successfully built a leading position*

*on the German FTTH market which is still in its infancy, with FTTH coverage of just 2.5 per cent or so, compared to over 43 per cent in Sweden. Large investments in fiber infrastructure can be expected for many years to come. An initial major programme is already in place, whereby the German government has decided to support FTTH investments worth 3–4 billion euro a year from 2018 until the end of 2020. We look forward to welcoming Sven Wiedemann, Hans-Peter Baisch and their organization to Hexatronic,” says Henrik Larsson Lyon, Hexatronic’s Chief Executive Officer.*

*“We look forward to grow and develop our business together with Hexatronic that complements our product offering while sharing the strong business culture and entrepreneurial mind-set of Opternus. Our main focus is to continue to drive strong growth within our core markets - splicing and measuring equipment – but are also excited to establish the Hexatronic Group on our domestic FTTH market,” says Sven Wiedemann, Managing Director of Opternus.*

#### **Advisors**

The law firms Vinge KB and ALP Rechtsanwälte have been Hexatronic’s legal advisors in the Opternus acquisition.

Gothenburg, October 25, 2018

Henrik Larsson Lyon

CEO Hexatronic Group

#### **For more information, please contact:**

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This is information that Hexatronic Group 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, at 14.00 CET on October 25 2018.

*Hexatronic Group AB (publ) is a group that develops, markets and delivers products, components and system solutions with the main focus on the fiber optic market. Hexatronic offers a wide range of innovative system and product solutions mainly for passive fiber optic infrastructure with global trademarks like Ribbonet®, Micronet™, Drytech™, Lightmate®, FibreHub™, Matrix, Viper, Stringray and Wistom®. The Group has its headquarters in Gothenburg, Sweden and has sales offices and/or subsidiaries in Sweden, Norway, Finland, United Kingdom, Germany, China, New Zealand and the US. The Group is listed on Nasdaq Stockholm under the ticker HTRO. For more information, visit [www.hexatronicgroup.com](http://www.hexatronicgroup.com).*