

Press release

3rd June 2016

IK Investment Partners to acquire Netel from Axcel

IK Investment Partners (“IK”) is pleased to announce that the IK VII Fund together with management has reached an agreement to acquire NeTel Group AB (“Netel” or “the Company”), a leading Nordic infranet service provider to telecom operators, utilities and municipalities, from Axcel. Financial terms of the transaction are not disclosed, and completion of the transaction is subject to legal and regulatory approvals.

Founded in 2000 as a subsidiary of PEAB, a Swedish construction and civil engineering company, Netel has grown to become a leading Nordic service provider for communication and electrical networks, offering services ranging from planning and project management to design and maintenance. With its turnkey solutions, project management expertise and strong focus on innovation, the Company acts as a collaborative partner to telecom operators, network owners, property owners, construction companies, housing companies and cooperative housing associations. Headquartered in Stockholm, Netel has around 340 employees and generated pro forma revenues of approximately MSEK 1,500 in 2015.

“Over the last few years, Netel as a company has expanded its geographical reach and service offering. Today we have a strong market position in the Nordic region and a diversified customer base, whilst maintaining our entrepreneurial culture. As we now aim to develop into the Northern European market, IK is an ideal partner with a strong track record of internationalising companies and accelerating growth,” says Erik Salling, Group CEO of Netel Group.

“Netel has outperformed its market in recent years, and we see great opportunities for further growth in Northern Europe, led by the Company’s highly experienced management team, and founded in Netel’s strong and flexible operating model. By leveraging our expertise in developing and growing businesses, our past experiences with service companies and our vast network, we look forward to supporting Netel over the coming years,” says Alireza Etemad, Partner at IK Investment Partners and advisor to the IK VII Fund.

This acquisition reasserts IK’s expertise in the business services segment, developed through successful previous investments across Europe, for example: Ramudden (Sweden, 2014), Trigo Group (France, 2011), Idex (France, 2004) and Eltel Networks (Sweden, 2001).

PwC Corporate Finance acted as financial advisor and Mannheimer Swartling as legal advisor to IK Investment Partners.

For further questions:

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About Netel

Netel is a contractor with creativity and dedication as guiding principles, building telecom, broadband and electrical networks in the Nordic and Baltic regions. The Company is well-established in its local markets and have been delivering turnkey solutions since 2001 – service solutions ranging from planning and project management to design and maintenance – for telecom operators, network owners, property owners, construction companies, housing companies and cooperative housing associations. For more information, visit www.netel.se

About IK Investment Partners

IK Investment Partners (“IK”) is a Pan-European private equity firm focused on investments in the Nordics, DACH region, France, and Benelux. Since 1989, IK funds have raised more than €7.5 billion of capital and invested in over 95 European companies. IK funds support companies with strong underlying potential, partnering with management teams and investors to create robust, well positioned businesses with excellent long-term prospects. For more information, visit www.ikinest.com