

## Company announcement

No. 14/2019

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## Netcompany acquires Q Delft B.V. in the Netherlands

**Today, Netcompany Holding I A/S ("Netcompany") has entered into a Share Purchase Agreement with QQQ Holding B.V. regarding the purchase of 100% of the shares in Q Delft B.V ("Q Delft") based in Delft, the Netherlands**

In pursuit of building a Northern European market leader within IT services, Netcompany has today - in line with its strategy - acquired the Delft based company Q Delft in the Netherlands. Q Delft is an IT services company focusing on delivering complex and business critical solutions within the public sector in the Netherlands and was originally established in 1996.

Following a long period of limited growth, Q Delft accelerated growth over the last couple of years and was recently part of the top 250 fastest growing companies in the Netherlands.

As of 13 May 2019, Q Delft employs 105 employees that all operate from its office in Delft. With the acquisition of Q Delft, Netcompany gets access to the highly interesting Dutch market which has many similarities to the Danish market, but being three times larger.

The impact on Netcompany's financial performance for 2019 will be positive on revenue growth of around 1% point assuming that Netcompany will reach organic revenue growth in the middle of the guided revenue growth range. Impact on Netcompany Group margins is expected to be negative of around 0.3% points.

The purchase price will be based on three elements

- An initial "up-front" cash payment of EUR 5m
- A contingent purchase price based on performance for 2020 adjusted for the upfront cash payment and net debt on closing. The contingent purchase price before adjustments have been agreed to be a multiple of 11 on adjusted 2020 EBITA.
- An earn out element of 5 times the adjusted 2020 EBITA based on growth targets for the period 2020 to 2022 and achieving an agreed target EBITA margin in 2022.

The contingent purchase price less the "up-front" cash payment and net debt adjustment will be paid in 2021 and will be split evenly in cash and shares granted as RSU's. The earnout will be paid in 2023 subject to financial performance and will be 100% share based.

There are no conditions to the agreement and the acquisition is effective as of today, 13 May 2019.

André Rogaczewski states: "We are thrilled to add Q Delft to the Netcompany family. The employees and founders are true IT professionals that have already showed a willingness to take on business critical and complex projects for their customers. Adding the Netcompany business model, recruitment approach and general capabilities within project delivery will drive Q Delft to become a leading IT service company in the Dutch market. A market three times the size of the Danish market comprising large and exciting growth opportunities for Netcompany in yet another market outside Denmark. This acquisition is an important step in our journey to become a Northern European market leader and fully in line with our communicated strategy".

Sander Kluin, Managing partner at Q Delft states: “The competences that Netcompany will bring to our organization will add significant delivery and execution capability to our business in the Netherlands. This, combined with the general opportunities within digitalisation in the Netherlands, will take us to another level and pose the ground for the emergence of a truly different and market leading IT Service company in the Netherlands. We are really excited to become part of the Netcompany family, and I am confident that we will generate substantial value to current and new customers and that will create a company with unrivalled career opportunities in the Netherlands”.

## FACTS

### Q Delft

- Founded in 1996.
- Among the top 250 of fastest growing companies in the Netherlands 2019.
- Leading Dutch IT-development and consultancy company with 105 employees.
- Strong customer base with long-term partnerships through public tenders.
- The customer base consists among others of Ministry of education, Culture and Science of the Netherlands, The Association of Dutch Municipalities (VNG), ProRail, Ministry of Health, Welfare and Sport, Nuffic: the Dutch organisation for internationalisation in education Studielink, The National Institute for Public Health and the Environment (RIVM) and the municipality of The Hague.
- Recent strong growth rate of app 20% average per year and revenue above DKK 50m (2018).

### Netcompany

- Netcompany was founded in 2000 and the headquarter is located at Grønningen, Copenhagen. The company delivers business-critical IT solutions, which supports our customers in achieving significant digital advantages.
- Employees: 2,000+, Revenue DKK +2bn (2018), 25% EBITA margin (2018).
- Netcompany takes responsibility and delivers high quality, at the agreed time and within the agreed budget.
- For customer cases: <https://www.netcompany.com/cases>

## Additional information

For additional information, please contact

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