

Press release
24 January 2019, 08:30

SdipTech AB (publ) acquires RedSpeed International Ltd

As of today, SdipTech has acquired all shares in RedSpeed International Limited.

RedSpeed International is a leading supplier of solutions to the traffic enforcement industry, specialising in the development, manufacture and maintenance of digital enforcement cameras. The company has a primary focus on the UK market, where it has a strong market share, but is also seeing increasing interest for their products from customers outside the EU. The current trading is a net sales of approximately GBP 5.6 million and an operating income of approximately GBP 1.6 million.

Jakob Holm, CEO SdipTech, comments:

"RedSpeed International Ltd has a strong position in the niche market of traffic control and safety. It has gained its position through customer-focused, high-quality and innovative products. The market for traffic safety and transportation is showing a solid growth, driven by society's pursuit of more efficient and safe communities. As a company focusing on infrastructure, we want to have a clear position in this development."

Robert Ryan, MD RedSpeed International Ltd, comments:

"I am very pleased to welcome SdipTech as the new owners of RedSpeed International Limited. With the help of SdipTech we can continue to deliver our specialist technology to our customers in the UK as well as abroad and become a company that will rival the best in the world in the market of traffic control and enforcement."

At day of transaction, the company is valued at GBP 10.6 million, part of which is paid at closing. The final purchase consideration, which is regulated at the end of an earn-out period, will be between GBP 9.1 and 12.1 million, depending on earnings development during the earn-out period. A final purchase price higher than the current value of GBP 10.6 million requires higher earnings levels than the current level.

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SdipTech's common share of series B share is traded under the short name SDIP B with ISIN code SE0003756758.

SdipTech AB's preferred shares are traded under the short name SDIP PREF with ISIN code SE0006758348. SdipTech AB's Certified Adviser at Nasdaq First North Stockholm is Erik Penser Bank, +468-463 83 00, certifiedadviser@penser.se. Further information is available on the company's website: www.sdipTech.com

SdipTech AB is a technology group with a primary focus on infrastructure segments critical to well-functioning societies and to welfare, e.g. water & sanitation, power & energy, transportation, energy efficiency and air climate. As part of our offering in urban areas, we also provide niched technical services for buildings and real-estate such as renovation of elevators and roofs. The company has approximately SEK 1,500 million in sales and is based in Stockholm.

SdipTech AB (publ) is required to disclose this information pursuant to EU Market Use Regulation 596/2014. The company is based in Stockholm. The information was provided by the above contact persons for publication 24 January 2019 at 08:30 CET.