

## **SP Group A/S acquires Bovil ApS**

### **Summary**

- Today, SP Group has agreed with the owner of Bovil ApS to acquire the company situated in Odense, Denmark, including takeover of debt (enterprise value) of up to DKK 44.75 million. Buyer is SP Group A/S.
- The acquisition of this well-running company specialized in CNC machining of technical plastics accelerates the growth in SP Group and add one more interesting technology and customer portfolio to our wide range of products.
- The owner Steen Vilsøe Nielsen stays on as Managing Director.

### **Bovil ApS**

Bovil ApS is a very modern plastic machining company with production in Odense, Denmark. Bovil has its roots back to year 2000, where it was founded.

Bovil is one of the leading companies in Denmark within advanced CNC machining in plastics. The company has approximately 150 customers in Denmark and abroad with CNC machined parts for:

- Prototypes
- Models for exhibitions
- 0-series
- Series production
- Spare parts
- Production equipment

In addition, Bovil offers counseling within CNC machining and knowledge about plastics and -processes.

Bovil will strengthen SP Group's skills in CNC machining, product development in cooperation with the customers and low volume production of technical plastic parts.

Bovil owns a modern plant of approximately 4,400 m<sup>2</sup> and the facilities will be taken over by SP Group in a separate transaction.

Bovil has a modern and versatile machine park for machining of plastic solutions. By constantly focusing on the latest technologies, training of employees, and investing in new machines, we have the best framework for both quality and price level for our customers. We can handle everything from urgent tasks of e.g. 1-10 parts to larger series with automated solutions.

Bovil has built a strong brand and therefore continues under its present company name.

The company does not give any information about the sales, but a normalized EBITDA of approximately DKK 6.6 million was realized in the most recent financial year.

The company has around 17 employees and these employees are expected to continue.

Executive Vice President Søren Ulstrup will become new Chairman and Frank Gad new deputy. Sales Manager Henrik Østrup will be new board member.

### **Transaction**

The acquisition of the shares is agreed as follows:



22.4 million DKK	cash payment at Closing.
9.6 million DKK	will be financed with a non-interest-bearing vendor note with instalments of one-third after 12 months, one-third after 18 months and one-third after 24 months.
0 million DKK	net-interest-bearing debt.
Up to 12.75 million DKK	will be paid as earn-out, provided that EBITDA is growing as expected during the time period 2022-2024.

Therefore, the Enterprise value (EV) corresponds to approximately of up to DKK 44.75 million.

The present value hereof amounts to approximately DKK 44 million.

EV/EBITDA is approximately 4.9 based on realized financial figures or a bit lower if earn-out is achieved.

SP Group is financing the acquisition of Bovil ApS by own means.

The acquisition of the company will be included in the outlook for 2022 that SP Group is expected to publish in the Annual Report 2021 on 25 March 2022.

### **Background for the transaction**

The acquisition of Bovil strengthens SP Group's position as one of the leading companies within plastics in Northern Europe and provides SP Group with new services and products and also access to a number of new and interesting customers. The integration will have some cost synergies. There is no significant overlap of customers. Bovil has a number of services in an interesting niche. It is our hope to contribute to a further development of this business.

*"The acquisition of Bovil accelerates the growth in SP Group. We take over a well-running and well-positioned company with an excellent management and skilled employees and are fully convinced that together we will benefit from our experience on both sides within development, production and sales of plastic components to strengthen our competitive position and to create an even stronger position globally",* Chief Executive Officer in SP Group Frank Gad says.

Managing Director, Steen Vilsøe Nielsen: *"Bovil is in good shape. I am convinced that we can become even stronger as part of SP Group for the benefit of both our customers and our employees. I am looking forward – together with the employees in Bovil – to becoming a part of a big and very competitive group. I am convinced that with the international platform of SP Group we can get more customers abroad and continue the good development in Odense. I am eager to develop new and competitive solutions for our customers – and I will spend my full time on this in future."*

Executive Vice President, Søren Ulstrup: *"I am very much looking forward to work with new customers and colleagues. I trust that together we can create a fantastic and exciting future!"*

#### **Further information:**

**CEO Frank Gad**  
**Phone: (+45) 70 23 23 79**  
**[www.sp-group.dk](http://www.sp-group.dk)**



***In case of any discrepancies, the Danish version shall prevail.***