

## PRESS RELEASE

Halmstad, June 30, 2016

### **HMS Industrial Networks AB acquires Intesis Software, S.L., Spain**

HMS Industrial Networks AB, a wholly owned subsidiary of HMS Networks AB (publ), has acquired all of the shares of the Spain-based company Intesis Software, S.L. – a leading provider of communication gateway solutions for HVAC (Heating, Ventilation and Air Conditioning) system integration within the fields of building automation. The purchase price amounts to EUR 13.3 million on a cash-free/debt-free basis and is paid in cash. Depending on Intesis reaching certain defined financial targets an additional EUR 2.0 million may become payable in early 2019.

#### **About Intesis and the transaction rationale**

Intesis was founded in 2000 and is headquartered in Igalada, Spain, close to Barcelona. Intesis offers advanced communication gateway solutions and interfaces within the fields of building automation. Representing the vast majority of sales, the company's building automation solution is marketed as "IntesisBox". Intesis works closely with many major manufacturers of air conditioning and building automation systems globally. At present, the company has 30 employees of which 9 are product development engineers.

"We see great potential in lifting the Intesis business and our technology platform to the next level by becoming part of HMS, one of the global market leaders in industrial communication. I am very pleased with having found the right industrial new home for our team," says Pedro Lumbreras, founder of Intesis. "We are excited to be joining HMS. Its knowledge in industrial communication and its worldwide presence will add a new dimension and strategic drive to our continued successful journey in the area of building automation," says José Cerón, CEO of Intesis.

"Intesis' protocol and application know-how and its market-proven solutions are important additions for HMS. It is an excellent fit with our growth strategy," says Staffan Dahlström, CEO of HMS Networks AB. "Intesis' strong position in the market for integration solutions for building automation will complement HMS's existing gateway offering perfectly. Intesis will give HMS a strong footprint and valuable inroads into the market niche of building automation systems. Intesis is a well-established and highly regarded industry player who, like our recent acquisition of eWON, will further strengthen our unique value proposition to our OEM partners, system integrators and installers worldwide."

For further information on Intesis, please visit: [www.intesisbox.com](http://www.intesisbox.com)

#### **Terms of the transaction**

The acquisition was completed on June 29, 2016 on which date 100 per cent of the shares in Intesis were acquired by HMS Industrial Networks AB directly from Intesis' owners Pedro Lumbreras and José Cerón. Intesis' current CEO Mr. Cerón will continue to serve the company as its general manager. Mr. Lumbreras will continue to advise Intesis as a consultant. The acquisition did not require any regulatory clearances. Intesis will be consolidated into the HMS Group as of June 30, 2016.

The purchase price for 100 per cent of the shares in Intesis amounts to EUR 13.3 million on a cash-free/debt-free basis and is financed through a new credit facility. The purchase price is paid in cash after adjustment for the net debt and working capital position of Intesis per May 31, 2016. Depending on Intesis reaching certain defined

financial targets for the financial year ending on December 31, 2018 an earn-out payment for Mr. Cerón of up to EUR 2.0 million may become payable in early 2019 in cash.

### **Financial information**

In 2015, Intesis had net sales of EUR 5.6 million and EBITDA of EUR 2.4 million. In the last three-year period, Intesis' sales have grown at a compounded annual growth rate in excess of 20%. The acquisition of Intesis is expected to have an accretive effect on the earnings per share in HMS Networks AB (publ) already in 2016.

HMS Networks AB (publ) will publish its half year report 2016 on July 19, 2016.

Ellestad/Strata Advisory is acting as financial advisor, Advokatfirman Lindahl KB and Cuatrecasas, Gonçalves Pereira are acting as legal counsel and EY is acting as financial due diligence advisor to HMS. PwC is acting as financial advisor and as legal counsel to the sellers.

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

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This information is such that HMS Networks AB (publ) is required to disclose in accordance with the Swedish Financial Instruments Trading Act and/or the Swedish Securities Market Act. The information was submitted for publication at 08.00 am CET on June 30, 2016.

**HMS Networks AB (publ)** is a market-leading supplier of products for industrial communication including remote management. HMS develops and manufactures solutions for connecting automation devices and systems to industrial networks under the Anybus, IXXAT, eWON and Netbiter brands. Development and manufacturing take place at the headquarters in Halmstad, Sweden, Nivelles, Belgium and in Ravensburg, Germany. Local sales and support are handled by sales offices in China, France, Germany, Switzerland, India, Italy, Japan, UK, and USA. HMS employs 450 people and reported sales of SEK 702 m in 2015. HMS is listed on the NASDAQ OMX Nordic Exchange in Stockholm in the category Mid Cap, Information Technology.