

Eleda enters the Norwegian market through the acquisition of two operating businesses from Gjermundshaug

The Swedish infrastructure services company Eleda has entered into an agreement to buy 100 percent of Gjermundshaug Anlegg AS and Anlegg Øst Entreprenør AS. The companies carry out projects within road, railway, and other infrastructure. Through the acquisition Eleda enters Norway and commences their international expansion.

Gjermundshaug Anlegg AS and Anlegg Øst Entreprenør AS are two of the operating companies that make up Gjermundshaug Gruppen, a company with over 300 employees established by Ingvald and Ottar Gjermundshaug in 1949 under the name Brødrene Gjermundshaug. As of 2021, the Group had a total turnover of approximately NOK 1.3 billion and an operating profit of NOK 140 million.

- With Eleda, we get an ambitious owner with clear growth ambitions and significant financial strength. It suits us because we want to grow further. I look forward to further developing our operations together with Eleda, says Mr Ole Gjermundshaug, CEO of Gjermundshaug Gruppen,.

Established in 2017, Eleda has through an active acquisition strategy quickly established itself as a leading infrastructure services provider throughout Sweden. Before the acquisition, the Group had an annual turnover of just over SEK 11 billion with approximately 2,400 employees.

- We want to build a leading position in the Nordics, and the acquisition of Gjermundshaug Anlegg and Anlegg Øst Entreprenør will be an important part of our ambitions outside of Sweden. The companies complement each other well and we see good opportunities for continued profitable growth. Together we create added value for customers, says Eleda's CEO, Mr Johan Halvardsson.

The acquisition will not have significant practical consequences for customers and employees of Gjermundshaug Anlegg AS and Anlegg Øst Entreprenør AS.

- Eleda is a company with good values, culture, and strategy that we identify with, and we look forward to becoming part of a larger group to increase our competitiveness and expertise in an exciting and growing market, says the General Manager of Gjermundshaug Anlegg, Mr Pål Ligård.

Both acquired companies will continue as separate legal entities under existing names, in the same locations and with the existing management.

- The entrepreneurial spirit that characterizes Eleda's operations and their powerful growth in recent years is something we identify with and look forward to being a part of, adds the General Manager of Anlegg Øst Entreprenør, Mr Trond Musdalslien.

Mr Ole Gjermundshaug will continue in a key role, being responsible for the further development of Eleda's operations in Norway. Hans Bjørnstad continues in his role as CFO for the Norwegian operations. The current ownership group will become co-owners of Eleda and continue in the business as before.

- Eleda is our first-choice owner. They will create a good home for our employees and will continue to develop the legacy we have built up over three generations. I am impressed by what Eleda has created in Sweden and really look forward to bringing their culture, characterized by the entrepreneurs in the various operations, further into our Norwegian business, concludes Gjermundshaug Gruppen's CEO Ole Gjermundshaug.

The purchase is conditional on the transaction being approved by the Norwegian competition authorities. Regulatory approval and the subsequent completion of the acquisition is expected in the first quarter of 2023. The parties have agreed not to disclose the purchase price.

Contacts:

Gjermundshaug Gruppen AS: Ole Gjermundshaug, +47 907 46 392

Eleda: Johan Halvardsson, +46 70 545 9501

Anlegg Øst Entreprenør AS: Trond Musdalslien, +47 970 54 515

Gjermundshaug Anlegg AS: Pål Ligård, +47 982 59 742