

Absolent Group adds a third growth platform by acquiring Canadian Diversitech Inc.

The clean tech company Absolent Group AB, specialized in the cleaning of contaminated air, adds a third growth platform by acquiring Diversitech Inc. based in Montreal, Canada. Diversitech is a privately held global frontrunner in the fume extraction market expected to close the fiscal year 2019 in August with a turnover of 140 MSEK and an adjusted EBITDA margin of 14 %.

Absolent Group has a strategy to accelerate growth by broadening its market access by establishing six carefully selected segment platforms. Acquiring Diversitech is a close fit with Absolent's strategic plan and the company will serve as Absolent Group's third growth platform following the existing metal machining and dust bulk handling platforms.

“Fume extraction, where Diversitech has the majority of its business, is the largest segment of the industrial air filtration market. It is a market where you need a clear position to build your business around and it is our belief that Diversitech has that position.

Diversitech has a very strong track record of delivering above industry growth and margins. They have a well-developed channel strategy and a broad and well recognized product portfolio. We are excited to welcome the Diversitech team to our family and to get the opportunity to execute the next steps in the company's growth and internationalization plan together”, says Absolent Group's CEO Axel Berntsson.

The initial purchase price, on a cash and debt free basis, is 96 MSEK and has been financed through a multi-currency revolver at Nordea. Further, there is an earn out of maximum 46 MSEK directly linked to the EBITDA level performed over the next twelve months. Diversitech will immediately be consolidated into Absolent Group. The acquisition is expected to have a positive impact on earnings per share for 2019.

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Absolent Group AB is listed on Nasdaq First North, Stockholm.

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