



Press release - July 17, 2017

Opus signs a 20-year vehicle inspection concession agreement in Sindh Province, Pakistan

Opus Inspection VICS Sindh (Pvt) Ltd., an Opus subsidiary, won a public tender and has signed a 20-year public service vehicle inspection concession with the Transport & Mass Transit Department of the Government of Sindh (GoS) in the Sindh Province, Pakistan.

Under the Sindh vehicle inspection program, Opus Inspection will design, build and operate motor vehicle inspection and certification stations (VICS) in Sindh Province to provide an exclusive, high quality, efficient, and impartial vehicle inspection program to the public. The goal of the vehicle inspection program is to improve road safety and to reduce air pollution resulting from vehicle traffic province wide. The program is mandatory for commercial and private vehicles in Sindh province.

In 2016, the province of Sindh had approximately 1.5 million vehicles subject to inspection. The number of vehicles in Pakistan increases by 5 – 8 % per year.

The vehicle inspection contract was won in a public tender with international participation and has been procured under the Private Public Partnership (PPP) rules promoted by the World Bank to help develop infrastructure in emerging markets. The PPP process provides uniformity, transparency, and credibility to government contracting.

The estimated revenue in the first year after full program implementation is approximately USD 4 million, with annual revenue increasing 7 – 15% during the first ten years of operation. The growth results from a growing vehicle population as well as increased compliance with the vehicle inspection mandate. The project will be managed and operated by Opus Inspection VICS Sindh (Pvt) Ltd., a subsidiary of Opus with minority shareholding by two local Pakistani firms.

“This is our second vehicle inspection program in Pakistan, and we are proud to be selected as the operator of the new vehicle inspection program in Sindh Province. This contract is fully in line with our strategy and is another step in growing our vehicle inspection operations into new geographical areas. We are particularly thankful to the Transport & Mass Transit Department of the Government of Sindh for their trust in us and we are looking forward to a long lasting, mutually beneficial business relationship”, said Lothar Geilen, CEO of Opus.

“We are proud to be a part of this responsible program that will result in safer, cleaner vehicles on the road, improving conditions for this generation and the ones to come” said Jim Sands, Opus Inspection Vice President with responsibility for Pakistan, who signed the concession agreement on behalf of Opus.

With 190 million citizens, Pakistan is the sixth most populous country in the world. The Sindh Province has a population of 56 million people.

Opus is a leading vehicle inspection and vehicle services company headquartered in Sweden, with operations in Europe, North and South America and Asia.

Gothenburg, July 17, 2017
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About Opus Group

Opus is a technology driven growth company in the vehicle inspection and vehicle services markets. The company has a strong focus on customer service and innovative technology within emission and safety testing and vehicle services. The Group had approximately SEK 1.7 billion in revenues in 2016 with strong operating cash flow and good operating profitability. Opus' plan is to double its revenues to reach USD 400 million in revenues and USD 100 million in EBITDA by 2021. The main growth is estimated to come from the expansion of the vehicle communication and services business and the international expansion of the vehicle inspection business with a primary focus on the Latin American and Asian markets. With close to 1,800 employees, Opus is headquartered in the Gothenburg region of Sweden. Opus has 26 regional offices of which 20 are located in the United States and the others in Stockholm, Peru, Chile, Argentina, Mexico and Pakistan. Opus has production facilities in the U.S. in Hartford, Ann Arbor and Tucson. The Opus share is listed on Nasdaq Stockholm.