

January 3, 2020
Press release

Opus acquires AutoEnginuity

On January 2, 2020, Drew Technologies, Inc., an Opus IVS division company, acquired US-based AutoEnginuity, LLC for a purchase price of approximately USD 20 million (approximately SEK 187 million) on a cash-free and debt-free basis. All conditions for completion of the acquisition of AutoEnginuity have been met.

Background and reasons for the Acquisition

AutoEnginuity, founded in 2003 and headquartered in Mesa, Arizona, has developed into a leader in advanced aftermarket automotive diagnostics software and associated vehicle make/model coverage. The combined Opus IVS companies serve an existing customer base of 50,000 automotive repair shops globally, by providing market leading vehicle diagnostics and vehicle communication offerings to address the trend of increased vehicle digitalization and automation.

- Drew Technologies, Inc. (Drew Tech) has acquired the membership interests of AutoEnginuity, LLC for a purchase price of approximately USD 20 million (approximately SEK 187 million) on a cash-free and debt-free basis. Drew Tech paid USD 10 million at closing and will make additional payments of USD 5 million in 2021 and USD 5 million in 2022.
- Additional amounts may be paid over the next 5 years depending on performance of the AutoEnginuity business.
- With the acquisition, AutoEnginuity becomes a subsidiary of Drew Tech, managed under the Opus IVS division. AutoEnginuity management signed multi-year employment agreements; all staff are expected to continue working under the Opus ownership.
- AutoEnginuity is a leader in advanced aftermarket vehicle diagnostics with coverage for 56 vehicle brands, including all important U.S., European and Asian brands.
- Their broad coverage and diagnostic depth represent an interesting growth potential for Opus IVS.
- In 2019, AutoEnginuity had revenues of approximately USD 4 million (approximately SEK 37 million) with EBITDA (adjusted for non-recurring items) of approximately USD 2.3 million (approximately SEK 22 million).
- In 2020, the AutoEnginuity acquisition is estimated to increase Opus' EBITA by >5%. Cash Flow in 2020 will be negatively affected by approximately SEK 70 million.
- The closing payment of USD 10 million (approximately SEK 93 million) is financed through existing cash within Opus Group.
- This acquisition brings the total Opus IVS offices to 7, with U.S. locations in New York, Michigan, California, North Carolina and Arizona; and others in the UK and Australia.

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“We are excited about the acquisition of AutoEnginuity due to the company’s status as a leader in multi-brand advanced automotive diagnostics and it being widely used in the US collision scanning market. We see a great fit with our existing products and services in the Opus IVS division. Building on Autologic’s European diagnostics technology and support services, Opus IVS can now expand its products and services lineup to cover all brands within the US market”, said Lothar Geilen, CEO of Opus. “I want to express a warm welcome to the employees at AutoEnginuity. We are looking forward to having the Auto-Enginuity employees become a part of the Opus family” Geilen continued.

“As Opus IVS continues to expand its products and coverage into new markets, AutoEnginuity will allow greater vehicle coverage and support for more diagnostic platforms. By adding the AutoEnginuity diagnostic coverage to our DrivePro platform, Opus IVS repair customers will soon have more capability. Leveraging AutoEnginuity diagnostic coverage will solidify the DriveCrash platform as a technology leader for the U.S. collision scanning industry”, Brian Herron, President of the Opus IVS division stated.

For more information about AutoEnginuity please visit www.autoenginuity.com; for Opus visit www.opus.global; and for Opus IVS please visit www.opusivs.com.

This announcement does not change the Board’s statement with regards to the public offer from Ograi/Searchlight as announced on December 20, 2019.

Gothenburg, January 3, 2020
Opus Group AB (publ)

This is information that Opus Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out herein, at 08:00 CET on January 3, 2020.

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About Opus

Opus is a technology-driven growth company in the vehicle inspection and intelligent vehicle support markets. The company has a strong focus on customer service and innovative technology within emission and safety testing and intelligent vehicle support. Opus had approximately SEK 2.5 billion in revenues in 2018 with solid operating profit and cash flow. Opus’ goal is to reach an annual revenue growth of 5-10 percent, through organic and acquisitive growth based on 3-year CAGR, and an EBITA margin of 15 percent. The majority of the growth is estimated to come from the international expansion of the vehicle inspection business, with a primary focus on the Latin American and Asian markets, and the expansion of the intelligent vehicle support business. With approximately 2,600 employees, Opus is headquartered in Gothenburg, Sweden. Opus has 34 regional offices, 24 of which are in the United States and the others in Sweden, Argentina, Chile, Mexico, Peru, Pakistan, United Kingdom, Spain and Australia. Opus has production facilities in the U.S. in Hartford, Ann Arbor and Tucson. The shares of Opus Group are listed on Nasdaq Stockholm.

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