

Pressrelease

Singapore, December 1, 2017

Bufab acquires Kian Soon Mechanical Components Pte Ltd

Bufab has signed an agreement to acquire all outstanding shares in Kian Soon Mechanical Components Pte Ltd in Singapore (www.kiansoon.com.sg), with annual sales of approximately SGD 17 million.

Kian Soon was founded in 1977 and is one of the leading distributors of C parts in South-East Asia. Besides the head office in Singapore, the company has subsidiaries in Malaysia and Indonesia and a joint venture in Thailand. Kian Soon has 64 employees and generates annual sales of approximately SGD 17 million with good profitability.

"I am very proud to announce this acquisition, which is a significant and attractive add-on to our existing businesses in Asia. We have known Kian Soon for a long time as a trustworthy, high-quality and entrepreneurial company with a good name throughout the industry. We wish the Kian Soon team a very warm welcome into the Bufab Group", says Jörgen Rosengren, Bufab's President and CEO.

"Bufab is known as a leader in the global C parts industry and has the experience, international reach and scale that we have looked for in a partner. We are convinced that Kian Soon will benefit greatly from being part of Bufab, and that Bufab will enjoy advantages based on our network in South-East Asia. We very much look forward to our future together", comments Patricia Png, General Manager, Kian Soon, and spokesperson for the current owners, the Png family.

The acquisition will be financed within Bufab's existing credit facilities. The purchase price, on an "enterprise value" basis, amounts to approximately 85 million Swedish crowns upon closing of the transaction. An additional approximately 25 million Swedish crowns will be paid in 2019 conditional on a stable financial development. Finally, a performance-related purchase consideration of a maximum of 20 million Swedish crowns may be paid in 2021, conditional on an improved profit. The acquisition will close and take effect immediately, and will be reported within Bufab's segment International.

The acquisition is expected to contribute marginally to Bufab's earnings per share starting from the first quarter of 2018.

For further information, please contact:

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This information is information that Bufab AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 a.m. CET on 1 December 2017.

About Bufab

Bufab AB (publ), Corporate Registration Number 556685-6240, is a trading company that offers its customers a full-service solution as Supply Chain Partner for sourcing, quality control and logistics for C-Parts (screws, nuts, etc.). Bufab's Global Parts Productivity™ customer offering aims to improve productivity in the customers' value chain for C-Parts.



Bufab was founded in 1977 in Småland and is an international company with operations in 25 countries. The head office is located in Värnamo, Sweden, and Bufab has about 1,000 employees. Bufab's net sales for the past 12 months amounted to SEK 3.0 billion and the operating margin was 9.5 percent. The Bufab share is listed on Nasdaq Stockholm, under the ticker "BUFAB". Please visit www.bufab.com for more information.