

RSM carried out the financial, tax and social due diligence for Grolleau on its acquisition of a stake in the capital of OMP Mechtron

- **RSM, the world's 6th largest audit and advisory network, has carried out the financial, tax and social due diligence for Grolleau, a listed French industrial company specialising in the manufacture of outdoor urban cabinets (networks, telecoms, energy), in connection with its acquisition of a stake in OMP Mechtron, an Italian manufacturer of metal cabinets, chassis and racks, and of structures for fast-charging stations for electric vehicles.**
- **RSM partners Eric Fougedoire and Luca D'Ambrosio supervised a Franco-Italian team to support Grolleau.**
- **Thanks to this transaction, the Corporate Finance division has strengthened its position as advisor to listed industrial SMEs on strategic cross-border acquisitions.**

Paris, September 11th, 2023

Grolleau announces that it has signed a strategic agreement for a gradual capital increase in OMP Mechtron, a European industrial player specialising in the manufacture of metal cabinets, chassis and racks and structures for fast charging stations. As part of this agreement, Grolleau is taking an immediate 49.9% stake in OMP through a reserved capital increase. This announcement follows the press release of 13 February 2023 announcing that the two companies had entered into exclusive negotiations.

A major change in dimension for the group: 500 employees and 4 industrial sites in France and abroad

With almost 40 years of industrial history, OMP MECHTRON is an Italian company that produces functional, ready-to-integrate sheet metal assemblies and sub-assemblies for a wide range of leading global customers. These customers are active in markets that Grolleau shares (telecoms, railways, automation and robotics, charging stations), which offers the Group solid prospects for commercial synergies.

The new entity would double the size of Grolleau, from 200 employees at 31 December 2022 to more than 500.

The Group would thus have a cross-border presence with 4 industrial sites (France (Angers), Italy (Milan), Mexico (Guadalajara) and China (Shanghai)). Grolleau will thus be able to offer its existing customers high-quality international support and expand its business opportunities in new global markets.

From a financial point of view, OMP Mechtron has achieved sales of €32 million in 2022 (up by around 18% compared with 2021), of which around 70% will be generated internationally and 30% in Italy, for an EBITDA level comparable to that announced by Grolleau.

Subject to the fulfilment of the condition precedent linked to the Italian government's approval of the transaction (expected before 30 August 2023), OMP will be proportionally consolidated in the financial statements from the date of completion of the transaction, until Grolleau becomes the majority shareholder. At that point, OMP will be fully consolidated at 100%.

A gradual increase in capital to 100% in 3 years' time

This capital-intensive operation will give rise to a gradual acquisition of a stake over 3 years. On the closing date of the contract, Grolleau will acquire a 49.9% stake through a reserved capital increase.

From 2025, Grolleau will increase its stake to 100% of the capital in 2026, through share swaps and/or in cash based on a performance-indexed valuation multiple.

Strong commercial synergies and a first international contract win

The very strong complementarity of the offer and the access to a large panel of international customers on worldwide markets are key elements of this strategic operation for Grolleau. OMP Mechtron's very solid experience in manufacturing sheet metal structures and frames for indoor use, coupled with Grolleau's strong industrial expertise in integration and testing in outdoor environments, will enable the new Group to offer highly technical, fully integrated and innovative solutions on their markets, in particular the recharging station market, which is experiencing strong growth for OMP Mechtron and Grolleau.

The first commercial synergies have already been generated, with Grolleau winning its first international contract thanks to OMP, with a customer in the United States. A request for preliminary studies has been put in place to supply a highly technical product with a unique design specifically designed for this customer.

RSM team

The RSM team was composed of :

- Financial due diligence: Eric Fougedoire, Luca D'Ambrosio, Francesco Greco.
- Tax and employment due diligence: Kristian Bresciani

About Grolleau

Founded in 1950, Grolleau is a French industrial player specialising in the supply of infrastructure equipment to support the development of cities and Smart Territories, which are booming with the deployment of 5G and connected objects.

Grolleau is the acknowledged specialist in outdoor equipment for protecting and securing the critical technologies that ensure the smooth running of territories (energy and water management, connectivity and telecommunications, green mobility, smart grid). Grolleau is France's No. 1 manufacturer of urban cabinets (telecoms/energy) throughout the country and the No. 1 manufacturer of on-street electric charging stations.

As a French designer, manufacturer and integrator of its equipment, Grolleau controls the entire value chain, from design to delivery, at its 60,000 m² industrial site in Montilliers (Angers) and employs 200 people. The company had sales of €34.1m at 31 March 2023 and intends to more than double its sales between 2021-2022 and 2025-26.

About RSM

RSM is the world's 6th largest audit, consulting and accounting network, present in over 120 countries. It currently has more than 57,000 employees and partners.

In France, RSM, a major player in auditing, consulting and accounting, is present in the main regional economic centers, with offices in Paris, Lyon-Chambéry-Grenoble, Aix-en-Provence, Montpellier-Nîmes, Nantes-Laval, Strasbourg-Colmar, Aix-en-Provence, La Réunion and Mayotte. RSM now has more than 1,250 professionals throughout the country. It intends to continue its regional development. The group has structured its multidisciplinary offer around 5 business lines: Audit, Expertise, Consulting, HR-Social / Payroll, Legal & Tax.

For more information, visit www.rsmfrance.com

RSM – Corporate Finance

The Corporate Finance practice of RSM assists companies and their managers, investment funds, as well as investors and shareholders, in France and abroad, in order to secure and optimize their financial decisions. It has 20 professionals in Paris and in the regions, including 3 partners. RSM Corporate Finance provides transaction services, valuation and complex financial modeling, capital transactions and restructuring.