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Enics merges with GPV to create a European electronics giant

Two strong European-based electronics manufacturing services providers, Enics and GPV are merging. The transaction values the combined business at more than EUR 500 million. The merger will create Europe's second-largest EMS company with more than 7,500 employees and operations worldwide.

The Danish industrial conglomerate Schouw & Co., listed on Nasdaq Copenhagen and owner of GPV, will hold 80 per cent of the merged entity, while the current owner of Enics, Ahlstrom Capital B.V. (a wholly owned subsidiary of Ahlström Capital), will hold 20 per cent. Additionally, as a result of the transaction, Ahlström Capital will receive approximately EUR 60 million in cash. The merger of GPV and Enics will create an international electronics group with more than 7,500 employees and a revenue close to one billion euros.

Enics and GPV are two well-run companies both operating within electronics manufacturing services (EMS) and each with their own specialist areas. Furthermore, they are of similar size. Both companies have a strong position and strong presence in the market and the new company will be an attractive partner in the fast-changing marketplace to customers, suppliers and other stakeholders alike.

Enics is among the industrial leaders in design, lean manufacturing, and development of test systems for some of the world's largest customers while GPV is a full-service EMS provider with a strong market focus and specialising in managing high-mix product portfolios, application design and engineering:

“Enics and GPV are a perfect match. I look forward to laying the foundation for this strong European industrial platform. Together, both companies have even stronger capabilities to provide turnkey offerings that will make the combined company a success in the fast-changing EMS market. I’m confident that together we will be driving the sustainable success of our customers and leading the way to change how EMS companies operate in complex ecosystems” says **Elke Eckstein**, CEO of Enics.

“Ahlström Capital has been an anchor owner of Enics for more than 15 years, teaming up with the management to develop a high quality electronics manufacturing services provider. We believe this merger is creating a more competitive global company which is truly positive news for both Enics’ and GPV’s customers, employees and shareholders. Ahlström Capital remains committed to support the future value creation of the merged enterprise”, comments **Lasse Heinonen**, President and CEO of Ahlström Capital.

“This is a combination of two equally strong and very competent companies. With the merger, we take yet another significant step on our growth journey,” says **Bo Lybæk**, CEO of GPV. Bo Lybæk will lead the integration of the two businesses into the new combined company.

“This is the largest transaction in the history of Schouw & Co., and we are very pleased to have reached an agreement with both Ahlström Capital, and GPV’s new partner, Enics. Schouw & Co. and Ahlström Capital share similar values and both companies’ legacy and long-term strategic outlook provided an excellent climate for negotiation,” explains CEO **Jens Bjerg Sørensen** from Schouw & Co. Ahlström Capital’s representatives will serve on the board of the combined company to support future value creation. Jens Bjerg Sørensen is the current chairman of GPV and will serve as the chairman of the merged company.

Today, Enics has seven factories in Europe and Asia across Finland, Sweden, Estonia, Slovakia, China, and Malaysia, while GPV has 12 factories located in Denmark, Switzerland, Germany, Austria, Slovakia, Mexico, Sri Lanka, and Thailand. Enics is focused on electronics manufacturing with a strong and well recognised operational set-up and a well-developed test-system business, while GPV besides electronics specialises in product application design, in-house mechanics, and cable-harness assemblies. GPV has been particularly successful with its box-build mechatronics products – an area where both Elke Eckstein and Bo Lybæk see great potential going forward, including for Enics' current customers.

Closing of the transaction is subject to customary approvals, including from competition authorities.

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