

Press release  
October 3, 2022  
Gothenburg Sweden

## **Hexatronic signs agreement to acquire U.S.-based Rochester Cable from TE Connectivity**

Hexatronic Group AB (publ) ("Hexatronic") has signed a binding asset purchase agreement to acquire all business activities of Rochester Cable ("Rochester Cable"), one of the main designers and manufacturers of harsh environment electro-optical cables in the USA, from TE Connectivity (TE), a world leader in connectors and sensors, for an enterprise value of USD 55 million.

### **Rochester Cable**

Rochester Cable is a recognized leader in the design and manufacture of electro-optical cables for operation in harsh environments. The cables are highly engineered to meet specific requirements in demanding industries such as oil and gas, sensing, defense, oceanographic, and subsea applications.

Rochester Cable is powered by 130 employees today in Culpeper, Virginia. In the 40,000 square meters production site, Rochester Cable manufactures armored electro-optical working cables that provide strength and transmit power, control signals, and data.

The agreement broadens Hexatronic's offering within fiber optic submarine communication cables to include dynamic working cables that can transmit electrical signals and power in addition to transmitting optical signals. The electro-optical cables can accommodate extreme water depths to 6,000 meters and connect a variety of sensors, equipment, and remotely operated vehicles.

Rochester Cable is a high-quality producer. Over the last decade, TE has significantly invested in increasing capacity, and the production facility provides many possibilities for further growth.

The acquired business includes the land and buildings of the production sites and office buildings. Product sales are mainly in the U.S. but also in the EMEA and APAC regions.

### **Purchase price and financing**

In the broken fiscal year, October 2021 to September 2022, Rochester Cable is expected to generate a proforma stand-alone EBITDA of approximately USD 8 million, representing a proforma transaction multiple of approximately 7x EBITDA. The acquisition is immediately accretive to earnings, adding an estimated 0.18 SEK per Hexatronic share in the first full year after close.

The purchase price of USD 55 million is to be paid in cash at closing, fully financed with senior debt. Second quarter pro forma Net Debt-to-EBITDA ratio for the Hexatronic Group, including Rochester Cable and previously announced transactions, is expected to be about 2.0.

Completion of the transaction is subject to regulatory approvals and is expected no later than March 31, 2023.



## Comments from the CEO

*“We are happy to have reached an agreement with TE Connectivity to acquire the business activities of Rochester Cable. Rochester Cable is uniquely positioned with its know-how and application expertise, which has been developed as a market leader for decades. The highly skilled team has developed a truly differentiated offering and long-term partnerships with its customers. Hexatronic has been a supplier of fiber optic submarine communication cables since the 1990s. Combining the know-how, geographical footprint, and product portfolio of Rochester Cable in the U.S. and Hexatronic submarine business in Sweden provides exciting opportunities for the future,”* says Henrik Larsson Lyon, CEO of Hexatronic Group.

## About TE Connectivity

TE Connectivity is a global industrial technology leader creating a safer, sustainable, productive, and connected future. Our broad range of connectivity and sensor solutions, proven in the harshest environments, enable advancements in transportation, industrial applications, medical technology, energy, data communications, and the home. With more than 85,000 employees, including over 8,000 engineers, working alongside customers in approximately 140 countries, TE ensures that EVERY CONNECTION COUNTS. Learn more at [www.te.com](http://www.te.com) and on LinkedIn, Facebook, WeChat and Twitter.

Gothenburg, October 3, 2022

Henrik Larsson Lyon  
CEO Hexatronic Group

## For more information, please contact:

Henrik Larsson Lyon, CEO Hexatronic Group, +46 706 50 34 00  
Pernilla Lindén, CFO Hexatronic Group, +46 708 77 58 32

This is information that Hexatronic 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 person set out above, at 14:30 CEST on October 3, 2022.

This is a translation of the Swedish version of the press release. When in doubt, the Swedish wording prevails.

---

Hexatronic creates sustainable networks all over the world. We partner with customers on four continents – from telecom operators to network owners – and offer leading, high-quality fiber technology for every conceivable application. Hexatronic Group (publ.) was founded in Sweden in 1993 and the Group is listed on Nasdaq OMX Stockholm. Our global brands include Viper, Stingray, Raptor, InOne, and Wistom®.