



itm8 and AddPro join forces to create a leading northern European managed IT & digital transformation provider

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Axcel, in partnership with Chr. Augustinus Fabrikker, has agreed to acquire leading Danish digital transformation partner, itm8, to create a northern European group within end-to-end IT services through a combination with Axcel-owned AddPro. Over the years, itm8 and AddPro have built strong brands and attracted exceptional talent. In 2022 the two complementary businesses combined are expected to generate revenue of approximately DKK 2.6bn. The AddPro brand will continue and become part of the itm8 eco-system.

itm8 has been on an impressive growth journey since its foundation in Herning, Denmark, in 2003 by CEO Henrik Kastbjerg. The company has based its growth on an accelerated acquisitive strategy, while at the same time delivering superior organic growth. Today, itm8 is a leading provider to Danish SMEs and corporates with a team of more than 1,100 IT experts, supporting more than 4,200 customers within four business-critical areas: Cloud services, digital transformation, application services and cyber security.

Founded in Malmö, Sweden, in 2000 by CEO Nicklas Persson, AddPro has experienced significant growth over the past 20 years and has evolved to become one of the leading managed IT services providers in Sweden. Axcel invested in AddPro in 2020, and the company has since grown organically as well as strengthened its Swedish footprint through acquisitions of specific service capabilities to broaden the portfolio of services provided to its around 1,000 customers. In 2021, AddPro entered the Danish market through the acquisition of 4 Dimensions.

"AddPro fits perfectly into itm8, enabling us to accelerate growth and expand our offering," says Henrik Kastbjerg, CEO, itm8. "Our current eco-system of brands will now be able to serve Sweden as well, and AddPro customers will at the same time get access to a broader palette of services. I'm super excited to be joining forces with our many new talented colleagues from AddPro."

Nicklas Persson, CEO of AddPro, is appointed Head of Sweden and will be part of the itm8 management team led by Henrik Kastbjerg.

"We've known the itm8 team for years, and we're extremely pleased that we've now succeeded in bringing the two groups together under the itm8 umbrella. This is great news for all our customers and all our colleagues," says Nicklas Persson, CEO of AddPro.

"We've followed itm8 for several years and are very excited about the opportunity to partner with itm8 and combine it with Axcel-owned AddPro to create a true Nordic managed IT services business," says Christian Bamberger Bro, Partner at Axcel and in charge of the investment by

Axcel. *"Our ambitions, however, go beyond establishing a Nordic champion – we want to create a strong northern European group that will place the customers' needs at the forefront of everything we do."*

"The journey itm8 has been on is a prime example of what can be accomplished by ambitious Danish companies with an entrepreneurial spirit," says Claus Gregersen, CEO of Chr. Augustinus Fabrikker. *"In partnering with AddPro, itm8 will become part of a combined group committed to continuing to deliver great solutions to its customers in the Nordics and beyond. We're deeply impressed by the culture and leadership in both companies, and we're excited to team up with Axcel to fuel future opportunities for the group."*

Demand for end-to-end managed IT services is expected to continue to show strong growth, supported by the increasing complexity of IT solutions and the transition to cloud solutions driving the trend towards more outsourcing. itm8 is very well positioned to capitalise on this attractive market growth with its strong value proposition providing services and solutions across the entire IT value chain.

itm8 will be acquired from software investor Hg, the management team and key employees. Management and key employees of both itm8 and AddPro will continue as significant shareholders of the new group. The transaction is subject to customary regulatory approvals and is expected to close in Q3 2022. Post-closing, Axcel will hold 45% of the shares, Chr. Augustinus Fabrikker 17%, while the rest will be held by the management teams and key employees of the two companies as well as other Axcel co-investors.

About itm8

itm8 is a leading Danish supplier of managed IT services for private businesses and the public sector. itm8 is represented at 14 locations in Denmark, Sweden, the Philippines and Czechia. The group focuses on four business areas in Denmark: Cloud Services/IT Operations, Digital Transformation, Application Services and Cyber Security. Following its recent acquisitions, itm8's annual revenue has grown to DKK 1.7bn and the group employs 1,100+ people within the brands IT Relation, Progressive, Mentor IT, Sotea, Me'ning, Cloud Teams, Miracle42, Emineo, Copenhagen Software and Improsec. www.itm8.com

About AddPro

AddPro is a leading Swedish and Danish business transformation partner providing managed IT services within mission-critical services and solutions across the entire IT value chain, including managed infrastructure services, management consulting, cloud integration, application development and digital workspace solutions. The company generates revenue of approximately SEK 1.2bn and has over 500 employees. AddPro is headquartered in Malmö, Sweden, with offices in Malmö, Stockholm, Gothenburg, Helsingborg and Kristianstad in Sweden as well as in Skovlunde, Næstved and Ry in Denmark. www.addpro.se / www.addpro.dk

About Axcel

At Axcel, we believe that when it comes to creating growth in a sustainable way, it's not what you invest in, but how you invest in it. With our strong focus on Nordic companies in the industrial & business services, tech, consumer and healthcare sectors, we create success through a combination of our team's network and experience paired with a systematic, growth-oriented value creation approach. Over the last 25 years, Axcel has raised six funds with cumulative capital commitments of EUR 2.8 billion. These funds have made 64 platform investments, with more than 150 add-on investments and 46 exits. www.axcel.dk

About Chr. Augustinus Fabrikker

Chr. Augustinus Fabrikker is an investment company with a more than 270-year history and extensive interests in the Danish business community. As part of a strategy to be a long-term, committed and value-adding owner, the company's portfolio comprises considerable ownership interests in successful and iconic Danish businesses such as Tivoli, Gyldendal, Jeudan, STG, Royal Unibrew, Fritz Hansen, as well as entrepreneurial companies such as Corti and Dawn Health. Chr. Augustinus Fabrikker is a subsidiary of the Augustinus Foundation, which is among the largest cultural foundations in Denmark. With assets of more than DKK 40bn Chr. Augustinus Fabrikker is a substantial participant in Danish business community. The asset base enables Chr. Augustinus Fabrikker to actively reinvest in Danish businesses as well as securing the philanthropic activities of the Augustinus Foundation. augustinusfabrikker.dk/en/

Further information

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