

Restamax Plc: RESTAMAX AND ROYAL RAVINTOLAT TO BE COMBINED - FORMING ONE OF THE LARGEST NORDIC RESTAURANT GROUPS

April 12, 2018 01:01 ET | Source: Restamax Oyj

Restamax Plc

STOCK EXCHANGE RELEASE 12 April 2018, 8:00 am

RESTAMAX AND ROYAL RAVINTOLAT TO BE COMBINED - FORMING ONE OF THE LARGEST NORDIC RESTAURANT GROUPS On 11 April 2018, Restamax Plc ("Restamax") and Intera Fund II Ky ("Intera") and the other shareholders of RR Holding Oy have signed a share purchase agreement whereby Restamax purchases all the shares in RR Holding Oy ("Royal Ravintolat"); and at the same time, the shareholders and key personnel of Royal Ravintolat will make an investment in Restamax. The completion of the transaction is conditional upon a decision by Restamax's General Meeting regarding a share issue and on the arranging of financing for the cash purchase price.

The enterprise value of Royal Ravintolat in the transaction is MEUR 90. MEUR 20 of the purchase price will be paid in new Restamax shares to be issued to the sellers of Royal Ravintolat in a directed share issue. In the share issue, the subscription price per share shall be EUR 8.80. A part of the sale price will be paid in cash. The transaction is expected to increase Restamax's net debt by approximately MEUR 70.

Upon completion of the transaction, Intera would become the fourth-largest shareholder of Restamax with a shareholding of approximately 10 per cent. Intera would not be subject to a lock-up regarding the shares of Restamax to be issued to Intera. The other sellers' combined shareholdings in Restamax would amount to a few per cent.

The transaction is expected to be completed during summer 2018. The aim is to carry out the integration in late 2018 and early 2019. The transaction will create one of the largest restaurant groups in the Nordic countries listed on the Helsinki Stock Exchange.

In order to complete the transaction, Restamax's Board of Directors will convene an Extraordinary General Meeting to decide on issue of new shares, on election of new members of the Board of Directors and on other matters directly related to the transaction that belong to the General Meeting's powers. Certain shareholders of Restamax who in aggregate represent approximately 67.67 per cent of all Restamax shares and votes have committed to vote for the proposals relating to the implementation of the transaction at the Extraordinary General Meeting and to support the proposal of the Board of Directors to elect the current members of Royal Ravintolat board of directors Saku Tuominen, Tomi Terho and Miki Kuusi as new members of the Board of Directors of Restamax. The notice of the General Meeting will be amended with a proposal on the new name of the restaurant

company, to be published later.

"We aim to build a restaurant company that combines an entrepreneurial approach, an attitude that emphasises the role of restaurateurs and the development resources of a big company. The Restamax and Royal companies complement each other in terms of their product portfolios and competencies," says Timo Laine, Chairman of the Board of Directors of Restamax.

Upon the completion of the transaction, Restamax CEO Juha Helminen will take charge of the company's international operations as the CEO of Restamax International, and Royal Ravintolat CEO Aku Vikström will be appointed as the CEO of the Group with responsibility for the company's operations in Finland.

"We aim to grow aggressively outside Finland in the next 3 to 5 years. That is why we want to make significant investments in organisational management," says Timo Laine.

In the financial year 2017, the net sales of Royal Ravintolat amounted to MEUR 105.6 (increase of 19.1% from the previous year), EBITDA was MEUR 7.0 (increase of 49.2% from the previous year) and operating profit was MEUR 3.6 (increase of 273.3% from the previous year). Adjusted EBITDA stood at MEUR 8.3 (increase of 39.9% from the previous year) and operating profit MEUR 4.9 (increase of 121.4% from the previous year). The Royal Ravintolat Group employs approximately 930 people in total. The combined reported net sales of Restamax and Royal Ravintolat for the financial year ending on 31 December 2017 were MEUR 291.4, EBITDA was MEUR 29.4, and operating profit MEUR 14.4. Pro forma adjustments are not included in the combined figures.

At the end of 2017, the Royal Ravintolat Group included 35 individual restaurants, 21 Hanko Sushi restaurants, 7 Pizzarium restaurants and 4 Sandro restaurants across Finland. Other well-known restaurants in the Group's portfolio include Savoy, Löyly, Elite, Ravintola Palace and Ravintola Teatteri. Upon the completion of the transaction, significant synergies are expected to materialise in late 2018 and in 2019.

"Royal Ravintolat has a strong market position in Helsinki, and Restamax has a strong market position outside the Helsinki Metropolitan Area. The companies are united by their strong entrepreneurial spirit and passionate people. Reinforcing this culture will be one of the most important success factors of the future," says Royal Ravintolat CEO Aku Vikström.

The company will invest significantly in internationalisation. Restamax already has 11 restaurants in Copenhagen.

"We aim to be the leading restaurant operator in Northern Europe by 2020. The size of the company and our shared expertise will create an even stronger foundation for growing internationally and taking Finnish restaurant competence and brands abroad," says Restamax CEO Juha Helminen.

After the transaction, Restamax will release more information about its future goals and prospects.

Joint press conference by Restamax and Royal RavintolatA joint press conference will be held today, 12 April 2018, at 9:00 am (EET) at Restaurant Savoy (Eteläesplanadi 14, 7th floor) in Helsinki.

Present at the press conference will be Restamax Chairman of the Board Timo Laine, Restamax CEO

Juha Helminen and Royal Ravintolat CEO Aku Vikström.

Juha Helminen's and Aku Vikström's curricula vitae with photos are appended to this release.

Additional information: Timo Laine, Chairman of the Board of Directors, Restamax Plc, tel. +358 400 626 064

Juha Helminen, CEO, Restamax Plc, tel. +358 40 535 5560

Jarno Suominen, CFO, Restamax Plc, tel. +358 40 721 5655

Distribution:

NASDAQ Helsinki

Major media

www.restamax.fi

Restamax Plc is a Finnish group established in 1996, specialising in restaurant services and labour hire. The company, which was listed on NASDAQ Helsinki in 2013 and became the first Finnish listed restaurant company, has continued to grow strongly throughout its history. The Group companies include more than 130 restaurants, nightclubs and entertainment centres all over Finland. Well-known restaurant concepts of the Group include Stefan's Steakhouse, Viihdemaailma Ilona, Classic American Diner and Colorado Bar & Grill. In 2017, Restamax Plc's turnover was MEUR 185.9 and EBITDA MEUR 22.4. Depending on the season, the Group employs approximately 2,250 people converted into full-time workers. Restamax's subsidiary Smile Henkilöstöpalvelut Oy employs approximately 9,000 people per month.

Restamax company website: www.restamax.fi, Restamax consumer website: www.ravintola.fi, Smile Henkilöstöpalvelut: www.smilepalvelut.fi

Attachments

- [CV Aku Vikström.pdf](#)
- [CV Juha Helminen.pdf](#)

NewsWire Distribution Network & Management

- [Home](#)
- [Newsroom](#)
- [RSS Feeds](#)
- [Legal](#)
- [Contact Us](#)

ABOUT US

GlobeNewswire, a Nasdaq company, is one of the world's largest newswire distribution networks, specializing in the delivery of corporate press releases financial disclosures and multimedia content to the media, investment community, individual investors and the general public.

© 2018 GlobeNewswire, Inc. All Rights Reserved.