

Mitie acquires ESM Power, a leading high voltage electrical engineering business

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[Mitie Group plc](#) ('Mitie' or 'the Group') announces that it has entered into an agreement to acquire ESM Power, a leading high voltage electrical engineering business specialising in grid and power connections, for a maximum consideration of £8.5m¹ (comprising an initial payment of £5.5m and performance-linked deferred payments of up to £3m over two years). Completion is expected on 31 July 2024.

Based in Lincolnshire, ESM Power has 20 years of experience in the design, delivery and maintenance of high voltage power connections across a broad range of sectors, including local authorities, commercial developments and power generation sites. Blue-chip customers include Canary Wharf Group, Cemex, Centrica, PepsiCo and RWE. As an accredited Independent Connections Provider (ICP) for the National Electricity Registration Scheme (NERS), the company also has certified transformer and switchgear installation capabilities.

The acquisition of ESM Power will enhance Mitie's expertise in the growing high voltage power connections market, which continues to benefit from significant capital investment in energy networks for the UK to achieve Net Zero. It will expand our pipeline of high voltage connections projects and add design capabilities, private network solutions and maintenance to support our customers in the upgrade and decarbonisation of their power requirements. Simultaneously, ESM Power will gain access to Mitie's extensive customer base across the public and private sectors.

On completion of the transaction, ESM Power's 60 engineering designers and specialist high voltage installers will join Mitie's £1.1bn Projects business, which delivers transformational projects across buildings infrastructure, decarbonisation technologies, fire & security and telecoms infrastructure. ESM Power complements Mitie's recent acquisitions of Rock Power Connections and G2 Energy, which

specialise, respectively, in low voltage (primarily electric vehicle charging) and very high voltage power connections. Together, the three businesses will enable Mitie to offer our customers a full suite of power connections services of any size and voltage.

In the 12 months ended 30 April 2024, ESM Power delivered revenue of £25.5m (FY23: £10.4m) and EBITDA of £2.2m (FY23: £0.2m). The acquisition will be funded from Mitie's existing facilities.

Mark Caskey, Managing Director – Mitie Projects, said: “We are delighted that the ESM Power team will be joining Mitie. This acquisition strengthens our position as a leading provider of power connections in the UK, offering our customers a comprehensive range of design, delivery and maintenance capabilities to support their decarbonisation and asset resilience objectives. It is a continuation of the Group's strategy to invest in high growth, high margin companies that enhance our full asset lifecycle Projects business. We look forward to working with our new colleagues.”

Roger Bamford, Managing Director – ESM Power, said: “I am proud of the ESM Power team and the business we have built over the past 20 years. We are excited to be joining the Mitie team, sharing our expertise and benefiting from the opportunity to work with Mitie's experienced colleagues and extensive customer base to grow our business.”