

## Strengthening wireless communication offerings

DEAL FLASH | TMT | OCTOBER 2022

### DEAL SNAPSHOT

**Celfinet, an international wireless engineering services company based in Portugal, has been acquired by the Indian-listed multinational Cyient.**

Celfinet focuses on providing end-to-end network planning and performance optimization services. The company has successfully built an international business combining outstanding wireless engineering expertise and a best-in-class network management solutions portfolio, to improve network quality and wireless customer experience. Celfinet is a trusted technology partner to some of the world's leading mobile operators.

Cyient, a multinational enterprise listed on the National Stock Exchange of India, is a leading global engineering, manufacturing and digital technology solutions company. It has more than 300 customers and a global footprint in 19 countries.

With this acquisition, Cyient strengthens its wireless engineering activities to support communication service providers and enterprises in deploying their pervasive connectivity networks at scale. This transaction will further enhance Cyient's presence in Europe, where Celfinet has a strong position, and help expand Cyient's business across North America and Australia.

“Oaklins played a crucial role in helping us reach the finish line of a very complex cross-border transaction across six different countries and four different languages and time zones. Their professionalism, dedication, flexibility and unwavering support were fundamental to keep us going and to get the best possible deal.”

**NUNO RIBEIRO**  
CEO & FOUNDER  
CELFINET, PORTUGAL

**JOSÉ MATA**  
CO-CEO  
CELFINET, PORTUGAL

### OAKLINS PLAYED A KEY ROLE IN FACILITATING THIS DEAL

Oaklins' team in Portugal acted as the exclusive M&A advisor to the shareholders of Celfinet. The team was involved throughout the preparation of the sale process and supported all aspects of the negotiation phase until closing.



## MARKET TRENDS & DEAL DRIVERS

As the world emerges from the pandemic and social and economic activities begin to recover, connectivity will continue to play a crucial role. Digital services, underpinned by high-speed and high-performance networks, are set to become even more integral to a post-pandemic world.

5G adoption continues to grow rapidly in pioneer markets, with the total number of connections set to reach one billion this year. This momentum has been boosted by several factors, including the economic recovery from the pandemic, an increase in 5G handset sales, network coverage expansion and overall marketing efforts by mobile operators. By the end of 2025, 5G will account for approximately a quarter of total mobile connections, and more than two in five people around the world will live within reach of a 5G network.

## M&A VALUATION ASPECTS

In this post-pandemic context and with 5G adoption a mandatory factor in the sector, mobile operators will invest US\$620 billion in their networks between 2022 and 2025, of which 85% will be on 5G. Celfinet, as an experienced company and a preferred supplier of some of the world's leading mobile operators, will benefit from these investment projects.

Cyient acquired Celfinet for an enterprise value of approximately US\$40 million, representing an implied EBIT multiple of 12x.

## TALK TO OUR ADVISORS



✉ **PEDRO PINHEIRO**

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With more than 25 years' experience in corporate finance, private equity and venture capital in Portugal, Pedro has advised a number of clients across several industries, most notably in renewable energy, testing and inspection, food and wine, distribution and retail, consumer goods, healthcare and business services, as well as in the digital, e-commerce and software sectors. Recent transactions include the disposal of Confiança, a niche soap manufacturer, by Ach Brito, a company owned by Menlo Capital, and the fundraising for EQS with Iberis Capital.



✉ **VERA PINTO**

Director  
Portugal  
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Vera has over 14 years' experience in financial advisory and M&A. Recent transactions include the sale of DigitalSign, an electronic signature and digital certification provider, to Logalty; the MBO of Joalpe, a plastic injection company focused on shopping baskets and retail store displays; the acquisition of Tabacos Farinha and Joaquim Guimarães by FEPI, a distributor of tobacco and wine; and the acquisition of majority stakes in Internacional Tabacos and FEPI, both tobacco distribution companies, among other acquisitions for the FEPI Group.

**OAKLINS HAS CLOSED 1,172 DEALS IN TMT**

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