



Sollentuna, 13 October 2008

Press Release

– From wholesaler to specialist

VKG becomes energy services provider – acquires HVAC and sanitation specialist

Värmekyl Grossisten Scandinavia AB (publ) has acquired all of the shares in the HVAC and sanitation group VVS-specialisten i Södertälje Holding AB, with its subsidiaries VVS-specialisten and Energi & Driftkonsult. The acquired group, with a total of 30 employees, recorded net sales of SEK 50.2 million and a pre-tax profit of SEK 5.3 million for the past financial year.



The deal is closed! Björn Halvardsson, President of VVS-specialisten (left) and Mikael Jansson, CEO of VKG (right) shake hands. The picture was taken during a visit to an ongoing project where VKG is replacing old oil-fired boilers in a conference centre with more eco-friendly geothermal heating. This will enable the customer to reduce both oil consumption and CO₂ emissions by around 85%, and gain air conditioning in the process.

“VVS-specialisten has unique expertise in system solutions for complex properties and will be a valuable asset in VKG’s development into a total provider of energy services,” says Mikael Jansson, President and CEO of VKG.

According to the new strategy, VKG will wind up its wholesale operations and instead focus on high-quality system solutions and services that give customers a good indoor climate, low operating costs and minimal environmental impact.

“VVS-specialisten has a track record of steady growth, healthy profitability and financial stability. But most importantly, the company’s management and employees will wholeheartedly take part in developing these operations as an important part of VKG,” says Mikael Jansson.

VVS-specialisten will be a subsidiary and function as a platform for the business area focusing on energy-efficient solutions for owners of commercial, public and industrial properties, a relatively cycle-sensitive market segment that is showing strong growth in demand.

Total purchase consideration consists of SEK 20 million to be paid in cash on the transfer of ownership, SEK 16 million in VKG shares and an additional purchase price of approximately SEK 14 million based on earnings performance over the next three years. VKG’s majority shareholder Gunnar Mannerheim will initially finance the cash portion of SEK 20 million via Mannerheim Invest AB through a loan maturing at year-end 2012 and an interest rate corresponding to 90 days STIBOR + 5%.

“We have studied different growth scenarios and come to the conclusion that this is absolutely best solution for the company, and above all for our customers. Together we will form an expert team with sufficient capacity to satisfy the customers’ future needs and expectations,” says Björn Halvardsson, President of VVS-specialisten.

An important component of the new strategy is the ability to provide customers with whole new business models.

“Customers are increasingly demanding long-term agreements that contain guarantees for functionality and cost-savings. By coordinating competencies and capacity in the two companies, this is something more we will be able to offer our customers,” says Mikael Jansson.

For additional information please contact:

Mikael Jansson, President and CEO of VKG
+46 (0)70 274 77 26

Björn Halvardsson, President of VVS-specialisten
+ 46 (0)70 911 93 90

See also www.vvsspecialisten.se

Värmekyl Grossisten Scandinavia AB (publ) is one of Sweden’s leading providers of environmental technology solutions with a focus on energy efficiency and improved indoor climate in commercial, multidwelling, industrial, residential and holiday properties. The VKG share is quoted on the First North marketplace of the OMX Nordic Exchange Stockholm. The company’s Certified Adviser is Mangold Fondkommission AB. For more information visit www.vkg.se