



loudspring

Loudspring acquires majority of Eagle Filters to save energy for energy companies

Loudspring Oyj

Company release

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Loudspring has acquired a majority stake in Eagle Filters. With this acquisition Loudspring takes the first step towards becoming an operational company group saving natural resources. After the transaction Loudspring owns 63.4% of Eagle Filters, up from 34%. The transaction includes investments of 300 000 EUR into Eagle Filters as well as share swaps with the founders of Eagle Filters. After the transaction the amount of Loudspring's class A shares will increase by 128 788, which represent 0.5% of the outstanding shares after the transaction. The price per 1 Loudspring share is 2,64 in the share swap transaction. Agreements have been made with Eagle Filters and its current owners giving Loudspring the option to increase its ownership up to 80%. Eagle Filters revenues in 2017 were approx 1.9 M€ (unaudited). Through adoption of Eagle products, the total saving potential for the energy industry is more than 10 billion USD, annually.

The inclusion of Eagle Filters into Loudspring group is in line with the strategy update released in December, where Loudspring announced that it aims to consolidate a selection of its portfolio that are high growth, close to or already profitable and with low additional capital requirements. Eagle Filters fits these criteria.

Eagle Filters brings with it access to top tier customers in the global energy industry where they enable significant fuel efficiency and CO₂ savings. The company has an expanding product portfolio that includes high efficiency intake air filtration, intake air-cooling and cloud based software for real time monitoring of power plants. The products are in use in gas turbines and generating sets.

Eagle is at a very interesting point in their growth where Eagle has proven its ability to save several million USD per power plant, and the products are currently being used in several installations by some of the largest utilities in the world, including Engie, the world's largest gas turbine operator. Loudspring's operational, marketing, business and growth expertise will now be a crucial component in attempting to accelerate growth for Eagle going forward. Eagle will continue to operate in the existing legal form under the Loudspring umbrella.

Alexander Lidgren, CEO of Loudspring comments:

"Loudspring is entering a new stage, where we transform into a company group focused on saving natural resources. As a first step we now have our own resource efficiency business for utilities. To target global leadership in carefully selected market pockets by consolidating portfolio companies into majority or fully-owned businesses is one of the goals outlined in our updated strategy, another is to turn one or more of our business units into high profitability and source of significant dividends."

Juha Kariluoto, CEO of Eagle Filters:

"Loudspring's increased holding and the financial injection into Eagle Filters enable us to concentrate on our most important task we presently have – sales. Our products have undeniably demonstrated their efficiency and reliability, we have recently had good order intake and now have the opportunity to grow rapidly. Also, recent repeat orders from IEC and Engie are good example of our customers' trust on our technology and new orders from Asia and Europe reflect the interest in our story on energy savings we are able to generate to our customers."

Lidgren continues:

"Eagle is unique in its capability to achieve very large CO₂ emission savings globally with easy to install solutions that have short pay-back times for utilities. We are extremely happy to have them be the first company consolidated into Loudspring and we look forward to accelerating it with our resources from our locations in Europe and in the United States."

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This company announcement contains information that Loudspring Oyj is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication by aforementioned contact person on 18 January 2018 at 7:30 a.m. (CET).

Loudspring in brief

Loudspring is the largest cleantech accelerator in the Nordic region, boasting several fast growing and high impact companies that solve global challenges. The portfolio companies are active in energy- and resource efficiency as well as decentralized renewable energy and are based in Finland, Sweden and Germany. The company management consists of company builders and investors who have been active within the cleantech space for over a decade. The company is listed on First North Finland under the ticker LOUD and on First North Stockholm under the ticker LOUDS.

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