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Ernströmgruppen acquires geothermal energy company MuoviTech

Ernströmgruppen acquires 90.1% of shares in the MuoviTech group.

MuoviTech, which has its headquarters in Brämhult, near Borås in Sweden, and subsidiaries in several European countries, is a market leader in manufacturing of collector systems for geothermal energy applications such as renewable heating solutions with ground source heat pumps. The company drives innovation and most sales come from internally developed and patented solutions. In 2020, revenues amounted to SEK 275 million, with good profitability.

The need to take responsibility for the climate and, in line with the EU's stated ambition, to make Europe carbon emission neutral by 2050, is strongly driving the geothermal energy market. Sweden and the Nordics are leaders in geothermal energy and there is a growing market in Europe. Geothermal energy-based system solutions can extract both heating and cooling and provide seasonal energy storage, which becomes more important with a growing share of intermittent energy production.

Renewable geothermal energy provides low energy consumption and life cycle cost for both residential and commercial properties. With hybrid systems, where geo energy is combined with solar, environmentally friendly and cost competitive cooling and heating solutions are created. A good example comes from Drammen, Norway (see video in Norwegian: <https://vimeo.com/435754885>), where MuoviTech supplied the geothermal collectors and Ernströmgruppen's subsidiary SGP Armatec the solar thermal collectors.

"MuoviTech is an example of a company that is an excellent fit for us. They are driven entrepreneurs, have strong market positions and international potential in a business that helps green the planet. We look forward to developing the market and the business together with MuoviTech's skilled and entrepreneurial people," says Alexander Wennergren-Helm, CEO of Ernströmgruppen.

"When the world is making major investments to prevent the climate crisis, we see big opportunities to develop our business model to meet the future needs of renewable climate-neutral energy. In Ernströmgruppen, we get long-term owners who can support us in that ambition," says Kari Ojala, founder and COO of MuoviTech AB.

Om Ernströmgruppen

Ernströmgruppen is a Gothenburg-based industrial conglomerate that acquires and develops well-managed companies in niche future-focused industries. The company aims to create value and be a long-term positive force in the environment, sustainability and digitalisation. Ernströmgruppen's business model – 'Collective Entrepreneurial Power' – builds on four generations of national and international experience in combining the best aspects of two worlds: the entrepreneurial mindset, commitment and efficient decision-making processes of a small business; and the financial stability, structure and knowledge-sharing of a large-scale enterprise. The company's activities cover everything from marine safety equipment

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and technology trading, to the supply of components and services for making industries and buildings more energy efficient. Ernströmgruppen currently consists of over 30 companies with total revenue of around SEK 2.5 billion and has more than 1,000 employees in the Nordic and Baltic countries.

About MuoviTech AB

MuoviTech contributes to a sustainable future by facilitating the production of renewable energy. MuoviTech is Europe's leading supplier of innovative products and systems for geothermal energy, with factories in Sweden, Finland, the Netherlands, Norway, Poland and the UK. Since its founding in 2002, MuoviTech's headquarters have been in Brämhult.

About geothermal energy

Geothermal energy is renewable energy in the form of heating or cooling locally extracted from rock, ground, ground water, lakes or water streams. The energy that comes from the ground is completely neutral regarding carbon dioxide and other greenhouse gases, and, since it is locally extracted, does not contribute to CO2 emissions from transport. In this respect, geothermal energy is like solar energy. Geothermal energy is renewable according to the EU's directive for renewables.

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