

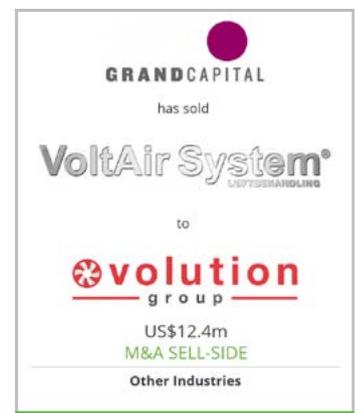
HEATING, VENTILATION & AIR CONDITIONING

Deal flash, June 2017

SWEDISH LEADER IN ENERGY EFFICIENT SOLUTIONS SOLD TO UK-BASED SUPPLIER OF VENTILATION PRODUCTS

Deal snapshot

- The shareholders of VoltAir System AB (VoltAir), the private equity firm Grand Capital, have sold the company to Volution Group.
- Based in Torsby, Sweden, VoltAir is a manufacturer and supplier of centralized heat recovery ventilation systems for residential and commercial applications. Under its own brand, the company develops, manufactures and sells energy efficient air handling units (AHUs) based on proprietary technology.
- Volution Group is a leading supplier of ventilation products to the residential and commercial construction markets in the UK, the Nordics and Central Europe. The group operates through two divisions: the ventilation group, consisting of 12 key brands, and the OEM division, which supplies motors, fans and blowers to OEMs of heating and ventilation products. Through this acquisition Volution Group gains a platform for growth to become a leading provider of ventilation products in the Nordic region.



What our client said



Urban Sturk, Chairman of the Board, Grand Capital, Sweden

“Oaklins’ Swedish team has, through great commitment and relevant industry expertise, been pivotal throughout the transaction, resulting in VoltAir gaining a new, for us previously unknown, industrial owner who can take the company to the next step. Their professionalism and experience enabled a smooth transaction with the right international buyer.”

Our role in the transaction

Oaklins’ Swedish team served as the exclusive advisor to the owners of VoltAir in this transaction. With the support of Oaklins’ teams around the world strategic and financial buyers were identified and approached. Cavendish, an Oaklins member firm in the UK, identified Volution Group. This is another example of the strength of Oaklins’ teams working together to provide the best possible M&A advice.



Market trends and deal drivers

- Globally, the market for AHUs is expected to grow steadily at an annual rate of 7% in the period leading up to 2020, primarily due to the high growth of energy efficient AHUs aimed at buildings with long operating hours (e.g. residential buildings).
- Market growth is primarily driven by a strong construction market fueled by increasing urbanization as well as government regulation related to energy efficiency and climate goals.
- The European market for AHUs amounts to approximately US\$1.2 billion per year, of which 25% is attributable to Scandinavia and 14% to Sweden.
- There is high demand for niche players to have new energy efficiency technologies, resulting in increasing consolidation as larger companies seek to remain competitive by acquiring these niche players.

M&A valuation aspects

- Access to complementary and more innovative technologies as well as new geographic markets ensures strong value drivers in the heat recovery industry.
- The deal represents an EBITDA multiple of approximately 8x.

Oaklins industry specialists



✉ **Adel Koubaa**, Managing Partner, Oaklins, Sweden

“This transaction demonstrates the strengths and capabilities Oaklins can provide. We are happy to have contributed to VoltAir taking the next step in its development by creating the right ownership conditions.”



✉ **Philip Barker**, Partner, HVAC Specialist, Cavendish, an Oaklins member firm in the UK

Philip has advised numerous clients in the HVAC industry. Some of his transactions include the sale of Greenwood Air Management Ltd. to Zehnder Group, and the sale of Energy Technique plc to Volution Group plc, among others.

Oaklins is the world's most experienced mid-market M&A advisor, with 700 professionals globally and dedicated industry teams in 40 countries worldwide. We have closed over 1,500 transactions in the past five years.