



Stockholm, Sweden

About Pure Positioning AB (publ)

Pure Positioning AB (publ) ('Pure Positioning') is a Swedish technology group founded in 2016 that operates in the energy sector through its wholly owned independent subsidiaries ('the Group').

The Group's vision is to empower the energy users

The Group's subsidiaries offers leading products and specialist competences and operate within specific technology niches in the energy sector already having a strong foot-print and set to grow significantly in the future. The Group's strategy is based on active ownership, optimization of the subsidiaries' operations and growth through acquisitions.

The Group is actively pursuing its acquisition model with focus on technology and energy related opportunities to back up and expand the business of its subsidiaries. The Group has a strong focus on geo-energy related opportunities, the only renewable energy source able to produce 24/7 and not having to rely on infrastructure, weather conditions or energy prices.

The group currently owns:

- patents, software- and modelling solutions in geo-energy
- processor-efficient operating systems adapted to real-time analysis of big data in energy and geo-energy
- custom-built front-end architecture, design and back-end integration in energy- and geo-energy

The Group is actively pursuing M&A activities to achieve economies of scale

Pure Positioning currently has SEK 400 million worth of assets on the balance sheet. The Group is aiming to become the largest geo-energy group in the Northern Europe over the next 5 years. The market is currently focused on shallow wells (aka 200-300 meters deep) a fragmented market with many smaller - often family owned - firms that stand-alone lack both critical market power and balance sheets to grow properly. The market for shallow wells is a multi-billion SEK industry in the Nordics, mature but fragmented and ready for consolidation. Pure Positioning is currently acquiring a portfolio of small- to medium-sized geo-energy companies in the Nordics to achieve economies-of-scale.

The current acquisition targets are geographically distributed accross all of Sweden and Norway. Finland might be next.

Through this structure, the company will become attractive, as in practice it has created a structure that can be similar to a private equity company, but with a profit earned in 1/3 of the time.



The Group's 3 steps to value creation:

The Group has a three-step strategy related to the future development of geo-energy in the Nordics:

- 1) Acquire existing private firms in Sweden and Norway operating in the shallow geo-energy sector, to build a position that gives the companies that join the consolidation greater financial muscles. By combining better purchasing power with support functions of an administrative and market-related nature, it will be possible to both increase the margins, rise higher in the value chain and create larger businesses. The goal is to become the largest player in shallow geo-energy the Nordics in 2 years.
- 2) Develop the market for medium-deep wells (1,500-2,500 meters deep). This is an enormous untapped market that is particularly interesting for larger energy consumers in both housing, industry and hospitality looking for energy solutions with a predictable energy costs that is off the grid. The goal is to start promoting these solutions in 1 year.
- 3) Develop the market for deep wells (2,500-5,000 meters deep). These are large infrastructure projects for combined heat and power production that also open up for build-own-and-operate business models where, instead of delivering turnkey facilities to customers, we own the facilities ourselves in our own energy company and instead sell energy to customers through an utility arm. This market is unlikely to open up until the market for medium-deep wells is more advanced. The goal is to launch these solutions in 3 years.

The introduction of passively generated recurring revenue is considered to become a game-changer in the entire geo-energy industry.

The Group is acquiring already profitable companies that, through economies of-scale, will become even more profitable in a larger streamlined group structure and form part of a larger consolidated balance sheet.

Long-term industrial approach

The goal is to acquire 10-15 shallow geo-energy companies in Sweden and Norway in 2025. The short-listed targets have a long and credible accounting history, have built solid businesses and are well-positioned in their local region. The Group will develop the companies together with the management of the companies that are acquired. Pure Positioning has no intention to take over operations, only to streamline support functions, increase margins through purchasing power and create more and larger assignments. Settlement for the purchase of the companies will consist of a combination of shares in Pure Positioning AB and cash, as it is crucial for our joint success to retain the core competence in the various companies that become part of the Pure Positioning group. All shares issued as part of the settlements are bound by a lock-up agreement for 3 years. The group enters into an incentive model with the sellers during the same 3 year lock-up period.

Through completed acquisitions, revenues for 2025 are expected to reach approximately SEK 50 million. On a rolling twelve-month basis, revenues amount to approximately SEK 200 million.



Pure Positioning AB

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