

Scan-Speak news letter
April 21st 2009

Scan-Speak back in Danish hands

I am pleased to announce that Scan-Speak is a Danish-owned company again. This became reality after a group of investors led by the local management and backed by a number of local financial partners bought the company off the previous owner Tymphany. The purchase added an eight figure sum to the capital employed.

Scan-Speak is one of the strongest brands as far as speaker units are concerned, and the company has huge growth opportunities. The fact that Scan-Speak has managed to find investors and financial partners at a time of financial crisis and turmoil on the world markets is a clear indication of confidence and demonstrates that the company has strong potential growth opportunities in the future.

I will continue as Managing Director and also join The Board of Directors at Scan-Speak A/S alongside Niels Jespersen (chairman of the board) and Jack Grigg. Niels Jespersen and Jack Grigg both have more than 30 years experience in the global audio industry and therefore bring vast experience to the company.

Our goal is to increase turnover significantly

The financial crisis has meant that the industry has suffered a downturn, but this has been less pronounced in the high-end market which is where Scan-Speak operates. We therefore see significant growth potential on all markets – both domestic and export markets.

We will continue our present strategy and for the rest of 2009 we will work on stabilising the business and retaining our existing customers, and we expect in 2009 to have a positive operating profit. In 2010 we will focus on growth both with regard to existing and new customers. We will concentrate on our core expertise and on developing the unique technologies that are synonymous with Scan-Speak.

The importance of being Danish-owned

It was important for investors and financial partners to have Scan-Speak back in Danish hands. Denmark is a world leader when it comes to audio and acoustics. An important feature of the brand is that individual products are based on Danish product development, know-how and technology. The fact that the company is Danish-owned and that all production is done by hand adds significant value which is very difficult to measure in monetary terms.

We only use the best materials, and we will continue making all components by hand. This offers several benefits. For example, it means that we can handle small order sizes with a high degree of flexibility and that we can deal with orders quickly.

The projected growth in the coming years will furthermore form the basis for an expanding work force. We are looking forward to getting started and to continue the good collaboration.

Kind regards,

A handwritten signature in blue ink, appearing to read 'Jan A. Nielsen'.

Jan A. Nielsen
Managing Director, CEO
jan@scan-speak.dk