

Polaris Private Equity divests Skånska Byggvaror

Polaris Private Equity (Polaris) divests its holding, equivalent to 75 percent of all shares, in Skånska Byggvaror to Byggmax. Byggmax pays a consideration of SEK 741 million for all the shares in the company. In addition to the initial purchase price there is a possibility to get an additional payment of SEK 110 million, based the financial performance for Skånska Byggvaror during 2016.

Skånska Byggvaror is an online based retailer of refined do-it-yourself products. The Company has operations in Sweden and Norway with an assortment focused on the building's interior and exterior environments, ranging from windows and doors to storage and conservatories. Over the past 12 months Skånska Byggvaror had net sales of SEK 690 million, growing by approximately 20 per cent year-on-year, and EBITA of SEK 47 million (excluding non-recurring items).

"During the autumn we have prepared a change of ownership where a sale to a larger industry player has been an option. This is an attractive deal for all parties, in which Skånska Byggvaror is able to continue to develop under its own brand, but from Byggmax's strong Nordic platform. This is an important deal for Polaris and we are proud of the company's development under our active ownership." says Peter Ankerst, Polaris Private Equity.

Polaris acquired Skånska Byggvaror in 2012 and has since then worked actively with the company's omni-channel strategy, including the establishment of six physical stores - four in Sweden and two in Norway. The product range has also been expanded, which combined has resulted in an increased annual average growth rate of 20 percent, with good profitability, the past three years.

"We are impressed by Skånska Byggvaror's ability to grow turnover over time, while the company has been profitable. We see significant synergies between the companies, mainly that we can benefit from each other's assortments to boost sales. Skånska Byggvaror's conservatories, which they assemble and sell under their own brand, are their largest category. Conservatories have positioned Skånska Byggvaror as a strong brand that combines good quality with low prices. The market for conservatories is expected to have good growth in the foreseeable future." says Magnus Agervald, CEO Byggmax Group.

"Together with Byggmax we get an opportunity to extend our offer and at the same time increase our sales through Byggmax strong presence on the Nordic market. We know that our customers purchase building material when they finalize their DIY-projects and we are happy to be able to provide this in the future. We look forward to continue our journey and strengthen our brand together with Byggmax." says Anders Johansson Eickhoff, CEO of Skånska Byggvaror.

Potential additional purchase price is based on Skånska Byggvaror's financial performance during 2016. The transaction is subject to approval by the Competition Authority. The transaction is expected to be completed in the fourth quarter 2015.

Skånska Byggvaror Polaris Private Equity have been advised by Carnegie and Mannheimer Swartling and Byggmax has been advised by Danske Bank, Lindahl and EY.

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About Polaris Private Equity

Polaris Private Equity is a Danish/Swedish private equity fund, based in Copenhagen, focusing on buy-out investments in well-established lower mid-market companies in Denmark and Sweden. Polaris' first fund of €188 million was realised in 2008, and Polaris currently has more than €1 billion under management in three active funds. Polaris invests in companies with strong development potential and a typical turnover of €25-200 million. To date, Polaris has invested in 32 companies, exited 19 and has made more than 50 add-on investments in portfolio companies. (www.polarisequity.dk)

About Byggmax

The home improvement discount chain Byggmax was launched in 1993 and its business concept is to be the best and most inexpensive alternative for consumers in need of high-quality construction materials. In 2007, the Byggmax launched its business in Norway, and the first store in Finland was opened in 2008. Today Byggmax has 75 stores in Sweden, 30 in Norway and 13 in Finland. The website sells the entire store assortment, as well as an extensive extra ordering assortment. The company's sales amounted to approximately SEK 3,5 billion in 2014. Byggmax has been listed on NASDAQ OMX Stockholm since June 2010.

About Skånska Byggvaror AB

Skånska Byggvaror is an expansive and profitable online-based Nordic distance retailer of refined building products. Skånska Byggvaror strives to offer a carefully selected and affordable product range to DIY customers, mainly through its web platform. The business model is characterised by a high number of products under its own brand, control of the value chain from product development to home delivery and a high level of service regardless of the sales channel. In addition to the web, Skånska Byggvaror has six physical stores up and running, four in Sweden and two in Norway. Since its founding in 1965, the company has successfully developed from a mail order vendor to an established distance seller with over six million visits on the web annually. (www.skanskabyggvaror.se)

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