

Polaris divest Scandinavian Track Group

Polaris has entered into an agreement to divest its majority shareholding in Scandinavian Track Group (STG) to Track Group AB, owned by two of the original founders to the company, Patrik Stenberg and Henrik Svensson. STG has over Polaris ownership period established itself as a trusted national provider of manpower, contracting and advisory services to the Swedish as well as Danish railways. Over the years, the company has gradually improved its platform and is looking forward to grow with its new owners.

STG is well known for its unique competences within welding, switch refurbishments, advisory services and not the least the deep knowhow and craftsmanship of its employees. In April 2018, the company successfully installed Sweden's largest cross switch in Åby during a single break of 54 hours.

<https://www.youtube.com/watch?v=WfRTVTMEeUI>

“Over the years the management, board and Polaris has been active in improving the overall platform of STG with good progress made. The holding period has come to its end and we are happy to hand over the baton back to its original founders who we believe knows the company better than anyone and therefore best suited to take the company on its next journey,” says Jan Dahlqvist Partner at Polaris

Jointly with the two original founders Patrik Stenberg and Henrik Svensson STG's CEO Per-Arne Engström as well as the company's CFO Gert Sköld will become new co-investors.

“During the last year much focus has been put on improving our contracting services, enhancing internal processes and optimizing costs. Over the next year we are aspiring to grow along or beyond the market which we expect to have a positive development. We thank Polaris for their support and are ready to take the company on a new journey, “ says CEO Per-Arne Engström

“STG is today a different, more professionalized, and improved company compared to when we sold it in 2011. Now the focus will be on adding more of the original entrepreneurship, which we believe will be a strong complement. In line with this we'll also offer some of our employees the opportunity to invest into their own workplace and become entrepreneurs alongside us,” says Patrik Stenberg.

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About Scandinavian Track Group (www.trackgroup.se)

Scandinavian Track Group is a manpower, contracting and advisory provider mainly serving second tier providers to the Swedish and Danish transportation authorities. The company has approximately 100 FTEs, with regional offices in across Sweden and its head office located in Borlänge, Sweden. The company was originally a consolidation of several small owner lead companies and has over the years formed into a unified group.

About Polaris (www.polarisequity.dk)

Polaris is a Danish/Swedish private equity firm headquartered in Copenhagen, which invests in well-established small and medium sized companies in the Nordics. Since 1998, Polaris has raised 4 funds and obtained capital commitments of EUR 1.2bn. Polaris' focus is to invest in companies with growth and development potential and typical revenue of EUR 25-300 million. To date, Polaris has invested in 37 companies and completed more than 60 add-on investments. Polaris currently owns 13 companies with total revenue of EUR +1bn and 5,000 employees.