

Polaris and Sealing System enter partnership

Polaris acquires a majority shareholding in Sealing System, which is a leading Scandinavian supplier of full-scope automated packaging and palletizing lines as well as intralogistics with around 155 employees, headquarters in Grindsted, Denmark, and presence in Norway and Belgium. The company was established in 1998 and offers complete, automated end-of-line and intralogistics solutions, which optimise processes and production while ensuring efficient track & trace functionality, data capture and integration to customers' IT systems.

Sealing System covers the full process from layout and project management to installation and subsequent service of the final solutions, which are based on third-party products from well-reputed robot manufacturers and suppliers of automated packaging machines as well as own palletizing machines. The company has generated average annual revenue growth of 25% since 2019 and reported revenue of more than DKK 200 million in 2022 with an operating profit (EBITDA) of DKK 20 million in an industry characterised by rapid growth driven by increasing industrial automation and nearshoring of production.

"We see great potential in Sealing System, which is a well-run business with skilled employees and a unique position in an attractive market with good growth prospects. The company already supplies some of the largest and most quality-conscious companies in the food industry, the wider industrial production space and within the pharmaceutical segment, and we look forward to cooperating closely with management and employees to reach more customers with Sealing System's solutions and continue the growth in the coming years," says Allan Bach Pedersen, Partner at Polaris.

The market for Sealing System's solutions is expected to grow in the coming years with particularly high growth rates in Denmark and a number of European markets, where more companies are focused on establishing automated production to simplify their supply chain, increase efficiency and mitigate higher salary costs. Sealing System has unique positions of strength within the food industry and industrial production as well as a rapidly increasing activities within the pharmaceutical industry and bioproduction of sustainable protein where the company has developed an internal logistics solution for commercial insect production in close cooperation with ENORM Biofactory.

"We are pleased to welcome Polaris and look forward to the partnership, which will provide Sealing System with the best foundation for leveraging our comprehensive experience and realising the growth potential our industry offers and our company deserves. We will gain access to a toolbox enabling us to strengthen our processes and management, focus the business and make the right strategic investments," says Rolf Tange, CEO and co-founder of Sealing System.

In connection with the transaction, Sealing System will strengthen the board of directors with significant competencies in industrial production with the appointment of board professional and previous CEO of SFK Leblanc and Tetra Pak Hoyer Equipment, Ib Nykjær, as chair.

"Polaris shares our great ambitions for Sealing System and will contribute to the development of the company, enabling us to become truly leading in our field by focusing on our good customers and seizing the great opportunities in growth areas within the pharmaceutical industry and production of sustainable food such as insects. We look forward to driving this development with Polaris and our fantastic employees," says Kjeld Østergaard Jensen, Sales director and co-founder of Sealing System.

The ownership change does not entail changes to daily management or organisation, and existing customer relations are not affected. The parties have agreed not to disclose the purchase price.

Additional information:

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About Sealing System

Sealing System was founded in 1998 and is a leading Scandinavian supplier of full-scope automated packaging and palletizing lines with around 155 employees and headquarters in Grindsted, Denmark, as well as presence in Norway and Belgium. The company delivers complete end-of-line and intralogistics solutions to Danish and European customers in the food industry, industrial production, pharmaceutical manufacturing and production of sustainable food such as insects. www.sealing-system.dk

About Polaris – The Power of Partnership

Polaris is a Nordic investment company based in Copenhagen, which invests in and provides capital to well-established medium-sized companies in the Nordics. Since its foundation in 1998, Polaris has raised five funds and obtained capital commitments of EUR 2 billion. Polaris focuses on companies with growth and development potential. To date, Polaris has invested in 51 companies and completed 98 add-on investments. Polaris currently owns 15 companies with total revenue of over EUR 750 million and around 5,000 employees. More info at www.polarisequity.dk