
Nordic M&A Insights 20-08-2021

Nordic Knowledge Partners <ma@nordicknowledgepartners.com>
Reply-To: Nordic Knowledge Partners <ma@nordicknowledgepartners.com>
To: Andreas von Buchwald <avb@nordicknowledgepartners.com>

20 August 2021 at 08:30

**Nordic M&A Insights**

Friday 20 August 2021

Jump to: [DK](#) | [SE](#) | [NO](#)

Pitch of the day (NKP Proprietary) | Denmark | Small/Mid Cap Privately-held | Ecommerce - Bedroom Furniture

Privately-owned Bedre Nætter, an online retailer of beds and accessories, continues rapid growth with exp. revenue of DKK 330-350m (+60% YoY) in 2021 - Founders would consider inbound investor interest from experienced financial sponsors to accelerate international growth (NKP Proprietary).

- Based on NKP's interview with the Co-founder and CFO Jonas Byskov

Founded in 2013 by the brothers **Jonas Byskov** (33%) and **Martin Byskov** (33%) as well as **Anders Henningsen** (33%), **Bedre Nætter** ("Better Nights") was established with a vision to improve people's sleep by providing high quality beds at reasonable prices. By cutting off expensive retail intermediaries, Bedre Nætter **sells all of its products through its own ecommerce shop**. In order to offset that customers cannot try the beds prior to purchasing online, customers receive smart recommendations on the choice of size and mattress firmness based on the weight and height of the individual customer throughout the shopping experience to ensure the right fit. Bedre Nætter's products are sold under its own brand, with its "bestseller beds" being priced in the range DKK 8,000 - 14,000. This falls within the "affordable luxury" furniture category, with its products being considered higher quality and slightly more expensive compared to peers such as **Ikea** or **Jysk**. Beyond beds, Bedre Nætter also sells bedroom accessories such as linens, duvets, pillows and mattresses. Headquartered in Aarhus, the company has approx. 75 employees and has up until this point been entirely self-funded.

Bedre Nætter currently has native webshops in Danish, Norwegian, Swedish and Finnish, although the company's revenue is (still) largely concentrated on the Danish home market, which accounts for 75% of total sales. Norway accounts for 20% of total sales, while Sweden and Finland combined accounts for 5%. Byskov comments that a large upside potential exists in all of the Nordic countries, and that "Norway especially is becoming a new large growth market". In 2020, Bedre Nætter saw revenue grow to DKK 208m (up from DKK 120m in 2019) with an EBITDA of DKK 14m. **In 2021 the company is on track to reach revenue of around DKK 330-350m (+60% YoY) with a similar EBITDA margin (DKK 20-25m)**. Although the Covid-19 pandemic undoubtedly has had a positive impact on the sales figure, we understand that the company also expects strong growth prospects going forward.

Key factors behind Bedre Nætter's growth are found in the company's strong online brand and its ability to push the boundaries of industry standards. Bedre Nætter was among the first to introduce a 100-days free return policy on its products together with a free exchange policy on the firmness of the mattresses. Additionally, the company offers customers a **large degree of customization** with regards to visual appearance and comfort by sourcing individual components and handling the assembling themselves. Byskov adds that the company lately has become much more integrated in its **data-driven approach** to demand forecasting, sourcing, handling of marketing campaigns which has strengthened the overall performance.

The strategy going forward centers around a continued internationalization, where an increased penetration of the Nordics and new market entries is a natural next step. The success of Bedre Nætter has also caught the attention of investors, as the company has **recently received M&A inquiries from multiple stakeholders**. Related to the future ownership of Bedre Nætter, we are informed that the founders are not actively searching for an investor, although the company has held **uncommitted dialogues with a Danish investment bank** (name known to NKP). Adding to this, we are informed that the owners **would consider inbound investor interest from experienced financial sponsors**. Specifically the founders would consider partnering with a ecommerce experienced private equity firm which (beyond

the pricing expectations) would share the visions of the founders and add valuable capabilities to accelerate the international growth.

-Denmark-

Information memorandums to be circulated during "the coming weeks" in EET Europarts exit process led by C. W. Baird (investment bank) and Accura (legal). (NKP Proprietary)

In Nov. 2020, NKP exclusively reported how **FSN Capital** were **considering initiating an exit process for their Danish portfolio company EET Europarts** - a niche electronics distributor supplying integrators, resellers, and retailers in 24 European markets. In July 2021, we then reported how **FSN had mandated R. D. Baird as financial advisor in an upcoming transaction**, which is expected to take place in Q3-2021. Following these reports, our sources now state how IMS will be circulated during "the coming weeks" and that **Accura** has been mandated as the legal advisor. Furthermore, our sources anticipate that indicative bids can be expected before the end of September 2021. As highlighted by NKP, EET has performed well during FSN's ownership (2015) and a.o. established a strong B2B service offering within logistics/warehousing and "sales as a service" and in addition completed 25 add-on acquisitions. The company saw revenues of approx. DKK 3.3bn (3y CAGR 7.4%) with an EBITDA of DKK 251m in 2020.

Bridgepoint acquires the Danish B2B language services firm Languagewire from Catacap (Børsen)

In August 2020, NKP reported how **Catacap** had **hired EY Corporate Finance to find a new buyer for its Danish portfolio firm Languagewire**, which was acquired in 2017. Following this report, it has now been announced that the UK-based PE-firm **Bridgepoint** has acquired the company from Catacap and Founder **Henrik Lottrup** (25%) for a DKK 1bn+ amount. Languagewire offers a language management ecosystem which combines bespoke AI technology and human expertise to deliver translations, editing, desktop publishing, and other multilingual communication services and reported a revenue of DKK 432.7m (3y CAGR of 60.8%) with a normalized EBITDA of DKK 75.4m in 2020.

Founders of Better Collective invests DKK 100m in a new VC-fund called Dreamcraft Ventures (Børsen)

The two Founders of the Danish publ. listed developer of digital platforms **Better Collective**, **Jesper Søgaard** and **Christian Kirk Rasmussen**, has invested DKK 100m into a new VC-fund called **Dreamcraft Ventures**, which will invest into Nordic startups. The fund is an evolution of **Bumble Ventures** and will seek to invest in between 15-20 Nordic startups during the next 4 years. **Daniel Nyvang Mariussen** will be the Managing Partner of the new fund.

Shape Robotics acquires the Rumanian edtech company StoryKids (Press Release)

The Danish provider of progressive STEAM teaching materials for real-world situations **Shape Robotics**, has acquired the Rumanian edtech company **StoryKids** from CEO **Elena Mocanu** for a maximum consideration of EUR 1.2m. StoryKids has developed a learning concept called "SmartLab", which is a turnkey solution for technological modernization of schools, where a classroom is equipped with computers, 3D printers, furniture and robots. The financials of the acquired company are undisclosed.

-Sweden-

Vestum looks to divest its "Wesc" brand - also looking to ramp up its M&A activities (Realtid)

Vestum, the newly established acquisition-driven construction group formerly known as the clothing brand Wesc, is, according to an interim report, currently looking to divest its former core business unit Wesc which delivered a revenue of SEK 27.5m in 2Q21. It is stated how a sale is expected within the next 12 months and that the company already has had initial contacts with a number of identified potential buyers. Furthermore, CEO **Conny Ryk** also states how Vestum will be looking to ramp up its M&A activities in the coming months.

Softbank-backed Klarna could be looking towards an IPO in the beginning of 2022 (Bloomberg)

According to **Sebastian Siemiatkowski** who is the CEO of the Swedish online payment solutions company **Klarna**, which is backed by a.o. **Softbank** and **Permira**, the company could be looking towards a potential IPO in 2022, which **also has been rumored earlier this year**. However, the CEO highlights how no immediate plans are in the works currently. In June 2021, **Klarna raised SEK 5.3bn from existing investors at a valuation of SEK 377bn**, which would indicate a very significant IPO size. Klarna reported a revenue of SEK 10bn (3y CAGR of 30.3%) in 2020 with an estimated EBITDA of SEK 1.4bn.

SEB Private Equity acquires the Swedish designer of bathrooms accessories Smedbo (Press Release)

The Swedish PE-arm of **SEB, SEB Private Equity**, has acquired a 91% stake in the Swedish designer of bathroom accessories **Smedbo** from majority owner **Carl Börje Jemsten** (95%) for an undisclosed amount. The acquired company's objective is to develop high-end bathroom accessories and decorative hardware with two established brands catering to customers all over Europe and the US and reported a revenue of SEK 156.5m (3y CAGR of 0.2%) with an EBITDA of SEK 28.6m in 2020. **Clearwater** (financial) acted as sell-side advisor during the transaction.

Publ. listed Empir looks to grow its business through M&A activities (Realtid)

According to **Lars Bertil Save** who is the CEO of the Swedish publ. listed provider of IT solutions **Empir**, the company will be looking to expand its business through increased M&A activity in the coming months. Empir specializes in information technology infrastructure, consulting, technical support, and educational services and expects to close at least 1-2 acquisitions within 2021. Empir reported a revenue of SEK 212m with an EBITDA of SEK 12.8m in 2020.

Accent Equity-backed Enerco Group acquires the Swedish service company DynaMate (Press Release)

The Swedish industrial service partner **Enerco Group**, which recently was acquired by **Accent Equity** and has **announced intentions of increased M&A**, has acquired the remaining part of the Swedish service company **DynaMate** from **Scania** following **Instalco's acquisition of its division for technical installations in 2019**. The acquired company provides services in maintenance, service and development for industrial companies and reported a revenue of SEK 216m (3y CAGR of -13.9%) with an EBITDA of SEK -5.9m in 2019.

Intera-backed Renta acquires the Swedish rental equipment company Byggmaskiner (Press Release)

Renta Group, the Finnish machine and equipment rental services company which is backed by **Intera Partners**, has acquired the Swedish rental equipment company **Byggmaskiner-Gruppen** from majority owners **Göran Carl-Vilhelm Törnkvist** and **Mitti Eva-Maria Jerström Törnkvist** for an undisclosed amount. The acquired company is active within the rental equipment market, operates three depots, and has a presence within construction machinery and infrastructure projects and reported a revenue of SEK 35.7m (3y CAGR of 11.7%) with an EBITDA of SEK 10.3m in 2020. **MCF** (financial) acted as buy-side advisor during the transaction.

Swedish e-retailer Söder Sportfiske confirms and upcoming IPO on Nasdaq First North Growth Market (Breakit)

In May 2021, NKP reported how the Swedish e-commerce company **Söder Sportfiske**, which sells sport fishing products, **were in the process of pursuing a public listing sometime in the autumn of 2021**. Following this report, it has now been announced that the company has applied for a listing on Nasdaq First North Growth Market and will soon be listed. Söder Sportfiske consists of some 40 FTEs and reported a revenue of SEK 167m (3y CAGR of 43.1%) with an EBITDA of SEK 18.9m in 2020.

Feelgood acquires Sweden's fourth largest occupational health operator Dalarnas Företagshälsa (Press Release)

The Swedish health company **Feelgood**, which in June 2021 was **acquired by the Finnish publ. listed health service company Terveystalo**, has acquired Sweden's fourth largest occupational health operator **Dalarnas Företagshälsa** for an undisclosed amount. The acquired company is an independent occupational health group with units in Falun, Borlänge, Hedemora and Ludvika and it reported a revenue of SEK 71m (3y CAGR of 24.5%) with an EBITDA of approx. SEK 2m in 2020.

Mycronic acquires the Chinese industrial company Huan Cheng Xin Precision Manufacture (Evertiq)

The Swedish developer and manufacturer of production equipment for the electronics industry **Mycronic**, has acquired the Chinese industrial company **Huan Cheng Xin Precision Manufacture** for an undisclosed amount. The acquired company manufactures automated stencil printers and pick-and-place machines in China and reported a revenue of SEK 100m with 120 FTEs in 2020. Initially, 70% of the shares are acquired, with the remaining 30% possible for acquisition in 2025.

-Norway-

Novela Kapital acquires a 43% stake in the Norwegian electric company Anda-Olsen (Finansavisen)

A newly founded investment company called **Novela Kapital** has acquired a 43% stake in the Norwegian electric company **Anda-Olsen** from CEO **Kåre Olsen** (36%) and VP **Marius Anda Olsen** (32%) for an undisclosed amount. Anda-Olsen is a professional UPS and Power Supply provider and reported a revenue of NOK 90.2m (3y CAGR of 9%) with an EBITDA of NOK 13.6m in 2020. Following the investment, Managing Partner of Novela **Christer Valderhaug** states how the company are in the process of closing a third investment.

IDENTIFY NEW OPPORTUNITIES WITH THE PORTAL'S ORIGINATION TOOLS:

- Companies Held for Sale
 - Buyer Mapping
 - Screening of PE Portfolio Firms
 - Screening of Privately-held Firms
-

PREPARED BY SOFUS KOBÅ

UNSUBSCRIBE FROM THIS NEWSLETTER

NORDIC KNOWLEDGE PARTNERS | TUBORG BOULEVARD 12 DK2900 HELLERUP | +45 40 99 38 22
| NORDICKNOWLEDGEPARTNERS.COM | REQUESTS@NORDICKNOWLEDGEPARTNERS.COM