



KGH Customs AB to be acquired by Bridgepoint Development Capital

Bridgepoint Development Capital ('BDC') has entered into an agreement with the private equity funds Procuritas Capital Investors III A and B ("Procuritas") and minority shareholders to acquire KGH Customs AB ("KGH" or the "Company"), the leading independent provider of customs services in Europe.

Headquartered in Gothenburg, Sweden, KGH is the leading independent specialist service provider in the fragmented European customs services market, providing high quality customs services through operations in Sweden, Norway, Denmark, Belgium, the Netherlands, Germany and Austria, and with partnerships with local experts in other European countries.

During the past six years, KGH has expanded its geographical footprint and added new service lines, allowing the Company to provide strategic advice and customs services to a growing number of international clients. Increased focus on customs and trade compliance from importers and exporters, combined with their aim to create efficient and seamless global supply chains, has enabled KGH to double revenues to c. SEK 500 million. KGH employs more than 600 skilled staff across Europe, which makes the Company one of the largest and fastest growing European independent customs services specialists.

Under the new ownership, KGH will continue to develop its pan-European operations, in current and new geographies, and build on the extensive experience and customs competence within the Company to establish strategic outsourcing relationships with current and prospective clients.

"We are very pleased to welcome Bridgepoint Development Capital as the new majority owner of KGH. They will add additional business competence, a pan-European network and financial strength, which will allow KGH to continue its strategy to grow in Europe and beyond. At the same time, I would like to thank Procuritas for the strong cooperation and the invaluable strategic and financial support that they have provided over the last years," says KGH's CEO Vidar Gundersen.

"Customs services and trade compliance are increasingly important for international organisations. In KGH, one of the leading players within customs and related services, we have the opportunity to create a pan-European platform serving importers and exporters in their international trading activities. We look forward to partnering with a strong management team, and to working together with the company to further develop the business," said Johan Dahlfors, partner responsible for BDC's investment activities in the Nordic region.

"It has been an exciting journey to support KGH's development from a federation of local small businesses to become an integrated company and Europe's leading independent customs broker. We are happy to see Bridgepoint as a new enthusiastic owner, eager to coach the company through its next phase of successful development. On behalf of the entire Board, I wish to express my gratitude and appreciation to the CEO, Vidar Gundersen, and the entire management team for their cooperation and strong commitment to the business during the past six years" said Halvar Jonzon, Chairman of the KGH Board of Directors

The agreement between BDC and Procuritas was signed on 26 September, 2013, and is subject to merger clearance by the competition authorities in Norway and Austria, and customary closing conditions. The transaction is expected to close in November 2013. The terms of the transaction are

not disclosed. KGH's management team will remain with the company, and will continue to be important shareholders in the new group structure.

As part of its current financial structure, KGH has a SEK 400 million bond, which was issued on 22 May, 2012, and has been listed on NASDAQ OMX Stockholm since 15 March, 2013. In connection with the completion of the transaction, it is KGH's intention to exercise its right to call for an early redemption under the terms of the bond, and accordingly redeem all outstanding bonds. The early redemption price is governed by the terms and conditions of the bond, and will be determined by the actual timing of the redemption.

This press release is, for the avoidance of doubt, not an early redemption request and the bondholders will be notified separately of any early redemption and applicable procedures after the consummation of the transaction. There can be no assurance that there will be a request for an early redemption. For further information in relation to the early redemption process, please refer to the terms and conditions of the bonds.

SEB Corporate Finance acted as financial advisor to KGH and Procuritas. Navigo Partners acted as financial advisor to Bridgepoint Development Capital.

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About KGH

KGH is an independent provider of customs services, including Customs Declarations, VAT Representation, Customs Consulting, Customs Academy, Customs Software and Border Services. KGH provides its competence through own presence in Europe and globally with its partner network. The company was founded in 1963. Today, it has more than 13,000 customers throughout Europe. KGH has its own offices at all major ports and borders in Europe, and has over 600 employees in Sweden, Norway, Denmark, Belgium, the Netherlands, Germany and Austria. (www.kghcustoms.com)

About Bridgepoint Development Capital

Bridgepoint Development Capital ('BDC') provides funding to businesses headquartered in France, the Nordic region and the UK, typically buyouts valued up to €150 million. BDC has a team of 17 investment professionals wholly dedicated to its investment activity and operates from offices in London, Paris and Stockholm. BDC is part of Bridgepoint, the international private equity group, which invests in businesses valued between €200 million and €1 billion across Europe, from a network of offices in Frankfurt, Istanbul, London, Luxembourg, Madrid, Milan, Paris, Shanghai, Stockholm and Warsaw. (www.bridgepoint.eu)