

Press release

Broodstock Capital invests in sustainable refrigerant solutions

21 November 2019 – Seafood investor Broodstock Capital acquires 80 percent of the shares in Therma Industri AS, which is Norway's leading supplier of refrigerant and energy systems for industrial purposes, including the aquaculture industry.

“More seafood means that more refrigeration is required. That was our starting point when aiming to identify the best company within this niche. It is also spot-on considering our focus on sustainability. The demand for more efficient and sustainable energy solutions based on natural refrigerants is growing, within industry in general and the seafood sector specifically. This entails a shift in technology that requires the niche competence and longstanding delivery expertise we have found in Therma,” says Håkon Aglen Fredriksen, partner at Broodstock Capital.

The Therma group provides industrial heating and refrigerant systems to the food industry and others in need of greater energy performance, and increasingly to land based fish farming. The company operates nationwide in Norway and offers facilities, services, overhauls, spare parts, courses and condition checks through a strong engineering team and a service network of approximately 40 specialist mechanics.

Energy and refrigerant systems based on natural refrigerants

Therma Industri specialises in refrigerant solutions based on natural refrigerants, which is the preferred technology for industry players concerned with environmentally friendly cooling. The reason is that ammonia and CO₂ are natural refrigerants with no global warming effect or negative effect on the ozone layer, which translates to significantly lower energy consumption – and thereby lower operating costs – compared to competing refrigeration technologies.

Demand for CO₂ and ammonia-based facilities is also affected by an international cooperation agreement that aims to phase out the use of synthetic refrigerants.

Broodstock to own 80 percent

Broodstock Capital acquires 80 percent of the shares in Therma Industri from privately held investment company Eagle AS, which has controlled the company since 1997. Eagle will continue as a significant shareholder in Therma Industri and contribute towards developing the company in collaboration with Broodstock Capital. The parties have agreed not to disclose the financial details of the transaction.

“The Therma group has demonstrated solid development over several years, so we did not *have* to reduce our ownership. But given that we see significant growth opportunities in the seafood industry, which is a sector that Broodstock Capital knows better than most, we believe it will be a positive for us, the employees and Therma's customers to bring such a financially solid and knowledgeable player in as a key shareholder,” says Pål Myklebust, CEO and main owner of Eagle AS.

Therma Industri's headquarters are based in Oslo, Norway, with regional offices in Aalesund, Fauske and Tromsø. The company also owns subsidiary companies Karstensen Kuldeteknikk

AS in Båtsfjord (100%), Therma Industri Stavanger AS (56,5%), Therma Bergen AS (51%) and Therma Automasjon AS (51%) located at Årnes in Akershus county.

Including employees in subsidiary companies, the Therma group has approximately 70 employees and generated revenues of just above NOK 200 million in 2018, with a profit before tax of NOK 12 million. The 2019-figures are expected to be slightly better than last year's.

Major investments

“We will invest heavily in product development and facilitate increased sharing of best practice between the group's various departments and subsidiaries. We will also consider bolt-on technology acquisitions that could further strengthen Therma's product portfolio. Furthermore, we recognise that Therma's solid competence within refrigeration and energy systems has great potential internationally,” says Simen Landmark, partner at Broodstock Capital.

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About Broodstock Capital

Broodstock Capitals is a pure-play seafood investor. The company's funds focus on investments in small and medium sized enterprises within the seafood industry in general and the supplier industry specifically. Broodstock Capital's strategy is to own and develop companies in partnership with founders, management and existing owners.

About Therma Industri

Therma Industri AS and Thermagruppen is one of Norway's largest refrigeration contractors, with primary focus on industry requirements. The company's roots dates back to 1997 when its predecessor Teknotherm avd. Industri was established. Seven employees have since grown to approximately 70 employees today. Thermagruppen operates nationwide and have 40 refrigeration mechanics on its books. Its engineering hub consists of a healthy mix of young and experienced engineers. This is the best way to secure continuity and the best solutions for customers and Therma.