

Verdane joins Bemz on the sofa

Swedish online retailer, Bemz gears up for rapid expansion in Europe and the world with Verdane Capital Advisors



Björn Beckman, Associate at Verdane Capital VIII on the sofa with Lesley Pennington, CEO of Bemz

May 2015 - Following a successful career at Apple in the Silicon Valley, Bemz CEO and founder, Lesley Pennington moved to Sweden and started the e-commerce company in 2005. The Bemz business idea - made-to-measure sofa covers for IKEA sofas - proved to be a great success. This year the company celebrates its tenth anniversary and brings in a new majority investor, Verdane Capital VIII, to allow for rapid expansion in the European market.

"I knew nothing about textiles or sewing when I started Bemz," says Lesley. "But when I wanted to change my IKEA sofa cover and realised there was no such offering available on the market, my idea was born. I figured I could not be the only one who had this need and knew the market for IKEA sofa covers was huge."

Over the past 10 years, Bemz has grown organically, reaching a turnover of 5.4 million Euros in 2014 and 20 employees. Today, the company sells to 35 countries online with market focus on Sweden, France, Germany and the United Kingdom. Bemz offers covers for over 130 different

models of IKEA furniture with most available in more than 250 different fabrics. The textiles are made exclusively of very high quality natural materials and are all machine washable. In addition to covers for Ikea furniture, Bemz designs an array of textile products for the home, from made-to-measure curtains to products for the bedroom and children's rooms.

All original Bemz patterns are created by in-house designer Katarina Wiklund but Bemz also partners with distinguished design houses like Designers Guild and Marimekko, up-and-coming design companies like Littlephant and renowned classic designers such as Stig Lindberg. In 2009, Bemz opened a store at Odengatan 22 in Stockholm, however the majority of sales take place online at Bemz.com.

With Bemz celebrating its tenth anniversary this year, Lesley wanted to bring in an external investor to increase the pace of expansion, while remaining an important shareholder in the company.

"We see huge opportunities in the European market, particularly in Germany, which has now overtaken Sweden as IKEA's largest market. But we need more marketing funding to reach out. In addition, we want to develop our potential in the United States, where interest is huge. We are very pleased to have Verdane Capital VIII as our new majority owner. In addition to capital, they bring extensive knowledge to the table with investments in more than 30 e-commerce companies," she adds.

The Bemz commitment to the environment runs deep, with a business concept based on extending the life of IKEA furniture. The Bemz business model limits waste and strain on resources by only producing what customers have ordered. Also, all manufacturing takes place in its largest market, Europe, thereby reducing the environmental impact of shipping.

"We think Bemz is a very exciting company with an innovative and modern business idea for a large global market. Bemz offers something customers want today: an opportunity to create a personal look in your home by renewing your existing furniture rather than throwing it out and buying new ones. That mindset is very timely today," says Björn Beckman, Associate at Verdane Capital Advisors.

Lesley Pennington will remain as CEO of the company, fully responsible for fulfilling the Bemz vision and strategy.

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Notes to Editors:

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High resolution images from Bemz:

<https://plus.google.com/photos/106043097254162717514/albums/6147978593851633249?banner=pwa>

About Bemz

Bemz is a Swedish design company that produces tailor-made covers for IKEA furniture and other home textile products. The company was founded in 2005 by Lesley Pennington. The Bemz brand philosophy is deeply rooted in Scandinavian design history. Bemz fabrics are specially selected for their high quality, natural materials and all Bemz textiles are machine washable. With a business idea based on extending the life of IKEA furniture, Bemz environmental commitment is significant. Furthermore, Bemz eliminates overproduction by only manufacturing what customers have ordered and all production takes place in Europe, its biggest market. In December 2009, Bemz opened a store at Odengatan 22, in Stockholm - a shop and showroom in one.

More facts and figures on Bemz here:

http://www.bemz.com/Global/Press%20Images/image%20bank%202/AboutBemz_UK_2015_ii.pdf

About Verdane Capital Advisors

Funds advised by Verdane Capital Advisors Provide flexible growth capital to Nordic companies with high ambitions in the IT, Energy and Advanced Industrial Sectors. What sets Verdane funds apart is the flexibility to buy either a complete portfolio, parts of a portfolio or a single shareholding amongst a group of unlisted assets. The funds have EUR 700 million in committed capital from institutional investors. Since 2003, the funds advised by Verdane Capital Advisors have Acquired 23 portfolios with stakes in over 250 companies. Verdane funds have Invested in companies Such as Easypark, Mathem, MJP Waterjets, Royal Design and Åkerströms. Former Holdings include CRF Health, Bythjul, DIBS, Tradedoubler and Wireless Maingate. For more information, please visit www.verdanecapital.com

FACTS ABOUT BEMZ

Location:	Stockholm
Owner:	Principal owner is Verdane. Five other shareholders including Lesley Pennington, founder of Bemz.
Turnover:	5.4 million Euros in 2014
EBIT:	53 thousand Euros
Number of employees:	20