

Chinese investors look to acquire businesses in Denmark

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Chinese investors are looking for acquisition targets in Denmark along with venture capital funds and companies

The Danish market for buying and selling companies is seeing signs of growing activity as the economic crisis shows signs of having bottomed out. Investors from China, venture capital funds and companies looking for growth opportunities have started hiring advisors to help them find suitable businesses to buy in Denmark, reports national daily newspaper Jyllands-Posten.

Anders Eriknauer, partner in Nordic M&A says: "We act for many Chinese companies which have given us the mandate to enter acquisition negotiations with Danish companies. China is typically interested in buying access to technology-intensive companies which are leaders in a niche area, for example in the wind turbine industry. It can also be software companies with a world-leading application."

Frederik Aakard of consultancy company Audon Partners says they have enquiries from investors in China as well as from India and the Middle East. "Typically these are conglomerates with a number of different business areas which would like to acquire Nordic know-how and technology."

Audit and advisory service company KPMG opines that some companies in Denmark now have a surplus of resources that they can use for growth. Gert Sigh Christensen of KPMG says: "In the last 18 months, management has spent all its energy on business trimming to navigate the crisis. But now things are starting to lighten up and companies which already have financial resources are also beginning to show an interest in making acquisitions to grow their business."

According to SEB Enskilda, capital funds are also preparing to acquire companies, after having spent time on restructuring businesses they already have in their portfolio.

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