

The Fleggaard Group releases its best annual statement ever

The Fleggaard Group came out of 2016/2017 with a turnover of 865m € and a profit before tax of 62m €. It's the best the group has ever performed in both respects in its 91-year history, putting it in a solid first place among the biggest businesses in South Jutland.

The figures in the newly-published consolidated financial statements for 2016/2017 reveal a growth in turnover and earnings of 14% and 6%, respectively compared to the previous fiscal year's result. Naturally, the group CEO at Fleggaard Holding, Jens Klavsén, is very satisfied with the result.

“Over the years we have streamlined the group's operations and sold off a number of activities in order to focus on our three core areas of retail, wholesale and leasing. This strategy has paid off, and I'm naturally both happy and proud that in addition to a record turnover, we can announce that the group's earnings have continued to grow for the 11th year in a row.”

Recent examples of the group's strategy in practice include the sale of Hotel des Nordens at the border crossing in Kruså, as well as the acquisition of a majority shareholding in the English wholesaler Click Entertainment. Click Entertainment, a company specialised in gaming products, was for the first time included in the group's accounts in 2016/2017 and was one of the main contributors to this year's growth. But the group's other business areas also had a good year. The border trade stores under Fleggaard and Calle still make up a large part of the group's business, although according to Klavsén, that is not where the group's future growth will be found. This is because German legislation does not allow neither more nor fewer border trade stores.

“There are two different kinds of border trade. The type of border trade we are active in is the traditional, physical border trade where customers cross the border themselves to pick up their goods. This kind of border trade has remained at a completely stable level for many years now. The e-border trade, where customers buy their products from foreign e-commerce websites, however, is growing rapidly.”

Ready for growth through new acquisitions

The growing e-commerce sector is naturally also an area being closely followed in relation to the Fleggaard Group's future growth strategy. The South Jutland-based group still has plans to focus on organic growth as well as strategic acquisitions in equal measure. The focus of the acquisition strategy is on privately owned companies that can complement the group's current companies and business areas, thereby creating positive synergy effects.

“We are constantly keeping an eye on any companies that might be a good fit for the group and which can strengthen our business. In our search for potential acquisitions, we are targeting companies with a business model that has proven to be viable and that we can take to the next level with our experience, skills and capital,” said Jens Klavsén.