

Nova Capital Management acquires portfolio of 5 Canadian industrial businesses from Amalgamated Metal Corporation Plc.

Nova Capital Management Ltd ("Nova") the specialist acquirer of corporate and private equity portfolios is pleased to announce that it has completed the acquisition of 5 industrial businesses in Canada. The acquired businesses formed the major part of Premetalco Inc., the Canadian subsidiary of Amalgamated Metal Corporation Plc ("AMC"), a UK based industrial group.

The businesses acquired are:

- Wilkinson Steel and Metals, one of Canada's leading steel services groups;
- Exchanger Industries, a manufacturer of heat exchangers primarily for the oil and gas industries;
- The East and West Canada divisions of National Concrete Accessories, which together represent the country's leading manufacturer of form hardware and distributor of concrete accessories;
- Debro Chemicals & Pharmaceuticals, a distributor of specialty chemicals. The five acquired businesses have aggregate sales of approximately CAD 400 million and employ more than 720 people in 30 operating facilities across Canada.

The acquisition was made through a newly formed company, Nova Argent Canada Inc. Equity financing for the acquisition was provided by a syndicate comprising Nova and funds advised by HarbourVest Partners, LLC, Morgan Stanley Alternative Investment Partners, Headway Capital Partners LLP, and Parish Capital Advisors LLP. HSBC Bank Canada led a debt syndicate which provided acquisition and working capital facilities.

Following the acquisition, two of Nova's partners, Dennis Powers (Operating Partner) and Kathryn Jones (Investment Partner) will be relocating to Canada to support the executive management teams of the acquired businesses. Nova's Canadian operation will be based in Vancouver.

Nova was advised on the acquisition by HSBC Securities (Canada) Inc., Stikeman Elliott LLP, Simmons & Simmons LLP and KPMG LLP. AMC was advised by McGladrey Capital Markets LLC, who initiated the transaction, and by Blake, Cassels and Graydon LLP.

David Williamson, Managing Partner of Nova commented: "We are delighted to have completed this portfolio acquisition. It fits perfectly with our strategy of buying groups of companies which are well managed and have strong market positions but where we feel we can accelerate their growth through the deep operational and international experience which we can bring to bear. We are excited to be establishing a new office in Canada and believe that this will open up other opportunities for us."