



## Close Growth Capital supports £32m MBO of A-Gas International

Close Growth Capital ("CGC"), a provider of combined equity and debt funding, announces that it is backing the £32 million secondary management buyout (MBO) of A-Gas International ("A-Gas"), the leading independent global distributor of speciality gases and chemicals to the refrigeration and insulation foam industries.

The deal will provide an exit for 3i, who backed the original MBO in 2001 when the current management team bought out one of the founding shareholders. The management team, who will realise approximately 50% of their investment, continues to be led by executive chairman and founder, John Rutley. Other senior management include Regional Managing Directors Andrew Ambrose and Jon Masters, Business Development Director Sally Fairman and Finance Director Ron Buissonne, who will be key to driving the next phase of growth.

Based in Bristol, A-Gas' core business is blending, repackaging, distribution and reclamation of a range of speciality gases and chemicals, in particular environmentally acceptable replacements for chloro-fluoro-carbons (CFCs and HCFCs), used primarily as refrigerants, foam blowing agents, aerosol propellants and solvents. Providing bulk storage facilities, packaging and technical expertise, the business is a crucial link in the supply chain between chemical manufacturers, wholesalers and end users, such as refrigeration contractors. A-Gas operates in three core territories, UK, Australia and South Africa and is expanding into new markets in the Americas (US, Canada, Mexico) and South East Asia (China, Thailand, Singapore).

CGC provided hybrid equity and debt financing for the deal. Senior debt and working capital facilities were provided by Barclays Bank.

**Garrett Curran, Director at Close Growth Capital said:**

"A-Gas has an excellent management team that has led the business to its market-leading position today. This has helped A-Gas enjoy extremely strong partnerships with both customers and suppliers, all of which suggest strong growth potential for the future."

**John Rutley, Executive Chairman at A-Gas said:**

"A-Gas is well placed to respond to environmental initiatives such as the Montreal and Kyoto Protocols, which are driving the market for its products and technical services. We are at the forefront of supplying industry with alternative solutions for refrigeration and insulation needs, and look forward to moving into new markets where demand is set to grow rapidly. Our recent investments in China for example demonstrate our commitment to these developing markets."

**Phil Rouse, Director at Barclays said:**

"We are delighted to support A-Gas and its excellent management team in the next stage of its development. A-Gas has been a valued customer of the bank for some time and is well placed in its markets to deliver further growth and expansion."





### People

Garrett Curran and James Blake led the deal for Close Growth Capital.

Barclays has provided facilities of more than £15 million, arranged by Phil Rouse and Keith Herod of the Leveraged Finance team in Bristol.

### Advisers

Vendors advisors	– Adrian Dray, Andrew Hodgson, KPMG Bristol
Newco / CGC legals	– Alisdair Livingstone, David Ferris, Richard Craven, Osborne Clarke
Management legals	– Rupert Weston, Burges Salmon Bristol
Bank legals	– Julian Kinsey, Bond Pearce Bristol
Financial due diligence	– Anthony Booth, GT Manchester
Newco/management tax	– Ruth Dooley, GT Bristol
Management Advisers	– Paul Oldham, GT Bristol

### About Close Growth Capital

Close Growth Capital, an investment arm of Close Brothers Group plc, was started in 1999 to provide combined equity and debt funding to UK SMEs.

CGC specialises in providing combined equity and debt investments to:

- Management buy-outs/buy-ins
- Companies requiring growth capital
- Secondary buy-outs

CGC invests in mid-market situations in any sector and aims to be the only (or main) financial institution involved. CGC looks for a UK business with a strong incumbent or incoming management team, a recognisable market position and a history of cash and profit generation.

### The Product

Close Growth Capital provides innovative financing alternatives for SMEs through the use of a hybrid equity/ debt product. The investment made by CGC in a company takes the form of a tailor-made instrument combining the best elements of a secured loan with those of equity. The management team in an MBO or MBI typically retain a greater proportion of their company's equity and benefit from significantly enhanced flexibility in the repayment of the funding package. Close Growth Capital is the trading name of Close Brothers Growth Capital Limited, which is authorised and regulated by the Financial Services Authority.

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