

YFM Equity Partners backs MBO of TEV

22nd May 2017

YFM Equity Partners (“YFM”), the specialist private equity fund manager has backed the MBO of TEV Limited, one of the UK’s leading designers and manufacturers of cooling, heating and refrigeration equipment. TEV marks the third investment from the YFMEP 2016 Fund which closed at the end of last month.

TEV operates through two widely recognised brands, Marstair and Quartz, both of which offer quality, innovative, bespoke products which are unavailable in the mass market. Marstair supplies air conditioning and refrigeration equipment into a variety of end markets, such as retail, leisure, food manufacture and solutions for harsh climates. Quartz focuses on chilled water cooling solutions for commercial, residential and public sector applications. TEV manufactures in the UK and employs 56 staff at its headquarters in Brighouse, West Yorkshire.

Over the past few years, TEV has delivered significant revenue and profit growth and the management team of Tony Hammersley, Chris Chisman and James Carr-Smith, supported by Chairman Chris Brown, is now looking to invest in sales and product to accelerate the growth across all areas of the business.

Ian Waterfield, Investment Director at YFM said: “TEV has a strong reputation in this industry and has delivered consistent growth over the last few years. Its focus on energy efficiency in product design and the further tightening of environmental regulations provides a positive backdrop for the Company to continue to leverage its experience and reputation to harness niche opportunities in the UK and overseas.

“This is the third investment from YFM’s recently closed 2016 Fund, which was raised to invest in well-established UK businesses and to support management teams in delivering their ambitious growth plans.”

Tony Hammersley, Managing Director at TEV said: “YFM is known for successfully growing UK manufacturing business and so we are thrilled with both their investment and the expertise which they will provide. We are looking forward to working closely with YFM to enable us to deliver our growth plans and reach the Company’s true potential.”

TEV was advised by Tariq Javaid of Garbutt + Elliott and Chris Blanter of Schofield Sweeney. Legal advice to YFM was provided by Duncan Firman of Gordons LLP, financial due diligence was carried out by Jeff Gardner and Rob McCarthy of DSW Transaction Services, commercial due diligence by Robin Illingworth of Drystone Strategy Partners, and organisational due diligence and management assessment by Anna Cornwallis of Stratton HR. Santander Growth Capital team, led by Steve Harrison, provided debt finance. The vendors were advised by Oliver Hoffman of Mazars LLP and Sarah Walton of Weightmans LLP.

Ends

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Notes to editors:

About YFM Equity Partners

YFM Equity Partners are leading independently owned private equity investors. With over 30 years of experience we seek to unlock value and growth potential by providing up to £10 million of equity to fuel the development of established business throughout the UK regions. We do this by helping our portfolio companies grow niche businesses, launch new initiatives, make transformative acquisitions and upgrade technologies and systems. Through our offices in Leeds, London, Manchester, Birmingham and Sheffield, we are dedicated to working alongside management teams to create long-term value for our investors, the companies we invest in and a positive economic impact for the communities in which we work. We advise and manage approaching £225 million of funds.

YFM Equity Partners conducts its investment business through its subsidiary YFM Private Equity Limited which is authorised and regulated by the Financial Conduct Authority (FRN: 122120).

For more information, please visit www.yfmep.com or follow us on Twitter [@YFMEP](https://twitter.com/YFMEP).

About TEV

TEV specialises in the design, manufacture and supply of Heating, Ventilation, Air Conditioning and Refrigeration (HVAC&R) products. It operates through two divisions, Quartz (Chilled Water Fan Coils, Chillers and Chilled Beams) and Marstair (air conditioning and refrigeration products).

TEV's pedigree goes back to 1971 and is proud to manufacture in the UK. It has now occupied the present site at Brighouse in West Yorkshire for 45 years and today this facility employs more than 50 people.

A forward-thinking manufacturer, TEV's product development continually focuses on the design of energy efficient products to incorporate the latest technological advances. This combined with excellent customer support and an established European base defines TEV as the air conditioning company for the next generation.

For more information on Marstair, Quartz or TEV Ltd please visit www.tevlimited.com.





About TEV

TEV's pedigree goes back to 1971 when it was founded as Marston Paxman, later changing its name to Marstair and then IMI air-conditioning. In October 2003 it was acquired by the management team together with Jim Vigor as a BIMBO, resurrecting the Marstair company name and later becoming TEV Limited. The business has now occupied the present site at Brighthouse in West Yorkshire for 45 years. Today this facility employs more than 50 people.

TEV has two divisions, Quartz (Chilled Water Fan Coils) and Marstair (air conditioning and refrigeration products) together they provide a comprehensive range of products in the HVAC & R sector.

About the new management team:-

Managing Director – Tony Hammersley

- Joined TEV in March 1988 and has been a director for 23 years.
- Has sat on boards of organisations such as Calderdale Training Association, Calderdale Manufacturing Alliance, Yorkshire Innovation and EEF Ltd (formerly The Engineering Employers Federation, of which he was President of the Yorkshire and Humberside Association).

Director Marstair – Chris Chisman

- Joined TEV in July 1998 and has spent 5 years on the board of directors. He continues in his role heading up the commercial and engineering operations of the Marstair division.
- Is a member of the IOR and regularly attends and contributes to the BRA equipment and component section meetings at FETA.

Director Quartz – James Carr-Smith

- Joined TEV in June 2003 and has spent 5 years as Quartz product manager. He now heads up the commercial and engineering operations of the Quartz division.
- Significant involvement with the Fan coil group at FETA and will sit on the committee for the new British standard for specific fan power.

Significant personnel exiting the business.

Richard Dossett

- Joined TEV in 1988 from RA air-conditioning as Financial Director, where he has been involved in all aspects of the business. He led the management buy in / buy out of IMI air-conditioning in October 2003. Most recently he has held the role of Chief Executive for 6 years. Richard is set to continue with the company in a Financial Director role for a short handover period. After this he will retire from the industry and he will leave with the best wishes of everyone at TEV Limited.

John Lightfoot

- Joined TEV in 1985, where he has been in a sales management role throughout the whole of his time at the company, most recently heading up the Quartz division. He is now set to retire from the industry and he leaves with the best wishes of everyone at TEV Limited.
- During his time at TEV, John a well know character in the industry, has regularly contributed to the sector through his involvements within the HPA (Heat pump association) and his Chairing of the Fan Coil committee at FETA.

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