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£3.1m FUNDING SECURED AT MORLEY WIRE COMPANY

KTS Wire Limited has secured funding for the next phase of its growth after acquiring John Pring & Son from its administrators.

The deal was funded by specialist Leeds-based turnaround and private equity house, Frontline Investment Opportunities LLP. In addition the Leeds office of asset-based lender Davenham provided working capital funding via invoice discounting and asset-finance.

Commenting on the deal, a founding partner of Frontline, Melanie Hird, said,

“In the current economy many financial institutions are lacking the confidence to do deals. These conditions are presenting us with some excellent opportunities. As specialists in providing funding and expertise to companies in distress and special situations, we recognised that KTS was a solid business with a sound management team. With the acquisition of Pring, together with additional funding for the KTS business, we are delighted to be working with management to assist them in delivering an exciting business plan over the coming years.”

Nick Smith, Davenham Trade Finance’s business development manager in Leeds added,

“KTS has developed its skills and expertise over more than 50 years to become a leading manufacturer of wires, which are exported to over 30 countries. We were very pleased to be able to help secure the future of such a well-respected company with a worldwide reputation for supplying quality products.”

Steve Longbottom, Managing Director of KTS added,

“KTS is a wire business which supplies very demanding and specialist type markets. The business has an immense amount of skill and expertise, built over a number of years. With the addition of the Pring business this adds further exciting opportunities for the joint business which we are expecting to develop.

“We are delighted that Frontline and Davenham have had the foresight in the current economic climate to be part of the progressive business plan we intend to deliver. We are truly appreciative and excited that they are on board.”

HLW and Gordons who acted for Frontline and KTS Wire respectively provided legal advice for the deal.

Ends.