

Shaw Kwei fund near to deployed after Chosen buy

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Asian private equity firm Shaw Kwei & Partners' acquisition of Singapore-listed precision engineering company Chosen Holdings means the majority of the firm's current fund has been deployed.

The deal, valued at \$51 million, was structured through special purpose vehicle Southshore using capital from the Asia Value Investment Fund III, a 2010-vintage vehicle with about \$450 million of commitments.

Chosen has subsequently delisted from the Singapore Stock Exchange. Privatising Chosen will provide more flexibility to manage the business, reduce its costs of compliance and listing fees, and optimise the use of its management and capital resources, the firm said.

The acquisition is the firm's third investment in a Singapore-based company in the past three years. It invested \$17 million in marine logistics firm Amos International in 2014 and \$100 million in manufacturing company Beyonics Technology in 2012, both from Fund III. Other investments from the fund include Chinese global PVC adhesive tape manufacturer CHT, which was previously listed in Singapore.

Founded in 1986, Chosen manufactures precision plastic components and product solutions for multinational companies in the consumer electronics, automotive and medical industries. The company has manufacturing facilities across Singapore, China, Malaysia and Thailand.

"We are pleased to have acquired one of the region's leading providers of industrial design and manufacturing solutions. Chosen is an excellent business with sound foundations, including strong customer and supplier relationships. Our team at Shaw Kwei pride ourselves on our operational expertise and we are well-placed to guide Chosen to its next stage of growth, creating value and leveraging our deep industry experience," Shaw Kwei managing director Kyle Shaw said.

Shaw Kwei has offices in Hong Kong and Singapore and targets investment opportunities in Asia's manufacturing and service industries with company valuations between \$30-300 million. It oversees over \$500 million in assets.

The firm hired former Prometheus partner Brian Lau as executive director in November, as reported by *Private Equity International*.

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