

Carmanah closes purchase of Vega Industries Limited

Early in August it was announced from Victoria BC, Canada, that Carmanah Technologies Corporation had closed its previously announced transaction to acquire New Zealand-based Vega Industries Limited. The purchase price is NZD \$12.0 million (USD \$9.0 million) subject to certain adjustments and escrow holdbacks, it is understood.

Vega, with revenues of approximately NZD \$7.7 million (USD \$5.8 million) in its fiscal year March, 2017, will be maintained as a wholly owned subsidiary of Carmanah at its base of operations in Porirua, New Zealand. The acquired business will operationally report to Sabik Marine OY based in Porvoo, Finland.

This acquisition brings together Sabik Marine, Carmanah, Ekta, and Vega to create a global leader in the marine aids to navigation market. Integration plans, with a specific focus on providing marine aids to navigation customers comprehensive single-source solutions, are expected to be implemented over the coming months.

As of 31 July 2017, Vega's estimated balance sheet is comprised approximately NZD \$3.5 million (USD \$2.6 million) of working capital, NZD \$3.6 million (USD \$2.7 million) of fixed assets including land and buildings. Vega had negligible net debt on the closing date.

About Carmanah Technologies Corporation

Carmanah designs, develops, and distributes a portfolio of products focused on energy-optimized LED solutions for infrastructure. Since 1996, the company has earned a global reputation for delivering durable, dependable, efficient, and cost-effective solutions for industrial applications that perform in some of the world's harshest environments.

Business is contained within two reportable segments: Signals and Illumination.

The Signals segment serves the Airfield Ground Lighting, Aviation Obstruction, Offshore Wind, Marine, and Traffic markets.

In addition the Illumination segment provides solar-powered LED outdoor lights for municipal and commercial customers.

About SABIK

With 30 years' specialist experience in design and manufacturing of visual aids to navigation Sabik Marine is a part of Carmanah Technologies Corporation with HQ in Finland. Other offices are located in the UK, Estonia and Singapore.

Together with representative offices in Canada, Germany and Russia there is a global distribution network.

Sabik Marine manufactures high-quality products to aid visual navigation on the sea, on roads as well as rail. Product range consists of a wide selection of high performance optical lanterns and signals which can be tailored to meet customized needs; all lanterns are adapted to remote monitoring and control.

Picture caption

In January 2017 Carmanah announced that its subsidiary, Sabik Oy had been selected by the Norwegian Coastal Administration (Kystverket) to provide remote monitored LED lanterns for their coastal waters under an agreement for the next three to four years.

The Norwegian coast is known for its challenging conditions and difficult waters. Due to more than 1,000 fjords and over 200,000 islands, reliance on aids to navigation is very high. Remote monitoring provided by Sabik Marine products will assist with maintenance and positioning of aids to navigation assets.

Valued at approximately USD 2.1 million, this was reported as the largest single contract that Sabik Marine has signed for monitored lanterns, providing Kystverket with a range of lanterns, including short and medium range LEDs; omnidirectional sector lights; leading lights; and short range self-contained lanterns, all equipped with remote monitoring solutions.

It is expected that in the region of 1,200 units will be deployed.

Photo: SABIK OY / Kystverket ©