

ASIA

Navis does three more deals

New initiatives vindicate leverage-lite thesis

[Navis Capital Partners](#) has made three more investments across Asia Pacific across a range of sectors from food production to energy. The deals follow the firm's established thesis of loading relatively little leverage onto investments – a particularly relevant approach post the global credit crisis.

The first investment was into Thailand-based Bangkok Ranch/Duck To Holding. [Nicholas Bloy](#), Partner at Navis, explained the transaction as “including investment alongside the Tomassen family and Rabobank Private Equity” in a merger that “has created one of the largest duck

producers in the world.” Navis is the largest shareholder, with a 45% stake. “The goal is to create a global leader in fully-integrated, diversified duck production and distribution,” Bloy told *AVCJ*.

The second investment is Hui Lau Shan, “the largest Hong Kong-based retailer of fruit-based Chinese desserts and beverages.” Building on Navis's existing strengths in restaurant and fast food investments, the firm will professionalize management and roll out stores in Hong Kong and China,” as well as “exploring selling HLS products through other branded fast food chains owned by Navis

in the region (KFC, Dome, Nirula's, Dunkin' Donuts, Au Bon Pain),” according to Bloy.

The third is into Profab, “a Batam and Singapore-based engineering firm specializing in the fabrication of pressure vessels, skids, and modules into sub-assemblies that are used in offshore oil and gas production systems.” Bloy described this as an opportunity driven by rising energy prices and “a clear shift in oil production to more complex, deeper-water sources ... We expect this to be a growth segment for many years to come.”

Out of the three deals, only the Duck To investment has a modest degree of leverage attached. “We consider ourselves very fortunate that acquisition

financing is rarely a component in Navis's investments, which rely on growth and margin improvement, rather than leverage, to drive equity IRRs,” Bloy told *AVCJ*.
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Nicholas Bloy